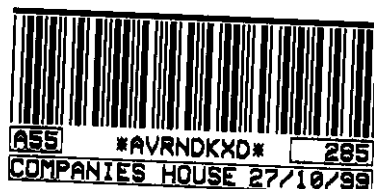


**ST. ANNE'S SHELTER AND
HOUSING ACTION**

**REPORT OF THE COUNCIL OF
MANAGEMENT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED

31 MARCH 1999



COMPANY LIMITED BY GUARANTEE NO: 1089026
CHARITY COMMISSION NO: 502224
HOUSING CORPORATION NO: H3158

ST. ANNE'S SHELTER AND HOUSING ACTION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1999

Company Limited by Guarantee
Charity Commission
Housing Corporation

Reg. No: 1089026
Reg. No: 502224
Reg. No: H3158

Registered office:

6 St Mark's Avenue
Leeds
LS2 9BN

Council of Management:

Mr A Hobbs (Chairman)
Mrs M Richards (Deputy Chairman)
Mr D Baines
Cllr L Benson
Mr J C Clair
Mr G Francis
Cllr G Harper
Mrs N Hill
Dr M Iqbal
Mrs A Keighley
Mrs T McDonagh
Mr D W Richardson
Mrs D E Scott

Directorate:

Chief Executive and Secretary:

Mr W Kilgallon

Care Services Director:

Mr D E Jordan

Housing Director:

Mr D A Lerigo

Finance Director:

Mrs J A Micklethwaite

Bankers:

Midland Bank plc
University Branch
Blenheim Terrace
Leeds
LS2 9HE

ST. ANNE'S SHELTER AND HOUSING ACTION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1999

Solicitors:

Walker Charlesworth & Foster
29 Park Square
Leeds
LS1 2PL

Auditors:

Grant Thornton
Registered Auditors
Chartered Accountants
St Johns Centre
110 Albion Street
Leeds
LS2 8LA

ST. ANNE'S SHELTER AND HOUSING ACTION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1999

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ST. ANNE'S SHELTER AND HOUSING ACTION

REPORT OF THE CHIEF EXECUTIVE AND SECRETARY

Introduction

This year has been one of solid achievement for St Anne's with an expansion of some of our services and significant changes to others as we adapt to changing needs and demands.

Services for homeless people

St Anne's services in Sheffield were expanded in the year following a successful bid to the government's Homeless Action Programme. This has enabled St Anne's to increase its team of outreach workers with those sleeping rough in the city. Funding from Joint Finance will allow the addition of mental health expertise to the scheme and Help the Aged have agreed to fund work with older homeless people based on the success of our over 55's project in Leeds. All of this work complements the work of Bevin Court, our direct access hostel in Sheffield.

In March 1999 the Silver Jubilee Project was officially opened. It consists of four flats for previously homeless young people who are in employment and require affordable accommodation and some support. The capital costs were raised by an Appeal launched to mark St Anne's 25th year in 1996. Good progress has been made in establishing a partnership and attracting funding for a new service for young homeless people in Dewsbury and work should begin in the next financial year on converting the disused St Matthew's Church to a drop in centre and flats run by St Anne's.

Learning disability services

St Anne's is one of the main providers of services for people with learning disabilities in Yorkshire and offers a very wide range of community based services. This year has seen an increasing number of people with learning disabilities moving into self contained flats provided by St Anne's, achieving independence but with a support system flexible enough to meet their needs. St Anne's work providing support to people in their own homes has developed during the year. A major re-profiling exercise has begun on some of our earlier services so that we respond effectively to changing needs. A start on site has been made in developing a new service in Middlesbrough which we hope will be the start of a long and productive relationship with our partners in that area.

Mental health services

The government has made mental health one of its key priority areas in health and one of the first two services for which national Service Frameworks are to be established setting out the levels and types of service to be developed in each area. St Anne's has been involved in developing this Framework through my membership of the group which worked with the Department of Health to write the Mental Health Service Framework. This is to be published imminently and St Anne's is looking forward to developing new services within these guidelines.

In this year our Befriending Scheme in Kirklees was expanded and in Leeds St Anne's won the contract to co-ordinate support services to people in their own homes.

ST. ANNE'S SHELTER AND HOUSING ACTION

REPORT OF THE CHIEF EXECUTIVE AND SECRETARY

Alcohol and substance abuse services

Leeds Detoxification Centre had an extremely busy year with very high occupancy rates and an increasing number of agencies seeking to refer to it. The National Lottery Charities Board funded training rooms opened in August 1998 and these are working very effectively.

