

Company registration number 3366712
Charity registration number 1063208

The Ashley Foundation

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 May 2011

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The Ashley Foundation
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The Ashley Foundation
Reference and Administrative Details

Charity name	The Ashley Foundation		
Charity registration number	1063208		
Company registration number	3366712		
Principal office	81 Abingdon Street Blackpool Lancashire FY1 1PP		
Registered office	81 Abingdon Street Blackpool Lancashire FY1 1PP		
Trustees	Mr P Bamber, Chairman of Trustees Mr R Alleway Mr N Bramhall Mr A Normington (resigned 7 June 2011) Mr D Kam (co-opted 25 March 2011)		
Chief executive officer	Mr L Dribben		
Secretary	Mr L Dribben		
Solicitor	Blackhurst Budd LLP 22 Edward Street Blackpool Lancashire FY1 1BA		
Bankers	Yorkshire Bank 2/4 Abingdon Street Blackpool Lancashire FY1 1DR		

The Ashley Foundation
Reference and Administrative Details

Auditor

Becketts
Beckett House
Sovereign Court
Wyrefields
Poulton le Fylde
Lancashire
FY6 8JX

The Ashley Foundation

Trustees' Report

The trustees, who are also directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 May 2011

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements

The trustees

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

Mr P Bamber

Mr R Alleway

Mr N Bramhall

Mr A Normington (resigned 7th June 2011)

Mr D Kam (co-opted 25th March 2011)

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 have discretion to appoint new trustees and the charity is constantly seeking new appointments. New trustees are guided through their responsibilities by the Chief Executive Officer who is constantly on hand to assist with any issues arising in their first year in office. It is the policy of the charity that trustees, both new and existing attend as many trustee meetings as possible. Continued non attendance results in the relevant trustee being requested to resign his position.

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.

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.

In achieving this objective the charity is committed to treating individuals with dignity and respect and is determined to offer individuals the opportunity and support necessary to encourage and enable personal growth and self development.

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

All significant activities provided by the charity are outlined in the Chairman's statement (see below). Recognition of the help given by volunteers is also detailed in that statement.

The trustees are aware of the guidance issued by Charity Commission as to their responsibilities on public benefit and consider that they have complied with the duty imposed on them in Section 4 of the Charities Act 2006.

Achievements and performance

The charity's performance and achievements are outlined in the Chairman's statement.

The Ashley Foundation

Trustees' Report

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 charity achieved a surplus of £202,010 (2010 - £14,151) in the year ended 31st May 2011. The increased resources have arisen as a result of increases in housing benefit receivable in respect of each of its hostels as detailed in the financial statements. The increased level of income has enabled the charity to carry out considerable improvements at the hostels to maintain the high standard of accommodation provided to hostel residents.

The charity had net assets of £428,369 (2010 - £226,359) as at 31st May 2011 including cash balances of £122,573 (2010 - £7,757).

Full details of the charity's financial activities for the year ended 31st May 2011 are disclosed in the financial statements.

The charity 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 have considered the major risks which they consider the charity is potentially exposed to and are satisfied that the systems they have established will mitigate any loss arising from these risks.

Chairman's statement

It is once again my pleasure, as Chair of Trustees, to present our Annual Report.

Our core activity remains the provision of accommodation to single homeless persons in need, which we undertake for the public benefit.

During the year, we lost our dear friend, Gail Dribben. Back in 1997, Gail played a major role in establishing The Ashley Foundation. Later, Gail took on the post of catering manager for 7 years. My fellow trustees, staff, volunteers and residents miss her greatly.

Trustee Alf Normington, stepped down. Alf is enjoying a well-deserved retirement and I thank him for his help and assistance during his tenure with us.

As one trustee goes, another arrives. I welcome our newest trustee, David Kam. Dave has a long and well established relationship with The Ashley Foundation and I am confident he will be a valuable addition to our board.

