

COMPANIES HOUSE

Company Number: 2020165

Charity Number: 294555



**HESTIA HOUSING AND SUPPORT**  
**(a company limited by guarantee and**  
**not having a share capital)**

**Consolidated Financial Statements**  
**31 March 2014**

**Consolidated financial statements for the year ended 31 March 2014**

<b>Contents</b>	<b>Pages</b>
Reference and administrative details	3
Report of the Board of Trustees (incorporating the Directors' Report)	4 - 16
Independent auditor's report	17 - 18
Consolidated Statement of financial activities	19
Group and Parent Balance sheets	20
Consolidated Cash flow statement	21
Notes to the financial statements	22 - 39

## Reference and administrative details

Trustees	Committee Membership			
	Governance	Finance	Performance Review	Approved Premises
Martin Cheeseman - Chair from 19 <sup>th</sup> November 2013)	X		X	
Jon Wilkinson - Chair until 19 <sup>th</sup> November 2013 (resigned 19 <sup>th</sup> November 2013)	X	X		
Bill Gallagher (Treasurer)		Chair		
Frances Green	X		Chair	
Monica Davis (resigned 19 <sup>th</sup> November 2013)			X	
Gordon King (resigned 19 <sup>th</sup> November 2013)				X
James Mullan (resigned 19 <sup>th</sup> November 2013)		X		
Meredith Niles		X		X
Deborah Goodwin		X		
David Jobbins			X	
Malcolm Jenkins				Chair
Samantha Jackson (co-opted 28 <sup>th</sup> January 2014)				X
Madeleine McQueen (co-opted 28 <sup>th</sup> January 2014))			X	

The Governance Committee is chaired by Gillian Blachford, a non-Trustee member. Other non-Trustee members are Eric Carrington who sits on the Performance Review Committee, and Tatyana Barabesh who sits on the Governance Committee.

### Secretary and Chief Executive

Patrick Ryan

### Auditor

Chantrey Vellacott DFK LLP  
Chartered Accountants  
Russell Square House  
10-12 Russell Square  
London  
WC1B 5LF

### Principal Bankers

Barclays Bank plc  
74 Shepherds Bush Green  
London  
W12 8QB

### Registered office

Maya House  
134-136 Borough High Street  
London  
SE1 1LB

### Solicitors

Russell-Cooke  
2 Putney Hill  
London  
SW15 6AB

**Company number:** 2020165

**Charity number:** 294555

### **Report of the Board of Trustees (incorporating the Directors' Report) for the year ended 31 March 2014**

The Trustees, being the Directors of the charitable company, present their report and the audited consolidated financial statements for the year ended 31 March 2014 of Hestia Housing and Support (Hestia).

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Structure**

Hestia is a registered charity and is incorporated as a company limited by guarantee and its governing document is its Memorandum and Articles of Association. Every member of the company undertakes to contribute to its assets in the event of winding up such amount, as may be required, not exceeding one pound.

During the year, Hestia created two subsidiaries – Healthwatch Ealing and Healthwatch Central West London to deliver local Healthwatch contracts. Hestia is the corporate Trustee of both subsidiaries, with both operating via their own Boards of Trustees.

##### **Governance and Management**

The Trustees constitute the directors of the charitable company for the purposes of the Companies Act 2006 and Trustees for the purposes of the Charities Act 2011 and provide leadership, direction and control in pursuit of the organisation's charitable objectives.

Trustees serve for a term of three years with a possible appointment for a second term of another three years.

During the year, Jon Wilkinson, who had served as Chair of the Trustees since March 2008, retired from the Board. Martin Cheeseman was elected as Chair at the AGM on 19<sup>th</sup> November 2013. Martin has nearly 40 years' experience in the housing and care sector and has recently retired from his role as Director of Housing and Community Care in the London Borough of Brent. He now runs his own housing and social care consultancy.

In addition, Gordon King, James Mullan and Monica Davis resigned from the Board having completed their terms of office. During the year Samantha Jackson and Madeline McQueen were co-opted to the board, bringing a range of experience in the law and business consultancy.

New Trustees are recruited based on an evaluation of the balance of diverse skills and experience needed to govern Hestia. Newly appointed Trustees receive induction information which contains information about Hestia, its structure and operations, the Board and sub-committee structures, Trustee duties and responsibilities and the organisation's key policies. Regular scheme visits are arranged to enable Trustees obtain a better understanding of Hestia's services and operating environment. Training is provided to the Board as a need is identified and Trustees schedule facilitated away days to consider the environment and plan strategic direction.

The full board of Trustees meets five times a year to discuss strategy, to formulate policy and to oversee operational matters. The Board is supported by four committees which consider specific areas of activity in greater detail on behalf of the Trustees and to report to Trustees on key issues. The four committees cover the areas of: Governance; Finance; Performance Review; and Approved Premises.

Committee membership may include members of Hestia who are not Trustees and the following members have kindly agreed to contribute in the following roles:

- Gillian Blachford – a former Trustee of Hestia, now chairs the Governance Committee.
- Tatyana Barabash – Chair of the Better Lives Forum sits on the Governance Committee.
- Eric Carrington – Better Lives Forum Officer, sits on the Performance Review Committee.

During the year, James Adams who sat on the Finance Committee, Eric Smellie who sat on the Governance Committee and Fiona Titcomb who sat on the Approved Premises Committee resigned from their respective committees.

### **Report of the Board of Trustees (incorporating the Directors' Report) for the year ended 31 March 2014**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT (cntd.)**

##### **Governance and Management (cntd.)**

Day to day management of the organisation is delegated to the Chief Executive and senior management team. The Chief Executive is not a member of the company and has no legal status as Director although he acts as executive within the authority delegated by the Trustees.

The two subsidiaries – Healthwatch Ealing and Healthwatch Central West London – operate via their own articles of association and their Boards of Trustees. Trustees are selected on the basis of the range of skills required and local connections. In addition, Hestia, as Corporate Trustee, may nominate Trustees to the Board and in the year nominated Martino Smits (former Hestia Trustee) to the Board of Healthwatch Ealing; and David Jobbins (a current Hestia Trustee) and Joanna Mark Richards (a former Hestia Trustee) to the Board of Healthwatch Central West London.

##### **Public Benefit**

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

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

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

Company law requires the directors to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

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

In so far as the Trustees are aware:

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

The Trustees are responsible for the maintenance and integrity of 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.

## HESTIA HOUSING AND SUPPORT

---

### Report of the Board of Trustees (incorporating the Directors' Report) for the year ended 31 March 2014

#### OBJECTIVES AND ACTIVITIES

Hestia's mission is to deliver high quality and empowering housing, support, protection and care services in partnership with service users and local communities. Our aim is to support vulnerable adults and children to realise their aspirations and fulfil their potential. We respond when vulnerable adults and children find themselves in a crisis and provide on-going support to help transform lives.

By 31<sup>st</sup> March 2014, Hestia had increased the number of service users to whom we are contracted to deliver support from 2,999 to 3,538 across a number of client groups:

Client Group	2014	2013
Domestic Abuse	769	659
Substance Misuse and Dual Diagnosis	48	48
HIV/AIDS	-	15
Human Trafficking	40	40
Mental Health	1,349	1,270
Offenders, Ex-offenders and Mentally Disordered Offenders	137	155
Physical Disabilities	19	19
Learning Disabilities	93	-
Young People at Risk	10	10
Single Homeless	36	22
Older People	276	222
Generic	261	89
Personal Budget Holders	500	450
<b>Total</b>	<b>3,538</b>	<b>2,999</b>

Across these client groups, we offer a wide range of services including day centres where people come to us and floating support where we visit and support people in their own homes. We also offer more intensive support and care to people with complex needs, including registered care, supported living, homeless hostels and approved premises. In many of these services we provide 24 hour staffing cover.

We work in partnership with local authorities, health commissioners, Registered Providers, the National Probation Directorate, London Probation Area and the Department of Health to develop appropriate schemes which meet the needs of vulnerable adults and children. From April 2014, we will operate across 20 London Boroughs.

From 1<sup>st</sup> April 2013, Hestia took on the management of 2 Healthwatch contracts, one for the London Borough of Ealing and the other covering the three boroughs of Kensington and Chelsea, Hammersmith & Fulham and Westminster. This followed on from our involvement over the previous four years in the Local Involvement Network ("LINK"). Healthwatch seeks to improve local health and social care services through activities which give the local community opportunities to voice their opinion on service provision, and gives providers independent forums which can contribute to service improvement. At the request of the commissioners, the contracts are delivered via specifically set up subsidiaries, Healthwatch Ealing and Healthwatch Central West London, both of which are wholly owned by Hestia Housing and Support.

### **Report of the Board of Trustees (incorporating the Directors' Report) for the year ended 31 March 2014**

#### **ACHIEVEMENTS AND PERFORMANCE**

In 2013-14 we successfully tendered for, and implemented, eight new services across a range of service types, including services for domestic abuse, mental health, older people and people with learning difficulties (the first project of its kind for Hestia). In addition, we were successful in making an application to the Department of Health to participate in the Hospital Discharge Programme for which we received capital funding – to purchase and renovate a property in Hounslow – and revenue funding to support the discharge of street homeless people from hospital. In April 2014 we will take on contracts for the provision of domestic abuse services in the London Borough of Barking and Dagenham and a further 2 contracts to support individuals with mental health needs in the London Borough of Tower Hamlets.

