

**The Ashley Foundation  
Company Limited By Guarantee  
Financial Statements  
For  
31 May 2006**

**Charity Number 1063208**



# **The Ashley Foundation Company Limited By Guarantee**

## **Financial Statements**

**Year Ended 31 May 2006**

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# **The Ashley Foundation Company Limited By Guarantee**

## **Members of the Board and Professional Advisers**

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<b>The board of trustees</b>	Mr P Bamber Mr R Alleway Mr N Bramhall Mr A Normington
<b>Company secretary</b>	Mr L Dribben
<b>Registered office</b>	81 Abingdon Street Blackpool Lancashire FY1 1PP
<b>Auditor</b>	Becketts Chartered Accountants & Registered Auditors 85 Abingdon Street Blackpool Lancashire FY1 1PP
<b>Bankers</b>	Yorkshire Bank plc 2/4 Abingdon Street Blackpool Lancashire FY1 1DR
<b>Solicitors</b>	Coope Purvis & Taylor 90 Whitegate Drive Blackpool Lancashire FY3 9DA

# **The Ashley Foundation Company Limited By Guarantee**

## **Chairman's Statement**

**Year Ended 31 May 2006**

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Who can believe that we're now in our 10th year! I remember the 1997 meeting with my fellow founding trustees (Peter Foy and Ashley Cohen) and discussing how we could provide a better standard of hostel accommodation to 'persons in need'. Even I never imagined how The Ashley Foundation would develop. TAF has matured into an all round accommodation and support organisation providing, in my opinion, a first class service to our clients. In the early days, we faced an uphill battle to be even recognised by the local authority and often we felt we were banging our head against a brick wall. Just look at us now. Accredited by Blackpool council, a Supporting People accommodation provider and Investor in People recognition!

In any organisation, staff are the greatest asset and in order to succeed, everyone has to perform well, individually and as a team member. To get there, staff need the right knowledge, skills and motivation. Employee development is all-important and we have continually strived to provide opportunities for personal growth. We hoped we were getting it right and I am proud that Investors in People have now formally recognised our achievements.

I hope you don't think I'm showing off too much! The credit is not mine. It belongs to our staff. Some have been with us since the beginning, many for some years. Our staff turnover is relatively low. It is staff, individually and collectively, who make any organisation what it is. Although we currently employ 28 full time and 3 part time staff, we are also reliant on our dedicated volunteers whose roles include counsellors and mentors. It is our staff and volunteers who together combine to provide such a comprehensive service to TAF clients.

### **Hostels**

The core base of TAF has always been our accommodation service. Our hostels are staffed by teams consisting of hostel manager, chef/housekeeper and duty supervisors to ensure 24 hour staffing. Each hostel faces unique difficulties depending on the physical site, the current 'mix' of residents and neighbourhood relations. It is the responsibility of the staff team within a hostel to provide accommodation and catering services in a safe, warm environment. It is only after their basic needs have been met that a client can be expected to take advantage of the Support services we offer. As an 'old hand', I thought I had seen it all but even I continue to be surprised by the weird and sometimes wonderful things that happen in hostels. I know it is only due to the skill and experience of hostel staff that incidents are contained so as to maintain the ambient hostel environment for the benefit of residents and the community. The patience of hostel staff is indeed something to see to be believed. In our hostels, the occupancy was (last year in brackets) Elm House 156 (117), Oak House 95 (74) and Holly House 45 (38). The flats at Cedar Lodge and Birch Lodge have been almost constantly occupied. In Blackburn, Union House had 80 (80) residents.

### **Local Connection**

In January 2006, Blackpool council introduced a 'Local Connection' policy forcing prospective residents to meet certain criteria before being allowed to access the services of any organisations providing accommodation to homeless persons. The Single Homeless and Rough Sleeping Team must now approve any admissions to our hostels. Together with other providers, we made strong representations to the local authority against adopting the policy but we were unsuccessful. The policy states:-

- An individual must have lived in Blackpool for at least 6 out of the last 12 months or have lived in Blackpool for at least 3 out of the last five years.
- An individual must have close/immediate family who are living here and have lived here with the past five years. (Close family means mother, father, brother, sister or adult son or daughter).

