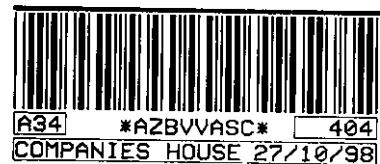


DOORSTEP OF HULL
A Company Limited by Guarantee
and
A Registered Charity No. 518713
REPORT AND ACCOUNTS
for the year ended
31 March 1998

Horwath Pulleyn Heselton
Chartered Accountants
54 Bootham
York
YO30 7XZ



DOORSTEP OF HULL

DIRECTORS

AND TRUSTEES:

H. Lundberg
D. C. Major
D. Scanlan

COMPANY SECRETARY:

Mrs G. Sargent

REGISTERED OFFICE:

151 Fairfax Avenue
Kingston upon Hull
HU5 4QZ

COMPANY NUMBER:

01940104

ADMINISTRATION
OFFICE ADDRESS:

151 Fairfax Avenue
Kingston upon Hull
HU5 4QZ

Telephone: 01482 345006

BANKERS:

The Co-operative Bank plc
22, Alfred Gelder Street
Hull
HU1 2BS

TSB Bank plc
Hall Road
Hull
HU5 4GZ

SOLICITORS:

Garwood Devine
Norwich House
Savile Street
Hull
HU1 3ES

AUDITORS:

Horwath Pulleyn Heselton
Chartered Accountants
54 Bootham
York
YO30 7XZ

DOORSTEP OF HULL

DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 1998

The directors, who form part of the management committee and are the charity's trustees, have pleasure in presenting their report and accounts for the year ended 31 March 1998.

PRINCIPAL ACTIVITY AND CHARITABLE OBJECTS

The principal activity of the charitable Company is to provide, and work with other agencies for the provision of, suitable accommodation for young single homeless persons, aged 16 to 25.

The Company also manages the administration of the North British Housing Association, collecting rents and meeting expenses. This Association provides accommodation for special needs and elderly people.

REVIEW OF ACTIVITIES

During the financial year revenue grant support to Doorstep fell by some £18,687. This was caused by the expiry of the grant from The Church Urban Fund (£6,000) and a reduction in grant support from Hull City Council Housing Department (£12,687).

In order to ensure that a large deficit did not occur the following changes were made:-

a) night cover for the Hostels was contracted out to a private security company, which unfortunately resulted in 3 staff redundancies;

b) a support worker post was deleted.

It is unfortunate that, at a time when the client group is becoming more and more difficult to deal with, the charity is being forced to reduce staffing levels when really an increase is necessary.

DIRECTORS AND TRUSTEES

The directors (who are known as officers and are also the charity's trustees) in office throughout the year were:

Hugh Lundberg - Chair
Don Major - Vice Chair
Denis Scanlan - Treasurer

The directors are appointed by the management committee at any time, provided that a maximum of fifteen is not exceeded. Directors are required to seek re-election at the first annual general meeting following election, and one third by rotation must seek re-election at every annual general meeting.

No remuneration or benefits were received by any directors during the year in respect of their services to the Company.

AUDITORS

During the year the auditors Pulleyn Heselton have changed the name under which they practise to HORWATH PULLEYN HESELTON and have signed their report in their new name.

DOORSTEP OF HULL

DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 1998 (CONTINUED)

FIXED ASSETS

Details of the changes in tangible fixed assets are set out in note 6 to the accounts.

The Company is aware that the present open market value of its freehold property is in excess of its book value. However the Company has no plans to sell the properties or change their use in the foreseeable future.

The Company may purchase, lease or hire any real or personal property or sell, let or mortgage any such property (subject to consent) in order to further its objects.

YEAR 2000 COMPLIANCE

A review has been carried out of the internal IT systems in the light of the problems which may be associated with the so called 'Millenium Bug'. All internal IT systems have been confirmed to be year 2000 compliant.

RESERVES POLICY

During the year the Company reviewed its reserve position. After assessing the potential threats and risks, a policy was agreed to ensure the avoidance of net current liabilities, to plan for any necessary controlled reduction of expenditure, and to provide sufficient liquid resources to meet both revenue and capital needs.

Total reserves at 31 March 1998 amounted to £450,719.

