

Company registered no: 03436993
Registered charity no: 1065817

The Octavia Foundation
(a charitable company limited by guarantee)

Trustees' Annual Report and
Financial Statements

31 March 2017



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Reference and administrative information

Trustees	L Soden	(Chair - Resigned 31/03/2017)
	G Godfrey	(Chair from 31/03/2017)
	T Hopkins	(Hon Treasurer)
	D Dunbar	
	D Bourner	(Resigned 31/03/2017)
	I Amlak	(Resigned 16/08/2016, Re-appointed 05/11/2016)
	L Cooper	
	A Williams	(Resigned 16/01/2017)
	P Ryan	(Resigned 03/11/2016)
	R Stephens	

Executive Director Reena Mukherji

Company Secretary Colin Hughes

Registered office Emily House, 202-208 Kensal Road, London, W10 5BN

Bankers HSBC
Notting Hill Gate Branch, 25 Notting Hill Gate, London
W11 3JJ

Auditors BDO LLP
2 City Place, Beehive Ring Road, West Sussex, RH6 0PA

Investment advisors CCLA
85 Queen Victoria Street, London, EC4V 4ET

Company registered no 03436993

Registered charity no 1065817

Trustees' Annual Report

The Trustees, who act as directors for the purposes of company law, present their annual report and financial statements of The Octavia Foundation ('the Foundation') for the year ended 31 March 2017.

Objectives and Activities

Our mission is to connect people affected by unemployment, ill health, social isolation or low incomes with opportunities for positive personal change.

We achieve this by supporting individuals living in Central and West London - primarily in the boroughs of Westminster, Kensington and Chelsea and Hammersmith and Fulham.

During the year, the Trustees continued to deliver projects and activities to support the achievement of our strategic objectives:

- To support the elderly and the vulnerable - through befriending, outreach, welfare grants.
- To create a sense of agency/empowerment – through our training for young people, youth media projects, work placements, mentoring support and supporting social enterprise.
- To support Octavia Housing residents, focusing particularly on the challenges that tenants may face through changing legislation.

On 31 March 2017 The Octavia Foundation joined the Octavia Housing Group as a subsidiary in order to strengthen its finances and allow more funds to be dedicated to charitable activities.

Public benefit

While developing and aligning our objectives and action plan for the year, the Trustees have taken into consideration the Charity Commission's public benefit requirements and guidance and are satisfied that the aims and objectives of the Octavia Foundation fall within its charitable objectives, some of which are highlighted below, and are delivered for the public benefit.

Significant activities contributing to the achievement of our objectives

The following five themes classify the variety of activities that we actively engage in to further our charitable objectives and purposes for public benefit. A breakdown of the income and expenditure is included within notes 2 and 3 on pages 14 and 15.

- Older and vulnerable people
- Young people and children
- Employment and training
- Financial inclusion
- Community involvement

Over 2,000 local people have benefitted from our services during 2016/17.

Older and vulnerable people

We have provided a wide range of activities that have supported older and vulnerable residents. These include:

- Garden Guardians- a volunteer gardening project that helped 26 older tenants of Octavia Housing to maintain and improve their gardens. This project was delivered by Age UK Kensington and Chelsea with funding from the Friends of Octavia, an associated registered charity that supports Octavia residents.

- An outreach and befriending project that helped 362 older and isolated people in Westminster. Volunteers give up at least an hour of their time each week and are recruited through a wide range of methods. This service was funded by the City of Westminster.
- A befriending service for older and vulnerable people funded by the Royal Borough of Kensington and Chelsea supported 24 local people.
- A handyman service that helped 457 older and/or disabled Octavia Housing tenants with small repairs.

Young people and children

We have continued to provide a comprehensive programme of activities and projects focused on meeting the needs of local young people and helping them to reach their full potential. These include:

- Activities for children and young people during school holidays, evenings and weekends
- A cultural and creative club ("Base at the River") for children and young people providing 3-4 creative sessions each week for 50 weeks. Over the course of the year, there were an average of 35 engagements each week (children and young people attending more than one session)
- A detached youth project funded by the Big Lottery provided 606 engagements for local young people.
- Multi-media projects providing skills and training for young people such as Waking the Dead which is funded by the Heritage Lottery Fund. The project engaged with 107 children and young people and 32 young people benefitted from digital media training

Employment and Training

We have continued to help local residents who are unemployed with information, advice, guidance, work placement and volunteering opportunities during the year. Our outputs include:

- Delivery of Learn2Earn, a rolling 10 week employment programme delivered in partnership with Blenheim/CDP and funded by the Big Lottery. This supported 54 local people
- 26 people found paid work during the year
- An apprenticeship and internship programme providing paid work for 3 local young people

Financial inclusion

Financial hardship continues to affect local residents on low incomes. Our support for residents includes:

- Funding Westminster CAB to offer dedicated debt counselling and welfare benefits sessions for Octavia Housing tenants at Emily House. In 2016/17 we helped 455 Octavia Housing residents
- The assessment and provision of welfare and educational grants for 104 tenants in need. These grants were funded by the Friends of Octavia
- Referring Octavia Housing residents in need to local food banks in Westminster, Brent and Kensington and Chelsea

Fundraising

During the year, the Trustees have continued to implement our fundraising strategy to support our existing work and fund our planned expansion of activities. This has included fundraising from trusts and foundations, Heritage Lottery Fund and companies. We have continued to engage with local individuals, through the Octavia Circle and a range of community fundraising initiatives.

Governance

The Octavia Foundation is a registered charity, incorporated as a company limited by guarantee operating under a Memorandum and Articles of Association. It was established to further the charitable purposes of Octavia Housing (a Registered Provider of social housing) including the provision of housing and amenities, services and associated facilities for the poor, the disabled and the elderly.

Under a 'uniting direction' scheme authorised by the Charity Commission for England and Wales, the assets and liabilities of the Octavia Hill Housing Trust Gift Fund were transferred to the Foundation on 1 October 2007. One freehold property and two long leasehold properties in West London were included in the assets transferred. Under the terms of the direction, these properties (and any surplus they generate) are to be used to provide accommodation for persons, preferably women, who are either not less than 50 years old and in necessitous circumstances or less than 50 years old and in necessitous circumstances by reason of disability, illness or accident.

The Foundation conforms to the principles of the Good Governance Code for Voluntary and Community Organisations produced by the National Council for Voluntary Organisations (NCVO).

New Trustees have been selected through specialist recruitment consultants and/or open advertisement. New Trustees receive induction into the organisation by meeting relevant staff, visiting projects. In addition all Trustees attend external training. During the last year individual Trustees have undertaken training on governance and charity finance issues

The Trustees meet five times a year and are responsible for the overall strategy and policy of the Foundation. They monitor the activities of the Foundation ensuring that these fall within its charitable objectives and are delivered for the public benefit.

An Investment Committee meets four times a year and reviews the performance of the investment portfolio.

Day to day management of operations is led by the Executive Director and specific activities and projects are delivered by paid staff.

During the year Debs Bournier and Laurie Soden stood down, having each completed the maximum term in office. Aldo Williams and Patrick Ryan also stood down. The board would like to thank all of them for their support.

Connected undertakings

As noted above, the Foundation became a subsidiary of Octavia Housing, a Co-operative and Community Benefit Society and Registered Provider of Social Housing on 31 March 2017, and an exempt charity.

Octavia Housing provides the Foundation with £340k of unrestricted grant funding each year and £30k of restricted grant funding and additionally provides administrative and accounting services.

Financial performance in 2016/17

The Foundation's income for the year increased by £65k to £993k Total operating expenditure increased from £931k to £1,055k.

As noted above, Octavia Housing continued to provide substantial financial support for the Foundation, donating £370k in the year (2015/16: £370k). Other major sources of funding are set out in note 2.

The Trustees set annual budgets and regularly review performance against budget on both income and expenditure.

Our future plans

The Trustees are implementing a strategy which focuses on growing the activities to meet increased needs within the local community.

The experiences of the last year demonstrate that there continues to be a significant number of local people seeking our assistance. Over the last year we have helped more older and vulnerable people and provided greater assistance to those experiencing financial hardship. The Trustees expect this situation to continue for the foreseeable future and for our services to be needed more than ever in the coming year.

In 2017/18 we plan to increase our support for young people by opening Base@theReed which will provide a home for our digital media training.

We are also experiencing significant additional need for befriending services for older people in Westminster and Kensington and Chelsea and are planning to increase our provision in this area.

Reserves policy

It is the policy of the Octavia Foundation to maintain unrestricted funds at a sufficient level to cover management and administration costs for at least one year.

Due to increased activities, in 2017/18 The Foundation will require reserves of some £1m to cover budgeted expenditure for the year to March 2018 in the event of any temporary interruption to its revenue funding.

