

# **Porchlight**

**(A company limited by guarantee)**

## **Report and financial statements**

**For the year ended 31 March 2011**

**Registered Charity number :** 267116

**Registered Company number :** 1157482

# **Porchlight**

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**Year ended 31 March 2011**

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## Porchlight

### Reference and Administrative Details

Charity registration number 267116

Registered Company number : 1157482

Website: [www.porchlight.org.uk](http://www.porchlight.org.uk)

**Principal Office** 2nd Floor Watling Chambers  
18/19 Watling Street  
Canterbury  
Kent CT1 2UA

### Trustees

The trustees serving during the year and since the year end were as follows:

Anne Norris * + #	Chair
Graeme Bosley	Deputy Chair
Stuart Chapman #	Treasurer
John Townsend * #	
Pal Unwin	
Celia Glynn-Williams *	
Keith Wren +	
Jenny Bough +	
Glenn Miller + #	
Anna Stevens	Resigned 1.7.10
Sue Hornibrook	
Lynn Phillips	Appointed 29.9.10, resigned 25.5.11

### Senior Management Team

Michael Barrett	Chief Executive Officer/Company Secretary
Gill Bryant	Head of Operations
Catherine Keen	Finance Director
Lisa Oeder	Head of Development & Communications
Helen Marsh	Head of Human Resources

**Independent Auditor** Baker Tilly UK Audit LLP  
Hanover House  
18 Mount Ephraim Road  
Tunbridge Wells  
Kent  
TN1 1ED

**Bankers** Unity Trust Bank plc  
Congress House  
23 - 28 Great Russell Street  
London  
WC1B 3UB

**Solicitors** Russell-Cooke LLP  
2 Putney Hill  
Putney  
London  
SW15 6AB

### Key:

- \* Member of the Development & Communications Committee
- + Member of the HR Sub Committee
- # Member of the Overview Sub Committee

## **Porchlight**

### **Trustees' report for the year ended 31 March 2011**

The Trustees, who are also the directors of the company for the purposes of the Companies Act, submit their annual report and the financial statements of Porchlight for the year ended 31 March 2011. The Trustees confirm that the annual report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

#### **Who we are and what we do**

Porchlight is a forward-thinking and innovative charity, passionate about helping people and communities. We work throughout Kent helping the most isolated and vulnerable in our communities to access housing and related support services. Through our services we change people's lives for the better and by doing this we also challenge and change people's attitudes towards homelessness.

Porchlight provides a range of services to meet the complex and multiple needs of our service users. We work with the most entrenched and hard to reach rough sleepers, those with mental ill-health, ex-offenders and young people with nowhere else to turn. A major part of our work is to prevent people from becoming homeless in the first place, through support, advice and help in addressing the issues affecting their housing security. This in turn helps to empower people and increases their confidence in managing their own lives in a positive way. We also work with our service users to build their skills so that they can live independently in the future. We do this by providing education, training and activities to build skills, preparing people to return to work or undertake other meaningful activities. The ultimate aim is to help people make a positive contribution and actively participate in their community.

The charity is committed to involving our service users in the development and management of our services. We ensure that service users have a voice through regional forums and are able to meet with the management team on a quarterly basis. Through activities and training we help to develop people's basic skills, increase confidence and self-esteem, and develop the skills of our service users, preparing them to return to employment.

Partnership working has continued to be a cornerstone of our approach and has enabled us to achieve positive outcomes for the majority of our services users. We work in partnership with other agencies, organisations and governmental partners to help alleviate the causes of disadvantage, deprivation and inequality. We have continued to work with the National Housing Federation to offer a six-month Trainee Support Worker role to ex-service users, which has proved successful in providing an entry level job for those wanting to use their experience of homelessness to help others. During this year, we have also continued to develop effective working partnerships with all the local authorities in Kent, Kent Probation, Kent and Medway Youth Offending Teams, the youth offending institutes in Kent, and other voluntary sector organisations. This collaborative approach enables us to deliver a more effective service provision to vulnerable people.

#### **Structure, Governance and Management**

##### Governing document

Porchlight is a charitable company limited by guarantee and is governed by its Memorandum and Articles of Association, revised in April 2010. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member.

##### Method of appointment or election of Trustees

The management of the Board is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association. The charity complies with the Good Governance Code.

Vacancies for trustees are publicly advertised in the local press and on the website. The advertisement contains information about the role and the skills and qualities required. The application pack includes a job description, person specification, declaration of criminal convictions, equal opportunities monitoring form, leaflet summarising the responsibilities of Charity Trustees and a copy of the annual review.

## **Porchlight**

### **Trustees' report for the year ended 31 March 2011**

Applications are reviewed by the Chair and either the Chief Executive or another trustee. Interviews for prospective trustees are conducted by the Chair and the Chief Executive. All new trustees are required to sign a declaration that they are not disqualified from acting as a director/trustee and that they will devote the necessary time and effort to their position. Criminal Record Bureau checks are carried out on all new trustees before appointment.

#### Induction and training of Trustees

All newly-appointed trustees receive an information pack which includes a copy of the Memorandum and Articles of Association, the latest annual review and accounts, current budget and management accounts, most recent Board papers and minutes, list of Board members and contact details, organisation chart and staff list, publications on responsibilities of trustees and governance.

A suitably experienced trustee will be appointed as a mentor to the new trustee and will accompany them to their first Board meeting and ensure that they are introduced to the other trustees. They will be a point of contact for the new trustee if they have any concerns or queries about their role. The new trustee will be required to commit to spending approximately half a day to visit a couple of projects and the head office. This is to give the trustee an insight into the front-line services provided by Porchlight and the finance, HR, fundraising and communication functions supporting those services. The new trustee, along with other Board members, is expected to participate in training and development opportunities to maximise their capacity to fulfil their role as trustees. Trustees visit the projects on a rolling basis during their tenure.

#### Organisational structure and decision making

The board of trustees of up to 15 members meets 11 times a year to administer the charity. There is also a sub-committee to cover Development and Communications issues, as well as an HR Sub-Committee to oversee HR policy, performance and remuneration, and an Overview Sub-Committee to oversee financial and operational issues, as well as any emergency issues that need further discussion outside of the monthly Board meetings. The Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity and to implement the organisation's strategic plan.

