



JULIAN HOUSE

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

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JULIAN HOUSE

REFERENCE AND ADMINISTRATIVE DETAILS OF JULIAN HOUSE, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2016

Registration number (under the Industrial and Provident Societies Act 1965 now the Co-operative and Community Benefit Societies Act 2014.): **19305R**

Registered with the Homes and Communities Agency as a Registered Provider - registration number: **L4549**

Registered office: 55 New King Street, Bath BA1 2BN

Board of Trustees:

Elected	Edward Rowberry	Chair (Appointed as Chair August 2015)
	Libby Gawith	Chair (Resigned as Chair August 2015)
	Bob Alderman	(Retired August 2015)
	Lee Burman	
	Myra Dow	(Resigned December 2015)
	Kirsty Eastham	(Appointed August 2015)
	Matthew Graham	
	Barry Hughes	
	Jo Makinson	(Appointed August 2015)
	Margaret Ndlovu	(Appointed August 2015)
	Joy Saunders	(Appointed August 2016)
	Ben Simpson	
	Andrew Stafford	
	Roger Wain-Heapy	(Retired October 2015)
	Claire Wynne-Hughes	(Retired August 2015)
	Michael Whitcroft	

Chief Executive: Peter Denning

Senior Management Team:

Jane Andrew	HR & Admin Manager
Helen Bedser	Business Development Director
John Isserlis	Operations Director
Helene Law	Finance Director & Secretary
Cecil Weir	Fundraising & PR Director
Roanne Wootten	Partnership Manager

Auditors: Bishop Fleming LLP, 16 Queen Square, Bristol BS1 4NT

Bankers: Lloyds TSB, Milsom Street, Bath BA1 1DN

JULIAN HOUSE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2016

REPORT OF THE BOARD OF TRUSTEES

The Board of Trustees present their report together with financial statements for the year ended 31 March 2016.

Our Vision

The Julian House vision is for a just society where socially excluded people are supported and empowered to build sustainable, independent lives.

Julian House's 2016-21 Strategic Aims and Objectives

Julian House provides support services to people who have experienced street homelessness, domestic abuse, the criminal justice system, addictions or social exclusion. Our principal services operate across Bath & North East Somerset (B&NES), Wiltshire, Bristol, South Gloucestershire and Devon.

Our housing and support services seek to tackle the immediate challenges, often when individuals are facing crisis situations. Increasingly we are developing services that help with the longer term, underlying issues which can lead to homelessness such as addiction, domestic abuse, crime and unemployment. This has resulted in a year that has seen significant growth in our services. Despite this investment, it has not been necessary to draw on reserves, retaining the strong financial position.

Over three years the work of Julian House has been carried out by a team staff which has grown from 40 to 90, who are tasked with running its projects and services across 21 sites. This work would be immeasurably more difficult without the continued support of a large pool of volunteers. When we were founded in 1987, volunteers provided both leadership and staff cover and, despite significant growth since then, they remain key to much of what we do.

Against the backdrop of a turbulent external environment the pressure on Julian House services (and those of other similar organisations) has been significant. This has required a willingness to embrace change and has prompted us to find ever more effective ways of meeting our service-users' needs.

Activities, Achievement and Outcomes in 2015/16

Julian House measures impact through detailed record keeping with the 'Inform' database, helping to ensure activity is focussed and effective. Significantly, amongst our core activities the vast majority of people supported by Julian House benefited from that support as follows:

- 78% secured settled accommodation.
- 97% were supported to access health services to better manage their physical health.
- 91% reduced their overall debt.
- 52% secured paid employment.
- 98% accessed the financial support to which they were entitled.

JULIAN HOUSE

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2016

2015/16 was a year of sustained growth reaching out to more people than ever before:

- 262 single homeless men and women accessed and were accommodated and supported by Manvers Street Hostel. 165 (63%) of these were supported into positive move-on accommodation such as supported or independent accommodation. This is an increase from 55% achieved in 2014-15.
- In 2015-16 Julian House continued to directly provide 108 beds in supported housing and hostel accommodation.
- The Social Enterprise businesses achieved £640,000 of turnover. These enterprises have created increased opportunities for work experience, training and apprenticeships across Bath, Bristol and Trowbridge.
- During the year Julian House Trading opened a fourth Bike Workshop, and the organisation's first workshop within a prison setting, at HMP Erlestoke in Devizes.
- 110 women affected by domestic abuse were supported through the 'Freedom' Programme and the organisation's 'Recovery' Toolkit. This is a 10% increase on the prior year.
- 168 individuals accessed the Meaningful Occupation Programme and training initiatives, an increase from 144 in 2014-15.
- Julian House won tenders to provide Outreach services in Exeter, Teignmouth and East Devon, and again later in the year a contract to provide homeless Outreach services in North Devon.
- The pilot Gypsy and Traveller service in B&NES was reviewed against success criteria and awarded to Julian House as a 3 year contract.
- In B&NES, Julian House was awarded a contract to provide new bed spaces within a dispersed refuge service for women or men with more complex needs, fleeing domestic violence.

At the beginning of the 2015/16 year, Julian House's new vision was embedded and led to an update of the organisation's strategic aims. In March 2016 these were agreed as:

1. Maximise opportunities for our stakeholders with the digital revolution.
2. Empower Service Users to have choice, control and a louder voice in services which are responsive and effective.
3. Spread risk by retaining services, through income diversification and geographic diversification.
4. Increase our collaboration with partners.
5. Maximise opportunity by promoting our services to our stakeholders.
6. Maintain a strong financial position.
7. Add value through social enterprise.