Currently unrestricted reserves are £1,996k. The trustees will be considering the use of unrestricted funds to further our charitable activities and meet increased need during 2017/18. The trustees are of the view that the Foundation is a going concern.

Following entry to the Octavia Housing Group, the Trustees are reviewing the reserves policy with a view to reducing the amount earmarked to cover issues with reserve funding and release more funds for use in charitable work.

Investment policy

Surplus cash balances are held in bank deposit accounts. No more than £85k is held in any one account so as to ensure that we are covered by the Government's compensation scheme. The interest earned is used to support the Foundation's charitable projects.

The Foundation also has an investment portfolio inherited from the Octavia Hill Housing Trust Gift Fund. For this portfolio, the Foundation's objective is to achieve capital growth, which over the long term will maintain the real value of the assets, and additionally to generate a reasonable level of income to be utilised on projects which further the objects of the Foundation.

Investment funds are managed by CCLA and the funds are invested in the COIF Charities Investment Fund which is a managed fund.

A summary of its objectives are:

- Over the long term to achieve a total return in excess of inflation.
- To provide as part of this return a reliable income stream that maintains its real value over time.
- Control volatility to 75% of the UK equity market.

The investments should be suitable for charities and, inter alia, exclude companies that have any involvement in the production of landmines or cluster bombs including critical parts, companies that have considerable involvement in tobacco, the production of pornography and online gambling.

The investment strategy is not constrained by income requirements but, provided there are no large calls on capital, the trustees would expect to receive a gross income of an amount or percentage to be fixed annually by agreement. For 2017/18 this is forecast to be in the region of £65k.

Pay policy for senior staff

The trustees and the executive director comprise the key management personnel of the Foundation in charge of directing and controlling, running and operating the Foundation on a day to day basis. All directors give of their time freely. Details of the key management personnel remuneration and expenses are disclosed in note 9 to the accounts.

The pay of the senior staff is reviewed annually by the Nominations and Remuneration Committee and normally increased in accordance with inflation.

Risk management

The Executive Director maintains a risk map which identifies the principal risks facing the Foundation and the principal mitigating actions that are being taken. The key risks identified by the Trustees are loss of support from Octavia Housing and lack of sufficient funds. These risks are mitigated by the Octavia Foundation joining the Octavia Group on 31st March 2017. The board reviews progress on fundraising at each board meeting.

Auditors

The Trustees will recommend the re-appointment of BDO LLP at the next Annual General Meeting.

Disclosure of information to auditors

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the Foundation's auditors are unaware; and each Trustee has taken all the steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the Foundation's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 415 A of the Companies Act 2006 relating to small companies.

G.A. Godfrey

G Godfrey
Chair

b o d m n2017

The Octavia Foundation

Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements

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

Company law requires the trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 of the excess of expenditure over income for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its activities.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

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

Independent auditors' report to the members of the Octavia Foundation

We have audited the financial statements of the Octavia Foundation for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditor

As explained more fully in the statement of trustees' responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2017 and of the charity's incoming resources and application of resources, including the 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Trustees' report has been prepared in accordance with applicable legal requirements.

Based on our knowledge and understanding of the charity and its environment obtained during the course of the audit we have identified no material misstatements in the trustees' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements and the trustees' report in accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report.

BDO LLP

Paula Willock, Senior Statutory Auditor
for and on behalf of BDO LLP, Statutory Auditor
Gatwick, West Sussex
United Kingdom

Date: *11 October 2017*

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Statement of Financial Activities for the year ended 31 March 2017

(Incorporating the Income and Expenditure Account)

		2017	2017	2017	2016
	Note	Restricted £	Unrestricted £	Total £	Total £
Income from:					
Donations	2	439,139	443,355	882,494	831,955
Charitable activities	2	43,648	-	43,648	30,829
Investments	2	-	66,788	66,788	65,461
Total income		482,787	510,143	992,930	928,245
Expenditure on:					
Raising funds		-	(96,666)	(96,666)	(86,886)
Charitable activities	3	(496,233)	(433,775)	(930,008)	(823,057)
Property running costs		(28,150)	-	(28,150)	(21,100)
Total Expenditure		(524,383)	(530,441)	(1,054,824)	(931,043)
Net gain/(loss) on investments	6	-	254,097	254,097	(129,344)
Net Income/(expenditure)		(41,596)	233,799	192,203	(132,142)
Transfer between funds		62,814	(62,814)	-	-
Net movement in funds		21,218	170,985	192,203	(132,142)
Reconciliation of funds:					
Total Funds brought forward		664,749	1,825,219	2,489,968	2,622,110
Total Funds carried forward		685,967	1,996,204	2,682,171	2,489,968

The charitable company has no recognised gains or losses other than shown above. All funds relate to continuing activities.