#### Related parties

Porchlight works in partnership with Kent County Council, Ashford Borough Council, Canterbury City Council, Dartford Borough Council, Dover District Council, Gravesham Borough Council, Maidstone Borough Council, Sevenoaks District Council, Shepway District Council, Swale Borough Council, Thanet District Council, Tonbridge and Malling Borough Council, Tunbridge Wells Borough Council, NHS Eastern and Coastal Kent Primary Care Trust, Kent and Medway NHS and Social Care Partnership Trust, Housing 21. Porchlight also manages properties owned by the following Registered Providers: Sanctuary Housing Association, Casa Support, Orbit Housing Association, Amicus Horizon and Russet Homes.

#### Risk policy

The trustees have assessed the major risks to which the charitable company is exposed and are satisfied that systems are in place to mitigate the exposure to those risks. A full risk register is held at head office. The main risks within the risk register are:

- Supporting People funding is likely to be reduced from April 2012
- Lack of appropriate accommodation for service users
- The increasing number of referrals to our services
- It will become increasingly unlikely that we can secure Full Cost Recovery for service delivery
- The effect of Benefit Reform on our client group

#### **Risk Management**

Given the uncertain nature of funding, increasing demand for our services and an aggressively competitive market place, Porchlight will be adopting a much more rigorous approach to managing risk. We feel it is no longer enough to maintain a risk register which simply outlines plans to alleviate or avoid a particular event. We believe that some impacts will be more severe and consequently contingency plans will be designed, both to minimise impact and look at business continuity.

## **Porchlight**

### **Trustees' report for the year ended 31 March 2011**

#### **Objects and Activities**

The objects for which the charity is established are: the relief of poverty, sickness and old age, and the provision of housing and housing-related services to those in need; and the advancement of education and training.

As a charity we have the flexibility to respond to the needs we see, and develop services based on first-hand experience and feedback from our service users. We aim to deliver recognisable outcomes for those most in need through the following aims:

1. To be the provider of choice for people seeking housing and support solutions
2. To achieve and maintain high standards of service delivery
3. To develop leadership to maintain and improve high standards of innovation and value
4. To develop strong partnerships and relationships with all stakeholders, providers and service users

To enable us to achieve these objectives, we have a number of strategies and practical solutions in place to ensure that we continually monitor, evaluate and improve. We have just developed a new three-year strategic business plan for the period 2010-13. Each department develops a three-year strategy, from which annual workplans are developed. The Strategic Business Plan and underlying strategies are reinforced throughout the organisation at our annual staff conference and at service level through team meetings. Progress is monitored against the strategy and reported on a quarterly basis to the Board of Trustees.

#### Vision

We strive for a society where the most excluded are included and where communities work together; a society where homelessness and poverty is a thing of the past and where vulnerable people are empowered to take control of their lives.

#### Mission

Our mission is to work to change people's lives for the better. By helping the most vulnerable and isolated people in our communities to access housing and related support services, we help change lives. We work with individuals, organisations and government to prevent the breakdown of our communities and reduce poverty. Through our success we challenge the negative attitudes and beliefs surrounding exclusion. By changing lives we can change attitudes; and through a change in attitudes, we can change more lives.

#### Values

We are a forward-thinking and innovative charity, passionate about helping people and communities. We value the commitment, integrity and honesty of our staff who believe in the holistic approach that our services provide. We respond to the needs of the individual, putting our service users at the core of all we do. We do not discriminate against anyone and believe that everyone deserves the opportunity to change.

#### **Achievements and Performance**

In 2010-11, we assisted over 2,300 people to change their lives for the better, by providing help, advice and support services. This is an increase from 2009-10, when over 1,900 people were helped. The charity's activities are organised under four main headings: Accommodation and Floating Support; Outreach Services; Thanel COSS (ended September 2010); and Service User Involvement and Activities.

In 2010-11 we continued to work at a community level to ensure that our services are an integrated part in providing the solution to those in need. We have begun to integrate a wider range of service user skills development activities into the wider delivery of services, alongside a structured education programme to prepare people for work. We introduced a new service, funded by the Kent County Council and ten of the local authorities in Kent, to educate young people on the issues related to homelessness and provide information on living independently, having left home.

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### Trustees' report for the year ended 31 March 2011

The charity uses a range of measures to monitor performance and the level of service achieved. During this year we have worked to ensure that all our services meet the outcomes relating to National Indicator 141: Number of vulnerable people achieving independent living and National Indicator 142: Number of vulnerable people who are supported to maintain independent living. Our Strategic Business Plan has specific key performance indicators to enable us to effectively measure the success of services, with targets of 80% for the following outcomes (as stated by the Department for Communities and Local Government): the number of service users who achieve economic well-being; who are able to "enjoy and achieve"; who are managing a healthy lifestyle; who are able to stay safe; and who make a positive contribution. At this point, there is nothing to replace these National Indicators, so we will continue to use them as a benchmark to measure performance. We continue to utilise the Outcomes Star Model to enable us to track progress against soft outcomes and will be introducing the use of the Work Star, as well as keeping data in support of hard outcomes.

#### Accommodation and Floating Support

We provide supported accommodation for people who are homeless and help them to change their lives. We have a range of hostels providing different levels of support from medium to high (which operate 24-hour support services). We have specialist services for young people and those with enduring mental ill-health. We also work with ex-offenders and people with substance misuse issues. This year, the number of people helped through our supported accommodation decreased as the support service to residents of the Managed Houses contract was transferred to the landlords of the properties. We were successful in our tender to deliver a new young persons' supported accommodation project, which opened to residents in April 2011.

We also prevent vulnerable people from becoming homeless through our floating support service. This service works with people in their own home and helps them address the issues affecting their housing security. This year, two of our floating support services were decommissioned at the end of March 2011; specifically the Canterbury generic floating support service and the Thanet ex-offender floating support service. We continue to have a specialist floating support service for ex-offenders in East Kent to help them reintegrate into the community, generic floating support for East Kent, as well as providing support to residents in high-support accommodation for those with enduring mental ill-health.

We have a range of other services that enable us to provide holistic support to service users and reinforce our work within the community to prevent homelessness. The Primary Care Community Link service continues to work in GP surgeries in Thanet offering advice, advocacy and support to people in the community who are referred to the service by their GP.

