

ASHLEY HOUSE HOSTEL
REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

ASHLEY HOUSE HOSTEL

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**ASHLEY HOUSE HOSTEL
TRUSTEES AND PROFESSIONAL ADVISORS**

Trustees	P Abraham C Brisley N Gough W Hull A Long N Stroud (Chairman)
Independent Examiner	R J R Maule FCA Chartered Accountant 3 Penlee View Terrace Penzance TR18 4HZ
Charity Registration Nos.	1129999 & 1182930

ASHLEY HOUSE HOSTEL TRUSTEES' REPORT

Trustees

The trustees in office during the period 1 April 2020 – 31 March 2021 were:

P Abraham

C Brisley

W Hull

A Long

N Stroud

N Gough

The trustees have no beneficial interest in the Approved Premises.

Governance and Management

The Approved Premises is an unincorporated association for the period 1 April 2020 to 30 June 2020

Ashley House Approved Premises changed to an Incorporated Charitable Organisation on 1 July 2020, and is now called Ashley House Hostel (or Ashley House). Ashley House is governed by a written constitution which sets out the procedures for the appointment of trustees.

Decisions are made by a simple majority of trustees attending and voting at meetings.

Objectives and Activities

Ashley House Hostel (AP) provides accommodation for those on bail, parole licences and community sentences and other services including supervision, information and advice.

Achievements and Performance

This period marked the beginning of the coronavirus pandemic and posed a huge challenge to the Approved Premises. Throughout this time, we stayed open, providing an essential service to our residents in, as far as possible, a covid secure environment.

In the period 1 April to 30 June 2020, we provided accommodation for 40 residents over 1,820 bed-nights. The number of bed nights is down as both our double rooms were occupied as single rooms to reduce the risk of covid contagion. Our occupancy was 83.6% which is below our target of 90% occupancy.

Of the residents, all were on licence on arrival at Ashley House and none on community sentences or on bail.

The average length of stay of all residents was 56.8 days, including some short periods of home leave from prison.

In the period 1 July 2020 to 31 March 2021, we provided accommodation for 108 residents over 4,860 bed-nights. The number of bed nights per month is down as both our double rooms were occupied as single rooms to reduce the risk of covid contagion. Our occupancy was 79.6% which is below our target of 90% occupancy.

Of the residents, 87 (99%) were on licence on arrival at Ashley House, none on community sentences and 1 (1%) on bail.

The average length of stay of all residents was 53.3 days. The longest residence was 157 days. Short periods of home leave from prison were temporarily suspended due to the pandemic

ASHLEY HOUSE HOSTEL

TRUSTEES' REPORT (CONT'D)

ACHIEVEMENTS AND PERFORMANCE (CONT'D)

Residents leaving the Approved Premises are categorised as having successfully completed their residence or as having failed to complete. In the period to 30 June 2020, 81% of residents successfully completed, having been moved on to other accommodation at the end of their residence requirement or as required by their probation officer, or returned to prison after planned home leave. The remaining 19% left for a number of reasons, including absconding, breach of Approved Premises rules, failing to comply with drug and alcohol treatment, or committing further offences. These former residents will have been returned to jail (if they were on a licence), or to court.

Ashley House serves the National Probation Service in the South West and South Central areas for the most part, but also accepts residents from other areas when a probation officer is available to supervise them. In the period under review, we accommodated residents referred to us from five other areas: London, South East region, North West region, North East region and Wales.

Probation services classify residents by the risk they present to themselves and to others, and their risk of re-offending. In the period under review, 27 new residents arrived, and of those,

- None was classified as very high risk
- 26 (96%) were classified as high risk
- 1 (0.4%) were medium risk
- None was low risk

In the period from 1 July 2020 to 31 March 2021, 71 (76%) of residents successfully completed, having been moved on to other accommodation at the end of their residence requirement or as required by their probation officer, or returned to prison after planned home leave. 22 (23%) left for a number of reasons, including absconding, breach of Approved Premises rules, failing to comply with drug and alcohol treatment, or committing further offences. These former residents will have been returned to jail (if they were on a licence) or to court. Also, sadly, 1 (1%) took his own life.

