

**CHARITY COMMISSION
COPY**

The House of St Barnabas

**Annual Report and Consolidated
Financial Statements**

31 March 2014

Company Limited by Guarantee
Registration Number
06845128 (England and Wales)

Charity Registration Number
207242

Also including subsidiary Charity Registration Number
207242-1

**CHARITY COMMISSION
FIRST CONTACT**

07 NOV 2014

**ACCOUNTS
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Reference and administrative details of the charity, its Trustees and advisors

Patron	Her Royal Highness Princess Alexandra, the Hon. Lady Ogilvy, KG, GCVO
Vice Patron	Jennifer White
Visitor	The Bishop of London
Board of Trustees	David Evans (Chair) Juliet Armstrong Kevin Arnold Warren Colquitt (Treasurer from 16 August 2013) Christine Hancock (Treasurer to 15 August 2013) Frances Mapstone Nigel Wright
Advisory Board	David Monro The Revd Adam Scott OBE TD
Chair	David Evans
Treasurer	Warren Colquitt
Chief Executive	Sandra Schembri
Address	1 Greek Street Soho Square London W1D 4NQ
Company registration number	06845128
Charity registration numbers	207242 and 207242-1
Auditors	Buzzacott LLP 130 Wood Street London EC2V 6DL

Reference and administrative details of the charity, its Trustees and advisors

Bankers Barclays Bank plc
27 Soho Square
London
W1A 4WA

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Trustees' report Year to 31 March 2014

The Board of Trustees presents its statutory report together with the consolidated financial statements of The House of St Barnabas for the year ended 31 March 2014.

The financial statements have been prepared in accordance with the accounting policies set out on pages 17 and 18 of the attached financial statements and comply with the charity's Memorandum and Articles of Association, applicable laws and the requirements of the Statement of Recommended Practice on "Accounting and Reporting by Charities" issued in March 2005.

GOVERNANCE, STRUCTURE AND MANAGEMENT

Constitution

The House of St Barnabas in Soho was founded in 1846 and was registered as a charity. On 1 April 2009, the activities, assets and liabilities of this charity were transferred to the charitable company, The House of St Barnabas (company registration number 06845128 and charity registration number 207242). From this date, the events activities of the House have been undertaken by the wholly owned subsidiary company, The House of St Barnabas Events Limited. On 7 December 2012, the incorporated charity became the Corporate Trustee of the unincorporated charity. The original unincorporated charity is now a linked charity to The House of St Barnabas as a subsidiary charity and has been given charity registration number 207242-1.

The Board of Trustees

The following Trustees were in office at 31 March 2014, and served throughout the year, except where shown.

Board of Trustees	Appointed/Resigned
Juliet Armstrong	
Kevin Arnold	
Warren Colquitt	Appointed 4 July 2013
David Evans	
Christine Hancock	
Frances Mapstone	
Nigel Wright	

No Trustee received any remuneration for services as a trustee nor were any expenses reimbursed to the Board of Trustees (2013 – none).

The freehold property is no longer held by the Custodian Trustees. Since 7 December 2012 it has been held by the incorporated charity as the Corporate Trustee of the unincorporated charity, The House of St Barnabas-in-Soho, charity registration number 207242-1.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Trustee recruitment and appointment

The charity regularly reviews the skills necessary at Board level and identifies where there are gaps. Proposed Trustees submit a CV, individually meet all appointed Trustees in advance, and are invited to attend a Trustee meeting, prior to being appointed, so that they can be assessed by the Trustees for suitability of qualifications and experience. New Members of the Board sign a declaration confirming that they are not ineligible to be charity Trustees.

Trustees induction and training

New Trustees receive a comprehensive pack of information including a copy of the charity's Memorandum and Articles, annual report, board minutes and financial statements for the previous two years, a copy of the Vision Statement and organisational five year strategy, policy documents and a history of the House. Away Days are usually held once a year, to enable the Board to discuss issues in greater depth than at a regular meeting of the Trustees. Board members attend training, where possible, to refresh knowledge of board governance and charity law.

Trustees' responsibilities

The Trustees, who are also directors of The House of St Barnabas for the purposes of company law, are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities SORP);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Trustees' responsibilities (continued)

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- ◆ so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- ◆ the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

The Trustees are responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Organisational structure and management reporting

The Board of Trustees governs the charity. The Board and Finance Committee meet five times a year.

Executive functions are delegated to the Chief Executive and through her to management. The appointment of the Chief Executive is undertaken by the Board of Trustees. The Chairman is responsible for agreeing objectives for the Chief Executive, and monitoring these on a regular basis. The Chief Executive reports to the Board on all matters as directed.

The Board has one sub-committee, set up to consider issues in detail. This is the Finance Committee. There are terms of reference in place for this committee.

The Finance Committee, comprising Trustees and one external member, is chaired by the Treasurer. Its main responsibility is to scrutinise overall financial management and develop financial strategy. It reviews the monthly management accounts, and considers all significant financial issues, including the annual budget, longer term financial planning, major financial transactions and relationships with suppliers and partners.