During 2013-14 we were also successful in winning two contracts with London Borough of Hammersmith & Fulham to provide restructured mental health services – this meant retaining two of our existing projects, losing one and gaining a further four projects.

It was disappointing that 2013 saw the cancellation of one of our last remaining HIV services when the service in Lewisham was cancelled by the local authority. However, there were no other contract losses in 2013-14.

#### **2013/14 in detail:**

- We provided support to a total of 5,093 vulnerable adults and children across London. We also worked with more than 2,000 individuals and community groups through our Healthwatch contracts to shape and improve local health and social care services;
- 1,128 vulnerable adults were supported in our accommodation services, many of whom had previously been in hospital, prison, had been sleeping rough or living in an abusive relationship. These individuals were able to benefit from a safe home and get the support they needed to develop living skills to change their lives;
- We supported 2,378 vulnerable service users in their own homes through our outreach and floating support services, helping them to maintain their tenancies, prevent homelessness and participate in their local communities;
- Day centres - 477 people attended the Kensington and Chelsea Community Day and Outreach Mental Health Service and 163 people attended the Hounslow Mental Health Community Resource Service where we provided them with a range of support, befriending and social activities to help reduce isolation as well as attaining practical skills aimed at improving access to services and employment opportunities. We also supported 191 people at the Wandsworth Age Activity Centre in Wandsworth, which provides a range of day services to the local elderly community, including transport and meals as well as traditional educational and social activities. We extended this service in 2013-14 by having open sessions at other localities in the borough, using libraries and church facilities;
- 442 children were accommodated in our domestic abuse refuge services, and we supported on average 55 children every day;
- 148 service users – 142 women and 6 men – were provided with accommodation and/or outreach services to help them escape the trauma of human trafficking;
- 245 offenders, classified as high and very high risk offenders, were accommodated and supported in our two Approved Premise services;
- Through the 'Back On Track' programme, our peer led training and mentoring programme - designed by ex-offenders for ex-offenders - we worked with 192 individuals to help them manage the transition from prison back into the community and break the cycle of homelessness, unemployment and re-offending;
- This year we supported 82 users in our Tower Hamlets Befriending Service – this service provides support to current inpatients at the Tower Hamlets Centre for Mental Health and the Green Ward;

### **Report of the Board of Trustees (incorporating the Directors' Report) for the year ended 31 March 2014**

#### **ACHIEVEMENTS AND PERFORMANCE (continued)**

- 93 people with learning difficulties were supported via our floating support in Hammersmith and Fulham – the first learning difficulties project to be managed by Hestia. This project seeks to support the independent living of individuals with learning difficulties, aiming to maximise their potential and increase life chances;
- The ASK service is based in Newham and is Hestia's Service User involvement project with a focus on enabling mental health service users in Newham to be directly involved with local decision making processes, design and delivery of services by sitting on local partnership boards and strategic bodies, as well as hosting events and being involved in the community. This year we helped a total of 436 users become involved;
- We continued to develop Self Directed Support (SDS) Services including Information and Advice, Support Planning, Brokerage and Third Party Payroll Management and Support across a number of locations, including Newham, Southwark, Wandsworth and Richmond. These services are available to disabled children and adults of all ages to help them navigate the process of self-directed support, and enable them to achieve greater choice and control over their care and support. Over the year we supported 596 individuals through these services;
- During the year we supported two Healthwatch contracts – in Ealing and Central West London via specially designed subsidiaries of Hestia. Together they had over 5,800 members, participating across the range of their activities. Through Healthwatch we aim to promote public good and the improvement of health and social care services, by promoting the voice and views of the local community in health and wellbeing matters as well as seeking the advancement of the education of the public in health and social care.

#### **Outcomes:**

As a result of the work we do with service users, we are able to demonstrate the following outcomes:

- 90% of services users who asked to be supported to exercise choice, told us that they achieved this with our support;
- 98% of all users were registered with a GP and 87% were registered with a dentist;
- 87% of service users with an identified need to maintain their accommodation and avoid eviction, were successful in achieving this aim;
- 90% of service users with an identified need to minimise harm or risk of harm from others were successful in achieving this aim;
- 87% of service users who identified a need to minimise self-harm were supported to achieve this;
- 85% of service users, who identified a need to better manage their mental health, reported that they were successful in doing this with our support;
- 87% of service users who asked for support to maximise their income were successful in achieving this aim; and
- 92% of service users who wanted support in establishing links with external groups or services were successful in achieving this aim.



### Report of the Board of Trustees (incorporating the Directors' Report) for the year ended 31 March 2014

#### ACHIEVEMENTS AND PERFORMANCE (continued)

##### Adding Value

In addition to our contracted services, we also aim to offer added value through a range of activities to enhance the support we provide to service users. We aim to do this with the support of our commissioning bodies (by arguing the case for the benefits of such activities) and through our fundraising programme.

In 2013-14, these included:

- Ensuring that all children who were accommodated in our domestic abuse refuges received additional support to recognise the impact that fleeing domestic abuse has on them as well as their mothers. We provided a range of services, through dedicated children's workers, play groups and other social activities. Over the year we were able to demonstrate that children felt safer and more secure at the end of their stay and that school attendance had improved.
  - We also had specific projects under the Parallel Programme – running in Hillingdon and Camden domestic abuse services – which assisted 22 mothers and 67 children this year. The programme works to help children to come to terms with the impact that domestic abuse has had on their lives, while helping mothers to understand their child's perspective.
  - Under our Safer Families programme funded by Porticus UK, volunteers helped to organise and deliver play sessions, outings and activities in our domestic abuse refuges, particularly during the summer holidays. 40 volunteers actively participated in the programme in the year.
- We continued to expand and develop our Butterfly group which is a peer support group in the community for women who have experienced domestic abuse. We now support this initiative across four local authorities.
- Running the Interconnect Project, funded by Comic Relief, which supports older volunteers to run activities in our domestic abuse refuges across London, bridging the gap between generations and providing meaningful volunteering opportunities for people over the age of 60. In 2013-14 the project worked with 18 volunteers.
- Our Volunteering Team aims to coordinate the advertisement, recruitment, training and provision of volunteering opportunities across all project and departments in Hestia. In 2013-14, we provided more than 278 volunteers, many of whom were or have been service users, with opportunities to gain valuable work based experience across 30 different job roles. Overall we provided more than 12,000 volunteer hours in the year.
- Promoting improved health outcomes for our service users through our information and advice project aimed at increasing awareness and knowledge of physical health issues and encouraging engagement in healthy lives activities and access to services. In 2014 we were awarded a grant by the Royal Borough of Kingston to support healthy living activities among mental health service users across the Borough.
- Our Back on Track initiative which provides an innovative peer training and mentoring programme of ex-offenders continued to expand the scope of its activities by incorporating work with service users whilst still in prison, as well as in the community. During the year we were able to gain access to work in HMP Brixton to help prepare individuals for release and are looking to extend to a further three prisons in 2014-15.

### **Report of the Board of Trustees (incorporating the Directors' Report) for the year ended 31 March 2014**

#### **FINANCIAL REVIEW**

The results for the year ended 31 March 2014 are set out in the Statement of Financial Activities on page 19. The assets and liabilities of the Group as at 31 March 2014 are given in the Balance Sheet on page 20. The financial statements should be read in conjunction with their related notes which appear on pages 22 to 39.

#### **Income and funding**

In 2013-14 total income was £19.2 million compared with £17.5 million in 2012-13, an increase of 9.7%. The new services that were added in 2013-14 brought an additional £1.5 million of income in the year, with the full year effect of this being closer to £2 million. Charges to service users largely rose with inflation whilst fundraising income increased following a renewed focus on this area. Investment income was slightly down on previous years reflecting the requirements of the investment policy which targeted capital growth as opposed to income.

Supporting People grants continue to be our largest source of funding representing 39% of total income in 2013-14 (2012-13: 42%). Income from rents and charges represents 31% of total income (2013-13: 33%) and grants for our Approved Premises represent 6.7% of total income (2013-13: 7.4%).

Other grants and contracts (predominantly income received from contracts to provide day care services and the Healthwatch contracts) increased to £3.8 million (2011-12: £2.6 million).

