

Trustees' Report and Financial Statements

NOAH Enterprise

For the year ended 31 March 2011

Company registration number: 3248392

Charity number: 1059672

NOAH Enterprise, Company number 03248392

Trustees' Report and Financial Statements

Year ended 31 March 2011

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NOAH Enterprise, Company number 03248392

Officers and Professional Advisers

The Board of Trustees	Rev A Blyth (Chair) A W Gray R W Gough (Treasurer) Lord McKenzie K MacRitchie Dr P J Ward Rev R O'Neill
Secretary	J O'Connor
Chief Executive	J O'Connor
Registered Office	141 Park Street Luton Bedfordshire LU1 3HG
Head Office	141 Park Street Luton Bedfordshire LU1 3HG
Auditors	MacIntyre Hudson LLP Chartered Accountants & Registered Auditors 31 Castle Street High Wycombe Buckinghamshire HP13 6RU
Bankers	The Co-operative Bank 80 Cornhill London EC3V 3NJ

NOAH Enterprise, Company number 03248392

Report of the Trustees

Year ended 31 March 2011

The Board of Trustees, who are also the directors of the charitable company, have pleasure in presenting their Report and the financial statements of the charitable company for the year ended 31 March 2011.

Structure, Governance and Management:

Governing document

As the charitable company ("charity") is limited by guarantee, no shares are held in the charity. The governing document of the charity is the Memorandum and Articles of Association. The charity was incorporated on 11 September 1996. Charity registration was given on 12 December 1996.

Organisation Structure

The Board of Trustees is responsible for the strategic management of the organisation and may co-opt new Members between General Meetings at which time their appointment is ratified.

The Board has reviewed the nature of its governance in the context of NOAH Enterprise's growth and relatively rapid expansion. As a result the Trustees now hold 'business' meetings five times per annum and have added 2 further meetings solely dedicated to strategic development. In addition, the Chair meets with the Chief Executive frequently to discuss longer-range agenda items as well as strategic implementation and short-term issues or constraints.

Trustees are recruited via recommendations from existing Trustees, and there is a prescribed, structured induction process. On-going training is by input from the Chief Executive and Company Secretary as well as by attendance at relevant and appropriate events and courses.

Board of Trustees

The Board of Trustees who served during the year were as follows:

Rev A Blyth
A W Gray
R W Gough
Lord McKenzie – appointed 15 December 2010
K MacRitchie
Dr P J Ward
Rev R O'Neill

Risk Management

The Board of Trustees has examined the major strategic, business and operational risks which the charity faces and confirms that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. The Board of Trustees continue to seek to establish the creation of adequate reserves to ensure that the work of the Charity can continue to avoid disruption of the service to beneficiaries which may happen as a result of the volatile and uncertain nature of charity income.

Objectives and Activities:

Principal activities

NOAH Enterprise is an incorporated charity based in Luton which seeks, out of Christian conviction, to help the most disadvantaged in the local community. Particularly, it is focused on people who are homeless or at risk of being homeless, and others who are marginalised and socially excluded. It provides a day-care welfare service, arranges training in life and basic skills and combines that with a Social Enterprise which trades in restored furniture and white goods as well as the traditional charity shop clothing and bric-a-brac products. This social business, apart from generating an income, is a key component of NOAH's holistic approach to supporting individuals who are extremely socially excluded in improving the quality of their lives. It provides them with structure where before there was chaos, skills and work experience where there has been long-term unemployment, an empathetic social environment, and all of this combines to increase the self-confidence, -esteem and -respect of those involved.

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Report of the Trustees *(continued)*

Year ended 31 March 2011

The combination of our welfare and social enterprise has the objective of providing primary and supportive social care in the first instance and complementing that with training and work-experience processes which add so much to an individual's rehabilitation and provide a bridge to re-integration back into the community.

Charity Objectives

NOAH Enterprise seeks, out of Christian conviction, to help the most disadvantaged in the local community of Luton and South Bedfordshire. Particularly, it is focused on people who are homeless or at risk of being homeless, and others who are marginalised and socially excluded.

