



Anchor Trust Annual Report & Financial Statements

For the year ending 31 March 2015

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Chair and Chief Executive's Statement

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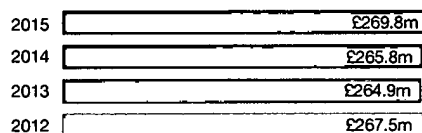
**Michael, Hazel
and Michelle**
Residents Michael and
Hazel Diner pictured with
Estate Manager Michelle Smith

At a glance

Key Performance Indicators

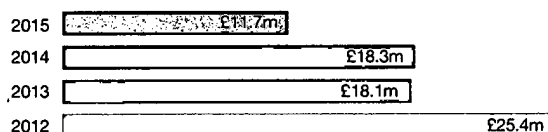
Turnover

£269.8m ↑



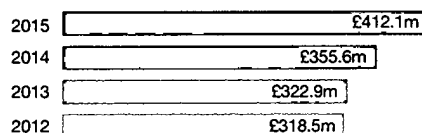
Operating Surplus

£11.7m ↓



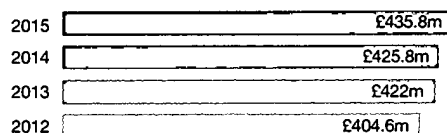
Net Book Value for Fixed Assets

£412.1m ↑



Total Assets Current Less Current Liabilities

£435.8m ↑



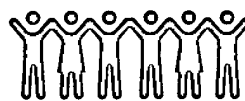
Occupancy: Care homes

92.8% ↑
from last year
Target 92.9%



Customer satisfaction: Rented

90.0% ↑
from last year
Target 95.0%



Colleague engagement

75.0% ↓
from last year
Target 78.0%



Your Care Rating

884 ↑
from last year
Out of 1,000

Housing

98.5% ↑
from last year
Target 98.5%

Leasehold

77.0% ↓
from last year
Target 80.0%

Chair and Chief Executive's Statement

Our overarching ambition is to be recognised as the best at what we do, and to ensure "happy living" for increasing numbers of older people. This year has seen us take significant strides towards the achievement of that goal.

The financial year ending in March 2015 marked the culmination of a strategy that has transformed our business from a divisional operating structure to a "One Anchor" model, providing a more efficient and effective service for customers and an easier operating environment for colleagues.

This structure provides the foundation for achieving the objectives of our five-year business plan, which commenced in April 2015. By 2020, we aim to become the best-run organisation in our sector, delivering the best customer service to more older people than we do today. In order to achieve this we are committed to becoming the best place to work in our industry.

We will continue to focus on our core areas of social housing, care homes, leasehold housing and retirement villages and we plan to grow through a combination of development and acquisition, increasing the breadth of the services we provide to customers based on their changing needs and demands. This approach serves to mitigate our risk of exposure to one service type or area, as well as fulfilling our social objectives.

We have already made good progress towards our objectives. During the financial year ending in March 2015, we have made capital investments of £52.7m in our existing services, £9.3m on support and infrastructure, and £53.4m in the construction of new care homes and property for resale. Our five-year plan sets out our intention to invest circa £500m over the next five years, of which circa £300m relates to our aspiration for growth.

Customer care is always at the heart of what we do. Our care homes are regulated by the Care Quality Commission (CQC) and our compliance with their requirements now stands at 85.9 percent, an improvement on last year of 14.5 percent and a performance which compares favourably with other providers of a similar scale. Our social housing is regulated by the Homes and Communities Agency (HCA) and their latest Financial Viability Review, a formal assessment based on their review of our long-term financial plan, confirmed an unchanged viability rating of V1, the highest possible. The HCA also makes an assessment of the standards of governance within Anchor. Following this assessment, Anchor was awarded a governance rating of G1 which means that Anchor meets the requirements set out in the HCA's governance standard.

The achievements of this year are particularly significant given the challenging commercial and regulatory landscape. The recent announcement that the cap on care costs, due to come into force in April 2016, has been delayed until 2020, is an illustration of the uncertainty we face in the sector, but we are confident we are well placed to respond to the challenges that this may present.

Ever higher demands are being placed on state funding, something that our partners in the NHS have also felt keenly. We are maintaining revenue through cost-effective new solutions to hospital "bed blocking" whilst also driving greater efficiencies internally to mitigate pressure on income.



Our Fit for the Future change programme is reducing overheads while giving more autonomy to customer-facing colleagues. An example of this is our online HR system, MyHR, which launched in September giving colleagues across the organisation better control of, and access to, information, saving time previously spent form-filling and posting. This investment comes alongside a relentless focus on efficiencies in our support functions; during this year we rationalised our three support offices into a new customer support hub in Bradford, and moved our London office to smaller, more cost effective premises. Our Fit for the Future programme came at a cost of £6.3m in this financial year, but will deliver annualised savings of circa £12m that we will be able to reinvest to drive ever better value for money.

Linked to this, we have worked closely with many Health and Wellbeing Boards and other partners across England to deliver new solutions for older people which should save significant sums for the public purse. Examples of these initiatives include an enhanced assessment scheme in partnership with Birmingham City Council and Birmingham Cross City Clinical Commissioning Group (CCG). Following initial success, the council and CCG have expanded the contract with Anchor to provide up to 19 enablement beds. This innovative work, to tackle the avoidable occupation of hospital beds, featured on the BBC and in a report we commissioned from the think-tank Localis.

Published in February, Unblocking: Securing a Health and Social Care System that Protects Older People (the Localis study) made useful recommendations for more cost-effective working between a variety of partners at a local and national level. Through our Grey Pride campaigning, our involvement in the Commission on Residential Care and via alliances and trade bodies, we continue to urge government to take a more joined-up approach to the needs of older people and the challenge of demographic change.

One of those challenges is the rising incidence of dementia and we spent 2014/15 refining Anchor Inspires, our sector-leading model of care for people living with dementia. Developed by our in-house dementia experts, the model builds on research from around the globe as well as existing best practice in our care homes.

The rigorous accreditation scheme for Anchor Inspires applies the principles of person-centred care across every element of a resident's life. It builds on our ground-breaking Life Histories initiative, which was launched in 2014 and has created important and powerful links between schools and care homes across England.

We use a variety of ways to ensure customers are informing what we do, including receiving feedback through our Customer Services Committee (CSC) and Regional

Customer Forums, the Lesbian, Gay, Bisexual and Trans (LGBT) Group and the Leasehold Customer Group which we created this year. We are grateful to all those who have given their time and energy to shape what we do.

The "happy living for the years ahead" that we offer can only be achieved thanks to the kindness, compassion and professionalism of colleagues across our housing and care services. These qualities are recognised in the many letters that we receive from older people and their relatives, as well as our overall customer satisfaction score, which demonstrated a year on year improvement. Once again, many colleagues were also recognised in external awards this year.

The dedication of colleagues is reflected in the recruitment website we launched in May 2015. With plans to create hundreds of new jobs over the next three years, it is crucial that we attract and retain the very best. The website features real colleagues and the people they support, and many of the stars of it appear in this document.

Of course, recruiting people is only one part of the picture. Our regional structure and more integrated way of working have created new career paths for colleagues to develop their skills across housing and care.

We know that better-trained staff give better care. We have therefore invested heavily in training and remain committed to paying the Living Wage to customer-facing colleagues who have achieved NVQ Level 2 accreditation. This has reduced our staff turnover thus providing greater continuity for customers.

We would like to thank Angela Horsman, Paul Doona and Chris Wood for their commitment to the organisation and welcome Mark Allan, Alun Griffiths and Richard Jones CBE to the Board.

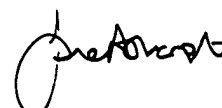
We have rigorously evaluated our governance arrangements to ensure that they are fit for purpose, with a review of committee structures and skills to ensure that retiring members are appropriately replaced.

Anchor continues to evolve to meet the changing needs of older people and the changing environment in which we work. In an environment of constant change, our commitment to enhancing the lives of older people has remained constant since Anchor began life more than 45 years ago.

We would like to thank our many partners for helping us achieve "happy living" for the older people we serve.



Pamela Chesters CBE
Chair



Jane Ashcroft CBE
Chief Executive

Operating and Financial Review

including Strategic Report

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Craig and Joyce

Care Assistant Craig Young
pictured with resident
Joyce Hood holding Nora
and Jimmy

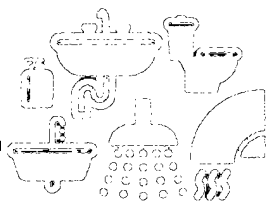
Operating and Financial Review

including Strategic Report


£52.7m
invested in existing properties



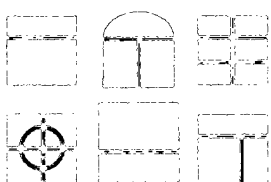
bathrooms replaced or refurbished
2,270



kitchens replaced or refurbished
670



properties with new windows
1,292



This section includes the requirements of the Strategic Report: principal activities, the business model, review of the year's performance, key performance indicators, key risk disclosures and future developments.

The year ending March 2015 generated an operating surplus of £11.7m, some £6.6m lower than the previous year. Whilst the underlying business performance remains satisfactory, our results include £6.3m of restructuring costs in relation to our Fit for the Future programme. Going forward, this programme will deliver annual savings of circa £12m per annum.

Overview of the business

Anchor is England's largest not-for-profit provider of housing and care for older people.

We maintain the same commitment to supporting older people as we did when we began life in 1968 as Help the Aged (Oxford) Housing Association. That commitment is best expressed in our statement "Happy living for the years ahead".

Our passion is giving older people a choice of great places and ways to live. We do this by treating our customers and our colleagues as individuals and by building meaningful, long-term relationships based on happiness, openness and respect.