# **The Ashley Foundation Company Limited By Guarantee**

## **Chairman's Statement** *(continued)*

**Year Ended 31 May 2006**

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Although we thought the policy would be detrimental to us by causing lower occupancy levels with consequent reduced revenue, we worked closely with the Single Homeless and Rough Sleeping Team to iron out initial teething problems and our worries have been allayed. Indeed, we still receive many more eligible applicants for hostel places than are available. The morality of the policy is questionable and we wonder whether our duty, as a charity, is to comply with local authority restrictive policies or to provide accommodation to homeless persons wherever they are from. I don't know.

### **Support**

The initial offer of a bed to a homeless person is only the beginning of our service. The follow on stage is with our Support Team that continues to go from strength to strength providing extensive services to residents. The main objective of the Support Team is to encourage residents to develop the skills necessary for independent living by offering practical support, advice, assistance and representations. The Support Team works closely with other agencies/organisations not only in the general field of homelessness but with the particular issues of drugs, alcohol, mental health and ex-offenders.

We received funding to enable us to extend the Support Team by the creation of a new post. We now have our own drug and alcohol worker. Penny Lake has joined us to provide a comprehensive service to our drug and alcohol users, combining both prevention and treatment responses. Penny's aim is to enable clients to take control of their lives. Penny will offer one-to-one sessions providing practical and emotional support to promote the restoration of their physical and emotional health. Clients will be encouraged to face the reality of their dependency, develop new interests and achieve their personal goals.

### **Grants**

We have been fortunate to receive a number of grants from during the past year. I wish to publicly express my gratitude to the following organisations for their generosity:-

- The Henry Smith Charity
- The Lloyds TSB Foundation for England and Wales
- The Garfield Weston Foundation
- The Hilton in the Community Foundation
- The Skipton Building Society Charitable Foundation
- The Community Learning Chest (Blackpool) Fund

### **Donations**

Unfortunately, we are not very good at fundraising! We receive very few donations and I know it is an area we need to address. If there's anybody out there who can work with us to promote our activities and help us to raise public awareness and funds, please contact me. The donations we did get were gratefully received and I make special mention of Fleetwood Sports College (£850) Statestrong Limited (toiletries) and The Woodburn Tenants Association (Christmas Hampers). Thank you.

### **Halfway House**

One of our ambitions is to establish a 'Halfway House' so hostel residents who appear ready to be moved onto provide accommodation will be able to participate in a trial period of living in self-contained accommodation within a communal building. During the trial period, we would continue to provide all necessary and appropriate support. If the trial period is successful, then the resident will (hopefully) be fully resettled back into the community. If the resident does not appear able or the Support Team has concerns, a place will be available so the resident can move back into the hostel and further training can be offered. Such a scheme requires a suitable building and we do not anticipate a quick realisation of this particular ambition.

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# **The Ashley Foundation Company Limited By Guarantee**

**Chairman's Statement** *(continued)*

**Year Ended 31 May 2006**

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## **Charity Shop**

We ran a charity shop for a week. It was successful and many small donations of items and clothing were received from the general public, friends, family and colleagues. The shop is operated by Group Charities Blackpool who offer weekly hire for projects to use it for fundraising. Group Charities were established in 1979 and provide the shop to charities that do not have their own charity shop. We will be running the charity shop again. My thanks to Leanne Platts, Catherine Hewitt and all others who helped.