St Anne's Outreach Needle Exchange Scheme was refunded after an experimental year. It works with young and rootless drug users in the city centre and inner city areas of Leeds. Plans are being made to develop an extended service for young drug users.

Supported housing

The demand for supported housing provided by St Anne's increases each year and though we were able to add some more flats to our stock this year they by no means meet the demand. St Anne's tenants association has had a good year with more activity and a high level of interest.

Staff

Staff development and training are a very high priority for St Anne's, with almost 750 staff. New communication arrangements were introduced in the year with area meetings replacing the Joint Consultative Committee. The new system ensures that every staff team across the organisation has an effective means of communication with each other and with Directors. St Anne's constructive relationship with the two recognised Trade Unions UNISON and the RCN has continued.

Management and finance

Management structures were reviewed and amended during the year successfully achieving two key objectives - strengthening the area based approach and reducing management costs.

Funding arrangements for housing and social care are subject to frequent change and this year has been no exception. The tight margins of funding for many services requires extremely careful budgetary control and good financial management. These accounts demonstrate the extent to which St Anne's achieves both.

The future

As government policies on tackling social exclusion and developing local health and social care services become clearer, St Anne's is well placed to continue creative and innovative approaches to enabling people to fulfil their potential.



W Kilgallon
Chief Executive and Secretary
25 June 1999

ST. ANNE'S SHELTER AND HOUSING ACTION

REPORT OF THE COUNCIL OF MANAGEMENT

The Council of Management presents its report together with financial statements for the year ended 31 March 1999.

Principal activities

The company is registered as a charity and a housing association and is principally engaged in work with the single homeless and people with special housing needs.

Business review

A review of the year's activities and future prospects is given in the Report of the Chief Executive and Secretary.

	1999 £'000	1998 £'000
Transferred to revenue reserve	<u>191</u>	<u>96</u>

Council of Management members

The Council of Management members at the end of the year are listed below.

Members

Mr A Hobbs (Chairman)
Mrs M Richards (Deputy Chairman)
Mr D Baines (Appointed 29 September 1998)
Cllr L Benson (Appointed 29 September 1998)
Mr J C Clair
Mr G Francis
Cllr G Harper (Appointed 29 September 1998)
Mrs N Hill
Dr M Iqbal
Mrs A Keighley
Mrs T McDonagh
Mr D W Richardson
Mrs D E Scott

Resignations during the year

Cllr S Armitage	19 May 1998
Cllr E Moxon	19 May 1998
Mr N Worne	21 July 1998
Mrs P V Smith	29 September 1998

ST. ANNE'S SHELTER AND HOUSING ACTION

REPORT OF THE COUNCIL OF MANAGEMENT

Responsibilities of Council of Management

Company law, Housing Association legislation and the Charity Commissioners require the Council of Management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of the surplus or deficit for the period. In preparing those financial statements, the Council of Management are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the association will continue in business.

The Council of Management are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to ensure that the financial statements comply with the Companies Act 1985, Paragraph 17 of Schedule 1 to the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 1997 and 1998. They are responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Housing Association Governance

NFHA Code of Governance

It is the Association's intention to continue to operate within the spirit of the NFHA Report on "Competence and Accountability" and the associated Code of Governance.

Following the publication of the code, the Council of Management reviewed the Association's practice in order to identify any improvements required. We are pleased to report that the Association complies with the principal elements of the Code. We have set out below how we seek to achieve good housing association governance.

ST. ANNE'S SHELTER AND HOUSING ACTION

REPORT OF THE COUNCIL OF MANAGEMENT

Council of Management

The NFHA recommend that the Council should not exceed 15 members. The Association's Council of Management is limited to 20 members including co-optees. The Council of Management members are drawn from a variety of backgrounds, including professional and local experience. The Council of Management has two committees covering Finance and Care and Housing Services. Each Committee has clear terms of reference and reports back to the Council of Management.

The Council of Management is responsible for the Association's strategy and policy framework. The day to day implementation of that policy is delegated to the Chief Executive Officer and the other executive officers, comprising the Finance Director, Care Services Director and Housing Director.

