



JULIAN HOUSE

(Regulator of Social Housing registration: L4549

Company Number: 11791952

Registered Charity Number: 1183751)

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2020

JULIAN HOUSE

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2020

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JULIAN HOUSE

REFERENCE AND ADMINISTRATIVE DETAILS

For the year ended 31 March 2020

Trustees	Joy Luxford (née Saunders) Lee Burman (resigned 29 November 2019) Kirsty Eastham Matthew Graham Barry Hughes Margaret Ndvolu (resigned 22 November 2019) Andrew Stafford Michael Whitcroft (resigned 29 November 2019) Emma Cooke Ahran Symonds-Baig David Jobbins (appointed 1 January 2020) Julia Hilton (appointed 1 January 2020) Garry Peagam (appointed 14 May 2020) Clive Pugh (appointed 14 May 2020)
Secretary	Patricia Keen
Chief Executive	David McAuley (until 30 September 2019) Helen Bedser (from 7 October 2019)
Senior Management Team	Jane Andrew HR & Admin Manager (until 17 July 2020) Patricia Keen Finance Director Cecil Weir Fundraising & PR Director Roanne Wootten Operations Director
Registered Company Number	11791952
Registered Charity Number	1183751
Regulator of Social Housing Number	L4549
Registered Office and Place of Business	55 New King Street Bath BA1 2BN
Auditors	MHA Monahans Fortescue House Court Street Trowbridge BA14 8FA

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REFERENCE AND ADMINISTRATIVE DETAILS

For the year ended 31 March 2020

Bankers

Lloyds Bank
Milsom Street
Bath
BA1 1DN

Triodos Bank
Deanery Road
Bristol
BS1 5AS

CAF Bank Ltd
Kings Hill
Kent
ME19 4JQ

Bank of Scotland
The Mound
Edinburgh
EH1 1YZ

TRUSTEES' REPORT For the year ended 31 March 2020

Introduction

The Board of Trustees of Julian House present their report and the audited financial statements of the organisation for the year ended 31 March 2020.

Public Benefit

The Trustees confirm that they have complied with their duty in Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales. The trustees further confirm that the activities of Julian House are carried out, in line with its objects, for the public benefit as described in this report.

Objectives and Activities

Julian House transforms the daily lives and futures of people who are homeless and socially excluded through the provision of high-quality housing and support services. Our vision is for a just society where socially excluded people are supported and empowered to build sustainable, independent lives.

Our objects are to carry on for the public benefit:

- The business of providing and managing housing, including Social Housing, and providing assistance to help house people and associated facilities, amenities and services for people in necessitous circumstances, poor people or for the relief of aged, disabled (whether physically or mentally) or chronically sick people;
- To relieve unemployment, homelessness and social exclusion for the benefit of the public by providing individuals in charitable need with such training, support and employment and other opportunities, as may be thought fit; and
- Such other charitable purposes according to the law of England and Wales as the Trustees think fit from time to time.

Our values are:

- We value the individual
- We are creative
- We are collaborative

Our current activities furthering our charitable purpose are:

- Direct access homeless hostel
- Homeless day centre
- Assertive homeless outreach services
- Housing First
- Homeless hospital discharge service
- Travelling communities' outreach and engagement service
- Winter night shelters and severe weather emergency provision for people sleeping rough
- Supported housing for single homeless people with complex support needs
- Supported housing for offenders and people at risk of offending with complex support needs
- Supported housing for people in recovery from substance misuse
- Supported housing for young people at risk and leaving care
- Supported housing for people with Asperger's and Autism Spectrum Disorder
- Emergency refuges and safe housing for people fleeing domestic violence and abuse
- Nightstop emergency accommodation for homeless young people
- Employment support services for people facing significant barriers to work

TRUSTEES' REPORT

For the year ended 31 March 2020

- Healthy relationship programmes for children and young people affected by and/or at risk of domestic abuse
- Outreach support for children and young people affected by and/or at risk of domestic abuse
- Holiday playschemes for children living in our domestic abuse refuges

Our work spans the South West of England, encompassing Basingstoke, Basingstoke & Deane, Bath & North East Somerset, Bristol, Devon and Cornwall, Dorset, Exeter, Somerset, South Gloucestershire and Wiltshire.

Strategies for Achieving Objectives

During the year we reviewed our aims and objectives to ensure they reflected the priorities for the forthcoming year.

Our overarching aim is to provide quality and effective housing and support services, which improve people's life choices and chances, promote peoples' goals and aspirations and provide positive opportunities for people to build confidence, gain skills and progress towards independence and social inclusion.

Our business plan objectives are to:

- Deliver continuously improving quality services, which achieve positive outcomes for our clients.
- Build greater organisational resilience, improve performance, maximise resources and grow sustainably for a successful long-term future.
- Improve the ways we develop, value and empower our staff and volunteers, to perform their roles more effectively.

Achievements and Performance

In 2019-20 we supported in excess of 1,900 (2018-19: in excess of 1,500) homeless and socially excluded children, young people and adults through our network of housing and support services, transforming lives right across the South West of England.

Homelessness

In total we provided emergency accommodation to 248 people who were rough sleeping or at risk of rough sleeping in 2019-20 and an additional 89 people used our hostel day centre service. Unfortunately, the day centre was forced to close in line with government guidance, due to the risk of Covid-19.

Our assertive homeless outreach teams in Bath and North East Somerset, Dorset, Exeter and Basingstoke worked with almost 1,000 people in 2019-20, supporting people sleeping rough to engage with appropriate services and to move off the streets into sustainable accommodation. During the pandemic our outreach teams responded and adapted by doubling the number of outreach sessions each week, as well as providing in-reach support to those moved into emergency housing.

Through concerted and sustained effort with community partnerships in Basingstoke, Bath and North East Somerset and Dorset, we managed to achieve a reduction in official rough sleeping numbers by 38%, 15% and 49% respectively in these areas, compared to the previous year. This is also a reflection of the increased funding we benefited from in these teams through the government's Rough Sleeping Initiative. In Exeter the official rough sleeping figures has concerningly increased. We will be enhancing the capacity of our team and working closely with the homeless partnership to try and address this.

TRUSTEES' REPORT For the year ended 31 March 2020

During the year we developed a new service in Bath and North East Somerset specifically for homeless women and women at risk of becoming homeless who have had children removed from their care. This project supports women to overcome their barriers to securing and maintaining settled accommodation, including trauma and grief relating to the removal of their children.

This year, we also commenced delivery of a new Community Activities Network in Basingstoke and Deane. This project offers people sleeping rough, or at risk of sleeping rough, a varied timetable of activities, drop-ins and events which promote independence, well-being and social inclusion.

We continue to work in partnership with Curo and DHI in Bath and North East Somerset and with BCHA in Exeter to deliver Housing First projects. Housing First provides permanent accommodation and wraparound support for people who have a history of entrenched rough sleeping, failed accommodation placements and/or who have struggled to engage in previous offers of support. In 2019-20, we have worked intensively to support 20 Housing First clients to build a stake in their local community and of the clients we supported 85% managed to sustain their accommodation.

Our Nightstop service provides emergency accommodation, for young people who are homeless or at risk of homelessness and support through an expansive network of volunteer hosts. The service provided emergency accommodation for 38 young people last year and supported 79% to move-on positively into more settled accommodation, including to our trainer tenancies delivered in partnership with Cornerstone Housing Association.

We continue to provide the Bay6 Homeless Hospital Discharge Service in partnership with the Royal Devon and Exeter NHS Foundation Trust. This service worked with 132 people in 2019-20, to ensure that medically-well homeless patients were not discharged back to the streets, nor their discharge delayed due to a lack of suitable housing options.

In Wiltshire, we provide 21 units of supported accommodation across 5 properties for people in recovery from substance misuse and 9 units of supported accommodation across 3 properties for single homeless people with support needs. These services offered person-centred support to 55 people last year; empowering people to develop their skills, resilience and independence as a steppingstone to sustained recovery and move-on within 12 months to their own tenancy.

Between October 2019 and March 2020, we worked closely with partner organisations to provide emergency winter night shelters in Bath, Exeter and Weymouth, supporting a total of 380 people who were sleeping rough, or at risk of rough sleeping to access a safe and supportive environment, prevent loss of life and move into more settled accommodation.

Supported Housing

As of 31 March 2020, we provided a total of 176 units of supported accommodation across Bath and North East Somerset, Bristol, South Gloucestershire, Wiltshire, Somerset, Devon and Cornwall.

In May 2019, we opened a further 4 units of supported housing specifically for homeless young people and care leavers in Exeter, providing a sustainable move-on option for the young people accessing our Devon Nightstop project.

We expanded our accommodation provision and resettlement support services for offenders and people at risk of offending across Bath and North East Somerset, Somerset, Bristol, South Gloucestershire, Devon and Cornwall and now have a total of 63 bed-spaces for offenders with a range of complex

TRUSTEES' REPORT For the year ended 31 March 2020

needs across the South West. In addition, we developed a new prison resettlement outreach service in South Somerset and Sedgemoor, delivering prevention work with individuals in prison, to avoid being released onto the streets without accommodation.