## **Allotment**

We finally have our allotment up and running (okay then, up and growing!) The allotment is not just for growing fruit and vegetables but also to benefit our residents by improving their physical and mental health and provide a great way for them to mix with other residents by improving their physical and mental health and provide a great way for them to mix with other people. We want to promote social and environmental responsibility for our residents so they can become more active in the community. What compares to watching the growth of your own planting? Throughout the summer, residents and staff worked tirelessly to change what was a derelict plot of land into a gardener's haven. Credit and my thanks go to our own green fingered Compliance Officer, Brian Wood, who has devised and overseen a fantastic transformation. We now have a wide variety of fruit and vegetables from the basics such as potatoes, carrots, onions, lettuce and strawberries to the more exotic celeriac, shallots and radish and capsicum peppers.

## **Taffy Times**

Our newsletter, the Taffy Times, is now firmly established and we continue to use it to promote TAF within the community. Although we still subsidise it, we hope that it will soon be not only fully sponsored but actually provide us with an inflow of funds from donations. It is difficult to produce a newsletter that tries to be all things to all readers but our in-house editor, Laura Cooper, always seems to successfully wave her magic wand just before deadlines.

## **Website**

Our website went live in December 2005. As amateur website developers, we needed professionals to come on board for the technical bits but it was our staff that spent many, many hours compiling the content. We want site visitors to be able to access as much information as possible. In particular, we want the website to improve transparency in our financial and governance affairs. The site is able to accept on-line donations that hopefully will be a new way of gaining some much-needed income. My thanks go to our own Laura Cooper and Gail Murphy who worked with Chris Sherry from Webnecessity. Chris has been retained to manage and maintain the site. Have a look on [www.theashleyfoundation.org.uk](http://www.theashleyfoundation.org.uk).

## **Trustees**

Since March 2005, the board of trustees comprised of Neville Bramhall, Roy Alleway, Alf Normington, Mark Hage and I. However, due to other commitments, Mark Hage resigned. I would like to thank Mark for his service and wish him all the best. Our former trustee, Peter Foy, is making a slow recovery from his illness and I again pay tribute to him for the major role he played in the formation and development of TAF from 1997. Whilst we may not always agree on everything, robust discussion gives each of us the opportunity to fully air any concerns and I look forward to our future meetings. However, I would remind them that, in time, one of them will be the chairman and they will then find out just how much time is taken up trying to work with chief executive!

# **The Ashley Foundation Company Limited By Guarantee**

## **Trustees Annual Report**

**Year Ended 31 May 2006**

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The trustees, who are also Directors for the purposes of the Companies Act, have pleasure in presenting their report and the financial statements of the charity for the year ended 31 May 2006.

The chairman's full statement should be read in conjunction with this report.

### **REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY**

The registered name of the charity is *The Ashley Foundation*. The working name of the charity is "Help the Homeless".

The company is a registered charity, charity number 1063208.

Both the registered office and the principal office of the charity is 81 Abingdon Street, Blackpool, Lancashire, FY1 1PP.

Details of relevant organisations and persons are given on page 1 of these financial statements.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The charity was formed in May 1997, incorporated under the Companies Act 1985 number 3366712, and is exempt under section 30 of the Act. The company is limited by guarantee and is governed by its memorandum and articles of association.

The board of Trustees has discretion to appoint new trustees and the charity is constantly seeking new appointments.

Governance, management and financial control are administered from the charity's main offices. All major decisions are made by the Trustees and The Chief Executive Officer delegates and supervises roles and duties to other staff members. Financial control is delegated to Mr Paul Wyatt, the charity's administrator.

# **The Ashley Foundation Company Limited By Guarantee**

**Trustees Annual Report** *(continued)*

**Year Ended 31 May 2006**

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## **OBJECTIVES AND ACTIVITIES**

The principal objective of the charity throughout the year was the relief of poverty by the provision of accommodation to persons in need.

The charity also provides support to clients to assist them with the wider issues of homelessness.

The charity's main objectives and its strategies for achieving those objectives are explained in the Chairman's statement.

## **ACHIEVEMENTS AND PERFORMANCE**

A full review of the charities performance achieved against the objectives it sets for itself are outlined in the Chairman's statement.

