



TRUSTEES' REPORT & FINANCIAL STATEMENTS

FOR THE YEAR 1 JANUARY 2012 to 31 DECEMBER 2012



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CHARITY AND COMPANY INFORMATION

Trustees/Directors	Roydon Loveley (Chair)	
	Julian Adams	Mark Adams
	Kirstie Cook	Alison Green (resigned January 2013)
	Simon Holley	Paul Johnson
	Paul Stanyard	
	Mathew Neville (appointed January 2013)	
Company Secretary	David Holt (appointed January 2013 Linsley Green (resigned January 2013)	
Chief Executive	Simon Dwight Alison Green (resigned October 2012)	
Charity number	1139956	
Company number	7433621	
Registered office	King's House 245 Ampthill Road Bedford MK42 9AZ	
Independent Auditors	Mazars LLP The Pinnacle 160 Midsummer Boulevard Milton Keynes MK9 1FF	
Business address	King's House 254 Ampthill Road Bedford MK42 9AZ	
Solicitors	Park Woodfine Heald Mellows LLP 1 Lurke Street Bedford, MK40 3TN	
Bankers	Unity Trust Bank Plc Nine Brindleyplace Birmingham B1 2HB Co-operative Bank Plc 4 th Floor, 9 Prescott Street London E1 8BE	

TRUSTEES' REPORT

INTRODUCTION

The Trustees of the King's Arms Project (Bedford) present herewith their annual report, together with the financial statements of the charitable company, for the year 1st January 2012 to 31st December 2012. The charity commenced operations on 1st March 2011.

King's Arms Project (Bedford) is a social action project working with the homeless and rough sleepers in Bedford. The Project operates two residential houses: a Nightshelter and a Move-on Hostel (Barton House). It also provides a Meaningful Activities Co-ordinator, a Rough Sleeper Outreach service and a community meal known as the 'Friday Night Meeting'.

Formerly part of the King's Arms Trust (Bedford), the Trustees/Directors became increasingly aware of the benefits to the Project of becoming a stand-alone charity in its own right. This was prompted by the challenges for the Project of fundraising as part of a larger entity with a turnover of over £1,000,000, and the desire for clarity of management and governance structure in a growing organisation. Thus the Project became established as a new charitable company in 2011. A majority of the Trustees/Directors of the King's Arms Project (Bedford) are common to the King's Arms Trust (Bedford) and in January 2013 one independent Trustee (Director) was appointed to replace Alison Green. The two charities will maintain close working links and the registered offices of both will be King's House.

The King's Arms Project (Bedford) is an independent third party and not included in the results of the King's Arms Trust (Bedford) post 1st March 2011. In the opinion of the Trustees, the Project has a separate and independent Board of Trustees, independent executive management, is responsible for its own strategy and direction, and prepares its own budgets and finances. Board and Management meetings are held separately and minutes are recorded independently. All transactions between the two parties are at arms length.

PRINCIPAL OBJECTIVES

The Charity's objects ("Objects") for the public benefit are:

- a) to relieve financial hardship particularly but not exclusively among the homeless or those at risk of homelessness and to promote and preserve good health by the provision of funds, goods or services of any kind including through the provision of accommodation and support to achieve and maintain independent living, meaningful occupation, economic independence and to become contributing members of the community in Bedford and in such other parts of the United Kingdom or the world as the Trustees from time to time may think fit and to fulfil such other purposes which are exclusively charitable according to the law of England and Wales and are connected with the charitable work of the Charity;
- b) to advance the Christian faith in accordance with the Evangelical Alliance Statement of Beliefs in Bedford and in such other parts of the United Kingdom or the world as the Trustees may from time to time think fit.

TRUSTEES' REPORT 2012

LEGAL AND ADMINISTRATIVE INFORMATION

The King's Arms Project (Bedford) is a charitable company limited by guarantee (Company No 7433621), incorporated on 9th November 2010 and registered as a charity on 20th January 2011 (Charity No 1139956). The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. It commenced operating on the 1st March 2011.

Established in 1989, the Project operated as part of the King's Arms Trust (Bedford), from 1st January 2007 to 28th February 2011 and prior to this as part of 'The King's Arms Trust'. The King's Arms Trust (Bedford) is also a charitable company limited by guarantee (Company No 5899019 and Charity No 1116359) and was originally established as 'The King's Arms Trust', an unincorporated charity No 1044098 from 1st January 1995 to 31st December 2006.

