

Genesis Community Foundation
(a company limited by guarantee)
Trustees' report and financial statements
Registered number 05350679
Charity number 1109918
31 March 2013

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Trustees, officers, registered office and advisers

Name of the charity

Genesis Community Foundation

Statutory registrations

Registered with the Charity Commission,
Charity No 1109918
Company limited by guarantee,
Company No 05350679

Directors and trustees

Susan Higgins BSc (Hons), PGCE, MA, JP (retired as chair and resigned 6 June 2012)	Chair (retd)
Imani Douglas-Walker (appointed Chair on 6 June 2012)	Chair
Neil Hadden BA (Hons) MCIIH ACIS	Trustee
Colin Allies C Eng F I GEM, MCMI	Trustee
Iain Mackechnie-Jarvis (Resigned 26 September 2012)	Trustee
Denis Argent FCCA	Trustee
Jacquie Cannon BSc, OBE (Resigned 26 July 2012)	Trustee
Tony Clouting (Resigned 26 July 2012)	Trustee
Hilary Kundu Resigned 5 July 2013	Trustee
Professor Peter Roberts DLitt, MRTPI, FIED, AcSS, FRSA, OBE (appointed 27 November 2012)	Trustee

Registered office

Capital House
25 Chapel Street

London
NW1 5DT

Fund managers

NW Brown and Company Ltd
Richmond House
6-20 Regent Street
Cambridge
CB2 1DB

Company secretary

Jackie Bligh

Bankers

Barclays Bank plc
Floor 28, 1 Churchill Place
London
E14 5HP

Auditor

KPMG LLP
Chartered Accountants and Registered Auditor
Arlington Business Park
Theale
Reading
RG7 4SD

Report of the trustees

The trustees present their report and financial statements for the year ended 31 March 2013

1 Objectives and activities

Objectives

The objectives of the Charity are set out in full in its Memorandum and Articles. The charity aims to promote and develop socio-economic programmes for the benefit of the communities, and those living in them, in areas in which Genesis Housing Association owns or manages housing stock.

Overview of activities

2012-13 has been a year of challenges for the Charity in common with the rest of the voluntary sector because of the economic climate in which we now operate.

As the charitable foundation of Genesis Housing Association, the Charity's role has become more focused and the Charity has taken on a strategic role in leading in the development of the future delivery of the social regeneration element of the major developments of Genesis Housing Association including the two very large regeneration projects of Woodberry Down, Hackney and Grahame Park, Colindale, Barnet.

The external environment of austerity and Welfare Reforms leading to benefit reductions and benefit caps will directly impact on residents and their communities with whom the Charity works. Compounded with the reduction and cuts in external funding, resulting in many funding pots being withdrawn, this has presented the Charity with significant challenges as how best to prioritise its future programmes and create programmes that will support the challenges of welfare reforms.

The Charity's activity in 2012-13 continued to be focused on developing and delivering socio-economic programmes in supporting the communities in which they live, within the broad objectives of the Charity. The scope of that activity has, by necessity, been defined by the capacity of the Charity and its resources available to deliver its programmes. Activities have been prioritised by reference to the geographic concentration of Genesis' stock (focusing on the local authority areas and in neighbourhoods and communities where it has a significant presence) and by a parallel assessment of need which is, in part, defined by local indices of deprivation and other indicators.

Report of the trustees (*continued*)

2. Achievements and performance:-

- **Financial Inclusions (FI):** From April 2012, the main focus of the Financial Inclusion (FI) team has been the Welfare Reform changes that were implemented in April 2013. The FI team have been heavily involved in contacting approximately 2,000 residents affected by the restrictions to Housing Benefit for residents deemed to be under-occupying their property and the Overall Benefit Cap (OBC). This has proved a challenge as the Government has kept moving the goal posts and changing the legislative framework over the past 6 months.

The Size Criteria restrictions were implemented on schedule on the 1st April 2013, but the OBC was only implemented in 4 London Boroughs. To date the only properties that have been affected by the Cap have been within Temporary Accommodation managed by GHA, but this may change as the 4 pilot boroughs complete their roll out. We are awaiting data from the Customer Accounts Team as to any measurable impact of the implementation of the Size Criteria demonstrated through any increase in rent arrears.

We are about to commence a Rent Direct Pilot which will involve a small number of new residents receiving all their housing benefit payments paid directly to them from the start of their tenancy. This will enable Genesis to have some early learning about the potential impact of the introduction of Universal Credit and the level of support that residents will need to enable them to manage their rent payments when housing costs are paid within Universal Credit. Residents taking part in the pilot will initially be offered a high level of support to increase their financial capability, with a named officer allocated to them for regular support as well as support to increase their chances of gaining employment.