Recruitment of Council of Management Members

The Association seeks to recruit Council of Management members from as wide a range of backgrounds as possible and with a view to securing all the skills appropriate to the management of an organisation of this size and type. The Association has used and will continue to use external advertisements with a view to identifying a wider range of potential council members.

Audit Matters

The terms of reference of the Finance Committee are such that it performs the function of an audit committee, including monitoring the appointment and performance of the internal and external auditors.

The Association aims to comply with the Housing Corporation's Code of Audit Practice.

Internal Financial Controls

The Council of Management are responsible for the Association's system of internal financial control. The Council of Management have established a clear structure, procedures and a system of internal financial control which comply with the provisions of the Housing Corporation Circular R2 - 18/96 'Internal financial control and financial reporting'.

Internal financial controls are those established in order to provide reasonable assurance of:

- i the safeguarding of assets (against unauthorised use and disposition) and
- ii the maintenance of proper accounting records and the reliability of financial information used within the association or for publication.

It must be recognised that the systems of internal financial control provide reasonable, but not absolute, assurance against material misstatements or loss.

ST. ANNE'S SHELTER AND HOUSING ACTION

REPORT OF THE COUNCIL OF MANAGEMENT

Internal Financial Controls (continued)

The key features of the system are:

- i clear management responsibilities and limits of authority
- ii financial controls and procedures, including information systems
- iii regular reviews of the internal control systems carried out by the internal audit function.

The Council of Management review the operation and effectiveness of the Association's system of internal financial control on an ongoing basis.

Employee involvement

The association has continued its practice of keeping employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the association.

Disabled employees

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities.

In the event of employees becoming disabled, every effort is made to retrain them in order that their employment with the association may continue.

It is the policy of the association that training, career development and promotion opportunities should be available to all employees.

Year 2000 compliance

Many computer systems which express dates using only the last two digits of the year may malfunction due to the date change to the Year 2000. This risk to the business relates not only to the association's computer systems, but also to some degree on those of the association's funders, partners and suppliers.

The association has reviewed its computer systems for the impact of the Year 2000 date change. An impact analysis has been prepared to identify the major risks, and action plans have been developed to address these in advance of critical dates. The plans give priority to the systems which could have a significant financial or legal impact if they were to fail.

The main systems affected are the accounting and management information systems, which have or are being replaced to be Year 2000 compliant.

ST. ANNE'S SHELTER AND HOUSING ACTION

REPORT OF THE COUNCIL OF MANAGEMENT

Year 2000 compliance (continued)

The association has requested from funders, partners and suppliers with whom information is exchanged electronically, confirmation that their relevant systems are Year 2000 compliant.

The issue is complex, and no business can guarantee that there will be no Year 2000 problems. However, the Council of Management believes that its plans and the resources allocated are appropriate and adequate to address the issue.

Tax status

St. Anne's Shelter and Housing Action is a registered charity and consequently has no liability to taxation.

Auditors

Grant Thornton offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

BY ORDER OF THE COUNCIL OF MANAGEMENT



W Kilgallon
Secretary
5 July 1999

**REPORT OF THE AUDITORS TO THE MEMBERS OF
ST. ANNE'S SHELTER AND HOUSING ACTION**

We have audited the financial statements on pages 10 to 26 which have been prepared under the accounting policies set out on pages 13 and 14.

Respective responsibilities of the Council of Management and auditors

As described on page 4 the Council of Management is responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you. It is also our responsibility to state the fact in our report if we are of the opinion that the association has not maintained a satisfactory system of control over its transactions.

Basis of opinion

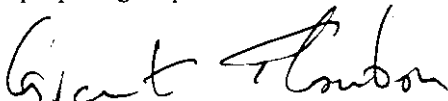
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Council of Management in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the association as at 31 March 1999 and of its income and expenditure for the year then ended, and have been properly prepared in accordance with the Companies Act 1985, the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 1997 and 1998.

In our opinion also, the company is entitled under section 229(5) of the Companies Act 1985 not to prepare group financial statements for the year ended 31 March 1999.



**GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
LEEDS**

5 July 1999

**REPORT OF THE AUDITORS TO THE COUNCIL OF MANAGEMENT OF
ST. ANNE'S SHELTER AND HOUSING ACTION**

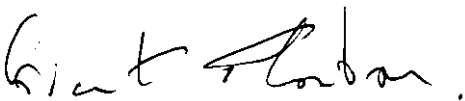
**Report by the auditors to the Council of Management of St. Anne's Shelter and Housing Action on
Corporate Governance matters**

In addition to our audit of the financial statements, we have reviewed the Council of Management statement on page 5 on the association's compliance with Circular R2 - 18/96 issued by the Housing Corporation. The objective of our review is to draw attention to non-compliance with the Circular.

