

St Basil's Annual Report and Financial Statements

Year ending 31 March 2020

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INFORMATION

BOARD

Helen Bates (appointed 10 June 2019)
Maddy Bunker (chair of the Service Delivery and Development Committee)
Sara Fowler (chair of the Board of Directors)
Steve Guyon OBE
Feizal Hajat OBE
Chris Miller (chair of the Business Support and Audit Committee)
Kyle Palmer
Rev Adam Romanis
Jean Templeton (Chief Executive)
Chris Todd
Thelma Zunzanyika

CHIEF EXECUTIVE

Jean Templeton

REGISTERED OFFICE

Heath Mill Lane
Deritend
Birmingham
B9 4AX

CHARITY NUMBER

1080154

COMPANY NUMBER

03964376

REGULATOR OF SOCIAL HOUSING

H 3994

EXTERNAL AUDITOR

Mazars LLP
45 Church Street
Birmingham
B3 2RT

INTERNAL AUDITOR

RSM Risk Assurance Services LLP
St Phillips Point, Temple Row,
Birmingham
B2 5AF

BANKERS

Lloyds Bank Plc
3rd Floor
125 Colmore Row
Birmingham
B3 3SD

SOLICITORS

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

STRATEGIC REPORT for the year ending 31 March 2020

The Board present their report and the Strategic Report together with the financial statements for the year ended 31 March 2020.

St Basils

St Basil's Ltd is a Registered Provider of Social Housing, a registered Company and Charity providing a holistic range of accommodation and support services for young people aged 16-25 who are homeless, at risk or in conflict. We operate as a Psychologically Informed Environment.

Legal and Policy Context

St Basil's Ltd, hereafter referred to as St Basils, is governed by the Regulator of Social Housing (RSH) regulations and standards, Charity Commission rules, the Companies Act and the regulatory frameworks of service commissioners. In particular, this includes the Supporting People Quality Assessment Framework and other commissioner-specific standards. St Basils has no statutory obligation to provide services but many of the services provided are covered by legislation including Children Acts, which apply to all service provision for young people and children.

Covid -19

The end of this financial year included rapid adjustment to our services and our operating environment as a result of the Covid-19 pandemic. Our priority has been to ensure we are able to achieve our objectives and continue to provide services for young people who are homeless or at risk, whilst keeping everyone safe. We have kept all services open during this period and have supported some 722 young people within our services. All colleagues have been able to work with none furloughed. We are hugely proud and grateful to our young people, our staff and volunteers, our partners and supporters for their creative and compassionate responses and continue to take an intentionally cautious approach to keep everyone safe and well whilst never losing sight of our Mission and principles. Covid 19 has resulted in some risks to St Basils, and these are highlighted later in the report under Risk Management on page 18.

Our History

Since opening our doors in St Basils' church in Digbeth, Birmingham in 1972 to young men experiencing homelessness, we have maintained the same core objective – to prevent homelessness being part of growing up.

In the 48 years since then, we have extended our accommodation, support and prevention services across Birmingham and other parts of the West Midlands, including Solihull, Coventry, Sandwell, Walsall, North Worcestershire and South Warwickshire.

We have not only dealt with the presenting needs of some 3,000+ young people each year, but have also invested in systemic change, developing the national Positive Accommodation and Support Pathways for young people in 2012, refreshed in 2015 and 2018. We have invested in becoming a Psychologically Informed Environment since 2011 and now provide consultancy, training and support to many other organisations to assist them in improving their services. We have continually committed to ensuring that young people have voice and influence our own policies, priorities and services and since 2009 have been commissioned by national government to facilitate National Youth Voice, initially National Youth Reference Group and since 2013, National Youth Homeless Parliament, ensuring that government Ministers and those developing policies and programmes have the benefit of the lived experience of young people who have been homeless.

We have invested in accredited training and employability programmes and have piloted schemes such as our award winning Live and Work Programme to provide affordable, safe homes for young people where they can live, work, learn and earn without having to dual navigate a complex welfare benefits system.

Homelessness is rooted in poverty, inequality and exclusion and St Basils has consistently championed those who have not benefited from our mainstream systems. Tackling inequality and promoting inclusion and ensuring the diverse needs of young people are met, remains one of our six strategic priorities. Enabling young people to develop their talents and skills and grow their confidence to move towards study and work underpins our approach.

In 2019/20, 3,665 young people sought our assistance, each one with their own experience, challenges, strengths and aspirations. Our job remains to work with them to remove the barriers which prevent achievement and to nurture their talent, skills and confidence to enable them to achieve their potential.

We will continue this work with young people, partners and supporters for as long as it takes.

Our Mission

"St Basils works with young people to enable them to find and keep a home, to develop their confidence, skills and opportunities, and to prevent homelessness".

Our Vision

Our vision for young people is that:

- ❖ Homelessness is not part of their experience of growing up
- ❖ There are integrated education, employment and housing pathways
- ❖ They are able to access the support and development opportunities they need to secure their futures and realise their potential

Our vision for St Basils as an organisation is that:

By 2022 we will be the leading provider of accommodation, support and psychologically informed services for young people across the West Midlands.

Our service developments will include:

- ❖ Increasing our bed spaces outside Birmingham and growing our services in new areas
- ❖ A nationally renowned centre of excellence for young people with complex needs
- ❖ Extending our service offer to Care Leavers
- ❖ Additional Live and Work schemes for young people engaged in education, training and work

We will be the national lead for:

- ❖ Psychologically informed consultancy, training and reflective practice services
- ❖ Youth Voice engagement and support

We are committed to:

- ❖ Preventing homelessness in the first place, through early intervention and flexible prevention work with young people and their families
- ❖ Extending and improving our services that assist young people in realising their potential
- ❖ Building on our local, regional and national reputation for excellence in youth homelessness

We will work towards our vision by:

- ❖ Working alongside other agencies
- ❖ Influencing and informing both strategic and service development locally, regionally and nationally
- ❖ Sharing the learning from our experience and evaluation of what works
- ❖ Ensuring young people are at the heart of all decision-making relating to their lives and futures.
- ❖ Having a skilled and highly motivated workforce which reflects the diverse community we serve

The more young people can be engaged in deciding about their own lives, their environment and their communities, the more likely they are to successfully move into independence. Our challenge is to create active not passive services which engage with the young person in co-creating a journey which provides both challenge and support. Increasingly we are focussing on developing skills and confidence which enable the young person to find a pathway to employment as this is more likely to enable them to secure their independence, increase their choices and avoid homelessness.

The framework for our vision encompasses:

- ❖ Services for young people
- ❖ Community engagement
- ❖ St Basils - a good place to work

Services for young people

We will continue to provide, improve and develop services, which meet a broad range of needs, responding to young people with high and complex needs but also developing prevention and early intervention services, which target young people before those needs are acute.

Community engagement

We believe it is not possible to provide services effectively to young people from diverse communities unless you reflect those communities at all levels within your organisation. We will promote and sustain our diversity by engaging with the diverse communities we serve as employers, service providers and contributors to local neighbourhoods. We will work with young people supporting and motivating them to play an active part in securing the future of their communities, promoting cross community cohesion and breaking down barriers which might exist.

St Basils - a good place to work

We recognise that our diverse, skilled and highly motivated workforce is central to our effectiveness. We will continue to ensure we have the skills and capacity to achieve our objectives by developing a reputation for quality standards, and by ensuring our employment and development policies and practices make St Basils a preferred place to work. The Board wishes to explicitly recognise the commitment and dedication of the staff team throughout this year, within an increasingly complex and challenging environment.

Our Principles to work by

Our seven *Principles to Work by*, describe what we believe in and should help us describe what this means to all who work with us.

1. Young People First

This is at the heart of everything we do. By putting the needs and aspirations of young people as our top priority, we will ensure that our policies and practices assist them to secure their futures and realise their potential. We will recognise and promote their achievements and challenge negative images which create barriers and reinforce stereotypes.

2. Everybody Counts

We believe that everyone has an important contribution to make and a viewpoint which matters. We will adopt an open and inclusive approach which ensures that the views, ideas, beliefs and interests of all our stakeholders are considered and dealt with in a respectful way.

3. Strength and Unity through Diversity

Our diversity is our strength and we are united in our purpose through a collective framework of principles and priorities. Like the pieces in a jigsaw, we are all different but only by fitting together, is the whole picture complete.

We believe that our different experiences, skills and heritage better enable us collectively to respond to the individual needs and experiences of the young people who come to us.

4. Working and Learning with Others

St Basils recognises that in order to provide the best possible services for young people we must work with others who have specific knowledge, skills and expertise in areas where we do not. Within our organisation and in our dealings with external partners, we believe we can make a greater difference when working together. We will also share our learning of what works and what doesn't and learn from the experience of others.

5. Delivery and Effectiveness

It is essential that we are able to demonstrate our effectiveness and that we 'do what we say we're going to do'. If we claim that 'St Basils works...' we have to be prepared to evidence the outcomes of what we do. Our commitment to continuous improvement means that we must constantly question our effectiveness and strive to improve our services and evidence the impact of what we do from our customers' perspective.

6. Accountability

We are individually and collectively accountable for our work and the promotion of St Basils' objectives and principles. We recognise the balance between rights and responsibilities and encourage accountability for the promotion of both. We recognise our range of accountabilities to all our stakeholders and seek to be consistent and open in their delivery. We are regulated and inspected by a range of external organisations and welcome this as an opportunity to examine ourselves and check that we continue to deliver.