In 2010-11 we received 1,497 referrals into our accommodation projects, an increase of 22% from 2009-10. Of these referrals, we were able to accommodate 496 people, indicating a consistent over-demand for our supported accommodation. In 2009-10 we accommodated 422 people, showing an increase of 18%. Our floating support services, including the specialist services for those with enduring mental ill-health and services for ex-offenders, provided support to 226 people as against 267 people in 2009-10. This reduction is due to the decommissioning of services previously mentioned. In addition, the Primary Care Community Link Service helped 61 vulnerable people to address a housing-related issue that was causing ill-health.

<b>What we aimed for:</b>	<b>What we achieved:</b>
1. To ensure that all accommodation and floating support services achieve positive outcomes for a minimum of 80% of our service users.	The positive outcomes achieved by these services continue to improve and have exceeded this target of 80%. We monitor against the CLG Outcomes: Achieving Economic Wellbeing - 88% of users improved their financial wellbeing; Enjoy and Achieve - 87% participated in various learning, work-like activities, training/education; Be Healthy - 87% have improved mental or physical health; Stay Safe - 86% have more secure and stable housing and are safer; Make a Positive Contribution - 93% have improved confidence and choice.
2. To ensure that all accommodation-based services continue to reduce arrears and void levels.	The void levels remain low for the year with an average across all accommodation of 1.4%; this is within our target of 4%. At the year-end bad debt arrears were at 1.1%, which is within our target of 2%.

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### Trustees' report for the year ended 31 March 2011

3. To develop partnerships with the private rented sector and other accommodation providers to improve move-on options for service users.	Partnerships have continued to increase with the private rented sector throughout Kent and we maintain an excellent relationship with the National Landlords Association - Kent Regional Sub-Group.
4. To provide IT and internet access in all accommodation projects.	Internet access has been installed in all our accommodation services. Computers have also been provided for service users to use in relation to employment-seeking activity, access to information for education and housing purposes, and to help establish and maintain social and support networks.
5. To further develop our young persons' services, increasing multi-agency working, family mediation services and pre-tenancy training.	Multi-agency work continues within our young persons' service. There are now specialist young persons' staff with mediation skills and a buddying system has been established across our young persons' service. Pre-tenancy training has proved very successful in teaching young people the skills required to live independently and be a responsible tenant. We were also successful in securing the contract to deliver a new supported accommodation service for young people in Tonbridge.
6. To ensure all frontline staff have a professional housing-related qualification.	We did not achieve this for all frontline staff during the year. However, having become an accredited and recognised Chartered Institute of Housing training centre, we have begun to train our frontline staff in the CIH accredited housing qualification. In 2010-11 we now have 6 staff with a professional teaching qualification to deliver the training, and 6 staff have been awarded the Level 3 Certificate in Supporting Homeless People. We are continuing to train frontline staff to carry on towards this goal.
7. To increase the competitiveness of our floating support services to safeguard against potential re-tendering of contracts.	We have continued to implement a cost-saving strategy to reduce wastage and increase the competitiveness of all of our services. Floating support contracts were not re-tendered in 2010-11.

#### Our objectives for next year:

1. To review and adapt our model of delivery to ensure that outcomes continue to improve within all accommodation and floating support services for a minimum of 85% of our service users.
2. To continue to ensure that all accommodation-based services maintain low levels of arrears and voids, working with service users to improve strategies to address bad debt.
3. To maintain partnership working with the private rented sector and other accommodation providers to improve move-on options for service users and to introduce a Bond Scheme to facilitate this move-on into the private rented sector for Porchlight service users.
4. To develop a culture of change within all our services that enables service users to fulfil higher aspirations in relation to education, training and employment.
5. To continue to develop our young persons' service, especially in West Kent, by continued partnership and multi-agency working, family mediation and pre-tenancy training.
6. To ensure all frontline staff are working towards a professional housing-related qualification by the end of 2011-12.
7. To work with Kent Supporting People to ensure our services provide value for money, re-tendering where necessary and redesigning services to account for cuts to contract values.

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### Trustees' report for the year ended 31 March 2011

#### Outreach

The outreach team work throughout Kent providing a street outreach and rough sleeper service that helps people who are sleeping on the streets, with no fixed abode and the "hidden homeless" who might be sofa-surfing or very transient. The team provides emergency support by helping individuals to access temporary accommodation and, once housed, short term tenancy sustainment. The 24-hour outreach service helpline ensures that the service is accessible to all and provides emergency contact in times of crisis. This year, we have promoted the Change A Future Campaign, to encourage members of the general public to use the helpline or our website to tell us about someone they know who is sleeping rough.

We encourage people to access other support services where necessary, such as drug, alcohol or mental health services. Workers undertake street outreach sessions to locate people who are homeless as well as running drop-in sessions in each local authority area. This year the staff team introduced specialist areas to enable the provision of a targeted and effective service. We again co-ordinated the annual street count of rough sleepers for local authorities, enabling them to submit statistics on numbers sleeping rough to the CLG (Department for Communities and Local Government).

The specialist Street Population service continued in 2010-11 and helped 30 people to address anti-social street behaviour in Maidstone. This year we introduced a new service to provide education and awareness of youth homelessness and provide young people with the skills and knowledge to make informed choices when leaving home and living independently. This youth homeless education programme reached over 15,000 young people. In total the Outreach service has seen an increase of 53% in the numbers helped, reaching over 1,370 people in this year compared to 894 people in 2009-10. There has been a 93% increase in the number of referrals to the specialist Rough Sleeper service and the Kent Outreach Service helpline has received 9,257 calls.

<b>What we aimed for:</b>	<b>What we achieved:</b>
1. To promote a proactive Outreach service to locate rough sleepers, involving the general public and ex-rough sleepers (through volunteering) to help vulnerable people.	We launched the Change a Future Campaign targeting the general public and asking them to get involved by telling us about someone who may need our help. The Helpline number has been promoted at every opportunity with an average of 770 calls a month. The service now has a member of staff on reactive outreach each day to respond immediately to requests for help.
2. To attain accreditation as an advice provider and ensure that Outreach staff gain advice and guidance qualifications.	Porchlight is a member of APEK (Advice Partnership for East Kent) and works within the Advice Partnership code. We were unable to provide specialist advice and guidance training to frontline staff due to constraints within the training budget.
3. To link in with the ambulance service and hospitals to promote our services and become part of the Hospital Discharge protocol.	We worked with the JPPB (Kent Joint Policy and Planning Board) to develop the Hospital Discharge protocol and developed a poster campaign targeting people being discharged homeless from hospital.
4. To develop specialist areas within the Outreach team to enable more effective partnership working and assistance to diverse communities.	This year has seen the development of 7 specialisms within the Outreach staff team. These specialist areas are: mental health, young people, offenders, housing law, domestic abuse, substance misuse and minority groups. This has facilitated more effective partnership working with other agencies and our ability to provide a better service to those we help.
5. To deliver services targeting young people to prevent an increase in youth homelessness.	The Youth Homeless Education Programme delivered workshops and talks to young people about homelessness and where to get help if needed. The programme reached over 15,000 young people in Kent in this year.
6. To develop street population services in other local authority areas, outside Maidstone.	Despite promoting the street population service to a number of local authorities and applying for funding to set up services in other areas, no new street population services have been developed.

