

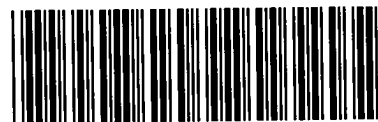
Company registered no: 03436993
Registered charity no: 1065817

The Octavia Foundation
(a charitable company limited by guarantee)

**Trustees' Annual Report and
Financial Statements**

31 March 2015

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The Octavia Foundation
Trustees' Annual Report and Financial Statements
Year ended 31 March 2015

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Reference and administrative information

Trustees	Peter Chapman (Chair) Tom Hopkins (Hon Treasurer) (appointed September 2014) David Dunbar Michael Johnson Laurie Soden Debs Bourner Isis Amlak Lara Samuels Gwen Godfrey Fiona Holmes Aldo Williams (appointed December 2014) Aisha Ali (resigned December 2014)
Executive Director	Reena Mukherji
Company Secretary	Colin Hughes
Registered office	Emily House, 202-208 Kensal Road, London, W10 5BN
Bankers	HSBC ST John's Wood Branch, 1 Finchley Road, London NW8 9AT
Auditors	BDO LLP 2 City Place, Beehive Ring Road, West Sussex, RH6 0PA
Investment advisors	CCLA Investment Managers Senator House, 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 2015.

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 and 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 support young people through training, media projects, work placements, mentoring support and social enterprise initiatives
- To support Octavia Housing residents, focusing particularly on the challenges that tenants may face through changing legislation

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 Foundation's activities, summarised below, are delivered for the public benefit.

Significant activities contributing to the achievement of our objectives

The following four themes classify the variety of activities that we actively engage in to further our charitable objectives and purposes for public benefit:

- Befriending, outreach and social support for older people
- Training, media projects, work placements and mentoring support for young people
- Advice and guidance for those seeking work
- Grants to support individual Octavia Housing residents in need

In the year to 31 March 2015, over 2,000 local people directly benefitted from our services.

Older and vulnerable people

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

- An outreach and befriending project that helped 354 older and isolated older 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.

- 28 local people were provided with 192 hours of support from trained Digital Champions and 10 people were trained as Digital Champions. This project was funded by the Royal Borough of Kensington and Chelsea
- A handyman service that helped 331 older and/or disabled Octavia Housing tenants with small repairs
- Garden Guardians - a volunteer gardening project that helped 25 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

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:

- A cultural and creative club ("BASE") for young people providing activities such as homework club, cookery and music. Over 160 children and young people engaged with BASE over the year
- Multi-media projects providing skills and training for young people such as the Story of QPR and History of QPR. 37 young people have benefitted from this project
- Sports and activities projects for children and young people during school holidays, evenings and weekends. These include a summer sports and healthy eating project for children aged 7- 11 years

Employment and Training

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

- Assisting 195 unemployed people seeking work with advice, information and guidance.
- Volunteer work placements for 39 people seeking work experience which has been put to use in their applications for employment.
- Assisting 36 people into paid work during the year
- Volunteer mentors supporting our volunteer advisers and individuals
- An apprenticeship and paid internship programme providing paid work for 7 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 2014/15 we helped 504 Octavia Housing residents. This is a 47% increase on the previous year

- The assessment and provision of welfare and educational grants for 129 tenants in need. This is an increase of 26% on the previous year. These grants were funded by the Friends of Octavia.
- Referring 47 residents in need to local food banks in Westminster, Brent and Kensington and Chelsea
- Providing revenue funding of £15,000 for Your Credit Union (Kensington and Chelsea). Your Credit Union is an independent local credit union providing affordable loans and opportunities for saving for residents on low incomes.

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 as well as engaging with local individuals. We have established the Octavia Circle, a group of individuals who are committed to giving a minimum of £500 a year for three years. In the coming years, we aim to engage with more local people to help fund our increased activities to meet growing needs.

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. We remain committed to the legacy of Octavia Hill "to make individual lives noble, homes happy and family life good"

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. 1 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.

Octavia Housing is able to nominate one third of the trustees at any one time of whom not less than two shall be members of the Board of Octavia Housing.

In 2014 the Trustees recruited two new board members, Dr. Aldo Williams who is an Octavia Housing resident and joins Gwen Godfrey as the second Octavia Housing board member on the Octavia Foundation board. Tom Hopkins, a resident of Hammersmith and Fulham and qualified accountant becomes our Honorary Treasurer.