In the period under review, 88 new residents arrived, and of those,

- 4 (5%) were classified as very high risk
- 83 (94%) were classified as high risk
- 1 (1%) was medium risk
- None was low risk

ASHLEY HOUSE HOSTEL

TRUSTEES' REPORT (CONT'D)

ACHIEVEMENTS AND PERFORMANCE (CONT'D)

This continues a gradual trend towards accommodating high risk residents in Approved Premises. Ashley House seeks to give due regard to equality and diversity, and to this end we record the ethnic background of residents using standard census classifications. We are therefore able to analyse the number of residents and resident bed nights by ethnic group. In the period under review, 14% of our occupancy was held by residents from minority ethnic groups

We also seek as far as practicable to maintain good relations with the local community, recognising the fears and difficulties that neighbours might experience having Approved Premises in their neighbourhood. Two of our Trustees are, in fact, near neighbours of the Approved Premises, but we also have a Community Liaison Group (CLG), at which representatives of the police, the Probation Service and the Approved Premises meet the AP's neighbours to discuss and address their concerns. Although these meetings were suspended during the pandemic, they have recently resumed.

Residents under supervision in Approved Premises are subject to curfew and required to attend meetings and appointments in the AP as well as with their probation officer and other workers. For the rest of their time, they are allowed to come and go as they wish.

ASHLEY HOUSE HOSTEL

TRUSTEES' REPORT (CONT'D)

FUNDING POLICY

Restricted funds – these are funds received for specific projects as shown in the statement of financial activities on page 10.

Unrestricted funds – these are funds generally available for the administration of the trust which can be expended at the discretion of the trustees in furtherance of the trust's objectives.

RESERVES POLICY

The hostel is funded in the main by grants received monthly from the Home Office. It is not necessary therefore for the hostel to carry forward substantial amounts in reserve.

PLANS FOR FUTURE PERIODS

The Management Committee have signed a contract to work alongside the National Probation Service. In doing so the current amount paid to Ashley House will be revised and additional funds allocated to make staff changes to the working rota – a move to double waking night staff. General maintenance is currently being carried out by a contractor and redecoration by a Hostel resident.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Charities 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 trust and of the profit or loss of the trust for that period. In preparing those financial statements, the trustees are required to:

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

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

ASHLEY HOUSE HOSTEL

TRUSTEES' REPORT (CONT'D)

STATEMENT OF DISCLOSURE OF INFORMATION TO THE INDEPENDENT EXAMINER

The trustees who held office at the date of approval of this report confirm that:

- so far as they are aware, there is no relevant, information needed by the trust's independent examiner in connection with preparing his report, of which the trust's independent examiner is unaware; and
- they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant information and to establish that the trust's independent examiner is aware of that information.

**ON BEHALF OF THE
BOARD**

DATE

N STROUD – CHAIRMAN

ASHLEY HOUSE HOSTEL
INDEPENDENT EXAMINER'S REPORT TO
THE TRUSTEES OF ASHLEY HOUSE HOSTEL

I report on the accounts of the charity for the year ended 31 March 2021 which are set out on pages 10 to 20

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of Institute of Chartered Accountants England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act;
or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination].

ASHLEY HOUSE HOSTEL
INDEPENDENT EXAMINER'S REPORT TO
THE TRUSTEES OF ASHLEY HOUSE HOSTEL (CONT'D)

4. I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed

Name : Dick Maule F.C.A.

