

Company Number: 06904882
Charity Number: 1129748

St John's Approved Premises
(A Company Limited by Guarantee)

Trustees' Report and Financial Statements
for the Year Ended 31 March 2020

St John's Approved Premises

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St John's Approved Premises

Charity Information

Charitable company name

St John's Approved Premises

Constitution

Charitable Company Limited by Guarantee

Registered office

St John's Approved Premises
259-263 Hyde Park Road
Leeds
LS6 1AG

Trustees

N Thompson	(Chair of Trustees)
T A Conneely	(Resigned 28 October 2019)
J Johnson	
C G Spiller	
M Davison	
S Harper	(Appointed 24 June 2019)
B Riley	(Appointed 31 July 2019)
R Jackson	(Appointed 25 November 2019)

Principal staff

I Johnson – Manager	
A Dobbie – Deputy Manager	(Resigned 1 August 2019)
A Khan – Operational Manager	(Appointed 1 January 2020)
D Thomas	

Bankers

The Royal Bank of Scotland
27 Park Row
Leeds
LS1 5QB

Auditor

Garbutt & Elliott Audit Limited
Chartered Accountants
33 Park Place
Leeds
LS1 2RY

Solicitors

Wrigleys Solicitors LLP
19 Cookridge Street
Leeds
LS2 3AG

St John's Approved Premises

Statement from the Chair of Trustees

In my review of the past 12 months at St John's Approved Premises, I have had to search back in my mind to the later months of 2019, such has been the recent domination of Covid 19, finding ourselves now in a worldwide pandemic leading to such changes in the professional and personal environment that few of us could have imagined.

I do want to reflect on the positive stability that has continued in the life at St Johns, and I want to start with my sincere thanks to the staff, management and Trustees for their commitment and dedication. I thank the Trustees for their continued governance and oversight, and for their interest and involvement to ensure St John's is managed effectively and efficiently.

June 2019, saw St John's run the charity event 'Do it for Debbie' to celebrate the recovery of a Compass staff member through her journey through breast cancer treatment the previous year. Staff and residents wore pink, as indeed the interior of the Approved Premises turned pink in our endeavour to raise £1,000 for Cancer Research through a sponsored nonstop 12 hours event, featuring nonstop pool, games, non-stop cycling and St John's version of British bake off. All joined in for the day and we exceeded our target, along the way enjoying ourselves with enhanced team building and service user engagement.

The busy summer continued with preparation and planning for St John's Enabling Environment Award Assessment day on the 23rd October. This was our second time around and we met the challenge calmly and capably, we had to wait for a later Panel meeting from the Royal College of Psychiatrists but were delighted to see the Accreditation confirmed on the 17th February 2020. This affirms for me the positive environment in place with the busy timetable for Purposeful Activities and the active involvement in all aspects of hostel life from staff and service users.

Our funding and key relationship with Her Majesty's Prison and Probation Service continues to provide excellent contract management arrangements and we maintain excellent partnership relationships, capably managed with many agencies across Leeds and beyond.

The later part of the year saw the recruitment for our new Operational Manager and we were delighted to welcome Afzal Khan, in January 2020, to our management team with his wealth of over 30 years experience in the National Probation Service.

Afzal has also been invited to work alongside the Senior Management team in the National Probation Service North East region to address Diversity and Equality issues following the Black Lives Matter movement arising over the summer period. We all share a commitment to having an open learning culture to continue to improve our understanding and to combat racism.

The impact of Covid 19 has continued to be felt across all areas of service delivery and this has required careful management.

For St Johns, and in collaboration with the National Probation Service, we have worked within a Risk Management strategy and followed the Exceptional Delivery Plan as delivered by Senior Managers in the Ministry of Justice. This has meant that we have worked to keep those in our care safe, both staff and service users, and we have observed social distancing, reduced occupancy and all the other measures to ensure St Johns has kept open in these unprecedented times.

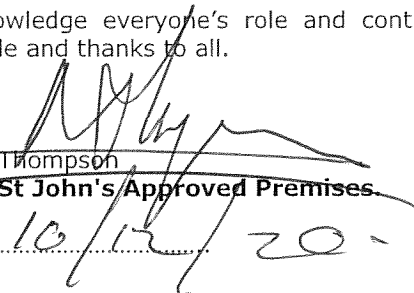
We end this financial year with continued uncertainty under the veil of Covid 19, but we have seen the best of our staff working together with the care and concern one would expect and with excellent teamwork.

I would like to comment on Compass St Johns, Housing Project that has seen expansion and continued service delivery over these difficult times. Our ideas of innovation to start the Women's Project has necessarily been paused, but we have high hopes to see this commence very shortly. To conclude the year has finished very differently than it started, however with the careful oversight of staff, management and Trustees we hope we are turning a corner and very much look forward to 'business as usual' when it is safe and opportune to do so.