The notes on pages 12 to 19 form part of these financial statements.

Balance Sheet as at 31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	5	650,382	663,184
Investments	6	1,929,212	1,675,115
		<u>2,579,594</u>	<u>2,338,299</u>
Current assets			
Debtors	7	130,201	132,754
Cash at bank and in hand		64,300	76,100
		<u>194,501</u>	<u>208,854</u>
Creditors: amounts falling due within one year	8	<u>(91,924)</u>	<u>(57,185)</u>
Net current assets		102,577	151,669
Net assets		<u>2,682,171</u>	<u>2,489,968</u>
 Restricted funds	12	 685,967	 664,749
Unrestricted funds	11	1,996,204	1,825,219
		<u>2,682,171</u>	<u>2,489,968</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

These financial statements were approved by the Board of Trustees on *6 October 2017* and were signed on its behalf by:

G. A. Godfrey
G Godfrey
Chair

The notes on pages 12 to 19 form part of these financial statements.

Notes

(forming part of the financial statements)

1 Principal Accounting Policies

Accounting convention

The financial statements are prepared on a going concern basis in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP (FRS 102)), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Octavia Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historic cost, as modified by the revaluation of investments, unless otherwise stated in the relevant accounting policy note(s).

Disclosure exemptions adopted

In preparing these financial statements the company has taken advantage of all disclosure exemptions conferred by FRS 102. Therefore these financial statements does not include:-

- a statement of cash flows;

Going concern

The Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. In forming this opinion the Trustees have had regard to the risks identified, to the controls in place as set out in the Trustees report and to the level of unrestricted reserves which are in excess of requirements for the next year. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Incoming resources

Incoming resources consist of government grants, other grants, donations and investment income. Where there is no contractual obligation on the part of a donor or grant awarding organisation incoming resources are accounted for in the period in which the funds are received. Where there is a contractual obligation they are accounted for on an accrual basis over the financial year to which the funds relate.

Investment income consists of dividends on listed investments and interest receivable on bank deposits and is recognised on the date they fall due.

Resources expended

Expenditure is included on an accruals basis. Items of capital expenditure in excess of £500 are included as fixed assets.

Fixed assets - freehold property

Freehold property is included at cost less depreciation and impairment

Depreciation is charged at 2% per annum on the estimated cost of freehold buildings. Land is included in the cost of the freehold property and is not depreciated.

Fixed assets - investment

Listed investments are included at closing mid-market value at the balance sheet date. Any gain or loss on revaluation is recognised in the Statement of Financial Activities.

Restricted funds

These comprise freehold property for the provision of housing to persons meeting the aims and objects of the Octavia Hill Housing Trust Gift Fund. In addition grants received from outside donors to fund specific projects together with expenditure not exceeding the grant received are included in restricted income and expenditure.

Unrestricted funds

These comprise funds that the Trustees are free to use in accordance with the charitable objects of the Foundation. The Trustees consider that the Foundation would require £1m of its liquid assets to be available to continue its charitable activities until 31 March 2018 in the event of any temporary interruption to its revenue funding.

Donated services and facilities

The estimated value of services and facilities provided free of charge to the Foundation by Octavia Housing is included in the Statement of Financial Activities as an amount of incoming resource and as an equivalent amount of resources expended. This amount represents an estimate of the costs incurred by Octavia Housing in providing the services and facilities donated to the Foundation.