During the year we worked continuously to safely minimise the number and length of voids in our properties with voids performance overall improving to 8.95% (down from 12.6% last year). In general, the level of voids reflects the short-term nature of many of our emergency and crisis services and the positive work being done to successfully move people into more settled accommodation.

This year we have taken steps to raise the standards of our accommodation within our property portfolio, resulting in us exiting from 19 units of supported accommodation which no longer met our needs, and taking on a further 10 units of accommodation that are fit for purpose.

Domestic Abuse Refuges

We remain the lead provider of domestic violence and abuse (DVA) refuge services in Bath and North East Somerset. We continue to operate 17 units of refuge accommodation across dispersed sites suitable for people with a range of complex needs, including specialist provision for men. Our refuges supported 51 women, three men and 69 children in 2019-20 to recover from the adverse effects of DVA and empowered people towards safer and more independent lives; free from abuse. A further 32 clients engaged in our Freedom Programme; a group programme enabling women to identify abusive and controlling behaviours, and improve their confidence, self-esteem, and wellbeing, to help break the cycle of abuse.

Domestic abuse has surged since the start of the Coronavirus lockdown, with a reported 700% increase in calls to the national domestic abuse helpline in a single day. There has been a marked increase in the number of people contacting our service for help and referrals to our refuges increased three-fold between the period 23 March 2020 to 24 April 2020, compared to the same period last year.

Children and Young People

We have continued to provide one-to-one outreach, family support and healthy relationship programmes for children and young people (CYP) with experience of and/or at risk of Domestic Abuse in Bristol and South Gloucestershire. These services supported 67 CYP last year, to prevent and mitigate exposure to DVA and help prevent the escalation of problems that may otherwise lead to homelessness and social exclusion in adulthood. This year saw a huge demand for our work with CYP, with a waiting list of 80-90. Meeting this demand has been challenging.

Long-term Unemployed

For many people we work with, finding a job represents the final step in their recovery from homelessness and social exclusion. Yet, accessing work can also be one of the hardest things to accomplish, because clients face many complex barriers when it comes to obtaining and maintaining employment.

Our specialist employment support services in Bath, Bristol and Trowbridge support people through a broad spectrum of activities including work placements, help accessing training, education and volunteering opportunities, as well as providing tailored one-to-one employment support with active job search and preparation for work.

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Last year, our specialist employment support services supported 231 people to gain confidence, skills and work experience as a pathway to employment.

Refugees

We continued our partnership with Bath Welcomes Refugees in providing resettlement opportunities in Bath for vulnerable Refugees, through the government's Home Office scheme. In 2019-20 we welcomed four new refugee families and are now working with twelve families in total, who cannot be supported effectively in their region of origin due to being at significant risk, in severe need of medical care and/or survivors of torture and violence.

The lockdown has been especially challenging for these families, who are not only far away from loved ones (many of whom are in immediate danger) but also from the community they have built locally.

Client satisfaction

Prior to the onset of the pandemic, we ran a confidential client survey, as we do every year, which evidenced sustained high levels of satisfaction:

- 92% of clients told us they are 'Very Satisfied' (64%) or 'Satisfied' (28%) overall with the support they receive from Julian House.
- 90% of clients said Julian House are 'Very Good' (57%) or 'Good' (33%) at helping them to access safe, clean and affordable accommodation.
- 87% of clients said Julian House staff are 'Very Good' (65%) or 'Good' (22%) at knowing their job and providing correct and consistent information.
- 91% of clients said that Julian House are 'Very Good' (53%) or 'Good' (38%) at helping them access work, education, training or volunteering opportunities.
- 94% of clients said that Julian House staff are 'Very Good' (65%) or 'Good' (29%) at respecting them as individuals.
- 94% of clients agreed that Julian House staff consulted them on issues that are important to them.

In the client survey, clients used the following common words to describe Julian House:



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Social Enterprise

Our social enterprises are run through our subsidiary company, Julian House Trading Limited. The social enterprises help to raise our profile with new audiences and diversify our income streams, as well as create training and work opportunities for homeless and socially excluded people.

Our four bike workshops in Bath, Bristol, Trowbridge and Exeter supported 146 clients to gain confidence, skills and work experience; generating £375k in social value (2018-19 in excess of £359k) (measured using HACT, a social value calculator) through employment and training outcomes. 98% of beneficiaries surveyed rated their overall experience of our training, employment support and work experience opportunities as good or excellent. 13 socially excluded people gained paid employment and a further 13 gained volunteering roles.

In 2019-20 our bike workshops increased trading income by 12% on the previous year (£561k, compared to £502k). Our bike workshops did not make a profit in the year but continue to work to gain a financial as well as a social outcome. The financial results of our social enterprise are consolidated into the Julian House financial statements.

Volunteers

We are a voluntary organisation at our core and last year there were more than two active volunteers for every employed member of staff. In total during 2019-20, 300+ volunteers contributed an incredible 26,421 hours to Julian House, across our projects in a range of roles, including as Nightstop hosts, outreach assistants, counsellors, cooks, complementary therapists, gardeners, fundraisers, drivers, mechanics, administration support and shop assistants.

We are indebted to our volunteers who bring invaluable experience, fresh perspectives and enthusiasm to our work and help strengthen links to the communities we serve. Volunteers dramatically increase our overall capacity, representation, diversity and flexibility. In return, volunteers gain valuable experience, learn new skills, improve their health and well-being and have fun.

Charity Shops

We have seven charity shops across Bath, Trowbridge, Thornbury, Chippenham and Frome. Our Charity Shops give us a valuable presence on the high street and raise both unrestricted income and awareness about our work. We had to temporarily close all of our charity shops at the start of the lockdown in line with government's business closure instructions.

In common with the retail sector in general, Julian House experienced a challenging year. Despite this, we continued to grow our retail income to £608k (up from £589k in 2018-19) and generated an increased contribution over the previous year.

Fundraising

Fundraising is incredibly important to us, as it is the only way we are able to run many of our vital services. We are proud of our commitment to fair, honest and open fundraising and we do not engage in direct fundraising, use professional fundraisers or commercially contract with third parties to fundraise on our behalf.

In 2019-20 our small in-house fundraising and PR team succeeded in raising £906k (compared to £827k in 2018-19). We are grateful to the hundreds of people, companies and trusts who continue to support us, particularly during the Coronavirus crisis. Our work would not be possible without them.

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We received no complaints in relation to our fundraising activities last year. When working with volunteers who have chosen to fundraise for Julian House, we ensure that they comply with appropriate guidelines and follow best practice.

The highlight of the fundraising year is our annual Christmas campaign. Last year we were once again grateful to the Bath Chronicle and our supporters for their unwavering support, helping us achieve another record-breaking year for our Christmas appeal, raising in excess of £166k for our projects and clients.

Partnerships

Working in partnership with organisations from our own and different sectors is an important way to achieve change and support the people who use our services. We have collaborated with a number of organisations in the past year and will continue to work with partners to effectively and imaginatively address the issue of homelessness and social exclusion in the communities where we work.

This year we conducted a stakeholder survey to increase our understanding of how we are perceived as an organisation and to inform how we can shape and sustain organisational improvements. The survey responses reflect a positive view of our staff, and their commitment to providing services that meet client's needs. Comments also evidence positive perceptions and experiences of working with us and illustrate that we have good relationships with our main stakeholders. In the stakeholder survey, the first three words that come to stakeholders' minds when thinking of us were:



Our staff

We are committed to supporting and managing our staff well so they can provide excellent services, whilst maintaining their own well-being. Sickness levels amongst our staff team were very low, at just 2.8% for the year.

TRUSTEES' REPORT For the year ended 31 March 2020

In 2019 we commissioned an external pay benchmarking exercise and subsequently increased 62% of salaries to ensure that we are remunerating people appropriately for their work and can attract the people we need. We also reviewed other terms and conditions of employment to bring us in line with the sector.

Last year, we delivered a comprehensive staff training calendar consisting of more than 300 e-learning courses and 310 face-to-face training opportunities, until the Coronavirus lockdown when all training moved on-line. We trained 22 staff in giving quality supervision and 12 staff attended a 2-day management and leadership training course. In total 1,897 training hours were delivered to our staff.

104 staff nominations were received from colleagues for our annual staff awards presentation and 15 employees were rewarded for their outstanding contribution to Julian House, as rated by their peers.

Following a review of use of agency, we all but eradicated use of agency staff this year, reducing our spend on agency staff costs to £9,371 (compared to £191,827 in 2018-19).

Like many organisations in our sector we continue to experience significant recruitment challenges and a higher rate of voluntary staff turnover than we would like. Over the coming year we will build on our HR strategy to ensure that we are an employer of choice.

Financial Review

The financial position of the charity is set out in the attached financial statements.

In 2019-20 Group turnover was £6.7m (2018-19 £6m). The increase in turnover is due to improved trading in both our charity shops and bike workshops, contracted income received for new services, rental charges from maintaining the increase in housing units which occurred in the prior year, increased fundraising result and one-off grants from the Retail, Hospitality and Leisure Grant Fund as part of the government retail support package in response to the Coronavirus pandemic.