The Chief Executive has delegated power to initiate additional expenditure to the approved budget of up to £5,000 for any one item.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management

The charity, like any organisation, is exposed to a number of risks. Some of these are particular to the charity and its work; many are generic. It is the responsibility of Trustees to anticipate these risks and to ensure that procedures are in place to mitigate them.

All risks are recognised and are mitigated as far as possible by adherence to good management procedures, supported by our external advisers. A risk review process is in place where high risks are reviewed monthly by the Executive team, medium risks bi-monthly and low risks quarterly. These are reported at each Board meeting. The Board is content that the charity is operating in a way that ensures safe and correct practice.

The key risks facing the charity have been identified and are set out below:

- ◆ Although it has been piloted successfully, building the new operating model of a not-for-profit members' club integrated with the charity, will continue to be challenging. We are alert to the many risks here. Given that the club has been open less than a year, member numbers are not yet up to full capacity and the renewal rate has yet to be determined. Central, as ever, are people and relationships – building and maintaining a truly integrated relationship with our hospitality partner Benugo; and understanding and managing the demands placed on the skills and experience of our own staff.
- ◆ There are a number of reputational risks. In building a model that is innovative it is understandable that external parties from the sector, in Soho and from Westminster may not, from time to time, appreciate fully the rationale and strategies that lie behind our activities and developments and yet we depend greatly upon their understanding and support. We are very conscious of these risks, and do our utmost to communicate our aims and activities clearly and openly to every interested party.
- ◆ Other risks are directly associated with our charitable activities. An integral part of the Employment Preparation Programme is the involvement of vulnerable people who have experienced homelessness in the activities of the club. We plan such involvements carefully, and have clear processes in place to manage any associated risks.
- ◆ In past reports we have highlighted risks to the House and Chapel of the construction of Crossrail through Soho. Following a petition to the House of Lords, a Deed dated 25 November 2008 and executed by Crossrail is in place to safeguard the House in accordance with the Deed executed by the Secretary of State for Transport dated 17 October 2008. Professional architectural and structural advisers, specializing in conservation of historic buildings, have continued to oversee intensive monitoring of the building and ongoing mitigation measures.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management (continued)

During the year Crossrail excavated from the running tunnel to create the platform tunnel beneath the House and worked on cross passages (both sets of work using sprayed concrete lining). To mitigate consequent movements in the clay subsoil, Crossrail utilised the compensation grouting scheme from Soho Square directly beneath the House and Chapel. We co-operated with Crossrail and with Windfall Films in the preparation of parts of a documentary for BBC2, The Fifteen Billion Pound Railway, covering this mitigation. We continue to work with Crossrail and with our professional advisers. There are regular meetings and we shall go on assessing what is happening and deciding what further action needs to be taken.

- ◆ In addition to these specific risks, we, like other charities, are affected by the very difficult economic environment. Our situation is exacerbated by the small size of the charity and by the lack of staff resources to access as many funding opportunities as we would wish.

OUR OBJECTIVE

Our objective is to help people whose lives have been affected by homelessness to gain and sustain employment, and, through employment, to lead independent lives.

We do this by:

- ◆ welcoming people into a haven and a community within the House of St Barnabas;
- ◆ providing support and learning programmes to build confidence and self-esteem;
- ◆ teaching the skills of work, providing practical work experience, and supporting the attainment of vocational accredited qualifications;
- ◆ supporting people as they apply for jobs, and continuing to support them and their employers as they become accustomed to the routines of employment and independent living; and
- ◆ raising awareness of the challenges being homelessness creates through our growing networks.

Under the direction of professional operational and employment academy staff, we seek to make the House a vibrant place, offering a range of development and learning opportunities. Our aim is to create a future where sustainable employment is a reality for those affected by homelessness and believe that by working together we can break the cycle that homelessness can create.

OUR ACHIEVEMENTS

In 2013/14 the charity continued its work supporting those affected by homelessness. After many years of aspiration, 2013/14 saw us putting in place the first of the main building blocks of our new model.

OUR ACHIEVEMENTS (continued)

The work of setting up our new model began in early 2012 so the road has been a long one. With our hospitality partner Benugo in October 2013 we opened the doors to our social enterprise, not-for-profit private members' club with our integrated Employment Academy, occupying our beautiful historic rooms and unique Soho garden. The club not only provides an important part of the income needed to support the charity and to maintain the building, it also provides on-site work experience opportunities for individuals going through our charitable programmes. As ever there is a lot to think about and to improve in the operation of the club. We are working hard with Benugo on these matters but the headline would have to be how thrilled we are to have achieved such a significant milestone so successfully and how pleased we are with the choice of Benugo as our hospitality partner.

Leading up to the opening of the club there were many building works, some structural and some decorative, that had to be undertaken. All these were delivered on time, and to budget, and the building itself now looks splendid. There is still a great deal of historical conservation work to be completed in the future and we are hoping to work with the Heritage Lottery Fund to make this a reality.