In order to meet its objectives the charity operates a number of projects as follows:-

- Welfare Centre
- Training facilities
- Social Enterprise

Public benefit

The Trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commissioners.

The Trustees believe that the projects listed above, and the achievements and outcomes recorded in this report, demonstrate that NOAH Enterprise prevents and relieves poverty, and advances education, health, community development, human rights and environmental protection through its holistic approach to meeting the needs of disadvantaged members of society in Luton and in a wider area within Bedfordshire.

Achievements and Performance in the Year:

A Year of Change and Challenge

The recession has impacted on NOAH Enterprise particularly through the withdrawal of certain statutory funding; capital and revenue projects have been affected. East of England Development Agency foreclosed on the capital investment that they had allocated to the build of our intended new premises, the Luton Ark. Luton Borough Council withdrew funding for our highly acclaimed Adults facing Chronic Exclusion (ACE) project which had been sponsored in the first instance by Government along with 11 other pilots to address resolution of the needs of the most excluded in the population. Our success in persuading those living on the streets to engage with our services and move towards independence and a better quality of life provided immense benefit to the individuals concerned, the local community, and statutory services by reducing demand on health services and impacting positively on anti-social behaviour. The Local Authority commissioned continuity of the service only to decommission almost immediately as a reaction to the recession.

Yet, despite these setbacks, our determination to support those most in need has seen us extend our weekend services, introduce a 7days-a-week 'soup kitchen' and open an emergency winter shelter. In every instance the work was initiated without firm financial commitment, but with a clear fundraising strategy. Support that NOAH provides can be identified in three broad categories – direct (food, clothing, an opportunity to clean-up, shelter), supplementary (medical and dental services, financial advice, counselling, outreach support) and developmental (work experience, skills training, recreational therapies – drama, music, art and literature). We call this holistic. As always this is made possible by the commitment, compassion, dedication and skills of the staff team complemented by treasured support from equally committed volunteers, positive involvement of partnership statutory and third sector agencies, and the generosity of those who invest in our work through grants and donations.

NOAH Enterprise, Company number 03248392

Report of the Trustees (continued)

Year ended 31 March 2011

Numbers accessing our services continue to increase and the age profile is changing gradually with the majority now being a younger clientele i.e. mid twenty to mid forty. The gender mix remains as 75% male, and the ethnic core remaining white British and Irish, but with increasing numbers of Eastern European, African and Asian service users although they are not a significant percentage of the whole. In all there are some 2,000 live cases on our database and we are working actively with 500. Daily attendance at our Welfare Centre is c100 while we have 100 long-term unemployed per annum coming to our Social Enterprise for work experience and skills training.

Our service is always proactive, working to help individuals improve their quality of life to the extent that they wish and have the capacity and commitment to achieve. It is very difficult if not high impossible to engage in this way if the person is homeless which is why finding accommodation for people who are on the streets or at risk of being so (e.g. sofa surfing) is a priority. Our commitment to this and our success in pursuing it can be measured by the 30 people we house per month, a huge number given our scarce resource base. With our Eastern European friends we have assisted in getting them passports, mainly as a means of official identification, and have arranged English lessons through a local college. Both of these initiatives vastly improve their chance of employment.

A real disappointment and sadness in the year was the withdrawal by Central Bedfordshire College (formerly Dunstable College) of their woodwork training programme from our Training Centre in High Town, Luton. This followed a strategic review undertaken by the College's new management team and was influenced by continually dropping student numbers. The excellent tuition provided over the past 15 years and the commitment and expertise of the tutors involved will be greatly missed. We will compensate in part for this through our furniture restoration activity within our Social Enterprise which provides an opportunity to learn some woodworking skills.

Despite the recession our Social Enterprise maintained market share. The recession has injected a particular urgency in developing NOAH's trading arm to provide increasing net return in order to counter current and potential future reductions in statutory and grant income. Consequently we have restructured the management and operation of the activity and are refreshing our retail outlets. The benefits of that will emerge in the coming financial year.

