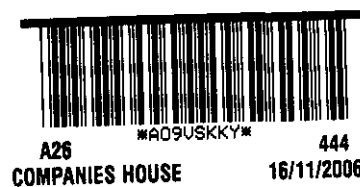


**UPPER ROOM (ST SAVIOUR'S
WITH ST MARY'S) (A company
limited by guarantee)**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2006



Company no 2567517

UPPER ROOM (ST SAVIOUR'S WITH ST MARY'S) (A company limited by guarantee)

FINANCIAL STATEMENTS

For the year ended 31 March 2006

Company registration number: 2567517

Charity number: 1004354

Registered office: St Saviour's with St Mary's Vicarage
Cobbold Road
LONDON
W12 9LQ

Directors: A J Branch
O H J Pearcey
M M Pears
A Sich
P Mullings
A N Simkin
S M Tuke (appointed 12 October 2005)

Bankers: National Westminster Bank plc
25 Shepherd's Bush Green
LONDON
W12 8PR

Secretary: A Sich

Auditors: Grant Thornton UK LLP
Registered Auditors
Chartered Accountants
Grant Thornton House
Kettering Parkway
KETTERING
Northants
NN15 6XR

UPPER ROOM (ST SAVIOUR'S WITH ST MARY'S) (A company limited by guarantee)

FINANCIAL STATEMENTS

For the year ended 31 March 2006

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REPORT OF THE DIRECTORS

The directors, who act as Trustees for the Charitable activities of the Upper Room, present their report together with financial statements for the year ended 31 March 2006.

Principal activity

The company's principal activity is the relief of poverty, suffering and distress amongst the homeless.

The company took over the running of the Upper Room from St Saviour's PCC on 1 October 1991. It is a registered charity.

Financial review

The charity is dependent on grants and donations for it to continue in operation. The accounts have been prepared on the going concern basis as the directors believe that they will be able to secure sufficient funds to allow the project to continue for the foreseeable future. The directors' aim to have enough reserves to cover the next year's expenditure. Net outgoing resources were £22,635 (2005: incoming £59,123). The directors expect to continue to disburse income broadly in line with receipts.

Management

The directors normally hold monthly meetings to monitor closely the management of the Upper Room's cash resources.

Directors

The directors in office during the year are listed below.

A J Branch
O H J Pearcey
M M Pears
A Sich
P Mullings
A N Simkin
S M Tuke (appointed 12 October 2005)

According to the Articles of Association, all the directors retire. All the directors offer themselves for re-appointment.

Directors' responsibilities for the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors 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 of the incoming resources and application of resources, including the net income or expenditure, for the year. In preparing these financial statements, the directors are required to:

REPORT OF THE DIRECTORS

Directors' responsibilities for the financial statements (continued)

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the directors are aware there is no relevant audit information of which the company's auditors are unaware and the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Risk management

The directors have considered the major risks to which the Upper Room is exposed. These fall into two groups: risks relating to continuing income and risks relating to the health and safety of guests, staff and volunteers. The directors have secured the support of a part-time fundraiser who is focussed on applications to charitable trusts and grant-giving bodies to enable the charity to carry on its activities. With regard to matters of health and safety, the directors have developed a robust Child Protection Policy and are supporting its application with relevant training. The development of a policy to assist those working with vulnerable adults and the implementation of new standards in food hygiene are also receiving particular attention.


Auditors

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

Small company exemption

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

BY ORDER OF THE BOARD


A Sick
Secretary

10 October 2006

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF**UPPER ROOM (ST SAVIOUR'S WITH ST MARY'S) (A company limited by guarantee)**

We have audited the financial statements of Upper Room (St Saviour's with St Mary's) for the year ended 31 March 2006 which comprise the principal accounting policies, the statement of financial activities, the balance sheet, and notes 1 to 8. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors also act as trustees for the charitable activities of the company for the purposes of company law. The directors' responsibilities for preparing the Directors' Report and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, whether they are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Directors' Report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 directors 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.

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF

UPPER ROOM (ST SAVIOUR'S WITH ST MARY'S) (A company limited by guarantee)

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 March 2006 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements for the year ended 31 March 2006.

Grant Thornton UK LLP

**GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
KETTERING**

27 October 2006

PRINCIPAL ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared in accordance with applicable accounting standards, and follow the recommendations in the Statement of Recommended Practice: Accounting and Reporting by Charities (Revised 2005).