Hestia is grateful to the voluntary supporters whose help enables us to significantly enrich the lives and life chances of vulnerable people and our fundraising team works closely with charitable trusts, community groups and individuals to bring about the financial support which enables us to enhance our services. In 2013-14 we worked with a number of funders who supported a range of activities, including:

- Children In Need – who helped us provide children's workers in our Tower Hamlets refuges;
- Comic Relief, who funded our unique Inter Connect project, enabling older volunteers to support women and children in our refuges;
- Porticus UK, who funded our Safer Families programme to provide children and family workers in our refuges;
- Oak Foundation and the London Housing Federation who supported our peer mentoring training programme 'Back on Track';
- The Henry Smith Charity who provided funding to help women without recourse to public funds to find safe accommodation in our refuges;
- The Esmée Fairbairn Foundation who provided a specialist worker to help women without recourse to public funds resolve their immigration issues;
- Dr Edwards and Bishop King's Fulham Charity, Ladbroke's Charitable Trust, The Coutts Charitable Trust, Ealing Holiday Grants, Westminster Amalgamated Charity and The St-Giles-in-the-Fields and William Shelton Educational Charity, who provided summer activities in our refuges;
- The Wandsworth Community Fund, Wandsworth Lifetimes, Wandsworth CYPP and Putney Parishes, who contributed to the cost of our Children and Family Worker in our Wandsworth refuges;
- Help a Capital Child, who provided children's sessions in our Harrow refuge;
- Love Kingston, which is providing The Butterfly Project and children's services in Kingston; and
- The Take That Trust, The Garfield Weston Foundation and the Wallace Bell Charitable Trust, who contributed towards the creation of a new playroom extension in one of our Wandsworth refuges.

### **Report of the Board of Trustees (incorporating the Directors' Report) for the year ended 31 March 2014**

#### **FINANCIAL REVIEW (Continued)**

##### **Expenditure**

Total expenditure in 2013-14 was £18.75 million compared with £17.14 million in 2012-13, an increase of 9.4%. Charitable expenditure for 2013-14 increased by 9.4% to £18.6 million compared with £17 million in the previous year.

- Expenditure on the provision of care and support increased by £0.938 million (an increase of 5.5% compared with the previous year) reflecting the increased number of projects in management and individuals supported.
- Expenditure relating to the operation of our Approved Premises increased by £40,000 over the year.

Fundraising costs increased to £50,321 (2013-14: £44,441) due to the increased focus placed on this activity.

##### **Reserves**

Total funds at 31 March 2014 were £10.8 million (2013 £10.2 million) of which £1.99 million is restricted to specific projects and £1.29 million has been designated by the Trustees in relation to planned strategic developments and the continued development, maintenance and refurbishment of existing projects.

The Trustees have adopted a reserves policy which they consider appropriate to safeguard the organisation's operations and to ensure stability taking into account the risks and uncertainties faced by Hestia, their probability and impact on Hestia's ability to meet its financial obligations or reduce expenditure in the short term as a result of any decline in income.

The Board has reviewed the reserve level and considers that in light of the difficult funding environment in which Hestia operates, and based on the likely reduction in income following government expenditure cuts aimed at reducing the overall deficit, it is prudent to hold general reserves of up to six months operating costs. The Trustees foresee that Hestia's ongoing development strategy will require Hestia to utilise a proportion of its operating reserves during the next few years. Hestia's operating reserve at 31 March 2014 was £7.16 million, which exceeds five months forecasted of Hestia's operating costs.

The Board keeps the level of reserves under regular review to ensure that it is adequate and appropriate to meet the requirements of the organisation.

##### **Investments**

Hestia's investment policy is to maximise its total return from a portfolio of suitably diversified assets whilst minimising risk and taking into account the cash flow and reserves requirements of the organisation.

By 31<sup>st</sup> March 2014, UBS AG, Hestia's investment managers, had placed £4.355 million in fixed interest securities and equities, aiming to improve investment returns within an agreed risk management profile. During the year, the Trustees agreed to invest £1 million in a common investment fund managed by Ruffer plc. The remaining surplus cash funds were invested in treasury deposits of varying terms spread amongst major UK banks.

During the year, the Trustees reviewed the investment policy and restated the aims of the policy as; (a) to preserve the real capital value of the funds held over a 5 year period; (b) provide an income stream of 2% with low volatility; and then (c) a long term return, net of all charges of 1% p.a. in real terms.

Over the year, allowing for cash transfers, the policy achieved income of 3.8% of the portfolio and capital appreciation of 7.9% before adjustment for inflation.

The Trustees have agreed an ethical statement of investment which prohibits investment in companies involved in the production of tobacco, alcohol, armaments and pornography.

### **Report of the Board of Trustees (incorporating the Directors' Report) for the year ended 31 March 2014**

#### **FINANCIAL REVIEW (Continued)**

##### **Pensions**

During the year Hestia reached its staging date for auto enrolment and all non-enrolled eligible staff were enrolled in the existing Axa Sun Life defined contribution pension scheme at 31<sup>st</sup> December 2013 in line with their contractual entitlements. From 1<sup>st</sup> January 2014 all eligible employees are automatically enrolled in the defined contribution NEST scheme. As a result of this, some 140 employees who were not previously enrolled in any pension scheme are now contributing to their retirement funds with Hestia matching their contributions.

We continue to operate two defined benefit schemes for employees who were previously transferred under TUPE regulations. Both schemes are closed schemes, only open to staff who transferred under TUPE and for the duration of the contract or their employment with Hestia. Details of these schemes are included in the notes to the accounts on pages 34 to 38. The combined FRS17 liability fell from £272,000 to £262,000 in the year as a result of actuarial gains. Whilst the Royal Borough of Kensington and Chelsea scheme deficit increased over the year (to £249,000), the underlying scheme performance was considered to be positive by the scheme's Trustees and they reduced the employer contribution rate from 14.8% to 14%.

#### **PLANNING FOR FUTURE PERIODS**

##### **Strategic Goals**

Hestia's strategic goals fall under two main headings:

- to deliver excellent services
- to have a vibrant and sustainable future

These define how we intend to work towards our vision and are broken down into eight strategic aims which provide a framework for delivering operational plans. The strategy and operational plans are reviewed annually by Trustees and in 2013-14 the Trustees met to review and re-affirm the goals and aims, as we look to our development over the next five years.

The strategic aims – and the key activities that we undertake under each of these – are:

##### **Aim 1 – Service users at the heart of everything we do**

We will continue to ensure that our service users can participate in the strategic and operational decision making processes of the organisation, to ensure that their voices are heard the design and delivery of the services that they receive. We will continue to build capacity among our service users to ensure that they can participate more effectively both internally to Hestia and externally in their communities.

In 2014-15 we will:

- Review our Service User Involvement Strategy, looking at structures and resourcing, to ensure that we maximise the involvement of our service users and utilising the acknowledged benefits of co-production;
- Update our Service User Led Standards to ensure these remain appropriate and relevant benchmarks of performance;
- Revise our volunteering strategy to ensure that we can maximise the benefits to all who volunteer in Hestia, including service users, ensuring that both individual and organisation attain the maximum benefit from each placement; and
- Invest in social enterprise activities that will provide a range of benefits and opportunities to our service users.

### **Report of the Board of Trustees (incorporating the Directors' Report) for the year ended 31 March 2014**

#### **PLANNING FOR FUTURE PERIODS (continued)**

##### **Aim 2 – High quality services**

We seek to add value to our services wherever possible by delivering more than simply contract terms and have done this in a number of ways, e.g. developing and supporting children's services and encouraging healthy living activities.

We apply a rigorous and robust approach to inspection of existing services to ensure that high quality services are delivered and that good practice can be shared across the organisation. We encourage external inspectors – including service users – to participate in the process to gain as wide a perspective as we possibly can. We ensure that all policies and procedures are reviewed regularly to ensure they meet up to date legal requirements and our wide consultation framework seeks to ensure we can learn from best practice from inside and outside our services.

In 2014-15 we will:

- Undertake a review of our models of care to build upon the experience that we have gained from our personalisation services, to ensure that our services are person centres and meet the real needs and aspirations of our service users; and
- Use the knowledge that we have gained from the development of different service delivery types to influence commissioning decisions.

##### **Aim 3 – Learning and continuously improving organisation**

In 2013-14 we sought to improve our performance management systems to give us immediate access to up to date information across a range of key performance indicators. We decided to invest resources in the development of an on line dashboard system which will allow managers across the organisation access to real time information. This project will continue into 2014-15.

During the year we actively worked with trade bodies to lobby the government on the impact that welfare benefits reform could have on our service users – some of the most vulnerable members of our society. We were pleased to see that alternative definitions of supported accommodation were agreed that will exempt our service users from most aspects of the reforms, with the one exception being the bedroom tax (which only affects ten of the total properties we have in management).

From 2014-15 onwards, we intend to improve our policy and communications frameworks so that we can use the knowledge and experience gained to ensure that we influence public policy as it affects our service users. We are making resources available to strengthen our research and policy development capabilities, which, associated with an effective communications strategy, will seek to ensure Hestia is able to advocate more effectively for our service users.

##### **Aim 4 – Excellent employer valuing diversity, performance and leadership**

We recognise the importance of ensuring that we recruit, train and develop our staff to make sure that we can deliver high quality services across the organisation. We use 4 key organisational competencies throughout the recruitment and appraisal processes to ensure that they are embedded in the culture of the organisation: Embracing Change; Valuing Colleagues; Taking the Initiative; and Service User Focus.

In 2013-14 we invested in training in leadership and management for all managers across the organisation, working together in action learning sets. By doing this we aim to improve the quality and consistency of approach whilst allowing managers to learn from each other. This programme will continue into 2014-15.

