

The Ashley Foundation
Company Limited By Guarantee
Financial Statements
For
31 May 2005

Charity Number 1063208

The Ashley Foundation Company Limited By Guarantee

Members of the Board and Professional Advisers

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The Ashley Foundation Company Limited By Guarantee

Members of the Board and Professional Advisers

The board of trustees	Mr P Bamber Mr M Hage Mr R Alleway Mr N Bramhall
Company secretary	Mr L Dribben
Registered office	81 Abingdon Street Blackpool Lancashire FY1 1PP
Auditors	Beckett & Co Chartered Accountants & Registered Auditors 85 Abingdon Street Blackpool Lancashire FY1 1PP
Bankers	Yorkshire Bank plc 2/4 Abingdon Street Blackpool Lancashire FY1 1DR
Solicitors	Coope Purvis & Taylor 90 Whitegate Drive Blackpool Lancashire FY3 9DA

The Ashley Foundation Company Limited By Guarantee

Chairman's Statement

Year Ended 31 May 2005

This was the 8th full year of operation for the charity and a lot has happened in that time.

In our Blackpool hostels, the occupancy was (last year in brackets) Elm House 117 (141), Oak House 74 (111) and Holly House 38 (39). The flats at Cedar Lodge and Birch Lodge were constantly occupied, which was as expected. At Blackburn, Union House had 80 (58) residents. The capacity of Union House has been increased by 10 bedrooms over the period

We currently employ 25 full time staff and 3 part time staff but we still rely heavily on the work of our volunteer counsellors and volunteer mentors who willingly give their time to assist with the day to day running of the charity. The Ashley Foundation recognises the value of the 'volunteer' and so, in that respect, special thanks are once again extended to them for their efforts and hard work.

Similar to last year the effect of our Support Team (overseen by our Senior Support Officer Debbie Ellis) means residents are staying longer and working closer than ever with them. This has resulted in occupancy figures being lower.

Our dedicated team of Support Officers are based at each of the hostels. Their main aim and objective being the development of strategies which encourage the residents to take control of their own lives, by developing the skills necessary for independent living. As always, these aims and objectives are achieved by offering practical support, advice, assistance, advocacy, representation and counselling.

We continue to network with specialist agencies such as mental health services, drug and alcohol agencies, debt management schemes, mentoring projects and probation services to name but a few. We also have links with, and invite on-site, personnel from educational establishments and we offer social and life skills courses together with other projects for our residents to access.

At The Ashley Foundation we are very aware of the need to provide an effective and successful resettlement service to our residents and we understand that it is a crucial part of the process of getting someone "back on their feet" in order for them to be able to live an independent life.

Resettlement is not just about moving people through the hostel system. It is also about providing the appropriate and flexible support to help people maintain their home. A failed tenancy is traumatic not only for the person concerned but can also be costly for the housing provider. Preventing failed tenancies by effective resettlement helps to make best use of the very limited housing stock, particularly in the Blackpool area.

Of course it's not all about the resident. The key to a successful move-on is dependant on having the right person for the job. A proficient Resettlement Officer will possess good communication, negotiation and advocacy skills, he/she will know how to assess clients and be knowledgeable in a wide range of areas such as welfare benefits and housing legislation, tenancy rights, training and employment issues, application procedures for gas, electricity and water and many other points which are important in the process of resettlement.

We have the right person! Carole Morley joined us as Resettlement Officer back in April 2004 and has successfully established and maintained numerous and valuable links with private sector landlords and letting agents in Blackpool. Since taking up her post Carole has resettled 51 residents into their own accommodation during the period May 2004 - August 2005. Of those, 33 were classed as successful moves where the tenant is still living independently.

7 years ago, when we started out, we didn't have the luxury of Support Staff and this work was largely carried out by Hostel Managers and the Chef / Housekeepers, unnoticed and unrecognised. Our managers continue to create the safe and comfortable environment enabling our residents to take advantage of our newer services. May I take this opportunity to extend the Trustees thanks for their continued hard work together with that of the Duty Night Supervisors. These members of our team are truly the engine room which drives the Foundation.

The Ashley Foundation Company Limited By Guarantee

Chairman's Statement

Year Ended 31 May 2005

Since September 2003 the board of trustees has comprised of Neville Bramhall, Roy Alleway, Mark Hage, Peter Foy and myself. Due to health reasons, Peter Foy resigned. I would like to thank Peter (one of the original 3 trustees) for his past contributions and influence over the development of The Ashley Foundation.