Relevant professional qualification or body

Member of Institute of Chartered Accountants England and Wales

Address

3, Penlee View Terrace, Penzance, TR18 4HZ

Date

ASHLEY HOUSE HOSTEL

STATEMENT OF FINANCIAL ACTIVITIES [INCLUDING INCOME & EXPENDITURE]
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds March 2021 £	Revaluation Reserve March 2021 £	Total Funds March 2021 £	March 2020 £
Income from					
Voluntary income					
Investment income		337	-	337	1,475
Charitable activities					
Grants		876,557	-	876,557	847,196
Residents' rent		11,063	-	11,063	9,610
Miscellaneous income		300	-	300	
Total income		<u>888,257</u>	<u>-</u>	<u>888,257</u>	<u>858,281</u>
Expenditure on	7				
Charitable activities		<u>896,788</u>	<u>-</u>	<u>896,788</u>	<u>824,339</u>
Total expenditure		<u>896,788</u>	<u>-</u>	<u>896,788</u>	<u>824,339</u>
Net income/(expenditure)		(8,531)	-	(8,531)	33,942
Reconciliation of funds					
Transfers between funds		36,000	(36,000)	-	-
Other recognised gains/(losses)					
Gains on revaluation of fixed assets		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		27,469	(36,000)	(8,531)	33,942
Total funds brought forward		<u>425,052</u>	<u>1,638,351</u>	<u>2,063,403</u>	<u>2,029,461</u>
Total funds carried forward		<u>452,521</u>	<u>1,602,351</u>	<u>2,054,872</u>	<u>2,063,403</u>

ASHLEY HOUSE HOSTEL

STATEMENT OF FINANCIAL ACTIVITIES [INCLUDING INCOME & EXPENDITURE]
FOR THE YEAR ENDED 31 MARCH 2021

Analysis of principal SoFA components for the current reporting period.

	Charity No 1129999	Charity No 1182930	Combined Total
	Pre-merger	Post-merger	Total
	£	£	£
Total income	218,430	669,827	888,257
Total expenditure	226,246	670,542	896,788
Net income/(expenditure)	<u>(7816)</u>	<u>(715)</u>	<u>(8,531)</u>

Analysis of net assets at the date of merger.

	£
Net Assets	2,055,586
Represented by	
Unrestricted Funds	426,235
Gains on revaluation of fixed assets	1,629,351
Total Funds	<u>2,055,586</u>

ASHLEY HOUSE HOSTEL

BALANCE SHEET

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	March 2021		March 2020	
		£	£	£	£
Tangible assets	3		1,692,000		1,728,000
Current assets					
Debtors and prepayments	4	882		849	
Cash at bank and in hand		<u>650,475</u>		<u>605,980</u>	
		651,357		606,829	
Current liabilities					
Creditors: amounts falling due within 12 months	5	<u>288,485</u>		<u>271,426</u>	
Net current assets			<u>362,872</u>		<u>335,403</u>
Net assets			<u>2,054,872</u>		<u>2,063,403</u>
Unrestricted funds					
General funds	6		452,521		425,052
Restricted funds			-		
Revaluation reserve	6		<u>1,602,351</u>		<u>1,638,351</u>
Total funds			<u>2,054,872</u>		<u>2,063,403</u>

These financial statements were approved by the trustees on

On behalf of the trustees:

Chairman:

.....
N STROUD

Date

ASHLEY HOUSE HOSTEL

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021**1. PRINCIPAL ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of the financial statements are set out below:

(a) Basis of accounting

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 2nd edition, and the Charities Act 2011.

(b) Fund accounting

- [i] Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- [ii] Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.
- [iii] Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

(c) Income

All income is included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- [i] Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- [ii] Donated services and facilities are included at the value to the charity where this can be quantified.
- [iii] The value of services provided by volunteers has not been included in these accounts.
- [iv] Investment income is included when receivable.

ASHLEY HOUSE HOSTEL
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

- [v] Income from charitable trading activities is accounted for when earned.
- [vi] Income from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

(d) Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered.

- [i] Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.
- [ii] 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.
- [iii] All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

(e) Pension Scheme

The charity participates on behalf of its staff in the Avon Pension Fund which is a funded defined benefit scheme. An actuarial valuation was carried out in 2010 which indicated a deficit of £256,000 in respect of the Fund's liabilities towards the charity's staff. This deficit was provided by the National Offender Management Services (now the National Probation Services) and the amount is held in a separate bank account in case it needs to be drawn on. The most recent actuarial valuation was carried out in 2014 which indicated a slight reduction in this deficit to £232,000.