7. Forward Thinking

To work with young people means that you have to be prepared to work in a constantly changing environment. Needs, experiences and aspirations change. We believe that we must not only deal with young people's needs as they present themselves today but also plan and develop services which will meet future needs. It is our intention therefore to remain at the 'cutting edge' of services for young people in order to assist them to break down barriers preventing them from achieving their ambitions.

Principal Activities and Geographical Coverage

St Basils is one of the largest organisations working with young people who are homeless or at risk in the country and is the largest regional organisation of its kind. At the 31st March 2020, the organisation operated over 40 sites in Birmingham, Coventry, Sandwell, Solihull, Walsall, Warwickshire and North Worcestershire providing 560 units of accommodation and a range of prevention, early intervention and support services. In addition, we facilitate Youth Voice nationally through a range of engagement mechanisms. During 2019/20 we were commissioned by the Ministry of Housing, Communities and Local Government (MHCLG) to refresh the suite of three national Positive Pathway Frameworks and promote them through 6 regional events. We also seconded a national Youth Homelessness Advisor into MHCLG.

St Basils has long recognised that providing accommodation alone is an inadequate response to the combination of factors associated with youth homelessness. Our services therefore aim to provide a holistic response based on individual need and experience. 3,665 young people sought assistance from St Basils during 2019/20 and 1,117 were accommodated by us.

During 2019/20, we have worked with a range of commissioners to provide services to young people leaving care, young offenders and those with substance misuse issues. During 2019, the majority of our commissioned services were re-tendered and we successfully secured contracts for services in all our existing areas of delivery, extending to South Warwickshire. We have operated as a Psychologically Informed Environment (PIE) since 2011. Thanks to funding from the Monday Trust between 2014 and 2020 we have been able to develop, embed and learn from our PIE approach and share that learning with others. Our partnerships with our local mental health Trusts and the University of Birmingham have enabled us to extend our reach, securing further funding during 2019-20 to deliver training and reflective practice to multiple organisations.

Birmingham

St Basils has been commissioned by Adult Social Care to deliver services for young people in Birmingham. We have directly delivered over 141,000 hours of housing related support across our 337 accommodation units in Birmingham, and continued with our very successful supported lodgings service for Care Leavers, and unaccompanied asylum seeking children. St Basils, working with Birmingham City Council, has been commissioned to deliver the Homelessness Reduction Act 2017 (HRA). The St Basils team assists with prevention and relief duties to young people from the Birmingham Youth Hub. The data for 2019/20 reflects the second year of delivery of HRA services. During the year 2,387 young people were referred to our nationally renowned Youth Hub. Of that 63% received full assessment under HRA, with 19% receiving prevention duty (that is, retain current accommodation) and 70% requiring a relief duty (finding alternative accommodation); In December 2019, the Birmingham Youth Hub was commissioned to deliver the Advice and Wellbeing Hub for young people in Birmingham, to deliver holistic, person centred advice and guidance to young people. Between December 2019 and March 2020, 7% received information, advice and guidance assessments. Other outcomes were required for 4%.

The Youth Hub is the single point of referral to commissioned providers and 478 young people were newly referred into St Basils' accommodation in Birmingham from the Youth Hub.

818 young people lived with us in Birmingham in 2019/20 and 90% of those who moved on, did so in a planned positive way.

North Worcestershire

During 2019/20, we continued to deliver housing related support in Redditch, Kidderminster and Bromsgrove in North Worcestershire. The North Worcestershire team received 178 referrals and were able to accept 63 new admissions with 82% moving on in a planned positive way (100% in 2018/19).

During the year we have continued to develop the supported lodgings scheme in North Worcestershire with 94% positive planned move-ons.

Solihull

St Basils was successful in the retendering process from Solihull Council for the provision of a Youth Pathway Service to provide housing related support through a floating support services and accommodation based service in Solihull. The Pathway model which also includes the Solihull Youth Hub works in partnership with the Local Authority to deliver services under the Homeless Reduction Act-(HRA) to provide a range of homeless prevention, housing advice and support services to prevent crisis homelessness and reduce the flow of youth homelessness.

During the year 492 young people were referred to our Solihull Youth Hub 300 received full assessment under HRA with 39% receiving prevention duty (ie retain current accommodation) and 56% requiring a relief duty to find alternative accommodation

Other outcomes were required for 6%. The Solihull Youth Hub continues to function as the single point of access into commissioned providers, and also refers to RSL and Private Landlords through our Rent Deposit Scheme.

Sandwell

During 2019/20, we continued to deliver our ground-breaking and award winning Live and Work scheme in Sandwell, first developed in 2015/16 in partnership with Sandwell and West Birmingham NHS Trust. The scheme provides young apprentices and young workers with student style accommodation for a rent of £43 per week which enables them to live and work and be benefit free. During the year we have been working with Landaid to secure charitable funding to complete phase 2 of our Youth Village concept for young workers.

St Basils Family Mediation Service working in partnership with Sandwell Housing Solution Team / Prevention Service, has worked with 155 young people during the last financial year, with 67 young people remaining within the family home and 85 supported with a planned move, either into Supported Accommodation / their own Council Tenancy or Private Rented Accommodation as a result this has improved relationships / re-established contact with family and friends.

Coventry

We are hugely grateful to Heart of England Charitable Trust who awarded us charitable funding which, alongside funding from Homes England and a partnership with Citizen Housing, enabled us to purchase and commence planned refurbishment of a former sheltered housing scheme, which will provide 32 self-contained units of supported accommodation for young people in Coventry. Completion is due in 2020/21. We also secured housing related support contracts from Coventry City Council to continue developing the Positive Pathway for young people.

Our Positive Prevention Project supported 122 vulnerable young people in Coventry to find and keep accommodation. 83.5% achieved planned positive outcomes.

Walsall

Walsall MBC commissioned continuing support for young people with complex needs as a result of their experience of the Fair Chance programme which finished in December 2017. In 2019, Walsall MBC commissioned an explicit pilot scheme for young people with multiple and complex needs to review the outcomes that could be achieved within a psychologically informed environment with access to intensive support and multiple engagement programmes. The pilot was extended until end of June 2020 and achieved significant outcomes for young people with complex needs.

Warwickshire County Council

During 2019/20, services in Warwickshire were re-tendered and we secured continuation of existing services across the County for housing related support and prevention services. In addition we secured the contract to provide accommodation based services in South Warwickshire. We continue to work in partnership with Doorway, a local organisation working in the north of the County, to deliver support across the 5 District Councils of Stratford upon Avon, Warwick, Rugby, North Warwickshire and Nuneaton and Bedworth. During the period of the contract April 2019 to March 2020, 349 referrals had been received with 276 young people accessing support.

Youth Voice - National Youth Reference Group and Youth Homeless Parliament

We have been funded by the Ministry of Housing, Communities and Local Government (MHCLG) to facilitate and support the National Youth Reference Group (NYRG) since 2008 successfully completing a 12th year in 2019/20 and securing further funding for 2020/21. This is a group of young people from around the country who have experienced homelessness and who work together to inform and influence policy makers and service deliverers to optimise service effectiveness. The group has had a significant impact nationally and are unique in their contribution to service development. Initially intended to be a 6 month legacy project, Youth Voice are now firmly embedded in national influencing structures.

National Youth Homeless Parliament was due to take place on 19th March 2020 and was cancelled as a result of Lockdown for Covid-19.

During 2019/20, we facilitated 5 regional events in London, Manchester, Leeds, Birmingham and Bristol to promote the refreshed Positive Pathway models. These events were well attended and positive feedback received. The 6th event in Norwich had to be cancelled as a result of Covid-19 lockdown.

Accommodation and Support Services

We have updated our Asset Management strategy during 2019/20 and implemented our action plan. Priority has been given to health and safety measures including any recommended fire prevention works. As a result of retendering, the specification for our accommodation services has changed in some cases. We have additional bed spaces for young people with complex needs.

Our accommodation and support services include:

- ❖ Emergency accommodation including Nightstop accommodation (young men, young women and mixed)
- ❖ Range of longer stay accommodation (up to 2 years), some having on site 24 hour support, and some with flexible support to meet the needs of the young people living there
- ❖ An accredited Foyer (Accommodation plus Education) for young people and young families
- ❖ Places of Change scheme with accommodation based support
- ❖ Accommodation with support for young mothers and babies
- ❖ Move-on accommodation with support for young parents
- ❖ Neighbourhood based accommodation with support for young people
- ❖ Eight Starter Homes for working young people
- ❖ 'Live and Work' scheme for young apprentices and young workers
- ❖ Foyers in Bromsgrove and Kidderminster
- ❖ Supported Lodgings for Care Leavers, young homeless people and unaccompanied asylum seeking children
- ❖ Access to Private rented options in north Worcestershire, Coventry, Solihull and Birmingham
- ❖ Cross tenure Floating Support for young people leaving St Basils accommodation and those in Local Authority/ Social Landlord tenancies who are assessed as at risk by the landlord.
- ❖ A Young Workers-cooperative

Non Accommodation based services:

- ❖ Youth Hub - Multi-Agency Single Point of Access in Birmingham
- ❖ Youth Hub - Multi-Agency Single Point of Access in Solihull
- ❖ Leaving Care Housing Pathways Planning service
- ❖ Referral and placement service for young offenders
- ❖ Prevention Services:
 - Home Options Service
 - Family Support, Mediation and Advocacy Service
 - Estrangement and reconciliation work
 - Peer education project
 - Peer Befriending service
 - Positive prevention project in Coventry
- ❖ Employability Service
 - Access to Life skills training and accreditation
 - Access to work experience, mentoring and coaching
 - Access to bespoke training and development
 - Access to My Strengths Training (MST4Life)
 - Access to bespoke Employability programme #YouCan
 - BOOST programme
- ❖ Supporting Youth Involvement and Youth Voice including:
 - Youth Engagement Structures and support
 - Scrutiny Panels
 - National Youth Reference Group
 - National Youth Homeless Parliament
 - Youth Board Members
- ❖ Access to extended range of specialist services through partnership network
- ❖ Creative Arts and Sports opportunities
- ❖ Training, Strategic Advice and Consultancy support specifically PIE training and reflective practice

Charity Fundraising

St Basils is registered with the Fundraising Regulator and committed to the regulatory standards for fundraising. St Basils fully complies with the code of conduct. Any fundraising that is conducted by St Basil's follows the guidance set out in the code and anyone who takes part in any fundraising on our behalf is encouraged to do the same. St Basils are also members of the institute of fundraising and attend many of the seminars and events to further our learning of our sector.

