
THE SIMON COMMUNITY
(A company limited by guarantee)

MANAGEMENT COMMITTEE'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009

THE SIMON COMMUNITY
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the charity, its committee and advisers	1 - 2
Management committee's report	3 - 11
Independent auditors' report	12 - 13
Statement of financial activities	14
Balance sheet	15
Notes to the financial statements	16 - 23

THE SIMON COMMUNITY
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS MANAGEMENT COMMITTEE AND
ADVISERS
FOR THE YEAR ENDED 31 MARCH 2009**

Management Committee

John Yeudall, Chair
Adrian Evans, Treasurer
Ian Lock, Secretary
Alan Cole
Phillip Burke (resigned 2 October 2008)
Ian Ogilvie (resigned 14 February 2009)
Luke Blair (resigned 31 January 2008)
Anthony Downes (resigned 14 February 2009)
Stephen Barnes
Martin Newell (resigned 14 February 2009)
M T Gibson - Watt
Robert McNeill (resigned 14 February 2009)
Tara Craig (resigned 14 February 2009)
Alistair Murray
Ruth Cram
Justin Cooper (appointed 14 February 2009)
David Clark (appointed 14 February 2009)
Cynthia Jameson (appointed 14 February 2009)

Company registered number

01602161

Charity registered number

283938

Registered office

129 Malden Road
London
NW5 4HS

Company secretary

Ian Lock

Community Manager

Jo Nurse

Auditors

haysmacintyre
Chartered Accountants
Registered Auditors
Fairfax House
15 Fulwood Place
London
WC1V 6AY

THE SIMON COMMUNITY
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS MANAGEMENT COMMITTEE AND
ADVISERS
FOR THE YEAR ENDED 31 MARCH 2009**

Advisers (continued)

Bankers

HSBC
246 Kentish Town Road
London
NW5 2BS

CAF Bank
25 Kings Hill Avenue
West Malling
Kent
ME19 4JQ

Solicitors

Clintons
55 Drury Lane
London
WC2B 5SQ

THE SIMON COMMUNITY
(A company limited by guarantee)

MANAGEMENT COMMITTEE'S REPORT
FOR THE YEAR ENDED 31 MARCH 2009

The management committee (who are also directors of the charity for the purposes of the Companies Act) submit their annual report and the audited financial statements of The Simon Community (the charity) for the ended 31 March 2009. The management committee confirm that the annual report and financial statements of the charity comply with current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution and organisational structure

The charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association. The management of the charity is the responsibility of the management committee who are elected and co-opted under the terms of the Articles of Association.

The charity is organised so that its management committee meet regularly (normally monthly) to manage its affairs and take strategic decisions on behalf of the charity. Day to day management is delegated to the charity's Community Manager, who in turn is supported by a part time administrator and a number of volunteers. With so few paid staff individual trustees are nominated to support the Community Manager in subject areas such as volunteers, health and safety, campaigning, talks and fundraising. The Simon Community's great strength is derived to a large degree from its volunteers both full and part-time, who play an essential part in the running of the Community.

Recruitment, appointment, training and induction of management committee members

The management committee consists of the Chair, Treasurer and Secretary and not less than 3 nor more than 12 other persons, all elected by the members. At each Annual General Meeting (AGM), the Chair, Treasurer and Secretary retire from office and are eligible for re election. Members are also eligible for election at the AGM. Up to one third of management committee members can be drawn from residents or service users. The policy of the charity is that all management committee members will receive training about their roles and responsibilities as trustees. New committee members are given an induction pack upon joining the Board and briefed by the Chair. Briefing and guidance material is based on documentation issued by the Charity Commission. The major part of two committee meeting's a year are set aside for training usually provided by an external trainer.

Management committee's liability

The members of the management committee of the Charity along with all members, guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

RISK MANAGEMENT

The management committee believe that the maintenance and planned growth of Unrestricted Reserves, in combination with the monitoring of financial forecasts, will enable the charity to cope with changing financial circumstances. In addition the management committee identifies and reviews the major risks to which the charity is exposed and can confirm that systems are established to mitigate these risks. The charity's risk profile will be reviewed annually.

