

HERRING HOUSE TRUST (GREAT YARMOUTH)

AUDITED ACCOUNTS

31 MARCH 2016

Registered Charity No. 1057387

Company No. 3202862

Herring House Trust (Great Yarmouth)

Index To Accounts

For The Year Ended 31 March 2016

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Herring House Trust (Great Yarmouth)

Report of the Board

For The Year Ended 31 March 2016

The management committee has pleasure in presenting its report and accounts for the year ended 31 March 2016.

REFERENCE AND ADMINISTRATION INFORMATION

Charity Name: Herring House Trust (Great Yarmouth)

Registered Charity No: 1057387

Registered Company No: 3202862

Registered Social Landlord No: LH4261

Registered Address: Bauleah House
51 St Nicholas Road
Great Yarmouth
Norfolk NR30 1NR

Management Committee: C Beales – Chairman
B Robinson – Treasurer
D Cooper
D Gilbert

Operations Manager: G Collin

Client Services Manager: L Caines

Auditor: Lovewell Blake LLP
Chartered Accountants
& Statutory Auditor
Bankside 300
Peachman Way
Broadland Business Park
Norwich
Norfolk NR7 0LB

Bankers: National Westminster Bank Plc
Market Place
Great Yarmouth
Norfolk NR30 1YT

Herring House Trust (Great Yarmouth)

Report of the Board (Continued)

For The Year Ended 31 March 2016

OBJECTIVES AND ACTIVITIES

The principal objectives are to provide resettlement and outreach support services, together with an open access hostel for the single homeless in the Great Yarmouth area.

In order to fulfil the above objectives the Trust continues to provide supported housing accommodation at both its hostel and halfway houses.

Public benefit

The Management Committee have had due regard to the guidance issued by the Charity Commission on Public Benefit.

The Trust was established to provide emergency accommodation and support to single homeless people in Great Yarmouth.

Through its activities the Trust aims to provide opportunities to those individuals motivated to change and for those who require longer to begin a process of change. It is recognised that for some individuals the long term goal of change may not be realised.

In order to achieve its aims the Trust endeavours to provide a range of services to support homeless people and through partnership working we are able to provide access to specialist intervention services, with a view to establishing ongoing relationships aimed at addressing all aspects of physical, emotional and mental wellbeing.

ACHIEVEMENTS AND PERFORMANCE

Review of the year

In 2015/2016 the Trust continues to offer its services within the new hostel facility, providing 27 units of accommodation and support to single homeless people, and 4 units of accommodation in the High Support Unit for people undergoing a community detox programme. The Halfway House Schemes provide additional move-on accommodation with a dedicated resettlement scheme.

The Trust continues to operate a Pathway Project, supporting some of the most vulnerable homeless people in our community. In addition, the Trust has been able to offer an in-house counselling service to complement the support structures.

During the year the Trust was able to develop additional move-on accommodation, through the conversion of a property purchased in the previous year, which will provide the final stage of resettlement for the users.

The Trust has continued to fulfil its objective of providing support and accommodation to single homeless people in Great Yarmouth by offering supported housing within the new hostel facility and halfway houses.

Corporate governance

The Management Committee are committed to achieving good governance and being an efficient provider of services, meeting both regulatory codes and standards.

The Trust has also considered how it achieves value for money in delivering services to meet the needs of single homeless people in Great Yarmouth, this is assessed over four key areas of operations, being financial measures, cost measures, asset measures and people measures.

Herring House Trust (Great Yarmouth)

Report of the Board (Continued)

For The Year Ended 31 March 2016

FINANCIAL REVIEW

The Trust's principal funding sources are predominately rents and service charges together with the Supporting People grant.

As at 31 March 2016 total reserves amounted to £1,279,160 of which £1,269,229 related to unrestricted funds and £9,931 to restricted funds.

The Trust had a net surplus in the year of £81,746 as shown on page 8 of the accounts.

Reserves

The Management Committee is mindful of the need for sufficient reserves to be maintained to ensure the continued operation of the Trust on a day to day basis. It is the aim of the committee to maintain sufficient reserves to cover 3 months cash expenditure. At 31 March 2016 current net assets were £463,260 which represents approximately 6 months expenditure. The Trust also had net current assets within the restricted funds of £9,931.

The Management Committee are aware of the increase in the actual reserves held over and above the requirement. The Trust is continuing to review the services provided by the Trust with a view to expanding these over the forthcoming years.

It has been necessary to maintain our reserve levels in anticipation of future welfare reforms, through the introduction of Universal Credit and the impact this will have on our income streams. In addition, uncertainties around future local authority funding requires sufficient reserves to maintain operations in a changing funding environment.