Financial Review

The year ended with a deficit of £57,559. Restricted funds reduced by £28,207 due to exhaustion of specific grants. Unrestricted funds, including designated, decreased by £29,352. Reserves total £923,323 of which £225,654 is restricted.

The budget for 2010-11 was set to achieve a result close to break-even. When funding for the continuation of the ACE programme to support adults facing chronic exclusion was withdrawn at short notice, NOAH took the decision to finance the programme itself from reserves, and this led to the reported deficit.

In summary:

	2011 £	2010 £
Income	1,253,045	1,366,499
Expenditure	1,310,604	1,296,485
Net income	(57,559)	70,014
Total funds	923,323	980,882

Budgets are set annually. Actual results are measured against budget on a monthly basis, analysed and reported on. Such reports are tabled to the Board of Trustees at each of the five 'Business' meetings per annum.

NOAH Enterprise, Company number 03248392

Report of the Trustees (continued)

Year ended 31 March 2011

The principal funding sources for NOAH Enterprise are statutory funding from central and local government, charitable trust funding, individual business, church and community group donations and contributions from social enterprise activity which also delivers tangible benefits to NOAH's target beneficiary group.

Details of NOAH's expenditure, showing the amounts expended under different headings against each of the main charitable activities is given in note 3 to the accounts on page 17.

Reserves Policy

It is the Board of Trustees' policy to keep a proportion of unrestricted funds in reserve to supplement the restricted fund balance. At the year end the unrestricted fund reserve was £697,669 of which £440,742 has been designated for particular purposes and £256,927 remains in general funds. The restricted fund balance was £225,654. The general funds would allow NOAH Enterprise to fulfil its charitable aims and objectives by being able to absorb in the short term any adverse consequences of a changing funding environment thereby ensuring continuous operation of its programme of work. Present policy is to build this reserve to provide 12 months' operational cover.

Contribution to the local community

Through the delivery of its declared objectives, NOAH Enterprise provides benefit to the community. It is the place where those who have fallen through every safety net come for support. For example, medical, mental health and dental services can access, through NOAH, a population that those services could not otherwise reach and can then deliver primary care that is not only remedial but preventative. Consequently NOAH makes a huge, positive contribution to the public purse.

But NOAH Enterprise activities have a broader 'ripple effect' of benefit. Through the social enterprise, opportunities are afforded to people who are long-term unemployed and we look to do that more extensively by playing a part in the Government's 'welfare to work' programme. Through this people not only gain work experience and vocational skills but also have a structure in their lives where perhaps chaos existed before. They are part of a social environment populated by fellow trainees and members of NOAH's staff who are understanding and empathetic. Through the whole process their self confidence and their self respect improve.

In addition the goods donated to NOAH for re-use which would otherwise be dumped in expensive landfill are instead made available for sale after restoration on a two-tier pricing system, with families/individuals in receipt of state income benefit getting a preferred discount. The net income generated is invested in the general work of NOAH Enterprise thereby making it less dependent on grants.

Contribution from the local community

We remain indebted to all of our volunteers and benefactors from various sections of the community who continue to donate in cash, in kind and through their involvement in delivering our services. Their contribution is not only generous, it is an encouraging sign of support for the work we do and the people for whom we care.

NOAH Enterprise, Company number 03248392

Report of the Trustees *(continued)*

Year ended 31 March 2011

NOAH's holistic approach

The span of work undertaken is concentrated in three specific functions.

Welfare

A proactive approach to supporting people who are homeless or at risk of being so is built on a wide range of practical services. These can be broadly categorised as (i) primary welfare – food, clothing, personal hygiene and (ii) complementary welfare – health services, counselling, resettlement, outreach, and recreational therapies. These services are made available through the direct commitment of 16 staff working out of our Welfare Centre which is open 365 days of the year. They include:

- Daily cooked breakfast (except at weekends) and lunch
- Clothing store
- Toilet and shower facilities
- Medical Services
- Dentistry
- Chiropody
- Laundry
- Resettlement support – finding accommodation, financial advice, and help with housing
- Advice on managing personal finance
- Advice on statutory income benefits
- Outreach support – helping homeless people obtain, maintain and sustain independent living
- Drug and alcohol counselling
- Soup Kitchen
- Emergency Winter Shelter
- Drama group
- Music group
- Art club
- Book Club
- Average attendance in excess of 100 per day and 1,000 unique individuals each year

Social Enterprise

NOAH's trading activity revolves around the restoration of furniture, the refurbishment of white goods and the retail of both. To this is added sale of new bulky household goods.