TRUSTEES AND LEADERSHIP

The Trustees/Directors of the King's Arms Project (Bedford) comprise three Elders of the King's Arms Church as well as five others with expertise in the fields of business, education and social welfare. Trustees are appointed by the Elders, with the approval of the other Trustees. The Trustees met 3 times during 2012 in January, July, and October and were regularly consulted and informed on matters of importance. The Trustees of the Project are as follows:

Roydon Loveley (Chair)	Julian Adams	Mark Adams	Kirstie Cook
Alison Green (resigned January 2013)		Simon Holley	
Mathew Neville (appointed January 2013)	Paul Johnson	Paul Stanyard	

In the year ended 31st December 2012 the Trustees had indemnity insurance cover up to the sum of £1 Million. The cost of the insurance was £1,223.50 paid by the charitable company.

The day-to-day running of the Project is delegated by the Trustees to a Project Leadership Team comprising the Chief Executive Officer and three senior managers.

The report provides details of the activities of the Project and clearly demonstrates the public benefit provided by the Project in compliance with the Charities Act 2011.

FINANCIAL OVERVIEW

These accounts are prepared for 12 months of operations. The King's Arms Project (Bedford) commenced operating on the 1st March 2011 and thus the Financial Statements audited in last year's report cover 10 months of operation to the 31st December 2011. A Comparative Statement of Financial Activities for the full years of 2010 – 2012 is shown at Appendix 1. These unaudited figures are based on the activities of the Project when it was part of the King's Arms Trust (Bedford) prior to the 1st March 2011.

King's Arms Project (Bedford) - Trustees' Report & Financial Statements 1st January – 31st December 2012

TRUSTEES' REPORT 2012

A summary of the income, expenditure and assets (£K) for 2010, 2011 and 2012 is shown below

	2010*	2011**	2012
Income	702.9	713.7	740.5
Expenditure	711.3	701.6	715.9
Balance	-8.4	12.1	24.6
Assets	177.1	189.2	213.8

* 2010 - As part of King's Arms Trust (Bedford)

**2011 - As part of the King's Arms Trust (Bedford) for only January/February

Income totalled £740.5K in 2012, an increase of 3.8% compared with 2011. During 2012 there was a surplus of £24.6K (3.3%) compared with a 1.7% surplus in 2011. The assets are the equivalent of around 3 months of expenditure and a proportion are being retained for the possible purchase of a new Nightshelter building during 2013.

ACTIVITIES

Bedford has one of the highest incidences of rough sleeping in the UK outside of London and in an attempt to address this issue the King's Arms Project commenced work among the town's street-homeless in 1989 when a Residential House located in Clarendon Street, Bedford was established. The aim of the Project is to enable the homeless to move towards sustainable independent living as contributing members of their local community. The support available aids people to a point of stability, leaving behind chaotic lifestyles and life controlling issues such as substance misuse and mental health, while helping them acquire essential life skills and achieve personal goals. Over the life of the Project the scope of the work undertaken has increased and the following services are now provided:

- **Friday Night Meeting** – a weekly community outreach for rough sleepers and those in need, providing signposting to other support services, alongside hot meals and friendship. Between 30 and 40 people attend each session.
- **Nightshelter** – 18-bed direct-access overnight accommodation to which individual rough sleepers can self-refer. Approx. 6,500 bed spaces are offered per annum together with visiting support from outside agencies and a weekly free 'surgery' provided by a local GP.
- **Barton House** – a 14-bed hostel providing supported accommodation for between 30 – 40 residents per year (most of who stay between 6 and 12 months). During their stay residents also have keyworker support and learn basic life skills together with domestic disciplines essential for a successful progression to independent living.
- **Rough Sleepers Outreach Service** – involving our support workers engaging informally with a wide range of street homeless clients and helping them to access services and support.