The year has been quite challenging. Blackpool council cut 15% off Supporting People funding from all providers, including us. This resulted in the loss of some posts. Due to retirement, we did not have to make any compulsory redundancies.

Carole Morley worked for us for 8 years as our Resettlement Officer. Carole liaised with our Support Officers to move our hostel residents into independent living. Carole has now retired but we have no plans to replace her, due to the SP funding cuts. We are now forced to rely on other agencies and floating support services to move our residents on. Unfortunately, recent experience shows a higher failure rate and high disengagement levels. Carole is sorely missed by staff and residents alike. We wish her a long, happy and healthy retirement.

The Ashley Foundation

Trustees' Report

Although we shed some posts, we did recruit new staff. In December 2010, Amber Sylvester joined us as Support & Development Manager and Bianca McKeown joined us on an apprenticeship programme. More about them in the Highlights of the Year section on page 10.

Part of Amber's remit will be reviewing our Business Plan and the Quality Assessment Framework for Supporting People. Amber has already completed the renewal of our Business Continuity Plan.

We received our final year funding for our Drug and Alcohol worker post from the Henry Smith Charity. We are extremely grateful for their loyal support over a 6 year period as their money has enabled us to do some really remarkable work with excellent outcomes for residents. We will continue to seek further funding as it would be a tragedy if the post had to be discontinued.

Indeed, demand for our services is increasing. We receive so many referrals from agencies trying to find accommodation for their clients that we now have a dedicated email address: referrals@theashleyfoundation.org.uk

It is in addition to telephone, letter, fax and personal applications!

We received 2 unexpected donations totaling £4,000 from Sacred Heart church. We thank Canon Dewhurst and his congregation. It is heartening to get such a gesture of support from a local community church.

When possible and practical, we try to assist local projects and agencies. Apart from the obvious feel-good benefits of such a policy, we know that the more we involve The Ashley Foundation into community life, be it private, statutory or voluntary sectors, then the higher our profile. Examples include, providing office space and facilities for the Thomas Project (a peer support group) and providing an accessible and safe venue for Mediation Services to meet with their clients, sharing copies of our policies and procedures, providing catering for Homeless Partnership meetings and providing secretarial services to the landlords forum.

Once again, we opened our doors to host an Open Day. The venue was our Oak House hostel and local businesses, statutory and voluntary agencies and the general public were invited to attend. The day provided a unique opportunity to see what hostel life is really like. Thanks to all who helped out on the day.

We have always recognised the valuable contribution that volunteers make to our organisation. Our dedicated pool of volunteers, who regularly give a considerable amount of their time, energy, ideas and enthusiasm to the charity free of charge, provide invaluable support to both our staff and residents and so a big thank you to all current and past volunteers. During the year, two of our volunteers applied and were recruited into full time posts within The Ashley Foundation.

We have redesigned our website. Please have a look at it and let us know what you think.

www.theashleyfoundation.org.uk

The website has a number of new features including short videos and an online donation facility. Staying with the world of digital media, we hope to launch a mobile app so you can keep up to date with our latest news.

It is perhaps unsurprising then, that against this backdrop of economic difficulty, our occupancy levels remain high. Over the year, we maintained a minimal void rate and our Blackpool occupancy levels were (previous year in brackets) Elm House- 165 (173), Oak House- 117 (123), Holly House- 80 (78).

In Blackburn, Union House- 60 (95) and Islington House- 84 (70). Canterbury House opened in December 2010 and figures will be supplied in next year's report.

We continue to work closely with partner agencies to enable the best possible service delivery.

Finally, I thank my fellow trustees for their support, contributions and encouragement and in particular Lee Dribben who, as CEO, has steered our organisation with great skill and effectiveness.

The Ashley Foundation
Trustees' Report

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006

Approved by the Board on 5 October 2011 and signed on its behalf by

A handwritten signature in black ink, appearing to be 'P Bamber', written over a horizontal line.