The process is structured around 3 Luton based retail outlets, a warehouse and a recycling/re-use centre. It is enabled by a fleet of 7 vehicles and undertaken by 14 front line staff supported by 100 volunteers p.a. It provides:

- more opportunities for work experience and skills training for those coming to us for support
- greater opportunities for consumers, especially those on restricted budgets
- the potential for making a greater net financial contribution to sustaining the work of NOAH
- the NOAH Shop trading in donated clothing and bric-a-brac employs 2 members of staff and 10 volunteers
- the **Furniture Warehouse** trading in new and pre-used furniture and white goods employs 3 staff and engages up to 50 volunteers
- Arkaid trading predominately in low cost new furniture and white goods employs 1 member of staff and 2 volunteers providing work experience in a modern retail setting
- Furniture restoration and white goods refurbishment activities employ 4 members of staff and 30 volunteers
- 5 vans for collections/deliveries employing 2 staff and 8 volunteers
- re-uses 400+ tons of what would otherwise be bulk waste

NOAH Enterprise, Company number 03248392

Report of the Trustees (continued)

Year ended 31 March 2011

The Future

The objective of NOAH Enterprise can be summarised as wishing to improve the quality of life of each person who comes into our care to the fullest extent that they are capable of and wish to do. That is the driving force behind all developments, planned and realised. It certainly applies to the establishment of the building that is the Luton Ark and in which the diverse services that NOAH provides will be brought together in a single location.

Despite having raised or had committed 80% of the funding required for the build, that has gradually disappeared because of the delay in getting full Local Authority support for the accommodation element, the lapse of planning consent and the recession. This combination puts the project at risk. The way forward is under review and contingent measures are being considered.

The current economic situation has reduced statutory and charitable funding for both revenue and capital projects. We are disappointed that front line services have been hit and the poorest in the community directly disadvantaged and we wait to see how Government's 'Big Society' will play out. Certainly, at this moment, there is a clear gap between Government intent and advocacy with regard to the protection of front line services and the greater involvement of the voluntary sector in their delivery and what the Local Authority is enacting. Regardless of this we have taken steps to ensure that we are ready to respond effectively to new initiatives through partnership options, pursuing productivity efficiencies and other cost-effective measures which will provide a win-win for both our service users and those who commission the services we can deliver. We remain more than ever committed to achieving optimum financial independence through our social enterprise and conversely reducing further any reliance on grant funding although we do believe that our society has a fundamental obligation to care for the poorest in their midst; it is a hallmark of a civilised society.

Board of Trustees' responsibilities

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

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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

NOAH Enterprise, Company number 03248392

Report of the Trustees *(continued)*

Year ended 31 March 2011

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's Auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

Auditors

MacIntyre Hudson LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Small company provisions

This Report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Registered office:
141 Park Street
Luton
Bedfordshire
LU1 3HG

Signed by order of the Board of Trustees

J O'Connor

Approved by the Board of Trustees on 20 July 2011

NOAH Enterprise, Company number 03248392

Independent Auditors' Report to the Members

Year ended 31 March 2011

We have audited the financial statements of NOAH Enterprise for the year ended 31 March 2011 which comprise the Statement of Financial Activities, the Balance Sheet, and related notes. The financial reporting framework that has been applied to their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the trustees and the auditors

As explained more fully in the Trustees' Responsibilities Statement set out on pages 7 and 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

NOAH Enterprise, Company number 03248392

Independent Auditors' Report to the Members *(continued)*

Year ended 31 March 2011

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit. or the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report.