## **FINANCIAL REVIEW**

A reserves policy has been adopted which aims to provide financial stability for the charity. It is intended to maintain unrestricted funds at a level of at least one months operating expenditure.

The company received several grants and donations in the year for specific purposes and these are detailed in the notes to the financial statements.

## **PLANS FOR FUTURE PERIODS**

The charity continues to carry out its main charitable activity in the future and has no plans to increase or curtail the level of activity.

## **THE TRUSTEES**

The trustees who served the charity during the period were as follows:

Mr P Bamber  
Mr M Hage  
Mr R Alleway  
Mr N Bramhall  
Mr A Normington

Mr A Normington was appointed as a trustee on 4 December 2005.

Mr M Hage retired as a trustee on 16 June 2006.

## **TRUSTEES' RESPONSIBILITIES**

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 charity at the end of the year and of the incoming and outgoing resources for the year then ended.

In preparing those financial statements, the trustees are required to select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent. The trustees must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

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



# **The Ashley Foundation Company Limited By Guarantee**

**Trustees Annual Report** *(continued)*

**Year Ended 31 May 2006**

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The trustees do not consider there are any major risks to which the charity is exposed.

## **SMALL COMPANY PROVISIONS**

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

Signed on behalf of the trustees

A handwritten signature in black ink, appearing to be 'P Bamber', with a long horizontal stroke extending to the right.

MR P BAMBER  
CHAIRMAN

Approved by the trustees on 11<sup>th</sup> September 2006

# **The Ashley Foundation Company Limited By Guarantee**

## **Independent Auditor's Report to the Members of The Ashley Foundation**

**Year Ended 31 May 2006**

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We have audited the financial statements on pages 10 to 19 which have been prepared under the historical cost convention and the accounting policies set out on pages 12 to 13.

This report is made solely to the charity'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 charity'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 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 THE TRUSTEES AND THE AUDITOR**

The trustees' (who also act as Directors for the charitable activities of the company) responsibilities for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities on page 6.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees Annual Report is not consistent with the financial statements, if the charity 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 trustees' remuneration and transactions with the charity is not disclosed.

We are not required to consider whether the statement in the Trustees Annual Report concerning the major risks to which the charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charity's risk management and control procedures.

We read the Chairman's statement and the Trustees Annual Report and consider whether they are consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### **BASIS OF AUDIT OPINION**

We conducted our audit in accordance with United Kingdom 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 in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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.

# **The Ashley Foundation Company Limited By Guarantee**

**Independent Auditor's Report to the Members of The  
Ashley Foundation** *(continued)*

**Year Ended 31 May 2006**

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## **OPINION**

In our opinion the financial statements give a true and fair view of the charity's state of affairs as at 31 May 2006 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Becketts*

85 Abingdon Street  
Blackpool  
Lancashire  
FY1 1PP

BECKETTS  
Chartered Accountants  
& Registered Auditors

12<sup>th</sup> September 2006

# The Ashley Foundation Company Limited By Guarantee

## Statement of Financial Activities

Year Ended 31 May 2006

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2006 £	Total Funds 2005 £
<b>Incoming Resources</b>					
<b>Incoming Resources From Generated Funds</b>					
Voluntary income	2	483.27	59,400.00	59,883.27	65.48
Investment income	3	2,520.78	—	2,520.78	4,594.76
<b>Incoming resources from Charitable Activities</b>					
Income from hostels	4	1,174,506.16	—	1,174,506.16	1,088,663.21
<b>Total Incoming Resources</b>		<b>1,177,510.21</b>	<b>59,400.00</b>	<b>1,236,910.21</b>	<b>1,093,323.45</b>
<b>Resources Expended</b>					
Charitable activities	5				
Staff costs		560,720.46	2,018.00	562,738.46	533,847.35
Depreciation and other costs		611,909.51	9,322.24	621,231.75	609,220.37
Governance costs	6	12,745.84	—	12,745.84	11,450.91
<b>Total Resources Expended</b>	7	<b>1,185,375.81</b>	<b>11,340.24</b>	<b>1,196,716.05</b>	<b>1,154,518.63</b>
<b>Net (Outgoing)/Incoming Resources Before Transfers</b>					
		(7,865.60)	48,059.76	40,194.16	(61,195.18)
Transfer between funds		(455.58)	455.58	—	—
<b>Net (Outgoing)/Incoming Resources for the Year</b>		<b>(8,321.18)</b>	<b>48,515.34</b>	<b>40,194.16</b>	<b>(61,195.18)</b>
Balances brought forward		142,923.64	—	142,923.64	204,118.82
Balances carried forward		134,602.46	48,515.34	183,117.80	142,923.64

The charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

The notes on pages 12 to 19 form part of these financial statements.

# The Ashley Foundation Company Limited By Guarantee

## Balance Sheet

31 May 2006

	Note	2006 £	2005 £
<b>Fixed Assets</b>			
Tangible assets	8	404,315.98	406,190.98
<b>Current Assets</b>			
Stocks	9	850.00	850.00
Debtors	10	48,100.04	44,849.40
Cash at bank and in hand	11	67,649.79	49,854.61
		116,599.83	95,554.01
<b>Creditors: Amounts falling due within one year</b>	12	(66,068.98)	(56,372.77)
<b>Net Current Assets</b>		50,530.85	39,181.24
<b>Total Assets Less Current Liabilities</b>		454,846.83	445,372.22
<b>Creditors: Amounts falling due after more than one year</b>	13	(271,729.03)	(302,448.58)
<b>Net Assets</b>		183,117.80	142,923.64
<b>Funds</b>			
Restricted	16	48,515.34	-
Unrestricted	17	134,602.46	142,923.64
<b>TOTAL FUNDS</b>		183,117.80	142,923.64

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the board of trustees on the 11<sup>th</sup> September 2006 and are signed on their behalf by:

  
Mr P Bamber  
CHAIRMAN

The notes on pages 12 to 19 form part of these financial statements.

# **The Ashley Foundation Company Limited By Guarantee**

## **Notes to the Financial Statements**

**Year Ended 31 May 2006**

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### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (revised 2005) and the Companies Act 1985, subject to the departures referred to below.

#### **Cash flow statement**

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small.

#### **Donations**

Donations are credited to the statement of financial activities as received. Unless specifically provided for by the donor, all donations are treated as unrestricted.

#### **Netting off of income and expenditure**

Related income and expenditure are generally not netted off unless the amount is not material so as to distort the view given by the accounts.

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Office equipment	- 50% on cost straight line
Motor vehicle	- 25% on cost or net book value
Freehold property	- no provision made

The charity's freehold premises have been maintained satisfactorily such that the residual value, based on prices prevailing at the time of acquisition or subsequent revaluation, of this property is at least equal to the book value. Having regard to this, it is the opinion of the trustees that depreciation of this property as required by the Companies Act 1985 and accounting standards would not be material.

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

# The Ashley Foundation Company Limited By Guarantee

## Notes to the Financial Statements

Year Ended 31 May 2006

### 1. ACCOUNTING POLICIES *(continued)*

#### Incoming resources

Voluntary income such as donations and grants are included in incoming resources when they are received except where the donor specifies that they must be used in future accounting periods or donor's conditions have not been fulfilled, in which case the income is deferred.

Housing benefit is included on a receivable basis, provision being made for amounts due to the charity at each financial year end.

Resident's income is included on a received basis. The charity does not vigorously pursue the non-payment of resident's contributions given that to do so would effectively contradict "the relief of poverty" part of the charity's principal objective.

#### Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis.

Resources expended on charitable activities comprise all the resources applied by the charity in undertaking its work to meet its charitable objectives as opposed to the cost of raising the funds to finance these activities.

Governance costs include the costs of governance arrangements which relate to the general running of the charity as opposed to the direct management functions inherent in generating funds.