(f) Merger

We have followed paragraph 27 of the Charities SORP (FRS 102). para27.12 recommends this treatment when there is a decision by the trustees of an unincorporated charity to establish a charitable incorporated organisation.

This change happened on 1st July 2020 when a new CIO was created [number 1182930] The relevant notes have been added to comply with the SORP.

ASHLEY HOUSE HOSTEL

NOTES TO THE ACCOUNTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2021

2. EMPLOYEE INFORMATION	March 2021	March 2020
Number of employees	18	13
No employee received emoluments of more than £60,000	-	-
	£	£
Salaries and wages	605,854	548,348
Social security costs	37,595	39,860
	<u>643,449</u>	<u>588,208</u>
3. FIXED ASSETS	Freehold Property £	Freehold Property £
Cost		
Brought forward	1,800,000	1,800,000
Revaluation in year	-	-
	<u>1,800,000</u>	<u>1,800,000</u>
Carried forward	<u>1,800,000</u>	<u>1,800,000</u>
Depreciation		
Brought forward	72,000	36,000
Charge for the period	36,000	36,000
	<u>108,000</u>	<u>72,000</u>
Carried forward	108,000	72,000
Net book value	<u>1,692,000</u>	<u>1,728,000</u>

The property was valued on 21st February 2018 by Andrew Forbes Chartered Valuation surveyors at a market value of £1,800,000.

The trustees have followed FRS102 and accepted the revalued amount.

4. DEBTORS	March 2021 £	March 2020 £
Grant debtors	-	-
Sundry debtors	882	849
	<u>882</u>	<u>849</u>

ASHLEY HOUSE HOSTEL

NOTES TO THE ACCOUNTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2021

5	CREDITORS: amounts falling due within one year within one year	March 2021 £	March 2020 £
	Accounts payable	5,914	7,176
	Other creditors	20,222	18,347
	Other creditors re: Pension Deficit Fund	256,000	241,410
	Deferred grant	-	-
	Accruals	6,350	4,493
		<u>288,486</u>	<u>271,426</u>

6	MOVEMENTS IN FUNDS	Balance 1st April 2020 £	Transfer s £	Income £	Expenditure £	Balance March 2021 £
	Unrestricted funds					
	General fund	<u>425,052</u>	<u>36,000</u>	<u>888,257</u>	<u>(896,788)</u>	<u>452,521</u>
	Restricted funds					
	Management training grant	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Revaluation reserve	-				
	Gains on revaluation of fixed assets	<u>1,638,351</u>	<u>(36,000)</u>	<u></u>	<u>-</u>	<u>1,602,351</u>
	Total funds	<u>2,063,403</u>	<u>-</u>	<u>888,257</u>	<u>(896,788)</u>	<u>2,054,872</u>

ASHLEY HOUSE HOSTEL

**NOTES TO THE ACCOUNTS (CONT 'D)
FOR THE YEAR ENDED 31 MARCH 2021**

7 EXPENDITURE	Total March 2021 £	Total March 2020 £
Wages and salaries	643,449	588,208
Rent, utilities and rates	6,638	5,301
Stationery, postage, printing and other office expenses	932	1,359
Telephone	2,022	2,166
IT, internet access and website	35	35
Insurance	43,481	41,585
Training and recruitment	4,607	3,237
Equipment repairs and renewals	8,894	7,774
Heat, light and power	18,626	19,776
Sundry expenses	174	2,084
Building repairs and maintenance	32,331	28,111
Health and safety, fire protection	29,314	21,591
Accountancy fees	7,663	8,229
Independent examiner fees	850	750
Trustees expenses	189	1,543
Legal & Professional Fees	22,135	9,689
Bank charges	564	764
Provisions	24,437	26,710
Household	4,805	4,046
Cleaning and garden	5,542	5,912
Laundry	1,492	1,615
Medical fees	1,357	6,749
Residents' travel	150	210
Residents' activities	1,100	895
Depreciation	36,000	36,000
	<hr/>	<hr/>
	896,788	824,339
	<hr/>	<hr/>

CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

8

There are no capital commitments or contingent liabilities.