St Basils has an annual income of £12,003k, and 8% of this comes from charitable giving. St Basil's fundraising have 7 main sources - general public, corporates, trusts, education establishments, clubs, faith groups and legacies. St Basil's main focus for fundraising is through trusts and grants, event fundraising and "charity of the year" partnerships. St Basil's occasionally receive some legacy giving but this is rare. St Basil's does not use the services of professional fundraising firms to raise funds for the charity. St Basil's does not run a lottery or have charity shops.

St Basil's runs various events throughout the year. Last year, the charity walk had over 700 participants and raised close to £60k. There are three main Sleepout events which raised some £180k. There are various other events that take place, which are smaller but growing in size. All events are run by the internal St Basil's fundraising team. They manage sign-ups and all communications with event participants. St Basil's use the services of third parties to supply necessary equipment for these events, but they are required to operate to high standards and adhere to St Basil's own values.

St Basil's receives donations and funds from literally hundreds of people and organisations, and St Basil's is grateful to all of them. The following are noted as having made donations of £5,000 or more, noting that some donors have selected to remain anonymous. These are in alphabetical order.

Adi Group
Anonymous
Ansons Solicitors
Arup Highways
Bcu Events
Capsticks Solicitors LLP
Cornerstone Works
E H Smith Charitable Trust
Gowling WLG (UK) LLP
Gymshark
Heart of England Community Foundation
HSBC Bank Plc
I M Properties Plc
Knowle & Dorridge Ladies Circle
Landaid Charitable Trust [£75,000 agreed in 2018/19 for window replacements at Edmonds Court]
Linger & Co
Masonic Charitable Trust
Monday Trust
Oundle School
OVO Foundation
P. Flannery Plant Hire
Rotary Club of Bromsgrove
Secure Trust Bank Plc
St Joseph
Streetsmart
The 29th May 1961 Charitable Trust
The Big Lottery Fund
The Charity of Joseph Hopkins
The Janet Nash Charitable Trust
The Roger & Douglas Turner Charitable Trust
The Saintbury Trust
West Midlands Combined Authority Wmca
Whitegates Children's Trust
William Adlington Cadbury Charitable Trust

Progress in Achieving Key Service and Performance Objectives in 2019/20

Positive outcomes and Planned move on from St Basils

We know that one of the important factors in whether young people make a success of sustaining accommodation in the long term is a planned approach to accessing move on accommodation. It is also a reliable indicator as to whether young people have engaged with the support process. During 2019/20, 90% of departures from St Basils were made in a positive planned way in Birmingham, 82% in Worcestershire and 90% in Solihull. This has been achieved whilst continuing to work with young people with complex needs and in some areas for a shorter timescale. 58% of those accommodated in Birmingham were aged 16-19; 77% in North Worcestershire and 57% in Solihull. The Life Skills programme and the move-on process have helped us to maintain this level of positive move on.

Our strategic priorities for 2019/20 were:

1. Provision of good quality accommodation which meets the needs and raises the aspirations of young people
2. Provision and development of prevention and support services which meet the diverse needs of young people
3. Young people fully involved in setting standards, identifying priorities and monitoring services
4. St Basils- a good place to work
5. Challenging discrimination and promoting diversity and cohesion through employment, service delivery and community engagement
6. Optimising resources to achieve our strategic objectives

During 2019-20, we made progress in the following areas:

Strategic Priority 1

'Provision of good quality accommodation, which meets the needs and raises the aspirations of young people'

- ✓ Secured further support for our Youth Village for young workers in Sandwell which will create additional 54 units
- ✓ Implemented our planned maintenance and major repairs programme, including fire prevention and detection upgrades
- ✓ Renegotiated our lease agreements with partner landlords to reduce running costs or seek contributions
- ✓ Extended our accommodation options in Walsall, Solihull and Coventry
- ✓ Refined and implemented our Asset Management Strategy
- ✓ Implemented our Planned Maintenance and Capital Programme extended by donors

Strategic Priority 2

'Provision and development of prevention and support services which meet the diverse needs of young people'

- ✓ Embedded our Employability and Progression Coach approach within our revised Youth Services
- ✓ Delivered contractual services and optimise outcomes for young people
- ✓ Implemented and evaluated learning from Trailblazer PIE services in Birmingham
- ✓ Implemented Trailblazer in Solihull
- ✓ Implemented Homelessness Reduction Act in both Youth Hubs
- ✓ Extended PIE delivery contracts including securing WMCA Housing First contract

Strategic Priority 3

'Young people fully involved in setting standards, identifying priorities and monitoring services'

- ✓ Delivered our Ministry of Housing, Communities and Local Government (MHCLG) funded Youth Voice contract
- ✓ Extended Youth Voice consultation opportunities
- ✓ Promoted refreshed three Positive Pathway Frameworks
- ✓ Used feedback from young people to improve services
- ✓ Piloted Lead Resident Representative scheme and used learning
- ✓ Supported ongoing development and learning of Co-operative
- ✓ Continued to expand employment and volunteering opportunities for young people

Strategic Priority 4

'St Basils – A good place to work'

- ✓ Embedded new structure based on 'franchise' style model, where local teams have a degree of autonomy and responsibility, within a supportive common framework, including:
 - Common policies
 - Common systems
 - Performance management
 - KPI's
 - Etc.
- ✓ Rolled out strengths based leadership and development plan and Strengthscope coaching to Managers
- ✓ All Senior Leadership Team completed Strengthscope coaching qualification
- ✓ Restructured Senior Leadership Team
- ✓ Provided data and analytical support through Performance Improvement Hub
- ✓ Made Payment of consolidated inflationary increase within budget

Strategic priority 5

'Challenging discrimination and promoting diversity and cohesion through employment, service delivery and community engagement'

- ✓ Used data from Performance Hub to inform service review, understanding and improvement
- ✓ Placed employability support within reach for all young people at St Basils
- ✓ Worked with partners across the region to develop employment opportunities for young people
- ✓ Informed government on implications of welfare reform for young people
- ✓ Promoted affordable, safe housing options which underpin engagement in education, training and employment for young people
- ✓ Promoted Lifeskills, PIE and MST4Life for young people
- ✓ Ensured our pathways for staff and young people provide equal opportunities for learning, development and progression.

Strategic Priority 6

'Optimising resources to achieve our strategic objectives'

- ✓ Tendered and secured all new contracts for housing related support
- ✓ Secured new contracts in South Warwickshire
- ✓ Achieved highest annual fundraising income ever
- ✓ Improved analytics to drive continuous improvement
- ✓ Implemented Financial plan, in accordance with the agreed "Golden Rules" on:
 - Margin
 - Cash days
 - Borrowing
- ✓ Achieved value for money targets, including Regulatory requirements
- ✓ Worked with EYH (End Youth Homelessness) national partnership to reach national funders

During 2020-21, we aim to make progress in the following areas:

Strategic Priority 1

'Provision of good quality accommodation, which meets the needs and raises the aspirations of young people'

- Progress Youth Village for young workers in Sandwell which will create additional 54 units
- Implement our planned maintenance and major repairs programme, including fire prevention and detection upgrades
- Make decision re continuation of Conybere Gardens
- Deliver Farmcote Lodge scheme in Coventry
- Progress the development of a national centre of excellence for young people with complex needs
- Refine and implement our Asset Management Strategy
- Implement Planned Maintenance and Capital Programme extended by donors
- Review affordable warmth supply
- Delivery of new supported housing schemes in Worcestershire, Warwickshire and Coventry
- Pursue options for improved accommodation in Walsall

Strategic Priority 2

'Provision and development of prevention and support services which meet the diverse needs of young people'

- Implement all newly commissioned services and restructure accordingly
- Implement the early prevention approach required by Housing Advice and Wellbeing Centre in Birmingham
- Extend education, training and employment opportunities for young people
- Deliver contractual services and optimise outcomes for young people
- Implement and evaluate learning from PIE contracts and extend contracts for delivery
- Implement Homelessness Reduction Act in both Youth Hubs
- Extend services for Care Leavers
- Seek to secure contract for Transitions Centre for young people with complex needs.