TRUSTEES' REPORT 2012

- **Meaningful Activities** – we continue to receive funding to employ a dedicated support worker devoted to supporting homeless clients into some form of meaningful activity through volunteering, training and employment, thus helping them to become contributors to their community

An additional and important part of the Project's work is providing appropriate and accessible training courses for our residents and clients. We currently operate

- 1) **'Pathways'**, a life skills course for residents at Barton House. This covers topics such as Healthy Living, Wellbeing and Recreation, Literacy and Numeracy, IT and Creative Art
- 2) **'Pre-Tenancy Training'**, a course for Rough Sleepers, equipping them with essential skills for gaining and maintaining a tenancy. Now financed by grants and awards, this was originally funded by Bedford Borough Council and is delivered by a member of the Project staff team alongside the Rough Sleepers Outreach Worker with additional input from other areas of the Project and local agencies

The excellent work undertaken by the Project has been recognised both within Bedford and the UK with different awards and accolades being gained e.g. 'Pride in Bedford Award' 2009 and the national 'Inspire' Awards 2010. We often have the privilege of hosting visitors from this country and abroad and regularly enjoy the support of interns from other countries. This has resulted in other similar projects being established in Britain and overseas.

FUTURE PLANS

One of the key areas for the development of the Project in 2013 is the plan to purchase a building for our Nightshelter work. We currently rent a property which has served us well for approximately twenty years but now wish to expand our accommodation to provide better facilities for our clients as well as providing additional space for training and day-time activities. A significant legacy received by the King's Arms Trust (Bedford) in 2010 and restricted for use by the Project will provide the basis for a deposit and we hope to identify and purchase a suitable property during 2013.

PUBLIC BENEFIT

All of the activities of the Project as described in this report are available to, and for the benefit of, the public in both the local and wider community in Bedford and beyond.

Thus the Trustees believe that the Project fully complies with the requirements of the Charities Act 2011 with respect to public benefit.

TRUSTEE INDUCTION AND TRAINING

The Trustees are also directors of the company. As mentioned earlier, Trustees are appointed with the approval of the other Trustees in accordance with the Memorandum and Articles of Association. Without exception new Trustees are already familiar with the work of the Project as they are committed members of the King's Arms Church.

TRUSTEES' REPORT 2012

Prior to their appointment new Trustees will meet with the Chair of the Trustees to review

- The roles and responsibilities of a Trustee
- The main documents which set out the operational framework for the charity including the Memorandum and Articles of Association
- Resourcing and the current financial position as set out in the latest published accounts
- Future plans and objectives
- The Trustee Induction Procedure and Trustee Job Description

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Charitable company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the profit or loss of the charitable company for that period. In preparing those financial statements, the Trustees are required to -

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and that are sufficient to show and explain the company's transactions. This ensures that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud or any other irregularities.

GOVERNANCE

In addition to the oversight provided by Trustees, principally via their meetings generally held at least three times a year, the management and oversight of all governance issues of the Project is provided by a Governance Team which usually meets monthly. The Governance Team consists of two Trustees, the Chief Executive, and Finance Officer of the Project and others from the church and King's Arms Trust (Bedford).

The Project currently employs a part-time Finance Officer who regularly meets with the Chairman of the Trustees for a detailed review of the finances. Monthly management accounts for the Project are generated, showing actual income and expenditure against the agreed budget in number of categories. These are also reviewed at the Governance Team meetings.

TRUSTEES' REPORT 2012

RESERVES

The policy on reserves, agreed by the Directors/Trustees, is that the Project maintains reserves of three months expenditure. The amount currently held over and above the three month expenditure level is being retained for the possible purchase of a new Nightshelter building.

INVESTMENT POLICY

Reserve funds are placed in higher interest accounts with the Co-operative Bank and a number of other UK banks. The interest rates on offer by UK banks and building societies are reviewed on a regular basis and monies moved to gain the best rates.

RISK MANAGEMENT

The major financial risks, as recognised by the Directors/Trustees, are as follows:

The Nightshelter, Barton House hostel and Rough Sleepers Outreach work are funded by the government's Supporting People (SP) programme and Housing Benefit. The main risk is a major change in the rules and/or levels in government funding by Supporting People and Housing Benefit. In order to mitigate this risk other sources of funds are being pursued.

These include trust funds and local government grants. The Project also has an established regular donor base of 31 (2011 – 28) individuals who provide approximately £24K (2011 – £22K) per annum mostly through regular standing orders. During 2012 the level of income from sources other than Supporting People and Housing Benefit was around 16.5% (up from 15.5% in 2011) and it is planned to continue to increase this percentage over 2013 and in subsequent years.