## Porchlight

### Trustees' report for the year ended 31 March 2011

7. To ensure that the service remains strategically relevant so that services are protected from potential cuts.	The service captures Stock, Flow and Return data. We completed an internal review of the effectiveness and strategic relevance of the service that was submitted to Kent Supporting People. We then participated in a strategic review of the service undertaken by Kent Supporting People. We also commissioned an independent, external audit of the service, completed by Crunch Consulting. This balanced score card audit identified the areas of strength and areas for improvement for the delivery of the Outreach service. Areas of strength included the ability to work in partnership with stakeholders, use of reconnection, establishment of joint protocols, staff understanding of the needs and issues of the street population, data collection and analysis, and staff being well supported and managed.
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#### Our objectives for next year:

1. To continue to provide a recognisable street Outreach service despite the possibility that the service will be decommissioned and a smaller, alternative service being re-tendered by Kent Supporting People.
2. To further develop the Outreach Service Helpline to provide advice and assistance to a growing number of people in housing need.
3. To establish collaborative partnerships to improve the effectiveness of our outreach services.
4. To continue to monitor the levels of rough sleeping across the county and provide statistics and advice that contribute to local strategies to address rough sleeping and homelessness.
5. To secure additional funding to continue to deliver an awareness programme that targets young people to prevent an increase in youth homelessness.
6. To ensure that the Outreach service meets the needs of specialist groups, particularly those of minority groups.

#### Thanet COSS

The Community Outreach Support Service (COSS) focused on supporting residents in one of the most deprived communities in Thanet. It was a partnership with Thanet District Council, Kent Adult Social Services, the Eastern and Coastal NHS Primary Care Trust and Porchlight. The service ended in September 2010 due to lack of funding. The service delivered individual support to vulnerable people living in the community as well as group support and advice. The service empowered and enabled the community to address issues of housing security, anti-social behaviour and social inclusion. In the period April to September 2010, 100 people were helped through this service.

What we aimed for:	What we achieved:
1. To continue to work with all stakeholders to secure long-term funding for the continuation and development of the service.	Despite working closely with Kent Adult Social Services and the Eastern and Coastal Primary Care Trust, we were unable to secure sufficient funding to continue this service beyond September 2010.
2. To continue to reduce the number of evictions and residents with rent arrears within the target community.	During the life of the project 320 people engaged with the service in a meaningful way. 117 people were assisted with maximising their housing benefit, so preventing rent arrears and we prevented 24 people from being evicted.
3. To develop the service into a community hub, linking in with other agencies and providers to deliver holistic support to the target community.	The service remained a community hub that facilitated multi-agency working until the centre closed in September 2010.
4. To continue with allotment activities and other groups to promote healthy living, build skills and encourage service users to participate in their local community.	Service user activities were actively promoted. The management of the allotment was handed over to Sanctuary Carr-Gomm to continue.

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### Trustees' report for the year ended 31 March 2011

#### Service User Involvement and Activities

Service user involvement is central to all that we do and the way we do it and we are incorporating co-production into the development of services. Through this approach we are able to involve our service users in the wider activities of the charity. We also support peer-led activities at a project level and we continue to provide support and guidance to enable staff to facilitate such activities.

This year we continued to develop the skills and abilities of our service users through training and participation in activities to develop service users' skills, abilities and confidence. We have continued to promote opportunities to help develop service users' work experience both within the charity and with external partners, through a structured training programme to develop sustainable employability.

This year we introduced a new service to people with mental health and a housing need, to encourage participation in health activities and the promotion of a healthy lifestyle. This service is delivered in partnership with the Eastern and Coastal Kent PCT and the Chances4Change programme. Since we began to deliver this service in June 2010, we have supported 45 people to access and participate in healthy activities.

<b>What we aimed for:</b>	<b>What we achieved:</b>
1. To expand our Building Skills and Employment programme for service users, to provide a qualification and meaningful work experience opportunities.	We have continued to develop the training provided to service users to enable them to return to work and secure sustainable employment through the delivery of a 4-month Employability Programme and the development of short courses on employment-seeking skills. 12 service users have completed the Employability Programme and between them they have gained 68 certificates.
2. To continue to develop the Trainee Support Worker programme for ex-service users, to train them for a career in support work, and motivate current service users.	The Trainee Support Worker programme has continued through the support of the Future Jobs Fund. This has meant we have been able to offer a 6-month trainee work placement to 13 ex-service users who have benefited from this in 2010-11.
3. To reinforce our service user involvement structure and ensure it is integrated throughout the charity and at all levels.	Service user forums have continued to operate at a district level, offering users of all services in each area an opportunity to feed into organisational development. We have also continued to hold quarterly management meetings with service users, which has enabled a direct input into the development of service delivery.
4. To establish a range of healthy living and other meaningful activities in all areas to build the skills and confidence of service users.	Activity opportunities for service users continue to be developed and provided throughout all of our services. The Health and Wellbeing Group coordinated an activity day for all service users to participate in, that worked to reinforce specific activities at a project level. Funding was also secured to enable a wider range of activities to be facilitated.

#### **Our objectives for next year:**

1. To develop partnerships and collaborative working to enable service users to access voluntary work and work experience opportunities within the community.
2. To develop a volunteer strategy and operational programme that integrates the use of volunteers in the delivery of activities for service users.
3. To participate in a pilot study relating to co-production of services and to develop a model of co-production and personalisation that complements the service delivery structure.
4. To establish a range of healthy living and other meaningful activities in all areas to build the skills and confidence of service users.
5. To undertake basic skills assessments for all service users and deliver functional skills and employment-related skills sessions at project level.