The FI Team have also supported residents in appeals and backdated claims, which has totalled £282,884.05 this year. E-learning modules have been completed by 734 staff and 194 staff have benefitted from attending face to face Welfare Reform training.

- **Volunteering Programme:** The programme has firmly embedded volunteering across a wide range of Genesis Departments. Volunteers are highly visible within the organisation as a result of directorates hosting volunteer placements. Volunteers have accessed more than one volunteering opportunity at the same time, enabling them to comprehensively broaden their skills base. Notably, volunteers have secured employment within Genesis as a direct result of their volunteer experience gained and the 1 2 1 support they receive from the Opportunities Plus Officers. There is an excellent support process for volunteers and a robust induction process ensuring that volunteers receive appropriate training and an understanding of the aims and objectives of Genesis. The total outputs received to date:

- 1,000 prospective volunteers on the database
- 71 registered on case management data base
- 100 volunteer positions filled
- 23 volunteers have gained employment
- 8 jobs have been secured within Genesis Departments (Finance, Customer Relations, Housing, Facilities Management and Genesis Community)
- 20 volunteers trained and received accreditation in mediation and money mentoring
- Total value of volunteer hours for Q4 £18,468 (Based on average hourly Genesis salary costs)

There are excellent impact measures being established and one significant outcome within one of our priority London boroughs, Newham, has been the joint work undertaken with Carpenters Primary School in Stratford. All the 35 children who were referred into the initiative had lower than their age expected reading level. The baseline target set for the programme was for children to move up one sub level over 12 months. The impact described by the school is that it is a 'remarkable improvement' which contributed to the following,

Report of the trustees (continued)

Volunterring Programme (continued)

29% moved up 1 sub level
17% moved up 2 sub levels
11% moved up one whole level
9% are now at their age expected level

2.2 The current programmes

Employment & Training

Over the past 12 months the team has successfully supported 144 residents into work in the following sectors retail, catering, banking, care and support and administration which equates to a saving of £1,086,640 to the public purse with residents no longer solely reliant on welfare benefits. The programme has also continued to work in partnership with internal and external organisations to develop and provide an array of accredited and non-accredited training and access to external resources such as job brokerage and venue hire. Our residents have benefitted from externally funded training provision with a total value of £968,122. The programme continues to vet and source external free provision to achieve the desired outcomes for our residents and continue to build up the portfolio of partnerships.

Enterprise

To date 31 residents have been referred into the 1 2 1 service and 3 business start-ups established through this 1 2 1 provision. The service is promoted through the main localised employability programme and their 'Look before you Leap' workshops are delivered to residents at Grahame Park, Stratford Halo and at our main offices at Cloughton Road, Willesdon and Olympic Office Centre.

The business start-up training sessions are run over a 10 week period and provide residents with support and guidance in all aspects of enterprise. One of the key outcomes is that they are supported to produce a business plan, which forms part of the valuable learning outcomes of the training. The end of training programme culminates with a 'Dragons Den' style event where participants present their business ideas, and the panel will decide which of them are viable and are ready to go to market. This year 5 new businesses have launched of which 4 were awarded start-up funding. They were also able to promote their businesses at the Staff conference this year, which has raised awareness of this initiative with Genesis staff.

The programme also provides business mentors who are made up of Genesis staff and Barclays Bank Business Development Advisors. All residents are assigned to a business mentor for the duration of their journey with Genesis through to self-employment. After care is a key element of the programme as residents still require support with building the capacity of their new business, with funding and going to market.

Working in partnership with Enterprise Cube we have been able to secure a short term rent-free lease at a central London location near St Pauls, Creed Court for 12 months. This offers Genesis the potential to create a premier Pop-Up Business Academy, incorporating a valuable retail outlet. The premises will offer affordable office space, meeting and training rooms, retail space and potential café/restaurant space with communal kitchen. We will also be able to continue to provide the mentoring and training support to residents who are currently looking to set up a new business or affordable office space for their existing business. We are also pursuing offering space to established social enterprises and in discussions with other housing associations to potentially provide space to their business start-ups.

Youth programme

The feedback received from young people across GHA has been implemented into the delivery of our youth programme. Increasing social, communication and leadership skills by 50% and increasing overall participation by 20%, the successful programme has attracted preferred partner status and provided value for money savings of £50,000 including match funding of £31,678.