St John's Approved Premises

Statement from the Chair of Trustees

I acknowledge everyone's role and contribution over the last year and once again offer my gratitude and thanks to all.


Neville Thompson

Chair, St John's Approved Premises

Date.....10/12/20.....

St John's Approved Premises

Report of Trustees for the Year Ended 31 March 2020

The Trustees, who are also Directors for the purposes of company law, are pleased to present their annual report, which also meets the requirements of a Director's Report, together with the financial statements of the charitable company for the year ended 31 March 2020.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and the Republic of Ireland (FRS102).

Reference and Administrative Details

The charity information page on page 1 forms part of this report.

Structure, Governance and Management

The charity is a charitable company limited by guarantee. It is governed by the rules contained within its Memorandum and Articles of Association.

Members guarantee to contribute an amount not exceeding £10 each to the assets of the charitable company in the event of winding up.

Recruitment and Appointment of Trustees

The Directors of the company are also charity Trustees for purpose of charity law and under the company's articles are known as members of the council.

The Trustees who held office during the period and to date are as listed on page 1.

The Board has a wide range of backgrounds and skills, bringing expertise in education, probation, industry, legal, social work, business, finance and the Roman Catholic Church. Trustees however, do not have any affiliation to a particular religion. Upon appointment, Trustees are requested to provide a list of their skills and areas of expertise. This enables the Board to maintain the skills base necessary for the smooth administration of the Approved Premises. If a particular skill is lost due to retirement of a Board member, individuals with similar skills will be asked to take up an appointment of the Board.

Organisational Structure

Comprising up to 12 Board members, the Trustees are responsible for the strategic direction and policy making of the charity. Board meetings are held 10 times per year. The meetings fall on the last Monday of the month, with the exception of the month of December and the month of August. The management of St John's Approved Premises is delegated to a management committee and Manager. The Approved Premises Manager is responsible for the daily running of the hostel and the supervision of the team of staff, assisted by a Deputy Manager. This will include development of working practice and skills of the staff team as set down in the best practice guide.

Appointments to the Management Committee can be made at any time. There is no time limit on any appointment. Membership is ratified each year by the Trustees at their Annual General Meeting.

Staffing

The staff group at St John's Approved Premises remains a stable one in the main. The expansion of Compass St John's Housing Project has been evident this year.

Trustees Induction and Training

All new Trustees receive an Induction Pack. Trustees who have served on the Management Committee over a period of time will be familiar with the practical work of the Hostel and the Charity. Any gaps in knowledge are identified and articulated by individual board members. To enable all members to have the requisite information and knowledge of the Hostel and Charity, training and visits are arranged. Board members are encouraged to attend seminars and conferences run by NAPA – The National Approved Premises Association.

St John's Approved Premises

Report of Trustees for the Year Ended 31 March 2020

Risk Management

Having conducted a review of the major risks to which the charity is exposed, systems have been identified and implemented with the intention of mitigating any risk faced by the charity.

Compliance of health and safety regulations in relation to staff, residents and visitors to the hostel, is in accordance with the Mentor Services provided by the Royal Bank of Scotland.

A comprehensive Health and Safety report is prepared and presented monthly to the Trustees. This gives the Board the opportunity to act upon any points identified and ensure staff compliance.

Related Parties

The Hostel works in partnership with Her Majesty's Prison and Probation Service [formerly the National Offender Management Service], the National Probation Service, Burley Park and Hyde Park Medical Services, Local Housing Associations, Drug and Alcohol Services, Mental Health Services and local landlords. These partnerships cater for the diversity, health and wellbeing of all our residents.

Her Majesty's Prison and Probation Service provides our principal funding and we work in partnership with them and the National Approved Premises Association at a national level. The hostel has consistently achieved excellent results. The Trustees offer their thanks and appreciation to all agency partnerships for the commitment and assistance to the Charity over the last 12 months, allowing us to fulfil our work to such an excellent standard.

See note 13 to the financial statements for related party disclosures.

Objectives and Activities

The Charity's purpose as set out in the objectives contained in the Memorandum and Articles of Association is to:

Maintain the Premises known as St John's, as an Approved Premises within the meaning of the Offender Management Act 2007 and in particular:

- Provide for the public benefit, legal, educational, or other assistance and accommodation, to those in need by reason of youth, age, ill health, disability, financial hardship, or other social disadvantage, and particularly for the rehabilitation of persons who have been convicted of criminal offence, who are on bail or who are otherwise subject to criminal proceedings.
- Rehabilitate offenders particularly those addicted to drugs, alcohol or otherwise in need of help.
- Assist offenders who have mental health requirements.
- Relieve distress or suffering arising from offending behaviour.
- Seek suitable accommodation and employment for offenders whilst confronting their offending behaviour.

These objectives were reviewed on the formation of the Charity in July 2009. When reviewing the aims and objectives of the charity, and in planning future activities, the Trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission.