## **Porchlight**

### **Trustees' report for the year ended 31 March 2011**

#### **Financial Review**

The charity has achieved a positive financial outcome for the year with an increase in reserves of £278,667. This has been achieved by having robust principal financial management policies and procedures in place. These include: tight financial controls; up-to-date financial reporting; and regular monitoring of service level budgets.

The impact of cuts on contracts and funding in this year has been limited although some services have been more severely affected than others, with the closure of the Community Outreach Support Service in September 2010 and the decommissioning of two floating support contracts in March 2011. The focus this year has been to make cost savings by working more efficiently and effectively.

#### **Reserves Policy**

Porchlight makes a commitment to the people it helps, and the Registered Providers (RPs) and Councils it works in partnership with. Supporting People income is likely to reduce in the future, therefore we need to have sufficient reserves behind us to continue the good work we do.

The reserves policy was reviewed in May 2011 at the Overview sub-committee meeting. Regular reviews of the reserves policy are also recommended by the Charity Commission in their guidance including CC19 Charities' Reserves and guidance for trustees (Questions to consider at key stages in the life of a charity). The trustees have also referred to another publication, "The Economic Downturn: 15 Questions Trustees Need to Ask" in which reserves policies feature extensively.

We have aimed to build our reserves to at least six months' running costs, to prepare for the possible cuts in future funding. Our key contracts have a six months' notice period, therefore six months' reserves would ensure the charity remains a going concern in the unlikely event of key contracts being terminated. Six months' expenditure is now in the region of £2.2million.

Currently our reserves stand at £1,148,076, of which £853,787 is general unrestricted reserves. This leaves us a shortfall of £1.35m, hence we are looking at diversifying our income streams to increase our incoming resources. We are retaining the current year's surplus to build our reserves towards the required level.

The trustees review the policy annually and monitor the amount currently in our general reserves.

#### **Investment Policy**

The trustees, having regard to the liquidity requirements of the charity and to the reserves policy, have operated a policy of keeping available funds in an interest-bearing deposit account.

#### **Principal funding sources**

The principal funding streams to the charity came from Kent County Council Supporting People as well as rent and accommodation charges.

KCC Supporting People funding is utilised to enable Porchlight to provide a high standard of support to our vulnerable client group, both in our accommodation-based, and other services. A large proportion of our expenditure has been spent on ensuring our supported accommodation is of a very high standard. This ensures that all our service delivery is of good quality.

The charity invests substantially in staff training to ensure support provided is of the highest standard. Training is planned to reflect the needs of frontline staff and managers and to ensure we meet our strategic aims and objectives. This year we continued to invest in our status as a Chartered Institute of Housing (CIH) accredited training centre by ensuring that there is an appropriate level of staff with a professional teaching qualification.

## **Porchlight**

### **Trustees' report for the year ended 31 March 2011**

#### **Plans for future periods**

##### **Planning in uncertain times (2011-12)**

The main emphasis this coming year will be to build on our work in relation to the employability of our service users, access to education and training, and volunteering. We will also be looking at our financial modelling and the way we manage risk, to enable Porchlight to engage with the payment by results agenda being piloted in Kent. We will start the process of transforming our hostels into real places of change, again to emphasise the positive nature of the charity's work. We will be increasing our investment in accessing alternative funding streams both to augment services and to attempt to replace funding lost as a result of government cuts.

##### **Employability**

As a charity working within the homelessness sector we fully realise that the most effective route out of poverty and homelessness is to gain employment and encourage independence. This is of course easier said than done, bearing in mind that many of our service users are extremely vulnerable. However, we are committed to bring the skills, aspirations and contributions our service users can make to society, to the fore. This will be achieved through forging closer links with corporate partners, suppliers and training providers. We want to be known as a provider of choice, a place that improves lives and enhances the communities in which we work.

##### **Volunteering**

As part of the localism agenda, the "big society" and the need to deliver some services with a more pragmatic approach, we will be recruiting, training and supporting volunteers from right across communities in Kent. This, however, will be a "two-way street" with both the volunteer and the charity getting something out of the experience. Porchlight volunteers will be a real part of the organisation, feeding into both service delivery and strategy. We believe both the organisation and the community will be stronger and will feel a sense of shared reward. Our service users will be the main beneficiaries as the skills within the community will become available to those most in need.

##### **Payment by Results**

In many ways this proposed system for future commissioning will allow providers like Porchlight to show what we can do when the "agenda" is sensibly presented. In other words, being paid for successes is preferable to being paid simply because we have the most up-to-date policies or because our performance returns are submitted on time. Porchlight believes that not only our service users, but also the purchasers of our services, will be able to judge the effectiveness of our interventions through this process. So we, as a charity, are not afraid of these proposals. However, we are concerned that all providers are treated equally in relation to still being expected to accept some of the more challenging referrals and not being distracted by simply achieving a "positive outcome" in order to collect payment. We will therefore be entering the debate in a positive but robust fashion.

##### **Places of Change**

We want to offer a real opportunity for people to change their lives for the better. To this end, we are reviewing how our hostels and accommodation-based projects work with, and for, service users. We want to ensure that as much choice and input as possible from service users is incorporated into the planning process. This will maximise their chances of breaking the destructive cycle of homelessness and addiction, as well as enabling vulnerable people to access mental health services with support. This will ensure that Porchlight's intervention means something to the individual, and to the community in which we work.

##### **Functional Skills**

In order to facilitate these changes we will continue to professionalise the staff team and will be assessing staff abilities. It will be important for frontline staff to be able both to assess service users' level of functional skills, and develop support plans to improve them. These will be the first steps towards enabling engagement with training and employment opportunities, thereby identifying a pathway out of poverty and social exclusion.

##### **Fundraising**

In order to address the expected funding cut from our statutory stakeholders, we will be increasing the investment in our fundraising activities. We will increase the resources to the Development and Communications team by recruiting to a post dedicated to trust and corporate fundraising and relationship management. This post will complement the community fundraising activities and enable Porchlight to continue to build partnerships within the local community.

## **Porchlight**

### **Trustees' report for the year ended 31 March 2011**

#### **Public Benefit**

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting appropriate policies for the year.

#### **Statement of Trustees' Responsibilities**

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the trustees are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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

#### **Statement as to Disclosure of Information to Auditors**

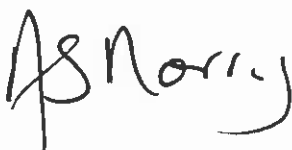
The trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the trustees have confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

#### **Auditor**

Baker Tilly UK Audit LLP have expressed their willingness to continue in office.

