

Genesis Community Foundation
(a company limited by guarantee)
Trustees' Annual Report and Financial Statements
Registered number 05350679
Charity number 1109918
31 March 2014

MONDAY



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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

Imani -Douglas Walker
Neil Hadden
Colin Allies
Dennis Argent
Professor Peter Roberts

Chair
Trustee
Trustee
Trustee
Trustee

Registered office

Atelier House
64 Pratt Street
London
NW1 0DL

Fund managers

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

Company secretary

Jackie Bligh

Charity manager

Sherene McFarlane

Bankers

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

Auditor

KPMG LLP
Arlington Business Park
Theale
Reading
RG7 4SD

Trustees' Annual Report

The trustees present their annual report and financial statements for the year ending 31 March 2014.

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 Limited owns or manages housing stock.

Overview of activities

2013-14 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 Limited, 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 Limited 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 Compounded with the reduction and cuts in external funding, resulting in many funding pots being withdrawn, this has presented the Charity with significant challenges as how best to prioritise its future programmes and create programmes that will support the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 2013-14 continued to be focused on developing and delivering socio-economic programmes to support our beneficiary communities, 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.

Trustees' Annual Report (*continued*)

2. Strategic Report

2.1 Achievements and performance

Financial Inclusion

From April 2013, 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 1,100 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 1,100 residents in appeals and backdated claims, which has totalled £300,000 this year. We are continuing to develop and deliver a programme of ongoing training for staff working with residents affected by the Welfare Reform.

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:

- 22 volunteers have gained employment.
- 9 jobs have been secured within Genesis Departments (Finance, Customer Relations, Housing, Facilities Management).
- 6 volunteers trained and received accreditation in mediation and money mentoring.
- Total value of volunteer hours: £51,975 (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 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;

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

Trustees' Annual Report (*continued*)

Employment & Training

Over the past 12 months the team has successfully supported 84 residents into work in the following sectors: retail, catering, banking, care and support and administration which equates to a saving of £991,200 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 £735,987.90. 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 46 residents have been referred into the 1 2 1 service and 31 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 31 new businesses have launched and all were awarded start-up funding.

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, which has been extended for an additional 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 75% and increasing overall participation by 90%, the successful programme has attracted preferred partner status and provided value for money savings of £92,000 including match funding of £88,650.

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 reduce anti social behaviour (ASB) as cited by property managers since the programme was introduced in July 2012. Along with the Mitchelbrook and Brentfield Primary mentoring projects, the programme was evidenced in both application and assessment, contributing to the successful ASB accreditation awarded in April 2013.

To date 533 young people have engaged through some of the 175 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 50%. 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.

Trustees' Annual Report *(continued)*

Life Long Learning and Digital Inclusion for Older People

To date 137 residents have been engaged through 1,824 hours of training delivered across key strategic boroughs.

Installations in 31 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 to 20 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 four partnerships, match funding and in kind support we provide an annual £9,330 return on investment.

2013/14 has seen 50 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 50% in access to learning and training, 50% increase in knowledge and awareness and a 60% 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 57 residents in basic IT, 17 of whom have qualified with C.L.A.I.T certification.

The Small Grants Programme

The Programme for 13-14 consisted of the Knowles Trust Fund which brought in a total income of £29,939. The total funding awarded to residents was £14,267.98 which benefited over 610 GHA older residents living in GHA sheltered schemes for activities engaging them in Christmas festivities, day trips, improving their immediate environment and computer IT and exercise classes.

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 25 Community Groups ran projects from these Centres and a total of just over 2,500 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.

Overall the Centres continue to be income generating and this year the gross income rose from £45,000 to just under £58,000.

Trustees' Annual Report *(continued)*

2.2 Plans for 2014/15

Meeting New Challenges

Going forward the Charity's programming will be carried out by Genesis Housing Association Limited to which the Charity will provide grant funding. The trustees will monitor the outcomes of projects supported by the grants it gives in order to ensure that the Charity's stated aims and objectives continue to be fulfilled.

