

Despite the ongoing difficulties of operating in a period of austerity and now facing the uncertainty linked to the decision to leave the European Union, we've had another successful year.

I was delighted with our success in winning the Hampshire social inclusion contracts. This has significantly increased both the number of services we run and the areas in Hampshire in which we operate. We've welcomed a number of new people to our team who've transferred to us from other

organisations and as the lead contractor we're also working in partnership with A2Dominion, the EC Roberts Centre and Gosport Borough Council as our sub contractors.

We remain in a strong financial position going forward with a turnover of £9 million this year, but in this difficult economic environment still need to deliver further savings to the local authorities that commission our work. Our board have approved a new and ambitious strategy, which involves increasing our turnover to £12 million a year within the next three years.

We plan to achieve this by:

- retaining our existing services
- winning new contracts
- working with other organisations

I'd like to take this opportunity to thank our board, staff, clients, volunteers, external stakeholders and those that raise funds for us, for their ongoing support.



Steve Benson - Chief Executive



## Unleashing a sense of adventure

Thanks to our Portsmouth Foyer, 22 year old George Price has successfully moved away from homelessness to follow his dreams of working abroad.

We supported George to complete a wilderness survival challenge in the Lake District, which whetted his appetite for adventure. With his new skills and self-confidence George has waved goodbye to the Foyer in Portsmouth and is heading back to the Lakes to live in a low support flat in Kendal Foyer. He has been accepted to study full time at Kendal College before planning to volunteer abroad and explore the world.

## National trailblazers

Our innovative Housing First programme that helps long-term rough sleepers break the cycle of homelessness has recently been singled out for national recognition.

The programme provides intensive and targeted support to help the most vulnerable street-homeless overcome personal barriers that stand in the way of a new, settled life. Homeless Link recently invited Two Saints' staff and clients to share examples of our good practice to help the national campaign to end homelessness.

# Chair's statement

Mike McKenzie  
Outgoing Chair

**Two Saints has had another good year, exceeding client support targets, achieving exceptional staff survey results, and enhancing both operational and financial positions. This is the outcome of excellent work by the leadership team and the staff and leaves Two Saints well placed to meet future challenges.**

My nine year term comes to an end at the AGM and leaving with me are three long serving board members. Denis Walker, Mike Morris and Alan Marshall have all contributed significantly to the ongoing success of Two Saints. My most sincere thanks especially to them for their expertise and support, but also to all

my board colleagues and the senior management team. It has been my privilege and pleasure to work with you. We now welcome Nick Cross, Diane Jamieson, Helen Keats and Mark Woosey who will join the board at the AGM. I hope you find Two Saints as fulfilling and rewarding as I have done.

## Financial review

The financial results show an operating surplus for the year of £396k (2015: £284k). Our income fell to £9.1 million of which £3.9 million came from rents and service charges and £4.5 million from the provision of support. The remaining income was from other sources such as funding for the day centre in Southampton and income from accommodation and advice services.

It is good to see the increase in our operating surplus achieved despite the reduction in our turnover, which is partly due to the scaling back of our private leasing activity and partly due to reductions in the funding available to support our clients. We have developed the use of lean thinking in the year to gain efficiencies and reduce our overheads.

Despite the financial pressures on the work we do, and together with the need to stay competitive and efficient, our finances remain fundamentally strong, with sufficient cash balances to support our activities.

This year the introduction of the new accounting standard, (Financial Reporting Standard) FRS 102, has affected the results shown in our statutory accounts.

Andrew Cobb,  
Incoming Chair

**I'd like to take this opportunity to thank the board for appointing me as their new chair and to recognise the huge contribution that our former chair Mike McKenzie has made over the last nine years.**

I'm looking forward to leading the board through the challenges we're facing, including continuing increases in demand for our services, but further reductions in funding in an ongoing period of austerity.

We're well placed to face these challenges with a strong board and leadership team, capable and committed staff and excellent relationships with our external stakeholders, including those that commission our work.



We are now required to recognise a liability measured as the present value of the agreed deficit contributions payable to the social housing pension scheme that arise from a deficit recovery agreement. A charge arising from an increase in this liability is shown in the statement of income and retained earnings. Previously only contributions made to the scheme were required to be shown in our accounts. We no longer operate the defined benefit scheme that incurred this deficit.

This charge has turned our operating surplus of £396k into a deficit of £330k.

As a not-for-profit organisation, our primary business objective is to provide homes and services to people in need. We seek to generate sufficient income to meet our ongoing operating costs, to maintain all of our properties in good condition, and to contribute to our reserves in order to reinvest in our services. We are committed to setting rents and service charges at affordable levels and contract prices that offer value for money to service commissioners.

During the year we purchased five properties from other registered providers. Four of these were already managed by us and the fifth is used as an office by our staff.