PLANS FOR THE FUTURE

Future work of the Trust will centre on the continued development of the Pathway Project and provision of support services to single homeless people who are sleeping rough in Great Yarmouth.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Herring House Trust operates as a charitable trust, registered with the Charities Commission (Registration Number 1057387) and is approved as a Registered Social Landlord under Section 3 of the Housing and Regeneration Act 2008.

Recruitment and appointment of Management Committee

Management Committee members shall be persons who through residence, occupation, employment or otherwise have special knowledge of the area of benefit or who are otherwise able by virtue of their personal or professional qualifications to make a contribution to the pursuit of the objects or management of the charity.

Induction and training of Management Committee

All Management Committee members are provided with copies of:

- The Memorandum & Articles of Association
- The latest accounts of the Trust
- Details of Charity Commission guidance notes CC3 – "The Essential Trustee"

Herring House Trust (Great Yarmouth)

Report of the Board (Continued)

For The Year Ended 31 March 2016

Induction and training of Management Committee (continued)

In addition Management Committee members are encouraged to read Charity Commission and other newsletters and to attend courses designed to keep them abreast of their duties and responsibilities.

Organisational structure

A Management Committee meets on a regular basis, administers the Trust and its finances. An operations manager is appointed by the Committee to manage the day to day operations of the Trust.

Key management personnel salary review

There are informal arrangements for salary review of key staff, which is decided at annual pay reviews by Trustees.

Directors

The members of the Management Committee, who are directors of the company within the meaning of the Companies Act 2006 and held office throughout the year are shown on Page 1.

Risk assessment

The Management Committee have undertaken a review of the risks faced by the Trust and have implemented systems to mitigate these risks. The risk assessment is reviewed on an annual basis.

Responsibilities of the Management Committee

The Management Committee (who are also directors of Herring House Trust for the purposes of company law) are responsible for preparing the Report of the Board and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law and registered social housing legislation requires the management committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Registered Social Landlord and of its income and expenditure for that period. In preparing these financial statements the management committee are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Registered Social Landlord will continue in business.

The management committee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Registered Social Landlord and to enable it to ensure that the financial statements comply with the Companies Act 2006, The Housing and Regeneration Act 2008 and the Accounting Directions for private registered providers of social housing in England 2015. It has general responsibility for taking reasonable steps to safeguard the assets of the Registered Social Landlord and to prevent and detect fraud and other irregularities.

Herring House Trust (Great Yarmouth)

Report of the Board (Continued)

For The Year Ended 31 March 2016

In so far as the committee is aware;

- there is no relevant audit information of which the Registered Social Landlord auditor is unaware; and
- the committee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Lovewell Blake LLP are willing to continue as auditor.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Signed on behalf of the Management Committee

C BEALES

Date: 16 December 2016

Independent Auditor's Report to the Members of

Herring House Trust (Great Yarmouth)

For The Year Ended 31 March 2016

We have audited the financial statements of Herring House Trust (Great Yarmouth) for the year ended 31 March 2016 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Reserves, the Statement of Cashflows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) (including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland").

This report is made solely to the housing Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and Section 137 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Trust'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 association and the association's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the board and auditor

As explained more fully in the Board's Responsibilities Statement set out on page 4, the Board Members (who are also the directors of the association for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 March 2016 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Directions for private registered providers of social housing in England 2015.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Board for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Report of the Auditor to the Members of

Herring House Trust (Great Yarmouth)

For The Year Ended 31 March 2016

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of board members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the board members were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Board and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

Mark Proctor FCA DChA (Senior Statutory Auditor)
For and on behalf of Lovewell Blake LLP
Statutory Auditor
16 December 2016

Bankside 300
Peachman Way
Broadland Business Park
Norwich
Norfolk
NR7 0LB

Herring House Trust (Great Yarmouth)

Statement of Comprehensive Income (including Income and Expenditure Account)

For The Year Ended 31 March 2016

	Notes	Total Funds 2016 £	2015 (restated) £
Turnover	2	877,107	872,858
Operating expenditure	6	<u>(790,523)</u>	<u>(701,787)</u>
Operating surplus		86,584	171,071
Interest receivable		5	4
Interest and financing costs		<u>(4,843)</u>	<u>(5,158)</u>
Total comprehensive income for the year	8	81,746	165,917
Reserves brought forward		<u>1,197,414</u>	<u>1,031,497</u>
Reserves carried forward		<u>1,297,160</u>	<u>1,197,414</u>

There are no recognised gains or losses during the year other than as stated above.

The statement of comprehensive income reflects the activity during the year which is of a continuing nature.

The accounts were approved by the Management Committee on 16 December 2016.