This report has been prepared in accordance with the special provisions for small companies under the small companies regime.

This report was approved by the trustees on 29 June 2011 and signed on its behalf, by:



A Norris  
Chair

## **Porchlight Independent Auditor's Report to the Trustees of Porchlight**

We have audited the financial statements of Porchlight for the year ended 31 March 2011 on pages 15 to 22. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

### **Respective responsibilities of trustees and auditor**

As explained more fully in the Statement of Trustees' responsibilities on page 12, the trustees (who are also the directors of the 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**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **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 United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

### **Opinion on other requirement of the Companies Act 2006**

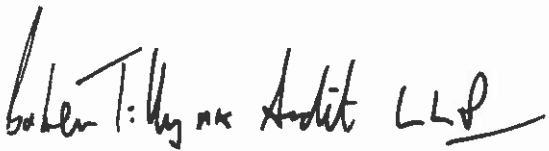
In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Porchlight  
Independent Auditor's Report to the Trustees of Porchlight**

**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:

- the charity has not kept adequate accounting records, 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' report



NICHOLAS PAUL SLADDEN (Senior Statutory Auditor)  
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor  
Hanover House  
18 Mount Ephraim Road  
Tunbridge Wells  
Kent TN1 1ED

30 June 2011

**Porchlight**

**Statement of Financial Activities (including Income & Expenditure Account)  
for the year ended 31 March 2011**

	Note	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2011 £	Total Funds 2010 £
<b>INCOMING RESOURCES</b>					
<i>Incoming resources from generated funds:</i>					
Voluntary income	2	57,642	14,147	71,789	67,990
Investment income - bank interest		8,120	-	8,120	8,073
<i>Incoming resources from charitable activities</i>	3	4,172,642	425,653	4,598,295	4,229,942
<i>Other incoming resources</i>	4	5,618	-	5,618	582
<b>TOTAL INCOMING RESOURCES</b>		<b>4,244,022</b>	<b>439,800</b>	<b>4,683,822</b>	<b>4,306,587</b>
<b>RESOURCES EXPENDED</b>					
<i>Costs of generating funds:</i>					
Costs of generating voluntary income	5	60,969	-	60,969	33,686
<i>Charitable activities</i>	6	3,837,434	474,358	4,311,792	4,124,852
<i>Governance costs</i>	7	32,394	-	32,394	21,483
<b>TOTAL RESOURCES EXPENDED</b>		<b>3,930,797</b>	<b>474,358</b>	<b>4,405,155</b>	<b>4,180,021</b>
<b>Net income/(expenditure) for the year</b>		<b>313,225</b>	<b>(34,558)</b>	<b>278,667</b>	<b>126,566</b>
Gross transfers between funds	13	(42,021)	42,021	-	-
<b>Net movement in funds</b>		<b>271,204</b>	<b>7,463</b>	<b>278,667</b>	<b>126,566</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		638,052	231,357	869,409	742,843
<b>Total funds carried forward</b>		<b>909,256</b>	<b>238,820</b>	<b>1,148,076</b>	<b>869,409</b>

Details of activities classed as continuing or discontinued are disclosed in notes 3 and 6.

All recognised gains and losses are included in the statement of financial activities.

The notes on pages 17 to 22 form part of these financial statements.

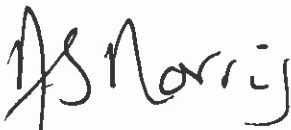
**Porchlight  
Balance Sheet  
as at 31 March 2011**

Company number: 1157482

	Note	2011 £	2011 £	2010 £	2010 £
<b>Fixed assets</b>					
Tangible assets	10		<b>241,301</b>		<b>263,989</b>
			<u>241,301</u>		<u>263,989</u>
<b>Current assets</b>					
Debtors	11	<b>140,753</b>		134,039	
Short-term investments		<b>855,041</b>		350,000	
Cash at bank and in hand		<b>486,489</b>		677,646	
		<u>1,482,283</u>		<u>1,161,685</u>	
<b>Liabilities</b>					
Creditors falling due within one year	12		<b>(575,508)</b>		<b>(556,265)</b>
<b>Net current assets</b>			<u>906,775</u>		<u>605,420</u>
<b>Net Assets</b>			<u><u>1,148,076</u></u>		<u><u>869,409</u></u>
<b>The funds of the charity</b>					
Restricted income funds	13		<b>238,820</b>		<b>231,357</b>
Unrestricted income funds	13		<b>909,256</b>		<b>638,052</b>
<b>Total charity funds</b>			<u><u>1,148,076</u></u>		<u><u>869,409</u></u>

These financial statements have been prepared in accordance with the special provisions for small companies under the small companies regime.

The financial statements on pages 15 to 22 were approved and authorised for issue by the Board of Trustees on 29 June 2011 and signed on their behalf by:



A Norris  
Trustee



S Chapman  
Trustee

## **Porchlight**

### **Notes to the accounts**

**For the year ended 31 March 2011**

#### **1. Accounting policies**

##### **1.1 Basis of preparation**

The financial statements have been prepared under the historic cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Companies Act 2006.

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

Accounting policies are consistent with the prior year.

The nature of the charity is such that key contracts are on a long-term basis with six months' notice periods. The Trustees regularly review forecasts and cashflows for the foreseeable future. As a result of this, no material uncertainties that may cast significant doubt about the ability of the charity to continue as a going concern have been identified.

##### **1.2 Incoming resources**

All incoming resources are included in the Statement of Financial Activities ("SOFA") when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Grants receivable are included in the period received, and deferred at the year-end if restricted to an ongoing project.

Statutory contracts are received four-weekly in advance, amounts are deferred at the year end as necessary.

No income is included net of expenditure.

##### **1.3 Resources expended**

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities.

- Costs of generating funds comprise the costs associated with attracting voluntary income.

- Charitable activities include expenditure directly attributable to specific activities and the support costs relating to those activities.

- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with the constitutional and statutory requirements.

- Support costs include central functions and have been allocated to activities on the basis of the number of staff engaged in those activities.

##### **1.4 Tangible fixed assets**

Individual fixed assets costing £1,000 or more are capitalised at cost.