31 Castle Street
High Wycombe
Buckinghamshire
HP13 6RU

BIANCA SILVA ACA
(Senior Statutory Auditor)
For and on behalf of
MACINTYRE HUDSON LLP
Statutory Auditor and Chartered Accountants

23 September 2011

NOAH Enterprise, Company number 03248392

Statement of Financial Activities

Year ended 31 March 2011

	Note	Unrestricted funds £	Restricted funds £	Total funds 2011 £	Total funds 2010 £
Incoming resources					
<i>Incoming resources from generated funds</i>					
Voluntary income					
Donations and Gift Aid recoveries		71,106	14,572	85,678	37,815
Grants - core funding / general	1	2,175	–	2,175	–
Investment income					
Interest		2,983	–	2,983	1,866
<i>Incoming resources from charitable activities</i>					
Grants	1	9,940	351,820	361,760	571,998
Day Centre and related services		217,957	–	217,957	209,084
Social Enterprise		540,244	–	540,244	544,991
		768,141	351,820	1,119,961	1,326,073
Other income		42,248	–	42,248	745
Total incoming resources		886,653	366,392	1,253,045	1,366,499
Resources expended					
<i>Costs of generating funds</i>					
	3	30,904	–	30,904	30,561
<i>Charitable activities</i>					
Development of Luton Ark	3	(8,918)	28,216	19,298	70,515
Welfare	3	231,862	317,559	549,421	528,525
Training	3	11,724	–	11,724	27,044
Social Enterprise	3	621,804	48,199	670,003	609,446
		856,472	393,974	1,250,446	1,235,530
<i>Governance costs</i>	3	29,254	–	29,254	30,394
Total resources expended		916,630	393,974	1,310,604	1,296,485
Net (outgoing)/incoming resources before transfers	4	(29,977)	(27,582)	(57,559)	70,014
Transfer between funds		625	(625)	–	–
Net movement in funds for the year		(29,352)	(28,207)	(57,559)	70,014
Funds at 1 April 2010		727,021	253,861	980,882	910,868
Resources available at 31 March 2011	11	£697,669	£225,654	£923,323	£980,882

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

All of the activities of the charity are classed as continuing except where indicated otherwise.

The accounting policies and notes on pages 13 to 21 form part of these financial statements.

NOAH Enterprise, Company number 03248392

Balance Sheet

31 March 2011

	Note	£	2011 £	2010 £
Fixed assets				
Tangible assets	5		174,348	<u>205,828</u>
Current assets				
Stocks		29,209		14,882
Debtors	7	108,695		94,736
Cash at bank and in hand		798,334		<u>863,293</u>
		936,238		972,911
Creditors: amounts falling due within one year	8	<u>187,263</u>		<u>197,857</u>
Net current assets			<u>748,975</u>	<u>775,054</u>
			<u>£923,323</u>	<u>£980,882</u>
Funds				
Unrestricted funds				
Designated funds	11		440,742	440,742
General funds	11		<u>256,927</u>	<u>286,279</u>
			697,669	727,021
Restricted funds	11		<u>225,654</u>	<u>253,861</u>
			<u>£923,323</u>	<u>£980,882</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved and authorised for issue by the Board of Trustees on the 20 July 2011 and are signed on their behalf by:

.....
Rev A Blyth

.....
R W Gough

The accounting policies and notes on pages 13 to 21 form part of these financial statements.

NOAH Enterprise, Company number 03248392

Accounting Policies

Year ended 31 March 2011

The principal accounting policies which are adopted in the preparation of the financial statements are set out below:

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006, and in accordance with the Financial Reporting Standard for Smaller Entities (FRSSE) (effective April 2008).

Cash flow statement

A cash flow statement has not been prepared on the grounds that the charity is exempt from the requirement to produce such a statement.

Recognition of incoming resources

These are included in the Statement of Financial Activities (SOFA) when the charity becomes entitled to the resources, the Trustees are virtually certain they will receive the resources and the monetary value can be measured with sufficient certainty.

All incoming resources and expenditure are reported gross in the SOFA.

Grants and donations

Income from voluntary sources such as collections, donations, grants and legacies, are credited when received and when the charity has unconditional entitlement to the resources.