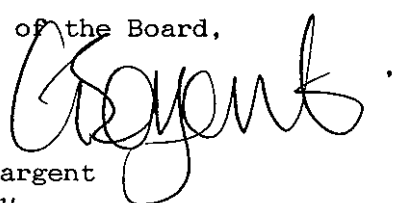
STATUS

The Company is a company limited by guarantee and governed by its memorandum and articles and is a registered charity, number 518713.

EXEMPTION

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 application to small companies.

By Order of the Board,


Mrs G. Sargent
Secretary

Kingston upon Hull

16 September 1998

DOORSTEP OF HULL

STATEMENT OF DIRECTORS' AND TRUSTEES' RESPONSIBILITIES

The purpose of this statement is to distinguish the directors' and trustees' responsibility for the accounts from those of the auditors as stated in their report.

Company and charity law requires the directors and trustees respectively to prepare accounts for each financial year which give a true and fair view of the charitable company's state of affairs at the end of the year and of its financial activities for that period. In preparing those accounts the directors and trustees 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 accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

The directors and trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the accounts comply with the Companies Act 1985 and applicable charity law. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

HORWATH PULLEYN HESELTON

Chartered Accountants

AUDITORS' REPORT TO THE MEMBERS OF
DOORSTEP OF HULL

We have audited the accounts on pages 5 to 11 which have been prepared under the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND TRUSTEES AND AUDITORS

As described on page 3 the directors and trustees are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors and trustees in the preparation of the accounts, 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 accounts 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 the information in the accounts.

UNQUALIFIED OPINION

In our opinion the accounts give a true and fair view of the state of the charitable company's affairs at 31 March 1998 and of its incoming resources and application of resources, including income and expenditure in the year then ended, and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.



York

16 September 1998

HORWATH PULLEYN HESELTON
Chartered Accountants
and Registered Auditors

DOORSTEP OF HULL

STATEMENT OF FINANCIAL ACTIVITIES
(INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 1998

Notes

		<i>Unrestricted £</i>	<i>Endowment funds £</i>	<i>1998 Total £</i>	<i>1997 Total £</i>
<i>Incoming resources</i>					
Rents receivable		230,614	-	230,614	220,124
Other operating income		137,594	32,341	169,935	255,578
Interest receivable		1,782	-	1,782	2,065
<i>Total incoming resources</i>	2	<u>369,990</u>	<u>32,341</u>	<u>402,331</u>	<u>477,767</u>
<i>Resources expended</i>					
Direct charitable expenditure		289,593	-	289,593	303,936
Other expenditure		60,756	-	60,756	72,601
Interest payable		9,264	-	9,264	7,936
<i>Total resources expended</i>	5	<u>359,613</u>	<u>-</u>	<u>359,613</u>	<u>384,473</u>
Net incoming resources before transfers		10,377	32,341	42,718	93,294
Transfers between funds		8,437	(8,437)	-	-
<i>Net incoming resources</i>	3	<u>18,814</u>	<u>23,904</u>	<u>42,718</u>	<u>93,294</u>
Funds brought forward at 1 April 1997		<u>145,422</u>	<u>262,579</u>	<u>408,001</u>	<u>314,707</u>
<i>Funds carried forward at 31 March 1998</i>		<u>£ 164,236</u>	<u>£ 286,483</u>	<u>£ 450,719</u>	<u>£ 408,001</u>

The statement of financial activities contains all the gains and losses recognised in the current and preceeding year, and the outgoings/incoming resources, all of which are derived from continuing operations for these years represents the only movement in funds.

The notes on pages 7 to 11 form part of these accounts.

DOORSTEP OF HULL

BALANCE SHEET
31 MARCH 1998

	Notes	1998	1997
		£	£
FIXED ASSETS			
Tangible assets	6	458,103	448,353
CURRENT ASSETS			
Debtors	7	36,928	25,374
Cash at bank and in hand		63,365	63,202
		<u>100,293</u>	<u>88,576</u>
CREDITORS: amounts falling due within one year	8	19,292	37,376
		<u>81,001</u>	<u>51,200</u>
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		539,104	499,553
CREDITORS: amounts falling due after more than one year	9	88,385	91,552
		<u>£ 450,719</u>	<u>£ 408,001</u>
NET ASSETS			
REPRESENTED BY:			
Endowment funds		286,483	262,579
Unrestricted: income and expenditure account		164,236	145,422
ACCUMULATED FUNDS	12	<u>£ 450,719</u>	<u>£ 408,001</u>

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies.