While these improvements were being made, Crossrail were excavating beneath us and once again we are indebted to Dr Adam Scott for looking after this aspect (on behalf not only of the House, but also of others in the area) so well.

Due to the interest in this pioneering model we have, and continue to attract, a great deal of press coverage and in each instance we are helping to shine a light on the challenges faced by those affected by homelessness to a wider audience.

We understand those who are socially excluded can also be culturally excluded and we are working to provide an environment that enables our participants to experience culture in all its forms (we have recently been awarded our first Arts Council funding for our inaugural "Art Social 14", a multidisciplinary four days arts and culture festival).

One important aspect of how good the building looks is the artwork that now adorns every wall and niche. It plays a very significant part in the look and feel of the club. Called "The Collective" it showcases the work of emerging and established artists and sales contribute to our charitable work.

Most significant in all of these developments though is our membership. Opening a new club is a nerve-racking experience, depending entirely, on the success of its early marketing. However, this met all of our expectations as well. We opened the club with over 600 members and at the time of writing membership is well over 1,200, and rising.

Not only does this underpin the financial success of the club; not only does it create the vibrant environment in which we can offer and integrate work experience opportunities; but also it offers us a cohort of socially concerned and like-minded individuals who are already contributing to the charity in so many other ways, such as mentoring and becoming employer partners.

OUR ACHIEVEMENTS (continued)

From November 2013 to February 2014 we ran the first of our Employment Preparation Programmes in this new environment. Having only just opened the club, we moderated its scale. With so many new aspects going "live" at the same time we made a decision to limit the number of participants on our pilot so we could concentrate on the quality of delivery. The results, with the outcomes still being counted, are very positive both in terms of employment outcomes and the gaining of City and Guilds qualifications. Four graduates are now in work earning the London Living Wage.

As with the club, there are many things we can and will do better for future programmes. We are off to a very good start, and have many reasons to be optimistic about the future. In the longer term we plan to run six such programmes, and to have approaching 100 graduates each year.

As ever we are indebted to the trusts and foundations who have supported us on the journey. To these, and to our many other donors and supporters we offer our thanks.

It is difficult to know how fully to pay tribute to those involved. The staff of the charity, very ably led by our CEO Sandra Schembri, have risen to every challenge, highly motivated by the prospect of building a truly innovative and successful model of charitable provision. We thank them all.

The Trustees too, as part of an augmented and stronger Board, have maintained a constant enthusiasm and commitment, which has been a source of great strength.

We have worked hard to maintain and grow relationships with our many stakeholders including the local Soho community. In particular we are very pleased that we have been able to increase our involvement with and contribution to The Soho Society. These relationships are strengthened by the fact that our Chairman now also chairs the Soho Society. We maintain close community contact with Westminster City Council and Crossrail including engagement with the Soho Steering Group chaired by Cllr Glenys Roberts and the Tottenham Court Road Community Liaison Panel chaired by Cllr Jonathan Glanz.

The Chapel at 150

As 2013/14 came to an end, we were looking forward to celebrating the 150th anniversary of the opening of the Chapel on Monday 27th June 1864. The Revd Dr Adam Scott acts as custodian of the Chapel on behalf of the Trustees. After 150 years, the Chapel continues to provide a space for quiet reflection, for worship, for private prayer and for visitors. Some visitors come in organised groups whilst others, locals and tourists, just come in when they notice that the Chapel is open.

OUR ACHIEVEMENTS (continued)

The Chapel at 150 (continued)

We have been glad to host Soho's Community Choir and London's Macedonian Orthodox congregation, with their parish priest, the Very Revd Viktor Stojchev and his family. During the year there were more than a thousand visits for public worship. Christmas 2013 included not only our carol service to which we invited people from Soho and Crossrail but also a visit by Metropolitan Pimen, Macedonian Bishop of Europe. We celebrated Easter with the Macedonians as well as births, baptisms and marriages where chapel services complement civil ceremonies elsewhere. We value good relations with the Revd Simon Buckley, priest in charge at St Anne's Soho, and with Father Alexander Sherbrooke, parish priest of St Patrick's Soho Square.

The Chapel also provided a memorable space for a variety of events encouraging artists, including concerts, lectures and a remarkable exhibition, *The Anatomy of Melancholy*, by Dr Viktor Schröder.

PUBLIC BENEFIT

We follow the Charity Commission's general guidance on public benefit, and the Trustees always ensure that the programmes we undertake are in line with our charitable objects and aims. With the many changes at the charity we have initiated a full review of our governance processes and procedures.

Public Access

The charity is custodian of two beautiful Grade I buildings and we are very conscious that this carries with it a responsibility to enable public access.