Mr P Bamber
Trustee

The Ashley Foundation

Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also directors of The Ashley Foundation for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the profit or loss of the charitable company for that period. In preparing these financial statements, the trustees are required to

- select suitable accounting policies and apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and accounting 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 trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure the financial statements comply with the Companies Act 2006. 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 and other irregularities.

In accordance with company law, as the company's directors, the trustees have taken steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information. The trustees confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Independent Auditors' Report to the Trustees of The Ashley Foundation

We have audited the financial statements of The Ashley Foundation for the year ended 31 May 2011 set out on pages 10 to 22. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our work has been undertaken so that we might state to the charitable 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of The Ashley Foundation for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view, are set out in the Statement of Trustees' Responsibilities.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 1993 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with section 44 of that Act.

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 are prepared in accordance with the Companies Act 2006 and give a true and fair view. We also report to you if, in our opinion, the information given in the Trustees' Annual Report is not consistent with the financial statements, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with these accounting records and returns, or if we have not received all the information and explanations we require for our audit.

We read the Trustees' Annual 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 an 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 trustees 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.

**Independent Auditors' Report to the Trustees of
The Ashley Foundation**

continued

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charitable company's affairs as at 31 May 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended, and
- the financial statements have been prepared in accordance with the Companies Act 2006



Lorraine T McLoughney F.C.A.
Senior Statutory Auditor

for and on behalf of
Becketts, Statutory Auditor

Beckett House
Sovereign Court
Wyrefields
Poulton le Fylde
Lancashire
FY6 8JX

7 October 2011

The Ashley Foundation

Statement of Financial Activities (including Income and Expenditure Account) for the Year Ended 31 May 2011

		Unrestricted Funds	Restricted Funds	Total Funds 2011	Total Funds 2010
	Note	£	£	£	£
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2	2,846	24,440	27,286	25,835
Incoming resources from charitable activities	3	2,042,429	-	2,042,429	1,492,172
Total incoming resources		<u>2,045,275</u>	<u>24,440</u>	<u>2,069,715</u>	<u>1,518,007</u>
Resources expended					
Charitable activities	4	1,822,481	26,953	1,849,434	1,484,404
Governance costs	4	18,271	-	18,271	19,452
Total resources expended		<u>1,840,752</u>	<u>26,953</u>	<u>1,867,705</u>	<u>1,503,856</u>
Net income before transfers		204,523	(2,513)	202,010	14,151
Transfers					
Gross transfers between funds		<u>1,294</u>	<u>(1,294)</u>	<u>-</u>	<u>-</u>
Net movements in funds		205,817	(3,807)	202,010	14,151
Reconciliation of funds					
Total funds brought forward		<u>178,957</u>	<u>47,406</u>	<u>226,363</u>	<u>212,208</u>
Total funds carried forward		<u>384,774</u>	<u>43,599</u>	<u>428,373</u>	<u>226,359</u>

The results for the year derive from continuing activities and there are no gains or losses other than shown above

The notes on pages 12 to 22 form an integral part of these financial statements

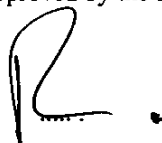
The Ashley Foundation (Registration number: 3366712)

Balance Sheet as at 31 May 2011

		2011		2010	
	Note	£	£	£	£
Fixed assets					
Tangible assets	9		549,863		536,522
Current assets					
Stocks and work in progress		1,681		1,601	
Debtors	10	96,316		49,124	
Cash at bank and in hand		<u>122,573</u>		<u>7,757</u>	
		220,570		58,482	
Creditors: Amounts falling due within one year	11	<u>(79,294)</u>		<u>(74,443)</u>	
Net current assets/(liabilities)			<u>141,276</u>		<u>(15,961)</u>
Total assets less current liabilities			691,139		520,561
Creditors: Amounts falling due after more than one year	12		<u>(262,766)</u>		<u>(294,202)</u>
Net assets			<u><u>428,373</u></u>		<u><u>226,359</u></u>
The funds of the charity:					
Restricted funds in surplus			43,599		47,403
Unrestricted funds					
Unrestricted income funds			<u>384,774</u>		<u>178,956</u>
Total charity funds			<u><u>428,373</u></u>		<u><u>226,359</u></u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the Board on 5 October 2011 and signed on its behalf by



