

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 2017

St John's Approved Premises

Charity Information

Charitable company name

St John's Approved Premises

Constitution

A Charitable Company Limited by Guarantee

Registered office

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

Trustees

A Barnes	(Resigned 27 February 2017)
N Thompson	(Appointed Chair 27 February 2017)
T A Conneely	
J Granger	
J Johnson	
M J Montoro-Blanch	
C G Spiller	
I D Rowe	(Appointed 14 November 2016)
M Davidson	(Appointed 24 April 2017)
P Smith	(Appointed 24 April 2017)

Principal staff

I Johnson – Manager
A Dobbie – Deputy Manager

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 conclusion, I once again offer my gratitude and thanks to the management team and to all the staff at St John's.

I remain proud of the contribution we make to the resettlement of residents we welcome to St John's Approved Premises. I am delighted that St John's has been recognised this year with the many achievements as highlighted in HM Inspectorate of Probation report entitled Probation Hostels (Approved Premises) Contribution to Public Protection, Rehabilitation and Resettlement published in July 2017.

Thank you..

Mr N Thompson
Chair, St John's Approved Premises

St John's Approved Premises

Report of Trustees for the Year Ended 31 March 2017

STRUCTURE, GOVERNANCE AND MANAGEMENT (cont..)

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 Directors. This gives the Directors the opportunity to act upon any points identified and ensure staff compliance.

Related Parties

The Hostel works in partnership with 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.

The National Offender Management 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 disclosure.

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 2017

ACHIEVEMENTS AND PERFORMANCE (cont..)

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.

Clearly in the current economic climate some uncertainties remain, and we have continued to maintain an excellent relationship with the National Offender Management Service. Current contract management structures are in place to ensure governance and ongoing oversight.

FINANCIAL REVIEW

The Statement of Financial Activities shows net expenditure of £36,925 for the year before actuarial losses of £64,000 and the reserves stand in total at £1,230,734 at 31 March 2017.

The Approved Premises submits an annual budget to the Directors 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 2017 is £501,000, this is an increase in liability of £89,000 since 31 March 2016 due mainly to changes in the assumptions for valuation. In accordance with standard accounting practice this deficit is recognised in the balance sheet.

The charity is required to contribute at the rate of 21.9% of pensionable salaries for 2017/18. Further increases will be required each year so that after a total of 22 years, assets and liabilities will be expected to be brought into balance.

The West Yorkshire Pension Fund is now closed to new staff and from 1 July 2017 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 £664,504 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 Directors at Management Committee meetings.

St John's Approved Premises

Report of Trustees for the Year Ended 31 March 2017

STATEMENT OF RESPONSIBILITIES OF THE DIRECTORS AND TRUSTEES

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the 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.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

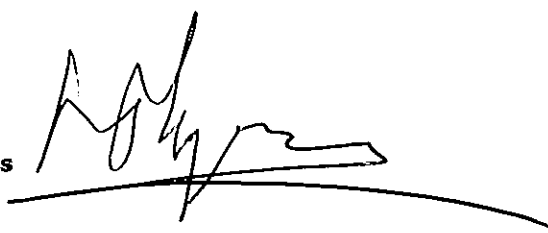
The Trustees of the company who held office at the date of approval of this annual report confirm that:

- 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 and signed on its behalf.

Neville Thompson
Chair of Trustees



30 October 2017

St John's Approved Premises

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company 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 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees 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 Trustees' Annual Report.



Alan Sidebottom
Senior Statutory Auditor

10 November 2017

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

33 Park Place
Leeds
LS1 2RY

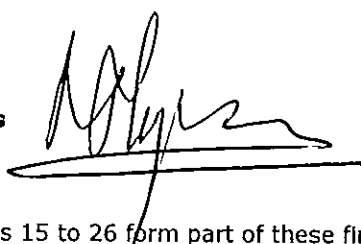
St John's Approved Premises

Balance Sheet as at 31 March 2017

	Note	2017 £	2016 £
Fixed Assets			
Tangible assets	7	1,625,848	1,627,867
Current Assets			
Debtors	8	27,009	25,344
Cash at bank and in hand		126,699	137,264
		153,708	162,608
Creditors: Amounts falling due within on year	9	(47,822)	(46,816)
Net current assets		105,886	115,792
Net assets excluding pension liability		1,731,734	1,743,659
Defined benefit pension liability	16	(501,000)	(412,000)
Total net assets		1,230,734	1,331,659
Funds:			
Unrestricted funds:			
General funds	11	1,273,284	1,285,209
Endowment funds	11	458,450	458,450
Pension reserve	11	(501,000)	(412,000)
Total funds		1,230,734	1,331,659

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 October 2017 and signed on its behalf by:

Neville Thompson
Chair of Trustees



The notes on pages 15 to 26 form part of these financial statements.

Company registration number: 06904882

St John's Approved Premises

Notes to the Financial Statements for the year ended 31 March 2017

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 2015) ("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.

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, and 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.

Where income is received for expenditure in a future accounting period that amount is deferred.