In the years when the House was a hostel, public access was minimal. We now have a programme of public access that is far more extensive. The charity now:

- ◆ offers tours of the building to the general public twice a month, booked through our website;
- ◆ participates in the Open House and Open Garden scheme, allowing public access on two weekends a year;
- ◆ offers tours of the House to members of the Georgian Society;
- ◆ offers tours of the House to the congregations who worship in our Chapel on Sundays;
- ◆ has worked with the new Soho Create festival as one of their "homes" for their events;
- ◆ offers tours to groups of Friends including those of the Royal Academy of Arts, the V&A Museum & Whitechapel Gallery;
- ◆ with our newly launched "Art Social 14" festival, supported by the Arts Council England, will be opening our doors over four days to the public and are keen for this not only to be an annual event but to grow outside the walls of our home;

PUBLIC BENEFIT (continued)

Public Access (continued)

- ◆ is keen to explore further opportunities for public access to buildings of which we are very proud. We will work with local amenity groups to pursue such opportunities; and
- ◆ provides rooms of the House to other charities and to local amenity groups.

With the club opening again, through members and their guests, thousands more will have the opportunity to see and enjoy our beautiful building than ever have in the past. Since the club opening on 1st October 2013, over 17,000 people have come through our doors as guests.

FINANCIAL REVIEW

Results for the year

Total incoming resources for the year amounted to £2,019,663 (2013 - £958,101), of which £559,168 (2013 - £689,968) was generated from rental and events income, £1,346,516 (2013 - £268,133) from donations, £1m of which was a donation from WSH Foundation for refurbishment of the club, and £113,316 (2013 - £nil) of gifted artwork.

The cost of generating funds, totalling £628,380 for the year ended 31 March 2014 (2013 - £612,634), reflects the investment in developing the events and room hire activities. In addition, the charity incurred £399,115 (2013 - £252,219) of charitable expenditure and governance costs of £71,747 (2013 - £131,314).

The overall net increase in funds for the year amounted to £920,421 (2013 decrease - £38,066). Total funds at 31 March 2014 stood at a surplus of £928,572 (2013 - £8,151), of which £12,916 of surplus funds were restricted in nature (2013 - £112,916) and £56,547 of surplus funds are held in the endowment fund (2013 - £57,118) relating to the carrying value of the property held at depreciated cost. The unrestricted funds at 31 March 2014 were in surplus by £859,109.

FUTURE PLANS

Through necessity this year we have had to focus resources on establishing the club in order to generate a firm foundation and future resources to grow:

- ◆ our Employment Preparation Programmes;
- ◆ our accredited training programmes so that we can increase the number of those we support;
- ◆ our pool of Employer Partners so as to create more employment pathways for those we support; and
- ◆ the part we can play in our local community.

RESERVES AND GOING CONCERN

Reserves policy

The group had total reserves of £928,572 at 31 March 2014 (2013 - £8151) of which £859,109 was unrestricted which includes negative free reserves. The aim of the Trustees is to revert back to a positive free reserves position, free from net liabilities. It should be noted that some of the liabilities of the House are of a very long term nature that can be paid back over a period of years, in particular the loan from Charity Bank.

Going concern

The group had net current liabilities of £346,061 at 31 March 2014. The Trustees believe that the organisation is a going concern for the following reasons:

- ◆ Detailed cashflow projections demonstrate that it remains cash positive until at least December 2016;
- ◆ The organisation's financial forecasts demonstrate that it will be able to meet its debts as they fall due. Payments plans have been agreed with suppliers where relevant;
- ◆ The charity's five year plans demonstrate a viable, growing business with an increasing surplus year on year;
- ◆ The charity's balance sheet includes the freehold property which is carried at historic cost less depreciation. A professional valuation was carried out in April 2012 and the building is estimated to be worth £4 million on the open market based upon its current usage. This asset lies behind the charity, both as collateral for the raising of loans, or in extremis, Charity Commission approval could be sought to enable the charity to sell the property to continue in its purpose;
- ◆ Within 2013/14 the building was closed for a number of months for necessary refurbishments, which reduced our income generating ability. As the club is now open and fully functional this is no longer the case; and
- ◆ Private hire income for this year was greatly reduced. This was expected and budgeted for due to the change of model. Last year private hire was our main income stream. This year and within the club model private hire income is a secondary revenue stream and our five year forecasts show this.



Signed on behalf of the Board of Trustees

David Evans
Chair of the Board of Trustees

Approved on: 15 OCTOBER 2014

Independent auditor's report to the Trustees of The House of St Barnabas

We have audited the financial statements of The House of St Barnabas for the year ended 31 March 2014 which comprise the consolidated statement of financial activities, the group and parent charity balance sheets, principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Practice).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditor

As explained more fully in the Trustees' responsibilities statement set out in the Trustees' report, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- ◆ give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2014 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;

Opinion on financial statements (continued)

- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of Trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit.

Emphasis of matter – going concern

The financial statements have been prepared on a going concern basis. In forming our opinion we have considered the adequacy of the disclosures made in the accounts concerning the future viability of the charity. Details of the circumstances relating to the going concern position are described on page 17 of the accounts and we consider that these disclosures need to be brought to the readers' attention in view of their significance. Our opinion is not qualified in this respect.