The principal accounting policies of the charitable company have remained unchanged from the previous year, and are set out below.

INCOME

Income represents grants and donations received.

FUND ACCOUNTING

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity.

TANGIBLE FIXED ASSETS AND DEPRECIATION

All fixed assets are being written off over two years.

UPPER ROOM (ST SAVIOUR'S WITH ST MARY'S) (A company limited by guarantee)**STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT**

For the year ended 31 March 2006

	Note	Unrestricted 2006 £	Restricted 2006 £	Total 2006 £	Total 2005 £
Income and expenditure					
Incoming resources					
Voluntary income:					
Grants		56,212	31,785	87,997	118,025
Donations		33,635	-	33,635	50,661
Gift Aid		4,162	-	4,162	3,676
Investment income:					
Interest		1,805	-	1,805	190
Total incoming resources		<u>95,814</u>	<u>31,785</u>	<u>127,599</u>	<u>172,552</u>
Resources expended					
Costs of generating funds		7,901	-	7,901	-
Charitable activities		104,862	31,785	136,647	104,575
Governance costs		5,686	-	5,686	8,854
Total resources expended		<u>118,449</u>	<u>31,785</u>	<u>150,234</u>	<u>(113,429)</u>
Net (outgoing)/incoming resources for the year	3	<u>(22,635)</u>	<u>-</u>	<u>(22,635)</u>	<u>59,123</u>

There were no recognised gains or losses other than the net incoming resources for the financial year.

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

UPPER ROOM (ST SAVIOUR'S WITH ST MARY'S) (A company limited by guarantee)

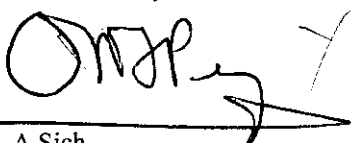
BALANCE SHEET AT 31 MARCH 2006

	Note	2006 £	2005 £
Fixed assets			
Tangible assets	2	3,856	593
Current assets			
Cash at bank and in hand		41,965	69,537
Debtors		2,869	-
Creditors: amounts falling due within one year	4	(4,322)	(3,127)
Total assets less current liabilities		<u>44,368</u>	<u>67,003</u>
Capital and reserves			
Capital - limited by guarantee, 10 members having a liability not exceeding £1 per member			
Unrestricted funds	3	44,368	67,003
Restricted funds	3	-	-
		<u>44,368</u>	<u>67,003</u>

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

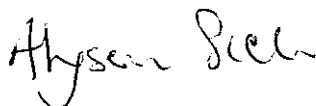
The financial statements were approved by the Board of Directors on 10 October 2006

O H J Pearcey



A Sich

Directors



M Pears



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

UPPER ROOM (ST SAVIOUR'S WITH ST MARY'S) (A company limited by guarantee)**NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31 March 2006

1 DIRECTORS AND EMPLOYEES

The directors received no remuneration from the company during the year or the previous year. Staff costs during the year were £73,870 (2005: £69,321).

2 TANGIBLE FIXED ASSETS

	Equipment £
Cost	
At 1 April 2005	15,856
Additions	<u>7,712</u>
At 31 March 2006	<u>23,568</u>
Depreciation	
At 1 April 2005	15,263
Provided in the year	<u>4,449</u>
At 31 March 2006	<u>19,712</u>
Net book amount at 31 March 2006	<u><u>3,856</u></u>
Net book amount at 31 March 2005	<u><u>593</u></u>

3 RESERVES

	Unrestricted funds £	Restricted funds £	Total £
At 1 April 2005	67,003	-	67,003
Net outgoing resources	<u>(22,635)</u>	<u>-</u>	<u>(22,635)</u>
At 31 March 2006	<u><u>44,368</u></u>	<u><u>-</u></u>	<u><u>44,368</u></u>

UPPER ROOM (ST SAVIOUR'S WITH ST MARY'S) (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2006

4 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2006	2005
	£	£
Accruals	<u>4,322</u>	<u>3,127</u>

5 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 March 2006 or 31 March 2005.

6 TAXATION

The company is a charity and exempt from direct taxation.

7 CAPITAL COMMITMENTS

There were no capital commitments at 31 March 2006 or 31 March 2005.

8 AUDITORS' REMUNERATION

	2006	2005
	£	£
Auditors' remuneration	<u>95</u>	<u>90</u>