In 2013 we undertook our bi-annual survey of staff, which compared us with a number of other similar organisations and compared ourselves over time. We will use the results as the focus for our bi-annual staff conference to be held in April 2014. Moving forward into 2014-15, we have formed a number of staff engagement groups to look at the 4 key themes arising from the survey: communications, change management, value and recognition and risk and reward. Up to 40 staff will participate in these groups to give us the maximum input from as wide range of colleagues as possible.

### **Report of the Board of Trustees (incorporating the Directors' Report) for the year ended 31 March 2014**

#### **PLANNING FOR FUTURE PERIODS (Continued)**

##### **Strategic Goals (Continued)**

##### **Aim 5 – Grow and add value through fundraising and innovation**

Year on year we have been able to grow by increasing the number of contracts in management and in 2013-14 we added 8 new contracts across a range of service areas which will add £2 million of turnover p.a. For 2014-15 we have set another target of £2 million of new business which we believe is reasonable based on our previous achievements. We seek to achieve these increases in turnover whilst containing increases in our overhead costs, maximising the benefits from previous infrastructure investment.

As part of the strategic review, we have agreed to invest in additional fundraising resources to seek to deliver an additional £250,000 of fundraised income p.a. and we will do this by looking at a range of fundraising activities, including door drops and specific donor campaigns. This funding will support the added value activities which enhance the life chances of our service users.

##### **Aim 6 – Strong partnerships and external relationships**

Throughout 2013-14, we have worked closely with local authorities and other commissioning bodies to seek to protect our vulnerable clients at a time when resources are coming under increasing pressure. Many of our service users do not meet the increasingly high thresholds which entitle them to receive statutory services but are very vulnerable and our services ensure that they are prevented from needing more intensive interventions later. Wherever possible we have agreed to meet requirements of our partners by reconfiguring services to improve value for money whilst maintaining a high quality service to our clients and as a result we had only one service decommissioned in the year – the Lewisham HIV service. Wherever possible we will work with commissioners to seek long term affordable solutions which will guarantee long term provision of effective care and support services and remove uncertainty for all stakeholders.

We expect this process to continue into 2014-15 and beyond as the squeeze on public sector funding continues to require commissioners to seek savings across their organisations.

During the year our two Healthwatch organisations (Ealing and Central West London), covering four local authorities) built upon the work previously undertaken by the LiNK organisations, developing open and constructive partnerships with strategic leads in the NHS and Local Authorities to influence commissioning and improving local service delivery by health and social care providers.

##### **Aim 7 – Effective and efficient deployment of resources**

In March 2013, the organisation's Head Office moved to London Bridge. This new central London location reflects our London wide service provision. However we continue to provide support through a series of local offices to ensure staff remain accessible to service users and local decision makers.

Looking to ensure continuous improvement we reviewed our management structures, creating area service managers dedicated to servicing and supporting local authorities and seeking local synergies across the services we deliver. This released management resources which we were able to re-direct towards front line staff, including the creation of volunteering co-ordinators to help support our service users get valuable access to roles to assist them into employment.

During the year, we continued to invest in our Information Technology systems, seeking to improve local service delivery through the introduction of the Citrix network as well as improvements to network infrastructure. This investment has facilitated the increased use of mobile technology which enables us to deliver services to service users in ways which suits their individual needs. We continue to work on the development of the PSOC care and support system to maximise the support we can give to our service users, whilst enabling real time performance management of our operations and providing us the opportunity to demonstrate the added value of our work to external providers.

### **Report of the Board of Trustees (incorporating the Directors' Report) for the year ended 31 March 2014**

#### **PLANNING FOR FUTURE PERIODS (Continued)**

##### **Strategic Goals (Continued)**

##### **Aim 8 – Strategic approach to managing risk and change**

We review our strategy on an annual basis, updating both our twelve month and five year plans, and prepare the annual budget and five year forecast.

We revisit our risk management strategies throughout the year in the light of the updated strategic plan and develop detailed action plans at organisational, departmental and individual project level to ensure the successful delivery of our strategic objectives.

Quarterly management accounts and operational work plan reports encourage managers and staff to monitor progress against their planned objectives and to assess how this relates to achieving Hestia's overall aims and objectives. Regular reporting and review of key performance indicators further underpins this structured approach.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

##### **The External Environment**

The majority of Hestia's income comes from contracts with a range of public sector commissioners, all of whom are facing reductions in their levels of central government funding. To date this has been passed on to providers like Hestia who have been able to deliver the cost savings that have been required. For Hestia this has meant restructuring services – by alteration of hours and reductions in front line salaries – to meet the funding available.

Commissioners are suggesting that further savings are going to be required over the next 2 to 3 years. We believe we have reduced the delivery cost of our contracts as much we can, given our commitment not to pay staff less than the London Living Wage. Accordingly we believe that further efficiencies can only realistically be delivered by consolidating and reducing existing services. Whilst we will continue to lobby to retain as many of the services that we currently provide, we must recognise the financial pressures that our commissioner partners are under and seek, wherever possible, to design and implement flexible models of care and support. Our experience at the day services in Hounslow and Kensington and Chelsea will prove invaluable to us as we seek to deliver more tailored services to a greater number of people more cost effectively.

We believe that we speak for many people who don't have the opportunity to put their points of view forward, so part of our strategy over the next 2 – 3 years is to develop our policy and communications framework to ensure the valuable services that we provide are not lost merely as a result of changing funding priorities.

As part of our recent strategic review, we agreed that to maintain our contract base in the medium term, we need to be flexible about client groups and our geographical area and as such we will be looking to expand both of these, providing we remain confident that we can deliver high quality services to those groups and in those areas and that our existing bases remain unaffected.

We have also agreed that we need to reduce our reliance on this type of funding – accepting that we will never be able to eliminate this to any significant degree, but look to deliver other services – via social enterprise and commercial activity – that can support underlying services. These new areas of activity will require detailed management of the different risk profiles they will face and any investment in these will require approval by Trustees following detailed analysis.

### Report of the Board of Trustees (incorporating the Directors' Report) for the year ended 31 March 2014

#### PRINCIPAL RISKS AND UNCERTAINTIES (continued)

##### Management of Risk

The Board of Trustees is responsible for ensuring that Hestia has in place systems of internal control that are appropriate to the various business contexts in which it operates. These enable the organisation to manage rather than eliminate risks and so provide a reasonable but not necessarily absolute degree of assurance.

The Trustees have in place a formal risk management process to assess risks and implement risk management strategies. This process includes a review by Trustees, senior management and staff and identifies the types of risk faced by the organisation, prioritises the risks in terms of likelihood of occurrence and potential impact and identifies the means of managing or mitigating them. Risk management is embedded in the day-to-day processes of the organisation and the monitoring of controls in place to manage risk is reviewed by the appropriate board committees.

The Board of Trustees has reviewed the operation and effectiveness of Hestia's system of internal controls. Key elements in Hestia's internal control systems are:

- an organisational set of values and commitment to manage the organisation's affairs with integrity
- risk assessments embedded in a comprehensive business planning process
- a robust budget and quarterly review and reporting of financial performance
- appropriate authorisation levels and segregation of accounting duties and
- clear staff roles, responsibilities and accountabilities.

The Finance Committee undertakes a detailed review of Hestia's quarterly management accounts reporting and oversees external audit activity.

##### Restrictions on Distribution

The Memorandum of Association prohibits the distribution of income and property of the charitable company to the members. Upon dissolution or winding up of the charitable company the assets shall be given or transferred to some similar institution or institutions having objects similar to the charitable company.

##### Tax Status

Hestia Housing and Support is a registered charity and is therefore potentially exempt from taxation of its income and gains as it falls within the definition of a charitable company as defined in Part 1, Schedule 6 of the Finance Act 2010. No tax charge has arisen in the year.

##### Auditor

Chantrey Vellacott DFK has indicated its willingness to be re-appointed as auditor in accordance with section 487 (2) of the Companies Act 2006.

Approved by the Board of Trustees on <sup>30 September</sup>~~25 November~~ 2014.

Martin Cheeseman  
Chair/Trustee





### **Independent Auditor's Report to the members of Hestia Housing and Support**

We have audited the financial statements of Hestia Housing and Support for the year ended 31 March 2014 which comprise the consolidated statement of financial activities, the consolidated and parent Balance Sheets, the consolidated cash flow statement 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).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of Trustees and auditors**

As explained more fully in the Statement of Trustees' Responsibilities, 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.

We have been appointed auditor under the Companies Act 2006 and report in accordance with that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Board of Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **In our opinion the financial statements:**

- give a true and fair view of the state of the group's and parent company's affairs as at 31 March 2014 and of the group incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Independent Auditor's Report to the members of Hestia Housing and Support**

**Opinion on other matter prescribed by the Companies Act 2006**

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

**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 and proper 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.