Strategic Priority 3

'Young people fully involved in setting standards, identifying priorities and monitoring services'

- Deliver our Ministry of Housing, Communities and Local Government (MHCLG) funded Youth Voice contract
- Secure MHCLG contract for extended promotion of Positive Pathway Frameworks
- Review Youth Voice local options
- Implement and learn from refreshed satisfaction surveys
- Support ongoing development and learning of Co-operative
- Review opportunities for supportive living schemes with peer support
- Continue to expand employment and volunteering opportunities for young people
- Engage young people in developing Youth Village

Strategic Priority 4

'St Basils – A good place to work'

- Embed new structure based on 'franchise' style model and new contracts
- Implement revised SLT structure
- Roll out strengths based leadership and development plan to next phase
- Provide data and analytical support through Performance Hub
- Extend Volunteering opportunities and recruit Volunteers
- Payment of consolidated inflationary increase within budget
- Improve Associate 'deal'
- Review Head Office accommodation
- Improve agile working options

Strategic priority 5

'Challenging discrimination and promoting diversity and cohesion through employment, service delivery and community engagement'

- Review Equalities Policy and Action Plan
- Use data from Performance Hub to inform service review and improvement
- Place employability support within reach for all young people at St Basils
- Work with partners across the region to develop employment opportunities for young people
- Inform government on implications of welfare reform for young people
- Promote affordable, safe housing options which underpin engagement in education, training and employment for young people
- Promote Lifeskills, PIE and MST4Life for young people
- Ensure our pathways for staff and young people provide equal opportunities for learning, development and progression.

Strategic Priority 6

'Optimising resources to achieve our strategic objectives'

- Improve analytics to drive continuous improvement
- Implement Financial plan - improve cash reserves and margins
- Achieve stretched fundraising targets
- Achieve value for money targets
- Pursue ability to improve pay offer and investment in Asset Strategy
- Work with commissioners and partners to optimise outcomes with fair funding
- Work with EYH (End Youth Homelessness) national partnership to reach national funders
- Secure contracts through tendering process
- Implement business growth strategy

Governance and Reporting Structures

St Basils Board is supported by two committees: the Service Delivery and Development Committee and the Business Support and Audit Committee. In addition, the Board is advised by Youth Voice. Each committee has a lead reporting officer and links to our Senior Leadership Team and the main Board. In addition to business meetings, the Board has an extended session in October to look at Business Planning and Strategy. Members of Youth Voice considered their preferred engagement with the main St Basils Board and recommended that 2 young people who have progressed through St Basils and experienced membership of national Youth Voice be appointed as full members to St Basils main Board.

Our approach to governance, risk management and internal control is reviewed annually by our internal auditors and recommendations for best practice implemented.

We have adopted and comply with the NHF Code of Governance 2015 with the following exception:

- Article 21.1 of St Basils Articles of Association states 'The Board shall consist of between seven and fourteen Directors (including Co-opted Directors). This takes precedence over the NHF Code of Governance.

Value For Money (VfM) Statement

The former Homes & Communities Agency, now the Regulator of Social Housing (RSH), introduced The Regulatory Framework for Social Housing in England from April 2012 which set out four customer and three economic Standards including a Value For Money Standard. This standard was revised in 2018 and St Basils is now reporting in line with its requirements.

Our understanding of VfM is articulated in our VfM Strategy as follows.

Working towards our 6 strategic priorities provides the basis for achieving Value for Money (VfM) within St Basils.

The desired outcomes for young people, our staff and our contract partners covered in the first 5 priorities are balanced by the 6th priority of optimising our resources to achieve our strategic objectives.

St Basils is part way through implementing 3 key changes for embedding a VfM culture:

- 1. Adopting a more autonomous local management structure so accountability for outcomes and costs is much closer to where day to day decisions are made*
- 2. Developing metrics so we can better understand our performance at all levels of the organisation and know what to focus on.*
- 3. Setting up effective systems and structures for continuous improvement so opportunities to reduce costs and/or improve outcomes are applied across the organisation*

We have adopted a simple approach to evaluating and delivering VfM which is proportionate to the size of the organisation, and delivers key messages which can be understood by all stakeholders. Our Business Plan identifies what we aim to achieve each year in relation to these strategic priorities. Our colleagues, young people and partners are involved in reviewing and delivering our strategic priorities.

We have set out our approach in the VfM strategy using a simple framework identifying what we will do to achieve VfM; how we will set about this; the impact we intend to achieve and the subsequent actions we have taken or will take to improve based on our learning.

In order to effectively contribute to VfM, St Basils seeks to operate within the context of the following financial rules.

Description	Rule	17/18 Actual	18/19 Actual	19/20 Target	19/20 Actual	20/21 Target	19/20 Benchmark
Margin	At least 3% [but must be sufficient to enable the achievement of the cash days target]	-2.2%	3.8%	3.0%	2.7%	3.0%	27.2%
Cash days	Increasing by 5 days each year thereafter until 60 cash days is reached.	28	58	35 throughout the year	56	40 throughout the year	N/A
Borrowing / gearing	Loan coverage to be a minimum of 200% (covenant requirement)	246%	3,446%	200%	3,629%	200%	N/A

In addition to the above targets, the RSH published VfM metrics in 2018/19 that also need to be set as targets, and then monitored and reported in our financial statements. These metrics are as follows.

RSH Ref	Description	17/18 Actual	18/19 Actual	19/20 Target	19/20 Actual	20/21 Target	19/20 Benchmark	Narrative
1	Reinvestment	4.4%	2.7%	4.4%	6.0%	12.4%	6.2%	During the year St Basils took on 4 new properties that had not been envisaged at the start of the year. A new grant award in 2019/20 should see further reinvestment, and a subsequent increase in new supply in 2020/21.
2a	New supply, social housing units	2.5%	0.0%	0.0%	10.5%	5.7%	1.4%	
2b	New supply, non-social housing units	n/a	n/a	n/a	n/a	n/a	0.0%	
3	Gearing	-3.3%	-9.8%	-6.7%	-9.9%	-11%	44.1%	This method takes cash reserves into account, as a result St Basils has negative external financing because its cash is larger than its borrowing.
	Gearing, normal method	9.4%	8.3%	7.5%	7.4%	7.1%	n/a	The normal method does not include cash reserves. The low level of gearing for St Basils is a key balance sheet strength (regardless of which method is used), and it is far below registered provider sector norms.

ST BASIL'S (Limited by Guarantee)

RSH Ref	Description	17/18 Actual	18/19 Actual	19/20 Target	19/20 Actual	20/21 Target	19/20 Bench-mark	Narrative
	EBITDA, Earnings before interest, tax, depreciation and amortisation, (unadjusted for major repairs)	2.9%	9.4%	6.6%	9.7%	8.3%	n/a	Earnings before interest, tax depreciation and amortisation (EBITDA) is an alternative method to assessing financial performance instead of margin. It is only included here because it feeds into the following required metric.
4	EBITDA (adjusted for major repairs) compared to financing costs	-833%	3,385%	n/a	5,418%	n/a	183%	St Basils does not set a target for this metric, since its loan cover requirement (see next) is both a valid alternative, a golden rule, and a contractual requirement.
	Loan cover	246%	3,446%	200%	3,629%	200%	n/a	200% is St Basils loan covenant requirement, and also a golden rule.
5	Cost per unit	£15.7k	£17.0k	£15.1k	£19.2k	£14.9k	3.62	The high unit cost reflects the high level of turnover of high needs tenants, who receive high quality (but costly) exceptional support.
6a	Operating margin – social housing lettings only	-1.1%	4.5%	6.6%	3.9%	n/a	29.7%	St Basils has had two years of reporting surpluses after a significant loss in 2017/18. The margin is significantly lower than registered provider norms, but the return on capital employed is similar. This illustrates St Basil's "small margin, but well financed financial model", which is most apt for a small charitable organisation that is focused on relieving hardship, as opposed to being focused on housebuilding and its associated borrowing requirements.
6b	Operating margin – overall	-2.2%	3.8%	3.0%	2.7%	3.0%	27.2%	
7	Return on Capital Employed (ROCE)	-1.7%	3.0%	2.5%	2.1%	2.6%	3.8%	

Benchmarks are taken from RSH Global Accounts for 2019 (entity data), for registered providers with more than 1,000 units. Alternative benchmarks that might be more applicable to St Basils are not available.

St Basils is committed to demonstrating VfM to our stakeholders in terms of our continual improvement in service delivery performance.

Changes in Welfare Reform and the socio economic environment continue to place considerable strain on opportunities for young homeless and potentially homeless people to access and receive the support they need to live independently.

The future funding model of supported housing is critical to our ability to sustain services and accommodation for the most vulnerable.

St Basils will continue to review the financial cost, impact and effectiveness of services delivered to support our service users. These reviews will be ongoing and in the context of demonstrating achievement of our mission for the benefit of stakeholders. Detailed plans are presented to the Board each year for consideration as an integral aspect of the annual business plan.

Risk Management

The RSH requires Registered Providers to have an effective risk management framework. The Board conducts an annual review of the effectiveness of the Association's system of internal control and in particular this focuses on the significant risks that threaten the organisation's ability to meet its objectives and provide reasonable assurance of the safeguarding of assets. St Basils takes a proactive approach to risk management and has initiated a number of monitoring and reporting systems, which feed into risk assessment. These includes our Annual Active Governance Programme of visits to all service areas, individual risk assessments are conducted for each young person coming to St Basils, annual health & safety risk assessments are completed for all areas of the business, and key financial indicators and information are monitored on a monthly basis.