Tangible fixed assets are depreciated on a straight-line basis over their estimated useful lives as follows:

Leasehold property - over the life of the lease

Fixtures & fittings - 25%

##### **1.5 Fund accounting**

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

- Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

- Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

Funds transferred cover deficits on restricted funds, or additions to designated funds.

##### **1.6 Pensions**

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

**Porchlight**  
**Notes to the accounts**  
**For the year ended 31 March 2011**

**1.7 Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the SOFA as incurred.

**1.8 Irrecoverable VAT**

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

**1.9 Corporation Tax**

Porchlight is a registered charity and as such its income and gains falling within Section 505 Income and Corporation Taxes Act 1988 or Section 256 of Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

2. Voluntary income	Unrestricted	Restricted	Total	Total
	Funds	Funds	Funds	Funds
	2011	2011	2011	2010
	£	£	£	£
Q'Straint Limited	10,000	-	10,000	10,000
Gifts and donations	46,852	14,147	60,999	38,990
Other grants	790	-	790	19,000
<b>Total</b>	<b>57,642</b>	<b>14,147</b>	<b>71,789</b>	<b>67,990</b>

3. Incoming Resources from charitable activities	Unrestricted	Restricted	Total	Total
	Funds	Funds	Funds	Funds
	2011	2011	2011	2010
	£	£	£	£
<b>Accommodation &amp; Floating Support</b>				
Rent / Accommodation charges	885,012	-	885,012	866,589
KCC Supporting People grant	2,206,839	-	2,206,839	2,149,790
Canterbury City Council	-	-	-	6,000
Children in Need grant	-	24,676	24,676	24,182
Student placement fees	1,400	-	1,400	5,600
Other grants receivable	-	43,333	43,333	56,177
	<b>3,093,251</b>	<b>68,009</b>	<b>3,161,260</b>	<b>3,108,338</b>
<b>Outreach Services</b>				
KCC Supporting People grant	1,079,391	-	1,079,391	919,664
Comic Relief grant	-	16,392	16,392	23,454
Future Jobs Fund	-	9,075	9,075	-
KCC and local authorities	-	78,500	78,500	-
Maidstone Borough Council	-	22,000	22,000	11,000
	<b>1,079,391</b>	<b>125,967</b>	<b>1,205,358</b>	<b>954,118</b>
<b>Thanet Community Outreach Support Service</b>				
KCC/ Thanet District Council	-	41,300	41,300	81,395
<b>Service User Activities</b>				
Future Jobs Fund	-	81,133	81,133	-
Eastern & Coastal Kent PCT	-	65,000	65,000	-
KCC SP Innovation grant	-	-	-	61,783
Other grants	-	44,244	44,244	24,308
	<b>-</b>	<b>190,377</b>	<b>190,377</b>	<b>86,091</b>
<b>Total</b>	<b>4,172,642</b>	<b>425,653</b>	<b>4,598,295</b>	<b>4,229,942</b>

All activities are continuing with the exception of the Thanet Community Outreach Support Service.

**Porchlight**  
**Notes to the accounts**  
**For the year ended 31 March 2011**

4. Other incoming resources	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2011 £	Total Funds 2010 £
Training Income	5,618	-	5,618	582
<b>Total</b>	<b>5,618</b>	<b>-</b>	<b>5,618</b>	<b>582</b>

5. Costs of generating voluntary income	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2011 £	Total Funds 2010 £
Fundraising costs	60,969	-	60,969	33,686
<b>Total</b>	<b>60,969</b>	<b>-</b>	<b>60,969</b>	<b>33,686</b>

6. Charitable activities	Accommodation & Floating Support 2011 £	Outreach Services 2011 £	Thanet Community Outreach Support Service 2011 £	Service User Involvement and Activities 2011 £	Total 2011 £	Total 2010
<b>Activities undertaken directly</b>						
Staff costs	2,067,612	915,295	40,687	134,482	3,158,076	2,884,423
Premises Costs	457,802	37,745	695	3,074	499,316	549,171
Office costs	118,734	51,253	2,599	4,260	176,846	170,924
Tenant Welfare fund	29,508	17,046	399	15,164	62,117	97,616
Sundry expenses	8,563	2,044	57	21	10,685	12,156
	<u>2,682,219</u>	<u>1,023,383</u>	<u>44,437</u>	<u>157,001</u>	<u>3,907,040</u>	<u>3,714,290</u>
<b>Support Costs</b>						
Management & Administration	107,698	43,421	1,368	8,889	161,376	186,677
Finance	76,025	30,651	965	6,275	113,916	87,201
Human Resources	35,873	14,463	455	2,961	53,752	69,662
Communications	50,525	20,371	642	4,170	75,708	67,022
	<u>270,121</u>	<u>108,906</u>	<u>3,430</u>	<u>22,295</u>	<u>404,752</u>	<u>410,562</u>
<b>Total</b>	<b>2,952,340</b>	<b>1,132,289</b>	<b>47,867</b>	<b>179,296</b>	<b>4,311,792</b>	<b>4,124,852</b>

All activities are continuing with the exception of the Thanet Community Outreach Support Service.

7. Governance costs	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2011 £	Total Funds 2010 £
Auditors' remuneration	8,880	-	8,880	8,225
Solicitors' fees	-	-	-	4,025
Trustees' meeting expenses	225	-	225	515
Other governance costs	23,289	-	23,289	8,718
<b>Total</b>	<b>32,394</b>	<b>-</b>	<b>32,394</b>	<b>21,483</b>

**Porchlight**  
**Notes to the accounts**  
**For the year ended 31 March 2011**

<b>8. Analysis of staff costs</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Salaries and wages	<b>2,850,894</b>	2,566,126
Social security costs	<b>269,131</b>	243,572
Pension costs	<b>147,834</b>	135,326
<b>Total</b>	<b><u>3,267,859</u></b>	<b><u>2,945,024</u></b>

The number of employees whose emoluments fell within bands exceeding £60,000 were:

	<b>2011</b>	<b>2010</b>
£80,000 - £89,999	<b>1</b>	<b>1</b>

During the year, pension contributions on behalf of this member of staff amounted to £8,640 (2010: £8,080).