*Chantrey Vellacott DFK LLP*

William Devitt (Senior statutory auditor)  
for and on behalf of CHANTREY VELLACOTT DFK LLP  
Chartered Accountants and Statutory Auditor  
London, UK

*13 November 2014*

## HESTIA HOUSING AND SUPPORT

### Consolidated statement of financial activities for the year ended 31 March 2014 (including a Consolidated Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
<b>Incoming resources</b>					
Incoming resources from generated funds:					
Voluntary Income:					
Donations and grants	2	-	336,331	336,331	130,365
Investment income	3	202,634	-	202,634	219,649
		<b>202,634</b>	<b>336,331</b>	<b>538,965</b>	<b>350,014</b>
Incoming resources from charitable activities:					
Provision of care and support		15,885,797	611,606	16,497,403	15,798,143
Operation of Approved Premises		1,287,193	49,990	1,337,183	1,337,301
Provision of Healthwatch Services		-	842,608	842,608	-
	4	<b>17,172,990</b>	<b>1,504,204</b>	<b>18,677,194</b>	<b>17,135,444</b>
<b>Total incoming resources</b>		<b>17,375,624</b>	<b>1,840,535</b>	<b>19,216,159</b>	<b>17,485,458</b>
<b>Resources expended</b>					
Costs of generating voluntary income		50,321	-	50,321	44,441
Investment management		28,105	-	28,105	15,350
		<b>78,426</b>	<b>-</b>	<b>78,426</b>	<b>59,791</b>
Charitable activities:					
Provision of care and support		15,830,848	883,043	16,713,891	15,775,414
Operation of Approved Premises		1,273,048	-	1,273,048	1,233,773
Provision of Healthwatch Services		-	604,582	604,582	-
		<b>17,103,896</b>	<b>1,487,625</b>	<b>18,591,521</b>	<b>17,009,187</b>
Governance costs		<b>76,779</b>	<b>7,266</b>	<b>84,045</b>	<b>69,893</b>
<b>Total resources expended</b>	5	<b>17,259,101</b>	<b>1,494,891</b>	<b>18,753,992</b>	<b>17,138,871</b>
<b>Net incoming resources before gains / (losses) on investment assets, being net income for the year</b>	6	<b>116,523</b>	<b>345,644</b>	<b>462,167</b>	<b>346,587</b>
Exceptional item	19	-	-	-	(336,000)
Realised (losses) / gains on investment assets	9	(8,828)	-	(8,828)	39,016
Unrealised gains on investment assets	9	106,857	-	106,857	236,024
Actuarial gains / (losses) on defined benefit pension schemes	19	35,000	-	35,000	75,000
<b>Net movement in funds</b>		<b>249,552</b>	<b>345,644</b>	<b>595,196</b>	<b>360,627</b>
Reserves transferred in	1b,16	-	-	-	56,858
Balances brought forward		<b>8,593,122</b>	<b>1,643,315</b>	<b>10,236,437</b>	<b>9,818,952</b>
<b>Balances carried forward</b>		<b>8,842,674</b>	<b>1,988,959</b>	<b>10,831,633</b>	<b>10,236,437</b>

All amounts relate to continuing activities of the group.

Hestia has no recognised gains or losses other than those dealt with above.

The notes on pages 22 to 39 form part of these financial statements.

# HESTIA HOUSING AND SUPPORT

## Balance sheets as at 31 March 2014

	Notes	Group		Company	
		2014	2013	2014	2013
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	8	2,297,909	1,914,499	2,297,909	1,914,499
Investments	9	5,349,765	3,200,893	5,349,765	3,200,893
		<u>7,647,674</u>	<u>5,115,392</u>	<u>7,647,674</u>	<u>5,115,392</u>
<b>Current assets</b>					
Debtors	10	1,493,605	1,370,508	1,535,619	1,370,508
Short term deposits		3,583,716	5,064,630	3,583,716	5,064,630
Cash at bank and in hand		2,787,207	2,768,529	2,578,936	2,768,529
		<u>7,864,528</u>	<u>9,203,667</u>	<u>7,698,271</u>	<u>9,203,667</u>
<b>Creditors:</b> amounts falling due within one year	11	(4,418,569)	(3,810,622)	(4,469,220)	(3,810,622)
<b>Net current assets</b>		<u>3,445,959</u>	<u>5,393,045</u>	<u>3,229,051</u>	<u>5,393,045</u>
<b>Total assets less current liabilities</b>		<u>11,093,633</u>	<u>10,508,437</u>	<u>10,876,725</u>	<u>10,508,437</u>
Defined benefit pension scheme liabilities	19	(262,000)	(272,000)	(262,000)	(272,000)
<b>Net assets including pension liabilities</b>		<u><u>10,831,633</u></u>	<u><u>10,236,437</u></u>	<u><u>10,614,725</u></u>	<u><u>10,236,437</u></u>
<b>Represented by:</b>					
Unrestricted funds:					
Operating fund	12	7,161,842	7,048,030	7,246,009	7,048,030
Designated funds	12	1,290,265	1,252,554	1,290,265	1,252,554
Revaluation reserve	12	390,567	292,538	390,567	292,538
		<u>8,842,674</u>	<u>8,593,122</u>	<u>8,926,841</u>	<u>8,593,122</u>
Restricted funds	13	1,988,959	1,643,315	1,687,884	1,643,315
<b>Total funds</b>		<u><u>10,831,633</u></u>	<u><u>10,236,437</u></u>	<u><u>10,614,725</u></u>	<u><u>10,236,437</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on ~~25<sup>th</sup>~~ **30<sup>th</sup>** November 2014 and signed on its behalf by:

*September*

Martin Cheeseman  
Chair of the Board of Trustees

Company Number: 2020165

The notes on pages 22 to 39 form part of these financial statements.

## HESTIA HOUSING AND SUPPORT

### Consolidated cash flow statement for the year ended 31 March 2014

	Notes	2014 £	2013 £
<b>Net cash inflow from operating activities</b>	14	916,830	886,822
<b>Returns on investment and servicing of finance</b>			
Investment income received		213,634	219,649
<b>Capital expenditure</b>			
Purchase of investments		(3,101,002)	(1,837,076)
Disposal of investments		1,050,159	625,778
Purchase of tangible fixed assets		(541,857)	(149,477)
		<u>(2,592,700)</u>	<u>(1,360,775)</u>
<b>(Decrease) in cash in the year</b>		<u>(1,462,236)</u>	<u>(254,304)</u>
<b>Reconciliation of net cash flow to movement in net funds</b>			
<b>Short term investments/ cash at bank and in hand</b>			
At 1 April 2013		7,833,159	8,030,605
Wandsworth Women's Aid – 1 <sup>st</sup> January 2013	1b, 16	-	56,858
		<u>7,833,159</u>	<u>8,087,463</u>
At 31 March 2014		6,370,923	7,833,159
<b>(Decrease) in cash in the year</b>		<u>(1,462,236)</u>	<u>(254,304)</u>

The notes on pages 22 to 37 form part of these financial statements.

### Notes to the financial statements for the year ended 31 March 2014

#### 1. Accounting policies

##### a) **Basis of accounting**

The financial statements are prepared on a going concern basis under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006, applicable accounting standards, and the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities, published in March 2005.

##### b) **Acquisition of Wandsworth Women's Aid**

The financial statements include the activities of Wandsworth Women's Aid from 1 January 2013, the date on which Wandsworth Women's Aid transferred all of its activities, assets and liabilities to Hestia. The assets and liabilities of Wandsworth Women's Aid were transferred at cost in the financial statements for the year ended 31 March 2013.

##### c) **Basis of consolidation**

The group financial statements consolidate the financial statements of the charity and its subsidiaries, Healthwatch Ealing and Healthwatch Central West London, on a line by line basis. A separate statement of financial activities and income and expenditure account is not presented for the charity itself following the exemptions afforded by section 408 of the Companies Act and paragraph 397 of the SORP.

##### d) **Incoming resources and resources expended**

- i) Charges to residents, interest from deposit accounts and tax refunds are included in the Statement of Financial Activities in the year in which they are receivable.
- ii) Voluntary income received by way of donations and gifts is included in the Statement of Financial Activities when received.
- iii) Grants are credited to the Statement of Financial Activities when receivable unless they related to a specified future period, in which case they are deferred.
- iv) Expenditure is stated inclusive of VAT as the organisation is not registered for VAT.

##### e) **Designated funds**

Designated funds are unrestricted funds allocated by the Trustees for particular purposes.

##### f) **Restricted funds**

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund. Grants for the purchase of fixed assets are credited to a restricted fund when received. Depreciation on the related assets is charged against the fund. The exceptions to this are grants received for normal running expenses of the organisation's projects which are treated as unrestricted.

### Notes to the financial statements for the year ended 31 March 2014

#### 1. Accounting policies

##### g) Depreciation

Depreciation is provided using the following rates and bases to reduce by annual instalments the cost, less estimated residual value, of the tangible assets over their estimated useful lives:

Freehold land	Nil
Freehold buildings	2% straight line
Leasehold improvements	Over the anticipated occupational term of the lease
Fixtures, fittings and equipment	25% straight line
Computer equipment	33.33% straight line
Motor vehicles	25% straight line

Items of computer equipment are capitalised where the purchase price exceeds £400. Other items are capitalised where the purchase price exceeds £1,000.

In the case of land and buildings the capital cost includes the purchase price and alterations, but not associated professional fees which are written off to expenditure.

Capital expenditure within and for project premises not owned by the organisation is written off immediately, after allowing for grants receivable. Depreciation costs are allocated to projects on the basis of the use of the related assets.

##### h) Investments

Investments are stated at market value at the balance sheet date. The SOFA included the net gains and losses arising on revaluation and disposal throughout the year.