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

Trustees' Annual Report (*continued*)

2.3 Financial Review

The Charity recorded a small net increase in funds during the year of £525 (2013: £426,522). This included investment income totalling £31,957 (2013: £20,734) and a gain on the revaluation of investments of £39,968 (2013: £67,677). Donations and grants received during the year were £1,261,400 (2013: £1,800,979) reflecting lower donations received from Genesis Housing Association Limited as a result of the decision taken by the trustees to transfer its programming to Genesis Housing Association Limited as described above.

At 31 March 2014 the Charity had net assets of £3,955,463 (2013: £3,954,938).

2.4 Principal risks and uncertainties

The key business risks and uncertainties affecting the Charity concern the performance of its investments. As described in more detail below, investment performance is reviewed quarterly by the trustees in order to ensure that the investments maintain a steady yield and growth in line with overall market trends. The trustees' risk management policy is described in more detail below.

3. 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 Limited 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 Housing Association Limited who regularly check 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.

Trustees' Annual Report (*continued*)

Investment policy and performance

The Trustees review investment performance on a quarterly basis to ensure the investments maintain a steady yield and growth in line with overall market trends.

Reserves policy

The Trustees have considered the need for maintaining a level of free reserves. At the end of the year these stood at £1,166,622 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 Limited. Genesis Housing Association Limited 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

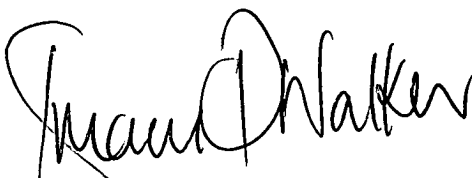
The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the charitable company's auditor is unaware; and each director has taken all the steps that he/she ought to have taken as a trustee 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

Atelier House
64 Pratt Street
London
NW1 0DL

24 May 2014

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 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
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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 ending 31 March 2014 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 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 2014 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.



Chris Wilson (Senior Statutory Auditor)
for and on behalf of **KPMG LLP**, Statutory Auditor
Arlington Business Park
Theale
Reading
RG7 4SD

25 July

2014

Statement of Financial Activities (including Income and Expenditure Account)
for the year ending 31 March 2014

		Unrestricted Funds 2014 £	Restricted Funds 2014 £	Total Funds 2014 £	Total Funds 2013 £
	Note				
Incoming resources					
Incoming resources from generated funds					
<i>Voluntary income:</i>					
Donations and grants		1,261,400	-	1,261,400	1,800,979
<i>Activities for generating funds:</i>					
Investment income		2,019	29,938	31,957	20,734
<i>Incoming resources from charitable activities:</i>					
Grants and contracts		10,236	70,904	81,140	119,143
Total incoming resources	9	1,273,655	100,842	1,374,497	1,940,856
Resources expended					
<i>Costs of generating funds</i>					
Charitable activities	2	(1,140,917)	(257,562)	(1,398,479)	(1,538,502)
Grants payable	2	2,405	(14,266)	(11,861)	(22,684)
Governance	2	(3,600)	-	(3,600)	(20,825)
Total resources expended	9	(1,142,112)	(271,828)	(1,413,940)	(1,582,011)
Net (outgoing)/incoming resources before transfers	3	131,543	(170,986)	(39,443)	358,845
Gross transfers between funds	9	(187,307)	187,307	-	-
Net movement in (deficit)/funds before other recognised gains and losses		(55,764)	16,321	(39,443)	358,845
Other recognised gains and losses					
Gain on revaluation of investments	6, 9	-	39,968	39,968	67,677
Net movement in funds		(55,764)	56,289	525	426,522
Reconciliation of Funds					
Total funds brought forward		1,222,386	2,732,552	3,954,938	3,528,416
Total funds carried forward	9	1,166,622	2,788,841	3,955,463	3,954,938

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

The notes on pages 16 to 26 form part of the financial statements.


Balance Sheet

At 31 March 2014

	Note	2014 £	2013 £
Fixed assets			
Investments	6	2,736,220	2,696,252
Current assets			
Debtors	7	187,463	25,716
Cash at bank and in hand		1,227,006	1,455,407
Creditors: amounts falling due within on year	8	1,414,469 (195,226)	1,481,123 (222,437)
Net current assets		1,219,243	1,258,686
Net assets		3,955,463	3,954,938
Funds			
Unrestricted funds	9	1,166,622	1,222,386
Restricted funds	9	2,788,841	2,732,552
Shareholders' funds		3,955,463	3,954,938

The notes on pages 16 to 26 form part of the financial statements.