The current Supporting People contract has been extended until October 2014 and we expect to have to tender for all our SP funded services in the first half of 2014.

POLICIES AND PROCEDURES

Because of the nature of its work with vulnerable adults the Project has established a wide range of policies and procedures, which are reviewed on a regular basis. The key policies are as follows:

CRB Policy and Procedure

Environmental Policy

Data Protection Policy

Health & Safety Policy

Equal Opportunities Policy

Finance Policy

AUDITORS

The auditors, Mazars LLP were appointed to the Project in 2012. They have signified their willingness to continue to act on the Project's behalf and a resolution to re-appoint them will be proposed at the annual general meeting of the Trustees.

STATEMENT OF DISCLOSURE TO THE AUDITOR

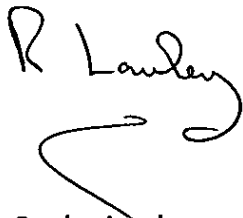
The Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

As far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware.

The Trustees have prepared this report in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Trustees on **8 April 2013**

and signed on their behalf

A handwritten signature in black ink, appearing to read 'R Loveley', with a long, sweeping horizontal stroke underneath.

Roydon Loveley

Chairman of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE KING'S ARMS PROJECT (BEDFORD) 2012

We have audited the financial statements of the King's Arms Project (Bedford) for the year ended 31 December 2012 which comprises the Statement of Financial Activities incorporating the Summary Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, the Trustees (who are also the Directors of the charity 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. This report is made solely to the charity'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 charity'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 charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

OPINION ON THE FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the charity's affairs as at 31 December 2012 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON THE OTHER MATTER PRESCRIBED BY 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE KING'S ARMS PROJECT (BEDFORD) 2012

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 directors were not entitled to prepare the financial statements and the Trustees' Report in accordance with the small companies regime



Stephen Brown (Senior Statutory Auditor)

for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditors
The Pinnacle, 160 Midsummer Boulevard, Milton Keynes, MK9 1FF

Date **10 April 2013**

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2012

INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT

		Unrestricted funds year ended 31/12/12	Restricted funds year ended 31/12/12	Total funds year ended 31/12/2012	Total funds period ended 31/12/2011
	Notes			£	£
Incoming Resources					
<i>Incoming resources from generated funds</i>					
Voluntary income					
Donations		41,461	-	41,461	42,905
Other income/fundraising		25,492	-	25,492	10,605
Investment income		1,335	-	1,335	519
<i>Incoming resources from charitable activities</i>					
Rent & Housing Benefit received		-	252,223	252,223	203,568
Supporting People		-	366,358	366,358	303,910
Grants received		12,333	41,332	53,665	34,329
Total incoming resources	2	80,621	659,913	740,534	595,836
Resources expended					
Cost of generating voluntary income		12,145	-	12,145	13,297
Charitable activities					
Nightshelter		-	347,232	347,232	287,937
Barton House		-	279,769	279,769	225,599
Rough Sleepers		-	41,535	41,535	22,271
Onward		-	-	-	18,895
Meaningful Activities		-	25,535	25,535	7,384
Friday Night Meeting		-	3,964	3,964	4,402
Governance costs	4	5,700	-	5,700	5,400
Total resources expended	3	17,845	698,035	715,880	585,185
Net movement in funds	6	62,776	(38,122)	24,654	10,651
Balance brought forward		28,481	160,692	189,173	
Transferred from Charity No 1116359		-	-	-	178,522
Transfers between funds		(4,883)	4,883	-	-
Balances carried forward as at 31 December		86,374	127,453	213,827	189,173

The charity's incoming resources and resources expended all relate to continuing operations. The charity has no recognised gains or losses other than those included above. The notes on pages 14 to 20 form part of these accounts.