St John's Approved Premises

Report of Trustees for the Year Ended 31 March 2020

The Focus of Our Work

The Charity supports those individuals in the main who have been released on licence from Prison. We also support those individuals who are completing Community Orders and those granted Bail, who have been given a condition to reside at St John's Approved Premises for a period of three months.

St John's has a highly trained team of staff and a qualified member of Probation who work closely with Probation Officers and other Prison staff, The National Probation Service, Prisons and the Courts. Staff will challenge offending behaviour with a view to assisting offenders in addressing their lifestyle. St John's offers an individual programme of work and every offender is expected to complete this during their stay. The programmes offered are tailored to reduce the risk of serious harm posed by offenders to members of the public.

As part of the rehabilitation services on offer at St John's, residents are required to take part in Purposeful Activities as well as a weekly Residents Meeting and other Service User groups. Preparation for move on and for independent living are facilitated by attendance at a Living Skills group which includes a practical focus on cookery and budgeting skills, participation in a Financial Awareness Programme, and employment and training support.

We do offer specialist advice and support to address accommodation and housing provision and offer a move on accommodation service through Compass St John's Housing Project.

St John's continues to work in tandem with a number of organisations providing the specialist services required by residents.

Achievements and Performance

This year, as every year, the Trustees have discussed a Business Plan that is felt reflects the requirements of Her Majesty's Prison and Probation Service, and meets the performance objectives for the hostel.

We continue to meet the requirements in terms of high occupancy rates for the hostel, whilst both meeting an acceptable risk profile and ensuring we meet high support needs. We have worked to improve the residential experience for residents, both to address issues of institutionalisation and to make better preparation for release.

Our commitment to improving residents lives, and to reduce reoffending and to protect the public, has served to motivate staff to improve services to residents and we have in the provision of the Purposeful Activities a wide range of activities and programmes to better equip our residents for independent living.

Consolidation and consistency of practice has seen improvement on after the residency at St John's with Compass St John's Housing Project going from strength to strength. The aim and vision for the project to deliver further housing options through private rented supportive housing has continued to take shape. We continue to develop excellent relationships with local landlords and letting agencies as well as with Leeds City Council.

Fundraising

The organisation does not actively fundraise from the public, no professional fundraisers or commercial participators are engaged. Fundraising in the charity sector has been regulated by the Fundraising Regulator (FR) since 2015 but the organisation is not specifically registered. The Trustee Board is not aware of any failure by the Charity to comply with this regulation and no complaints have been received in relation to any form of fundraising.

St John's Approved Premises

Report of Trustees for the Year Ended 31 March 2020

Financial Review

The Statement of Financial Activities shows net income of £20,187 for the year before actuarial losses of £182,000 and the reserves stand in total at £1,191,962 at 31 March 2020.

The Approved Premises submits an annual budget to the Trustees for approval. At each monthly management meeting, a financial review takes place. Also, monthly and on a random date, a cash and bank check is carried out by the Honorary Treasurer.

The finances of the Approved Premises continue to be managed in a prudent and resourceful manner.

Pension Provision

The Approved Premises operates a final salary pension scheme administered by the West Yorkshire Pension Fund. The charity's share of the deficit of the fund as at 31 March 2020 is £844,000, this is an increase in liability of £235,000 since 31 March 2019, £182k of which relates to losses on the actuarial valuation and £53k is included in expenditure within the SoFA. In accordance with standard accounting practice this deficit is recognised in the balance sheet.

The charity is required to contribute at the rate of 27.9% of pensionable salaries for 2019/20. Further increases will be required each year so that after a total of 20 years, assets and liabilities will be expected to be brought into balance.

The West Yorkshire Pension Fund has closed to new staff and from 1 July 2017 and all eligible new staff are auto enrolled into a defined contribution scheme with the People's Pension. Both the employee and employer contributes 5% into the scheme.

Principal Funding Sources

The Ministry of Justice is the principal funder of St John's Approved Premises. The charity received £950,691 from this source.

Investment Policy

Investments are made principally through the development fund. Income generated from any investments contributes to the future development of St John's Approved Premises. Short term investments are approved by the Board of Trustees at Management Committee meetings.

Reserves Policy

The Trustees are of the view that the level of central reserves is adequate to enable the charity to fulfil its charitable objectives.

The Trustees have established a policy whereby the unrestricted funds of the Approved Premises not committed or invested in tangible fixed assets ('free reserves') are maintained at a level at which the Management Committee feels is sufficient to maintain the continuing activities of the charity on the basis of the funding arrangements with the Ministry of Justice. The Trustees estimate this level to be equal to two months expenditure, which equates to around £307,000. At 31 March 2020 the free reserves amounted to £239,980 before taking account of the pension liability reserve of (£844k) and the funds designated for future capital works of £73k. The Trustees will review the policy annually.