##### i) Leasing

Rentals payable under operating leases are taken to the Statement of Financial Activities on a straight line basis over the lease term.

##### j) Pensions

Hestia operates four group personal pension plans. Contributions are also made to pension schemes of certain employees in accordance with their rights under TUPE. Employer contributions are charged to the Statement of Financial Activities in the year to which the contributions relate.

Hestia also participates in two multi-employer defined benefit schemes – the Royal Borough of Kensington & Chelsea Pension Fund and the London Borough of Hounslow Pension Fund.

For these schemes, the operating costs of providing retirement benefits to participating employees are recognised in the accounting periods to which the benefits are earned. The related finance costs, expected return on assets and any other changes in fair value of the assets and liabilities, are recognised in the accounting period in which they arise. The operating costs, finance costs, expected return on assets and any other changes in fair value of assets and liabilities are recognised in the statement of financial activities.

##### k) Allocation of costs

The costs of functions which support more than one of Hestia's activities have been allocated to those activities on the basis of time spent. Further information is set out in note 5. Costs classified as "governance" relate to the general running of Hestia and include the operations of the Trustee Board and addressing constitutional, audit and other statutory matters. Costs classified as "costs of generating voluntary income" comprise fundraising costs. Costs classified as "investment management" represent fees paid to investment managers.

## HESTIA HOUSING AND SUPPORT

### Notes to the financial statements for the year ended 31 March 2014

#### 2. Voluntary income

##### Donations and grants

	2014 £	2013 £
<b>Donations</b>	<b>66,546</b>	<b>65,365</b>
<b>Grants: -</b>		
from local authorities	<b>32,000</b>	-
from other organisations and individuals	<b>237,785</b>	<b>65,000</b>
	<b>336,331</b>	<b>130,365</b>

#### 3. Investment income

	2014 £	2013 £
Interest receivable	<b>51,977</b>	<b>118,745</b>
Dividends from equity shares	<b>161,657</b>	<b>100,904</b>
Deduct: interest payable on defined pension schemes	<b>(11,000)</b>	-
	<b>202,634</b>	<b>219,649</b>

#### 4. Incoming resources from charitable activities

	2014 £	2013 £
<b>Provision of care and support</b>		
Income from support contracts	<b>7,542,614</b>	<b>7,470,869</b>
Income from other grants and fees	<b>3,790,831</b>	<b>2,602,267</b>
Residents fees and charges	<b>6,006,566</b>	<b>5,725,007</b>
	<b>17,340,011</b>	<b>15,798,143</b>
<b>Operation of Approved Premises</b>		
Grants	<b>1,294,698</b>	<b>1,295,390</b>
Residents charges	<b>42,485</b>	<b>41,911</b>
	<b>1,337,183</b>	<b>1,337,301</b>
	<b>18,677,194</b>	<b>17,135,444</b>



## HESTIA HOUSING AND SUPPORT

### Notes to the financial statements for the year ended 31 March 2014

#### 5. Total resources expended

	Staff Costs	Other Direct Costs	Other Support Costs	Total 2014	Total 2013
	£	£	£	£	£
Fundraising	37,288	6,686	6,347	<b>50,321</b>	44,441
Costs of Investment Management	-	28,105	-	<b>28,105</b>	15,350
Provision of Care and Support	10,964,160	4,481,298	1,268,433	<b>16,713,891</b>	15,775,414
Operation of Approved Premises	837,143	192,294	243,611	<b>1,273,048</b>	1,233,773
Provision of Healthwatch contracts	404,544	200,038	-	<b>604,582</b>	-
Governance	47,736	36,309	-	<b>84,045</b>	69,893
	<b>12,290,871</b>	<b>4,944,730</b>	<b>1,518,391</b>	<b>18,753,992</b>	<b>17,138,871</b>

Other support costs have been allocated across activities on the basis of time spent by the departments supporting the various activities. These include costs associated with providing IT, payroll, human resources, finance, office accommodation and other central services.

#### 6. Net income for the year

Net income is stated after charging:	<b>2014</b>	2013
	£	£
Operating lease rentals	620,952	664,360
Depreciation	154,050	136,386
Auditor's remuneration - audit services - Parent	20,000	15,879
Subsidiaries	8,500	-
Over / under provision	3,952	-
Non audit services	<b>1,320</b>	-

## HESTIA HOUSING AND SUPPORT

### Notes to the financial statements for the year ended 31 March 2014

#### 7. Staff and Trustees

	2014	2013
	£	£
<b>Staff Costs:</b>		
Wages and salaries	11,105,746	10,222,995
Social security costs	862,778	833,223
Pension costs	322,347	222,085
	<u>12,290,871</u>	<u>11,278,303</u>

Wages and salaries include £1,383,025 in relation to agency staff (2013: £867,431).

#### Staff in receipt of total emoluments exceeding £60,000 in the year were as follows:

One employee earned between £110,000 - £120,000 in the year (2013: none).

No employees earned between £80,000 - £90,000 in the year (2013: one).

Two employees earned between £70,000 - £80,000 in the year (2013: two).

Two employees earned between £60,000 - £70,000 in the year (2013: one).

During the year, one employee received a payment of £46,800 being £16,800 as payment in lieu of notice and £30,000 as payment for compensation of loss of office.

Pension contributions in respect of the above higher paid employees totalled £16,100 for the year (2013: £13,035)

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

	2014	2013
	Number	Number
Project staff	298	276
Social security costs	49	44
Support staff	<u>347</u>	<u>320</u>

No Trustee received any remuneration for services during the year (2013: nil). One Trustee claimed expenses of £201 to reimburse travel costs during the year (2013: Two trustees claimed expenses of £220 to reimburse travel costs). No Trustee had any beneficial interest in any contract with Hestia.

Indemnity insurance was arranged on behalf of the Trustees of Hestia for the 12 months commencing 1 July 2013 at no additional cost to the organisation (2013 : nil).

## HESTIA HOUSING AND SUPPORT

### Notes to the financial statements for the year ended 31 March 2014

8. Tangible fixed assets	Freehold Land and Buildings £	Fittings and Equipment £	Computer Equipment £	Motor Vehicles £	Total £
<b>Cost</b>					
At 1 April 2013	2,021,620	130,082	282,649	22,810	2,457,161
Additions	396,498	14,474	130,885	-	541,857
Disposals	-	(21,959)	-	-	(21,959)
<b>At 31 March 2014</b>	<b>2,418,118</b>	<b>122,597</b>	<b>413,534</b>	<b>22,810</b>	<b>2,977,059</b>
<b>Depreciation</b>					
At 1 April 2013	248,153	95,642	176,057	22,810	542,662
Charge for the year	27,716	21,848	104,476	-	154,040
Eliminated on disposals	-	(17,552)	-	-	(17,552)
<b>At 31 March 2014</b>	<b>275,869</b>	<b>99,938</b>	<b>280,533</b>	<b>22,810</b>	<b>679,150</b>
<b>Net Book Value</b>					
<b>At 31 March 2014</b>	<b>2,142,249</b>	<b>22,659</b>	<b>133,001</b>	<b>-</b>	<b>2,297,909</b>
At 31 March 2013	1,773,467	34,440	106,592	-	1,914,499

Ealing, Hammersmith and Hounslow Health Authority has a charge over the freehold property at Lynton Terrace which would require the property to be transferred back to the authority if it were to cease to provide qualifying services.

Hestia is also the registered owner of the freehold property at Leigham Court Road and Cologne Road. Full funding was received from the Home Office for the purchase of these properties and the organisation has entered into an undertaking to pass the proceeds of any sale on these properties to the Home Office.

The properties at Garret lane and Chatsworth Crescent are held without any charges.

## HESTIA HOUSING AND SUPPORT

### Notes to the financial statements for the year ended 31 March 2014

#### 9. Investments

	2014 £	2013 £
<b>Listed investments:</b>		
Market value at 1 April 2013	3,200,893	1,714,555
Additions at cost	3,101,002	1,837,076
Disposal proceeds	(1,050,159)	(625,778)
(Losses) / gains on disposal	(8,828)	39,016
Gains on revaluation	106,857	236,024
Market Value at 31 March 2014	5,349,765	3,200,893
Historic cost at 31 March 2014	4,959,199	2,908,355
<b>Listed investments are represented by:</b>		
Fixed interest securities	1,513,431	1,109,121
Equity shares	2,842,693	2,091,772
Common investment funds	993,641	-
	5,349,765	3,200,893

#### 10. Debtors

	Group		Company	
	2014 £	2013 £	2014 £	2013 £
Grants receivable	621,255	338,734	580,605	338,734
Rents and charges in arrears	262,463	269,370	262,463	269,370
Other debtors	256,609	584,331	256,608	584,331
Due from subsidiary undertakings	-	-	82,665	-
Prepayments	353,278	178,073	353,278	178,073
	1,493,605	1,370,508	1,535,619	1,370,508

## HESTIA HOUSING AND SUPPORT

### Notes to the financial statements for the year ended 31 March 2014

11.	Creditors: amounts falling due within one year	Group		Company	
		2014 £	2013 £	2014 £	2013 £
	Trade creditors	786,245	951,685	786,245	951,685
	Income received in advance	1,271,973	677,307	1,105,422	677,307
	Accruals and deferred income	977,227	1,107,277	977,227	1,107,277
	Taxes and social security	234,012	251,332	234,012	251,332
	Due to subsidiary undertakings	-	-	134,538	-
	Other creditors	1,149,112	823,021	1,231,776	823,021
		<b>4,418,569</b>	<b>3,810,622</b>	<b>4,469,220</b>	<b>3,810,622</b>

Included within other creditors is £13,006 (2013: £13,332) held on behalf of Hestia service users and £1,213,027 (2013: £442,233) held on behalf of individual budget holders for London Borough of Newham and London Borough of Richmond's managed accounts.