Today, services include rented and leasehold retirement properties, residential care homes, specialist dementia care homes and retirement villages across England. We provide homes to more than 37,000 older people at almost 1,000 locations and employ more than 7,800 people. With almost 600 new properties opening in 2015/16 and nearly 2,000 in the pipeline, we have ambitious growth plans.

Retirement housing: We provide retirement housing to rent at 662 locations, some of which provide extra care. Our leasehold property management activity provides services to leaseholders at 225 estates.

Residential care homes: We operate 87 care homes, making Anchor one of the largest not-for-profit providers of residential care homes in England.

Charitable purpose

Each year Anchor's Board (the Board) reviews the organisation's aims, objectives and activities to ensure that the organisation remains focused on its charitable aims.

This review looks at what we achieved and the outcomes of the organisation's work in the previous 12 months, and at the success of each key activity and the benefits they have brought to those groups of people we are set up to help.

We have regard to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning future activities. The Board believes that the provision of specialist retirement housing and residential care to older people, generally those more than 65 years old, delivers a valuable public benefit.

Our services are available to customers who are aged 55 or over across England. Beyond this there are no restrictions on who is able to benefit from Anchor's activities based on sexuality, ethnicity, disability, religion or gender. All of our surpluses are reinvested in the business for the benefit of customers. As a charity, Anchor does not pay dividends.

The year under review

Individuals and the state are increasingly stretched as a result of the twin pressures of demographic change and limited public finances. Value for money has therefore been a key focus for 2014/15. Smarter ways of working, new technology and a consolidation of our offices have combined to generate significant savings and we expand on this in the Value for money section which follows on page 16.

These efficiencies have enabled us to continue to innovate to meet older people's changing needs. Research from the University of Worcester, published in Summer 2015, has confirmed that the use of iPads in care homes has enhanced the person-centred care we deliver and improved residents' wellbeing.

Our Life Histories initiative, launched with the veteran TV star Bernard Cribbins, was designed to create intergenerational links after our research found a third of children had no idea what their grandparents' jobs had been and one in five children never spends time with older people other than their grandparents.

Tolson Grange, in Huddersfield, is among the many Anchor locations across England working with local schools to build links between children and residents.



Children from Dalton Primary School visit Tolson Grange care home in Huddersfield as part of their Life Histories project.

This work and best practice from across the globe has informed Anchor Inspires, our ground-breaking dementia offer, which was piloted in 2014 and launched in April 2015.

Anchor Inspires uses 55 indicators to assess performance in four areas; memories, safe living, activities and companionship.

The work has had a positive impact on our high performance in the annual Your Care Rating customer satisfaction survey.

Anchor was among the first providers to join the initiative, which is managed by IpsosMORI and uses a consistent set of questions to assess how happy residents are with the services they receive. Satisfaction in Anchor's care homes averaged 884 out of 1000, against an overall average across all care homes of 872.

Customer satisfaction in our rented and leasehold services increased slightly year on year by one percent to 87 percent overall, with a two percent improvement in rented housing and a one percent drop in leasehold. We have recognised that we can do more to ensure we listen to and act on the views of our leaseholders. As a result, we created our Leasehold Customer Group, opened our regional forums up to leaseholders as well as tenants and have supported leaseholders to create residents' associations.



Members of Anchor's Customer Services Committee.

The work of our Customer Services Committee (CSC) and our other customer engagement channels plays an important part in influencing decisions at all levels of the organisation. The CSC is an advisory committee to the organisation's Board. It is one of several different ways customers can get involved and share their feedback, in a way that suits them.

The CSC group is made up of the chairs and deputy chairs of the Regional Customer Forums, along with a representative from Anchor's Lesbian, Gay, Bisexual and Trans (LGBT) Group and a member of the Leasehold Customer Group. Members of the Board and the Executive Management Board regularly attend the meetings.

In the past 12 months Anchor has sought their views on a range of topics including: planned works, location meetings, value for money, budget packs, the customer handbook, CCTV and Spotlight (Anchor's annual customer report). We have created the 'Involving You' badge to help make customers aware of how they can ensure their voices are heard.



Other customer engagement channels include the Customer Panel, allowing customers to get involved in a way that suits them, the Customer Scrutiny Panel and the Customer Complaints Panel.

Continuously improving our care homes and affordable housing

We have continued to invest significant amounts in our existing housing, helping to ensure demand remains strong among potential customers. We invested £42.8m in the financial year 2014/15, enabling us to replace or refurbish 1,730 bathrooms and 496 kitchens, and install new windows at 1,040 properties.

With tenants living in 21,987 properties out of a total of 22,322 available, occupancy in our rented housing at the end of the financial year was 98.5 percent.

We have invested £9.9m in our care home stock, enabling us to replace 540 bathrooms and 174 kitchens. Having already announced our intention to exit from our small amount of nursing provision, we are also preparing to invest £0.2m in remodelling three care homes in Yorkshire from nursing to residential care.

New models of housing and care

We progressed work at:

- Bishopstoke Park, Eastleigh
- Hampshire Lakes, Yateley
- Moore Place, Esher
- Mayflower Court, Southampton
- Austin Place, Weybridge
- Buckingham Lodge, Aylesbury (opened April 2015)
- Clayburn Court, Peterborough
- Keble Court, Church Crookham

Together, these developments provide 645 additional homes, including care home rooms. Interest has been high, with 74 reservations at Bishopstoke Park and 67 reservations at Hampshire Lakes as of June 2015. We also obtained sites to support our growth plan to build circa 2,500 units over the next five years across a range of housing and care options. Developments of the scale of Bishopstoke Park and Hampshire Lakes are rarely without their challenges. Shortages in supply of skilled construction workers have resulted in development delays. However, construction is now approaching its conclusion, and the first customers will move into their properties in late Summer 2015.

Becoming an employer of choice

Building on our work in 2013/14 to understand the challenges in recruiting and retaining great people, we launched our recruitment website in May 2015. The website, which uses inspiring images of colleagues across the organisation, supports our creation of hundreds of new jobs over the next three years, most of which will be in our new developments.

Despite the continuing challenges of the financial environment, we awarded a pay increase of 2.5 percent to most colleagues in 2014/15. At the same time, our colleague numbers reduced by circa 700 full time equivalents, principally due to our Fit for the Future

programme. Our employee costs for 2014/15 include £4.4m in respect of reorganisation costs. We met our commitment to ensuring that all Anchor colleagues were paid at above the National Minimum Wage and have also aligned NVQ Level 2 Care Assistants and Activity Co-ordinators to the Living Wage.

This investment and our focus on listening to and responding to colleague comments has helped us maintain strong colleague engagement scores, putting us above our sector average and the UK overall.

ANCHOR BUSINESS PLAN 2015 TO 2020

OUR AMBITION IS TO:
BE RECOGNISED BY CUSTOMERS AS THE
BEST PROVIDER OF HOUSING AND CARE
SERVICES TO OLDER PEOPLE.
GROW OUR SERVICES BY USING
OUR FINANCIAL STRENGTH TO OFFER
"HAPPY LIVING" TO MORE OLDER PEOPLE.

- Deliver excellence in dementia care.
 - Deliver the highest possible standards of care and housing, enhancing people's lives.
- Offer excellent value for money.
 - Use a person-centred approach to deliver outstanding property and other services.
 - Offer a comprehensive range of services to as many older people as possible.



- Attract and engage the most passionate and capable people.
- Create a working environment that makes people proud and engaged.
- Recognise the contribution of colleagues.



- Manage support service overheads to ensure we deliver value for money.
- Invest in technology to improve services and reduce costs.
- Simplify processes for customers and colleagues.
- Create a step-change in performance.
- Keep strong control of our finances.

- Focus growth on our core areas of rented and leasehold retirement housing, care homes and retirement villages.
- Grow through a combination of development and acquisition.
 - Increase the breadth of services to customers based on their changing needs and demands.

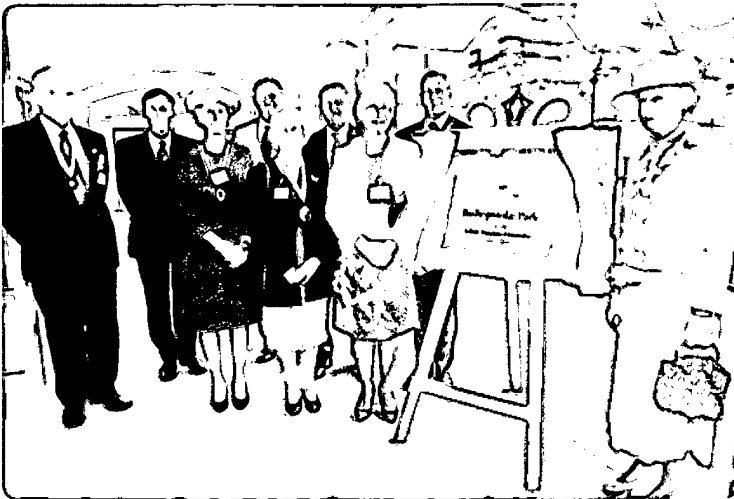


The year ahead

In the coming year we will strive to achieve the goals set out in our five-year plan.