Six focus groups located across the regions capture feedback and development on a weekly basis. The focus groups have been instrumental at Stratford Halo and have helped sustain a 0% anti-social behaviour (ASB) record (as cited by property managers) since July 2012. Along with the Mitchelbrook and Brentfield Primary mentoring projects, the programme was evidenced in both

Report of trustees (continued)

Youth programme (continued)

application and assessment, contributing to the successful ASB accreditation awarded in April 2013

To date 247 young people have engaged through some of the 93 activities delivered. This has included three summer programmes (Halo, Mitchelbrook and Grahame Park) and three half term programmes at Stratford Halo. The latter has been influential in the work around conflict and change and has encouraged mixed participation with the residents who live at the assisted living scheme, Amber Court. Working together, individuals are educated around mental health and disability needs, helping to eradicate prejudice and prevent abuse.

On the theme of challenging perceptions, the programme has grown its intergenerational projects with young female volunteers running activities at east London sheltered schemes which has increased social inclusion by 95%. More recently our Brent Heritage project visited cultural sites across Brent engaging both older and younger residents culminating with a film screening of the day's experiences. It will also be included in the Brent heritage archives as a historical feature for local Brent residents to review.

Life Long Learning and Digital Inclusion for Older People

Genesis Community has invested in digital inclusion and identified the need for a core provision for residents of mixed abilities. To date 205 residents have been engaged through 1,824 hours of training delivered across key strategic boroughs.

Installations in 41 care and support schemes tackle social isolation in areas such as Norfolk, Suffolk and Essex. In addition two computer hubs at Hamara Ghar and Amber Court schemes in East London can accommodate 10 people at a time and support extra needs (language barriers and translation, learning difficulties, mental health) which is vital as there is no provision in Newham. Through 5 partnerships, match funding and in kind support we provide an annual £34,000 return on investment.

2012/13 has seen 101 residents accessing weekly training sessions across Essex delivered by our digital inclusion volunteers who are vital to the project's sustainability. Recorded outcomes show an increase of 55% in access to learning and training, 30% increase in knowledge and awareness and a 55% increase in participation and involvement.

Reducing social exclusion is a priority and through our Genesis Online project four tailored IT courses have been delivered in West and East London up-skilling 24 residents in basic IT, 12 of whom have qualified with C L A I T certification.

The Small Grants Programme

The Programme for 12-13 consisted of the Knowles Trust Fund which brought in a total income of £17,396.54. Of this, £7,695.36 was awarded to 13 GHA schemes, 1 community organisation and 9 vulnerable individuals residing primarily in Brent, Harrow, Westminster, Camden, Essex and Norfolk (regions 2, 3 & 4).

The funding awarded targeted over 344 GHA older residents living in sheltered schemes who benefitted from activities engaging them in Christmas festivities, computer and exercise classes. 9 residents benefitted from individual tenancy support services such as the purchase of essential white goods and furniture, in addition to connection for essential services (gas cooker connections).

Community Hubs

The Charity manages five community centres for Genesis as community hubs. These are Hartspring Lane and The Phoenix, both in Bushey, Herts, The Vale in Kilburn, Savoy Court in Harrow, and Mulberry Court in Neasden. They all offer a very valuable local community resource.

The Centres are widely used by local groups and projects. During the year over 36 Community Groups ran projects from these Centres and a total of just over 3,000 people used the Centres. The Charity is continually exploring yet more creative ways of using these valuable community resources, an example being external courses run by WEA which offer numeracy and literacy courses from Carlton Vale free of charge to residents in receipt of benefits.

Report of the trustees (continued)

Overall the Centres continue to be income generating and this year the gross income rose from £44,000 to just under £50,000

Eastwards Trust

On the 1st April 2012 Eastwards Trust donated £1.6m to Genesis Community and this has been invested with NW Brown

Plans for 2013-14

Meeting New Challenges

The restructuring of Genesis Housing Group to become one single entity, Genesis Housing Association, has opened new and challenging ways for the Charity to work across Genesis. It has presented exciting opportunities to develop new ways of delivering our programmes to create greater integration into the mainstream of Genesis in tackling poverty and deprivation within our resident base and the communities in which they live as well as providing the platform from which to develop the Charity's new role of focusing on developing and delivering a Genesis wide social regeneration programme within the next twelve months.