## HESTIA HOUSING AND SUPPORT

### Notes to the financial statements for the year ended 31 March 2014

#### 12. Unrestricted funds

	1 April 2013 £	Incoming Resources £	Resources Expended £	31 March 2014 £
Operating fund	7,048,030	17,132,489	(17,018,677)	<b>7,161,842</b>
Designated funds: -				
Development, maintenance and refurbishment of existing projects	513,259	170,538	(91,261)	<b>592,536</b>
Infrastructure and new project development	739,295	72,597	(114,163)	<b>697,729</b>
Total designated funds	1,252,554	243,135	(205,424)	<b>1,290,265</b>
Revaluation reserve	292,538	98,029	-	<b>390,567</b>
Total unrestricted funds	8,593,122	17,473,653	(17,224,101)	<b>8,842,674</b>

The operating fund is a general reserve, which is the amount deemed prudent by the Trustees to hold in reserve to ensure stability and to safeguard Hestia's operations.

The designated fund for the development, maintenance and refurbishment of existing projects includes:

- Cyclical maintenance – funds required for six yearly maintenance and decoration of buildings for which responsibility is not assumed by an owning registered social landlord.
- Sinking funds – funds required for long-term major repairs of buildings for which responsibility is not assumed by an owning registered social landlord.
- Furniture fund – funds for replacement of furniture which cannot be funded from the annual revenue budget.
- Refurbishment of existing projects including the costs associated with decant and recant of residents during such refurbishment works.

The funds for infrastructure and new project development have been designated in relation to planned strategic developments which assist the organisation to respond to the external operating environment. These include:

- Funding to meet the costs of organisational development, including bidding for new/replacement contracts, merger activities and requirements necessary to adapt internal frameworks to meet external requirements.
- Project Assistance Funds to support upfront running costs of developed projects which cannot be funded from the annual revenue budget.

A revaluation reserve, as required by the Companies Act 2006, is disclosed on the face of the balance sheet. The revaluation reserve represents the amount by which fixed investment assets exceed their historical cost.

## HESTIA HOUSING AND SUPPORT

### Notes to the financial statements for the year ended 31 March 2014

#### 13. Restricted funds

	1 April 2013 £	Incoming Resources £	Resources Expended £	31 March 2014 £
Donations	39,028	55,619	(56,375)	<b>38,272</b>
Lambeth, Lewisham & Southwark service user fund	774	-	(774)	-
Property Expenditure:				
i. Purchase of Lynton Terrace	428,441	-	(5,420)	<b>423,021</b>
ii. Purchase of Leigham Court Road	254,232	-	(3,078)	<b>251,154</b>
iii. Improvements to Leigham Court Road	350,571	-	(4,243)	<b>346,328</b>
iv. Improvements to Cologne Road	12,920	-	(155)	<b>12,765</b>
v. Department of Health – purchase of Chatsworth Crescent	-	237,500	-	<b>237,500</b>
Home Office Refurbishment Grants	69,488	49,990	(39,860)	<b>79,618</b>
Other Home Office/ Ministry of Justice Grants	4,068	-	-	<b>4,068</b>
Mercers Fund	2,450	-	(411)	<b>2,039</b>
Outreach services	66,683	229,719	(260,662)	<b>35,740</b>
Children and Family services	82,785	72,044	(95,354)	<b>59,475</b>
Women Without Recourse Fund	53,615	-	(41,504)	<b>12,111</b>
CCTV Fund	2,694	-	-	<b>2,694</b>
Healthwatch and Community Engagement Funds	161,981	996,941	(777,583)	<b>381,339</b>
Back on Track	51,461	123,337	(160,003)	<b>14,795</b>
Safer families project	8,979	34,000	(19,849)	<b>23,130</b>
Interconnect project	6,691	30,458	(24,812)	<b>12,337</b>
Southwark mental health innovation fund	8,732	-	(294)	<b>8,438</b>
Southwark learning disabilities innovation fund	7,680	-	(295)	<b>7,385</b>
Kingston magistrates fund	4,676	-	(798)	<b>3,878</b>
Wandsworth children's playroom project	25,000	7,872	-	<b>32,872</b>
Putney Parishes	366	3,055	(3,421)	-
	<b>1,643,315</b>	<b>1,840,535</b>	<b>(1,494,891)</b>	<b>1,988,959</b>

Restricted donations and grants comprise those funds used for specified purposes as laid down by the donor.

Hestia administered a grant scheme on behalf of the London Boroughs of Lambeth, Southwark and Lewisham (LSL). The beneficiaries of the scheme were Hestia's service users under its Supporting People contract with LSL. The balance of this fund brought forward from 2011-12 was £774 and there has been no further distribution since. Accordingly, the balance of £774 has been used to support projects in these boroughs during the year.

### Notes to the financial statements for the year ended 31 March 2014

#### 13. Restricted funds (continued)

Restricted property funds comprise funding received for the purchase and improvement of the properties stated. The properties at Lynton Terrace, Leigham Court Road and Chatsworth Crescent are recorded in fixed assets. Depreciation of these properties and other specified property costs are charged against these funds. No depreciation was charged against Wadsworth Crescent as the property was purchased at the end of the financial year.

Home Office refurbishment grants represent grants made by the Home Office to fund refurbishment of Hestia's approved premises. The restricted grant represents the unspent portion of these grants and will be carried forward to fund future refurbishment of these properties.

Other Home Office/ Ministry of Justice grants comprise various sundry grants for drugs testing, security training and scheme development / relocation in connection with Hestia's approved premises.

The Mercers' grant funds art therapy at Hestia Streatham.

Outreach funding comprises various restricted grants to fund the provision of outreach services in the community by the women's services projects.

Children & family services are provided at each of Hestia's refuges and funded by a combination of Supporting People grants, other grants and Hestia's own reserves.

The Women without recourse fund was set up in 2008/09 for women without recourse to public funds and represents donations from the Henry Smith Charity. A further £72,000 has been pledged from the charity for the years 2014-15 and 2015-16.

The CCTV fund represents donated money to purchase CCTV equipment for the Kingston Refuges.

Healthwatch and community engagement income represents funds made available across the Healthwatch and community engagement contracts (in Tower Hamlets and Newham) to carry out contracted activities: any under spends are carried over at the end of the financial year to meet future expenditure commitments.

The Back on Track fund represents the donation from the Oak Foundation to support the development of a peer led training programme for ex-offenders.

The Safer Families Fund is the balance of the donation provided by the Porticus Trust to provide specialist parenting support groups and "Stay and Play" sessions for 400 women and children each year living in Hestia's network of domestic abuse refuges across London.

The Interconnect project is the balance of the grant from Comic Relief which aims to provide volunteering opportunities for older people to work with mothers and children in our domestic abuse refuges.

The Southwark Mental Health and Learning Disabilities innovation projects seek to maximise the buying power of service users in Southwark by pooling their individual budgets.

The Kingston Magistrates Fund is the balance of the donation provided by Kingston magistrates to provide welfare funding for women and children in the Kingston area fleeing domestic abuse.

The Wandsworth Children's Playroom Project represents grants from the Take That Fund, Wandsworth Borough Council and other local fundraising initiatives to fund the building and equipping of a play room at one of the Wandsworth domestic abuse refuges.

Putney Parishes represents funding collected by the parish of Putney to support children's activities at the Wandsworth domestic abuse services including the employment of a children's support worker.



## Notes to the financial statements for the year ended 31 March 2014

### 14. Reconciliation of net movement in funds to net cash flow from operating activities

	2014 £	2013 £
Net movement in funds	462,167	346,587
(Loss) / gain on sale of fixed assets	4,407	-
FRS 17 adjustment	14,000	(261,000)
Investment income received	(202,634)	(219,649)
Depreciation	154,040	136,386
(Increase) in debtors	(131,127)	(244,497)
Increase in creditors	615,977	1,128,995
Net cash inflow / (outflow) from operating activities	916,830	886,822

### 15. Analysis of net assets between funds

	Investments	Tangible Fixed Assets	Net Current Assets Less Long Term Liabilities	Total Funds
	£	£	£	£
Unrestricted funds	5,349,765	1,027,141	2,465,768	8,842,674
Restricted funds	-	1,270,768	718,191	1,988,959
	5,349,765	2,297,909	3,183,959	10,831,633

### 16. Wandsworth Women's Aid: Transfer of Activities, Assets and Liabilities

At the commencement of business on 1 January 2013, the activities, assets and liabilities of the Wandsworth Women's Aid (charity number 1054898) were transferred to Hestia.