A Risk Register is maintained and updated each month. Reports are then made to each meeting of the Business Support and Audit Committee and the Board. A risk is defined as *"the threat that any event or action will adversely affect an organisation's ability to achieve its business objectives and execute its strategies"*.

When risks are identified they are allocated a priority rating, control actions identified and responsibilities for actions are determined. This is regularly monitored and reported to the Business Support and Audit Committee.

The Business Support and Audit Committee also receive regular internal audit reports prepared by St Basil's internal auditor on a wide range of business activity. An annual plan is agreed at the beginning of the financial year. Our current internal auditor's approach to internal audit involves a systematic risk based approach in all of their audits undertaken throughout St Basils, with the aim of aligning their work closely to St Basils' own analysis of the key risks.

The internal audit programme regularly reviews our risk management systems to apply a degree of independent scrutiny and to ensure best practice. Recommendations arising from the reviews are used by the Board as a means of ensuring a robust risk management process, learning and continuous improvement.

Key Risks/Challenges to the Business Plan in 2020-21

The key risks to delivering our Business Plan include:

- ❖ Failure to achieve fundraising targets;
- ❖ Business continuity;
- ❖ Non-compliance with data protection requirements;
- ❖ Insufficient cash backed reserves and/or insufficient cash being generated to meet strategic objectives;
- ❖ Failure to comply with statutory, regulatory and legal requirements;
- ❖ Inflation being higher than expected;
- ❖ Emergency capital expenditure.

The above items are perceived risks and they have not materialised and / or they are being actively mitigated. Whilst the Corona Virus itself is not highlighted as a specific risk, it explains or contributes to a number of the above risks, notably:

- ❖ Fundraising may be reduced by some £350,000 due to the inability to hold events;
- ❖ Business continuity may be challenged due to lock downs, and remote working by staff, and the possibility of some staff being unable to work;
- ❖ Remote working increases the risk associated of ensuring that data protection requirements are adhered to;
- ❖ Additional demands for IT and PPE may exacerbate pressures on cash reserves.

The above risks are being monitored by St Basils Emergency Response Team, and are being mitigated through a revised budget for 2020/21, and reviews of corporate policies to ensure that the new environment is effectively addressed in respect of remote working and data protection.

Key Relationships

A Business priority for St Basils is to develop and maintain productive relationships with government, local, regional and national as well as our commissioning bodies, delivery partners, employees, young people and the local communities we work with. We are particularly committed to working with others who can assist us to deliver our strategic objectives, including Health commissioners, Police and Crime commissioners and those tackling youth unemployment.

We achieve development in partnership with Investment partners registered with Homes England. In 2019/20 we worked with Engie (incorporating former Keepmoat Regeneration) to secure funding to purchase and refurbish a supported housing scheme for young people in Coventry and to progress design work for our Young Workers Village in Sandwell. Our consortium of social landlords helps provide good quality move-on accommodation for young people when they are ready to leave St Basils. We continue to develop productive partnerships with employers to enhance employment opportunities for young people. Our partnership with Forward Thinking Birmingham (FTB), Sandwell and West Birmingham NHS Trust and University of Birmingham.

St Basils continues to prioritise our commitment to working with local partnerships in all our areas of operation as well as with regional and national membership organisations and related Task groups, including Housing Birmingham Partnership; North Worcestershire Steering Group; Supporting People Provider Fora; Birmingham Social Housing Partnership, and West Midlands Housing Association Partnership. Our Chief Executive is Chair of the West Midlands Combined Authority (WMCA) Homelessness Taskforce and is a member of the Government's National Advisory Panel on Rough Sleeping and Homelessness.

Financing Structure

A reasonable surplus is reported in 2019/20. Going forward it is projected that surpluses will be achieved which will contribute to ensuring financial viability and investment in achieving St Basil's strategic priorities, in particular, improvement of existing accommodation and the prevention of homelessness.

Income

St Basil's main sources of income are as follows

	2017/18	2018/19	2019/20
Rents & services charges	33%	37%	38%
Supporting People contracts	42%	42%	41%
Charitable donations	9%	9%	8%
Other sources	16%	12%	13%

Cash Flow

Net cash inflow from operating activities was £461k. Net cash outflow from finance activities was £21 and outflow from investing activities £431k. The overall net change in "cash and cash equivalents" was an increase of £9k.

Rent Policy

The Rent and Service Charges at each of our accommodation schemes are set at affordable levels in line with the Government's Rent reform regulations.

Out-Turn

The surplus for the year shown on the statement of comprehensive income (previously known as the income and expenditure statement) is £294k (2018/19 £410k surplus).

Reserves Policy

Our policy is to maintain reserves for three reasons:-

- To maintain sufficient levels of liquidity to meet operational requirements.
- To meet our statutory, regulatory and landlord liabilities.
- To continue to achieve the aims and objectives of St Basils.

The Balance sheet as at 31 March 2020 shows reserves of £4,457k, £4,263k of which are unrestricted.

St Basils has a strategic objective of holding cash reserves that are sufficient to cover at least two months of expenditure. At the end of the year being reported, St Basils held 56 days' worth of cash reserves, slightly short of this target.

Fixed Assets

Details of changes to fixed assets are set out in notes 8 and 9 of the financial statements.
In 2019/20 capital expenditure on properties amounted to £587k and on non-housing assets £344k.

Approved by the Board on 14 September 2020
and signed on its behalf by



Sara Fowler
Chair of the Board

BOARD REPORT for the year ending 31 March 2020

Board Members

The Board Members set out below have held office during the whole of the period from 1 April 2019 to the date of this report unless otherwise stated:

Helen Bates	-	Ordinary Director (appointed 10 June 2019)
Maddy Bunker	-	Ordinary Director
Sara Fowler	-	Ordinary Director
Steve Guyon OBE	-	Ordinary Director
Feizal Hajat OBE	-	Ordinary Director
Chris Miller	-	Ordinary Director
Chris Todd	-	Ordinary Director
Rev. Adam Romanis	-	Nominated Director
Jean Templeton	-	Executive Director
Kyle Palmer	-	Co-opted Director
Thelma Zunzanyika	-	Co-opted Director

Internal Controls Assurance

The Board of St Basils has voluntarily chosen to include a statement on internal controls within the published accounts.

St Basils Board has overall responsibility for establishing and maintaining the whole system of internal control and for reviewing its effectiveness.

The Board of Management recognises that no system of internal control can provide absolute assurance or eliminate all risk. The system of internal control is designed to manage risk and to provide reasonable assurance that key business objectives and expected outcomes will be achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the Company's assets and interests.

In meeting its responsibilities, the Board has adopted a risk-based approach to internal controls which are embedded within the normal management and governance process. This approach includes the regular evaluation of the nature and extent of risks to which the Company is exposed and is consistent with Turnbull principles.

The process adopted by the Board of Management in reviewing the effectiveness of the system of internal control, together with some of the key elements of the control framework includes:

- **Identification and evaluation of risks**

Management responsibility has been clearly defined for the identification, evaluation and control of significant risks. There is a formal and on-going process of management review in each area of the Company's activities. This process is co-ordinated through a regular reporting framework by the Executive Director and Senior Management Team.

- **Monitoring and corrective action**

There is a process of control self-assessment and regular management reporting on control issues to the Senior Management Team and the Business Support and Audit Committee. The risk management system provides the basis for development of the internal audit plan to ensure internal audit reviews provide advice and/or assurance in critical areas of risk to the Company. These reviews are reported to the Business Support and Audit Committee and actions arising from these reports and self-assessment are reviewed regularly.

- **Control environment and control procedures**

The Board retains responsibility for a defined range of issues covering strategic, operation, financial and compliance issues including treasury strategy and new investment projects. The Board has adopted the code of governance 'Competence and Accountability'. Its approach to risk management and internal assurance is embedded in its Business Plan and disseminated through policies, procedures, induction, training, internal communication and working practices.

BOARD REPORT for the year ending 31 March 2020

• Information and financial reporting systems

Financial reporting systems include consideration by the Board in October each year of the priorities for the coming year. Detailed budgets are then prepared and approved by the Board annually. Committees review and report to the Board regularly on key performance indicators and financial forecasts. The Company has invested in the development of a bespoke performance evaluation system which will assist in the monitoring of service outcomes.

The internal control framework and risk management process is subject to regular review by the external Internal Audit firm who are responsible for providing independent assurance to the Board via the Business Support and Audit Committee. Based on the work during the year the Internal Audit opinion is that the Company has adequate and effective risk management, control and governance processes to manage the achievement of the organisation's objectives. All the recommendations were accepted by management.

The Board confirms that there is an on-going process for identifying, evaluating and managing significant risks faced by St Basils. This process has been in place throughout the year under review, up to the date of the annual report, and is regularly reviewed by the Board.

Going Concern

Under the governance requirements, the Board confirms that after making enquiries they have a reasonable expectation that the entity has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the accounts.

The current COVID-19 pandemic started to affect St Basil's operations in late March 2020 and the Government's lockdown forced a change to our management arrangements. St Basil's effectively closed its office to visitors, whilst arranging for the majority of staff to work from home. No staff needed to be furloughed. St Basil's uses a server based housing management system that can be accessed remotely, and an e-mail system which allowed staff to continue to manage arrears and deal with housing management services. A small number of staff were able to continue to work from St Basils Head Office whilst preserving social distancing. On occasions where staff were unable to attend for a full working day staff were able to divert all business calls to home based staff when needed.