St John's Approved Premises

Report of Trustees for the Year Ended 31 March 2020

Future Plans

The targets for the coming year have been discussed and agreed and are set out below:

General Targets

- Continue to manage the affairs of the charity in accordance with the legal requirements.
- Continue to manage the finances of the Trust with prudence.
- Continue to promote the work of the charity.
- Recruitment of new Trustees who have relevant skills as required.
- Remain aware of the constant need to be inclusive and encourage diversity.
- Maintain a skills audit of Trustees.
- Provide training as necessary for the Trustees.
- Set strategy and targets with awareness of and responsive to needs for strategic change.
- Contribute to national and local debate within the Ministry of Justice and the National Probation Service to promote the work of Approved Premises.
- Review the performance of management by completing objectives set by the National Probation Service, and the Trustees.

Approved Premises

- Continue to maintain, as well as seek to improve, St John's Hostel as a property that is fit for the purpose.
- Support the Management Committee of St John's Approved Premises to continue the function of supervising the work done by the Approved Premises.
- Where appropriate and agreed, to act in pursuing discussions and any action relevant to point 2 above.
- Monitoring the performance of the Trustees against national and local targets.
- Support St John's Approved Premises in developing the work carried out with high and very high risk offenders.
- Continue to develop the structured interventions for residents, including the timetable of Purposeful Activities and to promote service user involvement.
- Continue to provide settled and secure move on accommodation for residents and continue to develop housing opportunities through Compass St John's Housing Project.

Auditor

Garbutt & Elliott Audit Limited were reappointed as auditor to the charitable company at the last AGM and have indicated their willingness to stand for reappointment.

Statement of Responsibilities Trustees

Company law requires the Trustees (who are also Directors for the purpose of Company Law) to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of the surplus or deficit of the company for that period. In preparing those financial statements the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company 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 charity, and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

St John's Approved Premises

Report of Trustees for the Year Ended 31 March 2020

Statement of Disclosure of Information to Auditors

The Trustees of the company who held office at the date of approval of this annual report confirm that:

- so far as they are aware, there is no relevant audit information, information needed by the company's auditor in connection with preparing their report, of which the company's auditor 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 audit information and to establish that the company's auditor is aware of this information.

Small Company Rules

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies. It was approved by the Board on10/12/2020.....and signed on its behalf.



Neville Thompson
Chair of Trustees

St John's Approved Premises

Independent Auditor's Report to the Members of St John's Approved Premises

Opinion

We have audited the financial statements of St John's Approved Premises for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

St John's Approved Premises

Independent Auditor's Report to the Members of St John's Approved Premises

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report (incorporating the directors' report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities]. This description forms part of our auditor's report.

St John's Approved Premises

Independent Auditor's Report to the Members of St John's Approved Premises

Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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's members as a body, for our audit work, for this report, or for the opinions we have formed.

Garbutt & Elliott Audit Limited

17 December 2020

Laura Mashedor

.....

Senior Statutory Auditor

**For and on behalf of Garbutt & Elliott Audit Limited
Statutory Auditor**

33 Park Place
Leeds
LS1 2RY

St John's Approved Premises

Statement of Financial Activities (Incorporating an Income and Expenditure Account) for the Year Ended 31 March 2020

	Note	Unrestricted funds 2020	Unrestricted funds 2019
		£	£
Income from:			
Charitable activities:			
Grants and contracts	2	950,691	925,696
Rents and fees receivable	3	912,984	740,367
Interest received		746	414
Total income		1,864,421	1,666,477
Expenditure on:			
Charitable activities		1,844,234	1,475,385
Total expenditure	4	1,844,234	1,475,385
Net income for the year		20,187	191,092
Other recognised (losses)			
Actuarial (loss) on defined benefit pension scheme	16	(182,000)	(79,000)
Net movement in funds for the year		(161,813)	112,092
Funds brought forward	11	1,353,775	1,241,683
Funds carried forward	11	1,191,962	1,353,775

All results for the year and prior year relate to continuing operations.

All gains and losses for the year and prior year have been recognised in the statement of financial activities.

The notes on pages 16 to 27 form part of these financial statements.

The statement of financial activity also complies with the requirements for an income and expenditure account under the Companies Act 2006.

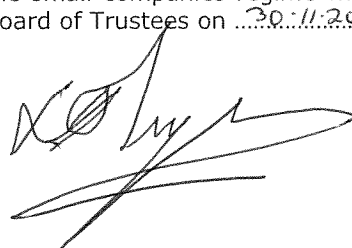
St John's Approved Premises

Balance Sheet as at 31 March 2020

	Note	2020 £	2019 £
Fixed Assets			
Tangible assets	7	1,722,572	1,657,910
Current Assets			
Debtors	8	67,605	54,761
Cash at bank and in hand		292,756	293,631
		360,361	348,392
Creditors: Amounts falling due within on year	9	(46,971)	(43,527)
Net current assets		313,390	304,865
Net assets excluding pension liability		2,035,962	1,962,775
Defined benefit pension liability	16	(844,000)	(609,000)
Total net assets		1,191,962	1,353,775
Funds:			
Unrestricted funds:			
General funds	11	1,504,102	1,436,274
Designated funds	11	73,410	68,051
Endowment funds	11	458,450	458,450
Pension reserve	11	(844,000)	(609,000)
Total funds		1,191,962	1,353,775

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and were approved by the board of Trustees on 30.11.20 and signed on its behalf by:

Neville Thompson
Chair of Trustees



The notes on pages 16 to 27 form part of these financial statements.