The board of Trustees meets five times a year and is responsible for the overall strategy and policy of the Foundation. The Trustees monitor the activities of the Foundation ensuring that these fall within its charitable objectives and are delivered for the public benefit. In addition the Trustees hold an annual away day to consider more strategic and long term issues.

During the year, a governance review was carried out by an external consultancy, Campbell Tickell. It concluded that the Foundation was governed well and recommended that induction

and training programmes be extended and that there could be benefits in recruiting an additional trustee with experience of a larger charity (given the Foundation's expansion plans). These recommendations were approved by the board.

An Investment Committee meets four times a year and reviews the performance of the investment portfolio. A Nominations and Remuneration Committee considers new Trustee appointments and reviews the salary of the Executive Director. A Fundraising Committee oversees the delivery of our fundraising strategy. An Operations Committee oversees project delivery.

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

Connected undertakings

The Octavia Foundation works closely with Octavia Housing, (a Registered Provider of Social Housing constituted as a Community Benefit Society) and its incorporated subsidiaries, Kensal Enterprises Limited, Octavia Living Limited, Octavia Hill Limited and Octavia Development Services Limited.

Financial performance in 2014/15

The Foundation's income for the year increased by £209k to £897k. Total operating expenditure increased from £862k to £987k.

Octavia Housing continued to provide substantial financial support for the Foundation, donating £370,000 in the year (2013/14: £300,000). Other major sources of funding are set out in note 2.

The net income received from investments (including property rental income) increased to £41k (2014: £36k). A revaluation of the investment funds managed by Waverton at the end of the year provided an additional unrealised gain of £99k. At 31 March 2015 the total funds in management by Waverton were £1.2m (2014: £1.7m). In April 2015 new investment advisers, CCLA, were appointed and the funding transferred to their management.

During the year £68,000 (2014: £68,000) was transferred out of the investment funds managed by Waverton and used to support the work of the Foundation.

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

Financial performance over the last five years

The Octavia Foundation continues to experience significant growth. In 2014/15 expenditure increased by 15%. Income from other sources than Octavia Housing has increased by 38%.

We have significantly increased the number of beneficiaries of our service from 700 in 2010/11 to over 2,000 in 2014/15. The cost per beneficiary has decreased from £820 per beneficiary in 2010/11 to £453 per beneficiary in 2014/15.

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Our future plans

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

The experiences of 2014/15 demonstrate that there has been a significant increase in the number of people in need seeking assistance from the Octavia Foundation. Over the last year the Octavia Foundation has helped more older and vulnerable people, provided greater assistance to those experiencing financial hardship and seen increasing numbers of people seeking support with employment and training opportunities, particularly young people. 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 2015/16, we plan to increase our support for young people by delivering a detached youth work service, particularly in Earls Court, where we have identified significant need.

We are also expanding and developing our volunteer befriending scheme to meet the needs of isolated older people in Kensington and Chelsea and would like to expand to further meet growing need in the tri-borough area.

In 2015/16 we will continue to deliver a wide range of projects and activities that will fulfil our charitable objectives and provide public benefit which includes:

- Funding of £25,000 for the development of Your Credit Union. This is the last instalment of our four year funding commitment of £70,000 to help establish Your Credit Union as an independent credit union meeting the needs of local residents in Kensington and Chelsea and for all Octavia Housing residents regardless of the borough in which they live
- A programme of paid internships and apprenticeships for young people
- Employment and training support for people over 25 years of age
- Work placement and volunteering opportunities for local residents
- Volunteer befriending and outreach support for older people
- Youth media projects providing skills and training
- Creative and cultural sessions for young people at BASE
- Support for children aged 7-11 through a homework club and school holiday activities
- Supporting individuals to develop and deliver their own community projects

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 planned increased expenditure, in 2015/16 The Foundation would require unrestricted funds of £464,316 and restricted funds of £468,207 to cover budgeted expenditure for the year to March 2016 in the event of any temporary interruption to its revenue funding.

In 2016/17, the Foundation is planning to expand its youth activities further in Kensington and Chelsea by opening BASE 2.

In addition to the planned extension of our project activities, the Foundation is in discussions with Octavia Housing about transferring the business of the charity shops from Octavia Housing to the Octavia Foundation. This would mean that our financial liabilities would increase as the Foundation would have responsibility for an additional 50 or so paid members of staff.

Investment policy

Surplus cash balances are held in bank deposit accounts and 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, which has been managed by Waverton Investment Management Ltd. 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. The investments should be suitable for Charitable Trusts and exclude, for example, firms involved with armaments.