Contractual income and performance related grants

This is only included in the SOFA once the services have been delivered.

Volunteer help

The value of volunteer help received is not included in the accounts but described in the Report of the Trustees.

Investment income

This is included when receivable.

Liability recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources and include any attributable VAT which cannot be recovered.

Cost allocation

Direct costs have been allocated directly to the appropriate charitable activity. Items of expenditure which contribute directly to more than one activity, and support costs, have been apportioned on the basis of full time equivalent staff numbers.

Cost of generating funds

These costs relate to the generation of voluntary income and investment income. They include fees for consultants, training and other resources, staff time and support costs.

Governance costs

Include costs of preparation and audit of statutory accounts, the costs of Trustee meetings and cost of any legal advice to Trustees on governance or constitutional matters.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources calculated by reference to use of staff time.

NOAH Enterprise, Company number 03248392

Accounting Policies *(continued)*

Year ended 31 March 2011

Funds accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with an allocation of support costs as permitted by the funder.

Unrestricted funds are donations and other income received for the objects of the charity without further specified purpose and are available as general funds.

Designated funds are amounts allocated by the Board of Trustees for specific purposes.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Leasehold property improvements	- over period of lease
Furniture and equipment	- 25% to 50% straight line
Motor vehicles	- 25% to 33.3% straight line
Bespoke computer software	- 33.3% straight line
Land and buildings	- not depreciated until brought into use

Pension contributions

The charity makes contributions to a group personal defined contribution pension scheme on behalf of its staff. Contributions are charged to the Statement of Financial Activities in the year in which they are payable in accordance with the FRSSE.

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.

Stocks

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

NOAH Enterprise, Company number 03248392

Notes to the Financial Statements

Year ended 31 March 2011

1. Grants

	Unrestricted funds £	Restricted funds £	2011 Total £	2010 Total £
Voluntary Income				
Grants from trusts				
Various	2,175	–	2,175	–
Income from charitable activities				
Grants from Trusts				
	–	34,750	34,750	10,000
Grants from statutory bodies				
Irish Government Emigrant Support Programme	–	109,105	109,105	117,056
ERDF	–	–	–	29,978
EEDA	–	28,841	28,841	116,346
EEDA – Commissioned by Luton Borough Council	9,940	–	9,940	–
EEDA – Tribal	–	11,985	11,985	–
Department of Health	–	–	–	39,204
Communities and Local Government	–	54,411	54,411	47,871
Luton Borough Council	–	110,740	110,740	110,740
	9,940	315,082	325,022	461,195
Deferred income released from previous years	–	29,264	29,264	130,067
Incoming resources deferred in the current year	–	(27,276)	(27,276)	(29,264)
Grants recognised in the current year	£12,115	£351,820	£363,935	£571,998

Grant income has been deferred where

- Resources are received before the charity has unconditional entitlement to them.
- Grant conditions require that resources are expended in a future period.

2. Staff costs and numbers

	2011 £	2010 £
Staff costs		
Salaries	683,833	713,024
Social security costs	60,858	62,685
Employer's pension contributions	3,781	3,889
	748,472	779,598
Recruitment costs	352	2,609
Redundancy	16,871	–
Training	8,253	6,799
Volunteer and welfare expenses	3,758	3,467
Agency staff	19,311	20,071
Other staff costs	10,232	32,823
	58,777	65,769
Total staff costs	£807,249	£845,367

NOAH Enterprise, Company number 03248392

Notes to the Financial Statements

Year ended 31 March 2011

2. Staff costs and numbers (continued)

Average number of staff employed

	2011	2010
Support services	6	3
Development of Luton Ark	–	1
Training facilities	–	1
Welfare services	19	19
Social enterprise	13	17
	<u>38</u>	<u>41</u>

In addition to the paid employees, the charity has a significant number of volunteers without whose help the charity would be unable to function.

No employee received remuneration and benefits exceeding £60,000 during the year (2010: none)

The Members of the Board of Trustees received no remuneration, nor reimbursement for expenses incurred in the course of their duties on behalf of the charity.