We carried out our review in accordance with guidance issued by the Auditing Practices Board. That guidance does not require us to perform the additional work necessary to, and we do not, express any opinion on the effectiveness of either the association's system of internal financial control or its corporate governance procedures.

Opinion

With respect to the Council of Management statements on internal financial control on pages 5 and 6, in our opinion, the Council has provided the disclosures required by the Circular and such statements are not inconsistent with the information of which we are aware from our audit work on the financial statements.



**GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
LEEDS**

5 July 1999

ST. ANNE'S SHELTER AND HOUSING ACTION**INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 31 MARCH 1999**

	Note	1999 £'000	1998 £'000
Turnover	2	15,761	14,917
Operating costs	2	<u>(15,278)</u>	<u>(14,346)</u>
Operating surplus	2	483	571
Interest receivable and other income	5	315	221
Interest payable and similar charges	6	<u>(16)</u>	<u>(16)</u>
Surplus for the year	7	<u>782</u>	<u>776</u>
Transfer to capital grant recycling fund	13	(9)	(1)
Transfer to charity fund	15	(14)	(25)
Transfer to designated reserves	16	(554)	(600)
Transfer to restricted reserve	17	<u>(14)</u>	<u>(54)</u>
		<u>191</u>	<u>96</u>
Revenue reserve brought forward	18	<u>1,021</u>	<u>925</u>
Revenue reserve carried forward	18	<u><u>1,212</u></u>	<u><u>1,021</u></u>

There were no recognised surpluses or deficits other than those included in the Income and Expenditure account.

The accompanying accounting policies and notes form an integral part of these financial statements.

ST. ANNE'S SHELTER AND HOUSING ACTION

BALANCE SHEET AT 31 MARCH 1999

	Note	1999 £'000	1998 £ '000
Fixed assets			
Tangible fixed assets			
Housing properties			
Gross cost less depreciation		11,094	10,707
Less: Social Housing and other government grants		(10,135)	(10,112)
		<u>959</u>	<u>595</u>
Other tangible fixed assets		617	611
	8	<u>1,576</u>	<u>1,206</u>
Fixed asset investments	9	10	10
		<u>1,586</u>	<u>1,216</u>
Current assets			
Debtors	10	609	651
Cash at bank and in hand	11	4,498	3,601
		<u>5,107</u>	<u>4,252</u>
Creditors: amounts falling due within one year	12	(2,354)	(1,901)
Net current assets		<u>2,753</u>	<u>2,351</u>
Total assets less current liabilities		<u>4,339</u>	<u>3,567</u>
Creditors: amounts due after more than one year	13	318	319
Reserves			
General charity fund	15	47	181
Designated reserves	16	2,674	1,972
Restricted reserve	17	88	74
Revenue reserve	18	1,212	1,021
		<u>4,339</u>	<u>3,567</u>

The financial statements were approved by the Council of Management on 5 July 1999.

Mr A Hobbs



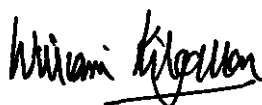
CHAIRMAN

Mrs M Richards



DEPUTY CHAIRMAN

Mr W Kilgallon



SECRETARY

The accompanying accounting policies and notes form an integral part of these financial statements.

ST. ANNE'S SHELTER AND HOUSING ACTION**CASH FLOW STATEMENT**

FOR THE YEAR ENDED 31 MARCH 1999

	Note	1999 £'000	1998 £'000
Net cash inflow from operating activities	19	<u>1,192</u>	<u>498</u>
Returns on investments and servicing of finance			
Interest received		325	221
Interest paid		<u>(16)</u>	<u>(16)</u>
Net cash inflow from returns on investments and servicing of finance		<u>309</u>	<u>205</u>
Capital expenditure and financial investment			
Acquisition and construction of housing properties		(387)	(759)
Purchase of other fixed assets		(355)	(1,537)
Capital grants received		145	1,980
Receipts from sale of tangible fixed assets		<u>1</u>	<u>151</u>
Net cash outflow from capital expenditure and financial investment		<u>(596)</u>	<u>(165)</u>
Financing			
Loans repaid		<u>(8)</u>	<u>(7)</u>
Net cash outflow from financing	21	<u>(8)</u>	<u>(7)</u>
Increase in cash	20	<u>897</u>	<u>531</u>

The accompanying accounting policies and notes form an integral part of these financial statements.