Partnership Working

The Charity continues to work in partnership with other organisations to achieve results. Examples of effective partnership working where the charity is an equal or lead partner in place over the past year include:

- Redbridge Youth Programme
- Brent Youth Partnership,
- Brent CAB
- Brent Credit Union
- Open Age
- Rock Challenge (London wide)
- Essex Unite
- Beckton Globe Youth (Newham)
- Newark Youth (Tower Hamlets)
- London UnITE and Essex UnITE
- Manor House Development Trust (Woodberry Down)
- Colindale Communities Trust (Grahame Park)
- Toynbee Hall
- Carpenters School Stratford
- Enterprise Cube
- Westminster CVS
- Newham CVS
- Barnet CVS
- Hackney CVS
- National Careers Service
- Remploy
- Jamie Oliver's Ministry of Food
- Brentfield Primary School (Brent)
- Mitchellbrook Primary School (Brent)
- Foodbanks (Brent, Hackney & Newham)
- Home Office Mentoring Crew
- Prospects

Report of the trustees (continued)

Corporate governance

Genesis Community Foundation is registered as a company limited by guarantee. It was incorporated on 2 February 2005 and is a charity registered with the Charity Commission. It is governed by its Memorandum and Articles of Association. Genesis Housing Association is currently the sole member of the Charity and has the power to appoint and remove the Trustees. Trustees are selected by a process of recommendation followed by a period of discernment by Trustees and confirmed by a vote of the Board. Newly appointed Trustees are given a copy of the Charity's latest financial statements and are made aware of the objectives of the Charity. Training is provided to individual Trustees as is considered appropriate to their level of experience and knowledge. All decisions are taken by the Trustees at formally constituted meetings, which are held at intervals determined by the Trustees, usually four times a year. All decisions of the Trustees are formally minuted. Administration support services are provided by Genesis HA. The directors of the charitable company (the Charity) are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. The Board met four times during the year.

Review of internal controls is delegated to the Internal Audit Team of Genesis who regularly checks that systems and controls are in place.

Public benefit statement

The Trustees are satisfied that all of the stated objects of the Charity are capable of being delivered for the public benefit.

The Trustees have referred to the Charity Commission guidance on Public Benefit when reviewing the Charity's aims and objectives, in setting the grant making policy for the year and in planning future activities.

The Trustees have reviewed all the activities of the Charity tested against its charitable objects:

- first to ensure that they fall within its charitable objects and
- secondly to test that each activity is being delivered in a manner that can be construed as being for the public benefit.

The Trustees are satisfied that there are no activities conducted or promoted by the Charity that are not open to all people falling within a defined class or category within the broad parameters of the objects of the Charity. For example, some of the work of the Charity is predominantly focused on residents living within stock owned or managed by Genesis HA. The Trustees have tested this limitation against the requirement of public benefit, and are satisfied that because the method of selection of residents by Genesis HA, and its nominating Local Authority partners, is open to all who meet the statutory and other criteria for eligibility for social housing, the work of the Charity in addressing the needs of that category of persons is sufficiently wide and open that it falls within the statutory definition of being for public benefit.

Other projects run by the Charity are focused on particular neighbourhoods or communities within local authority areas where Genesis owns or manages stock and are open to all who meet the broader charitable objects of need as defined by the objects of the Charity with that area.

Investment policy and performance

The Trustees reviewed the investments of the Charity and the performance of its investment managers during the year 2011/12 and resolved to retender for the appointment of its investment managers. The Board conducted a recruitment process in January/February 2012 having selected three firms of Investment Managers to tender – one being the existing Investment Managers. A unanimous decision of the Trustees resulted in NW Brown and Co being appointed the Charity's investment managers with immediate effect following their meeting in February 2012.

The Trustees have adopted a policy of reviewing the investment performance which will involve quarterly reviews by the Investment Managers who will present to the Board at regular intervals to ensure the investments maintain a steady yield and growth in line with overall market trends. The cost of such reviews is included in the very competitive annual management fee negotiated with the new firm of Fund Managers.

Report of the trustees (*continued*)

Reserves policy

The Trustees have considered the need for maintaining a level of free reserves. At the end of the year these stood at £2.8m and all of these reserves are designated for agreed projects within the operating plan of the Charity as detailed in note 9.

The Trustees have concluded that, as a matter of policy, they do not need to maintain further free reserves having regard to the particular circumstances of the Charity. The Charity's core funding and the bulk of all its unrestricted funding derives from Genesis Housing Association. Genesis Housing Association is committed to continuing to fund the Charity and the Trustees therefore consider the Charity to be a going concern. External funding is entirely project based and those funded projects only have a life which is co-extensive with the funding. Creditors are paid as and when they fall due.