Notes to the Financial Statements

Year ended 31 March 2011

3. Resources expended

	Generating funds £	Development of Luton Ark £	Welfare services £	Training services £	Social enterprise £	Governance £	2011 Total £	2010 Total £
Staff and volunteer costs	7,723	14,119	380,576	1,761	300,126	16,941	721,246	731,317
Direct costs	–	–	41,837	–	143,386	1,493	186,716	176,665
Professional and legal fees	22,369	3,473	–	–	11,023	8,919	45,784	41,432
Premises	–	–	13,977	8,963	64,240	–	87,180	51,484
Finance charges	–	–	–	–	6,263	–	6,263	5,927
Marketing and promotion	–	–	–	–	9,214	–	9,214	5,555
Depreciation	–	–	6,254	–	43,290	–	49,544	51,221
Bad and doubtful debts	–	–	(1,562)	–	1,482	–	(80)	43
Office facilities	–	–	5,179	–	13,114	–	18,293	40,061
Support costs	812	1,706	103,160	1,000	77,864	1,901	186,444	192,780
	<u>£30,904</u>	<u>£19,298</u>	<u>£549,421</u>	<u>£11,724</u>	<u>£670,003</u>	<u>£29,254</u>	<u>£1,310,604</u>	<u>£1,296,485</u>

Analysis of support costs

	2011 £	2010 £
Administrative and finance staff and volunteer costs	95,529	115,134
Office facilities	47,057	40,828
Finance charges	536	781
Insurance	12,352	9,122
Marketing and promotion	7,826	11,566
Professional and legal fees	14,594	6,272
Depreciation	902	153
Premises	7,648	8,924
	<u>£186,444</u>	<u>£192,780</u>

Allocation of support costs

	2011 £	2010 £
Generating funds	0.4%	2%
Welfare services	55.4%	47%
Training services	0.5%	2%
Social enterprise	41.8%	42%
Development of Luton Ark	0.9%	3%
Governance	1.0%	4%
	<u>100%</u>	<u>100%</u>

NOAH Enterprise, Company number 03248392

Notes to the Financial Statements

Year ended 31 March 2011

4. Net incoming resources

Net incoming resources are stated after charging:

	2011 £	2010 £
Depreciation	50,446	51,375
Audit fees	<u>8,919</u>	<u>11,833</u>

5. Tangible fixed assets

	Land and buildings in course of construction £	Leasehold improve- ments £	Furniture and equipment £	Motor vehicles £	Bespoke computer software £	Total £
Cost						
At 1 April 2010	125,742	240,249	203,669	151,846	37,250	758,756
Additions	–	11,143	7,823	–	–	18,966
At 31 March 2011	<u>125,742</u>	<u>251,392</u>	<u>211,492</u>	<u>151,846</u>	<u>37,250</u>	<u>777,722</u>
Depreciation						
At 1 April 2010	–	238,428	162,090	127,824	24,586	552,928
Charge for the year	–	890	25,252	12,012	12,293	50,446
At 31 March 2011	<u>–</u>	<u>239,318</u>	<u>187,342</u>	<u>139,836</u>	<u>36,879</u>	<u>603,374</u>
Net book value						
At 31 March 2011	<u>£125,742</u>	<u>£12,074</u>	<u>£24,150</u>	<u>£12,010</u>	<u>£371</u>	<u>£174,348</u>
At 31 March 2010	<u>£125,742</u>	<u>£1,821</u>	<u>£41,579</u>	<u>£24,022</u>	<u>£12,664</u>	<u>£205,828</u>

6. Capital commitments

At 31 March 2011, the charity was committed to capital expenditure of £nil (2010 £nil)

7. Debtors

	2011 £	2010 £
Trade debtors	10,962	19,069
VAT recoverable	5,102	1,312
Grant debtors	28,841	41,231
Other debtors	39,103	650
Prepayments	<u>24,687</u>	<u>32,474</u>
	<u>£108,695</u>	<u>£94,736</u>