ST. ANNE'S SHELTER AND HOUSING ACTION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1999

1 PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards and the Statements of Recommended Practice in the United Kingdom. The principal accounting policies have remained unchanged from the previous year and are set out below.

Basis of accounting

The financial statements are prepared on the historical cost basis of accounting.

Turnover

Turnover represents rental income receivable, fees and grants from central and local government and the Housing Corporation, and the proceeds of fund raising activities.

Group financial statements

St. Anne's Shelter and Housing Action has taken advantage of the exemption from preparing group financial statements contained in section 229(5) of the Companies Act 1985 on the grounds that its subsidiary undertaking is exempt from consolidation under section 229(2) of the Act. Details of the subsidiary undertaking are set out in note 9.

Fixed assets and depreciation

Assets acquired before 31 March 1981.

Fixed assets acquired before 31 March 1981 have not been depreciated. All capital expenditure prior to that date has been written off against appropriate central and local government grants and any shortfall has been written off to revenue in the year in which it was incurred.

Assets acquired after 31 March 1981.

Tangible fixed assets, except freehold properties, are stated at cost less accumulated depreciation. Depreciation is charged by equal annual instalments over the expected useful lives of the assets. The periods generally applicable are:

Improvements to leasehold premises	Period of lease
Furniture, fixtures and fittings	2 years
Office and workshop equipment	5 years
Motor vehicles	4 years

Freehold properties are stated at cost less Social Housing and other capital grants. As freehold properties are maintained in a state of repair such that their estimated residual value is not less than their cost (after deducting grants) the annual charge for depreciation would be nil.

ST. ANNE'S SHELTER AND HOUSING ACTION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1999

PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Designated reserves

Where fixed assets are financed by the association's own reserves an amount equivalent to the cost of the fixed assets is transferred from revenue to a designated reserve financing capital expenditure.

An amount equivalent to the annual depreciation charge on such assets is transferred from designated reserves financing capital expenditure to revenue reserves.

Where as a result of management decisions taken on specific future major repairs, capital expenditure, and other projects, reserves cannot be regarded as available for general use, a transfer is made from revenue reserve to designated reserves.

An annual transfer is made to designated reserves for major repairs in order that the association's liabilities in respect of the cost of long term major repairs to its properties can be met.

Allocation of head office expenses

Head office salaries and overhead expenses are charged to the various housing and non-housing activities of the association on the basis of estimated time spent.

General Charity Fund

The General Charity Fund has been created from donations and the proceeds of fund raising activities and is available to meet expenditure within the association's objectives but for which no other finance is available.

Leased assets

All assets leased are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

Pension costs

Defined Benefit Schemes

The association operates two defined benefit pension schemes for the benefit of its employees.

ST. ANNE'S SHELTER AND HOUSING ACTION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1999

2 PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

	1999			1998		
	Turnover	Operating	Operating	Turnover	Operating	Operating
	£'000	costs	surplus	£'000	costs	surplus
		£'000	£'000		£'000	£'000
Income and expenditure from lettings	8,726	7,992	734	8,188	7,524	664
Other income and expenditure						
Nursing homes	6,002	6,008	(6)	5,560	5,548	12
Detoxification Centre	227	192	35	216	200	16
St. Anne's Centre	193	282	(89)	196	274	(78)
Funded projects	373	373	-	294	294	-
Fund raising activities (note 2a)	221	207	14	244	219	25
Other	19	224	(205)	219	287	(68)
Total	15,761	15,278	483	14,917	14,346	571

PARTICULARS OF INCOME AND EXPENDITURE FROM LETTINGS

	1999	1998
	£'000	£'000
Rent receivable net of identifiable service charges	4,875	3,953
Service charges receivable	1,039	990
Gross rents receivable	5,914	4,943
Less: Rent losses from voids	(340)	(394)
Net rents receivable	5,574	4,549
Revenue Grants		
DSS	41	226
Leeds City Council		
Social Services Committee	-	126
Leeds Health Authority	154	543
Calderdale & Kirklees Health Authority	1,005	786
North Yorkshire Health Authority	1,557	1,482
Kirklees Social Services	-	5
Revenue Grants from the Housing Corporation	395	471
Total income from lettings	8,726	8,188