Katharine Patel, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
EC2V 6DL

31 October 2014

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Consolidated statement of financial activities Year to 31 March 2014

Income and expenditure	Notes	Unrestricted funds £	Restricted Funds £	Endowment funds £	Year ended 31 March 2014 £	Year ended 31 March 2013 £
Incoming resources						
Incoming resources from generated funds						
-Voluntary income						
- Gifted assets		113,316	—	—	113,316	—
- Grants and donations	1	230,266	1,116,250	—	1,346,516	268,133
- Activities for generating funds	2	559,168	—	—	559,168	689,968
- Investment income		663	—	—	663	—
Total incoming resources		903,413	1,116,250	—	2,019,663	958,101
Resources expended						
Cost of generating funds	3	628,380	—	—	628,380	612,634
Charitable expenditure	4	357,294	41,250	571	399,115	252,219
Governance costs	6	71,747	—	—	71,747	131,314
Total resources expended		1,057,421	41,250	571	1,099,242	996,167
Net incoming/(outgoing) resources for the year before transfers		(154,008)	1,075,000	(571)	920,421	(38,066)
Transfer between funds	15	1,175,000	(1,175,000)	—	—	—
Net movement in funds		1,020,992	(100,000)	(571)	920,421	(38,066)
Balances brought forward at 1 April 2013		(161,883)	112,916	57,118	8,151	46,217
Balances carried forward at 31 March 2014		859,109*	12,916	56,547	928,572	8,151

*The unrestricted funds balance of £859,109 is not represented solely by cash holdings. Cash holdings within the unrestricted funds total £133,940. The balance of the fund is represented by the carrying value of tangible fixed assets, debtor balances owing to the group less the group's short and long term liabilities at 31 March 2014.

There is no difference between the net movement in funds stated above and the historical cost equivalent.

All of the group's activities derived from continuing operations in the above two financial periods.

The group has no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

Balance sheets 31 March 2014

	Notes	Group		Charity	
		2014 £	2013 £	2014 £	2013 £
Fixed assets					
Tangible assets	10	1,910,804	558,835	1,910,804	558,835
Investments	11	—	—	1	1
		<u>1,910,804</u>	<u>558,835</u>	<u>1,910,805</u>	<u>558,836</u>
Current assets					
Debtors	12	151,414	50,523	44,016	36,149
Cash at bank and in hand		146,856	160,554	106,493	154,545
		<u>298,270</u>	<u>211,077</u>	<u>150,509</u>	<u>190,694</u>
Creditors: amounts falling due within one year	13	<u>(644,331)</u>	<u>(395,961)</u>	<u>(263,878)</u>	<u>(294,585)</u>
Net current liabilities		<u>(346,061)</u>	<u>(184,884)</u>	<u>(113,369)</u>	<u>(103,891)</u>
Total assets less current liabilities		<u>1,564,743</u>	<u>373,951</u>	<u>1,797,436</u>	<u>454,945</u>
Creditors: amounts falling due in more than one year	14	<u>(636,171)</u>	<u>(365,800)</u>	<u>(636,171)</u>	<u>(365,800)</u>
Net assets		<u>928,572</u>	<u>8,151</u>	<u>1,161,265</u>	<u>89,145</u>
Represented by:					
Funds and reserves					
Endowment funds	16	56,547	57,118	56,547	57,118
Restricted funds	15	12,916	112,916	12,916	112,916
Unrestricted funds		859,109	(161,883)	1,091,802	(80,889)
		<u>928,572</u>	<u>8,151</u>	<u>1,161,265</u>	<u>89,145</u>

Approved by the Board of Trustees
and signed on its behalf by:



D J Evans

Trustee

Approved on: 15 OCTOBER 2014

Company registration number: 06845128 (England and Wales)

Principal accounting policies 31 March 2014

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the requirements of the Companies Act 2006. The principles set out in applicable United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice) and those contained within the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) have been followed in these financial statements.

Going concern

The group had net current liabilities of £346,061 at 31 March 2014, the Trustees believe that the organisation is a going concern for the following reasons:

- ◆ Detailed cashflow projections demonstrate that it remains cash positive until at least December 2016.
- ◆ The organisation's financial forecasts demonstrate that it will be able to meet its debts as they fall due. Payments plans have been agreed with suppliers where relevant.
- ◆ The charity's five year plans demonstrate a viable, growing business with an increasing surplus year on year
- ◆ The charity's balance sheet includes the freehold property which is carried at historic cost less depreciation; a professional valuation has been carried out during the year and the building is estimated to be worth £4 million on the open market based upon its current usage; this asset lies behind the charity, both as collateral for the raising of loans, or, in extremis, Charity Commission approval could be sought to enable the charity to sell the property to continue in its purpose.
- ◆ Within 2013-14 the building was closed for a number of months to necessary refurbishments which reduced our income generating ability. As the Club is now open and fully functional this is no longer the case.
- ◆ Private Hire income for this year is greatly reduced. This was expected and budgeted for due to the change of model. Last year Private Hire was our main income stream. This year and within the club model Private Hire income is a secondary revenue stream and our 5 year forecasts show this.