During the year, no trustees received any remuneration (2010: £nil), benefits in kind (2010: £nil) or reimbursement of expenses (2010: £nil)

The average number of full-time equivalent employees during the year was as follows:

	<b>2011</b>	<b>2010</b>
	<b>Number</b>	<b>Number</b>
Accommodation & Floating Support	<b>83</b>	79
Outreach Services	<b>27</b>	22
Thanet Community Outreach Support Service	<b>1</b>	2
Service User Involvement	<b>6</b>	2
Management & Administration	<b>13</b>	11
<b>Total</b>	<b><u>130</u></b>	<b><u>116</u></b>

<b>9. Movement in total funds for the year</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>

This is stated after charging:

Operating leases - equipment	<b>20,905</b>	26,351
Operating leases - land and buildings	<b>110,588</b>	93,012
Depreciation	<b>34,812</b>	42,967
Auditors' remuneration	<b>8,880</b>	8,225

**10. Tangible fixed assets**

	<b>Leasehold Property £</b>	<b>Fixtures, fittings and equipmt £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 April 2010	359,600	131,002	<b>490,602</b>
Additions	-	12,124	<b>12,124</b>
Disposals	-	(10,607)	<b>(10,607)</b>
<b>At 31 March 2011</b>	<b><u>359,600</u></b>	<b><u>132,519</u></b>	<b><u>492,119</u></b>
<b>Depreciation</b>			
At 1 April 2010	172,086	54,527	<b>226,613</b>
Disposals	-	(10,607)	<b>(10,607)</b>
Charge for the year	1,682	33,130	<b>34,812</b>
<b>At 31 March 2011</b>	<b><u>173,768</u></b>	<b><u>77,050</u></b>	<b><u>250,818</u></b>
<b>Net book value</b>			
<b>At 31 March 2011</b>	<b><u>185,832</u></b>	<b><u>55,469</u></b>	<b><u>241,301</u></b>
<i>At 31 March 2010</i>	<i>187,514</i>	<i>76,475</i>	<i>263,989</i>

## Porchlight

### Notes to the accounts

#### For the year ended 31 March 2011

Included within fixed assets is a gross amount of £150,259 relating to refurbishments at Craddock House undertaken in 1993. This has a net book value of nil as it was written off over the life of the lease. A new lease has been undertaken, therefore this amount has been left in the balance sheet to recognise the ongoing use of these refurbishments.

11. Debtors	2011	2010
	£	£
Other debtors	92,768	97,962
Prepayments	47,985	36,077
<b>Total</b>	<b>140,753</b>	<b>134,039</b>

12. Creditors - amounts falling due within one year	2011	2010
	£	£
Taxes and social security costs	74,960	77,974
Other creditors	37,570	26,319
Accruals	52,889	29,387
Deferred Income	410,089	422,585
<b>Total</b>	<b>575,508</b>	<b>556,265</b>

Deferred Income:	2011	2010
	£	£
Brought forward	422,585	401,550
New amounts deferred	325,107	422,585
Released to SOFA	(337,603)	(401,550)
<b>Total</b>	<b>410,089</b>	<b>422,585</b>

#### 13. Analysis of charity funds

	Balance at 1 Apr 10	Net incoming/ (outgoing) Resources	Transfers	Balance at 31 Mar 11
	£	£	£	£
<b>Restricted funds</b>				
New Town Street building fund	187,515	(1,682)	-	185,833
Outreach	4,255	(15,604)	18,868	7,519
Thanet COSS	-	(6,067)	6,067	-
Service User Involvement	-	11,081	9,122	20,203
Young Persons' Activities	1,846	2,454	-	4,300
Allotment fund	25,238	(15,899)	-	9,339
Community Care Worker	5,253	(804)	-	4,449
Conference	7,250	(2,317)	-	4,933
Church Communities Fund	-	(7,964)	7,964	-
NTS Refurbishment Fund	-	2,244	-	2,244
<b>Total Restricted funds</b>	<b>231,357</b>	<b>(34,558)</b>	<b>42,021</b>	<b>238,820</b>

The New Town Street Building fund was created by donations and grants received in 1996/97 to build the property on land provided by Kent County Council on a 125-year lease. This fund is being written off over the life of the lease.

The remaining restricted funds relate to restricted grants for property, support, outreach and training and the corresponding expenditure.

**Porchlight**  
**Notes to the accounts**  
**For the year ended 31 March 2011**

	Balance at 1 Apr 10	Net incoming / (outgoing) Resources	Transfers	Balance at 31 Mar 11
	£	£	£	£
<b>Unrestricted funds</b>				
General unrestricted fund	606,360	323,620	(54,021)	875,959
Designated refurbishment fund	6,692	(10,395)	12,000	8,297
Designated legal indemnity fund	25,000	-	-	25,000
<b>Total Unrestricted funds</b>	<b>638,052</b>	<b>313,225</b>	<b>(42,021)</b>	<b>909,256</b>

The designated refurbishment fund has been set aside for future property refurbishments.

The legal indemnity fund has been created at the request of Sanctuary Housing Association to provide funds for any possible future legal action arising from licence agreements at the direct access hostel at 106 Whitstable Road. The fund is currently at the agreed target of £25,000.

The transfers between funds relate to the shortfall in restricted income: this is covered by unrestricted funds.

	Balance at 1 Apr 10	Net incoming/ (outgoing) Resources	Transfers	Balance at 31 Mar 11
	£	£	£	£
<b>Summary of funds</b>				
Restricted funds	231,357	(34,558)	42,021	238,820
Unrestricted funds	638,052	313,225	(42,021)	909,256
<b>Total Funds</b>	<b>869,409</b>	<b>278,667</b>	<b>-</b>	<b>1,148,076</b>

**14. Analysis of net assets between funds**

	Unrestricted Funds 2011	Restricted Funds 2011	Total Funds 2011
	£	£	£
Fixed assets	55,469	185,832	241,301
Net Current Assets	853,787	52,988	906,775
<b>Total</b>	<b>909,256</b>	<b>238,820</b>	<b>1,148,076</b>

**15. Operating lease commitment**

The amounts payable in respect of operating leases shown below are analysed according to the expiry of the leases:

	Land and Buildings		Other	
	2011	2010	2011	2010
	£	£	£	£
Due within one year	37,150	16,000	-	1,744
Between one and two years	-	28,150	4,891	-
Between two and five years	42,000	53,400	15,864	19,891
After five years	19,050	13,262	-	-

**16. Pension**

The charity operates a defined contribution pension scheme. The pension cost charge represents contributions payable by the company to the fund. Amounts of £nil (2010: £nil) were payable to the fund at 31 March 2011.