POLICIES AND OBJECTIVES

The Simon Community's purpose is enshrined within its objects. The principal object of the charity is the relief of poverty of persons who by reason of mental or physical are unable to fulfil their duties as citizens or their obligations to their families or to their employers. This objective is put into practice via the following:

- By establishing, managing and improving houses of hospitality and shelters, clubs, cafes, day or night centres, residential settlements and sheltered workshops or other schemes for homeless and rootless,

THE SIMON COMMUNITY
(A company limited by guarantee)

MANAGEMENT COMMITTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2009

socially inadequate and main unemployable persons and provide them with the care, treatment, security and love to which they are entitled.

- By providing material relief care and comfort to those people sleeping rough and with no fixed abode.
- By providing, arranging, paying for or contributing towards the cost of providing board, lodging, meals and medical expenses for the homeless and rootless.
- By arranging for the homeless and rootless to be placed in suitable employment and by assisting in such manner as the Simon Community sees fit.

There have been no changes in the objectives since the last Management Committee Report.

PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity.

The charity's objects, through which it achieves public benefit are as shown above.

The Trustees review the activities of the charity against its aims on an ongoing basis and are satisfied that all activities continue to be related to the aims. Activities undertaken by the Simon Community are expanded further within the body of this report.

No specific issues of detriment or harm have been identified by the trustees.

The Simon Community's aim has always been to provide help for people who are not provided for by other services. While provision for people sleeping rough in London has certainly increased in recent years, it is generally acknowledged that services are still failing to reach all those who need help and that it is often the most vulnerable who are not being reached. In some respects this is a question of trust and confidence; people who find themselves living on the street are often distrustful and understandably wary about those from whom they are willing to accept help from. The Simon Community has a special role to play in this. We enjoy a high reputation among many of London's street homeless and are well known and trusted. This trust places a great responsibility on us, both to provide what help we can and to do it with care and respect for those we are here to serve.

We aim to break down the barriers between helping and being helped – our houses are homes, not hostels. Simon Community's residents and volunteers live and work together as a community and share in the decision making and running of all our projects.

The Community works through a variety of meetings so that everyone can be involved in deciding how our services operate. Our residents are expected to contribute to the overall running as much as they can and this means in practice that current and ex-residents take responsibility for many of the day-to-day tasks.

The Simon Community does not exclude or give priority on the basis of their nationality, religion, gender or ethnic background. The Simon Community does not charge for its services and operates regular outreach programmes to engage with potential beneficiaries'.

A number of private benefits do necessarily arise from the activities of the charity. In particular, the charity finds it essential to employ and remunerate staff. Our trustees are unpaid and details of trustee expenses are disclosed in note 13 to the accounts.

THE SIMON COMMUNITY
(A company limited by guarantee)

MANAGEMENT COMMITTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2009

VOLUNTEERS

Volunteers bring a freshness and vitality to the Simon Community as well as a varied range of skills. They are critical to the Simon Community philosophy of providing a homely and welcoming environment for the street homeless with whom it works. All Simon Community's front line work continues to be done by volunteers. The number of full time volunteers has varied throughout the year from a peak of 9 to a minimum figure of 4. The time spent with the Simon Community by individual volunteers varies from 6 to 18 months.

Part time volunteers and co-workers also play an equally important part in carrying out Simon Community's work and they are responsible for delivering many of the Community's services.

REVIEW OF ACTIVITIES

The following were the objectives set for the year:

Ensuring that its street work continues, despite the at times hostile climate in which it is having to operate, and where possible expanding the range of services and facilities available to the homeless

Every day of the week, the Simon Community is involved in a range of outreach activities in Inner London, including soup and tea runs and street cafes, to establish contact and build a relationship of trust with the street homeless that can provide a foundation for more lasting support. One of The Simon Community's aims had been to increase the number of street cafes and it is pleasing to report that early in the year it was able to start running a street café on a Sunday outside St Giles in the Fields. The Simon Community now runs four very well attended street café's a week

In summary this has been a very good year for the Simon Community in terms of service delivery. The Community Manager together with her full and part time volunteers have been successful in making the Simon Community a friendly and welcoming community organisation, which responds to the ever increasing needs of the homeless and to attends to the basics such as ensuring that people are listened to and by offering nutritious food and a cooked meal to those who need it A lot of hard work has been put in by those involved in the day-to-day running of the Simon Community and for this the trustees are very grateful.

Developing and refining the use of its only House, 129 Malden Road.

As a result of decisions taken in 2006 to ensure the Simon Community finances were put on a sounder footing the Community has only one Community House, 129 Malden Road. The house is therefore the hub of the Community's activities acting as a home for homeless people and volunteers, a base for outreach and hospitality and an office. Inevitably it is a vibrant, busy and times almost chaotic establishment. Nevertheless it has been able to accommodate up to 12 otherwise homeless people a night and operate on the Simon Community model with volunteers and residents living together and sharing the running of the house.