The Group result shows a surplus of £324k, compared with a deficit of £305k the previous year. A number of factors contributed to the surplus, the main ones being:

- A reduction in voids, due to better management from regular reporting, developing referral pipelines in projects which have suffered the highest voids and ensure prompt and safe filling of voids;
- Pricing our contract bids to achieve a central overheads contribution which accurately reflects actual costs; and
- Staffing strategy which included reducing turnover, increasing effective recruitment to replace turnover and fill new roles quickly and growing our pool of relief workers.
- One off Retail, Hospitality and Leisure Grant funding.

Reserves Policy

The Trustees have determined an appropriate reserves target to be a range from £530k to £740k. This range has been determined using a risk-based approach. Identified risks include a change in the regulatory landscape, an unplanned fall in voluntary income, cash flow requirements in relation to contract timing and renewals and a change in the retail environment. The reserves have been set to allow time to undertake mitigating actions should any or all of the identified risks eventuate. The Trustees regularly review the level of reserves to ensure that it is adequate and appropriate to meet the requirements of Julian House.

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For the year ended 31 March 2020

Free Reserves as at 31 March 2020	
Total Funds	2,776,786
<i>less</i> Share Capital	0
<i>less</i> Restricted	-15,917
<i>less</i> Tangible Fixed Assets	-2,783,084
<i>plus</i> Bank Loans on Tangible Fixed Assets	802,755
<i>less</i> Designations	0
<i>less</i> Commitments	0
<i>plus</i> Defined Benefit Scheme	33,000
Free Reserves	<u>813,540</u>

Represented by	
Cash in Hand	726,476
plus Current Assets	723,938
less Current Liabilities	<u>-636,874</u>
Reserves	<u>813,540</u>

The amount held in reserves is currently £814k which is £74k above the upper level of the target reserves. This is due to the year end result including £200k in debtors for Retail, Hospitality and Leisure Grants due from the Government in respect of the Coronavirus pandemic which were announced just prior to the year end. It is anticipated that the effects of the Coronavirus pandemic will impact Julian House and as a result will bring reserves back into the target range. The Trustees will continue to assess the risks to Julian House and adjust the reserves target as appropriate.

Principle risks and uncertainties

Like all organisations in our sector, we are facing unprecedented challenges and great uncertainty in our operating environment. We need to remain responsive to changing client needs and to fulfil the requirements and expectations of our supporters, commissioners and regulatory bodies, against a backdrop of increasing demand for our services, short-term funding limitations and ongoing reductions in funding. We need to exercise careful vigilance in the delivery of services for children, young people and adults at risk, and review our systems and processes against the highest governance and quality standards, to ensure they are safe and effective.

The Board has direct responsibility for overseeing the management of risk and regularly conducts a review of the major strategic, business and operational risks to which the organisation is exposed. There is a formal register which is updated on an ongoing basis and is formally presented to, and reviewed by, the Audit, Risk and Finance Sub-Committee and the Board twice a year.

The current top five risks are:

- Responding effectively to the Coronavirus pandemic
- Keeping up to date with Health and Safety requirements
- Investing sufficiently in back office functions and new technology to ensure our organisation is robust and fit for future challenges
- Being an employer of choice that attracts and retains skilled staff

TRUSTEES' REPORT For the year ended 31 March 2020

- Achieving our profitability plan for our trading subsidiary.

The key risks identified in our risk register are prioritised in terms of potential impact and likelihood of occurrence. We consider ways of mitigating the risks and identify a lead member of the Senior Management Team responsible for taking necessary actions. The Board recognises that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The risk management and control processes are not a separate annual exercise but are a continuous function. Key elements in our internal control systems are:

- Appropriate authorisation levels and segregation of accounting duties
- Policies in respect of preventing, detecting and investigating fraud
- A quality audit programme for our operational services, to identify areas of good practice and highlight any improvements that are needed. The Client Services Sub-committee reviews these reports and monitors the execution of the recommendations.
- Preparation of cashflow forecasts and budgets which allow the Board and Senior Management Team to monitor the key business risks and financial objectives and identify variances arising during the monthly and quarterly reporting cycles.
- A framework of key performance indicators and regular reporting to the Senior Management Team, sub-committees and the Board, to ensure that any control issues are identified, and that corrective action is taken.
- Annual external audit which produces a management letter to the Audit, Risk and Finance Sub-Committee on any internal control issues identified during the course of the audit.

Our risk management and internal control systems are further strengthened by the appointment of internal auditors this year.

Where serious control weaknesses were identified during the year, they have been addressed.

Risk Appetite

Julian House chooses to reach out and support people with multiple needs, who lead complex lives, and who are the most excluded by society and other services. Our clients have complex and sometimes challenging behaviours. This brings inherent risk, which we balance out with our low-risk appetite towards compliance with legal and regulatory requirements and our internal policies and processes.

We work in a rapidly changing environment where funding streams can be uncertain and changes in policy and public opinion can have a profound impact on our work. We manage this by having a low-risk appetite in terms of our financial sustainability. We expect to take risks, within the context of our risk appetite and our financial sustainability, in order to innovate, grow our services and achieve our objectives.

Structure, governance and management

Julian House is a registered company limited by guarantee in England and Wales (No. 11791952), a registered charity with the Charities Commission (No. 1183751), and a Registered Provider of Social Housing (No. L4549). Julian House is also the parent charity of Julian House Trading, which is a subsidiary company of Julian House.

TRUSTEES' REPORT For the year ended 31 March 2020

The Trustees of Julian House constitute the directors of the charitable company for the purposes of the Companies Act 2006 and Trustees for the purposes of the Charities Act 2011 and provide leadership, direction and control in pursuit of the organisation's charitable objectives.

Trustees usually serve for a term of three years with a possible re-appointment for a further two terms, each of three years.

New Trustees are recruited by open advertisement, based on an evaluation of the balance of diverse skills, knowledge and experience needed to govern Julian House. They receive an induction pack containing information about Julian House, its structure and operations, the Board and sub-committee structures, Trustee duties and responsibilities and the organisation's key policies.

Regular scheme visits and project briefings are arranged to enable Trustees to obtain a better understanding of Julian House's services and operating environment. A nominated staff representative provides feedback to the board. Trustees have opportunities to take part in quarterly organisational staff meetings and volunteer celebration events.

Trustees schedule an away day to consider the environment and plan strategic direction. The full board of Trustees meets five times a year to discuss strategy, to formulate policy and to oversee operational matters. The Board is supported by three standing sub-committees which meet quarterly to consider specific areas of activity in greater detail on behalf of the Trustees and report to Trustees on key issues. The three sub-committees cover the areas of: Audit, Risk and Finance, Client Services, and Governance. During the Coronavirus crisis the Governance committee met monthly to provide closer oversight and support. The Board and Sub-committee membership may include co-optees who are not Trustees, but who have generously agreed to contribute their knowledge and experience. Current co-optees are Marc Cuddihy (Audit, Risk and Finance), Marek Koperski (Client Services), Fee Nunn (Board) and Tim Mitchell (Board).

The Board of Trustees have overview of senior management pay and terms and conditions.

The Board delegates day-to-day management of the organisation to the Chief Executive and Senior Management Team, through a documented delegated authority matrix. The Chief Executive is not a member of the company and has no legal status as Director although she acts as executive within the authority delegated by the Trustees.

Value for money

Over the last year we have worked hard to embed a Value for Money (VfM) culture more uniformly across the organisation, delivering year on year improvements in VfM, for example, we:

- Built our organisational surpluses and financial reserves to increase our stability, cover unforeseen events and yield opportunities for investment in our services, properties and people.
- Undertook a benchmarking exercise on staff remuneration and took corrective action as a result, to ensure salaries and other staff benefits and conditions are set at the right level.
- Strengthened a number of our organisational finance policies including for petty cash and staff expenses, to give clearer guidance to staff.
- Established a Service Level Agreement with our trading subsidiary to include payment for shared services and social outcomes.

TRUSTEES' REPORT For the year ended 31 March 2020

- Embedded use of Microsoft Teams video conferencing, enabling staff to come together from across the organisation, without the associated travel time and cost.
- Reviewed our voids reporting processes to ensure greater visibility and accountability, resulting in improved efficiency and performance, with voids reducing from 11.65% to 8.95% over the year.
- Handed back six unsuitable properties that could not be brought up to standard economically.
- Reviewed our approach to using agency staff, reducing costs from £192k to £9k as a result.
- Developed a new IT Strategy that will transform our current IT infrastructure, systems and processes.
- Carried out a full review of our Housing Benefit processes, invested in a full-time Housing Benefit Finance Assistant, developed a new resource library and provided specialist training for staff in Housing Benefit and Housing Management, to improve the efficiency and effectiveness of our rent income recovery.
- Secured significant donations of goods and furniture from the general public and local businesses as well as pro—bono support.
- Returned a social value of £375k (measured using the HACT calculator) from our mixed motive investment in social enterprise activities.
- Sustained a consistently low rate of staff sickness absence, at below sector averages.
- Continually listened to staff, clients and volunteers and capitalised on their ideas for business improvement, from staff induction processes to the management of on call.
- Restructured operations to increase staff and management capacity and efficiency.