The investment objective is to be achieved by investment in a balanced portfolio comprising equities, fixed interest investments and cash with a low to medium risk profile. 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. Currently £68,000 is transferred each year from the investment portfolio for use in charitable activities. Dividend income in the year was £9,447 (2014 - £3,636).

During the year, the Trustees have reviewed the fund management arrangements and have appointed CCLA to manage the investment portfolio from April 2015.

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 Trustees review the risk map during the year and satisfy themselves that the controls identified are effective.

Auditors

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

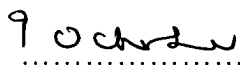
Basis of preparation

The financial statements have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small entities. These statements comply with current statutory requirements, the requirements of the charity's governing document and the requirement of the Charities SORP 2005.

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.

Peter S Chapman
Chair

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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 2015 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 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.

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 2015 and of its 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.

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.

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 in accordance with the small companies regime, take advantage of the small companies exemption in preparing the trustees' report or the exemption from the requirements to prepare a strategic report.



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

Date: 6 November 2015

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

The Octavia Foundation

Statement of financial activities for the year ended 31 March 2015

(Incorporating the Income and Expenditure Account)

		2015	2015	2015	2014
	Note	Restricted £	Unrestricted £	Total £	Total £
Incoming resources					
Voluntary income	2	507,405	348,752	856,157	652,611
Rental income		31,687	-	31,687	32,018
Activities for generating funds:					
Investment income	2	-	9,447	9,447	3,636
Total incoming resources		539,092	358,199	897,291	688,265
Resources expended					
Costs of generating funds					
Investment management costs		-	17,714	17,714	9,348
Charitable expenditure					
Charitable activities	3	608,237	271,105	879,342	827,896
Property running costs		51,702	-	51,702	20,619
Governance costs	4	-	38,031	38,031	3,756
Total resources expended		659,939	326,850	986,789	861,619
Net (expenditure)/income for the year		(120,847)	31,349	(89,498)	(173,354)
Other recognised gains and losses					
Revaluation gains	6	-	99,829	99,829	131,503
Gains on sale of investments	6	-	60,928	60,928	31,465
Net surplus/(deficit) for the year		(120,847)	192,106	71,259	(10,386)
Funds brought forward		691,572	1,859,279	2,550,851	2,561,237
Net Fund Transfers		106,826	(106,826)	-	-
Funds carried forward		677,551	1,944,559	2,622,110	2,550,851

The charitable company has no recognised gains or losses other than the net movement in funds for the year. All funds relate to continuing activities.

The Octavia Foundation

Balance Sheet as at 31 March

	Note	2015 £	2014 £
Fixed assets			
Tangible assets	5	675,986	688,785
Investments	6	1,225,172	1,742,415
		<u>1,901,158</u>	<u>2,431,200</u>
Current assets			
Debtors	7	732,850	145,083
Cash at bank and in hand		40,430	39,805
		<u>773,280</u>	<u>184,888</u>
Creditors: amounts falling due within one year	8	(52,328)	(65,237)
Net current assets		<u>720,952</u>	<u>119,651</u>
Net assets		<u>2,622,110</u>	<u>2,550,851</u>
 Restricted funds	13	 677,551	 691,572
Unrestricted funds	12	1,944,559	1,859,279
	11	<u>2,622,110</u>	<u>2,550,851</u>

These financial statements were approved by the Board of Trustees on 9 September 2015 and were signed on its behalf by:

OCTOBER



P S Chapman
Chair

The Octavia Foundation

Notes *(forming part of the financial statements)*

1 Principal Accounting Policies

Accounting convention

The financial statements are prepared under the historical cost convention as modified by the inclusion of investments at market value. In preparing the financial statements the charitable company follows best practice as laid down in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005).

Under Financial Reporting Standard 1 the charitable company is exempt from the requirements to prepare a cash flow statement on the grounds of its size.

The Foundation has adjusted the formats from those prescribed by the Companies Act 2006, to include headings that are relevant to its activities, to enable it to show a true and fair view.

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 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 and interest receivable on listed investments and bank deposits and is recognised as and when received.

Resources expended

Expenditure is included on an accrual 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.