The House also offered hospitality to homeless people both during the day where it operated as a drop in centre and some evenings where it offered specific hospitality. The House also acted as a base for all street work activity and the preparation of food and refreshment for the various runs and street cafes. The numbers using its drop in facility during the day could be as high as 60 people.

On days when specific hospitality is not offered at the house, the Manager and volunteers use the time to help with the manifold problems, ranging through health, money, accommodation, the law and family difficulties, faced by individual homeless people. It is at these times that the lack of space in the House is at its most serious as there is seldom any privacy for the conduct of what are often harrowing and sensitive interviews.

In practice, little progress can be made towards clarifying the longer term use of 129 Malden Road until additional accommodation is obtained either for use as a base for hospitality or as a residential house. The Community also needs office accommodation and good additional storage facilities for the food and clothing so generously donated to it.

THE SIMON COMMUNITY
(A company limited by guarantee)

MANAGEMENT COMMITTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2009

The Community is in a way a victim of its own success; demand for the Simon Community's caring, non judgemental, community based assistance is so great that more accommodation is badly needed. An offer, unsuccessful, was made during the year for a property that would have made a good base for much of the Community's work. To clarify and ultimately simplify the search for additional accommodation a generic property brief has been prepared and this will enable an agent to be instructed to speed up the property search.

To help in supporting formerly homeless people to remain in their own accommodation and to prevent them being isolated

The Simon Community continues to operate a visits programme for people who have been formerly rough sleepers and have managed to secure their own accommodation. The support offered is in tackling loneliness and isolation, offering advice, and helping to ensure that the tenancy is sustained. The Simon Community sees around 10 former rough sleepers regularly.

To tackle isolation and loneliness for London's rough sleeping community

Simon Community volunteers go out onto the streets as rough sleepers bed down for the night. Basic food and hot drinks are offered as well as checking the person is ok, whether they have accessed appropriate services. All of the Community's outreach services are designed to tackle isolation, to be the 'one friendly face' that the rough sleeper may have seen that day. The Simon Community hosted many social events for rough sleepers at 129 Malden Road and use of the same premises as a day time drop in where an individual can rest, shower get a hot meal and use washing machines and driers helped to provide valuable support and respite to homeless people.

To try to prevent any homeless people from going cold or hungry in Central London

The Simon Community carries out Soup Runs on two nights of the week (Wednesday and Thursday) where it takes out hot soup, sandwiches as well as blankets and clothing. The same happens with the early morning tea runs, also two times a week on a Sunday and Monday mornings. Furthermore at the Street Cafés, which take place on a Monday evening Wednesday morning, Saturday afternoon and Sunday lunch time, hot food and drinks are served. Advice is also given to rough sleepers about where else they can obtain food, blankets or shelter for the night.

It was possible to offer daily Hospitality over a fourteen day period at Christmas, and thirty nine homeless people enjoyed a cooked Christmas dinner. The total number of meals served to homeless people attending Soup Runs during the year was approximately 11,400 (in 2008 it was 11,103). All the indications were that homelessness remains a serious problem for London, there being a shortage of accommodation for those who are homeless and the numbers who are becoming homeless shows no sign of abating. Arrivals from the A8 accession counties continue to find it particularly hard and are considerable users of the Simon Community's services. Furthermore the work of providing soup and sandwiches on the streets during the year continues to face the less than supportive attitude of some London Boroughs who actively oppose soup runs

To raise the issues of rough sleeping and homelessness and to campaign on behalf of the homeless

Twice a year the Simon Community does an independent head count of numbers of people sleeping rough these figures are distributed to the press, and indicate that there are still a significant number of people sleeping out every night, and that there are insufficient hostel spaces for them. In April 2008, Simon Community volunteers found 241 people sleeping rough in London (301 in 2007). In October 2008 269 were found. The Simon Community found these figures were both significantly higher than the Government's official figures. The Simon Community was active in opposing the action taken under Operation Poncho, where sites used by the homeless for sleeping are hosed down and rendered unusable.

Talks were given to a number of schools and Churches throughout the year to highlight the plight of the homeless. Simon Star, the fundraising and campaigning journal of the Simon Community, was produced

THE SIMON COMMUNITY
(A company limited by guarantee)

MANAGEMENT COMMITTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2009

quarterly.