With the dedication and hard work St Basil's staff have been able to continue to operate without any serious detriment to its services. The financial impact of COVID 19 has been limited:

- Fundraising activities have been adversely affected, and may see a reduction in income of some £350k on the original budget;
- rent arrears have not increased significantly due to pro-active arrears management and welfare benefit advice;
- tenancy terminations were delayed as there were no "move on" arrangements available;
- repairs expenditure was significantly reduced, but is now likely to catch up;
- St Basils has reasonable cash reserves and operates well within its banking covenants.

Management and the Board are keeping the position under review, and a revised budget is being prepared that will capture, and minimise, the impact of Covid 19 on St Basil's.

The Covid-19 pandemic has, and will, bring additional challenges. The Directors, in light of the above enquiries, have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being a period of twelve months after the date on which the report and financial statements are signed. For this reason, the Company continues to adopt the going concern basis in the financial statements.

Directors Indemnity

The directors have confirmed that St Basils does have Directors and Officers Insurance in place.

Financial Instruments

St Basils does not have any abnormal exposure to price, credit, liquidity and cash flow risks arising from its trading activities. St Basils does not enter into any hedging transactions and no trading in financial instruments is undertaken.

Equality, Diversity and Inclusion Statement

St Basils is committed to creating an environment for staff, young people and partners that is free from all forms of discrimination and where diversity is embraced. It is our intention to do our very best for each young person, ensuring that the service St Basils offers is fair, inclusive, appropriate and relevant for each individual. St Basils also wants to ensure that staff are provided with the best employment opportunities and that they are enabled to contribute effectively to the work of the organisation.

We take a human rights-based approach by which human rights can be protected by adherence to underlying core values of fairness, respect, equality, dignity and autonomy, or FREDA.

Our strategic priority 'Challenging discrimination and promoting diversity and cohesion through employment, service delivery and community engagement', highlights our commitment to ensuring that staff and young people are provided with a safe and secure environment in which they can thrive and develop, and where all aspects of their welfare is protected. Our Equality, Diversity and Inclusion Policy and Action Plan operationalise our commitments and our progress is reported annually and through our KPIs.

Disability Statement

St Basils strives to fulfill our statutory responsibilities towards disabled people set out in the Equality Act 2010 and the Public Sector Equality Duty 2011 by:

- Providing an environment that is inclusive and accessible for all stakeholders;
- Observing our anticipatory duty to make reasonable adjustments to take steps to meet the needs of disabled people and remove or minimize the disadvantages they may face;
- Responding to individual needs in a timely way, where needs have not been anticipated;
- Considering creative and agile solutions to access issues in addition to structured assessment frameworks such as Access to Work;
- Having due regard to advancing equality by encouraging disabled people into employment by supporting their progression;
- Ensuring staff and young people have appropriate equality, diversity and inclusion awareness to support themselves and others.

St Basils is a DWP 'Disability Confident Employer' which reflects our work around proactively employing and retaining disabled people. This involves actively looking to attract, recruit and retain disabled people by providing a fully inclusive and accessible recruitment process and supportive environments to enable people to be their very best.

Staff Engagement Statement

Our Principles to work by embrace colleague engagement in our service delivery and development. 'Everybody counts', 'St Basils- A Good Place to Work' and 'Strength and Unity through Diversity' reflect the value we place on an inclusive and engaged workplace. We are a Psychologically Informed Environment and as such, engagement and reflection are at the heart of our practice. Formal engagement takes place through an elected Employee Council and supports a matrix of engagement at all levels within the organization. Directors review KPIs on staff performance and well-being, and regularly review both business plans and policies to ensure that staff needs are properly taken into account.

Disclosure of Information to the Auditor

In the case of each of the persons who are directors of the Company at the date when this report was approved:

- so far as each of the directors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's auditor is unaware; and
- each of the directors has taken all the steps that they ought to have taken as a director to make them aware of any relevant audit information (as defined) and to establish that the Company's auditor is aware of that information.

Board Members' Responsibilities

Legislation requires the Board to prepare financial statements for each financial year which give a true and fair view of the state of the entity as at the end of the financial year and of its income and expenditure for the year ended on that date. In preparing those financial statements, suitable accounting policies have been used, framed, to the best of the Board's knowledge and belief, by reference to reasonable and prudent judgements and estimates and applied consistently. Applicable accounting standards have been followed. The Board is also required to indicate where the financial statements are prepared other than on the basis that the entity is a going concern.

The Board is responsible for ensuring that arrangements are made for keeping proper books of account with respect to the entity's transactions and its assets and liabilities and for maintaining a satisfactory system of control over the entity's books of account and transactions. The Board is also responsible for ensuring that arrangements are made to safeguard the assets of the entity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Compliance with the RSH Governance and Financial Viability Standard.

The Board confirms that the Company complies with the requirements of the revised Governance and Financial Viability Standard applicable for the year

Approved by the Board on 14 September 2020
and signed on its behalf by



Sara Fowler
Chair of the Board

INDEPENDENT REPORT OF THE AUDITOR for the year ending 31 March 2020

Opinion

We have audited the financial statements of St Basils (the 'company') for the year ended 31 March 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Reserves, the Statement of Cash Flows 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 company 'affairs as at 31 March 2020 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

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 trust 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.

Emphasis of matter - Impact of the outbreak of COVID-19 on the financial statements

In forming our opinion on the Company's financial statements, which is not modified, we draw your attention to the Boards' view on the impact of the COVID-19 as disclosed on page 3, and the consideration in the going concern basis of preparation on page 22.

During the latter part of the financial year, there has been a global pandemic from the outbreak of COVID-19. The potential impact of COVID-19 became significant in March 2020 and is causing widespread disruption to normal patterns of business activity across the world, including the UK.

The impact of COVID-19 is still evolving and, based on the information available at this point in time, the Board have assessed the impact of COVID-19 on the company and reflected the Boards' conclusion that adopting the going concern basis for preparation of the financial statements is appropriate.

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.

Other information

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

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

We have nothing to report in this regard.

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 Strategic Report and the Board Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Board Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Board Report.

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

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

Responsibilities of the Board

As explained more fully in the Statement of the Board's responsibilities set out on page 24, 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 determines 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 the audit 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 Chapter 4 of Part 2 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the trust's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the trust and the trust's members as a body for our audit work, for this report, or for the opinions we have formed.

David Hoose

David Hoose
(Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
45 Church Street
Birmingham
B3 2RT
Date: *19 SEPTEMBER 2020*

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 March 2020

	Notes	2020 £'000's	2019 £'000's
TURNOVER			
Housing support contracts			
- Birmingham City Council		3,339	3,289
- Solihull MBC		718	623
- Worcester CC		343	382
- Warwickshire		169	-
- Coventry CC		255	284
- Other CC		122	179
		<u>4,946</u>	<u>4,757</u>
Income from lettings	3b	4,501	4,210
Fundraising	3a	985	993
Other income		1,450	1,328
Amortisation of Social Housing Grant	15	121	117
		<u>12,003</u>	<u>11,405</u>
OPERATING COSTS	3a	(11,700)	(10,983)
OPERATING SURPLUS	3a	303	422
Interest receivable and similar income		3	2
Interest payable and similar charges		(12)	(14)
SURPLUS FOR THE YEAR		<u>294</u>	<u>410</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>294</u></u>	<u><u>410</u></u>

STATEMENT OF FINANCIAL POSITION

As at 31 March 2020, company registration number 03964376

	Notes	2020 £'000's	2019 £'000's
FIXED ASSETS			
Housing properties - cost less depreciation	8	12,393	11,814
Other property, plant & equipment	9	1,087	1,460
Total fixed assets		13,480	13,274
CURRENT ASSETS			
Debtors	11	1,227	611
Cash and cash equivalents		1,758	1,749
		2,985	2,360
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	12	(1,482)	(1,311)
NET CURRENT ASSETS		1,503	1,049
TOTAL ASSETS LESS CURRENT LIABILITIES		14,983	14,323
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	13	(10,526)	(10,160)
NET ASSETS		4,457	4,163
CAPITAL AND RESERVES			
Revenue reserves		4,263	3,949
Restricted reserves		194	214
TOTAL RESERVES		4,457	4,163

The financial statements on pages were approved by the Board on 14 September 2020 and were signed on its behalf by:


Jean Templeton, Member of the Board


Sara Fowler, Chair of the Board

STATEMENT OF CHANGES IN RESERVES
For the year ending 31 March 2020

	Revenue reserves £'000's	Restricted Reserves £'000's	2020 Total £'000's	2019 Total £'000's
At 1 April 2019	3,949	214	4,163	3,752
Surplus from statement of comprehensive income	294	-	294	411
Transfer to/from restricted reserves	19	(19)	-	-
At 31 March 2020	<u>4,262</u>	<u>195</u>	<u>4,457</u>	<u>4,163</u>

ANALYSIS OF RESTRICTED RESERVES

	Young Women £'000's	Young Men £'000's	2020 Total £'000's	2019 Total £'000's
At 1 April 2019	207	7	214	231
Transfer from restricted to revenue reserve	(12)	(7)	(19)	(17)
At 31 March 2020	<u>195</u>	<u>-</u>	<u>195</u>	<u>214</u>