ASHLEY HOUSE HOSTEL

**NOTES TO THE ACCOUNTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2021**

9. RECONCILIATION OF NET INCOME/[EXPENDITURE] TO NET CASH FLOWS FROM OPERATING ACTIVITIES	March 2021 £	March 2020 £
Net income/[expenditure for the year (as per SoFA)]	(8,531)	33,942
Adjustment for:		
Depreciation charges	36,000	36,000
[Increase]/decrease in debtors	(33)	433
Increase/[decrease] in creditors	17,059	(12,186)
Interest	(337)	(1,475)
Net cash provided by [used in] operating activities	44,158	56,714

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

	March 2021 £	March 2020 £
Cash flows from operating activities:		
Net cash provided by [used in] operating activities	44,158	56,714
Cash flows from investing activities:		
Interest	337	1,475
Purchase of fixed assets	-	-
	44,495	58,189
Changes in cash in the reporting period		
Cash and cash equivalents at the beginning of the year	605,980	547,791
Cash and cash equivalents at the end of the year	650,475	605,980
	44,495	58,189
Analysis of cash and equivalents		
Bank and cash	650,475	605,980

ASHLEY HOUSE HOSTEL

NOTES TO THE ACCOUNTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2021

10. Analysis of prior year funds to comply with FRS 102

STATEMENT OF FINANCIAL ACTIVITIES [INCLUDING INCOME & EXPENDITURE]
FOR THE YEAR ENDED MARCH 2020

	Notes	Unrestricted Funds 2020 £	Revaluation Reserve 2020 £	Total Funds 2020 £	2019 £
Income from					
Voluntary income					
Investment income		1,475	-	1,475	918
Charitable activities					
Grants		847,196	-	847,196	843,721
Residents' rent		9,610	-	9,610	9,952
Miscellaneous income		-	-	-	-
Total income		<u>858,281</u>	<u>-</u>	<u>858,281</u>	<u>854,591</u>
Expenditure on	7				
Charitable activities		<u>824,339</u>	<u>-</u>	<u>824,339</u>	<u>754,237</u>
Total expenditure		<u>824,339</u>	<u>-</u>	<u>824,339</u>	<u>754,237</u>
Net income/(expenditure)		33,942	-	33,942	100,354
Reconciliation of funds					
Transfers between funds		36,000	(36,000)	-	-
Other recognised gains/(losses)					
Gains on revaluation of fixed assets		<u>-</u>	<u>-</u>	<u>-</u>	<u>1,710,351</u>
Net movement in funds		69,942	(36,000)	33,942	1,810,705
Total funds brought forward		<u>355,110</u>	<u>1,674,351</u>	<u>2,029,461</u>	<u>218,756</u>
Total funds carried forward		<u>425,052</u>	<u>1,638,351</u>	<u>2,063,403</u>	<u>2,029,461</u>

ASHLEY HOUSE HOSTEL
NOTES TO THE ACCOUNTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2021

10. Analysis of prior year funds to comply with FRS 102

MOVEMENTS IN FUNDS	Balance 1st April 2019 £	Transfers £	Income £	Expenditure £	Balance 31st March 2020 £
Unrestricted funds					
General fund	<u>355,110</u>	<u>36,000</u>	<u>858,281</u>	<u>(824,339)</u>	<u>425,052</u>
Restricted funds					
Management training grant	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revaluation reserve					
Gains on revaluation of fixed assets	<u>1,674,351</u>	<u>(36,000)</u>		<u>-</u>	<u>1,638,351</u>
Total funds	<u>2,029,461</u>	<u>-</u>	<u>858,281</u>	<u>(824,339)</u>	<u>2,063,403</u>