In the coming year we intend to deliver further improvements in efficiency, effectiveness and economy by:

- Establishing a value for money approved supplier list for common repairs and maintenance jobs.
- Establishing an efficient approach to programming planned and preventative repairs and maintenance of our property assets.
- Developing a more structured approach to recording, tracking and learning from complaints and suggestions from clients, to inform service improvements.
- Upgrading INForm (our client and service database) to the Lightning Experience, to report better outcomes data, promoting intelligence into the heart of our operations.
- Preparing for, tendering and selecting a new cloud-based finance accounting system, to reduce time and resources spent on processing and improve reporting functionality.
- Establishing new Student Placement programme to deliver value added client activities in our services.
- Implementing a new Management Information System starting with three HR modules and devise road map for additional modules, to reduce time and resources spend on processes.
- Sustaining continued improvements in our performance of voids, arrears, bad debt and voluntary staff turnover.

Achievement against these objectives will be reported to the board on a quarterly basis, along with the KPI and financial monitoring reports.

To comply with the Regulator of Social Housing's (RSH) code of practice on VfM, as a registered provider we are required to publish our performance against a given set of key indicators which is shown

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below. We have calculated these metrics for the last two years. We will further develop our understanding and measurement of our cost base using the RSH data analysis, sector scorecard metrics and review how our performance compares with others.

Metrics	Explanation	Julian House	2019 Supported Housing Specialist	2019 All Returns (median quartile)
Reinvestment %	Investment in properties as a percentage of total properties	0.0%	4.2%	6.2%
New supply delivered %	The number of new units as a percentage of all owned units	0.0%	0.8%	1.5%
Gearing %	Percentage of assets made up of debt finance (lower the better)	5.5%	13.3%	43.4%
EBITDA MRI Interest Cover %	Measure of surplus compared to interest payments (higher the better)	2391%	228%	184%
Headline social housing cost per unit	Measure of social housing cost per unit	£10,778	£8,460	£3,690
Operating Margin % A) Social Housing Letting B) Overall	Surplus divided by turnover for both social housing and overall	28.1% 6.8%	12.9% 8%	29.2% 25.8%
Return on capital employed%	Investment return on capital resources	10.5%	3.4%	3.8%

Julian House is the registered provider of social housing within the Group, but with substantially fewer than 1,000 owned homes, is classed as a "small provider". Julian House provides homes with additional support, exclusively housing homeless and socially excluded people, occasionally on assured shorthold tenancies but most commonly on licences.

TRUSTEES' REPORT

For the year ended 31 March 2020

Many of the above metrics are designed to enable comparisons between large social housing providers with significant loan book commitments and a high level of general needs social rented homes. We have included alongside the All Returns comparators the Supported Housing Specialist comparators as this provides a fairer comparison with our social housing model. The Board has reviewed the results and is satisfied that Julian House complies with the revised Code issued by the Regulator of Social Housing and that Julian House is delivering year on year improvements in the value for money it offers to its beneficiaries.

Compliance with the Charities Code of Governance

Julian House has adopted the Charities Code of Governance. The Board has reviewed and confirmed compliance with all areas of the Code.

Compliance with the Governance and Financial Viability Standard

Julian House is a Registered Social Housing Provider and required by the Regulator of Social Housing, to certify compliance with the Governance and Financial Viability Standard. The Board has reviewed compliance with the standard and confirms that it complies in all material respects.

The Impact of the Coronavirus Pandemic

The Coronavirus pandemic has had a far-reaching impact on all our activities, including:

- Our ability to fundraise, with events being postponed, donors having reduced disposable income and corporate support likewise affected by the economic downturn.
- The temporary closure of our seven charity shops and four bike workshops as a result of lockdown.
- Adjustments to our support service delivery models because of social distancing measures.
- Development of new emergency accommodation services for people sleeping rough, in response to the governments' urgent call to get 'everyone in.'
- Increase in demand for many of our existing services and increased risks to our beneficiaries, many of whom have underlying health needs.
- Workforce capacity and well-being, and the changing circumstances of both our staff and volunteers.

Julian House has adapted positively to these challenges and managed to continue to effectively deliver the majority of our services and in some cases upscale support to our beneficiaries.

As the Coronavirus pandemic became a reality, we worked with partner agencies to urgently support people who were sleeping rough or in night shelters where it was difficult to self-isolate, into alternative accommodation. In Bath, we set up 40 additional emergency accommodation units across 4 sites, as well as continuing to provide direct access accommodation through our homeless hostel. The scale and speed of this response undoubtedly saved lives.

With the unfortunate rise in people losing their jobs due to Covid-19, there is a growing demand for our employment support services, particularly from increasing numbers of young people. We will shortly be recruiting for a new team member dedicated to supporting more unemployed young people into training and work.

The Coronavirus pandemic meant that many of our usual volunteering opportunities were not available, but the pandemic also created a number of new volunteer roles which enhanced our response to the

TRUSTEES' REPORT For the year ended 31 March 2020

crisis significantly. For example, volunteer drivers helped us deliver food and other essentials to people living in our emergency accommodation during the lockdown. We are enormously grateful to all the people who stepped forward to volunteer for us in a period of great difficulty and uncertainty.

Traditionally we have depended upon an established calendar of fundraising events such as sponsored sleep-outs and sporting events. The onset of Coronavirus meant that many planned events had to be cancelled or postponed. Our resourceful fundraising team found new and creative ways to raise funds including on-line challenge events and a successful emergency appeal. We were also beneficiaries of government grants and other emergency funds that were made available to charities in response to the pandemic.

Our staff have demonstrated exceptional dedication throughout the pandemic and went to extraordinary lengths to keep our clients safe and well supported. The outbreak of Coronavirus placed an enormous strain on our staff who displayed great resilience and a remarkable can-do approach. During the pandemic we provided additional psychological support for staff to help them cope with the intensity of the situation.

Future plans

Following on from last year's aims, priorities for the organisation over the next 12 months will include:

- Maintaining our focus on delivering high quality; high impact services and continuing to collaborate with a wide range of partners to achieve the best possible outcomes for our clients.
- Continuing to develop new and innovative services for people who are homeless and socially excluded, meeting unmet need, and delivering greater economies of scale within our existing areas of operation.
- Developing a renewed HR strategy to build an engaged, high-performing workforce, which supports organisational growth and development.
- Developing the skills of our managers and teams to effectively manage the competing demands on their time and the increasing complexities of our client's lives.
- Investing in our properties, housing management and facilities function to further reduce arrears and void loss, improve our repairs and maintenance service, and raise the overall standard our accommodation.
- Focussing on smarter ways of working including investing in a new finance system and developing a new digital workplace to bring more efficiency to managers and teams in key areas of administration.
- Increasing our fundraised income and delivering an effective and sustainable financial plan for the year, building on 2019-20.

Statement of Trustees Responsibilities

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

TRUSTEES' REPORT
For the year ended 31 March 2020

Company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of Julian House's affairs and of its incoming resources and application of resources, including income and expenditure, for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities Statement of Recommended Practice (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 charitable company will continue in operation.

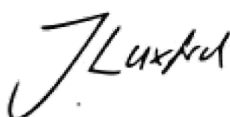
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the organisation's transactions and which disclose with reasonable accuracy at any time Julian House's financial position and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of Julian House and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which Julian House's auditor is unaware; and
- The Trustees have 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.

The Trustees are responsible for the maintenance and integrity of corporate and financial information included on Julian House's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Trustees on 3 September 2020 and signed on its behalf by



Joy Luxford
Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JULIAN HOUSE
For the year ended 31 March 2020

Opinion

We have audited the financial statements of Julian House (the 'Company') for the year ended 31 March 2020 which comprise the Consolidated and Parent Company Statement of Comprehensive Income, the Consolidated and Parent Company Balance Sheet, the Consolidated Cash Flow Statement, the Consolidated and the Parent Company Statement of Change in Reserves and notes to the financial statements including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the consolidated and the Parent Company's affairs as at 31 March 2020, and the group's incoming resources and application of resources, including 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 properly prepared in accordance with the requirements of the Companies Act 2016, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2015.

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 Company 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 board's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the board has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company'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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JULIAN HOUSE
For the year ended 31 March 2020

Other information

The board is responsible for the other information. The other information comprises the information included in the Trustees' 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 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.