Basis of consolidation

The consolidated statement of financial activities and the group balance sheet consolidate the assets, liabilities, income and expenditure of the charity, its connected charity the House of St Barnabas-in-Soho and its connected company The House of St Barnabas Events Ltd.

Principal accounting policies 31 March 2014

Basis of consolidation (continued)

No separate statement of financial activities has been presented for the charitable company alone as permitted by Section 480 of the Companies Act 2006 and paragraph 397 of the SORP.

The charitable company had total incoming resources of £1,450,267 (2013 - £319,389) and resources expended of £390,892 (2013 - £291,076) for the year ended 31 March 2014.

Incoming resources

Incoming resources are recognised in the period in which the group is entitled to receipt and the amount can be measured with reasonable certainty. Income received for future accounting periods is treated as deferred income at 31 March.

Resources expended and the basis of apportioning costs

All expenditure is included on an accruals basis and is recognised when there is a legal and constructive obligation to make a payment. Expenditure includes any attributable VAT which cannot be recovered.

Resources expended comprise the following:

- a. Cost of generating funds includes both direct and indirect costs incurred in managing and promoting the House as a venue.
- b. Charitable expenditure comprises expenditure on the charity's primary charitable purposes.
- c. Governance costs comprise the costs associated with governance of the charity. Included within this category are costs associated with the strategic as opposed to the day to day management of the charity's assets.

Fund accounting

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charitable company's charitable objects.

Endowment funds represent the freehold property held by the subsidiary charity.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

Tangible fixed assets and depreciation

All assets costing more than £500 and with an expected life exceeding one year are capitalised at cost. Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset, over its expected useful life, as follows:

Principal accounting policies 31 March 2014

Tangible fixed assets and depreciation (continued)

- ◆ Fixtures, fittings and equipment - between 5 and 10 years straight line
- ◆ Building improvements - between 15 and 25 years straight line
- ◆ Endowed freehold building - 100 years reducing balance
- ◆ Artworks - Given the nature of artwork these assets have not been depreciated

The Trustees have followed the transitional rules under FRS15 and have chosen not to revalue the freehold land and buildings.

Investment

The investment in the subsidiary company is stated at cost.

Cash flow

The financial statements do not include a cash flow statement because the group (i.e. the charity and its subsidiary), as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1, 'Cash Flow Statements'.

Notes to the financial statements Year to 31 March 2014

1 Grants and donations

	Unrestricted funds £	Restricted funds £	Year ended 31 March 2014 £	Year ended 31 March 2013 £
Garfield Weston Foundation	—	—	—	100,000
Trust for London	—	12,500	12,500	15,000
The Linbury Trust	—	25,000	25,000	25,000
John Paul Getty Trust	—	50,000	50,000	—
Charitable trusts and grants	—	28,750	28,750	—
WSH Foundation	—	1,000,000	1,000,000	—
Other donations	230,266	—	230,266	128,133
	230,266	1,116,250	1,346,516	268,133

2 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Year ended 31 March 2014 £	Year ended 31 March 2013 £
Rental income	216,995	—	216,995	514,509
Events income	80,985	—	80,985	161,982
Membership fees	170,430	—	170,430	—
Members registration fees	86,298	—	86,298	7,553
Other income	4,460	—	4,460	5,924
	559,168	—	559,168	689,968

3 Cost of generating funds

	Unrestricted funds £	Restricted funds £	Year ended 31 March 2014 £	Year ended 31 March 2013 £
<i>Direct costs</i>				
Event costs	51,196	—	51,196	91,941
Publicity costs	90,952	—	90,952	66,734
Staff costs – direct	245,631	—	245,631	224,080
Administration costs	51,512	—	51,512	—
<i>Support costs (note 5)</i>	189,089	—	189,089	229,879
	628,380	—	628,380	612,634

Notes to the financial statements Year to 31 March 2014

4 Charitable expenditure

	Unrestricted funds £	Restricted funds £	Endowment funds £	Year ended 31 March 2014 £	Year ended 31 March 2013 £
<i>Direct costs</i>					
Employment Academy Alumni costs	3,487	—	—	3,487	5,928
Employment Academy running costs	60,697	—	—	60,697	16,412
Staff costs	71,250	41,250	—	112,500	—
Premises costs	15,541	—	—	15,541	—
Administration costs	17,230	—	—	17,230	—
Support costs (note 5)	189,089	—	571	189,660	229,879
	357,294	41,250	571	399,115	252,219

5 Support costs

	Cost of generating unrestricted funds £	Charitable expenditure		2014 £	2013 £
		Unrestricted £	Endowment £		
<i>Staff costs</i>	77,683	77,683	—	155,366	229,346
<i>Premises costs</i>					
- Repairs and refurbishments	3,848	3,848	—	7,696	32,782
- Insurance	8,798	8,798	—	17,596	14,558
- Heat and light	11,364	11,364	—	22,728	13,576
- Health and safety	1,300	1,300	—	2,600	7,942
- Other premises costs	17,542	17,542	—	35,084	24,600
- Depreciation	26,186	26,186	571	52,943	35,960
Total premises costs	69,038	69,038	571	138,647	129,418
<i>Administration costs</i>					
- Office overheads	42,368	42,368	—	84,736	100,994
	42,368	42,368	—	84,736	100,994
	189,089	189,089	571	378,749	459,758

Support costs have been allocated to cost of generating funds and charitable expenditure on a 50/50 basis based on the proportion of time spent on each activity.