Mr P Bamber
Trustee

The notes on pages 12 to 22 form an integral part of these financial statements

The Ashley Foundation

Notes to the Financial Statements for the Year Ended 31 May 2011

1 Accounting policies

Basis of preparation

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 (SORP 2005)', issued in March 2005, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose

Further details of each fund are disclosed in note 17

Incoming resources

Voluntary income including donations and grants that provide core funding or are of a general nature is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract

Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them

Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

Freehold land and buildings	no provision made
Fixtures, fittings and equipment	33% straight line basis
Plant and machinery etc	25% reducing balance basis

The Ashley Foundation

Notes to the Financial Statements for the Year Ended 31 May 2011

continued

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

Operating leases

Rentals payable under operating leases are charged in the statement of financial activities on a straight line basis over the lease term.

The Ashley Foundation
Notes to the Financial Statements for the Year Ended 31 May 2011

continued

2 Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Donations and legacies				
Appeals and donations	2,846	540	3,386	1,935
Grants				
Grants - other agencies	-	23,900	23,900	23,900
	<u>2,846</u>	<u>24,440</u>	<u>27,286</u>	<u>25,835</u>

Restricted voluntary funds are detailed further in the notes to the financial statements.

3 Incoming resources from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Charitable activities				
Housing benefit & supporting people income receivable	1,976,521	-	1,976,521	1,424,941
Residents contributions receivable	65,908	-	65,908	67,231
	<u>2,042,429</u>	<u>-</u>	<u>2,042,429</u>	<u>1,492,172</u>

The Ashley Foundation

Notes to the Financial Statements for the Year Ended 31 May 2011

continued

4 Total resources expended

	Charitable activities	Governance	Total
	£	£	£
Direct costs			
Employment costs	657,581	-	657,581
Rent	47,897	-	47,897
Rates and water	13,416	-	13,416
Heat and light	35,846	-	35,846
Insurances	10,936	-	10,936
Repairs and maintenance	164,088	-	164,088
Computer software and maintenance	21,997	-	21,997
Telephone and fax	5,378	-	5,378
Television costs	672	-	672
Printing, posting and stationery	9,238	-	9,238
Food, provisions and paper	81,683	-	81,683
Licence agreement payments	673,529	-	673,529
Sundry expenses	25,335	14	25,349
Laundry	7,105	-	7,105
Motor expenses	2,329	-	2,329
Accountancy fees	-	5,120	5,120
Auditors' remuneration	-	3,600	3,600
Legal and professional	78,999	7,166	86,165
Trustees expenses	-	2,118	2,118
Bank charges	-	253	253
Interest payable	7,851	-	7,851
Depreciation of tangible fixed assets	5,554	-	5,554
	<u>1,849,434</u>	<u>18,271</u>	<u>1,867,705</u>

The trustees consider that the charity engages in only one activity, that of the provision of accommodation and support services to persons in need

5 Trustees' remuneration and expenses

No trustees received any remuneration during the year

Expenses totalling £2,118 (2010 - £3,486) were paid to two trustees in the year to 31st May 2011 in respect of travelling, subsistence and communication costs

The Ashley Foundation
Notes to the Financial Statements for the Year Ended 31 May 2011

continued

6 Net income

Net income is stated after charging

	2011	2010
	£	£
Auditors' remuneration - audit services	3,600	3,525
Depreciation of tangible fixed assets	<u>5,554</u>	<u>2,295</u>