In order to give more focus and professionalism to its work, management committee sub groups were set up to deal respectively with Campaigning, Fundraising and Talks. The Membership of each group was drawn from trustees, volunteers and community members.

An improved information leaflet about the Simon Community has been produced. The organisation's website will be reviewed and redesigned by a professional web designer.

Concluding the ongoing debate within the Community over the desirability or otherwise of seeking a merger with a like minded organisation

Continuing to act as an independent voice for the homeless and rootless

These two objectives are closely linked so it makes sense to deal with them together

There were times in the previous year when it looked as though the best way forward for the Community would be a merger. However as has happened before in the Simon Community's long life, after a period of retrenchment and internal debate, the Simon Community has re-emerged as an organisation that has chosen to remain independent. The decision was in no way an adverse commentary on those with whom it might have considered merging; it was more a reflection of its belief in the community methodology and the continuing need for its street based services in London. As a small independent charity the Simon Community will remain fragile but provided it continues to retain a good Community Manager, as it does now, has a broad base of experienced trustees and remains attractive to competent and committed volunteers it will succeed. One thing that has emerged from the debate is a stronger desire to develop better working relationships with like minded organisations and this aim will be pursued in the coming year. The debate that took place in the Simon Community was a healthy one and demonstrates the ability of people at all levels in a community type organisation to contribute to and influence the outcome of major organisational issues.

Evaluating how best to utilise the funds from the sale of Simon House

Last year the Simon Community gave up one house when its lease ended and sold another because it was running at a loss. The property reserve created by this sale will provide the capital needed for expansion. However, the Community is proceeding cautiously in its assessment of how best to use these funds. The development of the generic property brief referred to earlier in this report is not yet complete and for any new property the Simon Community needs to secure adequate funding to cover its running costs. The evaluation of how best to utilise its property reserve remains an ongoing priority for the future.

Resolving how best the Simon Community can once more offer a night shelter

Action on this item is in part linked to the previous item but it has also forced a debate within the Community over where the Simon Community should concentrate its limited resources. Discussion on this item is continuing, the key influencing factors being that the Simon Community should stick to the things it knows and does well and should aim to provide services for those excluded from mainstream homelessness provision. If it is decided to once more offer a night shelter a key determining factor in getting it off the drawing board will be obtaining revenue funding.

Exploring the scope for joint working with other organisations

Action on this item is in part linked to the previous item but it has also forced a debate within the Community over where the Simon Community should concentrate its limited resources. Discussion on this item is continuing, the key influencing factors being that the Simon Community should stick to the things it knows and does well and should aim to provide services for those excluded from mainstream homelessness provision. If it is decided to once more offer a night shelter, a key determining factor in getting it off the drawing board will be obtaining revenue funding.

THE SIMON COMMUNITY
(A company limited by guarantee)

MANAGEMENT COMMITTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2009

Improving the training and support of both full time and part time volunteers.

Progress here has been mixed. Training and Community days have been held and a Trustee is developing a training programme. Courses attended have included First Aid, Health and Safety. Also, in addition to formal training there has been briefing and on the job training underpinned by a gradual improvement in the guidelines and written reference material. There has been considerable discussion both within the Community and amongst trustees of how best to proceed. Turnover of full time volunteer workers, pressure of day-to-day work and the limited availability of part time volunteers to attend training have all hindered the implementation of a more rigorous training regime. However, there is a high level of commitment amongst trustees to continue the work on this topic.

Continuing to refine and improving its financial management

One of the reasons for the Simon Community's improved position is the fact that it has its finances under better control; the contribution of a committed and competent Treasurer to this improvement cannot be underestimated. Two developments for the coming year are an improved format for financial reports and the resolution of uncertainty over the key post of part time administrator.

Ensuring a targeted programme of fundraising to ensure stability for the Community

The main development this year has been the formation of a fundraising sub-group of the management committee which has set in train a number of fundraising initiatives. Also through its work, the Simon Community has come to the attention of both organisations and individuals who wish to make donations of cash or gifts in kind. It is not possible to mention all those who support the Simon Community, but the food donations are much appreciated. Also, grants from The Tudor Trust, The Dion Fund, The Albert Hunt Trust and others have helped provide stability. Finally it would be wrong to end without mentioning the hospitality of the Mayo Community who each year enable homeless people to re-establish family and other links with Ireland.