JULIAN HOUSE

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2016

Structure, Governance & Management

The organisation is a charitable housing society registered under the Co-operative and Community Benefit Societies Act 2014 (previously Industrial & Provident Societies Act 1965), which was first registered in 1988. The organisation is also a Registered Provider, registered with the Homes and Communities Agency on 2 February 2010.

The strategy and direction of the organisation is provided by the Board of Trustees and its Groups (committees) and Working Groups (time limited committees).

The committees are:

- Chairs Governance Group: Purpose is to ensure Julian House has an effective Board and subcommittees with a full complement of suitably skilled and knowledgeable Board members who each perform effectively.
- Audit and Finance Group: Monitors the setting of an annual budget, the financial management of that budget and of the organisation
- Income Generation Group: Oversee scrutinise and monitor all aspects of income generation. This includes any review of the Corporate Strategy and Annual Business Plan.
- Client Services Group: The Client Services Group scrutinises reports on all of Julian House's operations and service delivery to clients.

The implementation of the organisation's strategy and the provision of its day-to-day services are delegated to the Chief Executive and the Senior Management Team.

At 31 March 2016 there were 11 active members, each of whom held a single £1 share. This is the limit of their liability should the organisation be wound up.

Julian House has one subsidiary, Julian House Trading Limited (JHT), which is a company limited by shares, which are all held by Julian House. Since April 2011 JHT has operated as a social enterprise which offers education, employment and training opportunities. All commercial activity along with related revenues and profits are to be used to further the aims of Julian House. The Chair of the JHT Board of Directors attends the Julian House board meetings.

Policy for admitting and removing Shareholders

The Julian House policy for admitting and removing shareholders is that:

- Only appointed or elected Board members may become shareholders.
- Once an appointed or elected Board member ceases to be a Board member then they cease to be a shareholder.

Recruitment & Appointment of Trustees (Board Members)

Trustees serve three year fixed terms appointments, with a maximum of three terms. A retiring board member who has completed the nine years on the Board can stand for election again after twelve months.

Trustees appointed during the year will have to stand for election at the following AGM. The term starts from the AGM.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2016

At the last AGM Bob Alderman and Claire Wynne-Hughes retired from the board. Roger Wain-Heapy retired from the Board in October. All 3 had completed their full three year terms. Following an external recruitment process, where specific skills were identified and sought, Jo Makinson, Myra Dow and Margaret Ndlovu were appointed to the Board at the last AGM.

Kirsty Eastham joined the board in August and will need to stand for election at the next AGM. Myra Dow resigned during the year due to work commitments.

During the year Libby Gawith stood down as Chair and Edward Rowberry was appointed as Chair. We thank Libby for all her contribution over this period.

We thank our Trustees present and past for their commitment and hard work.

Trustees (Board Members) Induction & Training

New Board members undergo a period of induction. They receive an induction pack containing details of Board and management structures, a copy of the organisation's Code of Governance, its Rules (constitution), and information on all the organisation's projects and services.

Within the first few weeks new members are briefed by each member of the Senior Management Team on the content and issues of their respective areas of responsibility and go on to visit services to meet staff and service-users. Board members are required to sign an 'Agreement of Board Membership' to signify their understanding of their role and responsibilities as a Board member.

Risk Management

The Board of Trustees acknowledges their responsibility to manage risk and conducts a review of the major risks to which the organisation is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems have been established to mitigate the identified risks.

Internal control risks are minimised by clearly defining levels of delegated authority and by implementing systems of authorisation.

Procedures are in place to ensure compliance with the health and safety of staff, volunteers, service-users and visitors. Health and Safety has a high profile across the organisation with significant levels of Board, staff and service-user participation, as well as high levels of training for staff across services.

The principal risks anticipated are the changes in future benefit rules and loss of grant funding. These are mitigated by keeping abreast of future legislation and developments and by keeping our income as diverse as possible, both in income types and geography.

The Board of Trustees has given consideration to the major risks to which the organisation is exposed and satisfied itself that systems or procedures are established in order to manage those risks.

Organisational Structure

Julian House seeks to maintain a Board size of up to 15 members. The Chief Executive, Finance Director and members of the Senior Management Team are in attendance at Board meetings as is an elected staff representative. No staff members have voting rights but contribute to discussions before decisions are taken.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2016

Related Parties

In so far as it is complementary to the organisation's objects, Julian House is guided by both local and national policy. We also strive to work in partnership with other voluntary agencies, statutory agencies, and service commissioners to achieve the best overall outcomes for existing and future service-users.

Julian House plays a major role in shaping service developments affecting its Service-User Group in the authorities where we work through active participation in a wide range of statutory and voluntary sector forums. During this financial year, this activity has now grown to include participation in Exeter.

Principal Funding Sources

Statutory Funding

Our principal funding is from contracts with B&NES Supporting People & Communities. Additional sources of funding have been broken down in note 15 to the accounts, the projects are as follows:

- Rough Sleeper Outreach Service B&NES
- Homeless Assertive Outreach Service in Exeter, Teignmouth and East Devon
- Criminal Justice Service in Bristol and South Gloucestershire (IMPACT)
- Rough Sleeper Outreach Services in North Devon
- Travelling Communities Outreach and Engagement Service

Rent

The second major category of income derives from rents, normally paid via Housing Benefit. The rent levels charged by the organisation reflect the costs incurred by the organisation in providing and managing the accommodation.

Income from Non-Social Housing Activities

Julian House has always enjoyed widespread support from across the community in its heartland of Bath & North East Somerset. As the charity has grown so too has its supporter base – particularly in Bristol.

Over the last 12 months, total voluntary income (including income from charity shops) was £900k representing 29% of the charity's total turnover. This was 0.7% down on the previous year mainly due to the very successful biannual Auction of Promises, which is next due to take place in late 2016.