We will:

- Develop and roll out new operational models for delivery of our services in order to improve customer satisfaction and value for money
- Deliver new ways of working to improve productivity and value for money
- Implement rigorously tested plans to increase the breadth of our operations through development and acquisition
- Implement the "Anchor Inspires" dementia model in 15 care homes, providing a truly person-centred approach to understanding and enhancing the lives of our customers living with dementia
- Integrate our new and existing engagement channels to enhance satisfaction of leasehold customers
- Deliver Wi-Fi in communal areas of Anchor services for customers' use, and investigate further means of leveraging new technologies
- Build on the passion, dedication and pride of our workforce to drive a 'customer first' approach which maintains strong customer satisfaction
- Create training and development initiatives and opportunities to ensure that Anchor colleagues and managers have the skills to deliver our business plan whilst maintaining or improving our quality standards
- Develop our ability to recruit a more diverse workforce, through building new community relationships, for instance with local schools and colleges



Financial results for the year

Operating surplus at £11.7m was £6.6m lower than the previous year. Underlying business performance is in line with the previous financial year. Demand for retirement housing properties continues to be high and performance consequently remains strong. Care homes performance has been impacted during the year by a number of locations transferring or earmarked for disposal. The year ending March 2015 included the Fit for the Future programme at a cost of £6.3m, which will deliver future savings of circa £12m per annum by FY17.

The balance sheet remains strong with total assets less current liabilities of £435.8m (2014: £425.8m). Cash totalling £53.4m has been invested in our ongoing development programme, predominantly two retirement villages, two independent living locations and four care homes. This investment is reflected in our increased fixed assets and properties for sale (60.4 percent of properties for sale have already been reserved by customers). The sales of the first properties are expected to complete in the first half of the 2015/16 financial year.

Financial review

A summary of Anchor's financial results, from all activities, over the past five years is set out below:

YEAR TO 31 MARCH					
	2015 Total £m	2014 Total £m	2013 Total £m	2012* Total £m	2011 Total £m
Turnover	269.8	265.8	264.9	267.5	280.8
Operating surplus	11.7	18.3	18.1	25.4	19.4
Surplus for the year	11.0	12.1	21.8	22.2	10.3

* In 2012, turnover and operating deficit relating to discontinued operations were £3.7m and £(0.1m) respectively and related to the home care service.

Turnover

In the year to 31 March 2015, turnover increased to £269.8m (2014: £265.8m). The main area of focus for the business continues to be retirement housing rents of £140m (2014: £134.9m) and residential care homes fees of £122.4m (2014: £121.9m), with turnover from other activities, including leasehold sales, being £7.4m (2014: £9m).

housing rent being offset by higher property maintenance costs, and higher depreciation costs. Capital additions in the year totalled £42.8m (2014: £28.8m).

Residential care homes made an operating deficit, of £(0.2m), a decrease of £0.4m from last year (2014: £0.2m). Fixed asset additions in the year totalled £9.9m (2014: £5.8m), generating an increase in depreciation costs of £0.6m.

Operating surplus

Anchor's surplus was £11.7m (2014: £18.3m).

Retirement housing surplus decreased by £1.5m to £28.2m (2014: £29.7m), with increased income from

Expenditure on major works to our existing properties was £68.1m (2014: £47.1m).

There were two retirement housing scheme transfers during the year (2014: 4) and three nursing home transfers (2014: 3).

CAPITAL INVESTMENT AND EXPENDITURE ON MAJOR WORKS

	Note	Retirement housing £m	Residential care homes £m	Properties under construction £m	Other fixed assets £m	2015 Total £m	2014 Total £m
Capital additions	13.1, 13.4	42.8	9.9	36.4	9.3	98.4	65.5
I&E planned maintenance	4.3	12.9	2.5	-	-	15.4	12.6
Total		55.7	12.4	36.4	9.3	113.8	78.1

Balance sheet performance

A summary of Anchor's balance sheet over the past five years is set out below:

AT 31 MARCH

	2015 Total £m	2014 Total £m	2013 Total £m	2012 Total £m	2011 Total £m
Goodwill	-	0.1	0.1	0.2	0.2
Housing properties at cost less depreciation	961.8	915.3	887.7	891.2	888.0
Social Housing Grant	(510.2)	(516.0)	(520.2)	(525.0)	(543.8)
Other capital grants	(39.5)	(43.8)	(44.6)	(47.7)	(53.0)
Housing properties – net book value	412.1	355.5	322.9	318.5	291.2
Other tangible fixed assets	11.3	4.3	2.6	1.7	4.4
Investments	2.5	3.1	3.4	2.9	2.7
Net current assets	9.9	62.8	92.9	81.3	64.9
Total assets less current liabilities	435.8	425.8	421.9	404.6	363.4

At 31 March 2015, Anchor's total assets less current liabilities increased to £435.8m (2014: £425.8m), of which £249.4m was represented by the accumulated Income and Expenditure Reserve (2014: £249m). The Income and Expenditure Reserve increased by £11m from the surplus generated during the year and reduced by £10.6m from an actuarial loss following the annual valuation (performed in accordance with Financial Reporting Standard 17) of Anchor's defined benefit pension scheme.

Continuing investment in our housing properties and construction of new care homes and other developments resulted in the net book value of housing properties increasing to £412.1m (2014: £355.5m).

Within net current assets, Anchor's properties for sale analysed in note 15 of the Financial Statements, increased to £29.8m (2014: £13.1m). This increase is attributable to new build properties, expected to complete in the first half of 2015/16.

Cash and short term deposits decreased to £28.8m (2014: £71.3m), due to investment in new developments.

The disposal of housing schemes resulted in the associated Social Housing Grant becoming available for reuse in eligible projects and moving into the total Recycled Capital Grant Fund, increasing this balance to £14m (2014: £13.2m), shown in note 20 of the Financial Statements.

Cash flow

The net movement in operating cash flow for the year was an inflow of £37.9m (2014: £46.4m). The movement is fully analysed in note 28.1 of the Financial Statements. This cash flow was generated from an operating surplus of £11.7m (2014: £18.3m) and, after allowing for depreciation and other non-cash expenditure, was reduced by a £5.1m (2014: £4.6m) payment towards Anchor's pension scheme deficit and increased working capital.

As shown in note 28.3 of the Financial Statements, £81.2m (2014: £62.1m) of cash was used to develop housing properties, an increase of £19.1m over the prior year. Housing fixed assets disposal proceeds were £6.4m (2014: £3.5m).

Cash at bank was £28.7m (2014: £46.8m), a net decrease in cash of £18.1m (2014: decrease of £19.4m), largely reflecting the ongoing development programme.

Net debt was £103m (2014: £51.9m), a net increase of £51.1m, as cash generated from operations was used to finance the development programme and working capital.

Investment in new developments

During 2015, development costs of £36.4m (2014: £27.8m) were added to fixed assets – properties under construction (note 13.1).

Ongoing programmes include two retirement villages, four care homes and two independent living developments (representing 645 units).

Anchor continues to seek suitable sites on which to build care homes, retirement villages and independent living housing schemes which meet the needs of our customers now and in the future, and a number of such sites are progressing through various stages of property development and construction.

Pensions

The Anchor Trust Final Salary Pension Scheme was closed on 1 April 2011 to further contributions and no new entrants have been admitted since 2003. The service costs after finance income were £0.9m (2014: £0.1m). The actuarial loss was £10.7m (2014: £1.3m). This is predominantly due to a change in the discount rate assumptions used to value the scheme (note 25). Anchor has an agreement with the trustees of the scheme to make additional payments towards the pension deficit, which amounted to £5.1m (2014: £4.6m) after costs in this financial year, and will be £5.3m (before costs) increasing by 3.0 percent per annum for each of the next eight years.

The long-term liability of the scheme is reviewed on an annual basis. At the year end, the scheme had an FRS17 deficit of £40.1m (2014: £35.7m). This is attributable to a £25.2m increase in the scheme's assets and a £29.6m increase in the scheme's liabilities.

Treasury

Anchor's treasury activities are managed to ensure sufficient cash is in place to fund operations and to reduce the impact of adverse movements in interest rates and the financial markets.

Treasury activities are carried out in accordance with a Board-approved treasury management policy and supporting procedures. A treasury strategy is in place to support delivery of the Group's objectives, and its operational and long-term plans are supported by financial budgets and forecasts. The treasury strategy is approved annually by the Board.

Cash flow requirements are monitored through a rolling forecasting process. Anchor's policy is to minimise cash held by repaying debt as early as practicable, while ensuring sufficient access to funding to cover investment and development plans, and working capital. This is achieved by the use of forecasts covering short, medium and long-term cash flows and the use of short-term investment and revolving facilities.

During 2015, surplus cash was held predominantly in a cash liquidity fund. A total of 46 percent of drawn borrowings were at fixed rates of interest at the year end (2014: 50 percent) for an average term of 11 years (2014: 12 years).

Anchor has access to undrawn committed borrowing facilities of £64.6m (2014: £73.6m). These facilities together with substantial unutilised security on the Balance Sheet ensure Anchor remains in a strong position to fund future growth plans and investment opportunities.

Net debt at 31 March 2015 was £103m (2014: £51.9m), with £37.9m of cash generated from operations together with an additional £9m loan drawn from existing facilities, used to finance capital expenditure.

Anchor remains in compliance with its financial covenants, which are primarily based on interest cover and gearing. Covenants have been met with considerable headroom, due to low interest rates payable (as LIBOR has decreased) and a strong trading performance.

Tax and legal structure

Anchor has a non-charitable trading subsidiary company, Anchor 2020 Limited, which is used to procure design and construction services for the Group and manage the professional fees on new development projects.

Anchor has a second non-charitable trading subsidiary company, Anchor Lifestyle Developments Limited, which is used to operate non-charitable services.

Surpluses from these subsidiaries are donated to Anchor Trust, or to the benefit of Anchor Trust's charitable activities.

Value for money

Governance

We define value for money as delivering services as cost effectively as possible whilst maintaining high levels of customer satisfaction. These principles now underpin our business plan through our stated objectives of offering the best customer service and being the best run company. A clear action plan for year one, (2015/16) of the five-year plan sets down how we will achieve this. In this way our executive management are directly accountable to our Board for the delivery of value for money within Anchor.