Approved by the Board on 16 September 1998
and signed on its behalf by:



Director and Trustee

The notes on pages 7 to 11 form part of these accounts.

DOORSTEP OF HULL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1998

1. ACCOUNTING POLICIES

a) Basis of Accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable Accounting Standards in the United Kingdom and in accordance with the Statement of Recommended Practice (Accounting by Charities) (SORP). The functional analysis of expenditure suggested by the SORP has been adopted for the first time in 1998 and the figures for 1997 have been restated. The allocation of overhead expenditure has been made on a specific cost basis.

The directors have taken advantage of certain exemptions available to small companies under the Companies Act 1985, on the grounds that the Company qualifies as a small company.

b) Depreciation

Depreciation is provided on all tangible fixed assets in use, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows:

Freehold buildings	- over 50 years
Office equipment	- over 1 year
Fixtures and fittings, etc	- over 1 year
Motor vehicles	- over 4 year

A full year's depreciation is charged in the year the asset is first brought into use.

c) Leased Assets

Rentals payable under operating leases are charged to the income and expenditure account as incurred.

d) Incoming resources

Local Authority and Lottery Grants

i) Revenue grants

These grants are credited directly to the statement of financial activities (income and expenditure account).

ii) Capital grants

These grants are credited directly to the statement of financial activities (income and expenditure account) as an Endowed Fund. This fund is reduced by a transfer of amounts equivalent to any depreciation charges over the useful life of the assets to which the grants relate. The amount of the fund which has not been spent at the end of the financial year is carried forward in that fund. This represents a change in accounting policy this year in order to reflect the requirements of the charity SORP. The comparative figures have been restated to reflect this change. The previous accounting policy treated these grants as deferred credits. The effect of the change of policy during the year has been to increase incoming resources by £32,341 (1997 - £97,075). The deferred credits previously classified in creditors falling due after more than one year in the balance sheet have been re-classified as a restricted endowment fund.

DOORSTEP OF HULL

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 1998

1. ACCOUNTING POLICIES - continued

d) INCOMING RESOURCES - continued

Rents and interest receivable are recorded in the financial year in which they are earned. Interest is received on the bank deposits.

Other operating income, which is detailed in note 2, is accounted for mainly in the year in which it is received.

e) RESOURCES EXPENDED

All expenses are accounted for on an accruals basis. The irrecoverable element of value added tax is included with the item of expense to which it relates.

2. OPERATING INCOME - Total Incoming Resources

	1998 £	1997 £
T/SNMA income	74,452	73,572
Social Services top up income	18,338	23,969
Other income	24,507	38,522
Hull C C Housing Dept income	9,753	22,440
Lease income	1,407	-
Renewal grant from North British	9,137	-
	<u>£ 137,594</u>	<u>£ 158,503</u>

Other income includes income from restricted funds of £ Nil (1997 £ 2,607).

Sales of fixed assets are excluded.

3. INCOMING RESOURCES

This is stated after charging:

Operating lease rentals	425	425
Auditors' remuneration - audit	1,175	1,058
- other services	1,058	945
Depreciation	16,220	26,673
	<u> </u>	<u> </u>

4. EMPLOYEES

Wages and salaries	159,285	198,450
Social security costs	14,697	19,017
	<u>£ 173,982</u>	<u>£ 217,467</u>

The average number of employees employed in administration and supervision was 8 (1997 12). No employees earned in excess of £40,000.

DOORSTEP OF HULL

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 1998

5. ANALYSIS OF TOTAL RESOURCES EXPENDED

	<i>Staff costs</i> £	<i>Depreciation</i> £	<i>Interest</i> £	<i>Other</i> £	<i>1998 Total</i> £	<i>1997 Total</i> £
Direct Charitable Expenditure	136,517	12,768	-	140,308	289,593	303,936
Publicity	-	-	-	118	118	-
Other expenditure	37,465	3,452	9,264	19,721	69,902	80,537
	<u>£ 173,982</u>	<u>£ 16,220</u>	<u>£ 9,264</u>	<u>£ 160,147</u>	<u>£ 359,613</u>	<u>£ 384,473</u>