As well as a range of established events significant new fundraisers were successfully staged in Bristol, the Colour Fun Run and the Dragon Boat Festival at Bristol Docks. Over 230 people (the youngest just aged 5) took part in the Big Bath Sleep and raised £32,000 in the process – making it the most successful ever. These and other activities such as The Brain of Bath, Opera in the Park and the Circuit of Bath Walk all play a pivotal role, not just in funding frontline services but also in raising awareness of the complex issues which impact on the charity's clients.

JULIAN HOUSE

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2016

Retail income generated from charity shops has become increasingly important for Julian House. Sales for the period were generally sluggish – reflective of a difficult trading environment on the high street along with increasing competition from other charities. It was hoped that at least one new site would be found but finding suitable properties in good locations with reasonable footfall, at the right rent level, has been difficult. Negotiations are well in hand for a new site to open in 2016/17.

The biggest single fundraiser in the Julian House calendar is the annual Christmas appeal - this year raising over £108k. Support from the Bath Chronicle means that much greater detail about the breadth of the charity's work can be conveyed to a wider audience – its social enterprises, supported housing, assertive outreach, support for those affected by domestic violence, meaningful occupation and criminal justice projects.

Although the diversity of Julian House' voluntary income streams is a strength for the organisation this does not mean that it is immune from external forces. Online requests for support or sponsor forms circulated around workplaces have become significantly more common place over the past few years – leading to suggestions of donor fatigue. This means that organisations like Julian House must carry on presenting a compelling case for support and offer an interesting mix of fundraising options for donors.

Many valued volunteers work in the organisation's shops and play key roles in events such as the Circuit of Bath Walk, Auction of Promises and Opera in the Park. We thank all our volunteers for their contribution towards the work of Julian House.

Financial review

The financial performance of Julian House is set out in the attached financial statements.

The result stated on page 12 is an operational surplus of £5k compared to an operational deficit of £276K in 2015. The total deficit including the effect of acquisitions and pension movements was £18k compared to a deficit of £336k in the previous year.

The generosity of the local community whether through donations, legacies, and support of fundraising events, shopping in our retail outlets or through volunteering has enabled us to deliver excellent provision in the year.

Julian House Trading Ltd (JHT)

Julian House has a wholly own 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, Bristol, Trowbridge and Erlestoke Prison. Current strands to our social enterprise projects are: Aspire – providing painting and decorating, gardening and window cleaning services; and The Bike Workshops, providing bike sales, bike refurbishment, cycle maintenance, cycle maintenance training and bike servicing and repairs.

The strategic aims of JHT are to:

- Provide positive opportunities for socially excluded people to improve their skills, gain work experience and achieve their employment goals
- Support our social enterprises to be financially strong; using our resources effectively, spending money wisely, attracting sales, fundraised and contract income

JULIAN HOUSE

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2016

- Provide good quality, value for money products and services which exceed the expectations of our customers

During the year JHT moved into a breakeven position financially and has made positive progress against the strategic aims:

- Secured funding for 4 new specialist employment and skills posts across our social enterprise projects and developed 2 new IT suites for our trainees to access on-line training and employment opportunities at Trowbridge bike workshop and Aspire.
- Supported 110 socially excluded people to access training and work experience opportunities with our social enterprises including 4 apprentices at Aspire.
- Introduced new build-a-bike courses, increasing capacity to 17 participants a week across the 3 community bike workshops.
- Opened our first prison bike workshop at HMP Erlestoke for up to 20 prisoners to receive training in bike maintenance.
- Provided positive reparation activities for 4 young people aged 18 and under, to make amends for their offences.
- Become a registered centre with Assessment and Qualifications Alliance (AQA).

The JHT Board is extremely grateful for the support received from grant makers. These were Big Bike Revival, Henry Smith Foundation, David Medlock, Wiltshire Community Transport Fund, Natwest Skills and Opportunities Fund, South Gloucestershire Community Grants, St. John's Hospital, Wheels to Works West and the Trowbridge Area Board. During the year the generosity of the public was excellent with donations of office furniture, IT equipment and a record 1,500 second-hand bikes.

In order to ensure these customer facing services continue to prosper, customers were surveyed during the year: 100% of those surveyed at the bike workshops and 98% of those surveyed at Aspire reported high levels of satisfaction.

Within the Bike Workshops contracts have been won with Bristol City Council on behalf of the West of England Authorities to provide Dr. Bike, Smoothie Bike and Cycle Maintenance training services and a new service level agreement to service fleet bikes for Trowbridge, Melksham and Devizes Police. Aspire won a contract with Bristol City Council to maintain traffic-free paths

Viability and Going Concern

Julian House Trading delivered a profit of £320 during the year. This small profit, once combined with the ongoing support of Julian House as parent and major creditor, has enabled the JH and JHT Boards to remain confident that JHT remains a viable going concern.

The Board of Trustees has a reasonable expectation that Julian House has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in the financial statements.

Investment Policy

Julian House retains a prudent amount in an interest bearing bank current account to cover immediate outgoings. The balances of the reserves are held in bank and building society accounts paying competitive rates of interest.

JULIAN HOUSE

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2016

Reserves Policy

The Julian House Reserves Policy takes into account the risks associated with its major funding streams and the predicted cash flow requirements during the year. Our future strategy is considered and funds are allocated according to our business plan for future years.

Restricted reserves are those donated, or raised, for use for a particular purpose. Our restricted reserve is shown in note 15 in the accounts.

The free reserves are the unrestricted funds less the capital reserve. The capital reserve is invested in our fixed assets. Our current capital reserve is £1,637k of which £228k is restricted as it was raised specifically for the improvement of Manvers Street Hostel.

The unrestricted general reserve is held to cover any possible financial risk to Julian House and is £786k.