Business drivers

How we assess our success as an organisation is driven by our key performance indicators, which are the quantifiable way by which we demonstrate value through our activities.

Indicators cover commercial success, maximising the contribution of our people, service quality and compliance, and customer satisfaction. These indicators complement the business plan and directly influence many of our investment decisions. Our success in meeting these performance indicators is monitored on a monthly basis by our Board.

Below are our management costs and maintenance costs benchmarked against the HCA's Global Accounts:

MANAGEMENT COSTS PER UNIT

	2015 Actual	2014 Actual	Benchmark	ref
Retirement housing to let	£1,027	£1,047	£990	1
Residential care homes	£4,281	£4,140		
Weighted average	£1,524	£1,542		

Management costs as defined in note 4.3 divided by available units as defined in note 4.4

MAINTENANCE COSTS PER UNIT

	2015 Actual	2014 Actual	Benchmark	ref
Retirement housing to let	£1,045	£890	£1,015	2
Residential care homes	£942	£618		
Weighted average	£1,029	£846		

Routine and planned maintenance costs as defined in note 4.3 divided by available units as defined in note 4.4

1 HCA Global Accounts 2014

2 HCA Global Accounts 2014

HEALTH AND SAFETY COMPLIANCE

	2015 Actual	2015 Target	2014 Actual
Gas safety checks	99.9%	100.0%	99.9%
Lift safety checks	100.0%	100.0%	99.9%
Fixed electrical wiring inspections	100.0%	100.0%	100.0%

MAXIMISING INCOME AND RESOURCES

	2015 Actual	2015 Target	2014 Actual	Benchmark	ref
Housing occupancy	98.5%	98.5%	98.1%	95.8%	1
Care homes occupancy	92.8%	92.9%	92.2%	90.3%	2
Colleague engagement	75.0%	78.0%	77.0%	68.0%	3
Staff turnover	17.0%	15.0%	14.0%	11.5% housing 18.6% care homes	4
Sickness absence	2.7%	3.5%	2.9%	4.9% housing 5.9% care homes	5

DELIVERING VALUE

	2015 Actual	2015 Target	2014 Actual	Benchmark	ref
Customer satisfaction - rented	90.0%	95.0%	88.0%	83.2%	6
Customer satisfaction - leasehold	77.0%	80.0%	78.0%		
Your Care Rating	884/1000		879/1000	872/1000	7
Customer satisfaction - repairs	88.0%	92.0%	84.0%		
Complaints responded to within 14 days	97.1%	92.0%	95.8%		
Repairs completed on time	96.5%	97.0%	97.2%		
CQC performance	85.9%	100.0%	71.4%		
RIDDOR	42	41	42		

1 SDR statistical data 2014

2 Colliers International autumn 2014 care homes review

3 ORC International overall benchmark 2012

4 National Minimum Data Set-Skills for Care

5 CIPD survey 2012 (in connection with Simply Health)

6 Survey of top 20 providers annual reports 2014

7 Overall average of all care homes taking part in Your Care Rating survey

Fit for the Future – the engine behind current value for money change in Anchor

We constantly review how we provide services in order to operate as efficiently as we can. In the last year the Fit for the Future programme has acted as a catalyst for further positive change within Anchor. The initiative was founded on several design principles around eliminating cost and becoming more efficient. However the most fundamental principle was that of giving our customer-facing staff greater autonomy over the completion of any task.

Increasing the likelihood of being able to personally deliver on a customer's service request without relying on others is both efficient and a more certain way of generating customer satisfaction. It removes duplication of effort making us less bureaucratic, faster moving, individually more accountable and better focused on satisfying the customer.

Under the umbrella of the Fit for the Future design principles we undertook a comprehensive review of how we work by looking at the structure, processes and technology we have in place to support our service delivery to customers and our customer-facing colleagues. Key outputs from the initiative included:

- Establishing a single support services hub in new offices at Bradford following the closure of two offices in Bradford and our office in Newcastle. The move was preceded by a detailed Fit for the Future analysis of the processes and systems contained within the functions being transferred to the new office. As a result many were eliminated, automated or re-designed. The concentration of staff within one office will reduce accommodation, staff and travel costs whilst generating more effective inter-team working
- Upgrading our finance, accounting and purchasing system, allowing customer-facing staff more control and decreasing the size of our finance services team, (equivalent to a 26.5 percent reduction in their operating costs)
- Providing location-based colleagues with improved access into and use of key management tools such as arrears, lettings and customer support plans
- Relocating our offices in London to cheaper premises
- Embarking on the implementation of a new operational delivery model for customer-facing services

These measures have built on the implementation of a new payroll and HR system which has introduced, at a cheaper operating cost, greater self-service for colleagues.

The net result of all these changes is a reduction in the size and cost of support services. Over the course of the year as implementation has gradually taken effect our support service costs, (incorporating staff, accommodation and equipment) were £44m, compared to £46.2m for 2013/14. Costs to achieve this in 2014/15 were £6.3m. The equivalent run rate for 2015/16 will be less than £40m.

Utilising technology to deliver maximum efficiency

Ensuring that we have the right technology infrastructure and software in place is central to our aim of becoming more efficient.

In October 2014 our Board agreed the outline of a roadmap to bring about a marked improvement in the quality and sophistication of our IT. This has resulted in a detailed plan of enhancements over the next two to three years at a projected cost of £8.5m. Each element of the roadmap will be submitted for approval on its own merits, together with an estimate of savings and benefits, and within the project management framework described above.

These enhancements have three clear objectives:

- To improve customer experience and outcomes
- To improve upon the management and control of procedures
- To maintain the principles of Fit for the Future by making our processes easier for staff to complete and by reducing the need for manual intervention and checking

The roadmap will also deliver a rationalisation of our applications; the consequent reduction in the maintenance of these applications (labour and cost) should realise significant savings in the coming years.

Returns on assets

Our intent is that all assets make an appropriate and positive contribution to the organisation. As a not-for-profit organisation social value will always be a key factor behind our investment and financial decision making.

It is not realistic to expect a consistent rate of return between the housing and care home businesses within Anchor.

Care homes face more complex financial challenges due to the number and mix of staff, and the range of customer services provided and required. We are ensuring that appropriate measures are in place to help each stand on its own financially.

Returns on assets – housing schemes

In recent years a rigorous analysis of the viability of each housing location has led to the closure or transfer of a significant number of schemes, with 17 schemes comprising 532 units being disposed of between 2012 and 2014.

The process to consider the financial viability of each site starts with a net present value (NPV) calculation based on predicted cash flows over a 30 year period, including capital investment, driven by our asset management system which forecasts replacement costs based on asset lifecycles.

The resulting cash flows are then discounted at Anchor's hurdle rate of 10 percent, and a positive result is required to demonstrate that the site is making the required rate of return. The NPVs are then considered at three future points, five, 10 and 15 years, and a recommendation to investigate further is made only if at all three time points the NPV is negative.

Locations falling into this category then undergo further analysis. A survey of the building is carried out and the resulting works programme compared to the system generated capital works to see whether the NPV can be improved. Local housing management then provides information on demand for the scheme and local competition. For those still failing financially and suffering low demand, a final appraisal is undertaken to look at closure costs, grant obligations and market opportunities for sale before recommending a course of action; this will be either to retain the scheme, transfer it to another provider or close and sell the location.

Returns on assets – people

We believe that customer satisfaction is closely linked to the level of engagement of our colleagues. As such we take steps to ensure that people working for Anchor are skilled, engaged and motivated. We therefore monitor the satisfaction and performance of our people very closely as well as investing in them as individuals.

Our main people measure is our colleague engagement score. The engagement score is created from responses to our colleague survey which we run annually as well as at intervals throughout the year. The engagement score uses established metrics to measure an employee's desire to 'stay', 'strive' and 'thrive'.

In 2015 our colleague engagement score was 75 percent. This is a slight reduction on last year but is a good result in the context of reorganisation.

The development of a more engaged workforce and better management of short-term absence has resulted in a noticeable reduction in sickness levels over the last two years.

Voluntary attrition rates remain static, and compare favourably to last year when a tougher labour market was restricting the number of leavers.

In order to keep voluntary attrition and the associated costs to a minimum we examine why colleagues leave. Within housing a lack of career development was a significant factor. This knowledge helped inform the new career framework, which offers greater opportunity for employees and managers to develop and progress within Anchor rather than leaving to secure their next step on the ladder.

Investment in training our staff totalled £1.7m in the year ended March 2015 and delivered 79,000 e-learning courses, 29,000 delegate training days and 363 colleagues achieving new qualifications. Mandatory training rates have improved from 76 percent (April 2014) to 83 percent (March 2015).

Procurement activity

Our procurement team continue to develop procurement expertise and deliver savings both to Anchor and to customers. Based upon a category management approach to procurement, the team have focused on delivering improvements across five key areas:

- ➔ Improving how we manage and measure our purchasing performance
- ➔ Communicating effectively with colleagues and customers to ensure we deliver our services in the right areas and in the right way
- ➔ Making sure procurement processes are consistent and easy to use
- ➔ Improving the knowledge and expertise within the team
- ➔ Providing commercial leadership to ensure Anchor always seeks the best deal

In the year ending March 2015 the procurement team delivered Income and Expenditure Account savings of £2.8m versus the prior year, and capital expenditure savings of £0.7m versus budget. Savings are validated by our finance team and are closely monitored by our Board.

We are particularly pleased that 40 percent (£1.64m) of the savings related to service charge costs. This means that the full benefit of those savings will be passed on to customers within the next 12 to 18 months, via a reduction in the amount of service charges payable.