C BEALES

B ROBINSON

The notes set out on pages 12 to 25 form an integral part of these accounts

Herring House Trust (Great Yarmouth)**Statement of Financial Position****As at 31 March 2016****Company Number: 3202862**

	Notes	2016 £	2015 (restated) £
Fixed Assets			
Tangible fixed assets	9	1,544,082	1,491,216
Current Assets			
Debtors	10	42,917	46,479
Cash and bank balances		<u>501,143</u>	<u>494,411</u>
		544,060	540,890
Creditors: Amounts falling due within one year	11	<u>(70,869)</u>	<u>(77,671)</u>
Net Current Assets		<u>473,191</u>	<u>463,219</u>
Total Assets less Current Liabilities		2,017,273	1,954,435
Creditors: amounts falling due after more than one year	12	<u>(738,113)</u>	<u>(757,021)</u>
Total Net Assets		<u>1,279,160</u>	<u>1,197,414</u>
Funds			
Hostel	14	710,454	687,053
Halfway House Scheme and Homeless Action Programme	14	558,131	506,314
SmartMove	14	644	-
Restricted funds	14	9,931	4,047
Total Funds		<u>1,279,160</u>	<u>1,197,414</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

These accounts were approved by the Management Committee on 16 December 2016 and signed on their behalf by:

C BEALES

B ROBINSON

The notes set out on pages 12 to 25 form an integral part of these accounts

Herring House Trust (Great Yarmouth)

Statement of Changes in Reserves

As at 31 March 2016

	General Fund £	Restricted Funds £	Total £
At 31 March 2015 and 1 April 2015	1,193,367	4,047	1,197,414
Total comprehensive income for year	88,142	(6,396)	81,746
Transfer between funds	<u>(12,280)</u>	<u>12,280</u>	<u>-</u>
At 31 March 2016	<u>1,269,229</u>	<u>9,931</u>	<u>1,279,160</u>

Herring House Trust (Great Yarmouth)

Statement of Cashflows

31 March 2016

	Note	2016 £	2015 £
Net cash generated from operating activities	19	119,565	205,419
Cash flow from investing activities			
Payments to acquire fixed assets		(103,172)	(179,013)
Interest received		<u>5</u>	<u>4</u>
Net cash flow from investing activities		<u>(103,167)</u>	<u>(179,009)</u>
Cash flow from financing activities			
Loan repayments		(4,823)	(3,387)
Interest paid		<u>(4,843)</u>	<u>(5,158)</u>
Net cash flow from financing activities		<u>(9,666)</u>	<u>(8,545)</u>
Net increase/(decrease) in cash and cash equivalents		6,732	17,865
Cash and cash equivalents at 1 April 2015		<u>494,411</u>	<u>476,546</u>
Cash and cash equivalents at 31 March 2016		<u>501,143</u>	<u>494,411</u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		<u>501,143</u>	<u>494,411</u>
Cash and cash equivalents at 31 March 2016		<u>501,143</u>	<u>494,411</u>

Herring House Trust (Great Yarmouth)

Notes To The Accounts

For The Year Ended 31 March 2016

1 Accounting Policies

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

(a) **Legal status**

Herring House Trust (Great Yarmouth) is a UK registered Company under the Companies Act 2006 and is a registered housing provider. The address of the registered office is given in the reference and administration information on page 1 of these financial statements. The nature of the Housing Trust's operations and principal activities are to provide resettlement and outreach support services, together with an open access hostel for the single homeless in the Great Yarmouth area.

The Trust constitutes a public benefit entity as defined by FRS 102.

(b) **Basis of accounting**

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102: *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* (FRS 102), the Statement of Recommended Practice for Social Housing Providers 2014, and with the Accounting Direction for Private Registered Providers of Social Housing in England 2015. The financial statements have been prepared under the requirements of the Housing and Regeneration Act 2008 and the Companies Act 2006.

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

The financial statements are presented in Sterling (£) and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below.

(c) **Funds**

Unrestricted funds are available for use at the discretion of the Management Committee in furtherance of the general objectives of the Trust.

Restricted funds are subject to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

(d) **Turnover**

Turnover is measured at the fair value of the consideration received or receivable. The policies adopted for the recognition of turnover are as follows:

Turnover represents rental and service charges income receivable in the year net of rent and service charge losses from voids and grants.

Donations are included in the year in which they are receivable, which is when the Trust becomes entitled to the resource.

Herring House Trust (Great Yarmouth)

Report of the Board (Continued)

For The Year Ended 31 March 2016

1 Accounting Policies (continued)

(d) Turnover (continued)

Grants in respect of revenue expenditure are credited to the Income and Expenditure account on a receivable basis. Grants received in advance of the period to which they relate are shown within the Statement of Financial Position as deferred income and released to the Income and Expenditure account on a receivable basis.