Risks policy

The Trustees believe in accepting manageable risks, which are unavoidable in carrying out their strategic objectives and prioritising actions that minimise the risks. The Trustees recognise that sound risk management is at the core of every successful business. They understand the need to take a balanced approach to risk through effective controls that ensure risks are managed and minimised, thereby enhancing the chances of business success. The risks are regularly reviewed by the Board. The Trustees are satisfied that there are systems and procedures in place to manage those risks.

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 charitable company's auditor is unaware, and each director has taken all the steps that he/she ought to have taken as a trustee to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will continue in office.

A copy of this report and financial statements will be filed at Companies House.

By order of the board



Imani Douglas-Walker

Chairperson

Capital House
25 Chapel Street
London
NW1 5DT

Statement of trustees' responsibilities in respect of the Report of the trustees 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 income over expenditure 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 adequate 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



KPMG LLP

Arlington Business Park
Theale
Reading
RG7 4SD
United Kingdom

Independent auditor's report to the members of Genesis Community Foundation

We have audited the financial statements of Genesis Community Foundation for the year ended 31 March 2013 set out on pages 14 to 26. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Acceptable Accounting Practice).

This report is made solely to the 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 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 charitable company and its 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 set out on page 11, 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.

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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council'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 charitable company's affairs as at 31 March 2013 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 UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Genesis Community Foundation (continued)

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

- the charitable company has not kept adequate accounting records 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

Nicole Martin

Nicole Martin (Senior Statutory Auditor)
for and on behalf of **KPMG LLP**, Statutory Auditor
Chartered Accountants and Registered Auditor
Arlington Business Park
Theale
Reading
RG7 4SD

2nd August 2013

Statement of Financial Activities (including Income and Expenditure Account)
for the year ended 31 March 2013

	Note	Unrestricted Funds 2013 £	Restricted Funds 2013 £	Total Funds 2013 £	Total Funds 2012 £
Incoming resources					
Incoming resources from generated funds					
Voluntary income					
Donations and grants		1,800,979	-	1,800,979	1,700,680
Activities for generating funds					
Investment income		-	18,527	18,527	23,277
Incoming resources from charitable activities					
Grants and contracts		9,922	111,428	121,350	319,904
Total incoming resources	9	1,810,901	129,955	1,940,856	2,043,861
Resources expended					
Costs of generating funds					
Investment management costs	2	-	-	-	(536)
Charitable activities	2	(1,112,926)	(425,576)	(1,538,502)	(1,647,720)
Grants payable	2	(15,588)	(7,096)	(22,684)	(62,571)
Governance	2	(20,825)	-	(20,825)	(37,265)
Total resources expended	9	(1,149,339)	(432,672)	(1,582,011)	(1,748,092)
Net incoming/(outgoing) resources before transfers	3	661,562	(302,717)	358,845	295,769
Gross transfers between funds	9	(314,299)	314,299	-	-
Net movement in funds before other recognised gains and losses		347,263	11,582	358,845	295,769
Other recognised gains and losses					
Gain on revaluation of investments	6, 9	-	67,677	67,677	4,931
Net movement in funds		347,263	79,259	426,522	300,700
Reconciliation of Funds					
Total funds brought forward		875,123	1,098,137	1,973,260	1,672,560
Funds transferred from Eastward's Trust		-	1,555,156	1,555,156	-
Total funds carried forward	9	1,222,386	2,732,552	3,954,938	1,973,260

All incoming resources and resources expended derive from continuing activities All recognised gains and losses are included in the Statement of Financial Activities

Balance Sheet

At 31 March 2013

	Note	2013 £	2012 £
Fixed assets			
Investments	6	2,696,252	1,073,419
Current assets			
Debtors	7	25,716	469,944
Cash at bank and in hand		1,455,407	550,937
		<u>1,481,123</u>	<u>1,020,881</u>
Creditors: amounts falling due within on year	8	(222,437)	(121,040)
		<u>1,258,686</u>	<u>899,841</u>
Net current assets			
		<u>1,258,686</u>	<u>899,841</u>
Net assets		<u>3,954,938</u>	<u>1,973,260</u>
Funds			
Unrestricted funds	9	1,222,386	875,123
Restricted funds	9	2,732,552	1,098,137
		<u>3,954,938</u>	<u>1,973,260</u>
Shareholders' funds			
		<u>3,954,938</u>	<u>1,973,260</u>

These financial statements were approved by the board of trustees on ²²8 July 2013 and were signed on its behalf on ^{23 July}23 July 2013 by



I Douglas-Walker
Chair



N Hadden
Chief Executive

Notes

(forming part of the financial statements)

1 Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

Basis of preparation

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at market value, and in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are set out below.