6 Governance costs

	Unrestricted funds £	Restricted funds £	Year ended 31 March 2014 £	Year ended 31 March 2013 £
<i>Audit and accountancy</i>				
- Current year	10,500	—	10,500	12,000
- Prior year	—	—	—	4,821
Legal fees and other professional fees	61,247	—	61,247	114,493
	71,747	—	71,747	131,314

Notes to the financial statements Year to 31 March 2014

7 Net movement in funds

This is stated after charging:

	Year ended 31 March 2014 £	Year ended 31 March 2013 £
Staff costs (note 8)	513,497	453,426
Auditors' remuneration (including VAT)		
- Current year	10,500	12,000
- Prior year	—	4,821
Depreciation	52,943	37,113

8 Staff costs and Trustees' remuneration

	Year ended 31 March 2014 £	Year ended 31 March 2013 £
Staff costs during the year were as follows:		
Wages and salaries	284,893	237,306
Social security costs	30,514	24,528
Other staff costs, including consultants and redundancy costs	198,090	191,592
	513,497	453,426

The average number of salaried employees, including part-time staff, during the year ended 31 March 2014 was 12 (2013 - 8).

One employee earned between £60,000 and £70,000 per annum (including benefits) during the year ended 31 March 2014 (2013 – 1).

No Trustee received any remuneration for services as a trustee during the year ended 31 March 2014 (2013 – none) nor were any expenses reimbursed to the Trustees.

Juliet Armstrong, a Trustee, is also a partner of The Berkeley Partnership. During the year The Berkeley Partnership provided the charity with pro-bono consultancy services.

Kevin Arnold, a Trustee, is also a partner of Gardiner and Theobold LLP. During the year Gardiner and Theobold LLP provided the charity with pro-bono services in relation to the building renovations.

No value has been placed on these pro-bono services for the purposes of the financial statements.

9 Taxation

The House of St Barnabas is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

10 Tangible fixed assets

Group and Charity	Endowed freehold land and buildings £	Building Improvements £	Fixtures, fittings & equipment £	Artworks £	Total £
Cost					
At 1 April 2013	65,022	566,153	35,354	—	666,529
Additions	—	543,996	747,600	113,316	1,404,912
At 31 March 2014	<u>65,022</u>	<u>1,110,149</u>	<u>782,954</u>	<u>113,316</u>	2,071,441
Depreciation					
At 1 April 2013	7,904	64,436	35,354	—	107,694
Charge for year	571	9,309	43,063	—	52,943
At 31 March 2014	<u>8,475</u>	<u>73,745</u>	<u>78,417</u>	<u>—</u>	160,637
Net book values					
At 31 March 2014	<u>56,547</u>	<u>1,036,404</u>	<u>704,537</u>	<u>113,316</u>	1,910,804
At 31 March 2013	57,118	501,717	—	—	558,835

In April 2012 a professional valuation of the charity's property was carried out. This estimated the value of the building at 1 Greek Street to be £4 million based upon its current usage.

11 Fixed asset investments

Charity	2014 £	2013 £
Investment in subsidiary undertakings at cost		
. £1 ordinary shares	<u>1</u>	<u>1</u>

The charitable company owns the wholly issued ordinary share capital of £1 in The House of St Barnabas Events Ltd, a company registered in England (Company Registration No. 06854603). The subsidiary is used for commercial activities, namely the promotion and management of The House of St Barnabas, as a venue for community, charity and commercial events. All activities have been consolidated on a line by line basis in the statement of financial activities.

Notes to the financial statements Year to 31 March 2014

11 Fixed asset investments (continued)

A summary of the results of the subsidiary are shown below:

	2014 £	2013 £
Turnover	556,082	634,450
Cost of sales	(619,322)	(690,446)
Gross profit	(63,240)	(55,996)
Administrative expenses	(88,459)	(24,999)
(Loss) for the financial year before Gift Aid	(151,699)	(80,995)
Gift Aid donation to parent company	—	—
(Loss) for the financial year	(151,699)	(80,995)
Accumulated losses at 1 April 2013	(80,995)	—
Accumulated losses at 31 March 2014	(232,694)	(80,995)

12 Debtors

	Group		Charity	
	2014 £	2013 £	2014 £	2013 £
Other debtors	120,680	31,924	24,994	18,364
Prepayments and accrued income	30,734	18,599	19,022	17,785
	151,414	50,523	44,016	36,149

13 Creditors: amounts falling due within one year

	Group		Charity	
	2014 £	2013 £	2014 £	2013 £
Expense creditors	162,806	205,470	69,436	128,441
Social security and other taxes	36,226	7,396	—	7,396
Other creditors	57,815	879	19,423	67,354
Accruals and deferred income	334,324	108,016	151,859	47,194
Loans	53,160	74,200	23,160	44,200
	644,331	395,961	263,878	294,585

Loan balances above consist of £23,160 in relation to the bank loan (note 14) and £30,000 of interest free loans from Trustees and supporters of the charity.