# Chief Executive's report 2015/16 A year in numbers

Key Performance Indicator	Target	2014/15	2015/16	Performance in comparison to target
Rooms available	100%	99.7%	99.8%	☹️
Rooms occupied	100%	96.7%	96.8%	☹️
Voids as a % of available units	1%	2.5%	3.2%	☹️
Personal arrears as a % or annual rent roll	1%	2%	1.6%	☹️
Repairs completed within target time	100%	100%	100%	😊

Rooms available = Rooms - maintenance voids  
Rooms occupied = Rooms - voids

**296**

clients were street homeless

**95%**

of clients better managed their physical health

**19%**

of our clients have a disability

**84%**

of clients reduced their overall debt

**5,227**

emergency bed nights were provided to homeless people

**98%**

of clients maximised their income with our support

**978**

homeless clients received support and accommodation



**62%**

of clients achieved a qualification

**92%**

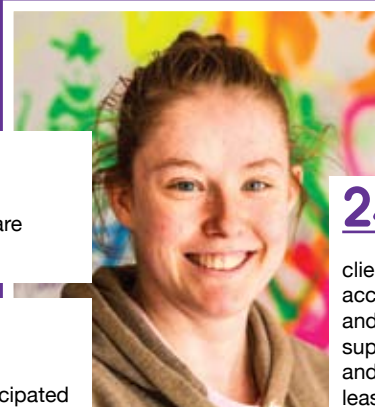
of clients feel their support plan reflects their goals and they receive support to achieve them

**25%**

of our clients are female

**75%**

of clients participated in education, training or employment-related opportunities to help them achieve their goals



**246**

clients received accommodation and support through supported lodgings and our private leasing service

**90%**

of clients said their support worker helped them to find or keep their accommodation



**92%**

of clients said their support worker has discussed move on and support options for the future

**89%**

of clients feel the support they have received has helped them become a more positive and independent person



**880**

clients were helped through our floating support services

We helped **56%**

of clients find paid work

## Annual Report & Accounts

A full set of our published annual report and accounts is available from Two Saints, 35 Waterside Garden, Fareham, PO16 8SD, Tel. 01329 234600

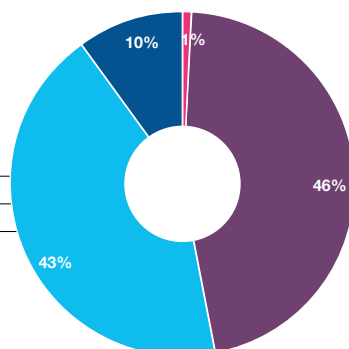
# Annual report

## financial information



### Where our money comes from

- Support contracts
- Rent and service charges
- Local authority grants and contracts
- Donations, fundraising and interest



### Two Saints income

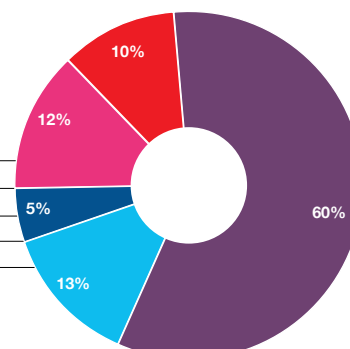
	2015/16
	£000s
Support contracts	4,220
Rent and service charges	3,874
Other income	897
Donations, fundraising and interest	103
<b>Total</b>	<b>9,094</b>

### Summary statement of income and retained earnings

	2016	2015
	£000s	£000s
Turnover	9,094	9,753
Operating costs	(8,698)	(9,469)
Operating surplus	<b>396</b>	<b>284</b>
Pension scheme remeasurement	(720)	(90)
Net interest payable	(6)	(24)
<b>Surplus for the year</b>	<b>(330)</b>	<b>170</b>

### What we spend our money on

- Salaries and other staff costs
- Housing services
- Housing maintenance
- Housing property lease charges
- Management, office and other costs



### Two Saints expenditure

	2015/16
	£000s
Salaries and other staff costs	5,050
Housing services	1,165
Housing maintenance	414
Housing property lease charges	1,080
Management, office and other costs	989
<b>Total</b>	<b>8,698</b>

### Statement of financial position

	2016	2015
	£000s	£000s
Fixed assets	9,859	8,993
<i>Current assets</i>		
Debtors	603	965
Cash	2,763	3,370
	<b>3,366</b>	<b>4,335</b>
Creditors falling due within one year	(1,312)	(1,395)
	<b>2,054</b>	<b>2,940</b>
Creditors falling due after one year	(6,854)	(6,950)
Provisions for liabilities and charges	(2,532)	(2,126)
<b>Net assets</b>	<b>2,527</b>	<b>2,857</b>
<b>Capital and reserves</b>	<b>2,527</b>	<b>2,857</b>

### Our people

#### Board of Management

Andrew Cobb (Chair)  
John Carter  
Nick Cross  
Bettina Harvey  
Diane Jamieson

Helen Keats  
Jenny Vaux  
Kevin Williamson  
Mark Woosey

#### Senior Management Team

Steve Benson  
Charlotte Buckingham  
Annette Lewis-Gow  
James McDermott  
Sharon Smith

Chief Executive and Company Secretary  
Regional Director  
Finance Director  
Regional Director  
Human Resources Director

For more information  
call — 01329 234600  
visit — [www.twosaints.org.uk](http://www.twosaints.org.uk)