ST. ANNE'S SHELTER AND HOUSING ACTION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1999

PARTICULARS OF INCOME AND EXPENDITURE FROM LETTINGS (CONTINUED)

	1999	1998
	£'000	£'000
Expenditure on letting activities		
Services	3,795	3,589
Management and care	3,827	3,588
Routine maintenance	282	261
Rent losses from bad debts	28	35
Major repairs expenditure	60	51
Total expenditure on lettings	<u>7,992</u>	<u>7,524</u>
Operating surplus on letting activities	<u><u>734</u></u>	<u><u>664</u></u>

2(a) FUND RAISING ACTIVITIES

	1999	1998
	£'000	£'000
Gifts and Donations received	82	100
Income from charitable trusts:		
Received in the year	176	144
Deferred from previous year	95	97
Deferred to following year	<u>(132)</u>	<u>(97)</u>
	<u>139</u>	<u>144</u>
	<u>221</u>	<u>244</u>
Direct fund raising costs	(49)	(47)
Charitable expenditure	<u>(158)</u>	<u>(172)</u>
	<u>(207)</u>	<u>(219)</u>
	<u><u>14</u></u>	<u><u>25</u></u>

ST. ANNE'S SHELTER AND HOUSING ACTION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1999

3 DIRECTORS AND EMOLUMENTS

The directors of the association are the members of the Council of Management, the Chief Executive and any person reporting directly to the Chief Executive or directly to the Council of Management and whose total emoluments exceed £40,000 per year.

	1999 £'000	1998 £'000
Emoluments of the association's directors (including pension contributions and benefits in kind)	<u>248</u>	<u>238</u>
Emoluments of the highest paid director excluding pension contributions	<u>50</u>	<u>49</u>

The emoluments of the directors, also exclusive of pension contributions, were in the following ranges:

	1999 Number	1998 Number
£Nil	17	14
More than £40,000 but not more than £45,000	3	4
More than £45,000 but not more than £50,000	1	1
More than £50,000 but not more than £55,000	<u>1</u>	<u>-</u>

The Chief Executive is an ordinary member of the association's pension schemes. No enhanced or special terms apply and there is no individual arrangement to which contributions are made.

No emoluments were paid to members of the Council of Management during the year.

	1999 £	1998 £
Total expenses reimbursed to the directors of the association (not chargeable to tax)	<u>314</u>	<u>745</u>

	1999 £'000	1998 £'000
Consideration paid to a director in respect of loss of office	<u>14</u>	<u>14</u>

ST. ANNE'S SHELTER AND HOUSING ACTION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1999

4 EMPLOYMENT INFORMATION

The average number of persons employed during the year was:

	1999 Number	1998 Number
Finance and administration staff	31	29
Housing and social work services	58	57
Care staff	638	628
	<u>727</u>	<u>714</u>

The full time equivalent number of staff at 31 March 1999 was 652 (1998: 648).

	1999 £'000	1998 £'000
Staff costs (for the above persons)		
Wages and salaries	10,709	10,134
Social security costs	813	770
Other pension costs	702	578
	<u>12,224</u>	<u>11,482</u>

5 INTEREST RECEIVABLE AND SIMILAR INCOME

	1999 £'000	1998 £'000
Dividends receivable	1	-
Loan interest receivable	1	1
Bank and building society interest receivable	313	220
	<u>315</u>	<u>221</u>

6 INTEREST PAYABLE AND SIMILAR CHARGES

On bank loans, overdrafts and other loans:

	1999 £'000	1998 £'000
Repayable wholly or partly in more than 5 years	<u>16</u>	<u>16</u>

ST. ANNE'S SHELTER AND HOUSING ACTION

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FOR THE YEAR ENDED 31 MARCH 1999