In March 2005, Alf Normington was co-opted onto the board of trustees and having made a useful contribution to the Board I hope that, at our AGM, the members will ratify his Board membership by election.

By way of background, I have known Alf for some 12 years + and can assure our members that he will play an active role in the Foundation.

I would also like to thank my fellow trustees for their continued dedication and hard work to our cause.

There has been no change since the last report with regards to the number of properties we own. We currently own 3 of our 7 properties, which includes Oak House, Cedar Lodge and our main office at Abingdon Street. We still lease Elm House, Holly House and Birch Lodge and we continue to operate Union House at Blackburn under a licence agreement.

For some time now we have been looking at sources of additional funding for The Ashley Foundation. Currently our only source of income is restricted to Housing Benefit, Supporting People and Residents Contributions.

In August 2005, we began implementing our fundraising strategy. We have concentrated our attempts to raise monies for certain specific projects. These projects included a computer suite, a minibus and a new post for an in-house Therapeutic Drug and Alcohol Worker.

To date we have received a cheque for £2,500 from The Abbey Charitable Trust (September 2005) for the purchase of 5 new computer packages and we have also received a Garden Shed donated by B&Q to go on our new allotment site at Layton Road in Blackpool.

In addition, we are trying to raise funds from events, such as Race Nights and Casino Nights, raffles and charity runs.

Like all charities, there are certain factors which can affect the achievement of our aims and objectives. The Ashley Foundation is under increasing external pressure from stakeholders, the public and government, to improve accountability and to meet enhanced standards of regulation. We welcome and fully support these trends, which are reflected in continuing efforts to improve service standards. To this end we have continued to develop and add to many of our existing policies and procedures.

Our Service Review took place during August 2004 and the SP Team visited our office, hostels and move-on flats in order to evaluate and verify the standard of the services we provide. However, the Review was not only about visiting our properties but it also involved an enormous amount of paperwork, mainly the completion of the QAF (Quality Assessment Framework) workbook. This workbook covered specific areas ranging from Needs and Risk Assessment to Security, Health and Safety to Fair Access, Diversity and Inclusion. In all there were 6 objectives to be completed with evidence needing to be provided as endorsement.

I am delighted to say that we received our Full Accreditation Certificates for all of our hostels and flats from Blackpool Borough Council. So a big thank you must go to all our staff, volunteers, members and residents for the hard work which was done in achieving this success.

The ODPM Supporting People Team has now issued 2 more core objectives which will take effect from April 2006. These objectives are:-Empowerment and Rights and Responsibilities. Debbie Ellis and our Support Admin Officer, Laura Cooper, are currently working to develop our policy.

The Ashley Foundation Company Limited By Guarantee

Chairman's Statement

Year Ended 31 May 2005

Since the last report The Ashley Foundation has also been involved with the newly formed Homeless Partnership Group, which also links into the Council's Homeless Core Strategy Group and is made up of homeless accommodation providers, the council and other statutory bodies, such as the Police. The group was initially established for the purpose of acting as a networking tool and information exchange, where group members could be kept informed of any developments in the 'homeless world' and to see if standards could be raised or improved in all our working methods.

The past 12 months have been both rewarding and tough. We have achieved a lot and have faced many challenges. Our future strategy continues to focus on delivering quality services and providing support to our residents, helping them to improve their self-confidence, self-esteem, learn essential life and social skills and ultimately to prepare for independent living.

One of our main aims this year has been to increase public awareness of The Ashley Foundation. One way which we have successfully achieved this is through the publication of our very own newsletter The Taffy Times. Issue 3 is due out in Winter 2005. We are also on the verge of launching our new website (www.theashleyfoundation.org.uk) which is excellent progress.

We have many un-sung heroes / heroines within the organisation, from trustees to staff, members and residents, I would like to thank them all for their dedication and hard work. It is always "political suicide" to name one or two without a mention for others but who cares, I'm the Chairman (at least for now!).

I feel it necessary to single out Laura Cooper and my fellow Trustee Roy Alleway, both of whom have been fundraising and promoting the work of The Ashley Foundation with great success.