The Community will also start the process of a new long term strategic plan for the organisation endeavouring to preserve the founding vision and spirit of the Community.

An Operational Plan guides the discussion and management of the Community's business by the trustees. It has included provision for the development of ideas on the Community's future through Community away days and similar facilitated events for trustees. There are many interwoven strands in the development of a new strategic plan. One of the first of these has been clarifying the Simon Community's place and future role as a homelessness charity; trustees were agreed that the Simon Community should only continue if there remained a clear need for its services. The debate and discussion to date has endorsed the continuation of the Simon Community and the value of its community model and volunteer based service delivery. Whilst much has improved about service delivery for the homeless since the Simon Community's formation in 1963, the nature of homelessness is not static and there remains a need to engage with those homeless who cannot, for whatever reason, be reached by the mainstream organisations. Much of the preliminary work has been done and over the coming months this will be set out as a more formal plan.

INVESTMENT POLICY AND PERFORMANCE

Simon Community funds that are not required for day-to-day operational expenditure are invested in a secure high interest account with the Charities Aid Foundation (CAF). The management committee's prime consideration in making such investments is to balance security with the need to secure an adequate return on investment.

RESERVES POLICY

The management committee believes that the charity should hold financial reserves because:

THE SIMON COMMUNITY
(A company limited by guarantee)

MANAGEMENT COMMITTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2009

- i) it has no endowment funding and is entirely dependent for income from year to year on donor funding, which is inevitably subject to fluctuation;
- ii) it requires protection against, and the ability to continue operating despite, catastrophic or lesser; but
- iii) there is a need to make provision for the development of the community's services.

The management committee believe that the minimum level of the reserves should be the equivalent of six months' operating costs, calculated and reviewed annually, which amounts to £99,000 based on current cost levels. Free reserves currently stand at £294,817 which are higher than the target. The management committee, however, believe that in 2009/2010 the Charity will need to draw on reserves for enhancement of services.

The charity has designated £108,815 in a fixed asset fund to represent funds tied up in the Simon Community property portfolio. The charity has also designated £600,000 in a new property fund to cover the future purchase of property.

FUTURE DEVELOPMENTS

A facilitated Community Day on 11 October 2008 provided an opportunity to review progress with earlier objectives and to set a new course in the light of the Simon Community's improved position.

It was recognised that the Community often acted as if long term sustainability exists although in reality it is in fact quite vulnerable to upsets such as the loss of all the workers last autumn. By the nature of the people that it works with and the way it works it is often one step away from chaos, sometimes worse, a major incident.

To overcome this inherent weakness the Simon Community needs strategies to survive such events and to secure its financial viability. Continuing on its own is not such a strategy. It needs to give serious consideration to working with other like-minded organisations preferably in such a way that its financial future is secured.

The core objectives remain as follows:

- To support people sleeping rough on the streets of London
- To house and support people through Community Houses
- To help in supporting formerly homeless people to remain in their own accommodation
- To tackle isolation and loneliness for London's rough sleeping community
- To try to prevent any homeless people from going cold or hungry in Central London
- To raise the issues of rough sleeping and homelessness and to campaign on behalf of the homeless

To these are added specific objectives arising from the Community day:

1. To maintain and develop the Simon Community's ethos, practice and philosophy.
2. To continue to develop services for street homeless people within current capacity, especially hospitality and outreach.
3. To maintain and improve the community's internal systems e.g. administration, office, finance, fundraising, property maintenance, IT, website, training, policies and procedures.
4. To explore and develop links with other organisations sharing Simon Community's aims and core values in:

Sharing resources and information
Outreach
Day services
Accommodation/shelter
Campaigning
Training
Administration

THE SIMON COMMUNITY
(A company limited by guarantee)

MANAGEMENT COMMITTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2009

Such links with other organisations might lead to formal partnership agreements, and could lead in the longer term to the formation of an independent umbrella group

5. to develop more accommodation, especially a first class facility
 6. to hold annual Community Days to review progress against these headings.
- Continuing to act as an independent voice for the homeless and rootless
 - Exploring the scope for joint working with other organisations
 - Improve the training and support of both full time and part time volunteers

Management committee's responsibilities

The management committee (who are also directors of The Simon Community for the purposes of company law) is responsible for preparing the Management committee's report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company and charity law requires the management committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the management committee are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The management committee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 1985. 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 and other irregularities.