Company registration number: 06904882

St John's Approved Premises

Statement of Cash Flows for the Year Ended 31 March 2020

	Note	2020 £	2019 £
Cash flows from operating activities:			
Net cash provided by operating activities	17	75,195	187,434
Cash flows from investing activities:			
Interest income		746	414
Purchase of tangible fixed assets		(76,816)	(44,694)
Net cash (used in) investing activities		(76,070)	(44,280)
Change in cash and cash equivalents in the year		(875)	143,154
Cash and cash equivalents at the beginning of the year		293,631	150,477
Cash and cash equivalents at the end of the year		292,756	293,631

St John's Approved Premises

Notes to the Financial Statements for the year ended 31 March 2020

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are as follows:

Company Information

St John's Approved Premises is a charitable company Limited by Guarantee and is also a registered charity. The registered office is 259-263 Hyde Park Road, Leeds, LS6 1AG.

Accounting convention

The financial statements have been prepared on a going concern basis 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 (FRS102) (effective 1 January 2019) ("Charities SORP (FRS102)"), the Financial Reporting Standard applicable in the UK and Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

St John's Approved premises meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

Assets and liabilities are initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The Trustees have prepared financial projections, taking into consideration the current economic climate and its potential impact on the sources of income and planned expenditure. They have a reasonable expectation that adequate financial resources are available to enable the charity to continue in operational existence for the foreseeable future. The core income streams of the charity are very secure in the short term being a Government contract and Local Authority funded housing provision, the charity does however have adequate contingency plans in the event that income streams are reduced. Consequently, the financial statements have been prepared on the basis that the charity is a going concern.

Income

All income is included in the Statement of Financial Activities ("SoFA") when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

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.

The value of services provided by volunteers is not included.

Investment income is included when receivable and the amount can be measured reliably by the charity.

Expenditure and irrecoverable VAT

Expenditure, which includes attributable VAT which cannot be recovered, is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

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

St John's Approved Premises

Notes to the Financial Statements for the year ended 31 March 2020

1. Accounting Policies (cont..)

Governance costs, included in support costs, include those costs incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements and are allocated to charitable activities.

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 as set out in Note 4.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Fund accounting

General funds - are donations and other income receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds - are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds - are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

Pension costs

The charity contributes to the West Yorkshire Pension Fund, a defined benefit scheme which is closed to new members, at rates set by the scheme's actuaries. The charity has accounted for these pension costs in accordance with FRS102.

Additionally the charity contributes to a defined contribution scheme with the People's Pension. The cost of the contributions is charged to the income and expenditure account in the period to which they relate.

Operating leases

Rentals applicable to operating leases are charged to the SoFA on a straight line basis over the term of the lease.

Staff costs

The costs of short term employee benefits are recognised as a liability and an expense where settlement of obligations does not fall within the same period.

Tangible fixed assets and depreciation

Individual fixed assets costing more than £2,000 are capitalised.

Other fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets less their estimated residual value over their expected useful lives on the following basis:

Fixtures and fittings	10% straight line
Computer equipment	20% straight line
Motor vehicle	30% reducing balance
Freehold buildings	2% straight line (see below)

Freehold land is not depreciated.

Freehold buildings are depreciated to their estimated residual value, based on current market conditions. Where the estimated residual value at the end of the useful economic life exceeds or approximates carrying value no depreciation is charged as any charge would be immaterial to the financial statements.

St John's Approved Premises

Notes to the Financial Statements for the year ended 31 March 2020

1. Accounting Policies (cont..)

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity held for working capital. Any bank overdrafts are shown within borrowings in current liabilities.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid.

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. Any impairment loss is recognised in the income and expenditure account.

Creditors, loans and provisions

Creditors, loans and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors, loans and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial liabilities are only derecognised when, and only when, the charity's obligations are discharged, cancelled or they expire.

Amounts recognised as provisions are best estimates of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Critical Accounting Estimates and Judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Defined benefit pension scheme

The charity is a member of the West Yorkshire Pension Fund, a multi-employer defined benefit scheme. The charity has recognised its share of scheme liabilities at fair value based on certain critical assumptions, such as discount rate, mortality and expected rates of return, as calculated by the scheme actuary.

St John's Approved Premises

Notes to the Financial Statements for the year ended 31 March 2020

1. Accounting Policies (cont..)

Critical Accounting Estimates and Judgements (cont..)