BALANCE SHEET AS AT 31 DECEMBER 2012

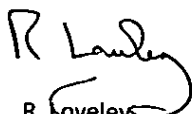
	Notes	2012 £	2011 £
Fixed assets			
Tangible assets	7	11,818	14,060
Current assets			
Debtors	8	12,152	12,446
Bank and cash at hand		<u>251,358</u>	<u>227,273</u>
Total current assets		263,510	239,719
Creditors falling due within one year	9	(61,501)	(64,606)
Net current assets		202,009	175,113
Creditors due after one year		-	-
Net assets		<u>213,827</u>	<u>189,173</u>

Funds	10		
Unrestricted funds		86,374	28,481
Restricted funds		127,453	160,692
Total funds		<u>213,827</u>	<u>189,173</u>

The notes on pages 14 to 20 form part of these accounts

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities

The financial statements were approved and authorised for issue by the Trustees on **8 April 2013** and signed on their behalf


R Loveley
Trustee


K Cook
Trustee

NOTES TO THE FINANCIAL STATEMENTS 2012

ACCOUNTING POLICIES

1.1 Accounting convention and basis of preparation

The financial statements are prepared under the historical cost convention

The financial statements have been prepared in accordance with applicable accounting standards and comply with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued by the Charity Commission in March 2005, the Charities Act 2011 and the Companies Act 2006

1.2 Income

Income arising from the occupancy of the Nightshelter and Barton House is credited to the relevant restricted fund

Tax credits (gift-aid) are included in the financial statements on an accruals basis as recommended by the Statement of Recommended Practice. This means that tax credits are taken into account in the period in which the originating donation was made

Income from grants is recognised in the year that it is received unless the donor specifies otherwise or the grant is given to cover service provision in more than one financial year. In such cases the income is deferred (see note 9)

Rents receivable are credited to the relevant restricted fund based on the total due for the current year

Legacies are recognised when the three criteria of entitlement, measurability and certainty are met

1.3 Intangible income and voluntary assistance

Voluntary assistance to the charitable company was provided by over 55 (2011: 50) volunteers giving 7,265 hours of service in 2012 (2011: 6,612). Volunteers provided assistance to the Project including shifts at the Nightshelter and Barton House and purchasing and preparing food for the Friday Night Meeting

Intangible income is provided by donors of food and clothing for the homeless which is not evaluated in the financial statements. Stocks of consumables have also not been evaluated

1.4 Allocation of costs

Costs are allocated directly to funds whenever applicable. Indirect costs are allocated from Project administration to the restricted funds on the basis of total income generated

Staff costs represent direct charges as well as any Project administration salaries and are allocated on the same basis

1.5 Governance costs

The charitable company has identified the major costs of governance as external costs related to the external auditors and accounts preparation

1.6 Pension costs

The pension costs charged in the financial statements represent the contributions payable by the charitable company during the year

1.7 Operating leases

Rentals payable under operating leases are charged on a straight-line basis over the term of the lease

NOTES TO THE FINANCIAL STATEMENTS 2012

1.8 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Fixtures and fittings	20% straight line
Motor vehicles	20% straight line

1.9 Recognition of liabilities

All categories of liabilities are recognised in the period that they are incurred

1.10 Restricted and unrestricted funds

Unrestricted funds are funds given for the general purposes of the charitable company and these funds may be expended on the objects of the charitable company at the discretion of the Trustees

Restricted funds are those funds that have been given for a specific purpose and they must only be expended on that purpose

There is an over-arching fund for King's Arms Project (Bedford) administration. This fund receives donations for general expenditure on any aspect of the work for the homeless. Within these criteria, the Trustees have discretion as to which restricted fund the funds will be applied to

2 Total incoming resources

	Donations & Legacies £	Rent & Housing Benefit £	Supporting People £	Grants £	Other Income & fundraising £	Investment income £	Year ending 31.12 12 Total £	Period ending 31 12 11 Total £
Restricted income								
Nightshelter	-	135,568	199,657	-	-	-	335,225	282,686
Barton House	-	116,655	135,881	-	-	-	252,536	205,683
Onward	-	-	-	-	-	-	-	12,620
Rough Sleepers	-	-	30,820	11,000	-	-	41,820	25,567
Meaningful Activities	-	-	-	28,332	-	-	28,332	10,001
Friday Night Meeting	-	-	-	2,000	-	-	2,000	-
Total Restricted income	-	252,223	366,358	41,332	-	-	659,913	536,557
Unrestricted income								
King's Arms Project	41,461	-	-	12,333	25,492	1,335	80,621	59,279
Total	41,461	252,223	366,358	53,665	25,492	1,335	740,534	595,836