Thanks to all for the support you give me as Chairman. It's a pleasure to give my time FREELY!!!!!!!!!!

The Ashley Foundation Company Limited By Guarantee

Trustees Annual Report

Year Ended 31 May 2005

The trustees, who are also Directors for the purposes of the Companies Act, present their report and the financial statements of the charity for the year ended 31 May 2005.

The chairman's full statement should be read in conjunction with this report.

LEGAL STATUS

The charity was formed in May 1997, incorporated under the Companies Act 1985, and is exempt under section 30 of the Act. The company is limited by guarantee and is governed by its memorandum and articles of association.

The company is a registered charity, charity number 1063208.

OBJECTIVES OF THE ASHLEY FOUNDATION

The principal objective of the charity throughout the year was the relief of poverty by the provision of accommodation to persons in need.

ORGANISATION

The charity has no other charities or organisations connected with it.

FINANCIAL CONTROLS

All financial control is administered from the company's' main offices.

INVESTMENT POWERS AND RESTRICTIONS

The company currently has no investments subject to restrictions.

REVIEW OF DEVELOPMENTS, ACTIVITIES AND ACHIEVEMENTS

A review of the development, activities and achievements of the charity are included in the chairman's statement.

A reserves policy has been adopted which aims to provide financial stability for the charity. It is intended to maintain unrestricted funds at a level of at least one months operating expenditure.

THE TRUSTEES

The trustees who served the charity during the period were as follows:

Mr A Cohen
Mr P Bamber
Mr P D Foy
Mr M Hage
Mr R Alleway
Mr N Bramhall

Mr A Cohen retired as a trustee on 12 December 2004.

Mr P D Foy retired as a trustee on 20 April 2005.

The Ashley Foundation Company Limited By Guarantee

Trustees Annual Report *(continued)*

Year Ended 31 May 2005

TRUSTEES' RESPONSIBILITIES

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity at the end of the year and of the incoming and outgoing resources for the year then ended.

In preparing those financial statements, the trustees are required to select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent. The trustees must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 1985. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees do not consider there are any major risks to which the charity is exposed.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed on behalf of the trustees

MR P BAMBER
CHAIRMAN

Approved by the trustees on 10 October 2005

The Ashley Foundation Company Limited By Guarantee

Independent Auditors' Report to the Members of The Ashley Foundation

Year Ended 31 May 2005

We have audited the financial statements on pages 10 to 17 which have been prepared under the historical cost convention and the accounting policies set out on pages 12 to 13.

This report is made solely to the charity's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditors' 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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND THE AUDITORS

The trustees' (who also act as Directors for the charitable activities of the company) responsibilities for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities on pages 6 to 7.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

We are not required to consider whether the statement in the Trustees Annual Report concerning the major risks to which the charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charity's risk management and control procedures.

We read the Chairman's statement and the Trustees Annual Report and consider whether they are consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

The Ashley Foundation Company Limited By Guarantee

Independent Auditors' Report to the Members of The
Ashley Foundation *(continued)*

Year Ended 31 May 2005

OPINION

In our opinion the financial statements give a true and fair view of the charity's state of affairs as at 31 May 2005 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

85 Abingdon Street
Blackpool
Lancashire
FY1 1PP

10 October 2005

BECKETT & CO
Chartered Accountants
& Registered Auditors

The Ashley Foundation Company Limited By Guarantee

Statement of Financial Activities

Year Ended 31 May 2005

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2005 £	Total Funds 2004 £
Incoming Resources					
Donations, legacies and similar income	2	65	–	65	–
Activities in furtherance of the charity's objects:					
Income from hostels	3	1,088,663	–	1,088,663	1,045,084
Interest receivable	4	4,595	–	4,595	3,019
Total Incoming Resources		<u>1,093,323</u>	<u>–</u>	<u>1,093,323</u>	<u>1,048,103</u>
Resources Expended					
Charitable expenditure:					
Costs in furtherance of charitable objects	5	984,901	–	984,901	931,261
Management and administration	6	169,617	–	169,617	123,714
Total Resources Expended	7	<u>1,154,518</u>	<u>–</u>	<u>1,154,518</u>	<u>1,054,975</u>
Net Outgoing Resources for the Year		(61,195)	–	(61,195)	(6,872)
Balances brought forward		<u>204,119</u>	<u>–</u>	<u>204,119</u>	<u>210,991</u>
Balances carried forward		<u>142,924</u>	<u>–</u>	<u>142,924</u>	<u>204,119</u>

The charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

The notes on pages 11 to 17 form part of these financial statements.