The following deferred income balances are included within accruals and deferred income:

	Group		Charity	
	2014 £	2013 £	2014 £	2013 £
Deferred income brought forward	32,064	159,322	—	—
Released in the year	(32,064)	(159,322)	—	—
Income received in the year treated as deferred income	165,680	32,064	—	—
Deferred income carried forward	165,680	32,064	—	—

Included in the deferred income carried forward was £133,430 which relates to membership fees received in advance at 31 March 2014 relating to 2014/15.

14 Creditors: amounts due after more than one year

Group and Charity	2014 £	2013 £
Bank loan	471,171	365,800
Other loans	165,000	—
636,171	365,800	365,800

The loans due are as follows:

	2014 £	2013 £
Within one year	53,160	74,200
Between one and two years	189,631	17,158
Between two and five years	84,495	58,624
After five years	362,045	290,018
	689,331	440,000
Included within current creditors	(53,160)	(74,200)
Loan repayments falling due after more than one year	636,171	365,800

The bank loan was taken out in 2012 with Charity Bank and is being used to refurbish the charity's property in Greek Street. Interest is fixed at 6.5% per annum on the loan amount and the loan is secured against the charity's property at 1 Greek Street. The loan will be repaid in instalments up to December 2027.

Other loans consist of a £150,000 loan with fixed interest of 8% due for repayment on 31 December 2015 and a loan of £15,000 which is interest free from a supporter of the charity.

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust to be applied for specific purposes:

Group and Charity	At 1 April 2013 £	Incoming resources £	Resources expended and transfers £	At 31 March 2014 £
Chapel fund	12,916	—	—	12,916
Employment Preparation Programme	—	41,250	(41,250)	—
House refurbishment	100,000	75,000	(175,000)	—
WSH Foundation	—	1,000,000	(1,000,000)	—
112,916	1,116,250	(1,216,250)	12,916	12,916

The specific purposes for which the funds are to be applied are as follows:

◆ *Chapel fund*

The Chapel fund includes donations for the restoration work on the chapel and the funding of a part-time chaplain.

15 Restricted funds (continued)

◆ *Employment Preparation Programme*

Donations were received in the year to support the costs associated with the Life Skills Programme run to help homeless people become re-integrated with mainstream society.

◆ *House refurbishment*

Donations were received in the year to support the refurbishment of the charity's property in Greek Street.

◆ *WSH Foundation*

Donation was received in the year to support the internal refurbishment of the Club and catering facilities.

◆ *Transfers between funds*

During the year ended 31 March 2014, £1,175,000 was transferred from restricted funds to unrestricted funds. The transfer represents fixed assets for general use by the charity which have been purchased from restricted funds.

16 Endowment funds

On the formation of the charitable group in the year ended 31 March 2010, the freehold land and buildings, with a net book value of £59,462 was retained in the subsidiary charity and this is represented by an endowment fund (note 10). Depreciation is charged to this fund and the balance on the endowment fund at 31 March 2014 totalled £56,547 (2013 - £57,118).

17 Analysis of net assets between funds

Group	Unrestricted fund £	Restricted funds £	Endowment funds £	Total £
Fund balances at 31 March 2014 are represented by:				
Tangible fixed assets	1,854,257	—	56,547	1,910,804
Current assets	285,354	12,916	—	298,270
Creditors due within one year	(644,331)	—	—	(644,331)
Creditors due in more than one year	(636,171)	—	—	(636,171)
Total net assets	859,109	12,916	56,547	928,572

Charity	Unrestricted fund £	Restricted funds £	Endowment funds £	Total £
Fund balances at 31 March 2014 are represented by:				
Tangible fixed assets	1,854,257	—	56,547	1,910,804
Investments	1	—	—	1
Current assets	137,593	12,916	—	150,509
Creditors due within one year	(263,878)	—	—	(263,878)
Creditors due in more than one year	(636,171)	—	—	(636,171)
Total net assets	1,091,802	12,916	56,547	1,161,265

Notes to the financial statements Year to 31 March 2014

18 Ultimate control

The charitable company is controlled by its Trustees.

19 Capital commitments

The charitable company held the following capital commitments at 31 March 2013:

	2014 £	2013 £
Building improvements	—	166,533

20 Operating lease commitments

The annual amounts payable in respect of operating leases shown below are analysed according to expiry of the leases.

	2014 £	2013 £
Plant and equipment		
Within one year	818	—
Between one and two years	—	818