NOTES TO THE FINANCIAL STATEMENTS 2012

3 Direct charitable expenditure

	Staff Costs £	Direct Costs £	Indirect Costs £	Depreciation £	Year ending 31 12 12 Total £	Period ending 31 12 11 Total £
Nightshelter	246,782	99,333	-	1,117	347,232	287,937
Barton House	189,096	88,528	-	2,145	279,769	225,599
Rough Sleepers	25,711	15,824	-	-	41,535	22,271
Onward	-	-	-	-	-	18,895
Meaningful Activities	23,378	2,157	-	-	25,535	7,384
Friday Night Meeting	554	3,410	-	-	3,964	4,402
Sub-total	485,521	209,252	-	3,262	698,035	566,488
Fundraising & Publicity	10,162	-	1,983	-	12,145	13,297
Governance	-	-	5,700	-	5,700	5,400
Total	495,683	209,252	7,683	3,262	715,880	585,185

Included in indirect charitable expenditure is auditors' remuneration of £3,250 (2011 £3,000) plus VAT

Included in direct costs are other staff costs of £7,058 (2011 £4,506)

Fundraising and publicity costs relate mainly to staff organising events in the year such as the Sleep-out, gift days and other events. Staff also spend time liaising with grant-making organisations.

4. Corporate Governance	2012 £	Period 2011 £
Auditors	3,900	3,600
Accountancy	1,800	1,800
Total	5,700	5,400

5. Employee information	2012 £	Period 2011 £
Salaries	441,289	361,287
Social security costs	30,916	27,307
Pension	23,478	15,851
Total	495,683	404,445

NOTES TO THE FINANCIAL STATEMENTS 2012

The average number of persons employed during the year was 30 which includes part-time staff

	2012	Period 2011
Management & administration	6	5 5
Nightshelter	13	12 5
Barton House	9	8
Onward	-	2 5
Rough Sleeper	1	1
Meaningful Activities	1	0 5
Total	30	30

No employee received remuneration of more than £60,000. Trustee's remuneration during the year was £28,087 (2011 £27,720) being the total remuneration package for one Trustee employed by the King's Arms Project (Bedford). Trustee remuneration is in accordance with the Memorandum & Articles of the Trust for services provided to the Trust.

Trustee expenses were reimbursed to one Trustee during the year totalling £10 (2011 £190) being reimbursement of Project expenses and travel costs.

6. Movement in funds

	Opening balance 2012 £	Income £	Expenditure £	Transfers £	Closing balance 2012 £
Unrestricted funds					
King's Arms Project	28,481	80,621	(17,845)	(4,883)	86,374
Restricted funds					
Nightshelter	97,891	335,225	(347,232)	-	85,884
Barton House	56,888	252,536	(279,769)	-	29,655
Rough Sleeper	3,296	41,820	(41,535)	-	3,581
Meaningful Activities	2,617	28,332	(25,535)	2,919	8,333
Friday Night Meeting	-	2,000	(3,964)	1,964	-
Total Restricted funds	160,692	659,913	(698,035)	4,883	127,453
Total movement in funds	189,173	740,534	(715,880)	-	213,827

For a description of individual restricted funds, please refer to the Trustee's Report (page 5)

NOTES TO THE FINANCIAL STATEMENTS 2012

7. Fixed Assets

	Fixtures & fittings	Motor vehicles	Total
Cost	£	£	£
As at 1 st January 2012	9,713	5,890	15,603
Additions	1,150	-	1,150
Disposals	(156)	-	(156)
Cost at 31st December 2012	10,707	5,890	16,597
Depreciation			
As at 1 st January 2012	1,347	196	1,543
Charge for the year	2,084	1,178	3,262
Eliminated on disposal	(26)	-	(26)
Depreciation at 31st December 2012	3,405	1,374	4,779
Net book value at 31st December 2012	7,302	4,516	11,818
Net book value at 31 st December 2011	8,366	5,694	14,060

8. Debtors

	2012	2011
	£	£
Accrued income & prepayments	5,465	8,356
Staff loan	-	599
Tax credit (gift-aid)	6,687	3,491
Total debtors	12,152	12,446

9. Creditors falling due within one year

	2012	2011
	£	£
Deferred income	38,444	43,533
Creditors	17,357	15,672
Accrued expenses	5,700	5,400
Total creditors	61,501	64,606