Depreciation is charged at 2% per annum on the estimated cost value of the 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 £932,523 of its liquid assets to be available to continue its charitable activities until 31 March 2016 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 Incoming resources

	2015 £	2015 £	2015 £	2014 £
	Restricted	Unrestricted	Total	Total
Donation from Octavia Housing	83,085	286,915	370,000	300,000
Value of donated services received	-	41,338	41,338	29,068
Income from Westminster Council	180,288	-	180,288	187,471
Grant from Friends of Octavia	43,470	-	43,470	27,592
Grant from QPR Trust	36,358	-	36,358	28,500
Grant from Westminster Alms Houses	4,000	-	4,000	-
Grant from RBKC	43,100	-	43,100	-
Grant from John Lyon's Charity	25,000	-	25,000	-
Grant from Westminster Foundation	25,000	-	25,000	-
Grant from Westminster Amalgamated Charity	5,500	-	5,500	-
Grant from Hyde Park Estate Charity	3,000	-	3,000	-
Grant from London Community	5,000	-	5,000	-
Grant from Heritage Lottery	25,750	-	25,750	-
Grant from Hammersmith United Charities	12,500	-	12,500	-
Grants from Campden Charities	-	-	-	21,000
NHS Innovation Grant	-	-	-	4,960
Big Lottery Funding	-	-	-	9,800
Grants from Westminster Foundation	-	-	-	8,000
Grant from Kensington & Chelsea College	-	-	-	3,000
Other grants	15,354	20,499	35,853	33,220
	507,405	348,752	856,157	652,611
Rental income	31,687	-	31,687	32,018
Dividend income	-	9,447	9,447	3,636
	539,092	358,199	897,291	688,265

3 Charitable activity expenditure

	2015 £	2014 £
Older people's activities	192,837	162,764
Young people's activities	189,487	168,323
Community involvement	53,881	69,631
Employment & training	91,435	105,171
Financial inclusion	52,997	93,508
Digital champions	27,600	-
Fundraising costs	66,559	91,367
Office services	41,338	29,454
Administration expenses	163,208	107,678
	<u>879,342</u>	<u>827,896</u>

Support costs consisting of staff and direct costs have been allocated to the Foundation's charitable activities. Staff costs are allocated based on time spent by the employees on the projects whereas costs specifically incurred by the projects are charged directly. In the year ending March 2015, staff costs have also been allocated to Administration expenses based on time spent.

4 Governance expenditure

	2015 £	2014 £
Audit of these financial statements	2,000	1,800
Trustee Training	-	1,956
Board Review / Away Day	9,870	-
Staff time allocation	26,161	-
	<u>38,031</u>	<u>3,756</u>

5 Fixed Assets – Freehold Property

	2015 £	2014 £
Cost		
At the start of the year	779,663	769,663
Additions in the year	-	10,000
At the end of the year	<u>779,663</u>	<u>779,663</u>
Depreciation		
At the start of the year	90,878	79,376
Charge for the year	12,799	11,502
At the end of the year	<u>103,677</u>	<u>90,878</u>
Net book value at 31 March	<u>675,986</u>	<u>688,785</u>

6 Fixed Asset - investments

	2015 £	2014 £
Listed investments		
Market value at the start of the year	1,742,415	1,645,710
Cash transferred to bank accounts following sale of investments	(68,000)	(68,000)
(Decrease)/Increase in portfolio held by investment managers following sale of investments	(610,000)	1,737
Revaluation profits	99,829	131,503
Gains realised in the year	60,928	31,465
Market value at 31 March	<u>1,225,172</u>	<u>1,742,415</u>
Investments analysed by type		
UK equities	177,955	181,653
UK fixed interest	121,414	365,044
Overseas equities	457,905	744,262
Alternatives	467,898	451,456
	<u>1,225,172</u>	<u>1,742,415</u>
 Historical cost of investments at end of year	 <u>1,003,342</u>	 <u>1,467,887</u>

6 Fixed Asset – investments (continued)

	2015 £	2014 £
Investments that exceed 5% of the total market value at 31 March 2015		
AXA Framlington Short Term High Yield Fund – 100,350	127,344	124,936
Threadneedle Credit Opportunities Fund – 101,500	121,414	119,283
Schroder GAIA KKR Credit Hedged G Acc – 815	85,565	-
Investec UK Smaller Companies Fund 'A' – 2,500	84,834	93,096
FP Argonaut European Alpha Fund Class 'I' – 65,000	98,029	93,898
Montanaro Euro Smaller Co fund - 26,000	-	90,785
Nordea N-Am All Cap Fund (Institutional) – 1000	-	97,747
Fundsmith LLP Equity - 61,300	130,324	100,544
Polar Capital North America 'S' Fund Inc – 9,550	115,560	90,438
Johim Alternatives Fund 'A' – 162,000 (2013:325,000)	-	162,842
Odey Allegra Developed Markets Fund – 850	98,047	98,047
Odey Absolute Return Hedged Institutional – 37,500	111,990	111,949
Odey Odyssey Fund 'I' – 620	103,249	89,702
CF Lindsell Train UK – 35600	81,641	-
Market value of investments exceeding 5% of total market value	1,157,997	1,273,267

7 Debtors

	2015 £	2014 £
*Cash held by investment managers	648,737	42,176
Octavia Housing	63,396	-
Other debtors and prepayments	20,717	102,907
	732,850	145,083

*Investments were liquidated on 31 March 2015 and the funds were in transit. This cash has subsequently been re-invested.