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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

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:

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JULIAN HOUSE
For the year ended 31 March 2020

Responsibilities of the board

As explained more fully in the board's responsibilities statement set out on page 12, the board is 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 the board 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 board is responsible for assessing the Company'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 board either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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

Use of report

This report is made solely to the Company'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 Company'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 Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Gare (Senior Statutory Auditor)
For and on behalf of MHA Monahans
Statutory Auditors
Chartered Accountants
Fortescue House
Court Street
Trowbridge
BA14 8FA

17 September 2020

JULIAN HOUSE

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME For the year ended 31 March 2020

JULIAN HOUSE GROUP	Notes	2020 £	2019 £
Turnover	2, 4	6,690,393	5,955,036
Operating expenditure		(6,384,280)	(6,236,847)
Operating surplus / (deficit)		306,113	(281,811)
Interest receivable and similar income	5	260	283
Interest payable and similar charges	6	(24,879)	(23,010)
Surplus / (Deficit) on ordinary activities for the year before tax		281,494	(304,538)
Taxation		-	-
Surplus / (Deficit) for the year after tax		281,494	(304,538)
Actuarial gain in respect of pension schemes	22	43,000	-
Total comprehensive income / (expenditure) for the year		324,494	(304,538)

JULIAN HOUSE

STATEMENT OF COMPREHENSIVE INCOME For the year ended 31 March 2020

JULIAN HOUSE	Notes	2020 £	2019 £
Turnover	2, 4	5,947,830	5,325,670
Operating expenditure		(5,612,654)	(5,551,788)
Operating surplus / (deficit)		335,176	(226,118)
Interest receivable and similar income	5	1,194	1,304
Interest payable and similar charges	6	(24,879)	(23,010)
Surplus / (Deficit) on ordinary activities for the year before tax		311,491	(247,824)
Taxation		-	-
Surplus / (Deficit) for the year after tax		311,491	(247,824)
Actuarial gain in respect of pension schemes	22	43,000	-
Total comprehensive income / (expenditure) for the year		354,491	(247,824)

JULIAN HOUSE

BALANCE SHEET AND CONSOLIDATED BALANCE SHEET - company number 11791952
As at 31 March 2020

		<u>Julian House Group</u>		<u>Julian House</u>	
	Notes	2020	2019	2020	2019
		£	£	£	£
FIXED ASSETS					
Social housing properties	10	1,312,960	1,332,078	1,312,960	1,332,078
Other tangible fixed assets	11	1,470,124	1,688,908	1,382,869	1,572,234
Investment in subsidiary	12	-	-	2	2
		<u>2,783,084</u>	<u>3,020,986</u>	<u>2,695,831</u>	<u>2,904,314</u>
CURRENT ASSETS					
Stocks	13	84,736	93,379	522	-
Debtors	14	639,202	460,375	992,564	881,403
Cash at bank and in hand		742,393	259,628	730,140	211,611
		<u>1,466,331</u>	<u>813,382</u>	<u>1,723,226</u>	<u>1,093,014</u>
CREDITORS: amounts falling due within one year	15	(701,696)	(491,039)	(648,689)	(461,347)
NET CURRENT ASSETS		<u>764,635</u>	<u>322,343</u>	<u>1,074,537</u>	<u>631,667</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,547,719</u>	<u>3,343,329</u>	<u>3,770,368</u>	<u>3,535,981</u>
CREDITORS: amounts falling due after one year	16	(737,933)	(804,666)	(737,933)	(804,666)
DEFINED BENEFIT PENSION LIABILITY	22	(33,000)	(86,371)	(33,000)	(86,371)
NET ASSETS		<u><u>2,776,786</u></u>	<u><u>2,452,292</u></u>	<u><u>2,999,435</u></u>	<u><u>2,644,944</u></u>
RESERVES					
Income and expenditure reserve	19	2,760,869	2,437,754	2,983,518	2,630,406
Restricted funds	20	15,917	14,538	15,917	14,538
TOTAL RESERVES		<u><u>2,776,786</u></u>	<u><u>2,452,292</u></u>	<u><u>2,999,435</u></u>	<u><u>2,644,944</u></u>
		-	-	-	-

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

The financial statements were approved and authorised for issue by the Board on 3 September 2020 and signed on their behalf by:


 _____ JOY LUXFORD, Chair


 _____ BARRY HUGHES, Trustee

JULIAN HOUSE

CONSOLIDATED STATEMENT OF CHANGE IN RESERVES
For the year ended 31 March 2020

	Restricted reserve	Called-up share capital	Income and Expenditure Reserve	Total
	£	£	£	£
At 1 April 2018	-	10	2,756,820	2,756,830
Deficit for the year	-	-	(304,538)	(304,538)
Total comprehensive income	-	-	(304,538)	(304,538)
Share capital issued	-	-	-	-
Share capital redeemed	-	(10)	10	-
Transfers	14,538	-	(14,538)	-
At 31 March 2019 and 1 April 2019	14,538	-	2,437,754	2,452,292
Surplus for the year	-	-	281,494	281,494
Actuarial gain in respect of pension schemes	-	-	43,000	43,000
Total comprehensive income	-	-	324,494	324,494
Transfers	1,379	-	(1,379)	-
At 31 March 2020	<u>15,917</u>	<u>-</u>	<u>2,760,869</u>	<u>2,776,786</u>

JULIAN HOUSE

STATEMENT OF CHANGE IN RESERVES - JULIAN HOUSE

For the year ended 31 March 2020

	Restricted reserve	Called-up share capital	Income and Expenditure Reserve	Total
	£	£	£	£
At 1 April 2018	-	10	2,892,758	2,892,768
Deficit for the year	-	-	(247,824)	(247,824)
Total comprehensive income	-	-	(247,824)	(247,824)
Share capital issued	-	-	-	-
Share capital redeemed	-	(10)	10	-
Transfers	14,538	-	(14,538)	-
At 31 March 2019 and 1 April 2019	14,538	-	2,630,406	2,644,944
Surplus for the year	-	-	311,491	311,491
Actuarial gain in respect of pension schemes	-	-	43,000	43,000
Total comprehensive income	-	-	354,491	354,491
Transfers	1,379	-	(1,379)	-
At 31 March 2020	15,917	-	2,983,518	2,999,435

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 March 2020

	Note	2020 £	2019 £
Cash flow from operating activities	21	584,604	(92,370)
Cash flow from investing activities			
Payments to acquire social housing property	10	-	(10,385)
Payments to acquire of tangible fixed assets	11	(12,261)	(163,671)
Receipts from sales of tangible fixed assets		-	1,749
Interest received		260	283
Net cash used in investing activities		(12,001)	(172,024)
Cash flow from financing activities			
Repayments of borrowing		(64,959)	(56,890)
Cash inflow from new borrowing		-	161,000
Interest paid		(24,879)	(23,010)
Net cash (used in) / provided by financing activities		(89,838)	81,100
Change in cash and cash equivalents in the year		482,765	(183,294)
Cash and cash equivalents at 1 April 2019		259,628	442,922
Cash and cash equivalents at 31 March 2020		<u>742,393</u>	<u>259,628</u>
Cash and cash equivalents consists of:			
Cash at bank and in hand			
Cash and cash equivalents at 31 March 2020		<u>742,393</u>	<u>259,628</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2020

1. ACCOUNTING POLICIES

(a) General information and basis of preparation of financial statements

Julian House is a charitable company and a private registered provider of social housing in the United Kingdom. During the 2018/19 year all the assets and liabilities of the former Community Benefit Society Julian House, which was a registered society under the Co-operative and Community Benefit Societies Act 2014, registered number 19305R, were transferred over to this new charitable company, company number 11791952, which was set up on 28 January 2019. The address of the Company is given in the reference and administrative details on page 1 of these financial statements and the nature of the Company's operations and principal activities are provided within the Trustees' Report.

Julian House constitutes a public benefit entity as defined by the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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 2018 (SORP), and with the Accounting Direction for private registered providers of social housing in England 2019. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008, the Companies Act 2006 and the Charities Act 2011.

The 2018/19 results have been prepared on a merger accounting basis in line with Section 9 of the SORP on the basis that although the legal form of the Company had changed, the purposes and beneficiary class of the Company remain unchanged.

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 prepared in sterling, which is the functional currency of the organisation and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Group financial statements

These group financial statements consolidate the results of the Company and its wholly-owned subsidiary Julian House Trading Limited, both of which make up their financial statements to 31 March. The results of the subsidiary are consolidated on a line by line basis.

(c) Tangible fixed assets

Tangible fixed assets (including social housing properties) are stated at cost (or deemed cost). Cost includes costs directly attributable to making the asset capable of operating as intended such as the cost of acquiring land and buildings, developments costs, interest charges on loans during the development period and expenditure on improvements. Expenditure on improvements will only be capitalised when it results in incremental future benefits such as increasing rental income, reducing maintenance costs or resulting in a significant extension of the useful economic life of the property.

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2020

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold land	Not Depreciated
Non-housing freehold buildings	Over 50 years
Leasehold land and buildings	Over 25 years
Motor vehicles	Over 5 years
Fixtures and fittings	Over 5 years
IT equipment	Over 3 years

Housing properties are divided into the major components and charged depreciation, so as to write-down the cost of each component to its estimated residual value, on a straight line basis, over its estimated useful economic life. The group depreciates the major components of its housing properties at the following annual rates.

Land	Not Depreciated
Main fabric	Over 100 years
Roof structure	Over 70 years
Kitchens	Over 20 years
Bathrooms	Over 30 years
Windows and doors	Over 25 years
Mechanical systems	Over 30 years
Gas boilers	Over 15 years
Electrics	Over 40 years

Annually, housing properties are assessed for impairment indicators. Where indicators are identified an assessment for impairment is undertaken comparing the property's carrying amount to its recoverable amount. Where the carrying amount of a property is deemed to exceed its recoverable amount, the property is written down to its recoverable amount. The resulting impairment loss is recognised as operating expenditure. Where a property is currently deemed not to be providing service potential to the Company, its recoverable amount is its fair value less costs to sell.