(e) Capital grants

Grants received from non-government sources are recognised using the performance model. A grant which does not impose future performance conditions is recognised as revenue when the grant proceeds are received or receivable. A grant that imposes specified future performance-related conditions on the association is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability.

(f) Government grants

Government grants include grants receivable from the Homes and Communities Agency (the HCA), local authorities and other government organisations. Government grants received in respect of housing properties are recognised in income over the useful life of the housing property structure and, where applicable, its individual components (excluding land) under the accruals model.

Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once reasonable assurance has been gained that the entity will comply with the conditions and that the funds have been received.

Grants due from government organisations or received in advance are included as current assets or liabilities.

(g) Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Operating 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.

All costs are allocated between the expenditure categories of the Statement of Comprehensive Income on a basis designed to reflect the use of the resource.

Herring House Trust (Great Yarmouth)

Report of the Board (Continued)

For The Year Ended 31 March 2016

1 Accounting Policies (continued)

(h) **Housing properties**

Housing properties are principally properties available for rent and are stated at cost less depreciation. Cost includes the cost of acquiring land and buildings, development costs and expenditure incurred in respect of improvements.

Improvements are works which result in an increase in the net rental income, such as a reduction in future maintenance costs, or result in a significant extension of the useful economic life of the property in the business. Only the direct overhead costs associated with new developments or improvements are capitalised.

(i) **Depreciation**

Fixed assets are included at cost. Depreciation is calculated to write off the cost, less estimated residual value of all tangible fixed assets, with the exception of land, over their estimated useful lives to the Trust. The annual rates and methods used are as follows:-

Computer	20% straight line
Fixtures and fittings	20% straight line
Motor vehicles	20% straight line

Component accounting has been given consideration and the following appropriate percentages have been applied to each component part of the property over their useful economic lives.

Land	Nil depreciation
Building envelope	2% straight line
Windows and external doors	3.3% straight line
Kitchens	6.6% straight line
Bathrooms	4% straight line
Mechanical and electrical	2.5% straight line
Boilers	6.6% straight line
Flooring	5% straight line

(j) **Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(k) **Cash at bank**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less.

(l) **Loans and borrowings**

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

Herring House Trust (Great Yarmouth)

Notes To The Accounts

For The Year Ended 31 March 2016 (Continued)

1 Accounting Policies (continued)

(m) *Operating lease agreements*

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

(n) *Pension costs*

The Trust operates a Defined Contribution Pension Scheme for employees. The assets of the scheme are held separately from those of the Company. The contributions payable are charged to the Income and Expenditure account as they fall due.

(o) *Going concern*

The financial statements have been prepared on a going concern basis as the Management Committee believe that no material uncertainties exist. The Management Committee have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Trust to be able to continue as a going concern.

2	Turnover	2016			2015 (restated)		
		Turnover	Operating Costs	Operating Surplus	Turnover	Operating Costs	Operating Surplus
		£	£	£	£	£	£
	Social housing						
	Lettings	877,107	(790,523)	86,584	872,858	(701,787)	171,071

All turnover, operating costs and operating surpluses have been generated through the Trust's 51 Supported Housing units (2015: 51 units).

3	Turnover from lettings	2016	2015 (restated)
		£	£
	Rents and service charges (note 4)	402,543	401,745
	Donations and grants (note 5)	474,151	470,471
	Other income	413	642
		<u>877,107</u>	<u>872,858</u>

Herring House Trust (Great Yarmouth)

Notes To The Accounts

For The Year Ended 31 March 2016 (Continued)

4 Rental Income

	Hostel £	Halfway Houses £	2016 £	2015 £
Rents	277,038	164,726	441,764	433,505
Service charges	41,626	9,940	51,566	51,476
Rent (losses) from voids	<u>(31,019)</u>	<u>(59,768)</u>	<u>(90,787)</u>	<u>(83,236)</u>
	<u>287,645</u>	<u>114,898</u>	<u>402,543</u>	<u>401,745</u>

The calculation of voids takes into account the maximum theoretical income that could be achieved.

5 Donations and grants

	2016 £	2015 (restated) £
Supporting People	401,573	396,653
Pathway Project grant	26,042	36,904
Advice Services grant	8,402	16,954
Government grants - capital	8,565	8,565
Capital grant	5,000	5,000
Other grants and donations	<u>24,569</u>	<u>6,395</u>
	<u>474,151</u>	<u>470,471</u>

Government grants amounting to £393,968 (2015: 402,533) were deferred at the year end.