In the coming year the procurement team are targeted to deliver further savings. This is part of an ongoing review of contractors which is expected to deliver further savings, including those from recently rationalised property contracts.

Repairs and maintenance

In last year's report we referenced the piloting of a new delivery model for property services based on greater scrutiny of costs through more collaborative working. Whilst this has been achieved during the year no benefits have been delivered.

The application of this model was central to a re-tender exercise for our planned and responsive repairs work; a re-tender which not only focused on applying the new principles and cost monitoring mechanisms as part of the contract, but also rationalised the number of contractors from over 240 to just five, (who between them will provide services through 10 contracts within our five management regions).

Utilising a collaborative cost management approach, we have set up a team to monitor and agree submitted costs with these contractors on planned and responsive repairs work. The investment in this team, we anticipate, being easily recouped through the savings made by this new open and transparent way of working.

Additional employee cost savings will also be achieved through these contracts as they give contractors responsibility for receiving repairs orders from our customer-facing colleagues rather than through the intermediary of a central repairs desk.

To assess the value delivered through these contracts we will be monitoring savings against those costs incurred as part of a pilot. Integral to the contracts is an undertaking that both Anchor and contractors will work together to identify and eliminate inefficiencies and waste. Part of this will involve trend analysis and benchmarking between contractors to identify best practice as a precursor to sharing this across them all.

For more detail on our approach and achievements in delivering value for money please see the full report on our website.

Statement of compliance

In preparing this Operating and Financial Review, the Board has followed the principles set out in the Statement of Recommended Practice: Accounting by Registered Social Housing Providers (SORP).

In approving the Operating and Financial Review, the directors are also approving the Strategic Report in their capacity as directors of the company.

The Operating and Financial Review and the Strategic Report were approved by the Board on 29 July 2015 and signed on its behalf by:

Pamela Chesters CBE
Chair

Stephen Jack OBE
Director

Corporate Governance Report 3



Silvana and Betty

Activities Co-ordinator Silvana
Belmonte Hibell pictured with
resident Betty Gilbert

Corporate Governance Report

Overview of Anchor's corporate governance

Anchor is a private company limited by guarantee, a registered provider and a charity. Since 2010 all housing associations are required to be governed in accordance with an appropriate code of governance and Anchor has elected to be governed by the Financial Reporting Council (FRC) UK Corporate Governance Code 2012 (UK Code). In 2010 Anchor's Board adopted the UK Code and each year is required to undertake a self-assessment of its compliance with the UK Code. Anchor chose to adopt the UK Code because its requirements set high standards in relation to Board leadership and effectiveness, and because of the breadth of services which Anchor operates across the housing and care sectors. Anchor's assessment of compliance concluded that in the year ending 31 March 2015 it has complied with the key provisions of the UK Code. Some aspects of the UK Code are not applicable to Anchor because it does not have shareholders and is not a listed company (for example Sections E.1.1. and E.1.2. which deal with how a company should respond to the views of shareholders). Additionally, Anchor does not produce half-yearly Financial Statements so does not comply with the provisions of Section C.1.3.

The table below summarises the provisions of the UK Code that are not applicable or are relevant only to listed companies.

A4.3 Unresolved concerns documented in board minutes
B3.3 No more than one non-executive directorship in a FTSE100 company
B6.2 Evaluation of the Board of FTSE 350 companies
B7.1 Annual election by shareholders of directors of FTSE 350 companies
B7.2 Papers to shareholders accompanying a resolution to elect non-executive directors
C1.3 Annual and half yearly Financial Statements
D1.1 Performance-related remuneration for executive directors
E1.1 The chairman should ensure that the views of shareholders are communicated to the board as a whole
E1.2 The board should state in the Annual Report the steps they have taken to develop an understanding of the views of major shareholders about the company

Anchor is also monitored and supervised by external regulators including the Homes & Communities Agency (HCA), the Care Quality Commission (CQC) and the Charities Commission. The HCA applies a detailed regulatory framework and each year publishes details of Anchor's compliance with its governance and financial viability standard. The HCA assessed Anchor's compliance with the framework as G1/V1 which means that Anchor has effective governance arrangements and manages its resources to ensure its financial viability is maintained. The CQC inspects all registered care services in accordance with the national standards, and there is further detail on the outcomes of these inspections elsewhere in this report.

Adherence to relevant law: Anchor is committed to ensuring compliance with all relevant legislation. Anchor's policies and procedures meet legal compliance and in many cases go beyond minimum statutory requirements. Adherence to critical legislation is monitored by a number of specialist teams including the legal department, the health and safety team, the safeguarding team, the HR team, the purchasing team and the property team. Guidance is also provided by the policy team. Areas of non-compliance are reported by exception.

The Board and its committees

Anchor's Board is entirely made up of non-executive directors (NEDs) all of whom are independent. As at 31 March 2015 the Board comprised eight members led by Chair Pamela Chesters. During the year Angela Horsman resigned as a director and three new directors were appointed – Mark Allan, Alun Griffiths and Richard Jones. NEDs serve for an initial term of three years with no automatic reappointment. After the first three year term, NEDs are eligible for reappointment for a further three year term subject to a satisfactory appraisal. NEDs are not normally permitted to serve more than two terms.

The Board controls Anchor's strategic direction and reviews its operating and financial performance. In accordance with the UK Code, there is a formal schedule of matters reserved specifically to the Board, which ensures it takes all major strategy, governance, financial planning, investment and policy decisions. The appointment of the Chief Executive and the approval of standing orders and delegations of authority are all matters reserved for the Board.

The Board undertakes an annual review of its schedule of matters reserved and the terms of reference for its committees to ensure they reflect best practice.

The Board has the following committees: Audit & Risk, Executive Remuneration and Nominations. In February 2015, the Board decided to create a new Service Quality Committee which will be chaired by Richard Jones. This committee will focus upon the performance of services across the organisation in relation to customer outcomes

and to ensure that the voice of the customer is listened to and acted upon. The committee will also support the work of Anchor's Customer Services Committee and Safeguarding Board. The work of the committee will be formally reviewed by the Board as a whole after 12 months. No meetings of this committee took place during the year ending 31 March 2015.

The members of each committee of the Board are appointed by the Board on the recommendation of the Nominations Committee. Each committee has authority to act in accordance with its terms of reference taking into account statutory and regulatory requirements, and best practice.

Performance evaluation

The Board understands the value of effective governance and during the year commissioned an external organisation, The Governance Forum, to undertake an external evaluation of the effectiveness of the Board. The evaluation concluded that the organisation was well led and there was an appropriate mix of skills on the Board. As part of the evaluation the Board undertook an exercise to identify areas for improvement. Three areas were identified: bringing further clarity to the Board's objectives, developing a skills matrix to better identify the skills required on the Board and carrying out an evaluation. Since the evaluation was carried out, the Board has set itself clear goals for performance and made a number of changes to the Board to optimise the use of the skills of its members.

In addition to the external evaluation of the Board, the Audit & Risk Committee (A&RC) has undertaken a self-assessment of its effectiveness and has also reviewed the adequacy of its terms of reference. The assessment concluded that members of the A&RC understood what is expected of them, in terms of how the committee supports the Board, and that they are properly informed of risks and controls.

Board meetings

The Board meets regularly throughout the year with meetings taking place each month except for August and December. Alongside the formal agenda items, most meetings also include a themed business or strategy presentation from senior colleagues. Topics covered at these presentations included:

- Anchor's approach to value for money
- Construction and development
- The impact of the Care Act
- Lessons learnt from the failure of Cosmopolitan Housing Association
- Anchor's dementia proposition
- Anchor's procurement strategy
- Safeguarding

At the end of each meeting sufficient time is also allowed for the Chair to meet privately with the Senior Independent Director (Stephen Jack) and other Board members.

Attendance at Board and committee meetings was as follows:

ATTENDANCE AT BOARD AND COMMITTEE MEETINGS

	Board 10 meetings	A&RC Committee 4 meetings	Executive Remuneration Committee 3 meetings	Nominations Committee 1 meeting
Pamela Chesters	10/10	/	2/3	1/1
Paul Doona	8/10	4/4	3/3	1/1
Stephen Jack	10/10	4/4	3/3	1/1
Rima Makarem	8/10	4/4	3/3	1/1
Chris Wood	9/10	1/4	3/3	1/1
Mark Allan *	6/6	/	2/2	1/1
Richard Jones *	6/6	/	2/2	1/1
Alun Griffiths *	6/6	/	2/2	1/1
Angela Horsman **	6/6	/	1/2	/

*Appointed 1 August 2014 ** Resigned 30 November 2014

Additional Board meetings are held outside of the normal meeting calendar if required; there was one such additional meeting in the year ending March 2015.

In addition to attending Board meetings each member of the Board undertakes regular visits to Anchor locations during the year and shares their findings with the rest of the Board and the Chief Executive.

The performance of each Board member is evaluated annually by the Chair and the Senior Independent Director leads an evaluation of the Chair.

The Board reviews the independence of its directors as part of the annual Board effectiveness review. The Board considers that all directors continue to demonstrate their independence.

Support

The Board has in place formal procedures for the management of its meetings which require it to be supplied with timely and relevant information to enable it to discharge its duties. As part of the Board's evaluation of the effectiveness of its procedures the Board reviewed these and determined that they were satisfactory.

Anchor has a formal induction programme for NEDs which is tailored to meet the needs of new appointees. Induction includes meetings with the Chief Executive, the Chair and senior executives to discuss Anchor's future plans and to understand the risks and operating environment of the business, and includes visits to existing and new developments.