Residual values of freehold properties

The charity owns three freehold properties which are depreciated at cost less estimated residual value over their estimated useful economic lives of 50 years. The residual values are estimated based on the current market value of the properties assuming they are already of the age and condition expected at the end of their useful life. It is currently considered that the residual value is at least equal to the properties net book value.

2. Charitable Activities – Grants Contracts and Fees

	2020 £	2019 £
Ministry of Justice contract	950,691	925,696

3. Charitable Activities – Rents and Fees

	2020 £	2019 £
Income from housing benefit - Compass St John's	876,753	722,570
Income from residents board	14,900	17,797
SU Fees	21,331	-
	912,984	740,367

St John's Approved Premises

Notes to the Financial Statements for the year ended 31 March 2020

4. Expenditure on Charitable Activities

Year ended 31 March 2020	Charitable activities – Core Rehabilitation	Compass St John's Project	Governance	2020 Total
	£	£	£	£
Costs directly allocated to activities:				
Staff costs (Note 6)	556,220	213,469	-	769,689
Agency staff	11,747	-	-	11,747
Pension service costs (Note 16)	97,778	29,222	-	127,000
Interest on pension liability (Note 16)	10,009	2,991	-	13,000
Professional fees	6,657	-	-	6,657
Provisions	21,475	-	-	21,475
Loans and grants	511	-	-	511
Travelling expenses	18,326	21,382	-	39,708
Repairs and refurbishment	59,773	67,274	-	127,047
Rents to landlords	-	511,519	-	511,519
Office expenses	31,019	18,138	-	49,157
Sundry expenses	7,639	856	-	8,495
Drugs and alcohol testing	890	-	-	890
Heating and lighting	24,262	-	-	24,262
Rates	5,509	9,676	-	15,185
Insurance	10,479	-	-	10,479
Cleaning	14,986	3,080	-	18,066
Depreciation	8,673	3,481	-	12,154
Support costs allocated to activities:				
Staff costs (Note 6)	71,073	-	-	71,073
Audit and accountancy	-	-	6,120	6,120
Total	957,026	881,088	6,120	1,844,234

St John's Approved Premises

Notes to the Financial Statements for the year ended 31 March 2020

4. Expenditure on Charitable Activities

Year ended 31 March 2019	Charitable activities – Core Rehabilitation	Compass St John's Project	Governance	2019 Total
	£	£	£	£
Costs directly allocated to activities:				
Staff costs (Note 6)	460,439	161,678	-	622,117
Agency staff	1,515	-	-	1,515
Pension current service cost (Note 16)	73,678	22,322	-	96,000
Interest on pension liability (Note 16)	9,210	2,790	-	12,000
Professional fees	4,796	-	-	4,796
Provisions	17,754	-	-	17,754
Loans and grants	510	(92)	-	418
Travelling expenses	8,635	13,798	-	22,433
Repairs and refurbishment	26,947	53,977	-	80,924
Rents to landlords	-	432,604	-	432,604
Office expenses	25,659	11,603	-	37,262
Sundry expenses	4,915	1,654	-	6,569
Drugs and alcohol testing	568	-	-	568
Heating and lighting	19,533	-	-	19,533
Rates	5,485	7,966	-	13,451
Insurance	6,296	-	-	6,296
Cleaning	12,888	462	-	13,350
Depreciation	5,576	2,580	-	8,156
Support costs allocated to activities:				
Staff costs (Note 6)	73,201	-	-	73,201
Audit and accountancy	-	-	6,438	6,438
Total	757,605	711,342	6,438	1,475,385

5. Net Expenditure for the Year

This is stated after charging:	2020 £	2019 £
Depreciation	12,154	8,156
Auditors' remuneration:		
Audit fees	3,025	2,750
Accountancy fees	2,585	2,615

St John's Approved Premises

Notes to the Financial Statements for the year ended 31 March 2020

6. Information Regarding Employees and Trustees

The average number of employees for the year was 43 (2019: 46).

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	747,051	635,786
Social security costs	59,964	49,655
Defined contribution pension contributions	33,747	9,877
Staff costs before defined benefit pension items (note 4)	840,762	695,318
Defined benefit pension contributions (note 16)	87,000	96,000
	927,762	791,318

One employee earned £60,000 or more during the year (2019: One employee).

Salary range	2020	2019
£60,000 - £70,000	1	1

The Committee consider the key management roles as the Strategic Manager, Operational Manager and Compass Manager. During this period they were occupied between four people, Imogen Johnson, Alan Dobbie, Afzal Khan and Dan Thomas (2019 – Imogen Johnson and Alan Dobbie only). The total employee benefits of the key management personnel of the charity were £221,098 (2019: £149,782).

One Trustee, Colin Spiller received an honorarium of £1,100 for finance services provided to the charity (2019: £1,000). See also note 13. No other Trustees received remuneration or any other benefits from the charity during the year (2019: no other Trustee).