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

PROVISION OF INFORMATION TO AUDITORS

So far as each of the management committee is aware at the time the report is approved:

- there is no relevant audit information of which the charity's auditors are unaware, and
- the management committee have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

A resolution proposing the re-appointment of haysmacintyre as auditors to the charity will be put to the Annual General Meeting.

The report of the management committee has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

THE SIMON COMMUNITY
(A company limited by guarantee)

MANAGEMENT COMMITTEE'S REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2009

This report was approved by the management committee on _____ and signed on its behalf, by:

John Yeudall, Chair

THE SIMON COMMUNITY
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SIMON COMMUNITY

We have audited the financial statements of The Simon Community for the year ended 31 March 2009 which comprise the Statement of financial activities, the Balance sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the charity's members, as a body, in accordance with Section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF MANAGEMENT COMMITTEE AND AUDITORS

The management committee's (who is also the director of the company for the purposes of company law) responsibilities for preparing the Management committee's report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of management committee's responsibilities.

The management committee have elected for the financial statements to be audited in accordance with the Charities Act 1993 rather than the Companies Act 1985. Accordingly we have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the information given in the Management committee's report is not consistent with those financial statements, if the charity has not kept proper accounting records, if the charity's financial statements are not in agreement with these accounting records, or if we have not received all the information and explanations we require for our audit.

We read the Management committee's report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

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

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

THE SIMON COMMUNITY
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SIMON COMMUNITY

OPINION

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charity's affairs as at 31 March 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

haysmacintyre
Chartered Accountants
Registered Auditors
Fairfax House
15 Fulwood Place
London
WC1V 6AY

Date:

THE SIMON COMMUNITY
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account)
FOR THE YEAR ENDED 31 MARCH 2009

	Note	Restricted Funds 2009 £	Unrestricted Funds 2009 £	Total Funds 2009 £	<i>Total Funds 2008 £</i>
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income	2	-	144,093	144,093	167,999
Investment income	3	-	32,367	32,367	16,432
Incoming resources from charitable activities	4	13,500	21,960	35,460	72,404
TOTAL INCOMING RESOURCES		<u>13,500</u>	<u>198,420</u>	<u>211,920</u>	<u>256,835</u>
RESOURCES EXPENDED					
Costs of generating funds:					
Costs of generating voluntary income	5	-	10,996	10,996	18,678
Charitable activities - homelessness activities		59,690	118,901	178,591	259,968
Governance costs		-	8,706	8,706	11,626
TOTAL RESOURCES EXPENDED		<u>59,690</u>	<u>138,603</u>	<u>198,293</u>	<u>290,272</u>
MOVEMENT IN TOTAL FUNDS FOR THE YEAR - NET INCOME/(EXPENDITURE) FOR THE YEAR		<u>(46,190)</u>	<u>59,817</u>	<u>13,627</u>	<u>(33,437)</u>
<i>Total funds at 1 April 2008</i>		<u>56,925</u>	<u>943,815</u>	<u>1,000,740</u>	<u>1,034,177</u>
TOTAL FUNDS AT 31 MARCH 2009		<u>£ 10,735</u>	<u>£ 1,003,632</u>	<u>£ 1,014,367</u>	<u>£ 1,000,740</u>

The notes on pages 16 to 23 form part of these financial statements.

THE SIMON COMMUNITY
(A company limited by guarantee)
REGISTERED NUMBER: 01602161

BALANCE SHEET
AS AT 31 MARCH 2009

	Note	£	2009 £	£	2008 £
FIXED ASSETS					
Tangible fixed assets	11		108,815		102,085
CURRENT ASSETS					
Debtors	12	48,733		73,785	
Cash at bank		871,101		837,266	
		<u>919,834</u>		<u>911,051</u>	
CREDITORS: amounts falling due within one year	13	<u>(14,282)</u>		<u>(12,396)</u>	
NET CURRENT ASSETS			<u>905,552</u>		<u>898,655</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>£ 1,014,367</u>		<u>£ 1,000,740</u>
CHARITY FUNDS					
Restricted funds	14		10,735		56,925
Unrestricted funds	14		1,003,632		943,815
			<u>£ 1,014,367</u>		<u>£ 1,000,740</u>

The management committee consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 249B(2) of the Act. However, an audit is required in accordance with section 43 of the Charities Act 1993. The management committee acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 221 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the charity as at 31 March 2009 and of its profit for the year then ended in accordance with the requirements of section 226 of the Act and which otherwise comply with the requirements of the Companies Act 1985 relating to the financial statements so far as applicable to the charity.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved by the management committee on _____ and signed on their behalf, by:

John Yeudall, Chair

Adrian Evans, Treasurer

The notes on pages 16 to 23 form part of these financial statements.