Audit & Risk Committee (A&RC)

The committee is chaired by Stephen Jack and the other members were Paul Doona, Chris Wood and Rima Makarem. At least one member of the committee is required to have had significant, recent and relevant financial experience. The Board is satisfied that Stephen Jack and Paul Doona fulfil this requirement. At the end of the year, the members of the committee were: Stephen Jack, Rima Makarem, Mark Allan and Richard Jones.

The primary role of the committee is to provide the Board with assurance on:

- The integrity of the financial reporting and the external audit process
- The maintenance of a sound system of internal control and risk management including business assurance

The committee met on four occasions timed to coincide with Anchor's external financial reporting cycle. The Chair of the committee updates the Board on the work of the committee at each Board meeting which follows a meeting of the committee.

The Chief Executive, members of the Executive Management Board (EMB), Anchor's Head of Business Assurance and Risk (who has a direct reporting line to the Chair of the committee) together with senior representatives of the external auditors attended meetings by invitation. At each meeting there was an opportunity for internal and external auditors to discuss matters with the committee without any members of the EMB being present, and to consider revisions to the risk management framework and the risk register.

Report on the committee's activities for the financial year 2015

Business assurance

At the end of last year Price Waterhouse Coopers LLP (PwC) ceased to provide internal audit services to Anchor and a new internal business assurance and risk team was established. The committee noted that the transition had proceeded well. During the year the new business assurance team undertook a range of audits. Any recommendations from the audits were appropriately addressed. At the end of the year, the Head of Business Assurance and Risk confirmed that risks had been appropriately managed, and that controls and recommendations were appropriate to the organisation.

External audit

The committee recommended the reappointment of KPMG LLP for 2014/15. The committee is confident of the independence and the objectivity KPMG bring to the effectiveness of the external audit process. This is based upon KPMG's robust internal processes, their continuing challenge, their focussed reporting and discussions with both management and the committee.

During the year the external auditors were engaged to provide a range of services to Anchor including advice on taxation. Each appointment was made taking into account the requirements of the Board's policy on the use of external auditors for non-audit work to ensure the auditor's objectivity and independence was safeguarded. The Board policy defines the non-audit services that are permitted to be carried out by the external auditors. The committee receives annual reports from the Finance Director describing the non-audit work undertaken by the external auditors.



In accordance with its remit, the committee reviewed and approved:

- The auditor's plans for the audit of Anchor's Financial Statements for 2014/15
- The terms of engagement for the audit, and proposed audit fee and associated expenses
- The content of the formal audit letter provided by the auditors and management's response, including major issues that arose in the audit and their resolution
- The carrying value of housing properties

Financial reporting

During the year the committee reviewed a wide range of accounting and financial issues including the impacts of FRS102, and the annual Financial Statements prior to submission to the Board.

Whistle-blowing

Anchor's whistle-blowing policy sets out the arrangements for colleagues to raise concerns or complaints to management and senior executives without fear of recrimination. Any matters raised are reported to the committee. Where appropriate the committee brings matters raised to the attention of the Board which decides how the matter will be handled including, whether or not it should be referred to an outside agency. In the year ending 31 March 2015 there were no matters reported to the committee which it felt were sufficiently serious to raise with the Board.

Fraud

The committee also receives regular reports of any fraudulent activity perpetrated against the organisation or its customers, and reviews the measures in place for dealing with fraudulent activity and ensuring that appropriate external agencies are notified. The committee defines serious fraudulent activity as anything with a value in excess of £5,000 or which involves a member of the Board or Anchor's leadership team. During the year the committee received no reports of serious fraudulent activity against the organisation. The committee was satisfied that appropriate external agencies had been notified of any fraudulent activity directed by third parties against customers which came to Anchor's attention.

Executive Remuneration Committee

The Executive Remuneration Committee consists entirely of independent NEDs. The committee's responsibilities are to ensure appropriate and relevant remuneration policies are in place for the members of the Executive Management Board, taking into account remuneration across Anchor's workforce, as well as external comparators. Remuneration is structured in such a way that it attracts, motivates and retains talented individuals, whilst focussing them to achieve specific targets in order to deliver Anchor's objectives and deliver value to stakeholders. No members of the Executive Management Board are present when the committee considers matters relating to them.

Membership

At the start of the year the committee was chaired on an interim basis by Stephen Jack while recruitment was underway. In November 2014 Stephen Jack resigned as Chair and Alun Griffiths took over as Chair. The other members of the committee were Pamela Chesters, Paul Doona, Angela Horsman (until November 2014), Rima Makarem and Chris Wood. At the end of the year, the members were Alun Griffiths, Pamela Chesters and Stephen Jack.

The Annual Remuneration Report below provides details on the remuneration paid to members of the Board and the Executive Management Board in 2014. It will be submitted to an advisory vote at the 2015 AGM.

Although Anchor is not a quoted company, the Executive Remuneration Committee applies similar standards of governance and complies with the UK Corporate Governance Code 2012. In accordance with the code, the Executive Remuneration Committee has responsibility for the design of the salary and benefits package for the EMB together with assessment of performance against key targets incorporated into that package. The Executive Remuneration Committee is made up of a number of independent Board members who meet regularly throughout the year to consider remuneration matters, taking all decisions back to the full Board for information and ratification. The committee met three times this year in April and October 2014, when Stephen Jack chaired the meetings and in February 2015 when Alun Griffiths took on the chairmanship of the committee.

The committee undertook a number of routine activities, principally determining salary increases and bonus awards for the EMB, but also commenced a review of the remuneration structure to ensure that it remains appropriate for the next phase of Anchor's development. In all of these activities, the committee benefits from the support of independent advisers, New Bridge Street.

Executive compensation

Salary levels for the EMB were increased by the cost of living and benefit packages remained unchanged.

Bonuses for the EMB are paid to the extent that financial, compliance, customer and employee metrics are achieved. The scheme requires participants to meet 95 percent of their target before any bonus payments are made and to meet very demanding targets before maximum bonus can be paid. The structure of the scheme also factors in individual performance as well as that of the organisation as a whole. This can result in both an increase and a reduction in actual bonus paid, with a range of zero to 200 percent of bonus being paid to any individual. The assessment of organisational performance for 2014/15 took account of the progress of our Fit for the Future strategy, and resulted in a base bonus award of eight percent of salary and a maximum potential bonus payment this year of 16 percent of salary. The Chief Executive received a bonus award of 13 percent.

Remuneration review

The committee also commenced a review of overall remuneration policy and practice for the EMB and senior management, the objective of which is to ensure that it remains appropriate for the next phase of Anchor's development. Although Anchor has charity status and operates on a not-for-profit basis, the business is both demanding and complex, requiring skills in the provision of care, property management and development, finance and people management, all within an appropriately demanding compliance framework. The business needs to be able to recruit and retain high quality executives and to ensure that they are appropriately focused on a mix of short and longer-term objectives.

The current reward framework comprises base salary, benefits (pension, life assurance and company car), and a bonus paid to the extent that in-year targets are achieved. The committee will review this structure and will consider whether it is appropriate to include a longer term incentive within the overall reward package whilst adopting a prudent approach to remuneration.

2014/15 pay review

The committee's policy on salary increases is that they will normally be in line with increases for employees within the business (2.5 percent).

Executive directors may hold positions in other companies as non-executive directors and retain their fees. Jane Ashcroft is a Non-Executive Director of Dignity plc, and in accordance with Anchor policy she retained fees for the year of £45,000 (2014: £44,000). The insight resulting from her work with a FTSE 250-listed company is beneficial to Jane Ashcroft's role as Chief Executive, and she manages her time to ensure that the impact for Anchor is minimised, including using her own time, as agreed with the Board.

The committee will engage with interested stakeholders in the development of any changes to remuneration with the results of this review and any subsequent changes included in next year's report.

Nominations Committee

The Nominations Committee is chaired by Pamela Chesters. At the year end, the members were Pamela Chesters, Alun Griffiths and Stephen Jack.

The committee reviews the structure and composition of the Board, and identifies and nominates for approval candidates to fill Board vacancies. During the year the committee:

- Reviewed the size, structure and composition of the Board
- Undertook the recruitment process for the appointment of three new non-executive directors
- Reviewed the committee's terms of reference

In carrying out its activities the committee has access to such information and advice both from within Anchor and externally, at the expense of Anchor, as it deems necessary. Recruitment services were sought from an appropriate recruitment agency in relation to the Board appointments of Mark Allan, Alun Griffiths, Richard Jones and the Executive Management Board appointment of Sarah Jones. The agency has no other connections with Anchor.