These financial statements were approved by the board of trustees on 24/7/14 and were signed on its behalf on 24/7/14 by:


Imani Douglas-Walker
Chair


Neil 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.

Notes (continued)

2 Resources expended

Analysis of charitable expenditure

Cost type	Youth Programme £	Old & Vulnerable People £	Opportunities Plus £	Financial Inclusion £	Small Grants £	Communities Facilities £	Other Activities Project Development £	Total 2014 £	Total 2013 £
Project costs	27,797	34,143	138,091	1,629	-	38,085	12,828	252,573	414,899
Staff costs	39,346	-	-	-	-	99,062	-	138,408	165,570
Costs directly allocated to activities	67,143	34,143	138,091	1,629	-	137,147	12,828	390,981	580,469
Staff costs, travel & other overheads	142,486	183,380	370,432	105,228	44,667	61,747	99,558	1,007,498	958,033
Total of support costs	142,486	183,380	370,432	105,228	44,667	61,747	99,558	1,007,498	958,033
Total resources expended	209,629	217,523	508,523	106,857	44,667	198,894	112,386	1,398,479	1,538,502

Notes (continued)

2 Resources expended (continued)

Grants payable

	2014 £	2013 £
Grants (all individually not more than £5,000) to be applied to the needs of elderly and vulnerable people and community capacity building	<u>11,861</u>	<u>22,684</u>

Governance costs

	2014 £	2013 £
Staff costs	-	19,145
Audit fees	<u>3,600</u>	<u>1,680</u>
	<u>3,600</u>	<u>20,825</u>

3 Net (outgoing)/incoming resources for the year

This is stated after charging:

	2014 £	2013 £
Auditor's remunerations: Audit of these financial statements	<u>3,600</u>	<u>1,680</u>

4 Remuneration of trustees

	2014 £	2013 £
Emoluments	-	31,473
Company contributions to defined benefit pension scheme	<u>-</u>	<u>1,542</u>
	<u>-</u>	<u>33,015</u>

Number of trustees accruing benefits under defined benefit pension schemes: nil (2013: 1).

Travel expenses amounting to £nil (2013: £nil) were reimbursed to nil trustees (2013: nil trustees).

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:

	2014 No.	2013 No.
Fundraising	-	-
Operations	27	31
Administration	3	4
	<u>30</u>	<u>35</u>

The aggregate payroll costs of these persons were as follows:

	2014 £	2013 £
Wages and salaries	828,310	964,490
Social security costs	78,149	91,848
Employees insurance costs	-	2,131
Other pension costs	36,625	43,488
	<u>943,084</u>	<u>1,101,957</u>

	2014 No.	2013 No.
Retirement benefits are accruing to the following number of employees under:		
Money purchase scheme	13	19
Defined benefit scheme	-	1

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)

	2014 £	2013 £
Contributions made to defined benefit pension scheme in respect of employees earning more than £60,000	-	-

	2014 No	2013 No
Number of employees whose emoluments (excluding pension contributions) exceed £60,000-:		
£60,000 - £70,000	1	-

6 Fixed asset investments

	2014 £	2013 £
<i>At valuation</i>		
At beginning of year	2,696,252	1,073,419
New investments made	-	1,555,156
Add net gain in revaluation	39,968	67,677
At end of year	2,736,220	2,696,252

Notes (continued)

6 Fixed asset investments (continued)

	Market Value	Historic costs	Market value	Historic costs
	2014	2014	2013	2013
	£	£	£	£
NW Brown Gilts & Index Linked	21,601	24,749	20,659	20,090
NW Brown Fixed Interest	309,500	303,429	295,377	286,295
NW Brown UK Equities	781,839	698,779	663,236	599,179
NW Brown Unit Trust/OEICs	31,926	21,612	24,444	21,562
NW Brown Asia	-	-	16,851	14,585
NW Brown Cash	1,591,354	1,591,354	1,675,685	1,671,980
	<u>2,736,220</u>	<u>2,639,923</u>	<u>2,696,252</u>	<u>2,613,691</u>