Out of pocket expenses were paid to 5 Trustees totalling £1,878 (2019: 5 Trustees totalling £1,581), relating to reimbursed travel costs incurred on charity businesses.

7. Tangible Fixed Assets

	Freehold land and buildings £	Furniture and fittings £	Computer equipment £	Motor vehicles £	Work in progress £	Total £
Cost						
At 1 April 2019	1,600,000	72,827	5,141	9,150	2,335	1,689,453
Additions		68,316		8,500		76,816
Transfer		2,335			(2,335)	-
At 31 March 2020	1,600,000	143,478	5,141	17,650	-	1,766,269
Depreciation						
At 1 April 2019	-	28,963	750	1,830	-	31,543
Charge for the year	-	8,673	1,285	2,196	-	12,154
At 31 March 2020	-	37,636	2,035	4,026	-	43,967
Net book values						
At 31 March 2020	1,600,000	105,841	3,106	13,624	-	1,722,572
At 31 March 2019	1,600,000	43,864	4,391	7,320	2,335	1,657,910

St John's Approved Premises

Notes to the Financial Statements for the year ended 31 March 2020

7. Tangible Fixed Assets (continued)

Freehold land and buildings include 259 and 263 Hyde Park Road in Leeds, which are properties held by the charitable company outright, and 261 Hyde Park Road which is held on trust (under the terms of a 1971 trust deed) as a result of a Charity Commission scheme dated 9 June 2009. Accordingly, the book value attributable to 261 Hyde Park Road of £458,450 has been classified as an expendable endowment within the funds of the charity.

8. Debtors

	2020 £	2019 £
Trade debtors	40,933	34,126
Prepayments	26,672	20,635
	67,605	54,761

9. Creditors: Amounts Falling Due Within One Year

	2020 £	2019 £
Sundry creditors and accruals	46,971	43,527
	46,971	43,527

10. Analysis of Net Assets by Fund

As at 31 March 2020	Tangible fixed assets £	Pension reserve £	Net current assets £	Total £
Unrestricted funds				
General	1,264,122	-	239,980	1,504,102
Endowment funds	458,450	-	-	458,450
Pension reserve	-	(844,000)	-	(844,000)
Designated	-	-	73,410	73,410
	1,722,572	(844,000)	313,390	1,191,962
As at 31 March 2019				
	Tangible fixed assets £	Pension reserve £	Net current assets £	Total £
Unrestricted funds				
General	1,199,460	-	236,814	1,436,274
Endowment funds	458,450	-	-	458,450
Pension reserve	-	(609,000)	-	(609,000)
Designated	-	-	68,051	68,051
	1,657,910	(609,000)	304,865	1,353,775

St John's Approved Premises

Notes to the Financial Statements for the year ended 31 March 2020

11. Movement in Funds

Year ended 31 March 2020	Balance 1 April 2019 £	Income £	Expenditure £	Actuarial gain/ (loss) £	Transfers	Balance 31 March 2020 £
Unrestricted funds:						
General funds	1,436,274	1,864,421	(1,693,489)	-	(103,104)	1,504,102
Pension reserve	(609,000)	-	(53,000)	(182,000)	-	(844,000)
Designated funds	68,051	-	(97,745)	-	103,104	73,410
Total unrestricted funds	895,325	1,864,421	(1,844,234)	(182,000)		733,512
Endowment fund (Note 7)	458,450	-	-	-	-	458,450
Total funds	1,353,775	1,864,421	(1,844,234)	(182,000)		1,191,962

The designated fund was set up to fund capital costs and the balance at the year end was £73,410.

Year ended 31 March 2019	Balance 1 April 2018 £	Income £	Expenditure £	Actuarial gain/ (loss) £	Transfers	Balance 31 March 2019 £
Unrestricted funds:						
General funds	1,301,233	1,666,477	(1,463,385)	-	(68,051)	1,436,274
Pension reserve	(518,000)	-	(12,000)	(79,000)	-	(609,000)
Designated funds	-	-	-	-	68,051	68,051
Total unrestricted funds	783,233	1,666,477	(1,475,385)	(79,000)	-	895,325
Endowment fund (Note 7)	458,450	-	-	-	-	458,450
Total funds	1,241,683	1,666,477	(1,475,385)	(79,000)		1,353,775

12. Taxation

The charitable company is a registered charity and as such is a charity within the meaning of schedule 6 of the Finance Act 2010. Accordingly, the Charity is potentially entitled to tax exemption under part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 in respect of income and gains arising.

13. Related Parties

Colin Spiller, who provides finance services to the charity, is also a Trustee of the charity. During the year the charity paid him a £1,100 honorarium (2019: £1,000) in respect of those services. There are no other transactions in the current or previous financial year which require disclosure.