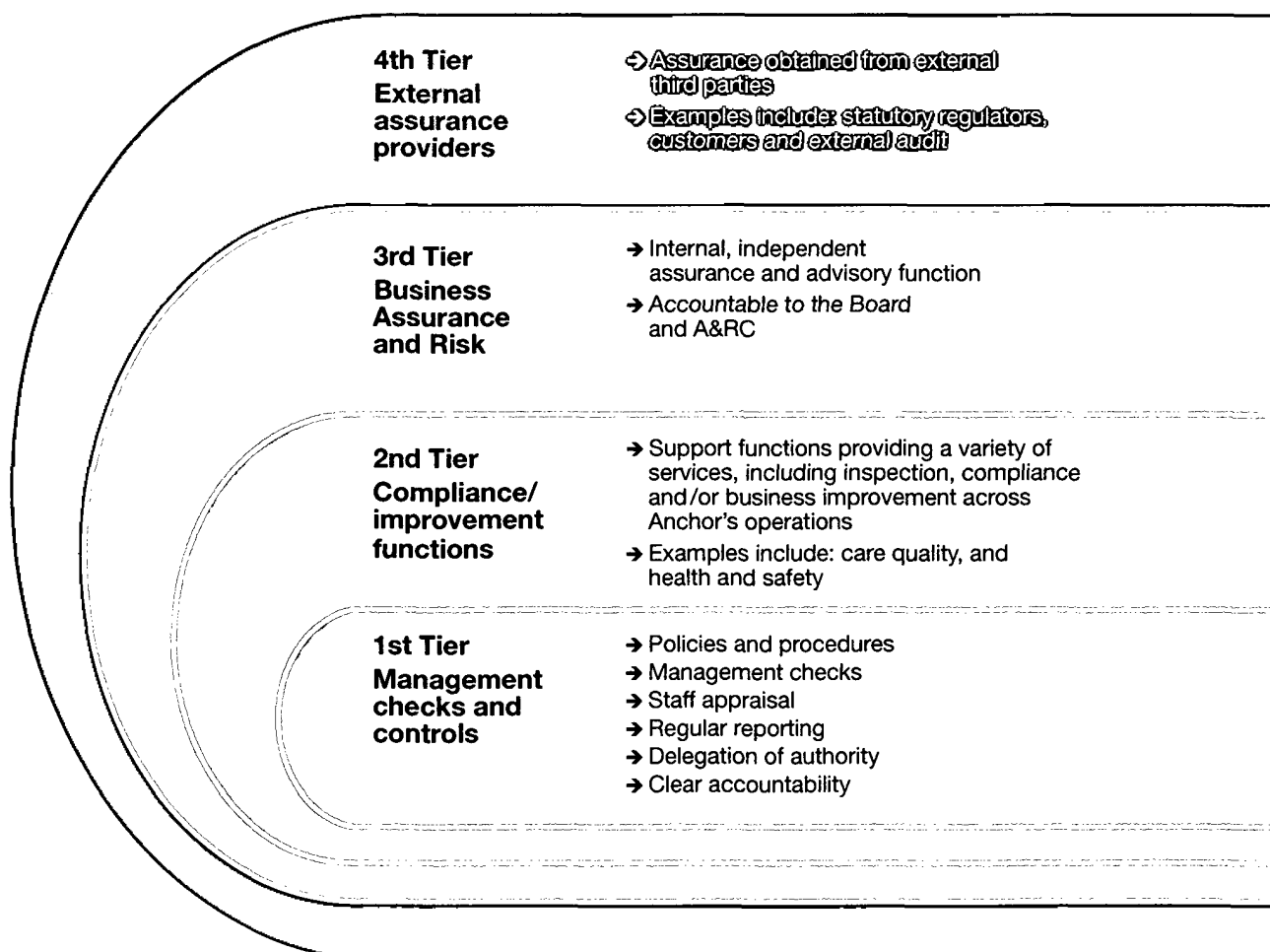
Anchor's approach to risk management

The effective management of risk is essential to the achievement of Anchor's five-year plan, and is an integral part of good management practice and organisational culture. This forms an important part of Anchor's values, processes, and ways of working.

The Audit & Risk Committee reviews the risk register at each of its meetings, however overall responsibility for risk management rests with Anchor's Board, who review risk on a regular basis and ensure that the aggregate level of risk is acceptable in light of our strategic aims and objectives. This is supported by a clear risk management strategy, covering the following areas:

- Roles and responsibilities of key committees and stakeholders to ensure an effective risk management framework is in operation
- Methods for defining, identifying, measuring and recording key risks to Anchor's objectives
- Anchor's response to risk, considering risk appetite at both an individual and aggregate risk level

Anchor utilises a 'Four-tier Assurance Framework' in managing significant risks and uncertainties. This outlines how assurance is provided to management, and the key sources of assurance used:



Principal risks and uncertainties

Anchor's performance is subject to the management of a number of key risks, outlined in the table below:

KEY RISKS

Risk area	Description and alignment to strategy	Mitigation
Customers 	<p>Delivering the best service to our customers is of paramount importance, ensuring that we continue to deliver the highest possible standards of quality care and housing.</p> <p>The needs of customers (both existing and potential) continue to increase in complexity, leading to greater challenges in areas of safeguarding and care delivery. In addition, reduced funding within both the care and housing sectors present Anchor with the challenge of delivering 'more for less'.</p>	<p>Key mitigation activities include a sector-leading segmentation exercise, ensuring that services provided are aligned to customer needs. This is further supported by the continued investment in customer safeguarding and care quality, through dedicated and independent internal teams.</p>
People 	<p>Anchor's goal is to become the employer of choice in the care and housing sectors. This will be achieved through recruiting and retaining the most talented, engaged and caring people in the sector.</p> <p>A failure to attract and retain employees of sufficient quality could prevent Anchor from achieving its long-term objectives.</p>	<p>This risk is managed through ensuring salaries and overall reward packages remain attractive, while providing development opportunities for people throughout Anchor.</p> <p>Additional mitigation activities include exit interviews, our annual colleague engagement survey, and regular monitoring of key employee statistics, such as turnover and absence.</p>
Growth and change 	<p>Our ability to offer services to more older people will be achieved through a combination of organic and acquisition-related growth.</p> <p>Key challenges in this area include ensuring an appropriate strategic fit between Anchor and potential acquisition targets, while continuing to improve the efficiency and effectiveness of Anchor's services. Ensuring that the business has sufficient capacity and capability for these future challenges is critical.</p>	<p>A series of due diligence processes and pre-purchase validation checks are in place to ensure the right acquisition targets are selected and researched. Further mitigation activities include aligning existing skills and resources against future capability and capacity requirements of the business.</p>
Development 	<p>Elements of Anchor's growth plans will be achieved through a programme of development in areas including care villages and independent living properties.</p> <p>Significant risk issues in this area include an over-reliance on particular types of construction/build, and wider economic challenges relating to skills and materials shortage.</p>	<p>Anchor continues to work with key development partners on reducing our dependency on traditional construction methods. Furthermore, existing procurement activities have strengthened relationships with contractors using secure supply chains.</p>
Finance 	<p>Anchor's objective to be the best run company is contingent on strong financial management and control, ensuring that we continue to deliver value for money to our customers.</p> <p>Key risks/uncertainties in this area include significant, external financial events beyond the control of management, damaging Anchor's ability to deliver its services in a cost-effective manner, and constraining future growth plans.</p>	<p>Mitigation includes extensive financial forecasting and monitoring through KPIs, and internal reporting methods.</p> <p>This is further enhanced through frequent stress testing of significant, external events that may threaten business viability.</p>
Market 	<p>Using demographic, socio-economic and adult social care data to assess market trends and geographical distribution, we have been able to create a robust future growth strategy. Underpinned by key age, health and spend characteristics, we have been able to create a picture of where markets are favourable for us.</p> <p>Key challenges include over-provision within the market, and cheaper services offered by other providers, albeit at a cost of lower quality. Furthermore, a significant decline in the wider residential property market could reduce demand for our newly-developed properties.</p>	<p>Detailed reports relating to market and competitor movements/changes are regularly utilised, including sector reports and sales feedback.</p> <p>Potential customers are supported through a range of ownership models, including rental and shared ownership as an alternative to outright purchase. Additional financial support options are also available to customers, where required.</p>
Legislative 	<p>The Care Act 2014 came into force on 1 April 2015. The Act overhauls the care system in England, reforming and streamlining much of the legislation on access to, administration of, and responsibilities for care services.</p> <p>Parts of the legislation have yet to be implemented and the impact of the legislation has yet to be felt. Changes to the way care services are commissioned could have an adverse financial impact upon Anchor.</p>	<p>Differentiated fee rates for different levels of service.</p> <p>Clear dementia offer through our bespoke dementia service to meet customer requirements.</p> <p>Close relationships with key local authorities.</p> <p>Clear guidance to customers on the operation of the Care Act 2014.</p>
IT 	<p>Sector-leading IT services will enable Anchor to offer our customers improved value for money and access to IT, while providing colleagues with a 'great place to work'.</p> <p>Key risks in this area include cyber-attacks, and over-reliance on external systems management, potentially leading to data loss or temporary loss of service.</p>	<p>Key mitigation activities include extensive malware protection, security patching, and internal restrictions to prevent unauthorised systems access. These are supported through Anchor's incident management and disaster recovery arrangements.</p>
Property 	<p>The successful management of Anchor's estate is essential in delivering excellent service to our customers.</p> <p>Significant challenges include the requirement for continued investment and remedial works in some older properties, potentially leading to unattractive housing/care options for customers, and a reduction in demand. Key operational risks include the delivery of all routine checks and inspections, maintaining the safety of our colleagues and customers.</p>	<p>A clearly defined Asset Management Strategy is in place, outlining Anchor's commitment and detailed approach to asset maintenance.</p> <p>Regular programme of audits and checks to ensure that Anchor continues to meet regulatory and statutory requirements, supported by a robust policy and procedural framework.</p>

Board, Directors and Advisors

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Peggy and June
Resident Peggy Long
pictured with Home Manager
June Oakes

Board, Directors and Advisors

Patron

HRH Princess Alexandra

Members of the Board

Chair

Pamela Chesters CBE

Members *

Mark Allan (appointed 1 August 2014)

Alun Griffiths (appointed 1 August 2014)

Stephen Jack OBE

Richard Jones CBE (appointed 1 August 2014)

Dr Rima Makarem

Executive Management Board**

Chief Executive

Jane Ashcroft CBE

Members

David Edwards

Dominic Hayes

Sue Ingrouille

Sarah Jones (appointed 15 September 2014)

Howard Nankivell

Tim Seal (resigned 31 July 2015)

Registered Office

The Heal's Building
Suites A&B, 3rd Floor
22-24 Torrington Place
London
WC1E 7HJ

External Auditors

KPMG LLP

Bankers

Lloyds Banking Group PLC

Investment Managers

Schroder Investment Management Limited

Solicitors

Eversheds LLP

Treasury Advisors

Traderisks Limited

* Members are classified as Directors for the purposes of the Companies Act 2006

** Members of the Executive Board are not classified as Directors for the purposes of the Companies Act 2006

Directors' Report 5



Valerie and Tashena
Resident Valerie Lockyer with
Care Assistant Tashena Wallace

Directors' Report

Legal status

Anchor Trust is a company limited by guarantee (number 3147851). It is registered under the Housing Act 1996 (registration number LH4095) and is also a registered charity (registration number 1052183).