(d) Investments

Investments in subsidiaries are measured at cost less impairment.

(e) Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Last year donated second hand goods are estimated at the value of 1 weeks sales. This year we have taken a prudent view and estimated the value at nil.

(f) 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.

(g) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2020

(h) Leases

Rentals payable and receivable under operating leases are charged on a straight line basis over the period of the lease.

(i) Tax

The activities of the Company are partially exempt from VAT. Irrecoverable VAT which can be attributed to a capital item or operating expenditure is added to the cost of the capital item or expenses were practicable and material.

(j) Turnover and other income

Turnover is measured at the fair value of the consideration received or receivable net of VAT and trade discounts. 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, revenue grants from the government (local authorities) and Homes England (formerly the Homes and Communities Agency) and other income from trading.

Government grants are received in respect of purchasing fixed assets. These grants are recognised at the fair value of the asset received or receivable. The assets are accounted for using the cost model and the government grant is accounted for using the accruals model. The difference between the fair value of the asset and the consideration is recognised as a liability and amortised over the useful economic life of the asset. This amortisation is recognised within turnover. Where disposal of government donated assets are required to be recycled, a liability is included to recognise this obligation.

Grants received as a contribution to revenue expenditure are recognised in the statement of comprehensive income on a systematic basis over the period in which the organisation recognises the related costs for which the grant is intended to compensate. Grants are recognised in the same period as the related expenditure provided the conditions for receipt have been satisfied and there is reasonable assurance that the grant will be received.

Other income streams are recognised when the Company is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received. More detail on specific elements of other income streams are provided below.

For donations to be recognised the Company will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Company and it is probable that they will be fulfilled. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

No amount is included in the financial statements for volunteer time in line with the principles of the Charities SORP (FRS 102), although the Company is not required to follow the Charities SORP.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the Company has control over the item. Fair value is determined on the basis of the value of the gift to the Company. For example the amount the Company would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2020

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

For legacies, entitlement is the earlier of the Company being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the Company however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed as a note.

Income from fundraising events and trading activities to raise funds for the Company is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Interest income is recognised using the effective interest method. Any associated income tax recoverable is recognised at the same time as interest income is receivable.

(k) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

(l) Employee benefits

When employees have rendered a service to Julian House, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Julian House operates defined contribution plans for the benefit of its employees. Contributions are expensed as they become payable.

Julian House also participates in the Social Housing Pension Scheme (SHPS), which is a funded multi-employer defined benefit scheme. In 2018/19 It became possible to identify the share of underlying assets and liabilities belonging to individual participating employers as at 31 March 2019 and the scheme is now accounted for as defined benefit plan for the benefit of its employees. No new benefits have been introduced and there is no change to the benefits themselves.

A liability for Julian House's obligations under the plan is recognised net of plan assets. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

Further details of the SHPS and its assumptions are included in note 22.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2020

(m) Restricted reserves

Restricted reserves are those reserves which are only expendable in accordance with the wishes of the funder or regulatory body. Restricted reserves include funds raised in response to a specific appeal. Revenue and expenditure cannot be directly set against restricted reserves but is taken through the statement of comprehensive income and then a transfer to restricted reserves is made as appropriate.

(n) Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees 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 Company to be able to continue as a going concern.

In forming this judgement the Trustees have considered the effect of the coronavirus pandemic, which is also discussed in greater detail in the Trustees report. Although the pandemic will have a detrimental effect on the Charity's ability to generate surpluses (such as a reduction in the trading income at the shops and fundraising activities) – there are also income streams such as contracted services which are largely unaffected. The Trustees have prepared a budget under a pessimistic scenario and are satisfied that the Charity should broadly breakeven despite the financial uncertainties.

(o) Judgements and key sources of estimation uncertainty

The key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities include obligations under defined benefit pension schemes (see note 22) and the split and useful lives of components of social housing and other fixed assets (see notes 10 and 11).

2. SOCIAL HOUSING TURNOVER AND COSTS (JULIAN HOUSE AND GROUP)

	2020	<i>2019</i>
	£	£
Rent receivable after voids but excluding service charges	1,890,232	<i>1,569,508</i>
Service charges receivable	91,459	<i>79,018</i>
Revenue grants receivable	1,324,605	<i>1,124,492</i>
Social Housing activity expenditure	(2,749,871)	<i>(3,000,755)</i>
Operating surplus / (deficit) from social housing activities	556,425	<i>(227,737)</i>
Rent losses from voids	(225,978)	<i>(277,938)</i>

3. ACCOMODATION OWNED AND IN MANAGEMENT

	2020	<i>2019</i>
	Property Units	<i>Property Units</i>
Supported Housing	176	<i>183</i>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2020

4. INCOME FROM NON SOCIAL HOUSING ACTIVITIES

	Julian House Group		Julian House	
	2020	2019	2020	2019
	£	£	£	£
Other contracted income	1,005,646	1,193,109	1,005,646	1,193,109
Fundraising and donations	906,045	826,608	779,882	699,331
Legacies	97,037	34,525	97,037	34,525
Charity shops	608,342	588,735	608,342	588,735
Julian House Trading	556,791	491,126	-	-
Coronavirus business support grants	200,000	-	145,000	-
Other	10,236	47,915	5,627	36,952
	3,384,097	3,182,018	2,641,534	2,552,652

Other income for 2019 includes a £46,817 donation representing the net assets of CHA acquired during the year as detailed in note 25 to the financial statements.

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	Julian House Group		Julian House	
	2020	2019	2020	2019
	£	£	£	£
Bank interest receivable	260	283	260	283
Intercompany loan interest receivable	-	-	934	1,021
	260	283	1,194	1,304

6. INTEREST PAYABLE AND SIMILAR CHARGES

	Julian House Group		Julian House	
	2020	2019	2020	2019
	£	£	£	£
Bank loans and overdrafts	24,879	23,010	24,879	23,010
	24,879	23,010	24,879	23,010

7. SURPLUS / (DEFICIT) ON ORDINARY ACTIVITIES

	Julian House Group		Julian House	
	2020	2019	2020	2019
	£	£	£	£
The operating surplus / (deficit) is arrived at after charging:				
Depreciation - other fixed assets	231,045	210,557	196,610	165,251
Depreciation - social housing properties	19,118	18,806	19,118	18,806
Loss on disposal of fixed assets	-	3,476	-	-
Auditors remuneration - audit fee	21,318	18,686	18,563	16,886
Movement in pension deficit liability	53,371	-	53,371	-

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2020

8. BOARD AND KEY MANAGEMENT PERSONNEL REMUNERATION

The key management includes the trustees of Julian House, the non-executive directors of Julian House Trading Ltd and senior management team as detailed on page 1.

Total remuneration (including employer national insurance and employer pension contributions) for key management personnel of the Company and the Group amounted to £317,187 (2019: £365,101).

No remuneration was received by trustees and non-executive board members.

During the year three trustees received reimbursement of expenses totalling £246 (2019: £118) for travel costs.

The Chief Executive is a member of the Social Housing Pension Scheme. She is an ordinary member of the pension scheme and no enhanced or special terms apply. The Company does not make any further contribution to an individual pension arrangement for the Chief Executive.

9. STAFF NUMBERS AND COSTS

	Julian House Group		Julian House	
	2020	2019	2020	2019
	£	£	£	£
Wages and salaries	3,108,696	3,109,798	2,778,422	2,805,712
Social security costs	233,008	241,853	209,801	220,298
Pension costs	165,150	106,121	153,284	99,997
	<u>3,506,854</u>	<u>3,457,772</u>	<u>3,141,507</u>	<u>3,126,007</u>

The average weekly number of employees, including members of the management team, calculated on a full time equivalent basis was 131 (2019 :125).

The average monthly number of actual employees, including members of the management team, was 158 (2019 :163).

No employees received remuneration (excluding employer national insurance contributions and employer pension contributions) over £60,000 (2019: one employee £70,000 to £80,000 band).

During the year total redundancy and severance payments of £18,164 (2019: £52,106) were made in Julian House and £nil (2019: £856) in Julian House Trading.

JULIAN HOUSE

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2020

10. SOCIAL HOUSING PROPERTIES

JULIAN HOUSE AND JULIAN HOUSE GROUP

	Freehold property £
Cost	
At 1 April 2019	1,454,857
Additions	-
At 31 March 2020	<u>1,454,857</u>
Depreciation	
At 1 April 2019	122,779
Charge for the year	19,118
At 31 March 2020	<u>141,897</u>
Net book value	
At 31 March 2020	<u>1,312,960</u>
At 31 March 2019	<u>1,332,078</u>

Social housing properties with a net book value of £1,312,960 (2019: £1,332,078) have been pledged as security for liabilities of the Company. These assets have restricted title.

Included within freehold property is land totalling £294,615 (2019: £294,615) which is not depreciated.