### 2. VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2006 £	Total Funds 2005 £
Donations receivable	483.27	16,100.00	16,583.27	65.48
Grants receivable	-	43,300.00	43,300.00	-
	<u>483.27</u>	<u>59,400.00</u>	<u>59,883.27</u>	<u>65.48</u>

### 3. INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2006 £	Total Funds 2005 £
Bank interest receivable	2,520.78	-	2,520.78	4,562.18
Interest on solicitors designated account	-	-	-	32.58
	<u>2,520.78</u>	<u>-</u>	<u>2,520.78</u>	<u>4,594.76</u>

### 4. INCOME FROM HOSTELS

	2006 £	2005 £
Housing benefit and Supporting People income receivable	1,134,074.66	1,059,901.21
Residents contributions received	40,431.50	28,762.00
	<u>1,174,506.16</u>	<u>1,088,663.21</u>

# The Ashley Foundation Company Limited By Guarantee

## Notes to the Financial Statements

Year Ended 31 May 2006

### 5. CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2006 £	Total Funds 2005 £
<b>Provision of charitable services:</b>				
Accommodation and support	<u>1,172,629.97</u>	<u>11,340.24</u>	<u>1,183,970.21</u>	<u>1,143,067.72</u>

#### Analysis of provision of charitable services:

	Staff costs £	Depreciation £	Other costs £	Total 2006 £	Total 2005 £
Accommodation and support	<u>562,738.46</u>	<u>1,875.00</u>	<u>619,356.75</u>	<u>1,183,970.21</u>	<u>1,143,067.72</u>

#### Analysis of other costs:

Food, provisions and paper consumables	53,606.15	54,324.65
Laundry costs	3,971.28	3,412.54
Licence agreement payments	309,457.44	259,352.58
Rent	54,770.20	51,236.00
Rates & water	13,076.82	12,283.82
Light and heat	21,152.61	15,801.19
Sundry expenses	21,748.10	19,512.22
Telephone costs	8,385.07	5,892.76
Insurance	19,563.87	34,123.05
Television costs	3,360.54	2,818.30
Repairs and maintenance	74,766.03	89,825.39
Motor & travelling expenses	4,612.11	3,808.38
Postages, stationery & advertising	8,560.53	6,147.00
Loan interest payable	22,051.94	23,094.62
Bank charges	274.06	-
	<u>619,356.75</u>	<u>581,632.50</u>

The amounts for the year ended 31st May 2005 are shown for comparative purposes only.

### 6. GOVERNANCE COSTS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2006 £	Total Funds 2005 £
Accountancy fees	3,473.89	-	3,473.89	5,105.38
Audit fees	3,231.25	-	3,231.25	3,055.00
Legal and professional fees	2,665.00	-	2,665.00	3,013.43
Sundry governance costs	44.38	-	44.38	-
Trustees' meetings & expenses	3,331.32	-	3,331.32	277.10
	<u>12,745.84</u>	<u>-</u>	<u>12,745.84</u>	<u>11,450.91</u>

Accountancy fees of £ 3,474 (2005 - £5,105) are payable to the auditors for assistance with the preparation of the financial statements, fund flow projections and payroll services.



# The Ashley Foundation Company Limited By Guarantee

## Notes to the Financial Statements

Year Ended 31 May 2006

### 7. TOTAL RESOURCES EXPENDED

	Staff costs	Depreciation	Other costs	Total Funds 2006	Total Funds 2005
	£	£	£	£	£
Direct charitable expenditure	562,738.46	1,875.00	619,356.75	1,183,970.21	1,143,067.72
Governance costs	—	—	12,745.84	12,745.84	11,450.91
	<u>562,738.46</u>	<u>1,875.00</u>	<u>632,102.59</u>	<u>1,196,716.05</u>	<u>1,154,518.63</u>

The aggregate payroll costs were:

	2006 £	2005 £
Wages and salaries	508,765.12	482,364.80
Social security costs	46,978.18	44,538.33
Other pension costs	6,995.16	6,944.22
	<u>562,738.46</u>	<u>533,847.35</u>

#### Particulars of employees:

The average number of staff employed by the charity during the financial year amounted to:

	2006 No	2005 No
Administrative staff	2	2
Hostel services staff	20	20
Support services staff	8	7
	<u>30</u>	<u>29</u>

	2006 £	2005 £
<b>Other costs:</b>		
Premises	216,823.24	231,492.73
Legal and professional	9,414.52	11,173.81
Other	405,864.83	350,416.87
	<u>632,102.59</u>	<u>593,083.41</u>

No emoluments were paid to directors or trustees in the year ended 31st May 2006 (2005 - nil).

There was no employees paid above £60,000 (or £50,000) in the year ended 31st May 2006 (2005 - nil).

Expenses were paid to 2 trustees in the year totalling £3,331 in respect of travelling, subsistence and communication costs. (2005 - £421 for travelling and accommodation costs)

# The Ashley Foundation Company Limited By Guarantee

## Notes to the Financial Statements

Year Ended 31 May 2006

### 8. TANGIBLE FIXED ASSETS

	Office equipment £	Hostel fixtures £	Motor vehicles £	Freehold property £	Total £
<b>Cost</b>					
At 1 June 2005 and 31 May 2006	<u>36,374.84</u>	<u>59,337.61</u>	<u>11,751.84</u>	<u>400,690.98</u>	<u>508,155.27</u>
<b>Depreciation</b>					
At 1 June 2005	34,374.84	59,337.61	8,251.84	—	101,964.29
Charge for the year	<u>1,000.00</u>	<u>—</u>	<u>875.00</u>	<u>—</u>	<u>1,875.00</u>
At 31 May 2006	<u>35,374.84</u>	<u>59,337.61</u>	<u>9,126.84</u>	<u>—</u>	<u>103,839.29</u>
<b>Net Book Value</b>					
At 31 May 2006	<u>1,000.00</u>	<u>—</u>	<u>2,625.00</u>	<u>400,690.98</u>	<u>404,315.98</u>
At 31 May 2005	<u>2,000.00</u>	<u>—</u>	<u>3,500.00</u>	<u>400,690.98</u>	<u>406,190.98</u>

All tangible fixed assets are held for charitable use.

### 9. STOCKS

	2006 £	2005 £
Stock	<u>850.00</u>	<u>850.00</u>

The figure above represents stock of food as at 31st May 2006 of £ 750.00 - (2005 - £750) and cleaning and paper consumables of £ 100.00 - (2005 £ 100).

### 10. DEBTORS

	2006 £	2005 £
Housing benefit receivable	25,894.04	20,244.40
Prepayments	<u>22,206.00</u>	<u>24,605.00</u>
	<u>48,100.04</u>	<u>44,849.40</u>

### 11. CASH AT BANK AND IN HAND

	2006 £	2005 £
Bank current accounts	65,356.21	47,589.33
Cash in hand	<u>2,293.58</u>	<u>2,265.28</u>
	<u>67,649.79</u>	<u>49,854.61</u>

# The Ashley Foundation Company Limited By Guarantee

## Notes to the Financial Statements

Year Ended 31 May 2006

### 12. CREDITORS: Amounts falling due within one year

	2006 £	2005 £
Bank loans and overdrafts	30,634.89	28,575.40
PAYE and social security	13,689.97	12,082.50
Amounts due to suppliers	8,973.93	4,699.68
Other creditors	—	55.00
Accruals	12,770.19	10,960.19
	<u>66,068.98</u>	<u>56,372.77</u>

The bank loan is secured by way of first legal mortgage on 81 Abingdon Street, Blackpool, 254 Hornby Road, Blackpool, 9/11 Knowle Avenue, Blackpool and by a debenture over the fixed and floating assets of the charity.