2 Income

	2017 £	2017 £	2017 £	2016 £
	Restricted	Unrestricted	Total	Total
Donation from Octavia Housing	30,629	339,371	370,000	370,000
Value of donated services received from Octavia Housing	-	38,227	38,227	37,741
Income from Westminster Council for provision of outreach and befriending service for older and vulnerable people	179,138	-	179,138	179,638
Friends of Octavia	27,474	-	27,474	41,650
QPR Trust	-	-	-	9,216
RBKC for Council for provision of outreach and befriending service for older and vulnerable people	35,000	-	35,000	27,155
Cadogan Endowment Fund in partnership with the Kensington and Chelsea Foundation	6,000	-	6,000	-
John Lyon's Charity	25,000	-	25,000	25,000
John Lyon's Charity (Holiday Fund)	5,000	-	5,000	5,000
Grosvenor Estates/Westminster Foundation	5,000	5,000	10,000	20,000
Nisa Making a Difference Locally	-	2,327	2,327	-
Hyde Park Estate Charity	-	-	-	5,100
Heritage Lottery Fund	62,139	-	62,139	34,781
M & G Limited	10,000	-	10,000	-
Sainsbury's Local – Brompton Road	-	3,154	3,154	-
John Lewis Partnership	5,000	-	5,000	-
Marks and Spencer – Brompton Road	-	1,982	1,982	-
Blenheim CDP	44,052	-	44,052	-
St Giles & William Shelton Charity	-	-	-	7,000
Garfield Weston Foundation	-	-	-	20,000
Westway Trust	3,000	-	3,000	2,500
National Lottery	-	1,520	1,520	9,960
Tesco Charitable Trust	-	-	-	1,000
Campden Charities	-	-	-	1,000
Campden Hill Lawn Tennis Club	-	-	-	1,032
Grants and Donations from individuals, incl				
Octavia Circle members and donations under £1,000	1,707	19,774	21,481	34,182
Anonymous Donations	-	32,000	32,000	-
	439,139	443,355	882,494	831,955
Charitable activity	43,648	-	43,648	30,829
Investments	-	66,788	66,788	65,461
	482,787	510,143	992,930	928,245

The income from donations and grants was £882,494 (2016 - £831,955) of which £443,355 was unrestricted (2016 – £393,180) and £439,139 was restricted (2016 - £438,775).

Rental income is restricted income for both 2017 and 2016

3 Charitable activity expenditure

	2017 £	2017 £	2017 £	2016 £
	Activity	Support Costs	Total	
Older peoples' activities	205,746	179,850	385,596	249,179
Young peoples' activities	124,075	108,458	232,533	261,203
Community involvement	-	-	-	72,424
Employment & training	68,807	60,146	128,953	118,986
Financial inclusion	34,146	29,848	63,994	91,828
Digital champions	-	-	-	9,388
Kensal Green Cemetery Project	63,459	55,473	118,932	20,047
	<u>496,233</u>	<u>433,775</u>	<u>930,008</u>	<u>823,057</u>

Support costs consisting of staff and direct costs have been allocated to the Foundation's charitable activities based on the expenditure incurred by the activity. Staff costs are allocated based on time spent by the employees on the projects whereas costs specifically incurred by the projects are charged directly.

The expenditure on charitable activities was £930,008 (2016 - £823,057) of which £433,775 was unrestricted (2016 - £251,441) and £496,233 was restricted (2016 - £571,616).

4 Governance expenditure

	2017 £	2016 £
Audit of these financial statements	2,000	2,000
Board Review / Away Day	-	10,545
Staff time allocation	18,520	24,311
	<u>20,520</u>	<u>36,856</u>

Governance costs are included within support costs expenses as part of the charitable activity expenditure in note 3.

5 Fixed Assets – Freehold Property

	2017 £	2016 £
Cost		
At the start of the year	779,663	779,663
Additions in the year	-	-
At the end of the year	<u>779,663</u>	<u>779,663</u>
Depreciation		
At the start of the year	116,479	103,677
Charge for the year	12,802	12,802
At the end of the year	<u>129,281</u>	<u>116,479</u>
Net book value at 31 March	<u>650,382</u>	<u>663,184</u>

6 Fixed Asset - investments

	2017 £	2016 £
Listed investments		
Market value at the start of the year	1,675,115	1,225,172
Cash transferred to bank accounts following sale of investment	-	590,398
Revaluation gain/(loss)	254,097	(125,886)
Investment management fees	-	(11,111)
(Loss)/gains realised in the year	-	(3,458)
Market value at 31 March	1,929,212	1,675,115
Investments analysed by type		
UK equities	-	499,184
UK fixed interest	-	8,376
Overseas equities	-	718,624
Alternatives	-	448,931
COIF Charities Investment Fund	1,929,212	-
	1,929,212	1,675,115
 Historic cost of investments at end of year	 1,801,000	 1,801,000

7 Debtors

	2017 £	2016 £
Octavia Housing	-	81,037
Other debtors and prepayments	130,201	51,717
	130,201	132,754