11. OTHER TANGIBLE FIXED ASSETS

JULIAN HOUSE GROUP

	Freehold property £	Leasehold property £	Motor vehicles £	Fixtures fittings and equipment £	Total £
Cost					
At 1 April 2019	1,337,404	748,565	15,491	723,670	2,825,130
Additions	-	-	-	12,261	12,261
Disposals	-	-	-	-	-
At 31 March 2020	<u>1,337,404</u>	<u>748,565</u>	<u>15,491</u>	<u>735,931</u>	<u>2,837,391</u>
Depreciation					
At 1 April 2019	348,186	349,282	7,389	431,365	1,136,222
Charge for the year	36,351	67,506	2,629	124,559	231,045
On disposals	-	-	-	-	-
At 31 March 2020	<u>384,537</u>	<u>416,788</u>	<u>10,018</u>	<u>555,924</u>	<u>1,367,267</u>
Net book value					
At 31 March 2020	<u>952,867</u>	<u>331,777</u>	<u>5,473</u>	<u>180,007</u>	<u>1,470,124</u>
At 31 March 2019	<u>989,218</u>	<u>399,283</u>	<u>8,102</u>	<u>292,305</u>	<u>1,688,908</u>

JULIAN HOUSE

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2020

JULIAN HOUSE

	Freehold property £	Leasehold property £	Motor vehicles £	Fixtures fittings and equipment £	Total £
Cost					
At 1 April 2019	1,337,404	602,813	2,345	601,316	2,543,878
Additions	-	-	-	7,245	7,245
At 31 March 2020	<u>1,337,404</u>	<u>602,813</u>	<u>2,345</u>	<u>608,561</u>	<u>2,551,123</u>
Depreciation					
At 1 April 2019	348,186	268,021	2,345	353,092	971,644
Charge for the year	36,351	52,932	-	107,327	196,610
On disposals	-	-	-	-	-
At 31 March 2020	<u>384,537</u>	<u>320,953</u>	<u>2,345</u>	<u>460,419</u>	<u>1,168,254</u>
Net book value					
At 31 March 2020	<u>952,867</u>	<u>281,860</u>	-	<u>148,142</u>	<u>1,382,869</u>
At 31 March 2019	<u>989,218</u>	<u>334,792</u>	-	<u>248,224</u>	<u>1,572,234</u>

12. INVESTMENT IN SUBSIDIARY

As required by statute, the financial statements consolidate the results of Julian House Trading Limited, which is a company registered in the United Kingdom, and which is a wholly owned subsidiary of the Company. The Company has the right to appoint members to the boards of the subsidiary and thereby exercises control over it. Julian House is the ultimate parent undertaking.

	Julian House	
	2020	2019
	£	£
Shares in Julian House Trading Limited	<u>£ 2</u>	<u>£ 2</u>

At the year end, the aggregate capital and reserves of the company amounted to minus £222,648 (2019: minus £192,651) and loss for the year amounted to £29,997 (2019: loss of £56,714).

13. STOCK

	Julian House Group		Julian House	
	2020	2019	2020	2019
	£	£	£	£
Retail stock	<u>84,736</u>	<u>93,379</u>	<u>522</u>	-

JULIAN HOUSE

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2020

14. DEBTORS

	Julian House Group		Julian House	
	2020	2019	2020	2019
	£	£	£	£
Due within one year				
Trade debtors (gross social housing rent arrears)	135,047	224,191	135,047	224,191
Less: provision for doubtful debt	(38,741)	(54,630)	(38,741)	(54,630)
Trade debtors (others)	66,179	69,010	64,244	64,016
Amounts owed by group undertakings	-	-	61,990	65,850
Prepayments and accrued income	372,248	126,716	302,414	111,946
Other debtors	104,469	95,088	97,062	95,766
Due after more than one year				
Amounts owed by group undertakings	-	-	370,548	374,264
	639,202	460,375	992,564	881,403

Amounts owed by group undertakings include formal intercompany loans totalling £119,834 (2019: £148,799) on which interest is charged at Bank of England base rate.

15. CREDITORS

	Julian House Group		Julian House	
	2020	2019	2020	2019
	£	£	£	£
Due within one year				
Bank loans	64,822	63,048	64,822	63,048
Trade creditors	165,688	150,325	137,443	124,311
Other taxation and social security	58,498	66,947	58,498	66,947
VAT liability	4,100	918	4,100	4,888
Other creditors	50,309	36,930	49,664	35,859
Accruals and deferred income	358,279	172,871	334,162	166,294
	701,696	491,039	648,689	461,347

16. CREDITORS

	Julian House Group		Julian House	
	2020	2019	2020	2019
	£	£	£	£
Due after more than one year				
Bank loans	737,933	804,666	737,933	804,666
	737,933	804,666	737,933	804,666

Julian House has four mortgages, three with Triodos bank and one with Bank of Scotland. Bank loans / mortgages are secured by fixed charges on individual properties.

The mortgages are repayable monthly and interest is payable at 2.25% above base rate for two of the Triodos mortgages (with a minimum rate of 2.5%), 3% above base rate (with a minimum rate of 3%) for one of the Triodos mortgages and 1.3% above base rate for the Bank of Scotland mortgage.

JULIAN HOUSE

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2020

The mortgages include aggregate amounts of £354,286 (2019: £535,395) which fall due in more than five years and which are payable by instalments.

17. OPERATING LEASE COMMITMENTS

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

	Julian House Group		Julian House	
	2020	2019	2020	2019
	£	£	£	£
Not later than one year	317,699	325,361	272,069	277,607
Later than one and not later than five years	268,603	69,179	250,397	49,179
Later than five years	9,633	16,433	9,633	16,433
	<u>595,935</u>	<u>410,973</u>	<u>532,099</u>	<u>343,219</u>

Julian House has several properties which they occupy for the duration of the associated contracted income. The lease commitment for these properties has been quantified, however if the contracts were terminated the commitment would cease.

18. SHARE CAPITAL

Ordinary shares of £1 each	2020 Number	2020 £	2,019 Number	2,019 £
Allotted called up and fully paid				
At 1 April 2019	-	-	10	10
Redeemed during the year	-	-	(10)	(10)
At 31 March 2020	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Following the conversion of Julian House from a society registered under the Co-operative and Communities Benefit Act 2014 to an incorporated charity, the share capital of the Company ceased to exist and all shares were redeemed. Previously shares in Julian House were neither redeemable nor transferable, carried no right to interest, dividend or bonus, and did not entitle the owner to participate in the society's assets other than to the extent of the nominal value. Each member held one share only in Julian House.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2020

19. INCOME AND EXPENDITURE RESERVE

This represents cumulative surplus and deficits net of other adjustments.

Income and Expenditure Reserve

	Julian House Group £	Julian House £
At 1 April 2019	2,437,754	2,630,406
Total income (turnover and bank interest)	6,690,653	5,949,024
Total expenditure (operating expenditure and interest payable)	(6,409,159)	(5,637,533)
Transfers to restricted reserve	(1,379)	(1,379)
Actuarial gain in respect of pension schemes	43,000	43,000
Reserves Carried forward	<u>2,760,869</u>	<u>2,983,518</u>

20. RESTRICTED RESERVES

Revenue and expenditure cannot be directly set against restricted reserves but is taken through the statement of comprehensive income and then a transfer to restricted reserves is made as appropriate. Details of any restricted income received and spent in the year and unspent at the year end are provided below:

Julian House and Julian House Group

There were restricted funds of £15,917 to carry forward at the year end date. Details of restricted monies received and spent in the year are as follows:

Year ended 31 March 2020

	Balance Brought Forward £	Income in year £	Spent in year £	Net in year movement £
Hospital Release Fund	14,538	-	(709)	13,829
Boater Fuel Grant	-	500	(211)	289
Move On Fund	-	3,291	(3,291)	-
Singing for Supper	-	491	(491)	-
Good Start - Contactless giving	-	1,866	(218)	1,648
Julian House Trading	-	122,306	(122,306)	-
Specialist Custody Liaison Worker	-	10,920	(10,769)	151
Specialist Young Person's Coach	-	19,648	(19,648)	-
Footprints Project	-	39,532	(39,532)	-
The Salus Project	-	4,154	(4,154)	-
Domestic Abuse services - donation	-	10,000	(10,000)	-
	<u>14,538</u>	<u>212,708</u>	<u>(211,329)</u>	<u>15,917</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2020

Year ended 31 March 2019

	<i>Received in</i> <i>year</i> £	<i>Spent in</i> <i>year</i> £	<i>Net in year</i> <i>movement</i> £
<i>Freedom Grant</i>	18,000	(18,000)	-
<i>Outreach female mental health worker</i>	30,000	(30,000)	-
<i>Children and Young Persons</i>	40,772	(40,772)	-
<i>Womens' Early Intervention Worker</i>	4,250	(4,250)	-
<i>Julian House Trading</i>	119,973	(119,973)	-
<i>Hospital Release Fund (CHA)</i>	15,000	(462)	14,538
	<u>227,995</u>	<u>(213,457)</u>	<u>14,538</u>

Restricted reserve descriptions

Hospital Release Fund

The purpose of the fund is to facilitate swift access to appropriate accommodation following hospital discharge.

Boater Fuel Grant

Funding provided to assist clients in the boater community to obtain fuel for cooking and heating during the Coronavirus pandemic.