Under FRS 1 the charity company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the charity in its own published consolidated financial statements.

Incoming resources

Voluntary income including donations, gifts and legacies and grants that provide core funding or are of general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when

- The donor specifies that the grant or donation must only be used in future accounting periods, or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income is recognised on a receivable basis.

Income from charitable activities which includes income received under contract or where entitlement to grant funding is subject to specific performance conditions is recognised as earned (as the related goods or services are provided). Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Resources expended

Expenditure is recognised when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods or services are supplied. Other grant payments are recognised when a constructive obligation arises that will result in the payment being unavoidable.

Support costs, which include central functions, have been allocated to activities as a proportion of the particular activity cost to total activity cost.

Governance costs include costs associated with the legal, strategic and governance arrangements of the charity.

Investments

Listed investments are stated at their market value.

Notes (continued)

1 Accounting policies (continued)

Post-retirement benefits

Defined benefit schemes

The company is recharged contributions made by Genesis Housing Association Limited to defined benefit schemes. Assets are held separately from those of the Group. The amount charged to the income and expenditure account represents the contributions payable to the schemes during the financial year.

In the financial statements of Genesis Housing Association Limited, the pension surplus (to the extent that it is recoverable) or deficit is recognised in full. The movement in the scheme surplus/deficit is split between operating charges, finance items and, in the statement of total recognised surpluses and deficits, actuarial gains and losses.

Money purchase scheme

The company is also recharged contributions made by Genesis Housing Association Limited to a defined contribution scheme where the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the financial year.

Fund accounting

Unrestricted funds

Unrestricted funds are available for use at the discretion of the directors in furtherance of the general objectives of the charity. Unrestricted funds are donations and other incomes received or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated reserves

Designated reserves are unrestricted funds earmarked by the Management Board for particular purposes.

Restricted reserves

Restricted reserves are subjected to restrictions on their expenditure imposed by the donor.

2 Resources expended

	2013 £	2012 £
Investment management costs		
Investment management fees	-	536
	<u> </u>	<u> </u>

Notes (continued)

2 Resources expended (continued)

Analysis of charitable expenditure

Cost type	Youth Programme £	Old & Vulnerable People £	Opportunities Plus £	Financial Inclusions £	Small Grant £	Neighbourhood Renewal £	Communities Facilities £	Other Activities Project Development £	Total 2013 £	Total 2012 £
Project costs	34,654	77,126	193,013	17,171	-	42,987	36,637	13,311	414,899	385,894
Staff costs	63,801	-	-	-	-	4,961	96,808	-	165,570	205,215
Consultancy	-	-	-	-	-	-	-	-	-	4,050
Office costs	-	-	-	-	-	-	-	-	-	2,981
Costs directly allocated to activities	98,455	77,126	193,013	17,171	-	47,948	133,445	13,311	580,469	598,140
Staff costs, travel & other overheads	120,298	149,193	368,702	125,272	55,951	-	50,717	87,900	958,033	1,020,062
Marketing & Communication	-	-	-	-	-	-	-	-	-	29,518
Total of support costs	120,298	149,193	368,702	125,272	55,951	-	50,717	87,900	958,033	1,049,580
Total resources expended	218,753	226,319	561,715	142,443	55,951	47,948	184,162	101,211	1,538,502	1,647,720

Notes (continued)

2 Resources expended (continued)

<i>Grants payable</i>	2013 £	2012 £
Grants (all individually not more than £5,000) to be applied to the needs of elderly and vulnerable people and community capacity building	22,684	62,571

<i>Governance costs</i>	2013 £	2012 £
Staff costs	19,145	32,465
Audit fees	1,680	4,800
	20,825	37,265

3 Net incoming/(outgoing) resources for the year

<i>This is stated after charging:</i>	2013 £	2012 £
<i>Auditor's remunerations</i>		
Audit of these financial statements	1,680	4,800

4 Remuneration of trustees

	2013 £	2012 £
Emoluments	31,473	64,204
Company contributions to defined benefit pension scheme	1,542	3,084
	33,015	67,288

Number of trustees accruing benefits under defined benefit pension scheme 1 (2012 1)

Travel expenses amounting to £nil (2012 £363) were reimbursed to no trustees (2012 1 trustee)

Notes (continued)

5 Staff numbers and costs

The cost of staff and Executive Officers is incurred and paid by Genesis Housing Association Limited. The appropriate proportion of their cost was recharged to the charity along with other overheads.