### 13. CREDITORS: Amounts falling due after more than one year

	2006 £	2005 £
Bank loans and overdrafts	<u>271,729.03</u>	<u>302,448.58</u>

The bank loan is secured by way of first legal mortgage on 81 Abingdon Street, Blackpool, 254 Hornby Road, Blackpool, 9/11 Knowle Avenue, Blackpool and by a debenture over the fixed and floating assets of the charity.

### 14. BANK LOANS

Creditors include finance capital which is due for repayment as follows:

	2006 £	2005 £
Amounts repayable:		
In one year or less or on demand	30,634.89	28,575.40
In more than one year but not more than two years	32,836.28	30,628.80
In more than two years but not more than five years	113,356.75	105,736.14
In more than five years	125,536.01	166,083.64
	<u>302,363.93</u>	<u>331,023.98</u>

### 15. COMMITMENTS UNDER OPERATING LEASES

At 31 May 2006 the charity had annual commitments under non-cancellable operating leases as set out below.

	Land and buildings	
	2006 £	2005 £
Operating leases which expire:		
Within 1 year	6,372.00	6,372.00
After more than 5 years	47,897.00	46,404.00
	<u>54,269.00</u>	<u>52,776.00</u>

# The Ashley Foundation Company Limited By Guarantee

## Notes to the Financial Statements

Year Ended 31 May 2006

### 16. RESTRICTED FUNDS

	Incoming	Movement in resources: Outgoing & Transfers	Balance at 31 May 2006
Employment Fund	43,300.00	(2,018.00)	41,282.00
Repairs Fund	8,150.00	(8,150.00)	-
Computer Equipment Fund	2,950.00	(716.66)	2,233.34
Mini Bus Fund	5,000.00	-	5,000.00
	<u>59,400.00</u>	<u>(10,884.66)</u>	<u>48,515.34</u>

The employment fund was established to fund the salaries of specialist staff. The incoming funds are represented by £20,000 from The Lloyds TSB Foundation for England and Wales and £23,300 from The Henry Smith Charity. The application of funds to 31st May 2006 was the salary and employer's national insurance due to that date, payable to the employee so engaged.

The repair fund was established to replace an irreparable boiler system at one the charity's homeless hostels. The deficit in costs totalling £455 was transferred from unrestricted funds in accordance with the SORP.

The computer equipment fund was established to finance computers for hostel residents.

The mini bus fund, comprising an initial donation from the Garfield Weston Foundation, was established to finance the purchase of a vehicle for community and resident transport. Further funding for this purpose is being sought.

### 17. ANALYSIS OF NET ASSETS (between restricted and unrestricted funds)

	Tangible fixed assets £	Other net assets £	Total £
Employment Fund	-	41,282.00	41,282.00
Computer Equipment Fund	-	2,233.34	2,233.34
Mini Bus Fund	-	5,000.00	5,000.00
	-	<u>48,515.34</u>	<u>48,515.34</u>
Unrestricted funds	<u>404,315.98</u>	<u>(269,713.52)</u>	<u>134,602.46</u>
	<u>404,315.98</u>	<u>(221,198.18)</u>	<u>183,117.80</u>

### 18. RELATED PARTY TRANSACTIONS

The charity has a licence agreement with Union House Accommodation Services Limited to utilise Union House in Blackburn as hostel accommodation for single homeless persons.

The majority shareholder of Union House Accommodation Services Limited is the father of the chairman of trustees, Mr Paul Bamber.

In the year ended 31st May 2006, The Ashley Foundation received income of £343,841 (2005 - £296,948) and paid £309,457 (2005 - £267,254) to Union House Accommodation Services Limited in respect of this agreement.

# **The Ashley Foundation Company Limited By Guarantee**

**Notes to the Financial Statements**

**Year Ended 31 May 2006**

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## **19. COMPANY LIMITED BY GUARANTEE**

The Ashley Foundation is a company limited by guarantee, registered under the Companies Act 1985 registration number 3366712 and is governed by its memorandum and articles of association.