The following investments represent the whole portfolio of both the Knowles and the Eastward Trusts:

	2014	2013
	£	£
Knowles Trust:		
NW Brown Gilts & Index Linked	21,601	20,659
NW Brown Fixed Interest	309,500	295,377
NW Brown UK Equities	781,839	663,236
NW Brown Unit Trust/OEICs	31,926	24,444
NW Brown Asia	-	16,851
NW Brown Cash	23,962	116,824
Eastwards Trust:		
NW Brown Cash	1,567,392	1,558,861
	<u>2,736,220</u>	<u>2,696,252</u>

Notes (continued)

7 Debtors

	2014 £	2013 £
Grant receivable	84,205	25,716
Amounts owed by group undertaking	103,258	-
	<u>187,463</u>	<u>25,716</u>

8 Creditors: amounts falling due within one year

	2014 £	2013 £
Amounts owed to group undertakings	-	35,273
Trade creditors	12,959	11,407
Accruals and deferred income	182,267	175,757
	<u>195,226</u>	<u>222,437</u>

Notes (continued)

9 Analysis of charitable funds

<i>Unrestricted funds movements</i>	At 1 April 2013	Incoming resources	Resources expended	Transfers	At 31 March 2014
	£	£	£	£	£
General fund	-	1,263,419	-	(1,263,419)	-
<i>Designated funds:</i>					
Vulnerable & Older People Project	12,839	-	-	-	12,839
Other Minor Projects	1,123,623	9,449	(506,988)	477,659	1,103,743
Essex Unite	-	-	(60,158)	60,158	-
Genesis Community Chest	13,578	-	(36,586)	23,008	-
Opportunities Plus	12,000	787	(42,386)	29,599	-
Social Enterprise/ Business Start Up	4,630	-	(383,461)	378,831	-
Financial Inclusion Project	-	-	(106,857)	106,857	-
Kick Start	55,716	-	(5,676)	-	50,040
	<u>1,222,386</u>	<u>1,273,655</u>	<u>(1,142,112)</u>	<u>(187,307)</u>	<u>1,166,622</u>
At end of year	1,222,386	1,273,655	(1,142,112)	(187,307)	1,166,622

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 2014/15.

Notes (continued)

9 Analysis of charitable funds (continued)

	At 1 April 2013	Incoming resources	Resources expended	Other gains	Transfers	At 31 March 2014
	£	£	£	£	£	£
Restricted fund movements						
Knowles Trust	32,595	650	(14,267)	29,938	-	48,916
Knowles Trust Investment Fund	1,141,096	-	-	39,968	-	1,181,064
Community Facilities Manager	-	52,029	(198,894)	-	146,865	-
Brent Fixed for your Future (F4F)	-	14,525	(37,519)	-	22,994	-
Barnet Workfinder Programme	-	-	(10,152)	-	10,152	-
Mitchellbrook Football	-	3,700	(10,996)	-	7,296	-
Eastwards Trust	1,558,861	-	-	-	-	1,558,861
	<u>2,732,552</u>	<u>70,904</u>	<u>(271,828)</u>	<u>69,906</u>	<u>187,307</u>	<u>2,788,841</u>
At end of year	<u>2,732,552</u>	<u>70,904</u>	<u>(271,828)</u>	<u>69,906</u>	<u>187,307</u>	<u>2,788,841</u>

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	2,736,220	-	2,736,220
Debtors	-	190,317	187,463
Cash at banks and in hand	52,621	1,174,385	1,227,006
Creditors due within one year	-	(198,080)	(195,226)
Total	<u>2,788,841</u>	<u>1,166,622</u>	<u>3,955,463</u>

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 2014, the following transactions took place:

Genesis Housing Association Limited made a donation of £1,261,400 (2013: £1,800,979) to Genesis Community Foundation.

Genesis Housing Association Limited recharged Genesis Community Foundation £943,084 (2013: £1,101,957) for staff costs.

At 31 March 2014, Genesis Housing Association Limited owed Genesis Community Foundation £103,258 (2013: £nil). This is included in Debtors due within one year. Genesis Community Foundation owes Genesis Housing Association Limited £nil (2013: £35,273). 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, Atelier House 64 Pratt Street London NW1 0DL.