THE SIMON COMMUNITY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005, applicable accounting standards and the Companies Act 1985.

1.2 Company status

The charity is a company limited by guarantee. The members of the company are the management committee named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the management committee in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the management committee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.4 Incoming resources

All incoming resources are included in the Statement of financial activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

THE SIMON COMMUNITY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009

1. ACCOUNTING POLICIES (continued)

1.5 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. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.6 Tangible fixed assets and depreciation

All assets costing more than £100 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2%	straight line
Motor Vehicles	-	25%	straight line
Furniture and Fixtures	-	20%	straight line

1.7 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the charity. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2. VOLUNTARY INCOME

	Total Funds 2009 £	<i>Total Funds 2008 £</i>
Donations and appeals	130,406	123,518
Legacies	13,687	44,481
	<hr/>	<hr/>
Total voluntary income	£ 144,093	£ 167,999
	<hr/> <hr/>	<hr/> <hr/>

THE SIMON COMMUNITY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009**

3. INVESTMENT INCOME

	Total Funds 2009 £	<i>Total Funds 2008 £</i>
Interest receivable	£ 32,367	£ 16,432

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Total Funds 2009 £	<i>Total Funds 2008 £</i>
Grants for homelessness services	13,500	<i>63,470</i>
Rental income from houses	21,960	<i>8,934</i>
	£ 35,460	<i>£ 72,404</i>

5. FUND RAISING COSTS

	2009 £	<i>2008 £</i>
Direct fundraising costs	5,045	<i>4,605</i>
Allocation of support costs	5,951	<i>14,073</i>
Total	£ 10,996	<i>£ 18,678</i>

6. CHARITABLE EXPENDITURE - HOMELESSNESS ACTIVITIES

	2009 £	<i>2008 £</i>
Staff costs	48,500	<i>44,954</i>
Direct charitable costs	100,619	<i>145,319</i>
Support costs	29,472	<i>69,694</i>
Total	£ 178,591	<i>£ 259,967</i>

THE SIMON COMMUNITY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009**

7. GOVERNANCE COSTS

	2009	2008
	£	£
Auditors' remuneration	4,400	4,400
Other governance costs	1,944	1,642
Support costs	2,362	5,584
Total	£ 8,706	£ 11,626

8. ANALYSIS OF SUPPORT COSTS

	Fundraising	Charitable Activities	Governance	Total 2009	Total 2008
	£	£	£	£	£
Staff costs	-	-	-	-	19,678
Communication costs	623	3,087	247	3,957	6,128
Printing, postage & stationery	375	1,859	149	2,383	2,931
Premises costs	3,830	18,966	1,520	24,316	52,152
Utility costs	1,099	5,440	436	6,975	7,211
Other support costs	24	120	10	154	1,251
Total	£ 5,951	£ 29,472	£ 2,362	£ 37,785	£ 89,351

9. NET INCOME / (EXPENDITURE)

This is stated after charging:

	2009	2008
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	12,780	28,190
Auditors' remuneration	4,400	4,400
Amounts paid under operating leases	-	13,845
	-	13,845

During the year, no management committee received any remuneration (2008 - £NIL).
During the year, no management committee received any benefits in kind (2008 - £NIL).
During the year, no management committee received any reimbursement of expenses (2008 - £165).

THE SIMON COMMUNITY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009**

10. STAFF COSTS

Staff costs were as follows:

	2009	2008
	£	£
Wages and salaries	44,179	59,611
Social security costs	4,321	6,071
	£ 48,500	£ 65,682
	£ 48,500	£ 65,682

The average monthly number of during the year was as follows:

	No.	No.
Charitable activities	2	2
	2	2
	2	2

No employee received remuneration amounting to more than £60,000 in either year.