Responsibilities of the Board of Trustees

The Co-operative and Community Benefit Societies Act 2014 requires the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of Julian House and its subsidiary and the surplus or deficit for that period. In preparing these financial statements the Board of Trustees is required to:

- a) Select suitable accounting policies and apply them consistently;
- b) Make judgements and estimates that are reasonable and prudent;
- c) State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- d) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that Julian House will continue in operation.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of Julian House and enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. The Board is also responsible for safeguarding the assets of Julian House and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

The audit services were reviewed and tendered in 2012. Bishop Fleming LLP were appointed in 2012 and retained to 2016.

Approved by the Board of Trustees on 16 August 2016 and signed on its behalf by:-

Ed Rowberry, Chair



INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF JULIAN HOUSE

We have audited the financial statements of Julian House for the year ended 31 March 2016 which comprise the consolidated Income and Expenditure Account, the Balance Sheets, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the members, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the organisation'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 organisation and the organisation's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the board and the auditor

As explained more fully in the Statement of Board's Responsibilities, the board is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the organisation's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the board; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the trustees report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the organisation's affairs as at 31 March 2016 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2015.

JULIAN HOUSE

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF JULIAN HOUSE

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the organisation has not kept proper accounting records;
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we need for our audit.

B. Scaife

**Joseph Scaife FCA DChA
Bishop Fleming LLP**

Chartered Accountants
Statutory Auditors

16 Queen Square

Bristol

BS1 4NT

Date:

6/9/16

JULIAN HOUSE

**CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2016**

	Note	Year Ended 31 March 2016 £	Year Ended 31 March 2015 £
Turnover	2B	3,104,519	2,986,878
Operating expenditure	2B	(3,093,599)	(3,268,846)
Legacy income	2A	500	5,000
Operating surplus/(deficit)		11,420	(276,968)
Interest receivable	3	4,354	4,658
Interest and financing costs		(10,305)	(3,758)
Surplus/(deficit) before tax		5,469	(276,068)
Taxation		-	-
Surplus/(deficit) for the year		5,469	(276,068)
Actuarial (loss)/gain in respect of pension schemes		(23,000)	2,000
Net funds brought in on merger		-	(62,000)
Total comprehensive income for the year		(17,531)	(336,068)

All activities relate to continuing operations.

The prior year figures have been restated to reflect the transition to FRS102, details are included in note 23.

The notes on pages 16 to 32 form part of these financial statements.

These revenue accounts were approved by the Board of Trustees at its meeting on 16 August 2016



Chair



Secretary



Trustee

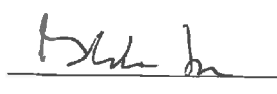
JULIAN HOUSE


**CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2016**

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	8		2,384,547		1,820,949
CURRENT ASSETS					
Stocks	10	51,391		24,332	
Debtors	11	167,475		301,023	
Cash at bank and in hand		937,568		889,573	
		<u>1,156,434</u>		<u>1,214,928</u>	
CREDITORS: amounts falling due within one year	12	<u>(344,566)</u>		<u>(288,193)</u>	
NET CURRENT ASSETS			<u>811,868</u>		<u>926,735</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,196,415</u>		<u>2,747,684</u>
CREDITORS: amounts falling due after more than one year	13		<u>(631,195)</u>		<u>(187,933)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>2,565,220</u>		<u>2,559,751</u>
Defined benefit pension scheme liability	19		<u>(106,000)</u>		<u>(83,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>2,459,220</u>		<u>2,476,751</u>
FUNDS					
Restricted funds	15		264,615		292,566
Unrestricted funds:					
Share capital	14	11		12	
Unrestricted income funds	15	<u>2,194,594</u>		<u>2,184,173</u>	
Total unrestricted funds			<u>2,194,605</u>		<u>2,184,185</u>
SHAREHOLDERS' AND JULIAN HOUSE'S FUNDS			<u>2,459,220</u>		<u>2,476,751</u>

The financial statements were approved by the Trustees on 16 August 2016 and signed on their behalf, by:


Chair


Secretary


Trustee

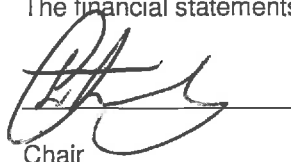
The notes on pages 16 to 32 form part of these financial statements.


JULIAN HOUSE

**JULIAN HOUSE BALANCE SHEET
AS AT 31 MARCH 2016**

	Note	2016 £	2015 £
FIXED ASSETS			
Tangible assets	8	2,310,169	1,738,380
Investments	9	2	2
		<u>2,310,171</u>	<u>1,738,382</u>
CURRENT ASSETS			
Stocks	10	8,373	-
Debtors	11	248,508	491,837
Cash at bank and in hand		862,097	833,415
		<u>1,118,978</u>	<u>1,325,252</u>
CREDITORS: amounts falling due within one year	12	<u>(232,070)</u>	<u>(210,964)</u>
NET CURRENT ASSETS		<u>886,908</u>	<u>1,114,288</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,197,079</u>	<u>2,852,670</u>
CREDITORS: amounts falling due after more than one year	13	<u>(631,195)</u>	<u>(187,933)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES		<u>2,565,884</u>	<u>2,664,737</u>
Defined benefit pension scheme liability	19	<u>(106,000)</u>	<u>(83,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES		<u>2,459,884</u>	<u>2,581,737</u>
FUNDS			
Restricted funds	15	264,615	292,566
Unrestricted funds:			
Share capital	14	11	12
Unrestricted income funds		<u>2,195,258</u>	<u>2,289,159</u>
Total unrestricted funds		<u>2,195,269</u>	<u>2,289,171</u>
SHAREHOLDERS' AND JULIAN HOUSE'S FUNDS		<u>2,459,884</u>	<u>2,581,737</u>

The financial statements were approved by the Trustees on 16 August 2016 and signed on their behalf, by


Chair


Secretary


Trustee

The notes on pages 16 to 32 form part of these financial statements.