The average number of persons employed by the charity (excluding non executive directors) during the year, analysed by category, was as follows

	2013 No	2012 No
Fundraising	-	1
Operations	31	34
Administration	4	4
	<u>35</u>	<u>39</u>

The aggregate payroll costs of these persons were as follows

	2013 £	2012 £
Wages and salaries	964,490	1,027,044
Social security costs	91,848	100,039
Employees insurance costs	2,131	4,913
Other pension costs	43,488	54,785
	<u>1,101,957</u>	<u>1,186,781</u>

	2013 No	2012 No
Retirement benefits are accruing to the following number of employees under		
Money purchase scheme	19	17
Defined benefit scheme	1	4

Pension costs are recharged to the charity by Genesis Housing Association Limited for staff that work exclusively for the charity and represent the contributions made during the year to the pension schemes operated by Genesis Housing Association Limited.

Genesis Housing Association Limited operates four pension schemes

- PCHA 2001 Pension scheme – a defined benefit scheme
- Money purchase scheme with AXA
- Local Government Pension scheme (“LPFA”) – a defined benefit scheme
- Social Housing Pension scheme (“SHPS”) – a multi-employer defined benefit scheme

The charity's separate assets and liabilities in respect of the defined benefit schemes cannot be separately identified. These have been accounted for in total for all Group entities in the consolidated financial statements of Genesis Housing Association Limited according to the requirements of FRS 17, Retirement benefits.

Notes (continued)

5 Staff numbers and costs (continued)

	2013	2012
	£	£
Contributions made to defined benefit pension scheme in respect of employees earning more than £60,000	-	3,084
	<u> </u>	<u> </u>

	2013	2012
	No	No
Number of employees whose emoluments (excluding pension contributions) exceed £60,000		
£60,000 - £70,000	-	1
	<u> </u>	<u> </u>

6 Fixed asset investments

	2013	2012
	£	£
<i>At valuation</i>		
At beginning of year	1,073,419	1,069,024
New investments made	1,555,156	-
Add net gain in revaluation	67,677	4,931
Less investment management fees	-	(536)
	<u> </u>	<u> </u>
At end of year	2,696,252	1,073,419
	<u> </u>	<u> </u>

Notes (continued)

6 Fixed asset investments (continued)

	Market Value 2013 £	Historic costs 2013 £	Market value 2012 £	Historic costs 2012 £
UK and overseas government and corporate fixed interest securities investment fund	-	-	179,026	181,480
UK equities common investment fund	-	-	894,393	1,108,836
NW Brown Gilts & Index Linked	20,659	20,090	-	-
NW Brown Fixed Interest	295,377	286,295	-	-
NW Brown UK Equities	663,236	599,179	-	-
NW Brown Unit Trust/OEICs	24,444	21,562	-	-
NW Brown Asia	16,851	14,585	-	-
NW Brown Cash	1,675,685	1,671,980	-	-
	<u>2,696,252</u>	<u>2,613,691</u>	<u>1,073,419</u>	<u>1,290,316</u>

The following investments represent the whole portfolio of both the Knowles and the Eastward Trusts	2013 £	2012 £
Knowles Trust:		
CAF Bond Income Fund	-	179,026
CAF UK Equity Growth Fund	-	894,393
NW Brown Gilts & Index Linked	20,659	-
NW Brown Fixed Interest	295,377	-
NW Brown UK Equities	663,236	-
NW Brown Unit Trust/OEICs	24,444	-
NW Brown Asia	16,851	-
NW Brown Cash	116,824	-
Eastwards Trust:		
NW Brown Cash	1,558,861	-
	<u>2,696,252</u>	<u>1,073,419</u>

Notes (continued)

7 Debtors

	2013	2012
	£	£
Grant receivable	25,716	28,875
Amounts owed by group undertaking	-	441,069
	<u>25,716</u>	<u>469,944</u>

8 Creditors: amounts falling due within one year

	2013	2012
	£	£
Amounts owed to group undertakings	35,273	4,503
Trade creditors	11,407	25,130
Accruals and deferred income	175,757	91,407
	<u>222,437</u>	<u>121,040</u>