The Ashley Foundation Company Limited By Guarantee

Balance Sheet

31 May 2005

	Note	2005 £	2004 £
Fixed Assets			
Tangible assets	8	406,191	412,405
Current Assets			
Stocks	9	850	850
Debtors	10	44,849	54,587
Cash at bank and in hand	11	49,854	121,944
		<u>95,553</u>	<u>177,381</u>
Creditors: Amounts falling due within one year	12	<u>(56,371)</u>	<u>(57,036)</u>
Net Current Assets		39,182	120,345
Total Assets Less Current Liabilities		445,373	532,750
Creditors: Amounts falling due after more than one year	13	(302,449)	(328,631)
Net Assets		<u>142,924</u>	<u>204,119</u>
Funds			
Restricted		-	-
Unrestricted		<u>142,924</u>	<u>204,119</u>
TOTAL FUNDS		<u>142,924</u>	<u>204,119</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the board of trustees on the 10 October 2005 and are signed on their behalf by:

Mr P Bamber
CHAIRMAN

The notes on pages 11 to 17 form part of these financial statements.

The Ashley Foundation Company Limited By Guarantee

Notes to the Financial Statements

Year Ended 31 May 2005

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2000) and the Companies Act 1985, subject to the departures referred to below.

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small.

Donations

Donations are credited to the statement of financial activities as received. Unless specifically provided for by the donor, all donations are treated as unrestricted.

Netting off of income and expenditure

Related income and expenditure are generally not netted off unless the amount is not material so as to distort the view given by the accounts.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Office equipment	- 50% on cost straight line (but see below)
Motor vehicle	- 25% on cost or net book value
Freehold property	- no provision made

The charity's freehold premises have been maintained satisfactorily such that the residual value, based on prices prevailing at the time of acquisition or subsequent revaluation, of this property is at least equal to the book value. Having regard to this, it is the opinion of the trustees that depreciation of this property as required by the Companies Act 1985 and accounting standards would not be material.

Computer equipment (which is included in office equipment) purchased is written off in full in the year of acquisition. This is a change in accounting policy from previous years where computer equipment was written off in full in the year following purchase. In the year to 31st May 2005 computer equipment of £20,788 was acquired. Without the change in policy, the outgoing resources for the year ended 31st May 2005 would have been reduced by this amount.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Operating lease agreements

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

The Ashley Foundation Company Limited By Guarantee

Notes to the Financial Statements

Year Ended 31 May 2005

1. ACCOUNTING POLICIES *(continued)*

Incoming resources

Voluntary income such as donations and grants are included in incoming resources when they are received except where the donor specifies that they must be used in future accounting periods or donor's conditions have not been fulfilled, in which case the income is deferred.

Housing benefit is included on a receivable basis, provision being made for amounts due to the charity at each financial year end.

Residents income is included on a received basis. The charity does not vigorously pursue the non-payment of residents contributions given that to do so would effectively contradict "the relief of poverty" part of the charity's principal objective.

Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis.

Expenditure which is directly attributable to specific areas of the charity's activities has been included in the appropriate cost category. Where costs are attributable to more than one activity they have been apportioned between the various categories on basis consistent with the use of these resources.

Administration expenditure includes all expenditure which is not incurred directly in furtherance of charitable objects or fundraising events. These include administrative salaries, costs of running office premises and professional fees, including auditors remuneration.

2. DONATIONS, LEGACIES AND SIMILAR INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2005 £	<i>Total Funds</i> 2004 £
Donations receivable	<u>65</u>	<u>-</u>	<u>65</u>	<u>-</u>

3. INCOME FROM HOSTELS

	2005 £	2004 £
Housing benefit and Supporting People income receivable	1,059,901	1,014,378
Residents contributions received	28,762	30,706
	<u>1,088,663</u>	<u>1,045,084</u>

4. INTEREST RECEIVABLE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2005 £	<i>Total Funds</i> 2004 £
Bank interest receivable	4,562	-	4,562	2,998
Interest on designated account held by solicitor	<u>33</u>	<u>-</u>	<u>33</u>	<u>21</u>
	<u>4,595</u>	<u>-</u>	<u>4,595</u>	<u>3,019</u>