6 Operating costs – Social Housing Lettings

	Staff costs £	Depreciation £	Other costs £	2016 £	2015 (restated) £
Provision of services:					
Hostel	330,370	40,166	186,121	556,657	457,377
Halfway Houses and Resettlement Services	120,920	10,140	20,367	151,427	147,996
SmartMove	34,226	-	1,272	35,498	45,585
Pathway Project	30,665	-	51	30,716	29,383
Advice Project	<u>16,225</u>	<u>-</u>	<u>-</u>	<u>16,225</u>	<u>21,446</u>
	<u>532,406</u>	<u>50,306</u>	<u>207,811</u>	<u>790,523</u>	<u>701,787</u>

Herring House Trust (Great Yarmouth)

Notes To The Accounts

For The Year Ended 31 March 2016 (Continued)

6 Operating costs – Social Housing Lettings (continued)

	2016	2015
	£	£
Other costs		
Premises	52,893	47,480
Maintenance	43,973	31,635
Food and laundry	53,195	51,580
Office costs	19,534	16,897
Equipment rental	1,082	1,163
Professional fees	14,478	16,479
Bad debts	6,384	5,392
Miscellaneous	<u>16,272</u>	<u>13,425</u>
	<u>207,811</u>	<u>184,051</u>

7 Staff costs

	2016	2015
	£	£
Staff costs		
Wages and salaries	490,561	434,366
Social security costs	40,959	35,463
Pension costs	<u>886</u>	<u>-</u>
	<u>532,406</u>	<u>469,829</u>

The average number employees during the year were:

	2016	2015
	£	£
Hostel	13	13
Halfway Houses and Resettlement Services	3	3
SmartMove	2	2
Housing Advice	1	1
Pathway Project	1	1
Administration	<u>2</u>	<u>2</u>
	<u>22</u>	<u>22</u>

No employees' emoluments exceeded £60,000.

Herring House Trust (Great Yarmouth)

Notes To The Accounts

For The Year Ended 31 March 2016 (Continued)

7 Staff costs (continued)

Emoluments of Executive Officers

For the purposes of this note Executive Officers consist of the Management Committee and the Chief Executive Officer.

No members of the Management Committee received any remuneration during the year.

The remuneration paid to Executive Officers was as follows:

	2016	2015
	£	£
Total emoluments	96,170	91,779
Pension contributions	<u>366</u>	<u>-</u>
	<u>96,536</u>	<u>91,779</u>

The Executive Officers are members of the defined contribution pension scheme operated by the Trust. The Trust does not make any further contribution to any individual pension arrangements for the Executive Officers.

8 Operating Surplus

	2016	2015
	£	£
The operating surplus is stated after charging (inclusive of VAT):		
Operating lease rentals	1,082	1,163
Rent and service charge bad debts	5,716	5,392
Depreciation	50,306	47,907
Audit fees	<u>5,418</u>	<u>5,262</u>

Herring House Trust (Great Yarmouth)

Notes To The Accounts

For The Year Ended 31 March 2016 (Continued)

9 Fixed Assets

	Housing properties for lettings £	Fixtures, fittings & Equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2015	1,715,747	357,195	13,875	2,086,817
Additions	<u>101,502</u>	<u>1,670</u>	<u>-</u>	<u>103,172</u>
At 31 March 2016	<u>1,817,249</u>	<u>358,865</u>	<u>13,875</u>	<u>2,189,989</u>
Depreciation				
At 1 April 2015	248,446	344,380	2,775	595,601
Charge for the year	<u>42,112</u>	<u>5,419</u>	<u>2,775</u>	<u>50,306</u>
At 31 March 2016	<u>290,558</u>	<u>349,799</u>	<u>5,550</u>	<u>645,907</u>
Net Book Value				
At 31 March 2016	<u>1,526,691</u>	<u>9,066</u>	<u>8,325</u>	<u>1,544,082</u>
At 31 March 2015	<u>1,467,301</u>	<u>12,815</u>	<u>11,100</u>	<u>1,491,216</u>

Housing property additions during the year represent works to existing properties which consisted of the replacement of components and improvements.

Included within the net book value of £1,544,082 (2015: £1,491,216) is £195,754 (2015: £98,288) relating to housing properties under development.