Move On Fund

The purpose of this funding was to assist clients to move from supported housing to independent living.

Singing for Supper

Head to toe nourishment! Singing with a choir, homemade food with vegan options, hairdressing and chiropody. All delivered for up to 30 homeless people in the winter night shelter.

Good Start - Contactless Giving

This funding is obtained through contactless giving located at Nationwide bank in Bath. The funds are dedicated to assisting clients moving from supported housing to more independent living.

Julian House Trading

Julian House has a wholly owned subsidiary, Julian House Trading (JHT), registered company number 3450273. JHT's mission is to operate viable social enterprises which provide quality skills development opportunities, work experience placements, employment support and jobs for socially excluded people, to further the objectives of Julian House. JHT's existing social enterprises are in Bath, Exeter, Bristol and Trowbridge.

Specialist Custody Liaison Worker

A specialist custody liaison worker to support rough sleepers in Exeter vulnerable to involvement in serious organised crime and exploitation by County Lines Groups.

Specialist Young Person's Coach

A specialist Young Person's Coach to engage and empower care leavers who are at risk of homelessness or vulnerably housed, focussing on early intervention to prevent homelessness and associated risk factors such as substance misuse, mental health problems and offending.

Footprints Project

This project supports homeless women, and those at risk of becoming homeless, who have had children removed from their care, to secure and maintain settled accommodation.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2020

The Salus Project

The aim of this project is to target the link between homelessness and domestic and sexual violence and abuse, reducing the risk of further exposure to violence and supporting homeless young women into independence through holistic tailored support.

Domestic Abuse Services - Private donation

This funding was donated to provide support for our service providing refuge accommodation with Intensive Housing Management support in B&NES for clients, affected by domestic abuse who may also have additional needs.

Freedom Grant

An educative group programme enabling women to identify abusive and controlling behaviours, and improve their confidence, self-esteem, and well-being, to help break the cycle of abuse.

Outreach Female Mental Health Worker

A specialist female support worker who is the consistent support for women during their journey from rough sleeping and throughout their stay in the hostel in order to successfully maintain mixed gender hostel life, addresses complex issues such as substance misuse, offending, mental health, domestic abuse and sexual exploitation with the ultimate aim of supportively moving on and achieving their potential.

Children and Young Persons

This funding was given to provide specialist group support and one-to-one interventions for children and young people who have experienced domestic abuse at home and/or in their own relationships; aiming to improve their resilience, well being and relationships with their families and carers.

Womens' Early Intervention Worker

A specialist women's early intervention worker to provide wrap-around support to prevent vulnerable women from becoming homeless, while also providing rapid assistance to women sleeping rough so that their situation does not become entrenched.

21. RECONCILIATION OF OPERATING (DEFICIT) / SURPLUS TO CASH FLOW FROM OPERATING ACTIVITIES

	2020	2019
	£	£
JULIAN HOUSE GROUP		
(Deficit) / surplus for the year	324,494	<i>(304,538)</i>
Depreciation charges	250,163	229,363
Interest receivable	(260)	<i>(283)</i>
Interest payable	24,879	23,010
Loss on disposal of fixed assets	-	3,476
Decrease / (increase) in stock	8,643	<i>(21,702)</i>
Decrease / (increase) in debtors	(178,827)	364,488
Increase / (decrease) in creditors	208,883	<i>(472,555)</i>
Increase / (decrease) in pension liability	(53,371)	86,371
	<u>584,604</u>	<i><u>(92,370)</u></i>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2020

22. PENSION COMMITMENTS

Social Housing Pension Scheme

As noted within the accounting policies, Julian House participates in the Social Housing Pension Scheme (SHPS), which is a funded multi-employer defined benefit scheme. Since 2019 it has become possible to identify the share of underlying assets and liabilities belonging to individual participating employers as at 31 March 2019 and the scheme is now accounted for as defined benefit plan for the benefit of its employees. Prior to this, a liability was calculated as the net present value of the social landlord's deficit funding agreement. Since this change took place in 2019, all movements for 2019 were recognised in the statement of comprehensive income (no other recognised gains or losses were accounted for). The following notes therefore exclude the 2019 disclosures for pension movements as this is irrelevant.

Amounts recognised in the Balance Sheet at 31 March 2020	2020	2019
	£	£
Fair value of plan assets	332,000	325,000
Present value of funded obligations	(365,000)	(412,000)
Difference not accounted for within the financial statements		629
Deficit	<u>(33,000)</u>	<u>(86,371)</u>

The amounts recognised in the statement of comprehensive income are as follows

	2020
	£
Expenses	2,000
Net interest expenses	1,000
	<u>3,000</u>

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

	2020
	£
Fair value of plan assets at start of period	325,000
Interest income	7,000
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	6,000
Employer contributions	14,000
Benefits paid and expenses	(20,000)
	<u>332,000</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2020

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

	2020 £
Defined benefit obligation at start of period	412,000
Expenses	2,000
Interest expense	8,000
Actuarial losses (gains) due to scheme experience	1,000
Actuarial losses (gains) due to changes in demographic assumptions	(5,000)
Actuarial losses (gains) due to changes in financial assumptions	(33,000)
Benefits paid and expenses	(20,000)
	<u>365,000</u>

The amounts recognised in other recognised gains and losses are as follows

	2020 £
Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)	6,000
Experience gains and losses arising on the plan liabilities - gain (loss)	(1,000)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	5,000
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	33,000
Total actuarial gains and losses - gain (loss)	<u>43,000</u>

The categories of scheme assets are as follows

	2020 £	2019 £
Global Equity	49,000	55,000
Absolute Return	17,000	28,000
Distressed Opportunities	6,000	6,000
Credit Relative Value	9,000	6,000
Alternative Risk Premia	23,000	19,000
Fund of Hedge Funds	-	1,000
Emerging Markets Debt	10,000	11,000
Risk Sharing	11,000	10,000
Insurance-Linked Securities	10,000	9,000
Property	7,000	7,000
Infrastructure	25,000	17,000
Private Debt	7,000	4,000
Opportunistic Illiquid Credit	8,000	-
Corporate Bond Fund	19,000	15,000
Long Lease Property	6,000	5,000
Secured Income	13,000	12,000
Liability Driven Investment	111,000	119,000
Net Current Assets	1,000	1,000
Total assets	<u>332,000</u>	<u>325,000</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2020

Key assumptions

	2020	2019
	% per annum	<i>% per annum</i>
Discount rate	2.45	2.10
Inflation (RPI)	2.75	3.30
Inflation (CPI)	1.75	2.30
Salary Growth	2.75	3.30
	75% of	<i>75% of</i>
	maximum	<i>maximum</i>
Allowance for commutation of pension for cash at retirement	allowance	<i>allowance</i>

The mortality assumptions adopted at 31 March 2020 imply the following life expectancies

	Life expectancy at age 65 (Years)	
	2020	2019
Male retiring in 2020	21.50	21.80
Female retiring in 2020	23.30	23.50
Male retiring in 2040	22.90	23.20
Female retiring in 2040	24.50	24.70

The Pensions Trust Growth Plan

Julian House also participates in the Pensions Trust Growth Plan scheme, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the Company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

No deficit contributions are payable by Julian House in respect of this scheme, and therefore no liability in respect of deficit contributions is required.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2020

23. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemptions afforded by Financial Reporting Standard FRS 102 and not disclosed transactions with group undertakings. Any such transactions are eliminated on consolidation.

The trustee, Matthew Graham, is also a partner of Mowbray Woodwards solicitors. During the year purchases totalling £1,443 (2019: £934) and £nil (2019: £3,382) were from Mowbray Woodwards by Julian House and Julian House Trading respectively. Donations and fundraising income totalling £850 (2019: £nil) were also received from Mowbray Woodwards by Julian House.

The trustee, Barry Hughes, is also CEO of Selwood Housing Group. Donations and fundraising income totalling £228 (2019: £nil) were also received from Selwood Housing Group by Julian House.

All our business is conducted on an arm's length basis.

24. MERGER ACCOUNTING

Julian House was incorporated on 28 January 2019 in order that a community benefit society with the same name could change its legal structure. Although the new company started trading in 2019, the principles of merger accounting have been applied to the prior year and the results of the combined organisations for the whole year in which the merger occurred have been combined as if they were always one entity.

25. BUSINESS COMBINATIONS

On 1 July 2018 the assets and liabilities of Community Housing Aid (CHA), registered charity number 1071945, were transferred to Julian House. The adjusted assets and liabilities recognised in the financial statements of Julian House in the year ended 31 March 2019 under the acquisition method of accounting were as follows:

	£
Fixed assets	13,893
Debtors	25,154
Bank and cash	116,378
Creditors	<u>(70,086)</u>
Net assets	<u><u>85,339</u></u>

CHA's projects, funding and staff were also transferred to Julian House. CHA will be wound up within the year. An amount equivalent to the net assets acquired has been included in income of Julian House in the year ended 31 March 2019. Some of this income is shown as other in note 4 and the rest is included in other contracted income. (See note 4 Income from non social housing activities).

26. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party of the charitable company.