6. TANGIBLE FIXED ASSETS

	<i>Land and Buildings</i> £	<i>Plant and machinery etc</i> £	<i>Total</i> £
Cost or valuation:			
1 April 1997	495,975	154,056	650,031
Additions at cost	21,345	4,625	25,970
31 March 1998	<u>517,320</u>	<u>158,681</u>	<u>676,001</u>
Depreciation:			
1 April 1997	48,871	152,807	201,678
Provision for year	10,346	5,874	16,220
31 March 1998	<u>59,217</u>	<u>158,681</u>	<u>217,898</u>
Net book values:			
31 March 1998	<u>£ 458,103</u>	<u>£ -</u>	<u>£ 458,103</u>
31 March 1997	<u>£ 447,104</u>	<u>£ 1,249</u>	<u>£ 448,353</u>

All fixed assets held are for charitable use. The current market value of the freehold properties is estimated as £1,303,894 based on a rebuild value for insurance purposes.

Freehold property additions of £20,013 (1997 £91,212) were made from endowed funds received in the year. Under the terms of the endowed funds received from the National Lottery Charities Board (the Board) the land and buildings acquired with those funds may not be disposed of, nor used as security for a loan or any other financial purpose without the prior written approval of the Board. This restriction is in force for a period of 80 years from the date of acquisition.

No capital expenditure has been contracted for but not provided for in these accounts at 31 March 1998 (1997 none).

DOORSTEP OF HULL

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 1998

	1998 £	1997 £
7. DEBTORS		
Income debtors	10,877	11,976
Other debtors	15,053	7,787
Prepayments	8,312	322
Accrued income	2,686	5,289
	<u>£ 36,928</u>	<u>£ 25,374</u>

An amount of £4,590 (1997 £1,720) is included in the above in respect of debtors due after more than one year.

8. CREDITORS: amounts falling due within one year

Bank loans and overdrafts	4,485	18,405
Trade creditors	7,372	12,130
Other creditors	1,959	1,959
Accruals	5,476	4,882
	<u>£ 19,292</u>	<u>£ 37,376</u>

9. CREDITORS: amounts falling due after more than one year

Bank loans and overdrafts	88,385	91,552
	<u>£ 88,385</u>	<u>£ 91,552</u>

10. LOANS AND OVERDRAFTS

Loans and overdrafts are repayable as follows:

Within one year or on demand	4,485	18,405
Between one and two years	3,864	4,106
Between two and five years	12,613	12,318
In five years or more	71,908	75,128
	<u>£ 92,870</u>	<u>£ 109,957</u>

The bank loan and overdraft are secured on certain of the Company's freehold land and buildings.

DOORSTEP OF HULL

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 1998

11. OPERATING LEASE COMMITMENTS

The Company has financial commitments in respect of an agreement which expires within one to five years. The payment of £425 (1997 £425) will fall due in the year to 31 March 1999.

12. ACCUMULATED FUNDS

	<i>Unrestricted Funds £</i>	<i>Endowment Funds £</i>
1 April 1997 - as restated	145,422	262,579
Net movement in funds	18,814	23,904
	<hr/>	<hr/>
31 March 1998	£ 164,236	£ 286,483
	<hr/>	<hr/>

13. ANALYSIS OF THE CHARITY'S NET ASSETS BY FUND

	<i>Fixed Assets (charity use) £</i>	<i>Net Current Assets £</i>	<i>Long Term Liabilities £</i>	<i>Total £</i>
Endowment funds	286,483	-	-	286,483
Unrestricted funds	171,620	81,001	(88,385)	164,236
	<hr/>	<hr/>	<hr/>	<hr/>
	£ 458,103	£ 81,001	£ (88,385)	£ 450,719
	<hr/>	<hr/>	<hr/>	<hr/>

14. TRANSACTIONS WITH OFFICERS

The project director, P. Drinkell occupies the first floor of the Company's offices under a tenancy agreement at a market rent. During the year he paid rent to the Company amounting to £2,040 (1997 £680).

15. CONSTITUTION

Doorstep of Hull is a company limited by guarantee. In the event of the Company being wound up, the liability of the members is limited to five pounds.

The Memorandum of Association of the Company prohibits the distribution of any property to members upon the winding up or dissolution of the Company.