The auditors received additional remuneration of £5,120 (2010 - £3,989) in respect of the preparation of the financial statements, payroll and other accountancy related matters

7 Employees' remuneration

No employee received emoluments of more than £60,000 during the year (2010 - none)

The average number of persons employed by the charity (including trustees) during the year, analysed by category, was as follows

	2011 No.	2010 No.
Charitable activities	30	29
Governance	<u>4</u>	<u>3</u>
	<u>34</u>	<u>32</u>

The aggregate payroll costs of these persons were as follows

	2011 £	2010 £
Wages and salaries	604,731	579,563
Social security	<u>52,850</u>	<u>49,419</u>
	<u>657,581</u>	<u>628,982</u>

8 Taxation

The company is a registered charity and is, therefore, exempt from taxation

The Ashley Foundation
Notes to the Financial Statements for the Year Ended 31 May 2011

continued

9 Tangible fixed assets

	Freehold interest in land and buildings (including heritage assets) £	Plant and machinery including motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost				
As at 1 June 2010	535,691	11,752	6,054	553,497
Additions	-	18,895	-	18,895
As at 31 May 2011	<u>535,691</u>	<u>30,647</u>	<u>6,054</u>	<u>572,392</u>
Depreciation				
As at 1 June 2010	-	10,921	6,054	16,975
Charge for the year	-	5,554	-	5,554
As at 31 May 2011	<u>-</u>	<u>16,475</u>	<u>6,054</u>	<u>22,529</u>
Net book value				
As at 31 May 2011	<u>535,691</u>	<u>14,172</u>	<u>-</u>	<u>549,863</u>
As at 31 May 2010	<u>535,691</u>	<u>831</u>	<u>-</u>	<u>536,522</u>

Additions to fixed assets comprise a new mini bus acquired in May 2011

All tangible fixed assets are held for charitable purposes

10 Debtors

	2011 £	2010 £
Housing benefit receivable	75,109	31,308
Other debtors	5,053	1,989
Prepayments and accrued income	16,154	15,827
	<u>96,316</u>	<u>49,124</u>

Included within other debtors are loans to employees of £4,630 (2010 - £1,565)

Debtors includes £1,280 (2010 - none) receivable after more than one year

The Ashley Foundation
Notes to the Financial Statements for the Year Ended 31 May 2011

continued

11 Creditors: Amounts falling due within one year

	2011	2010
	£	£
Bank loans and overdrafts	31,572	31,292
Amounts due to suppliers	9,464	12,443
Taxation and social security	16,970	13,095
Accruals and deferred income	21,288	17,613
	<u>79,294</u>	<u>74,443</u>

The bank loans are secured by a first legal charge over 81 Abingdon Street, 254 Hornby Road, 9/11 Knowle Avenue and 45 Bairstow Street, Blackpool

There is further security provided by a fixed and floating charge over the assets of the charity

12 Creditors: Amounts falling due after more than one year

	2011	2010
	£	£
Bank loans and overdrafts	<u>262,766</u>	<u>294,202</u>

Included in the creditors are the following amounts due after more than 5 years

	2011	2010
	£	£
After more than five years by instalments	<u>134,778</u>	<u>160,920</u>

The bank loans are secured by a first legal charge over 81 Abingdon Street, 254 Hornby Road, 9/11 Knowle Avenue and 45 Bairstow Street, Blackpool

There is further security provided by a fixed and floating charge over the assets of the charity

13 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The Ashley Foundation
Notes to the Financial Statements for the Year Ended 31 May 2011

continued

14 Operating lease commitments

As at 31 May 2011 the charity had annual commitments under non-cancellable operating leases as follows

Operating leases which expire

	Land and Buildings	
	2011	2010
	£	£
Within two and five years	30,648	-
Over five years	-	47,897
	<u>30,648</u>	<u>47,897</u>

15 Other financial commitments

As at the balance sheet date, the trustees had agreed to purchase one of the hostels (20 Pleasant Street, Blackpool, Lancashire) which was currently being leased. Contracts were subsequently exchanged on 2nd June 2011 and the matter was completed on 5th August 2011.