STATEMENT OF CASH FLOWS
For the year ending 31 March 2020

		2020		2019	
	Notes	£'000's	£'000's	£'000's	£'000's
NET CASH INFLOW FROM OPERATING ACTIVITIES	17		461		1,312
CASH FLOW FROM FINANCING ACTIVITIES					
Interest received		3		2	
Interest paid		(12)		(13)	
Housing loans repaid		(12)		(11)	
Investments encashed		0		11	
			(21)		(11)
CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of housing properties	8	(824)		-	
Purchase of other property, plant & Equipment	9	(107)		(466)	
Capital grants and donations received/accrued	15	500	(431)	75	(391)
			9		910
NET CHANGE IN CASH AND CASH EQUIVALENTS					
CASH AND CASH EQUIVALENTS AT START OF YEAR			1,749		839
CASH AND CASH EQUIVALENTS AT END OF YEAR			1,758		1,749

Analysis of changes in net debt

	At 1st April £'000	Cashflows £'000	Other non-cash £'000	At 31 st March £'000
Cash and cash equivalents	1,749	9	-	1,758
Housing loans	(343)	13	-	(330)
Total	1,406	22	-	1,428

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

1. ACCOUNTING POLICIES

(a) Basis of accounting

St Basil's is a company limited by guarantee which is incorporated and domiciled in the United Kingdom. The financial statements are prepared under the historical cost convention, in accordance with Financial Reporting Standard 102 (FRS 102) (March 2019) issued by the Financial Reporting Council and comply with the Accounting Direction for Private Registered Providers of Social Housing 2018 the Statement of Recommended Practice for Registered Social Housing Providers 2014 (SORP) and the Housing and Regeneration Act 2008. St Basils is a public benefit entity (PBE), as defined in FRS 102 and applies the relevant paragraphs prefixed "PBE" in FRS 102. The March 2018 edition of FRS 102 includes amendments arising from the Financial Reporting Council's triennial review of the standard. There is no material effect on the amounts recognised in these financial statements as a result of adopting these amendments.

(b) Statement of compliance

St Basils has prepared the financial statements in accordance with FRS 102.

(c) Turnover

Turnover represents rents and service charges receivable (net of losses from voids), revenue grants receivable from local authorities together with donations and miscellaneous income.

Income is generally recognised on a receivable basis and is reported gross of related expenditure, where the amount is reasonably certain and when there is adequate certainty of receipt. The specific bases used are as follows:

- Income from charitable activities, including income from contracts, is accounted for when earned. Income received in advance is deferred until entitlement to the income has arisen;
- Grants are recognised when the entitlement to the grant is confirmed. Grants for the purchase of equipment and towards the initial setting up of projects are credited in full to the various activities in furtherance of the charity's objects in the year in which they are received. Grants received specifically for goods and services to be provided as part of charitable activities are recorded against the activity to which they relate;
- Rental income is accounted for on a receivable basis, net of voids;
- Donations, gifts, legacies and general grants receivable, which do not relate to specific charitable activities, are categorised as donations and legacies;
- The financial statements reflect no amounts in respect of time provided by volunteers;
- Donated goods, services or facilities are brought into the accounts at their estimated fair value. Where pro bono services are received and are material, the value of those services, as estimated by the directors, is included as both income and expenditure;
- Legacies are recognised as income when there is entitlement, probability of receipt and measurability of the legacy.

(d) Depreciation

No depreciation is charged to the Statement of Comprehensive Income in the year of acquisition or purchase on either category of asset.

Housing properties

Depreciation is calculated to write down the cost of investment in specific components which need replacing over different useful economic lives. St Basils has adopted the following components and economic useful lives for its asset components:

Structure	100 year life
Kitchens	15 year life
Bathrooms	15 year life
Doors	20 year life
Heating systems(Boilers)	25 year life
Window	20 year life
Roofs	50 year life
Security Systems	20 year life

Freehold land is not depreciated.

Other property, plant & equipment (PPE)

Depreciation is calculated to write down the cost of plant & equipment on a straight line basis over their estimated useful life:

Computer equipment and furnishing and fittings 5 years

For improvements to leasehold property the economic lives for Housing properties are adopted, unless the period of the lease is known to be lower.

(e) Social Housing Grant (SHG) and other capital grants

Where grants are received from government agencies such as Homes England, local authorities, devolved government agencies, health authorities and the European Commission which meet the definition of government grants, they are recognised when there is reasonable assurance that the conditions attached to them will be complied with and that the grant will be received.

Government grants are recognised using the accruals model and are classified either as a grant relating to revenue or a grant relating to assets. Grants relating to revenue are recognised in income on a systematic basis over the period in which related costs for which the grant is intended to compensate are recognised. Where a grant is receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support with no future related costs, it is recognised as revenue in the period in which it becomes receivable.

(e) Social Housing Grant (SHG)

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Grants received for housing properties are recognised in income over the expected useful life of the housing property structure.

Grants received from non-government sources are recognised as revenue using the performance model.

(f) Improvements to properties

Expenditure on existing housing properties other than replaced components is capitalised to the extent that it improves the economic benefit of the asset either through an increase in rental income, a reduction in maintenance costs or through an extension of the life of the property.

(g) Restricted Reserves

The restricted reserves represent donations received but as yet unspent, in respect of specific projects together with capital grants and donations received for restricted purposes. These are subject to an external restriction as such they are separately recognised

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

1. ACCOUNTING POLICIES (Continued)

(h) Pension Costs

St Basils has two defined contribution schemes.

Contributions payable to the Company's auto enrolment scheme with Legal and General are charged to the Statement of Comprehensive Income as they become payable in accordance with the rules of the scheme.

Contributions payable to the Company's defined contribution scheme with Engage Mutual are charged to the Statement of Comprehensive Income as they become payable in accordance with the rules of the scheme. New membership of this scheme was stopped in 2014 when the scheme with Legal and General was introduced. All new membership since 2014 has been into the Legal and General Scheme.

(i) Supporting People

Separately identifiable tenancy related rent, service and support charge income along with any related costs for supported housing is disclosed under 'supported housing' within note 3. Charges for and costs of support services funded under Supporting People are shown under 'Supporting People' within note 3.

(j) Operating Leases

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and demand deposits, together with other short term, highly liquid investments that are readily known amounts of cash and are subject to an insignificant risk of change in value.

(l) Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument

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

1. ACCOUNTING POLICIES (Continued)

Financial assets carried at amortised cost

Financial assets carried at amortised cost comprise rent arrears, trade and other receivables and cash and cash equivalents. Financial assets are initially recognised at fair value plus directly attributable transaction costs. After initial recognition, they are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

If there is objective evidence that there is an impairment loss on any asset, including social housing property, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced accordingly.

A financial asset is derecognised when the contractual rights to the cash flows expire, or when the financial asset and all substantial risks and reward are transferred.

If an arrangement constitutes a financing transaction, the financial asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial liabilities carried at amortised cost

These financial liabilities include trade and other payables and interest bearing loans and borrowings.

Non-current debt instruments which meet the necessary conditions in FRS 102, are initially recognised at fair value adjusted for any directly attributable transaction cost and subsequently measured at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance costs in the Statement of Comprehensive Income. Discounting is omitted where the effect of discounting is immaterial.

A financial liability is derecognised only when the contractual obligation is extinguished, that is, when the obligation is discharged, cancelled or expires.

Financing transactions

For rent arrears where the arrangement constitutes, in effect, a financing transaction because of extended credit arrangements the arrears are measured at the present value of the future payments discounted at an appropriate market rate of interest.

2. Significant Management Judgements and key sources of estimation uncertainty.

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Significant Management Judgements

The following are management judgements in applying the accounting policies of the Company that have the most significant effect on the amounts recognised in the financial statements.

Capitalisation of development expenditure

The company capitalises expenditure in accordance with the accounting policy on housing properties. Judgement is exercised over the likelihood that projects will continue, as to whether development expenditure is capital or revenue. For the year ending 31 March 2020, there are capital additions of £824k (see note 8), of which £19k relates to the capitalisation of development costs.

NOTES TO THE FINANCIAL STATEMENTS

For the year ending 31 March 2020

Estimation uncertainty

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results and may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2. Significant Management Judgements and key sources of estimation uncertainty.

Debtor provisions

Provision is made for rent arrears that are considered uncollectable. These provisions require management's best estimate of the costs that will be incurred based on legislative and contractual requirements. In addition, the timing of the cash flows and the discount rates used to establish net present value of the obligations require management's judgement. In the light of the experience of recent years, the basis for determining the provision for rental debts has proved reasonable.

Components of housing properties and useful lives

Major components of housing properties have significantly different patterns of consumption of economic benefits and estimates are made to allocate the initial cost of the property to its major components and to depreciate each component separately over its useful economic life. The Company considers whether there are any indications that the useful lives require revision at each reporting date to ensure that they remain appropriate.