Capital Commitment	2016 £	2015 £
Contracted but not provided for in the financial statements	<u>40,110</u>	<u>-</u>

10 Debtors

	2016 £	2015 £
Social Housing rent arrears (net of bad debt provision of £449 (2015: £1,298))	24,340	13,727
Prepayments	18,567	29,318
Other	<u>-</u>	<u>3,434</u>
	<u>42,917</u>	<u>46,479</u>

Herring House Trust (Great Yarmouth)

Notes To The Accounts

For The Year Ended 31 March 2016 (Continued)

11	Creditors: Amounts Falling Due Within One Year	2016 £	2015 (restated) £
	Bank loans and overdrafts	4,831	4,311
	Tax and social security	11,406	11,628
	Other	73	233
	Accruals and deferred income	40,994	47,934
	Deferred grant income	<u>13,565</u>	<u>13,565</u>
		<u>70,869</u>	<u>77,671</u>

The following liabilities disclosed under creditors falling due within one year are secured by the trust:

Bank loans and overdrafts	<u>4,831</u>	<u>4,311</u>
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The bank loan is on a repayment basis repayable over 25 years and is secured on the Halfway House properties. Interest is calculated at a rate of 3% above base, resulting in a rate of 3.5% at the balance sheet date.

12	Creditors: amounts falling due after more than one year	2016 £	2015 (restated) £
	Bank loans and overdrafts	127,710	133,053
	Deferred grant income (note 13)	<u>610,403</u>	<u>623,968</u>
		<u>738,113</u>	<u>757,021</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the trust:

Bank loans and overdrafts	<u>127,710</u>	<u>133,053</u>
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Included within creditors falling due after more than one year are amounts repayable:

In more than one year but not more than two years	<u>4,831</u>	<u>4,311</u>
In more than two years but not more than five years	<u>19,324</u>	<u>17,244</u>
In more than five years	<u>108,386</u>	<u>111,498</u>

Herring House Trust (Great Yarmouth)

Notes To The Accounts

For The Year Ended 31 March 2016 (Continued)

13	Deferred grant income	2016 £	2015 (restated) £
	Deferred income brought forward	667,430	664,310
	Released in the year	(43,462)	(26,777)
	Deferred in the year	<u>6,462</u>	<u>29,897</u>
	Deferred income carried forward	<u>630,430</u>	<u>667,430</u>
	Amounts to be released within one year	20,027	43,462
	Amounts to be released in more than one year	<u>610,403</u>	<u>623,968</u>
		<u>630,430</u>	<u>667,430</u>

Included within deferred income at the year end are government grants amounting to £393,968 (2015: £402,533).

14 Reconciliation of Movements In Funds

	Funds at 1 April 2015 £	Income (Expenditure) in the year £	in the year £	Transfers £	Funds at 31 March 2016 £
Unrestricted Funds					
Hostel	687,053	580,219	(544,538)	(12,280)	710,454
Halfway House Scheme and Homelessness Action Programme	506,314	203,244	(151,427)	-	558,131
SmartMove	-	36,142	(35,498)	-	644
	<u>1,193,367</u>	<u>819,605</u>	<u>(731,463)</u>	<u>(12,280)</u>	<u>1,269,229</u>
Restricted Funds					
Norfolk Community Foundation Grant	3,830	23,063	(16,962)	-	9,931
Pathway Project	217	26,042	(30,716)	4,457	-
Advice Project	-	8,402	(16,225)	7,823	-
	<u>4,047</u>	<u>57,507</u>	<u>(63,903)</u>	<u>12,280</u>	<u>9,931</u>
Total Funds	<u>1,197,414</u>	<u>877,112</u>	<u>(795,366)</u>	<u>-</u>	<u>1,279,160</u>

The transfer between the Hostel and the Pathway and Advice Projects was made to cover the excess of expenditure over income during the year.

The Trust provides distinct services, the provision of a direct access hostel, the provision of halfway houses, resettlement services and the provision of a rough sleeper team. In addition the Trust manages a rent deposit guarantee scheme.

Herring House Trust (Great Yarmouth)

Notes To The Accounts

For The Year Ended 31 March 2016 (Continued)

14 Reconciliation Of Movements In Funds (continued)

Each service is funded separately from the others. Within each scheme certain monies, such as grants, are restricted to that scheme. However, whilst other income (primarily housing benefit) is allocated to the relevant fund the management committee has the discretionary power to utilise and transfer such monies in the overall best interest of the Trust as a whole.

Unspecified donations and general expenditure are allocated by the management committee.

Unrestricted Funds :-

Hostel – To provide emergency accommodation and support to 27 single homeless people, offering 24 hour support and access to services;

Halfway House Scheme and Homelessness Action Programme – To provide move on accommodation to 20 individuals in semi-independent, shared accommodation. The resettlement scheme offers move-on resettlement support to people moving into the houses and also support to move on to longer term accommodation through their part within the Great Yarmouth Homesupport Consortium. This provides tenancy support to people living independently within the community;

SmartMove – a tenancy deposit scheme providing support to people moving on to longer term accommodation in the private rented sector.

Restricted Funds

Norfolk Community Foundation Grant – funding from the Police & Crime Commission for Norfolk Substance Misuse and Alcohol Fund to provide a direct pathway from street homelessness to dependency treatment within the High Support Unit.