JULIAN HOUSE

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2016**

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	17	<u>306,050</u>	<u>(368,724)</u>
Cash flows from investing activities:			
Purchase of property, plant and equipment		(724,146)	(149,589)
Interest received		<u>4,354</u>	<u>4,658</u>
Net cash used in investing activities		<u>(719,792)</u>	<u>(144,931)</u>
Cash flows from financing activities:			
Repayments of borrowings		(27,957)	(14,145)
Cash inflows from new borrowing		500,000	-
Shares redeemed		(1)	(1)
Interest paid		<u>(10,305)</u>	<u>(3,758)</u>
Net cash provided by/(used in) financing activities		<u>461,737</u>	<u>(17,904)</u>
Change in cash and cash equivalents in the year	18	<u>47,995</u>	<u>(531,559)</u>
Cash and cash equivalents brought forward		<u>889,573</u>	<u>1,421,132</u>
Cash and cash equivalents carried forward	18	<u><u>937,568</u></u>	<u><u>889,573</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Accounting Direction for Private Registered Providers of Social Housing.

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

The Income statement and Balance sheet consolidate the financial statements of Julian House and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate Income statement has been presented for Julian House alone as permitted by Accounting standards.

1.2 RECONCILIATION WITH PREVIOUS GENERALLY ACCEPTED ACCOUNTING POLICIES

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Accounting Direction the restatement of comparative items was required.

The required restatements are detailed in note 23.

1.3 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of Julian House and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by Julian House for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

1. ACCOUNTING POLICIES (continued)

1.4 INCOME

All income is recognised once Julian House has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: Julian House is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and Julian House has been notified of the executor's intention to make a distribution. Where legacies have been notified to Julian House, or Julian House is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when Julian House has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of Julian House of the item is probable and that economic benefit can be measured reliably. The general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to Julian House which is the amount Julian House would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

1.6 BASIS OF CONSOLIDATION

The financial statements consolidate the accounts of Julian House and all of its subsidiary undertakings ('subsidiaries').

JULIAN HOUSE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES (continued)

1.7 TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	Over 50 years
Long-term leasehold property	-	Over 25 years
Motor vehicles	-	Over 5 years
Fixtures and fittings	-	Over 5 years
IT equipment	-	Over 3 years

It is Julian House policy to capitalise items over £500 in value

1.8 INVESTMENTS

Investments in subsidiaries are valued at cost less provision for impairment.

1.9 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by Julian House; this is normally upon notification of the interest paid or payable by the bank.

1.10 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.11 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

1.12 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.13 CREDITORS AND PROVISIONS

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

1.14 FINANCIAL INSTRUMENTS

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

JULIAN HOUSE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES (continued)

1.15 PENSIONS

The cost of providing retirement pensions and related benefits is charged against revenue over the periods benefiting from the employee's services.

1.16 TAXATION

As an exempt charity, Julian House is exempt from income tax under section 505 Income and Corporation Taxes Act 1998. No liability to corporation tax arose in 2016 or in 2015.

2. INCOME

2A: INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Legacies	<u>500</u>	-	<u>500</u>	<u>5,000</u>

2B. PARTICULARS OF TURNOVER AND OPERATING COSTS

	2016			2015		
	Turnover £	Operating costs £	Operating surplus/ (deficit) £	Turnover £	Operating costs £	Operating surplus/ (deficit) £
Social Housing Lettings (note 2c)	1,013,966	1,032,216	(18,250)	917,128	1,063,323	(146,195)
Other Social Housing Activities						
Supporting People	328,384	384,050	(55,666)	327,556	401,229	(73,673)
Homeless Link	-	-	-	71,281	110,419	(39,138)
Other	305,589	279,073	26,516	114,034	190,763	(76,729)
Non-Social Housing Activities						
PR & Fundraising	481,141	174,843	306,298	455,257	136,343	318,914
Retail	419,115	319,240	99,875	446,994	358,963	88,031
Julian House Trading	544,092	551,624	(7,532)	640,331	675,715	(35,384)
Cost of restructure	-	-	-	-	39,609	(39,609)
Other	12,232	352,553	(340,321)	14,297	292,482	(278,185)
	<u>3,104,519</u>	<u>3,093,599</u>	<u>10,920</u>	<u>2,986,878</u>	<u>3,268,846</u>	<u>(281,968)</u>

JULIAN HOUSE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

2C. PARTICULARS OF INCOME AND EXPENDITURE ON LETTINGS

	2016 £	2015 £
Income from social housing		
Rent Receivable net of identifiable service charges	1,019,526	992,244
Service charges receivable	70,348	72,333
Gross Rental Income	<u>1,089,874</u>	<u>1,064,577</u>
Less: Rent losses from voids	(75,908)	(101,650)
Voids from new projects	-	(45,799)
Turnover from social housing lettings	<u>1,013,966</u>	<u>917,128</u>
Expenditure on social housing lettings		
Rent	286,308	282,336
Management	456,883	451,677
Services	136,295	119,594
Routine Maintenance	29,088	66,176
Bad Debts	37,717	28,666
Depreciation of Housing Properties	80,780	72,569
Other Costs	5,145	42,305
Operating Costs on Social Housing Lettings	<u>1,032,216</u>	<u>1,063,323</u>
Operating (Loss) on Social Housing Lettings	(18,250)	(146,195)
Number of Units	108	108
The average assured weekly rent was:	180.99	170.86

3. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Interest receivable	<u>4,354</u>	<u>-</u>	<u>4,354</u>	<u>4,658</u>

JULIAN HOUSE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

4. DIRECT COSTS

	Total 2016 £	Total 2015 £
Other direct costs	1,186,087	1,438,186
Wages and salaries	1,620,614	1,592,810
National insurance	127,651	128,280
Pension cost	36,914	17,985
Depreciation	142,025	140,189
	<u>3,113,291</u>	<u>3,317,450</u>

5. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2016 £	Depreciation 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Direct costs	1,785,179	142,025	1,186,087	3,113,291	3,317,450
Expenditure on governance	-	-	13,613	13,613	15,152
Total	<u>1,785,179</u>	<u>142,025</u>	<u>1,199,700</u>	<u>3,126,904</u>	<u>3,332,602</u>

6. NET INCOMING RESOURCES/ (RESOURCES EXPENDED)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets: - owned by the charitable group	142,025	140,189
Auditors' remuneration	9,500	8,000
Auditors' remuneration – other services	4,113	2,000

During the year, no Trustees received any benefits in kind (2015: £NIL).

During the year, no Trustees received any reimbursement of expenses (2015: £NIL).

JULIAN HOUSE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

7. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	1,620,614	1,592,810
Social security costs	127,651	128,280
Other pension costs (Note 19)	36,914	17,985
	<u>1,785,179</u>	<u>1,739,075</u>

The average monthly number of employees was: 90 (2015: 87) and the average monthly number of employees during the year expressed as full time equivalents was as follows (including casual and part-time staff):

	2016 No.	2015 No.
	<u>79</u>	<u>71</u>

One employee received remuneration in the £60k – £70k band in both years. No other employee received remuneration over £60k. The remuneration paid to key management personnel in the year was £267,908, 6 staff (2015: £231,932, 5 staff).

8. TANGIBLE FIXED ASSETS

	Freehold property £	Long-term leasehold property £	Motor vehicles £	Fixtures, fittings and equipment £	Total £
JULIAN HOUSE GROUP					
Cost or valuation					
At 1 April 2015	1,535,893	984,960	31,624	394,317	2,946,794
Additions	670,983	12,757	4,852	35,554	724,146
Disposals	-	(359,426)	(7,391)	(98,732)	(465,549)
At 31 March 2016	<u>2,206,876</u>	<u>638,291</u>	<u>29,085</u>	<u>331,139</u>	<u>3,205,391</u>
Depreciation and capital grants					
At 1 April 2015	333,784	519,773	27,057	246,231	1,125,845
Charge for the year	46,733	43,983	262	51,047	142,025
New capital grants	-	-	4,852	9,366	14,218
On disposals	-	(359,426)	(3,086)	(98,732)	(461,244)
At 31 March 2016	<u>380,517</u>	<u>203,330</u>	<u>29,085</u>	<u>207,912</u>	<u>820,844</u>
Net book value					
At 31 March 2016	<u>1,826,359</u>	<u>434,961</u>	<u>-</u>	<u>123,227</u>	<u>2,384,547</u>
At 31 March 2015	<u>1,202,109</u>	<u>466,187</u>	<u>4,567</u>	<u>148,086</u>	<u>1,820,949</u>

JULIAN HOUSE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

8. TANGIBLE FIXED ASSETS (continued)

JULIAN HOUSE	Freehold property £	Long-term leasehold property £	Motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost or valuation					
At 1 April 2015	1,535,893	879,910	3,669	330,893	2,750,365
Additions	670,983	11,245	-	17,822	700,050
Disposals	-	(359,426)	(3,669)	(98,732)	(461,827)
At 31 March 2016	<u>2,206,876</u>	<u>531,729</u>	<u>-</u>	<u>249,983</u>	<u>2,988,588</u>
Depreciation					
At 1 April 2015	333,784	446,568	2,203	229,430	1,011,985
Charge for the year	46,733	40,530	262	39,532	127,057
On disposals	-	(359,426)	(2,465)	(98,732)	(460,623)
At 31 March 2016	<u>380,517</u>	<u>127,672</u>	<u>-</u>	<u>170,230</u>	<u>678,419</u>
Net book value					
At 31 March 2016	<u>1,826,359</u>	<u>404,057</u>	<u>-</u>	<u>79,753</u>	<u>2,310,169</u>
At 31 March 2015	<u>1,202,109</u>	<u>433,342</u>	<u>1,466</u>	<u>101,463</u>	<u>1,738,380</u>

9. FIXED ASSET INVESTMENTS

JULIAN HOUSE	Shares in group undertakings £
At 1 April 2015 and 31 March 2016	<u><u>2</u></u>
JULIAN HOUSE INVESTMENTS AT COST COMPRISE:	
	2016 £
	2015 £
Julian House Trading Limited	<u><u>2</u></u> <u><u>2</u></u>

10. STOCKS

	<u>JULIAN HOUSE GROUP</u>		<u>JULIAN HOUSE</u>	
	2016 £	2015 £	2016 £	2015 £
Finished goods and goods for resale	<u>51,391</u>	<u>24,332</u>	<u>8,373</u>	<u>-</u>

JULIAN HOUSE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

11. DEBTORS

	JULIAN HOUSE GROUP		JULIAN HOUSE	
	2016 £	2015 £	2016 £	2015 £
Due after more than one year				
Amounts owed by group undertakings	-	-	60,000	196,000
Due within one year				
Trade debtors	19,675	112,695	6,677	86,348
Amounts owed by group undertakings	-	-	55,232	60,410
Other debtors	23,173	41,215	23,152	24,015
Prepayments and accrued income	124,627	147,113	103,447	125,064
	167,475	301,023	248,508	491,837

12. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR

	JULIAN HOUSE GROUP		JULIAN HOUSE	
	2016 £	2015 £	2016 £	2015 £
Bank loans and overdrafts	42,345	13,564	42,345	13,564
Trade creditors	60,438	74,494	50,225	43,353
Other taxation and social security	35,901	39,340	35,901	39,184
Other creditors	17,815	12,041	17,815	7,179
Accruals and deferred income	188,067	148,754	85,784	107,684
	344,566	288,193	232,070	210,964

JULIAN HOUSE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

**13. CREDITORS:
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<u>JULIAN HOUSE GROUP</u>		<u>JULIAN HOUSE</u>	
	2016 £	2015 £	2016 £	2015 £
Bank loans	<u>631,195</u>	<u>187,933</u>	<u>631,195</u>	<u>187,933</u>

Julian House has two mortgages, one with Triodos bank and one with Bank of Scotland to facilitate the purchase of properties, which form the security for the mortgages. Interest on the mortgages are charged at 1.8% and 1.3% above bank base rate respectively.

Creditors include amounts not wholly repayable within 5 years as follows:

	<u>JULIAN HOUSE GROUP</u>		<u>JULIAN HOUSE</u>	
	2016 £	2015 £	2016 £	2015 £
Repayable by instalments	<u>451,176</u>	<u>133,677</u>	<u>451,176</u>	<u>133,677</u>

14. SHARE CAPITAL

	2016 £	2015 £
Allotted, Called up and fully paid		
11 (2015: 12) - Ordinary shares of £1 each	<u>11</u>	<u>12</u>

Shares in Julian House are neither redeemable nor transferable, carry no right to interest, dividend or bonus, and do not entitle the owner to participate in the company's assets other than to the extent of the nominal value. Each member holds one share only in Julian House.

JULIAN HOUSE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

15. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Carried Forward £
UNRESTRICTED FUNDS					
Unrestricted general reserve	869,070	2,480,448	(2,346,096)	(217,035)	786,387
Unrestricted capital reserve	1,315,103	-	(95,358)	188,462	1,408,207
Share capital	12	-	(1)	-	11
	2,184,185	2,480,448	(2,441,455)	(28,573)	2,194,605
RESTRICTED FUNDS					
Restricted capital reserves	221,778	-	(21,929)	28,573	228,422
New Highway	70,788	-	(34,595)	-	36,193
Supporting People Grant B&NES	-	328,384	(328,384)	-	-
Community Activities Grant B&NES	-	38,924	(38,924)	-	-
IMPACT South Gloucestershire	-	11,912	(11,912)	-	-
Homeless Hospital Discharge service RUH	-	41,667	(41,667)	-	-
Gypsy and traveller outreach service Bath	-	50,367	(50,367)	-	-
Assertive Outreach Bath	-	67,217	(67,217)	-	-
Assertive Outreach Exeter	-	74,948	(74,948)	-	-
Assertive Outreach North Devon	-	15,506	(15,506)	-	-
	292,566	628,925	(685,449)	28,573	264,615
Total of funds	2,476,751	3,109,373	(3,126,904)	-	2,459,220

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Carried Forward £
General funds	2,184,185	2,480,448	(2,441,455)	(28,573)	2,194,605
Restricted funds	292,566	628,925	(685,449)	28,573	264,615
	2,476,751	3,109,373	(3,126,904)	-	2,459,220

Capital reserves represent funds used to purchase fixed assets and depreciation charged against these fixed assets reduces the relevant capital reserve, such that the net book value of the asset is fully matched by capital reserves. The restricted capital reserve is for the refurbishment of the Hostel.

JULIAN HOUSE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

15. STATEMENT OF FUNDS (continued)

New Highway:

In October 2013 New Highway awarded £80,000 to Julian House as a restricted fund to provide training services in acupuncture and related areas for those suffering from drug and alcohol misuse in line with New Highway's charitable objectives. These services are provided at our projects in Bristol and Bath.

Supporting People Grant:

The supporting people grant is restricted to be used for specific purposes as per a contract and KPIs. This grant is in place to enable Julian House to support our various projects as shown in the Board of Trustees report.

Community Activities Grant:

The purpose of the Community Activity Grants is to provide general support to groups and organisations which encourage and provide opportunities for individuals and communities within Bath & North East Somerset to participate in cultural, community-focused, and recreational activities.

IMPACT:

Funding was received to set up the IMPACT programme with Restore Trust whose property we are leasing. Funding had also been granted towards a support worker in our IMPACT programme which is a criminal justice project.

Homeless Hospital Discharge service:

This was a pilot project run from the Royal United Hospital for one year. The project started in November 2014 and was funded by Avon and Somerset Rough Sleeper group and Swindon and Wiltshire Rough Sleeper group.

Gypsy and Traveller Outreach Service:

This was a pilot service commissioned by Bath and North East Somerset Clinical Commissioning Group, which is working towards reducing health and social inequalities amongst the gypsy and traveller population.