The Ashley Foundation Company Limited By Guarantee

Notes to the Financial Statements

Year Ended 31 May 2005

5. COSTS IN FURTHERANCE OF CHARITABLE OBJECTS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2005 £	<i>Total Funds 2004 £</i>
Provision of charitable services:				
Accommodation and support	<u>984,901</u>	-	<u>984,901</u>	<u>931,261</u>

Analysis of provision of charitable services:

	Staff costs £	Depreciation £	Other costs £	Total 2005 £	<i>Total 2004 £</i>
Accommodation and support	<u>443,787</u>	<u>3,110</u>	<u>538,004</u>	<u>984,901</u>	<u>931,261</u>

Analysis of other costs:

Food, provisions and paper consumables	54,325				47,743
Laundry costs	3,413				2,162
Licence agreement payments			259,353		236,524
Rent			51,236		66,659
Rates & water			11,199		9,844
Light and heat			13,637		13,863
Sundry expenses			15,114		17,179
Telephone costs			2,878		5,758
Insurance			33,554		33,873
Television costs			2,818		3,313
Repairs and maintenance			86,558		138,080
Motor & travelling expenses			3,808		8,124
Printing, postages & stationery			111		-
			<u>538,004</u>		<u>583,122</u>

The amounts for the year ended 31st May 2004 are shown for comparative purposes only.

The Ashley Foundation Company Limited By Guarantee

Notes to the Financial Statements

Year Ended 31 May 2005

6. MANAGEMENT AND ADMINISTRATION

	Unrestricted Funds £	Restricted Funds £	Total Funds 2005 £	<i>Total Funds</i> 2004 £
Salaries	90,060	-	90,060	83,573
Office costs	45,012	-	45,012	18,833
Accountancy fees	5,105	-	5,105	3,822
Audit fees	3,055	-	3,055	2,938
Legal and professional fees	3,013	-	3,013	3,957
Costs of trustees' meetings	277	-	277	75
Interest payable	23,095	-	23,095	10,516
	<u>169,617</u>	<u>-</u>	<u>169,617</u>	<u>123,714</u>

Accountancy fees of £ 5,105 (2004 - £3,822) are payable to the auditors for assistance with the preparation of the financial statements, fund flow projections and payroll services.

Included in office costs above are the establishment costs of the administration premises and also includes depreciation of computer equipment of £20,787 (2004 - £1,317).

7. TOTAL RESOURCES EXPENDED

	Staff costs £	Depreciation £	Other costs £	Total Funds 2005 £	<i>Total Funds</i> 2004 £
Direct charitable expenditure	443,787	3,110	538,004	984,901	931,261
Management and administration	90,060	24,478	55,079	169,617	123,714
	<u>533,847</u>	<u>27,588</u>	<u>593,083</u>	<u>1,154,518</u>	<u>1,054,975</u>

The aggregate payroll costs were:

	2005 £	2004 £
Wages and salaries	482,365	384,355
Social security costs	44,538	35,709
Other pension costs	6,944	9,444
	<u>533,847</u>	<u>429,508</u>

Particulars of employees:

The average number of staff employed by the charity during the financial year amounted to:

	2005 No	2004 No
Administrative staff	2	2
Hostel services staff	20	19
Support services staff	7	3
	<u>29</u>	<u>24</u>

The Ashley Foundation Company Limited By Guarantee

Notes to the Financial Statements

Year Ended 31 May 2005

7. TOTAL RESOURCES EXPENDED *(continued)*

	2005 £	2004 £
Other costs:		
Premises	224,080	292,977
Legal and professional	11,173	10,717
Other	357,830	317,352
	<u>593,083</u>	<u>621,046</u>

No emoluments were paid to directors or trustees in the year ended 31st May 2005 (2004 - nil).

There was no employees paid above £50,000 in the year ended 31st May 2005 (2004 - nil).

Expenses were paid to 2 trustees in the year totalling £421 (2004 - £235) for travelling and accommodation.