Pathway Project – funding from the Homelessness Transition Fund to provide emergency accommodation and support for individuals sleeping rough.

Advice Project – funding to provide services as part of a consortia of which GYROS is the lead partner.

Herring House Trust (Great Yarmouth)

Notes To The Accounts

For The Year Ended 31 March 2016 (Continued)

14 Reconciliation Of Movements In Funds (continued)

Each is represented by the following assets and liabilities:-

	Fixed assets £	Cash and bank balances £	Other current assets £	Current liabilities £	Long term liabilities £	Total £
Unrestricted funds						
Hostel	1,294,879	175,102	22,490	(43,904)	(738,113)	710,454
Halfway House scheme and Homelessness Action Programme	249,203	331,298	3,493	(25,863)	-	558,131
SmartMove	-	1,081	-	(437)	-	644
	<u>1,544,082</u>	<u>507,481</u>	<u>25,983</u>	<u>(70,204)</u>	<u>(738,113)</u>	<u>1,269,229</u>
Restricted funds						
Norfolk Community Foundation Grant	-	6,017	3,914	-	-	9,931
Pathway Project	-	(12,355)	13,020	(665)	-	-
	<u>-</u>	<u>(6,338)</u>	<u>16,934</u>	<u>(665)</u>	<u>-</u>	<u>9,931</u>
Total funds	<u>1,544,082</u>	<u>501,143</u>	<u>42,917</u>	<u>(70,869)</u>	<u>(738,113)</u>	<u>1,279,160</u>

15 First time adoption of SORP / FRS102

The company has adopted FRS 102 and SORP 2014 for the first time in the year ended 31 March 2016.

The effect of transition from previous financial reporting framework to the new financial reporting framework is outlined below.

a) Changes in accounting policies

Consequential changes in accounting policies resulting from adoption of the SORP were as follows:

Grant accounting

Grants were previously netted off the cost of the related asset. Under FRS 102, government grants must be accounted for using the accruals model or the performance model. As the Trust accounts for its properties at cost, it has adopted the accruals model for government grants, as required by SORP 2014.

Under the accruals model, the government grants have been allocated to the related assets and amortised over the useful economic life of those assets. The unamortised amount is held within deferred income, split between under 1 year and over 1 year. The amount of amortised grant that has been recognised in opening reserves is £40,695.

Herring House Trust (Great Yarmouth)

Notes To The Accounts

For The Year Ended 31 March 2016 (Continued)

16 Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2016 £	2015 £
<i>Plant and Machinery</i>		
Not later than 1 year	1,019	282
Later than 1 year and not later than 5 years	<u>3,312</u>	<u>-</u>
	<u>4,331</u>	<u>282</u>

17 Related party transactions

During the previous year The Trust paid £13,875 to a company related to C Beales for the purchase of a new van and £576 in relation to a vehicle service and MOT. The costs incurred were considered to be at normal trading rates. No amounts were outstanding at the year end.

No similar costs have been incurred during the current financial year.

18 Company Status

The company is limited by guarantee. Each member of the company undertakes to contribute such amount (not exceeding £10) as may be required in the event of a winding up.

19 Reconciliation of operating surplus to cash flow from operating activities

	2016 £	2015 £
Surplus for the year	81,746	165,917
Depreciation on tangible fixed assets	50,306	47,907
Decrease in trade and other debtors	3,562	(20,833)
Decrease in trade and other creditors	(20,887)	7,274
Finance charges	4,843	5,158
Interest receivable	<u>(5)</u>	<u>(4)</u>
	<u>119,565</u>	<u>205,419</u>

Herring House Trust (Great Yarmouth)

Notes To The Accounts

For The Year Ended 31 March 2016 (Continued)

20 Financial instruments

The carrying amounts of the charity's financial instruments are as follows:

	2016	2015
	£	£
<i>Financial assets</i>		
Debt instruments measured at amortised cost:		
- Trade debtors	24,350	13,727
- Accrued income	3,914	15,625
- Other debtors	<u>-</u>	<u>3,434</u>
	<u>28,264</u>	<u>32,786</u>
<i>Financial liabilities</i>		
Measured at amortised cost:		
- Accruals	34,532	18,037
- Other creditors	<u>73</u>	<u>233</u>
	<u>34,605</u>	<u>18,270</u>

21 Pension costs

The Trust operates a defined contribution pension scheme for the benefit of the employees. The assets of the scheme are administered by Trustees in a fund independent from those of the Trust. The total contributions paid in the year amounted to £866 (2015: £Nil).