8 Creditors

	2015 £	2014 £
Audit fees	3,800	1,800
Accrued expenditure	29,463	7,820
Deferred income	19,065	32,400
Octavia Housing	-	23,217
	52,328	65,237

Deferred income is restricted funding income received in respect of the year to 31 March 2015, which is to be utilised in the year to March 2016.

9 Employee information

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

	2015	2014
	Number	Number
Full time equivalent	13.3	13.0

The total staff costs during the year were:

	2015	2014
	£	£
Wages & salaries	408,942	350,609
Social security costs	39,717	32,852
Other pensions costs	12,267	9,685
	460,926	393,146

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

	2015	2014
	1	1
£60,001 to £70,000		

The Trustees received no remuneration and no expenses in the year (2014: £nil).

10 Connected undertakings

The Octavia Foundation is connected by unity of administration with Octavia Housing, a Community Benefit Society and its incorporated subsidiaries, Kensal Enterprises Limited, Octavia Development Services Limited, Octavia Living Ltd and Octavia Hill Ltd.

During the year ended 31 March 2015 the Octavia Foundation had incurred costs and received revenues from Octavia Housing as follows:

	2015	2014
	£	£
Creditor/(Debtor) balance owing at start of year	23,217	(113,417)
Net payments made on behalf of The Octavia Foundation	283,387	436,634
less amounts reimbursed		
Donation made by Octavia Housing	(370,000)	(300,000)
(Debtor)/Creditor balance owing at end of year	(63,396)	23,217

11 Restricted and unrestricted funds

The following assets comprise the restricted and unrestricted funds as at 31 March 2015.

	Freehold property	Investments	Net current assets	Total
	£	£	£	£
Unrestricted fund	-	1,225,172	719,387	1,944,559
Restricted funds	675,986	-	1,565	677,551
	<u>675,986</u>	<u>1,225,172</u>	<u>720,952</u>	<u>2,622,110</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.

12 Unrestricted Funds

	£
At 1 April 2014	1,859,279
Incoming resources for the year before fund transfer	192,106
Net transfer to cover the deficit on restricted funds	(106,826)
	<hr/>
At 31 March 2015	1,944,559
	<hr/>

13 Restricted Funds

	Balance 1 April 2014	Income	Expenditure	Transfer (To)/From unrestricted funds	Balance 31 March 2015
	£	£	£	£	£
Octavia Hill Housing Trust Gift Fund	688,785	31,687	(51,702)	7,216	675,986
PROJECTS					
Apprentices	-	27,000	(41,374)	14,374	-
Base	-	69,295	(92,333)	23,038	-
Campden Charities	-	-	(2,032)	2,032	-
NHS Prevent	1,658	-	(93)	-	1,565
QPR	-	62,469	(93,977)	31,508	-
Friends of Octavia	-	44,352	(53,880)	9,528	-
Tenants Into Work	-	30,087	(37,349)	7,262	-
Future Foundations	-	6,000	(10,680)	4,680	-
Summer Sports project	-	-	(1,124)	1,124	-
Youth Residents Initiative Pilot	-	-	(1,960)	1,960	-
Other	1,129	560	(5,793)	4,104	-
Befriending project Expansion		4,990	(4,990)	-	-
Welfare Benefits / Debt					
Advice		37,997	(37,997)	-	-
Credit Union		15,000	(15,000)	-	-
Outreach Project		182,055	(182,055)	-	-
Digital Champions		27,600	(27,600)	-	-
TOTAL PROJECTS	2,787	507,405	(608,237)	99,610	1,565
	691,572	539,092	(672,738)	106,826	677,551

14 Related Party Transactions

Zakiya Amlak was a youth work apprentice employed by the Octavia Foundation and is the daughter of Isis Amlak who is a Trustee. Zakiya was appointed to the post following an open recruitment and selection process. The apprenticeship was for 12 months and ended in November 2014. She was paid a salary of £4,282 in the year and there are no amounts due to / from Zakiya Amlak at 31 March 2015 or 2014.