NOAH Enterprise, Company number 03248392

Notes to the Financial Statements

Year ended 31 March 2011

8. Creditors: amounts falling due within one year

	2011 £	2010 £
Trade creditors	43,577	35,182
Taxation	18,965	16,919
Other creditors	3,819	1,470
Deferred income	27,276	29,264
Accruals	93,626	115,022
	<u>£187,263</u>	<u>£197,857</u>

9. Analysis of net assets between funds

	Unrestricted funds £	Restricted Funds £	Total funds £
Tangible fixed assets	164,088	10,260	174,348
Current net assets	533,581	215,394	748,975
Total net assets	<u>£697,669</u>	<u>£225,654</u>	<u>£923,323</u>

10. Commitments under operating leases

At 31 March 2011, the company had aggregate annual commitments under non-cancellable operating leases as set out below:

	2011 £	2010 £
Operating leases which expire: Within 2 to 5 years	<u>£1,070</u>	<u>£1,070</u>

11. Funds

Unrestricted funds represent amounts expendable at the discretion of the Trustees in furtherance of the charity's objects. Although legally expendable at the discretion of the Trustees, not all unrestricted funds are available for immediate or general expenditure.

Amounts which are committed to future expenditure, or invested in assets that cannot be realised in the normal course of events, and that are therefore unavailable for other purposes, are designated to distinguish them from general funds.

Unrestricted funds in excess of the amount required by the reserves policy may also be designated by the Trustees from time to time.

Where income is given for a specific purpose, the funds are classified as restricted, and are only expendable for that particular purpose.

Notes to the Financial Statements

Year ended 31 March 2011

11. Funds (continued)

Further information on the purposes for which restricted funds are given:

- **Communities and Local Government** funds NOAH through several programmes. **ACE** is a pilot scheme to provide solutions for adults facing chronic exclusion (ACE). The grant funds three new posts engaged in street outreach, and related administration costs. Other funding is for initiatives associated with NOAH's welfare and social enterprise activities.
- **EEDA (East of England Development Agency)** provided development and capital funding for the Luton Ark.
- **ERDF (European Regional Development Fund)** has funded the expansion of NOAH's social enterprise. The balance of funds represents the book value of restricted assets.
- The **Irish Government Emigrant Support Programme** makes recommendations to the Irish Government's Department of Foreign Affairs with regard to the distribution of funds to organisations involved in the provision of support and advisory services which benefit Irish people in Britain. The revenue grant to NOAH relates to the running of our Welfare Centre while the capital grant is for the Luton Ark.

The restricted funds at 31 March 2011 are comprised of:

	Restricted Funds b/fwd £	Income £	Expenditure £	Transfers £	Restricted Funds c/fwd £
Grants and donations for cold weather shelter and soup kitchen	-	14,821	(13,748)	-	1,073
Charitable Trust grants for weekend opening and work with the homeless	-	14,500	(14,500)	-	-
Garfield Weston, EECG and other grants for social enterprise training and capacity building	-	31,986	(31,986)	-	-
Luton Borough Council	-	110,740	(110,740)	-	-
Communities and Local Government					
ACE	-	54,411	(54,411)	-	-
Activating Places of Change	4,321	-	-	-	4,321
Social enterprise grant					
EEDA	-	28,841	(28,216)	(625)	-
ERDF	26,472	-	(16,212)	-	10,260
Department of Health					
Communities for Health	13,068	-	(13,068)	-	-
Irish Government Emigrant Support Programme					
Revenue	-	111,093	(111,093)	-	-
Capital	210,000	-	-	-	210,000
Total restricted funds	<u>£253,861</u>	<u>£366,392</u>	<u>£(393,974)</u>	<u>£(625)</u>	<u>£225,654</u>

NOAH Enterprise, Company number 03248392

Notes to the Financial Statements

Year ended 31 March 2011

11. Funds *(continued)*

The transfer between restricted funds and unrestricted funds represents funding used to reimburse expenditure previously made out of unrestricted funds.

	Designated Funds b/fwd £	Designated during the year £	Transfers £	Designated Funds c/fwd £
For the development costs of Luton Ark	<u>£440,742</u>	<u>-</u>	<u>-</u>	<u>£440,742</u>