7 SURPLUS ON ORDINARY ACTIVITIES IS STATED AFTER CHARGING:

	1999 £'000	1998 £'000
Depreciation	199	189
Auditors' remuneration	12	15

8 TANGIBLE FIXED ASSETS

	Freehold housing property £'000	Other freehold properties £'000	Additions to leasehold premises £'000	Motor vehicles £'000	Office and workshop equipment £'000	Furniture, fixtures and fittings £'000	Total £'000
Cost							
At 1 April 1998	10,708	5,877	1,563	106	206	1,728	20,188
Additions during the year	387	65	48	8	37	163	708
Disposals	-	-	-	(9)	-	-	(9)
At 31 March 1999	11,095	5,942	1,611	105	243	1,891	20,887
Social Housing and other capital grants							
At 1 April 1998	10,112	5,398	1,531	9	20	644	17,714
Received during the year	23	65	48	-	-	3	139
Disposals	-	-	-	-	-	-	-
At 31 March 1999	10,135	5,463	1,579	9	20	647	17,853
Depreciation							
At 1 April 1998	1	5	27	75	156	1,004	1,268
Charge for the year	-	-	1	16	21	161	199
Disposals	-	-	-	(9)	-	-	(9)
At 31 March 1999	1	5	28	82	177	1,165	1,458
Net book amount at 31 March 1999	959	474	4	14	46	79	1,576
Net book amount at 31 March 1998	595	474	5	22	30	80	1,206

The cost of freehold property includes interest capitalised of £275,773 (1998: £275,773).

Cost and capital grants received include £21,037 for fixed assets funded by the National Lottery.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1999

9 FIXED ASSET INVESTMENTS

Total fixed asset investments comprise

	1999 £	1998 £
Interest in subsidiary	2	2
Listed investments	-	-
Other fixed asset investments	10,000	10,000
Cost and net book amount at 31 March 1999	<u>10,002</u>	<u>10,002</u>

Interest in subsidiary

The company owns the whole of the ordinary share capital of St Anne's Trading Limited (formerly St Anne's Training Services Limited). This company is registered in England and Wales and has previously been engaged in the provision of training. The income from this source during the year ended 31 March 1999 amounted to £455. On 2 June 1999 St Anne's Trading Limited opened a charity shop, the profit from which will be paid over to St Anne's Shelter & Housing Action.

The aggregate capital and reserves of the company at the year end amounted to £956 (1998: £7,743). The loss for the year was £6,787 (1998: Loss £1,453).

Other fixed asset investments

This represents a loan to an unconnected undertaking.

Listed investments

The market value of the listed investments at 31 March 1999 was £9,384 (1998: £8,648).

10 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1999 £'000	1998 £'000
Arrears of rent	245	233
Other debtors	80	83
Prepayments and accrued income	197	249
Capital expenditure grant receivable	87	86
	<u>609</u>	<u>651</u>

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FOR THE YEAR ENDED 31 MARCH 1999

11 CASH AT BANK AND IN HAND

Included in the figure of £4,497,491 (1998: £3,600,787) are amounts received in respect of committed capital and revenue grants totalling £926,238 (1998: £709,417).

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1999 £'000	1998 £'000
Social housing allowances	12	7
Building Society mortgages	10	8
Trade creditors	275	164
Capital expenditure on housing properties	172	206
Pension contribution	94	90
Other creditors	216	153
Committed revenue grant	911	701
Committed capital grant	15	8
Accruals and deferred income	404	325
Social security and other taxes	245	239
	<u>2,354</u>	<u>1,901</u>

13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	1999 £'000	1998 £'000
Capital grant recycling fund	159	150
Other Loans	8	9
Building society mortgages	151	160
	<u>318</u>	<u>319</u>

The Capital Grant Recycling Fund includes notional interest of £10,367 transferred from the Income and Expenditure Account.

The loans are repayable at varying rates of interest by instalments over more than 5 years and are secured by special charges on various housing properties.

The building society mortgages are repayable at varying rates of interest by instalments over more than 5 years and are secured by charges on three of the association's freehold properties.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1999

14 BORROWINGS

Borrowings are repayable as follows:

	1999 £'000	1998 £'000
Within one year:		
Building society mortgages	10	8
After one and within two years:		
Building society mortgages	10	8
After two and within five years:		
Other loans	1	1
Building society mortgages	30	23
After five years:		
Other loans	7	7
Building society mortgages	111	130
	<u>169</u>	<u>177</u>

15 GENERAL CHARITY FUND

	£'000
At 1 April 1998	181
Donations and fund raising net of expenditure	14
Transfer to reserve financing capital expenditure	(148)
At 31 March 1999	<u>47</u>

ST. ANNE'S SHELTER AND HOUSING ACTION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1999