Herring House Trust (Great Yarmouth)

**Income And Expenditure Account
Hostel**

For The Year Ended 31 March 2016

	2016	2015
	£	(restated) £
Income		
Rents received	246,019	245,872
Top ups	41,626	41,409
Donations	1,506	2,565
Other income	413	642
Interest	5	4
Supporting People income	277,085	273,718
Grants	<u>36,628</u>	<u>17,395</u>
	603,282	581,605
Less Expenditure		
Direct costs		
Food and other household costs	44,397	42,170
Residents' welfare	2,476	3,560
Laundry and cleaning	<u>5,469</u>	<u>4,498</u>
	(52,342)	(50,228)
	550,940	531,377
Administration Expenses		
Salaries and national insurance	330,370	256,436
Light, heat and water	26,260	23,184
Insurances	18,726	16,510
Postage and stationery	7,534	6,140
Telephone	9,582	8,339
Travel and subsistence	214	491
Professional costs	14,400	16,479
General	1,497	906
TV licence	146	291
Advertising & subscriptions	1,579	1,406
Training	7,933	5,001
Recruitment costs	1,234	1,720
Repairs & consumables	36,262	23,990
Equipment rental	1,082	1,163
Motor expenses	1,677	2,390
Depreciation - Freehold & leasehold property	33,566	31,501
- Fixtures and fittings	3,825	3,491
- Motor vehicles	2,775	2,775
Bad debts/write off	5,653	4,936
Bank charges & loan interest	<u>4,843</u>	<u>5,158</u>
	(509,158)	(412,307)
Surplus Income over Expenditure Before Transfers	41,782	119,070
Transfers (to) / from the Pathway Project	(4,457)	10,244
Transfers to Advice Project	<u>(7,823)</u>	<u>-</u>
Surplus Income over Expenditure	<u>29,502</u>	<u>129,314</u>

Herring House Trust (Great Yarmouth)

**Income And Expenditure Account
Halfway House Scheme &
Homelessness Action Programme**

For The Year Ended 31 March 2016

	2016	2015
	£	£
Income		
Housing benefits	104,958	104,397
Top ups	9,940	10,067
Supporting People income	<u>88,346</u>	<u>87,244</u>
	203,244	201,708
Expenditure		
Administration expenses:-		
Salaries and national insurance	120,920	117,891
Light, heat and water	7,907	7,786
Telephone & postage	2,041	2,069
Repairs and consumables	7,041	7,645
Training	223	-
Audit	78	75
General	620	-
TV licences	873	582
Food and other household costs	306	1,062
Resident welfare	32	-
Laundry and cleaning	515	290
Depreciation - Freehold property	8,546	8,546
- Fixtures and fittings	1,594	1,594
Bad debts/write off	<u>731</u>	<u>456</u>
	(151,427)	(147,996)
Surplus Income Over Expenditure	<u><u>51,817</u></u>	<u><u>53,712</u></u>

Herring House Trust (Great Yarmouth)

Income And Expenditure Account

SmartMove Initiative

For The Year Ended 31 March 2016

	2016	2015
	£	£
Income		
Supporting People income	36,142	35,691
Expenditure		
Salaries and national insurance	34,226	45,224
Postage, stationery & telephone	378	349
Travel & subsistence	-	12
Training	223	-
Repairs	<u>671</u>	<u>-</u>
	<u>(35,498)</u>	<u>(45,585)</u>
Surplus Income Over Expenditure / (Excess Expenditure Over Income)	<u><u>644</u></u>	<u><u>(9,894)</u></u>

Herring House Trust (Great Yarmouth)

Income And Expenditure Account

Pathway Project

For The Year Ended 31 March 2016

	2016	2015
	£	£
Income		
Grant income	26,042	36,904
Expenditure		
Salaries and national insurance	30,665	28,832
Residents welfare	-	-
Management costs	<u>51</u>	<u>551</u>
	<u>(30,716)</u>	<u>(29,383)</u>
Excess Expenditure Over Income before transfers	(4,674)	7,521
Transfer of funds from / (to) the Hostel	<u>4,457</u>	<u>(10,244)</u>
Excess Expenditure Over Income	<u><u>(217)</u></u>	<u><u>(2,723)</u></u>

Herring House Trust (Great Yarmouth)

Income And Expenditure Account

Advice Project

For The Year Ended 31 March 2016

	2016	2015
	£	£
Income		
Grant income	8,402	16,954
Expenditure		
Salaries and national insurance	<u>16,225</u>	<u>21,446</u>
	<u>(16,225)</u>	<u>(21,446)</u>
Excess Expenditure Over Income before transfers	(7,823)	(4,492)
Transfer of funds from the Hostel	<u>7,823</u>	<u>-</u>
Excess Expenditure Over Income	<u>(7,823)</u>	<u>(4,492)</u>