8 Creditors

	2017 £	2016 £
Audit fees	2,000	2,000
Due to Octavia Housing	64,513	-
Accrued expenditure	25,411	21,046
Deferred income	-	34,139
	91,924	57,185

9 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

The average weekly number of persons employed during the year was:

	2017 Number	2016 Number
Full time equivalent	19	17

The total staff costs during the year were:

	2017 £	2016 £
Wages & salaries	555,026	430,588
Social security costs	51,414	39,117
Other pensions costs	16,326	12,674
	<u>622,766</u>	<u>482,379</u>

The remuneration paid to higher paid staff fell into the following band:

	2017	2016
£60,001 to £70,000	-	1
£70,001 to £80,000	1	-

The total amount payable to the Executive Director, who was the highest paid key management personnel in respect of emoluments was £70,259 (2016 - £69,507). Pension contributions of £6,666 (2016 - £6,660) were also made to a defined benefit scheme on her behalf.

The Trustees received no remuneration and no expenses in either year. No trustees made any donations to the Foundation in 2017 or 2016.

10 Restricted and unrestricted funds

The following assets comprise the restricted and unrestricted funds as at 31 March 2017.

	Freehold property £	Investments £	Net current assets £	Total £
Unrestricted fund	-	1,929,212	66,992	1,996,204
Restricted funds	650,382	-	35,585	685,967
	<u>650,382</u>	<u>1,929,212</u>	<u>102,577</u>	<u>2,682,171</u>

The liability of members of the Foundation to contribute to a deficit in the event of winding up is limited to £10 per member.

11 Unrestricted Funds

	£
At 1 April 2016	1,825,219
Outgoing resources for the year before fund transfer	233,799
Net transfer to cover the deficit on restricted funds	(62,814)
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At 31 March 2017	1,996,204
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12 Restricted Funds

	Balance 1 April 2016	Income	Expenditure	Transfer (To)/From unrestricted funds	Balance 31 March 2017
	£	£	£	£	£
Octavia Hill Housing Trust Gift Fund - asset	663,184	-	(12,802)	-	650,382
Octavia Hill Housing Trust Gift Fund - surplus	-	43,648	(15,348)	(28,300)	
PROJECTS					
YPE Employment and Training Base	-	2,967	(2,967)	-	-
NHS Prevent	1,565	-	-	-	1,565
Welfare and Education	-	27,474	(34,146)	6,672	-
Tenants Into Work	-	30,629	(30,629)	-	-
Kensal Green Cemetery Project	-	63,459	(63,459)	-	-
Ageing Better	-	37,172	(37,172)	-	-
Older Peoples Christmas	-	2,015	(7,832)	5,817	-
Outreach Project	-	185,920	(160,742)	-	25,178
Learn to Earn	-	44,053	(35,211)	-	8,842
TOTAL PROJECTS	1,565	439,139	(496,233)	91,114	35,585
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	664,749	482,787	(524,383)	62,814	685,967
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During the year funds are transferred from unrestricted funds to restricted funds to make good any deficits in funding on restricted projects. The surplus on the Octavia Housing Trust Gift Fund has been distributed to other projects in accordance with the Governing Document.

13 Related Party Transactions

The Octavia Foundation is a wholly owned subsidiary of Octavia Housing, an exempt charity incorporated under the Co-operative and Community Benefit Societies Act 2014 and a Registered Provider of Social Housing. A copy of the group financial statements can be obtained from Octavia Housing, Emily House, 202-208 Kensal Road, London, W10 5BN. This represents the smallest and largest group for which consolidated accounts are prepared.

During the year ended 31 March 2017 the Octavia Foundation had incurred costs and received revenues from Octavia Housing as follows:

	2017 £	2016 £
Creditor/(Debtor) balance at start of year	(81,037)	(63,396)
Net payments made on behalf of The Octavia Foundation less amounts reimbursed	515,550	352,359
Donation made by Octavia Housing	(370,000)	(370,000)
Creditor/(Debtor) balance at end of year	<u>64,513</u>	<u>(81,037)</u>

Zakiya Amlak was a youth work apprentice employed by the Octavia Foundation until 4 November 2016 and is the daughter of Isis Amlak who is a Trustee. Zakiya was appointed to the post following an open recruitment and selection process. She was paid a salary of £4,087 in the year (£3,018 2015/16) and there are no amounts due to / from Zakiya Amlak at 31 March 2017 or 2016.