16 DESIGNATED RESERVES

	Millennium £'000	Development £'000	Financing capital expenditure £'000	Planned capital expenditure £'000	Reserve for major repairs £'000	Total £'000
At 1 April 1998	-	-	817	837	318	1,972
Transfer to revenue reserve	-	-	(17)	(46)	(9)	(72)
Transfer from revenue reserve	100	80	110	195	141	626
Transfer from general charity fund	-	-	148	-	-	148
Transfer between designated reserves	-	-	164	(164)	-	-
At 31 March 1999	<u>100</u>	<u>80</u>	<u>1,222</u>	<u>822</u>	<u>450</u>	<u>2,674</u>

The movement on the major repairs reserve is analysed as follows:

	Known liability £'000	Reserve for future long term liabilities £'000	Total £'000
At 1 April 1998	22	296	318
Transfer to revenue reserve	(9)	-	(9)
Transfer from revenue reserve	27	114	141
At 31 March 1999	<u>40</u>	<u>410</u>	<u>450</u>

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1999

17 RESTRICTED RESERVE

**Rent surplus fund
Reinvestment fund
£'000**

At 1 April 1998	74
Transfer from revenue reserve	14
At 31 March 1999	<u>88</u>

The Rent Surplus Fund Reinvestment Fund has been calculated in accordance with the Rent Surplus Fund General Determination 1998. The fund can only be spent on specified types of repair and improvement to existing stock.

18 REVENUE RESERVE

£'000

At 1 April 1998	1,021
Surplus for the year on income and expenditure account	191
At 31 March 1999	<u>1,212</u>

The association endeavours to maintain reserves at a level which ensures that investment income generated is sufficient to cover the cost of those activities for which no other funding is available.

19 RECONCILIATION OF OPERATING SURPLUS TO OPERATING CASH FLOW

	1999 £'000	1998 £'000
Surplus for the year	782	776
Interest receivable	(315)	(221)
Interest payable	16	16
Depreciation charges	199	189
Decrease in stocks	-	2
Decrease/(increase) in debtors	32	(189)
Increase/(decrease) in creditors	479	(74)
Profit on disposal of fixed assets	(1)	(1)
Net cash inflow from operating activities	<u>1,192</u>	<u>498</u>

ST. ANNE'S SHELTER AND HOUSING ACTION

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FOR THE YEAR ENDED 31 MARCH 1999

20 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 April 1998 £'000	Cashflow £'000	At 31 March 1999 £'000
Cash at bank and in hand	3,601	897	4,498
Debt due within one year	(8)	(2)	(10)
Debt due after one year	(169)	10	(159)
	<u>3,424</u>	<u>905</u>	<u>4,329</u>

21 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	1999 £'000	1998 £'000
Net funds at 1 April 1998	3,424	2,886
Increase in cash in the year	897	531
Cash outflow from funding	8	7
Net funds at 31 March 1999	<u>4,329</u>	<u>3,424</u>

Net funds comprise of cash at bank and in hand and loans.

22 CAPITAL COMMITMENTS

	1999 £'000	1998 £'000
Contracted for but not provided in these financial statements	60	72
Authorised by the Council of Management but not contracted for	-	349
	<u>60</u>	<u>421</u>

Of the above committed expenditure £8,000 (1998: £30,000) will be funded by Capital grants.

23 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 March 1999 or 31 March 1998.

ST. ANNE'S SHELTER AND HOUSING ACTION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1999

24 LEASING COMMITMENTS

Operating lease payments amounting to £208,434 (1998: £178,665) are due within one year. The commitments to make the payments included in this sum expire as follows:

	1999		1998	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
In one year or less	11	27	1	32
Between one and five years	2	150	1	103
In five years or more	18	-	39	3
	<u>31</u>	<u>177</u>	<u>41</u>	<u>138</u>

25 PENSIONS

The association operates two pension schemes, paying pension contributions to the National Health Service Pension Scheme and the West Yorkshire Superannuation Fund. Both schemes are defined benefit schemes. Contributions to the West Yorkshire Superannuation Fund are based on triennial actuarial valuations by a professionally qualified actuary.

26 HOSTELS

Income and expenditure of hostels where the Association does not bear the financial risk is excluded from the Associations income and expenditure account. The organisation managing units for the association is detailed below.

Managing body	SHMG £	Units at start of year	Units at end of year
Mary Seacole	<u>7,705</u>	<u>5</u>	<u>5</u>

27 LEGISLATIVE PROVISIONS

The association is incorporated under the Companies Act 1948 to 1967.