8. TANGIBLE FIXED ASSETS

	Office equipment £	Hostel fixtures £	Motor vehicles £	Freehold property £	Total £
Cost					
At 1 June 2004	15,001	59,338	11,752	400,691	486,782
Additions	21,374	—	—	—	21,374
At 31 May 2005	<u>36,375</u>	<u>59,338</u>	<u>11,752</u>	<u>400,691</u>	<u>508,156</u>
Depreciation					
At 1 June 2004	9,897	59,338	5,142	—	74,377
Charge for the year	24,478	—	3,110	—	27,588
At 31 May 2005	<u>34,375</u>	<u>59,338</u>	<u>8,252</u>	<u>—</u>	<u>101,965</u>
Net Book Value					
At 31 May 2005	<u>2,000</u>	<u>—</u>	<u>3,500</u>	<u>400,691</u>	<u>406,191</u>
At 31 May 2004	<u>5,104</u>	<u>—</u>	<u>6,610</u>	<u>400,691</u>	<u>412,405</u>

Included in the net book value of assets above are assets totalling £336,190 (2004 - £339,301) used for direct charitable purposes and assets totalling £70,000 (2004 - £73,104) employed for administrative purposes.

The trustees have reviewed the value of the office equipment and motor vehicles and have provided for a permanent diminution in value as at 31st May 2005. These provisions are included in the depreciation charge and amount to £845 and £1,457 respectively.

The Ashley Foundation Company Limited By Guarantee

Notes to the Financial Statements

Year Ended 31 May 2005

9. STOCKS

	2005	2004
	£	£
Stock	<u>850</u>	<u>850</u>

The figure above represents stock of food as at 31st May 2005 of £ 750 - (2004 - £750) and cleaning and paper consumables of £ 100 - (2004 £ 100).

10. DEBTORS

	2005	2004
	£	£
Housing benefit receivable	20,244	45,556
Prepayments	<u>24,605</u>	<u>9,031</u>
	<u>44,849</u>	<u>54,587</u>

11. CASH AT BANK AND IN HAND

	2005	2004
	£	£
Bank current accounts	47,589	117,869
Monies held by solicitors	–	2,210
Cash in hand	<u>2,265</u>	<u>1,865</u>
	<u>49,854</u>	<u>121,944</u>

12. CREDITORS: Amounts falling due within one year

	2005	2004
	£	£
Bank loans and overdrafts	28,575	30,010
PAYE and social security	12,083	10,898
Amounts due to suppliers	4,700	3,872
Other creditors	55	531
Accruals	<u>10,958</u>	<u>11,725</u>
	<u>56,371</u>	<u>57,036</u>

The bank loan is secured by way of first legal charge on freehold properties and by a debenture over the assets of the charity.

13. CREDITORS: Amounts falling due after more than one year

	2005	2004
	£	£
Bank loans and overdrafts	<u>302,449</u>	<u>328,631</u>

The bank loan is secured by way of first legal charge on freehold properties and by a debenture over the assets of the charity.

The Ashley Foundation Company Limited By Guarantee

Notes to the Financial Statements

Year Ended 31 May 2005

14. BANK LOANS

Creditors include bank loans which are due for repayment as follows:

	2005 £	2004 £
Amounts repayable:		
In one year or less or on demand	28,575	30,010
In more than one year but not more than two years	30,629	31,861
In more than two years but not more than five years	105,736	107,865
In more than five years	166,084	188,905
	<u>331,024</u>	<u>358,641</u>

15. COMMITMENTS UNDER OPERATING LEASES

At 31 May 2005 the charity had annual commitments under non-cancellable operating leases as set out below.

	Land and buildings	
	2005 £	2004 £
Operating leases which expire:		
Within 1 year	6,372	6,372
After more than 5 years	46,404	43,764
	<u>52,776</u>	<u>50,136</u>

16. RELATED PARTY TRANSACTIONS

The charity has a licence agreement with Union House Accommodation Services Limited to utilise Union House in Blackburn as hostel accommodation for single homeless persons.

The majority shareholder of Union House Accommodation Services Limited is the father of the chairman of trustees, Mr Paul Bamber.

In the year ended 31st May 2004, The Ashley Foundation received income of £296,948 (2004 - £262,804) and paid £267,254 (2004 - £236,524) to Union House Accommodation Services Limited in respect of this agreement.

17. COMPANY LIMITED BY GUARANTEE

The Ashley Foundation is a company limited by guarantee, registered under the Companies Act 1985 registration number 3366712 and is governed by its memorandum and articles of association.