The purchase consideration was £151,157 (including acquisition costs) which was funded by way of bank borrowings of £100,000 and the balance was paid from the unrestricted funds of the charity.

The Ashley Foundation
Notes to the Financial Statements for the Year Ended 31 May 2011

continued

16 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company

Related party transactions

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

Mr Paul Bamber, chairman of trustees, is a director of Union House Accommodation Services Limited

In the year ended 31st May 2011, The Ashley Foundation received income of £394,611 (2010 - £359,008) and paid £355,150 (2010 - £323,108) to Union House Accommodation Services Limited in respect of this agreement

The Ashley Foundation

Notes to the Financial Statements for the Year Ended 31 May 2011

continued

17 Analysis of funds

	At 1 June 2010	Incoming resources	Resources expended	Transfers	At 31 May 2011
	£	£	£	£	£
General Funds					
Unrestricted income fund	178,957	2,045,275	(1,840,752)	1,294	384,774
Restricted Funds					
Employment fund	36,076	23,900	(24,987)	-	34,989
Mini Bus fund	5,000	-	(1,250)	-	3,750
Arts and crafts fund	702	-	-	(702)	-
Boilers fund	160	-	-	(160)	-
Project SUMO fund	4,860	-	-	-	4,860
Arts fund - C Stewart	258	-	-	(258)	-
Arts fund - T Fletcher	234	-	-	(234)	-
Tarraga fund	116	40	(140)	(16)	-
Allotment fund	-	500	(576)	76	-
	<u>47,406</u>	<u>24,440</u>	<u>(26,953)</u>	<u>(1,294)</u>	<u>43,599</u>
	<u>226,363</u>	<u>2,069,715</u>	<u>(1,867,705)</u>	<u>-</u>	<u>428,373</u>

The employment fund (established in 2006) provides for the salaries of specialist staff employed by the charity. Incoming funds of £23,900 were received from The Henry Smith Foundation. The application of funds to 31st May 2011 were the salary and employers national insurance due to that date, payable in respect of appropriate employees.

The mini bus fund comprises an initial donation from the Garfield Weston Foundation in 2006. A new mini bus was purchased in May 2011 which is detailed in note 13 of the financial statements. Resources expended on the fund represent an annual write down in accordance with the depreciation policy on the asset to which the fund relates (currently 25% per annum on a reducing balance basis).

The activities associated with the arts and crafts fund and the art funds established for C Stewart and T Fletcher all ceased in the year and all residual balances were transferred to general funds.

A further donation was received in respect of the Tarraga Fund in the year of £40.

Funding received in respect of the allotment was fully expended in the year for its specific purpose and the surplus expenditure was transferred from general funds.

The SUMO fund was established by an initial grant from The Dribben Family Charity Fund. The aim of the project is to improve the future work prospects of hostel residents.

The Ashley Foundation

Notes to the Financial Statements for the Year Ended 31 May 2011

continued

18 Transfers

As stated above, any surplus expenditure arising on any of the restricted funds is met from general (unrestricted) funds

Where applicable and where not prohibited under any terms specified by the donor, any restricted funds where it is deemed that the associated activity or purpose has ceased are likewise transferred to general funds at the discretion of the trustees

19 Net assets by fund

	Unrestricted Funds	Restricted Funds	Total Funds 2011	Total Funds 2010
	£	£	£	£
Tangible assets	549,863	-	549,863	536,522
Current assets	176,975	43,595	220,570	58,482
Creditors Amounts falling due within one year	(79,294)	-	(79,294)	(74,443)
Creditors Amounts falling due after more than one year	(262,766)	-	(262,766)	(294,202)
Net assets	<u>384,778</u>	<u>43,595</u>	<u>428,373</u>	<u>226,359</u>