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 2017

1. Accounting Policies (cont..)

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 2017

4. Expenditure on Charitable Activities

	Basis of allocation	Charitable activities – Core Rehabilitation	Compass St John's Project	Governance	2017 Total	2016 Total
		£	£	£	£	£
Costs directly allocated to activities:						
Staff costs (Note 6)		413,727	86,879	-	500,606	450,289
Agency staff		3,908	-	-	3,908	-
Recruitment fees		3,000	-	-	3,000	-
Pension scheme – current service cost (Note 16)		98,348	20,652	-	119,000	99,000
Net interest on net pension liability (Note 16)		10,744	2,256	-	13,000	12,000
Professional fees		4,530	-	-	4,530	1,398
Provisions		20,923	-	-	20,923	21,584
Loans and grants		1,176	341	-	1,517	2,034
Travelling expenses		3,650	7,208	-	10,858	8,609
Repairs and refurbishment		28,901	8,115	-	37,016	67,208
Rents to landlords		-	285,995	-	285,995	120,881
Office expenses		26,822	1,432	-	28,254	28,348
Sundry expenses		6,743	422	-	7,165	8,061
Drugs and alcohol testing		847	-	-	847	1,270
Heating and lighting		19,769	-	-	19,769	20,644
Rates		4,753	981	-	5,734	6,003
Insurance		2,413	-	-	2,413	2,328
Cleaning		6,882	-	-	6,882	6,235
Depreciation		4,287	-	-	4,287	4,248
Support costs allocated to activities:						
Staff costs (Note 6)	Staff Time	80,090	-	-	80,090	79,199
Audit and accountancy	Direct	-	-	4,992	4,992	4,896
Total		741,513	414,281	4,992	1,160,786	944,235

5. Net Expenditure for the Year

This is stated after charging:	2017	2016
	£	£
Depreciation	4,287	4,248
Auditors' remuneration:		
Audit fees	2,050	1,900
Accountancy fees	2,000	2,250
Advisory services	525	-

St John's Approved Premises

Notes to the Financial Statements for the year ended 31 March 2017

7. Tangible Fixed Assets

	Freehold land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 April 2016	1,600,000	42,491	1,642,491
Additions	-	2,268	2,268
At 31 March 2017	1,600,000	44,759	1,644,759
Depreciation			
At 1 April 2016	-	14,624	14,624
Charge for the year	-	4,287	4,287
At 31 March 2017	-	18,911	18,911
Net book values			
At 31 March 2017:	1,600,000	25,848	1,625,848
At 31 March 2016:	1,600,000	27,867	1,627,867

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 has been classified as an expendable endowment within the funds of the charity.

8. Debtors

	2017 £	2016 £
Trade debtors	15,451	16,649
Prepayments	11,558	8,695
	27,009	25,344

9. Creditors: Amounts Falling Due Within One Year

	2017 £	2016 £
Sundry creditors and accruals	30,005	27,773
Taxation and social security	9,924	10,986
Pension creditor	7,893	8,057
	47,822	46,816

St John's Approved Premises

Notes to the Financial Statements for the year ended 31 March 2017

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 £1,000 honorarium (2016: £1,000) in respect of those services.

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.

15. Commitments

As at 31 March 2017 the charity had total commitments under non-cancellable operating leases as follows:

	2017	Other equipment 2016
	£	£
Expiry date:		
Within one year	3,492	4,076
Between one and five years	6,596	10,088
	10,088	14,164

16. Pensions

The charity participates in the West Yorkshire Pension Fund (WYPF). WYPF is a local government multi-employer defined benefit scheme where the charity is able to identify its share of the underlying assets and liabilities on a consistent basis. Under FRS102 the charity should provide information on the fair value of the scheme assets and the present value of the scheme liabilities at the opening and closing balance sheet dates and the movement in surplus/(deficit) between both balance sheets together with comparatives and other required disclosures. The WYPF is funded and is contracted out of the state scheme. The last triennial valuation of the Scheme took place as at 31 March 2016 and was undertaken by professionally qualified actuaries, Aon Hewitt, using the projected unit method.

The amounts recognised in the balance sheet are as follows:

	2017	2016
	£000s	£000s
Present value of funded obligations	2,586	2,054
Less: Fair value of plan assets	(2,085)	(1,642)
Net pension liability at end of year	501	412

St John's Approved Premises

Notes to the Financial Statements for the year ended 31 March 2017

16. Pension Costs (continued)

Key assumptions in preparing the valuation are as follows:

	2017	2016	2015
Discount rate	2.5%	3.4%	3.2%
RPI Inflation	3.1%	2.9%	2.9%
CPI inflation	2.0%	1.8%	1.8%
Pension increases	2.0%	1.8%	1.8%
Pension accounts revaluation rate	2.0%	1.8%	1.8%
Salary increases	3.25%	3.3%	3.3%

Mortality assumptions based on life expectancy on reaching 65:

	2017	2016
Males:		
Aged 65 at 31 March 2017	22.1 years	22.7 years
Aged 45 at 31 March 2017	23.0 years	24.9 years
Females:		
Aged 65 at 31 March 2017	25.2 years	25.6 years
Aged 45 at 31 March 2017	27.0 years	28.0 years

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:

	2017		2016		2015	
	£000s	%	£000s	%	£000s	%
Equities	1,610	77.2	1,235	75.2	1,124	76.2
Government Bonds	211	10.1	176	10.7	156	10.6
Corporate Bonds	81	3.9	76	4.6	69	4.7
Property	90	4.3	80	4.9	63	4.3
Cash Liquidity	25	1.2	21	1.3	28	1.9
Other	68	3.3	54	3.3	34	2.3
	2,085	100	1,642	100	1,474	100