Deferred income

	2012	2011
	£	£
At 1 st January	43,533	43,011
Received during the year	38,444	43,533
Released to incoming resources for the year	(43,533)	(43,011)
At 31st December	38,444	43,533

Grant income is deferred because the donor has specified use for the next financial year

NOTES TO THE FINANCIAL STATEMENTS 2012

10. Net assets held by funds

	Fixed assets	Debtors	Bank and cash	Creditors	Total
	£	£	£	£	£
Unrestricted funds					
King's Arms Project	892	6,761	111,800	(33,079)	86,374
Restricted funds					
Nightshelter	3,290	3,985	95,543	(16,934)	85,884
Barton House	7,636	1,406	32,101	(11,488)	29,655
Rough Sleeper	-	-	3,581	-	3,581
Meaningful Occupation	-	-	8,333	-	8,333
Friday Night Meeting	-	-	-	-	-
Total	11,818	20,485	251,358	(69,834)	213,827

11. Financial commitments and contingent liabilities

At the year end the charitable company was committed to making the following payments under operating leases in the coming year

	Property	Equipment	Total 2012	Total 2011
	£	£	£	£
Expiring within one year	47,490	2,935	50,425	52,961
Expiring within two to five years	52,460	6,156	58,616	109,041
Expiring over five years	-	-	-	-
Total	99,950	9,091	109,041	162,002

There were no contingent liabilities at the year end (2011 none)

12. Pension costs

During the year defined contribution pension costs of £23,478 (2011 £15,851) were paid on behalf of 24 (2011 23) employees to pension schemes administered independently of the charitable company. There were no pension liabilities outstanding at the year end.

13. Related Party Transactions

The King's Arms Project (Bedford) was previously part of the King's Arms Trust (Bedford) and now shares many of the same Trustees (Directors). One independent Trustee (Director) was appointed in January 2013 to replace Alison Green.

Assets were transferred from the King's Arms Trust (Bedford) to the King's Arms Project (Bedford) at their net book value in 2011.

During the period rent and service charges of £11,218 (2011 £5,898) were paid to the King's Arms Trust (Bedford) for use of offices and conference facilities at King's House. There was an outstanding balance of £1,268 (2011 £631) due to the King's Arms Trust (Bedford) at the year end.

NOTES TO THE FINANCIAL STATEMENTS 2012

13. (Continued) Related Party Transactions

The King's Arms Project (Bedford) is an independent third party and not included in the results of the King's Arms Trust (Bedford) post 1 March 2011. In the opinion of the Trustees the Project has a separate and independent Board of Trustees, independent executive management, is responsible for its own strategy and direction, and prepares its own budgets and finances. Board and Management meetings are held separately and are independently minuted, all transactions between the two parties are at arms length. In the opinion of the Trustees the Kings Arms Trust (Bedford) does not exercise control over the King's Arms Project (Bedford) and so satisfies the requirements not to consolidate the results in the results in these financial statements.

COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2012

	Year ending 2012	Year ending 2011	Year ending 2010
	£	£	£
Incoming Resources			
<i>Incoming resources from generated funds</i>			
Voluntary income			
Donations	41,461	49,400	43,560
Other income/fundraising	25,492	11,409	15,854
Investment income	1,335	519	797
<i>Incoming resources from charitable activities</i>			
Rent / Housing Benefit received	252,223	243,722	216,367
Supporting People	366,358	364,692	364,692
Onward grants		6,310	42,987
Grants received	53,665	37,621	18,649
Total incoming resources	740,534	713,673	702,906
Resources expended			
Cost of generating voluntary income	12,145	17,394	18,213
Charitable activities			
Nightshelter	347,232	341,091	353,473
Barton House	279,769	269,296	274,742
Rough Sleepers	41,535	22,271	-
Onward	-	28,155	56,956
MAC	25,535	7,384	-
King's Arms Project (Inc FNM)	3,964	6,225	3,510
Governance costs	5,700	9,778	4,378
Total resources expended	715,880	701,594	711,272
Net movement in funds	24,654	12,079	(8,366)
Balances brought forward	189,173	177,094	185,460
Balances carried forward as at 31 December 2012	213,827	189,173	177,094