Notes (continued)

9 Analysis of charitable funds

<i>Unrestricted fund movements</i>	At 1 April 2012 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2013 £
General fund	-	1,803,186	-(1,803,186)	-	-
Designated funds:					
Vulnerable & Older People Project	12,839	-	-	-	12,839
Other Minor Projects	518,561	4,630	(712,975)	1,313,407	1,123,623
Essex UnlTe	-	-	(43,225)	43,225	-
Genesis Community Chest	50,000	-	(36,422)	-	13,578
Opportunities Plus	-	2,000	(30,479)	40,479	12,000
Community Dev Plan	-	-	(65,142)	65,142	-
Social Enterprise/ Business Start Up	-	-	-	-	-
Financial Inclusion Project	100,000	1,000	(127,634)	26,634	-
Kick Start	93,723	85	(38,092)	-	55,716
Enterprise and Business Start Up	100,000	-	(95,370)	-	4,630
At end of year	<u>875,123</u>	<u>1,810,901</u>	<u>(1,149,339)</u>	<u>(314,299)</u>	<u>1,222,386</u>

The designated funds are funds allocated for agreed projects within the operating plan of the charity which have not been fully spent up during the year and are therefore carried forward and spent within the life of the individual projects in 2013-14

Notes (continued)

9 Analysis of charitable funds (continued)

	At 1 April 2012 £	Incoming resources £	Resources expended £	Other gains £	Transfers £	At 31 March 2013 £
Restricted fund movements						
Knowles Trust	24,718	151	(7,096)	14,822	-	32,595
Knowles Trust Investment Fund	1,073,419	-	-	67,677	-	1,141,096
Harrow Road	-	11,727	(47,948)	-	36,221	-
Enery Best Deal	-	2,100	(17,785)	-	15,685	-
Community Facilities Manager	-	44,104	(187,137)	-	143,033	-
Brent Fixed for your Future (F4F)	-	15,025	(28,905)	-	13,880	-
Barnet Workfinder Programme	-	26,503	(105,766)	-	79,263	-
Mentoring Crew	-	10,000	(30,851)	-	20,851	-
Mitchellbrook Football	-	1,818	(7,184)	-	5,366	-
Eastwards Trust				3,705	1,555,156	1,558,861
At end of year	1,098,137	111,428	(432,672)	86,204	1,869,455	2,732,552

Name of restricted fund Description, nature and purpose of fund

Knowles Trust	These funds represent the dividends earned on the investments and will be donated to organisations that work with older and vulnerable people
Knowles Trust Investment Fund	Funds from the Knowles Trust which is ring-fenced for the next two years

Transfers from unrestricted funds to restricted funds were to finance deficits on restricted funds where the resources expended exceeded the funds originally donated for those specific purposes

10 Analysis of net assets between funds

	Restricted funds £	Unrestricted funds £	Total £
Investments	2,696,252	-	2,696,252
Debtors	-	25,716	25,716
Cash at banks and in hand	36,300	1,419,107	1,455,407
Creditors due within one year	-	(222,437)	(222,437)
Total	2,732,552	1,222,386	3,954,938

Notes (continued)

11 Taxation

Genesis Community Foundation is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charges have arisen in the charity.

12 Related party disclosures

Transactions with Genesis Housing Association Limited

For the year ending 31 March 2013, the following transactions took place

Genesis Housing Association Limited made a donation of £1,800,979 (2012 £1,700,680) to Genesis Community Foundation. Genesis Community Foundation made a donation of £nil (2012 £26,405) to Genesis Housing Association Limited out of the Knowles Trust Fund.

Genesis Housing Association Limited recharged Genesis Community Foundation £1,101,957 (2012 £1,195,821) for staff costs.

At 31 March 2013, the Group owed Genesis Community Foundation £nil (2012 £441,069). This is included in Debtors due within one year. Genesis Community Foundation owes the Group £35,273 (2012 £4,503). This is included in Creditors falling due within one year.

13 Ultimate controlling entity and parent undertaking of larger group of which the company is a member

The charitable company is controlled by Genesis Housing Association Limited. Genesis Housing Association Limited is an Industrial and Provident Society and is registered with the Tenant Services Authority.

The largest group and smallest group in which the results of the charitable company are consolidated is that headed by Genesis Housing Association Limited. No other group financial statements include the results of the company. The consolidated financial statements of Genesis Housing Association Limited are available to the public and may be obtained from the Company Secretary, Capital House 25 Chapel Street London NW1 5DT.