Outreach contracts:

These are contracts to provide support to rough sleepers in various local authorities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	2,156,125	228,422	2,384,547	1,820,949
Current assets	1,120,241	36,193	1,156,434	1,214,927
Creditors due within one year	(344,566)	-	(344,566)	(288,192)
Creditors due in more than one year	(631,195)	-	(631,195)	(187,933)
Provisions for liabilities and charges	(106,000)	-	(106,000)	(83,000)
	<u>2,194,605</u>	<u>264,615</u>	<u>2,459,220</u>	<u>2,476,751</u>

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net expenditure for the year (as per Statement of financial activities)	(17,531)	(336,066)
Adjustment for:		
Depreciation charges	156,243	144,607
Loss on disposal of fixed assets	4,306	4,667
Net interest expense/(income)	5,951	(900)
Movement in pension provision	23,000	(2,000)
Net assets brought in on merger	-	62,000
Increase in stocks	(27,059)	(9,455)
Decrease/(increase) in debtors	133,549	(166,413)
Increase/(decrease) in creditors	27,591	(65,164)
Net cash provided by/(used in) operating activities	<u>306,050</u>	<u>(368,724)</u>

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	<u>937,568</u>	<u>889,573</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

19. PENSION COMMITMENTS

Julian House participates in the Social Housing Pension scheme, a multi-employer scheme which provides benefits to some 500 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for Julian House 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.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore Julian House is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2014. This actuarial valuation was certified on 23 November 2015 and showed assets of £3,123m, liabilities of £4,446m and a deficit of £1,323m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2011; this valuation was certified on 17 December 2012 and showed assets of £2,062m, liabilities of £3,097m and a deficit of £1,035m.

Where the scheme is in deficit and where Julian House has agreed to a deficit funding arrangement, Julian House recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

The value of the liability recognised in these accounts is £106,000 (2015: £83,000).

Julian House has been notified by Social Housing Pension Scheme of the estimated employer debt on withdrawal from the plan based on the financial position of the plan as at 30 September 2015. As of this date the estimated employer debt is £357,601 (31 March 2015: £377,191) this amount is not due, but would become due if Julian House were to withdraw from the scheme.

Julian House also contributed in the period to The Pensions Trust Growth plan, a multi-employer scheme. The scheme is a defined benefit scheme in the UK. It is not possible for Julian House 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.

The value of the contributions are not material and the value of the liability is immaterial at the year end, the estimated cost of withdrawal was last estimated at £12,610 as at 31 March 2015.

JULIAN HOUSE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

20. OPERATING LEASE COMMITMENTS

At 31 March 2016 the group future minimum payments under non-cancellable operating leases as follows:

	Land and buildings	
	2016	2015
	£	£
JULIAN HOUSE GROUP		
Expiry date:		
Within 1 year	237,509	216,902
Between 2 and 5 years	239,267	162,200
After more than 5 years	36,833	44,767
Total	<u>513,609</u>	<u>423,059</u>

At 31 March 2016 Julian House had future minimum payments under non-cancellable operating leases as follows:

	Land and buildings	
	2016	2015
	£	£
JULIAN HOUSE		
Expiry date:		
Within 1 year	204,255	190,692
Between 2 and 5 years	165,517	162,200
After more than 5 years	36,833	44,767
Total	<u>406,605</u>	<u>397,659</u>

21. RELATED PARTY TRANSACTIONS

Barry Hughes is a trustee of Julian House and the group chief executive of Selwood Housing Group. Julian House Trading (JHT) provides a window cleaning service to Selwood Housing with a contract value of £30k per annum. This contract was in place before Aspire became part of JHT.

There were no other transactions with related parties during the year.

22. PRINCIPAL SUBSIDIARIES

Company name	Country	Percentage Shareholding
Julian House Trading Limited	United Kingdom	100%

JULIAN HOUSE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

23. FIRST TIME ADOPTION OF FRS 102

	As previously stated 01-Apr-14 £	Effect of transition 01-Apr-14 £	FRS 102 (as restated) 01-Apr-14 £	As previously stated 31-Mar-15 £	Effect of transition 31-Mar-15 £	FRS 102 (as restated) 31-Mar-15 £
Fixed assets	1,390,990	425,925	1,816,915	1,407,136	413,813	1,820,949
Current assets	1,570,619	-	1,570,619	1,214,928	-	1,214,928
Creditors: amounts falling due within one year	(287,636)	-	(287,636)	(288,193)	-	(288,193)
NET CURRENT ASSETS	1,282,983	-	1,282,983	926,735	-	926,735
TOTAL ASSETS LESS CURRENT LIABILITIES	2,673,973	425,925	3,099,898	2,333,871	413,813	2,747,684
Creditors: amounts falling due after one year	(202,078)	-	(202,078)	(187,933)	-	(187,933)
Defined benefit pension scheme liability	-	(85,000)	(85,000)	-	(83,000)	(83,000)
NET ASSETS	2,471,895	340,925	2,812,820	2,145,938	330,813	2,476,751

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

23. FIRST TIME ADOPTION OF FRS 102 (continued)

	As previously stated 31-Mar-15 £	Effect of transition 31-Mar-15 £	FRS102 as restated 31-Mar-15 £
Turnover	2,986,878	-	2,986,878
Operating expenditure	(3,256,734)	(12,112)	(3,628,846)
Legacy income	5,000	-	5,000
Operating surplus/(deficit)	(264,856)	(12,112)	(276,968)
Interest receivable	4,658	-	4,658
Interest and finance costs	(3,758)	-	(3,758)
Surplus/(deficit) before tax	(263,956)	(12,112)	(276,068)
Tax	-	-	-
Surplus/(deficit) after tax	(263,956)	(12,112)	(276,068)
Actuarial loss in respect of pension schemes	-	2,000	2,000
Transfer of reserves from Aspire	(62,000)	-	(62,000)
Total comprehensive income	(325,956)	(10,112)	(336,068)

1. At the date of transition the trustees took the option to revalue the freehold property in Julian House and use this new value as the deemed cost going forward. The gain on revaluation was £425,925. The additional depreciation charge of £12,112 on the uplifted value was charged to the Income statement.
2. At the date of transition the pension liability of £85,000 on the Social Housing Pension Scheme was recognised within the financial statements. The actuarial gain/loss will be recognised each year, in the year ended 31 March 2015 there was a gain of £2,000 recognised as a FRS102 adjustment.