14. Liability of Members

The company is limited by guarantee and does not have a share capital. Every member of the charity undertakes to contribute such sum as may be required (not exceeding ten pounds) to the charity's assets if it should be wound up while he or she is a member, or within one year after he or she ceases to be a member.

St John's Approved Premises

Notes to the Financial Statements for the year ended 31 March 2020

15. Commitments

At 31 March 2020 the charity had total commitments under non-cancellable operating leases as follows:

	2020	2019
Expiry date:	£	£
Within one year	6,140	5,696
Between one and five years	3,553	3,298
	9,693	8,994

16. Pensions

Defined benefit

The charity participates in the West Yorkshire Pension Fund (WYPF). The last triennial valuation of the Scheme took place as at 31 March 2020 and was undertaken by professionally qualified actuaries, *Aon Hewitt*, using the projected unit method.

The amounts recognised in the balance sheet are as follows:

	2020	2019
	£000s	£000s
Present value of funded obligations	3,110	3,036
Less: Fair value of plan assets	(2,266)	(2,427)
Net pension liability at end of year	844	609

The amounts recognised in the Statement of Financial Activities are as follows:

	2020	2019
	£000s	£000s
Components in pension cost:		
Current service cost	119	96
Past service cost	8	-
Net interest on pension liabilities	13	12
Pension cost recognised in the Statement of Financial Activities	140	108

Changes in the present value of defined benefit obligations are as follows:

	2020	2019
	£000s	£000s
Change to present value of liabilities:		
Present value of liabilities at 1 April 2019	3,036	2,754
Current service cost	119	96
Interest on pension liabilities	72	71
Members' contributions	19	17
Actuarial losses on liabilities	(64)	167
Past service cost	8	-
Benefits/transfers paid	(80)	(69)
Present value of liabilities at 31 March 2020	3,110	3,036

St John's Approved Premises

Notes to the Financial Statements for the year ended 31 March 2020

16. Pensions (continued)

Changes to the fair value of scheme assets are as follows:

	2020 £000s	2019 £000s
Fair value at 1 April 2019	2,427	2,236
Interest income on assets	59	59
Remeasurement gains on assets	(246)	88
Employer contributions	87	96
Members' contributions	19	17
Benefits/transfers paid	(80)	(69)
Fair value at 31 March 2020	2,266	2,427

	2020 £000s	2019 £000s
Actuarial gains/(losses)		
Losses on liabilities	64	(167)
Gains on assets	(246)	88
Total actuarial (losses)/gains on defined benefit pension scheme	(182)	(79)

Key assumptions in preparing the valuation are as follows:

	2020	2019	2018	2017	2016
Discount rate	2.3%	2.4%	2.6%	2.5%	3.4%
RPI inflation	3.2%	3.3%	3.2%	3.1%	2.9%
CPI inflation	2.0%	2.2%	2.1%	2.0%	1.8%
Pension increases	2.0%	2.2%	2.1%	2.0%	1.8%
Pension accounts revaluation rate	2.0%	2.2%	2.1%	2.0%	1.8%
Salary increases	3.3%	3.5%	3.4%	3.25%	3.3%

Mortality assumptions based on life expectancy on reaching 65:

	2020	2019
Males:		
Aged 65 at 31 March	21.8 years	22.2 years
Aged 45 at 31 March	22.5 years	23.2 years
Females:		
Aged 65 at 31 March	24.6 years	25.4 years
Aged 45 at 31 March	25.7 years	27.2 years

St John's Approved Premises

Notes to the Financial Statements for the year ended 31 March 2020

16. Pensions (cont...)

The analysis of the fair value of the assets held by the pension scheme at the beginning and end of the period is as follows:

	2020		2019		2018	
	£000s	%	£000s	%	£000s	%
Equities	1,756	77.5	1,796	74.0	1,657	74.1
Government Bonds	218	9.6	272	11.2	246	11.0
Corporate Bonds	116	5.1	97	4.0	83	3.7
Property	102	4.5	114	4.7	98	4.4
Cash Liquidity	43	1.9	56	2.3	42	1.9
Other	31	1.4	92	3.8	110	4.9
	2,266	100	2,427	100	2,236	100

Amounts for the current and previous periods are as follows:

	2020 £000s	2019 £000s	2018 £000s
Defined benefit obligations	(3,110)	(3,036)	(2,754)
Plan assets	2,266	2,427	2,236
Scheme deficit	(844)	(609)	(518)

17. Net Cash Provided by Operating Activities

	2020 £	2019 £
Net income for the year	20,187	191,092
Adjustments for:		
Depreciation	12,154	8,156
Interest received	(746)	(414)
(Increase) in debtors	(12,844)	(17,797)
Increase/(decrease) in creditors	3,444	(5,603)
Defined benefit pension contributions paid	(87,000)	(96,000)
Defined benefit pension scheme adjustments	140,000	108,000
Net cash provided by operating activities	75,195	187,434