11. TANGIBLE FIXED ASSETS

	Land and buildings £	Motor vehicles £	Furniture, fittings and equipment £	Total £
Cost				
At 1 April 2008	129,812	7,400	55,667	192,879
Additions	-	17,030	2,480	19,510
	129,812	24,430	58,147	212,389
Depreciation				
Disposals	43,902	3,238	43,654	90,794
Charge for the year	2,597	3,978	6,205	12,780
	46,499	7,216	49,859	103,574
Net book value				
At 31 March 2009	£ 83,313	£ 17,214	£ 8,288	£ 108,815
	£ 83,313	£ 17,214	£ 8,288	£ 108,815
At 31 March 2008	£ 85,910	£ 4,162	£ 12,013	£ 102,085
	£ 85,910	£ 4,162	£ 12,013	£ 102,085

THE SIMON COMMUNITY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009**

12. DEBTORS

	2009	2008
	£	£
Trade debtors	298	298
Other debtors	48,435	37,973
Accrued income	-	35,514
	£ 48,733	£ 73,785

**13. CREDITORS:
Amounts falling due within one year**

	2009	2008
	£	£
Social security and other taxes	2,693	-
Other creditors	764	192
Accruals	10,825	12,204
	£ 14,282	£ 12,396

14. STATEMENT OF FUNDS

	Brought Forward	Incoming resources	Resources Expended	Transfers in/(out)	Carried Forward
	£	£	£	£	£
Designated funds					
Fixed assets fund	102,085	-	-	6,730	108,815
New property fund	600,000	-	-	-	600,000
	702,085	-	-	6,730	708,815
General funds					
General Funds	241,730	198,420	(138,603)	(6,730)	294,817
Total Unrestricted funds	943,815	198,420	(138,603)	-	1,003,632

The fixed assets fund represents amounts tied up in fixed assets.

The new property fund represents amounts put aside to purchase new properties in the future.

THE SIMON COMMUNITY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009

14. STATEMENT OF FUNDS (continued)

Restricted funds

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/(out) £	Carried Forward £
Project Refurbishment	4,330	-	(2,345)	-	1,985
Dion Fund	15,061	13,500	(28,561)	-	-
M T Gibson Watt	1,668	-	-	-	1,668
Streetsmart Support	7,082	-	-	-	7,082
CPF Central Fund	858	-	(858)	-	-
Tudor Trust	27,926	-	(27,926)	-	-
	<u>56,925</u>	<u>13,500</u>	<u>(59,690)</u>	<u>-</u>	<u>10,735</u>
Total of Funds	<u>£ 1,000,740</u>	<u>£ 211,920</u>	<u>£ (198,293)</u>	<u>£ -</u>	<u>£ 1,014,367</u>

Project refurbishment - this is a donation received several years ago for refurbishment of the houses. This balance on the fund was partly spent in the year.

The Dion Fund provided funds totalling £13,500 towards the cost of works supporting Irish homeless people and also to fund visit projects.

The MT Gibson Watt fund is to reimburse community members for losses arising due to theft in the community.

The Streetsmart Support fund was received towards the rent deposit of tenants and the balance of £7,082 is to spent to support the development of the Community Office.

CPF Central Fund comprises the balance of funds received from the City Parochial Foundation as part of a three-year grant totalling £30,000. This fund was given towards the training costs of staff and volunteers.

Tudor Trust - The Tudor Trust Fund of £37,500 was received to fund the role of Services Manager. On departure of the Services Manager, it was agreed that the trust be used to fund the role of Community Manager.

THE SIMON COMMUNITY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009**

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/(out) £	Carried Forward £
Designated funds	702,085	-	-	6,730	708,815
General funds	241,730	198,420	(138,603)	(6,730)	294,817
	<u>943,815</u>	<u>198,420</u>	<u>(138,603)</u>	<u>-</u>	<u>1,003,632</u>
Restricted funds	56,925	13,500	(59,690)	-	10,735
	<u>£ 1,000,740</u>	<u>£ 211,920</u>	<u>£ (198,293)</u>	<u>£ -</u>	<u>£ 1,014,367</u>

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds 2009 £	Unrestricted Funds 2009 £	Total Funds 2009 £	Total Funds 2008 £
Tangible fixed assets	-	108,815	108,815	102,085
Current assets	10,735	909,099	919,834	911,051
Creditors due within one year	-	(14,282)	(14,282)	(12,396)
	<u>£ 10,735</u>	<u>£ 1,003,632</u>	<u>£ 1,014,367</u>	<u>£ 1,000,740</u>

16. OPERATING LEASE COMMITMENTS

At 31 March 2009 the charity had annual commitments under non-cancellable operating leases as follows:

	2009 £	2008 £
Expiry date:		
Within 1 year	11,573	11,490
Between 2 and 5 years	1,438	2,355
	<u>13,011</u>	<u>13,845</u>