The assets, liabilities and funds transferred on 1 January 2013 were as follows;

	£
Debtors and prepayments	2,853
Cash at bank and in hand	433,435
Creditors: amounts falling due within one year	(379,430)
	<b>56,858</b>
Unrestricted funds	31,492
Restricted funds	25,366
Total Funds Transferred	<b>56,858</b>

## Notes to the financial statements for the year ended 31 March 2014

### 17. Operating Lease Commitments

The amounts payable by Hestia in the next year in respect of operating leases are shown below, analysed according to the expiry date of the leases.

	Land and Buildings		Other	
	2014 £	2013 £	2014 £	2013 £
Expiry Date;				
In less than one year	90,582	49,874	-	-
Between one and five years	420,790	311,958	88,624	45,545
In more than five years	-	137,170	-	-
Total	511,372	499,002	88,624	45,545

### 18. Capital commitments and capital grants

There were no capital commitments outstanding at the year end, nor any capital grants receivable (2013: nil).

### 19. Pension

Hestia operates both defined contribution and defined benefit pension schemes which require contributions to be made separately to administered funds for the benefit of the employees. Contributions payable by Hestia in respect of the defined contribution schemes totaled £260,744 for the year (2013: £213,085).

#### *Final salary pension schemes*

Hestia is an admitted body of two pension schemes – The Royal Borough of Kensington and Chelsea Pension Fund (RBKCPF) and the London Borough of Hounslow Pension Fund (LBHPF).

The RBKCPF and LBHPF are multi-employer schemes administered by the Royal Borough of Kensington and Chelsea and the London Borough of Hounslow respectively under the regulations governing the Local Government Pension Scheme (LGPS), a defined benefit scheme.

The defined benefit schemes have been reported under Financial Reporting Standard 17, "Retirement benefits" (FRS17). The figures included in the financial statements in respect of these schemes are based on actuarial valuations carried out on 31 March 2014. These do not take into account any impact of changes in the general stock market values since that date. Any such impact will be reflected in the next formal triennial valuations, due at 31 March 2016.

The employer's contribution, relating to current employees, to the RBKCPF by the organisation for the year ended 31 March 2014 was £34,560 (2013: £11,623) and the employer contribution rate was fixed at 18.1% of pensionable pay up to 31 March 2014.

The employer's contribution, relating to current employees, to the LBHPF by the organisation for the year ended 31 March 2014 was £3,038 (2013: £6,281) and the employer contribution rate was fixed at 13.1% of pensionable pay up to 31 March 2014.

## HESTIA HOUSING AND SUPPORT

### Notes to the financial statements for the year ended 31 March 2014

#### 19. Pension (cntd.)

The financial assumptions used by the actuary to calculate the Scheme liabilities under FRS17 were as follows:

	31 March 2014		31 March 2013	
	RBKCPF	LBHPF	RBKCPF	LBHPF
<b>Assumptions</b>				
Inflation rate (RPI)	3.7%	3.7%	3.4%	3.4%
Inflation rate (CPI)	2.9%	2.9%	2.6%	2.6%
Rate of increase in salaries	4.7%	4.7%	4.8%	4.8%
Rate of increase of pensions in payment	2.9%	2.9%	2.6%	2.6%
Discount rate	4.6%	4.6%	4.7%	4.7%

The expected long term rate of return for each asset class was as follows:

Equities	5.6%	6.9%	5.0%	6.3%
Gilts	3.6%	3.6%	3.0%	3.0%
Other bonds	4.2%	4.2%	4.1%	4.1%
Property	4.6%	4.6%	4.0%	4.0%
Cash	0.5%	0.5%	0.5%	0.5%
Alternative assets	5.6%	-	5.0%	-

The fair value of the assets of the Schemes and their expected rates of return were:

	RBKCPF	LBHPF	Total 2014
	£	£	£
Equities	445,000	76,000	521,000
Gilts and other bonds	-	19,000	19,000
Property	26,000	5,000	31,000
Cash	6,000	2,000	8,000
Alternative assets	167,000	-	167,000
Total market value of assets	644,000	102,000	746,000
Present value of Scheme liabilities	(893,000)	(115,000)	(1,008,000)
Net pension liability	(249,000)	(13,000)	(262,000)

## HESTIA HOUSING AND SUPPORT

### Notes to the financial statements for the year ended 31 March 2014

#### 19. Pension (cntd.)

	RBKCPF	LBHPF	Total 2014	Total 2013
	£	£	£	£
<b>Analysis of the amount charged to resources expended</b>				
Net incoming resources:				
Current service cost	47,000	5,000	52,000	27,000
Total service cost	47,000	5,000	52,000	27,000
Other finance income:				
Expected return on pension scheme assets	28,000	6,000	34,000	10,000
Interest on pension scheme liabilities	(38,000)	(7,000)	(45,000)	(12,000)
Net return	(10,000)	(1,000)	(11,000)	(2,000)
<b>Analysis of the actuarial loss recognised in the financial statements</b>				
Actuarial loss arising on transfer in, due to lower discount rates being adopted for accounts purposes	-	-	-	(336,000)
Actual return less expected return on pension scheme assets	11,000	(4,000)	7,000	17,000
Experience gains and losses arising on pension scheme assets	(16,000)	55,000	39,000	-
Changes in assumptions underlying the present value of scheme liabilities	1,000	(12,000)	(11,000)	58,000
Total loss recognised in the SOFA	(4,000)	39,000	35,000	(261,000)

## HESTIA HOUSING AND SUPPORT

### Notes to the financial statements for the year ended 31 March 2014

#### 19. Pension (cntd.)

	RBKCPF	LBHPF	Total 2014	Total 2013
	£	£	£	£
<b>Movement in deficit in year</b>				
(Deficit) at start of the year	(223,000)	(49,000)	(272,000)	-
Actuarial loss arising on transfer in, due to lower discount rates being adopted for accounts purposes	-	-	-	(336,000)
Movement in year:				
Current service cost	(47,000)	(5,000)	(52,000)	(27,000)
Contributions	35,000	3,000	38,000	18,000
Past service costs	-	-	-	-
Other finance income	(10,000)	(1,000)	(11,000)	(2,000)
Actuarial gain / (loss)	(4,000)	39,000	35,000	75,000
(Deficit) in scheme at end of year	(249,000)	(13,000)	(262,000)	(272,000)

The employee numbers in the scheme as at 31 March 2014 were:

	RBKCPF	LBHPF	Total 2014	Total 2013
Active employees	12	1	13	17
Deferred pensioners	1	1	2	-
Pensioners	-	2	2	-

	RBKCPF	LBHPF	Total 2014	Total 2013
	£	£	£	£
Actual return on Funds assets	39,000	2,000	41,000	27,000
Contributions by Scheme participants	15,000	2,000	17,000	8,000
Expected employer's contributions for year ended 31 March 2015	34,000	3,000	37,000	

## HESTIA HOUSING AND SUPPORT

### Notes to the financial statements for the year ended 31 March 2014

#### 19. Pension (cntd.)

<b>RBKCPF</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>History of experience gains and losses</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Defined benefit obligation	(893,000)	(779,000)			
Scheme assets	644,000	556,000		-	-
Surplus/(Deficit)	(249,000)	(223,000)		-	-
Experience adjustments on Scheme liabilities	(15,000)	-			
Percentage of liabilities	(1.7%)	-			
Experience adjustments on Funds assets	10,000	11,000		-	-
Percentage of assets	1.6%	2.0%		-	-
Cumulative actuarial gains and losses	69,000	73,000			
<b>LBHPF</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>History of experience gains and losses</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Defined benefit obligation	(115,000)	(155,000)			
Scheme assets	101,000	106,000		-	-
Surplus/(Deficit)	(14,000)	(49,000)		-	-
Experience adjustments on Scheme liabilities	60,000	-			
Percentage of liabilities	52.2%	-			
Experience adjustments on Funds assets	(9,000)	6,000		-	-
Percentage of assets	9.3%	5.7%		-	-
Cumulative actuarial gains and losses	41,000	2,000			

### Notes to the financial statements for the year ended 31 March 2014

#### 20 Subsidiary companies results

The charity controls two other small charitable companies (limited by guarantee).

##### Healthwatch Central West London

Included in the consolidated financial statements are the results of the subsidiary Healthwatch Central West London. The results were as follows:

	2014
	£
Incoming resources	647,112
Resources expended	(494,452)
Net incoming resources	152,660
Funds brought forward	-
Funds carried forward	152,660

The aggregate or the assets, liabilities and funds was:

Assets	175,188
Liabilities	(22,528)
Total funds	152,660

##### Healthwatch Ealing

Included in the consolidated financial statements are the results of the subsidiary Healthwatch Ealing. The results were as follows:

	2014
	£
Incoming resources	265,811
Resources expended	(201,563)
Net incoming resources	64,248
Funds brought forward	-
Funds carried forward	64,248

The aggregate or the assets, liabilities and funds was:

Assets	208,271
Liabilities	(144,023)
Total funds	64,248

#### 21 Related party transactions

The charity has taken advantage of the exemption in FRS 8 from disclosing transaction with its subsidiaries as consolidated financial statements are prepared.