3a. TURNOVER AND OPERATING (DEFICIT)/SURPLUS

	Turnover	2020 Operating costs	Surplus/ (deficit)	Turnover	2019 Operating Costs	Surplus/ (deficit)
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
Income and expenditure from lettings						
Supported housing – residential (note 3b)	9,233	(8,875)	358	8,612	(8,238)	374
Other income and expenditure						
Fund raising	985	(563)	422	993	(457)	536
Non-residential services	1,785	(2,262)	(477)	1,800	(2,288)	(488)
Total	12,003	(11,700)	303	11,405	(10,983)	422

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

3b. INCOME AND EXPENDITURE FROM SOCIAL HOUSING

	2020	2019
	All Supported Housing Accom- modation £'000's	All Supported Housing Accom- modation £'000's
Income from lettings		
Rent receivable	1,985	1,912
Service charges receivable	2,516	2,298
Net rents receivable	4,501	4,210
Supporting People Grant	3,486	3,320
Other income	1,246	1,082
Total income from lettings	9,233	8,612
Expenditure on lettings		
Management	5,349	4,993
Services	1,967	1,891
Routine maintenance	768	770
Planned maintenance	450	263
Bad debts	96	156
Depreciation of properties	245	165
Total expenditure on lettings	8,875	8,238
Operating surplus on social housing lettings	358	374
Rent losses from voids	333	340

4. SURPLUS ON ORDINARY ACTIVITIES

	2020 £'000's	2019 £'000's
Surplus on ordinary activities is stated after charging/(crediting)		
Depreciation of housing properties	245	165
Depreciation of other fixed assets	480	356
Auditors' remuneration:-		
In their capacity as auditors	19	22
In respect of other services		
Staff costs (note 6)	7,189	6,874
Amortisation of government grants	(121)	(117)
Other Equipment lease charges	18	17
Land and Buildings lease charges	320	309

NOTES TO THE FINANCIAL STATEMENTS

For the year ending 31 March 2020

5. TAXATION

No taxation charge arises as the Company is a registered charity and is exempt from tax on charitable activities.

6. STAFF COSTS

	2020 £'000's	2019 £'000's
Staff costs including the Senior Management Team		
Wages and salaries	6,463	6,215
Social security costs	532	516
Other pension costs	194	143
	<u>7,189</u>	<u>6,874</u>

Average number of full time equivalent persons (including the Chief Executive) employed during the year:

	Number	Number
Management	8	8
Administration	40	37
Housing support services	215	211
Total employees	<u>263</u>	<u>256</u>

7. DIRECTORS' EMOLUMENTS

	2020 £'000's	2019 £'000's
Emoluments of the Senior Management Team (including pension contributions)	<u>392</u>	<u>381</u>
The emoluments of the Senior Management Team disclosed above include amounts paid to:		
The Chief Executive, being the highest paid director (excluding pension contributions)	<u>71</u>	<u>70</u>

The Chief Executive is entitled to membership of the defined pension contribution pension scheme operated by the company. No special terms or individual pension arrangements apply to this post, except for those common to a number of staff who transferred different arrangements from an earlier scheme. Employer pension contributions in respect of the Chief Executive amounted to £4k (previous year £4k).

Apart from the Chief Executive, no other employees were paid in excess of £60k (previous year: one employee, funded by a third party organisation).

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

The Board of Directors consists of twelve Non-Executive Directors and one Executive Director (Chief Executive). The emoluments of the Chief Executive are included within the Senior Management Team emoluments.

The Non-Executive Directors receive no emoluments.

8. TANGIBLE FIXED ASSETS – HOUSING PROPERTIES

	Housing properties held for letting £'000's
COST	
At 1 April 2019	14,381
Additions	824
At 31 March 2020	<u>15,205</u>
LESS: DEPRECIATION	
At 1 April 2019	2,567
Charge for the year	245
At 31 March 2020	<u>2,812</u>
NET BOOK VALUE	<u>12,393</u>
At 31 March 2020	
At 31 March 2019	<u>11,814</u>
The above net book value comprises:	
Freehold properties	11,405
Short term Leasehold properties	988
	<u>12,393</u>

As at 31 March 2020 there was property under development of £519k (previous year: £nil)

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

9. OTHER PROPERTY, PLANT & EQUIPMENT

	Short term Leasehold properties (non- housing) £'000's	Computer equipment £'000's	Furnishings and fittings £'000's	Total £'000's
COST	530	1,913	1,712	4,155
At 1 April 2019	25	49	33	107
Additions				
At 31 March 2020	555	1,962	1,745	4,262
ACCUMULATED DEPRECIATION				
At 1 April 2019	207	1,332	1,156	2,695
Charge for the year	26	301	153	480
At 31 March 2020	233	1,633	1,309	3,175
NET BOOK VALUE				
At 31 March 2020	322	329	436	1,087
At 31 March 2019	323	581	556	1,460

10. UNITS IN MANAGEMENT

	2020 Number	2019 Number
Bed spaces	534	488

At the end of the year there were 32 units in development (2019: Nil).

11. DEBTORS

	2020 £'000's	2019 £'000's
Rental debtors	259	225
Less: Provision for bad debts	(109)	(137)
Net rental debtors	150	88
Other debtors	724	342
Prepayments	204	62
Accrued Income	149	119
	1,227	611

NOTES TO THE FINANCIAL STATEMENTS
For the year ending 31 March 2020
12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £'000's	2019 £'000's
Rental pre-payments	230	221
Accruals	171	76
Deferred Income	479	300
Trade creditors	256	404
Other taxation and social security costs	175	144
Housing loans	13	13
SHG due within one year	119	119
Provision for other debts	39	34
	<u>1,482</u>	<u>1,311</u>

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

	2020 £'000's	2019 £'000's
SHG to be released after one year	10,209	9,830
Housing loan	317	330
	<u>10,526</u>	<u>10,160</u>
Profile of Housing loan:		
Amount falling due 2-5 years	52	52
Amount falling due 5+ years	265	278
	<u>317</u>	<u>330</u>

The loan has a charge secured against John Austin Court payable to Unity Trust Bank over 20 years, paying interest at 2.75% above base rate (variable). At 31 March 2020 the net book value of John Austin Court was £1,699k (previous year £1,748k).

14. FINANCIAL INSTRUMENTS

The carrying values of the Company's financial assets and liabilities are summarised by category below:

Financial assets

Measured at undiscounted amount receivable

- Rent arrears and other debtors (see note 11)

Financial liabilities

Measured at amortised cost

- Loans payable (see note 13)

Measured at undiscounted amount payable

- Trade and other creditors (see note 12)

NOTES TO THE FINANCIAL STATEMENTS
For the year ending 31 March 2020
15. GOVERNMENT GRANT AMORTISATION MOVEMENT

	2020 £'000's	2019 £'000's
Deferred income – Grants		
As 1 April 2019	9,949	9,991
Grants received	500	75
Amortisation to Statement of Comprehensive Income	(121)	(117)
At 31 March 2020	<u>10,328</u>	<u>9,949</u>
Amortisation within one year	<u>119</u>	<u>119</u>
Amortisation after one year	<u>10,209</u>	<u>9,830</u>

The total value of grants received prior to any amortisation is £12,274k (2019: £11,774k).

16. SHARE CAPITAL

The Company is limited by guarantee and does not have any share capital.

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

	2020 £'000's	2019 £'000's
Operating surplus for the year	303	422
Movement in debtors	(616)	442
Movement in creditors	171	45
Depreciation	724	520
Amortisation of grant	(121)	(117)
Net cash flow from operating activities	<u>461</u>	<u>1,312</u>

18. CAPITAL COMMITMENTS

	2020 £'000's	2019 £'000's
Capital expenditure contracted for but not provided for in the financial statements	<u>1,532</u>	<u>-</u>
Capital expenditure authorised but not yet contracted for	<u>634</u>	<u>792</u>

NOTES TO THE FINANCIAL STATEMENTS**For the year ending 31 March 2020**

The capital expenditure authorised but not yet contracted for, relates to St Basil's capital programme for the coming year, and is funded from St Basil's own reserves. Grants and donations will be sought where possible

19. OPERATING LEASE COMMITMENTS

At 31 March 2020 the company had total minimum lease payments under non-cancellable operating leases as follows:

Other equipment leases:-

	2020 £'000's	2019 £'000's
Expiry Date		
Less than 1 year	43	18
Between 2 and 5 years	86	54
After more than 5 years	-	-
	<u>129</u>	<u>72</u>

Land & Building leases:-

	2020 £'000's	2019 £'000's
Expiry Date		
Less than 1 year	115	309
Between 2 and 5 years	416	383
After more than 5 years	862	923
	<u>1,393</u>	<u>1,615</u>

20. LEGISLATIVE PROVISIONS

The Company is a registered charity, a company limited by guarantee incorporated under the Companies Act 2006, and is a Registered Provider of Social Housing.

21. PENSION COMMITMENTS

The Company operates two defined contribution pension schemes. The assets of the schemes are held separately from those of the Company in independently administered funds. The pension charges as detailed in note 6 represents contributions payable by the Company to the funds.

At 31 March 2020, pension contributions still to be paid into the pension fund amounted to £39k (£25k in the previous year), and these were paid in April 2020. This obligation is included in creditors on the Balance Sheet.

22. RELATED PARTIES

Sara Fowler was a non executive director of BHSF Group Ltd which provides financial support for St Basil's staff to cover medical costs, on a voluntary basis. St Basil's arrangements with BHSF pre-dated her appointment as a non executive director of BHSF. Sara could not use her position to her advantage.

NOTES TO THE FINANCIAL STATEMENTS
For the year ending 31 March 2020
23. RESTRICTED RESERVES

Restricted Reserve	Opening Balance	Expenditure	Closing Balance
	£'000's	£'000's	£'000's
Young Men's Fund	7	7	0
Young Women's Fund - Shelter	134	3	131
Young Women's Fund - Hardship	<u>73</u>	<u>9</u>	<u>64</u>
Total Restricted Reserves	<u>214</u>	<u>19</u>	<u>195</u>

Young Men's hardship fund was established in 2010/11 to provide grants and other relief to young men in financial hardship.

Young Women's Fund (Shelter) was established in 2009, to provide grants and other relief of young women's hardship in Birmingham.

Young Women's Fund (Hardship) was established in 2011/12, to provide grants and other relief of young women's hardship.