Review of the business

A review of the business is provided in the statement of the Chair and Chief Executive, and the Operating and Financial Review including the Strategic Report.

Directors

The directors at 31 March 2015 and the date of approval of the Financial Statements are listed on page 30. The directors may from time to time appoint one or more directors. In line with the UK Corporate Governance Code 2012, directors do not normally serve for longer than six years. Accordingly, Angela Horsman resigned as a director on 30 November 2014 after serving six years, Chris Wood resigned as a director on 30 April 2015 after serving six years and Paul Doona resigned as a director on 30 June 2015 when he had also served six years. During the year, Mark Allan, Alun Griffiths and Richard Jones were appointed as directors on 1 August 2014 and were each elected at the Annual General Meeting (AGM) in September.

Directors' conflicts of interest

Anchor has procedures in place for managing conflicts of interest. Should a director become aware that they, or their connected parties, have an interest in an existing or proposed transaction with Anchor they are required to notify the Company Secretary.

Employment

- Equality and diversity

Anchor is committed to an active equal opportunities policy from recruitment and selection, through training and development, performance reviews and promotion, to retirement. It is Anchor's policy to promote an environment free from discrimination, harassment and victimisation, where everyone will receive equal treatment regardless of gender, colour, ethnic or national origin, disability, age, marital status, sexual orientation or religion.

Anchor's LGBT Group is open to both customers and colleagues, and acts as a sounding board on LGBT issues and policies from both perspectives.

- Colleagues with disabilities

Anchor's policy is that people with disabilities should have full and fair consideration for all vacancies. Anchor interviews people with disabilities for any vacancy where they fulfil the minimum criteria. Anchor also endeavours to retain colleagues in the workforce if they become disabled during employment. Anchor will actively retrain and adjust their environment where possible to allow them to maximise their potential.

Health and safety

Anchor is committed to providing a safe and healthy environment for all of its employees and others affected by its activities.

Donations

Neither Anchor nor any of its subsidiaries made any charitable donations or political donations, or incurred any political expenditure during the period.

Creditor payment policy

It is Anchor's policy to settle the terms of payment with any suppliers when agreeing the terms of each transaction; to ensure that those suppliers are aware of the terms of payment; and to abide by them. Generally Anchor pays its creditors within 30 days. At the end of the year there were 26 days (2014: 23 days) worth of purchases in trade creditors.

Post balance sheet events

Anchor's five-year business plan, which commenced in April 2015, included an objective to grow the business through a combination of development and acquisition, increasing the breadth of services provided to customers based on their changing needs and demands. In line with this strategy, Anchor has exchanged contracts with the LNT Group to acquire 25 of their care homes. Run by their subsidiary Ideal Carehomes, these homes are based in the North and the Midlands. Between them, these homes look after over 1,200 older people including customers living with dementia and employ over 1000 people. We have also exchanged contracts to acquire five care homes from R & J Investments. Known as The Carefore Group, the homes in Essex and Suffolk look after over 250 older people and employ almost 300 people. The consideration for these transactions is circa £164m with completion subject to the agreement of the final terms of the debt being taken on by Anchor, and of its new bank facilities.



Going concern

After making enquiries and examining major areas which could give rise to significant financial exposure, the directors are satisfied that no material or significant exposures exist other than as reflected in these Financial Statements and that Anchor has adequate resources to continue its operations for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing these Financial Statements.

Auditor

KPMG LLP has expressed its willingness to continue in office as auditor to Anchor. A resolution proposing its reappointment will be made at the AGM.

Disclosure of information to auditors

At the time of approval of this report:

- ➔ So far as the directors are aware, there is no relevant audit information of which Anchor's auditor is unaware
- ➔ The directors have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information (as defined by Section 418(2) of the Companies Act 2006) and to establish that Anchor's auditor is aware of that information

Statement of Directors' responsibilities in respect of the Directors' Report and the Financial Statements

The directors are responsible for preparing the Directors' Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the directors to prepare Financial Statements for each financial year. Under that law they have elected to prepare the Financial Statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law, the directors 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 company and of the surplus or deficit for that period. In preparing these Financial Statements, the directors 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 and Statements of Recommended Practice have been followed, subject to any material departures disclosed and explained in the Financial Statements

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the Financial Statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered providers of Social Housing 2012. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to present and detect fraud and other irregularities.

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

Each director confirms that, so far as he/she is aware, there is no relevant audit information of which the company's auditors are unaware and that each director has taken all steps that he/she ought to have taken as director to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the Board.



David Edwards
Company Secretary and General Counsel
29 July 2015

Independent Auditor's Report

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Audrey and Dean

Resident Audrey Surtees,
pictured with Receptionist
Dean Hill

Independent Auditor's Report to the members of Anchor Trust Only

Opinions and conclusions arising from our audit

1 Our opinion on the financial statements is unmodified

We have audited the financial statements of Anchor Trust for the year ended 31 March 2015 set out on pages 39 to 68. In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Company's affairs as at 31 March 2015 and of the Group's surplus for the year then ended;
- have been properly prepared in accordance with UK Accounting Standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2012.

2 Our assessment of risks of material misstatement

In arriving at our audit opinion above on the financial statements the risk of material misstatement that had the greatest effect on our audit was as follows:

Recoverable amount of housing properties (Housing properties under construction £36m, Properties for resale £30m)

Refer to page 24 (Audit & Risk Committee section of the Corporate Governance Report), page 44 (accounting policy) and pages 39 to 68 (financial disclosures).

→ **The risk** – Housing Properties represent 85 percent of the Group's total assets and are split between Housing Properties held for rental and Properties held for resale. We do not consider there to be a significant risk regarding the carrying value of the Group's housing properties including those properties classified as Housing Properties under Construction and Properties for resale. However, due to their materiality in the context of the financial statements as a whole the recoverability of the Housing Properties under Construction and Properties for resale is considered to be the area which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.

For Properties for resale there is a risk that net realisable value falls short of the carrying value. Although market conditions have started to improve, there are still some areas where downward pressure on property values remains; and for Housing Properties under Construction there is a risk that any costs overruns could lead to potential impairment.

→ **Our response** - Our audit procedures included, among others:

- For Housing properties under Construction we compared actual spend, plus forecast costs to complete, to the original Board approved scheme appraisal (the forecast income and expenditure of a new build site) to consider whether the total expected costs indicated potential impairment. We obtained and corroborated the assumptions used to derive the expected recoverable amount to third party data sources.
- For Properties for resale at year end we compared actual spend plus forecast costs to completion for work in progress to expected sales proceeds. We reviewed local average property prices to challenge estimated sales proceeds.

3 Our application of materiality and an overview of the scope of our audit

The materiality for the Group financial statements as a whole was set at £5.3million. This has been determined with reference to a benchmark of Group total turnover, of which it represents 1.96 percent. We consider this to be more appropriate than a profit-related benchmark because the Group is a not-for-profit organisation, therefore the focus is on revenue and any surplus generated is variable; any surpluses are reinvested in the business for the benefit of customers.

We report to the Audit & Risk Committee any corrected or uncorrected identified misstatements exceeding £266,000, in addition to other identified misstatements that warranted reporting on qualitative grounds.

The Group consists of three trading entities and seven dormant companies. We scoped all trading entities to audit for group reporting purposes.

The components within the scope of our work accounted for the following percentages of the group's results: 100 percent of total group revenue, 100 percent of surplus for the year, and 99.99 percent of total assets.

For the remaining components, we performed analysis at an aggregated group level to re-examine our assessment that there were no significant risks of material misstatement within these.

All of the work on the components within scope was performed by the Group audit team using component materialities which ranged from £765,000 to £5.3million, having regard to the mix of size and risk profile of the Group across the components.

4 Our opinion on other matters prescribed by the Companies Act 2006 is unmodified

In our opinion the information given in the Chairman's and Chief Executive's Statement, Operating and Financial Review, including the Strategic Report, Corporate Governance Report, and Director's Report for the financial year for which the financial statements are prepared, is consistent with the financial statements.

5 We have nothing to report in respect of the matters on which we are required to report by exception

Under ISAs (UK and Ireland) we are required to report to you if, based on the knowledge we acquired during our audit, we have identified other information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

In particular we are required to report to you if:

- we have identified material inconsistencies between the knowledge we acquired during our audit and the Directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for the members to assess the Group's performance, business model and strategy; or
- the Audit & Risk Committee section of the Corporate Governance Report does not appropriately address matters communicated by us to the Audit & Risk Committee

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we need for our audit

We have nothing to report in respect of the above responsibilities.

Respective responsibilities of the directors and auditor

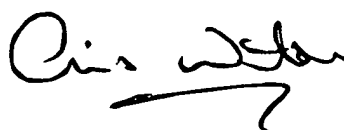
As explained more fully in the Statement of Directors' Responsibilities set out on page 34, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the UK Ethical Standards for Auditors.

Scope of an audit of financial statements performed in accordance with ISAs (UK and Ireland)

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. This report is made subject to important explanations regarding our responsibilities, as published on our website at www.kpmg.com/uk/auditscopeother2014, which are incorporated into this report as if set out in full and should be read to provide an understanding of the purpose of this report, the work we have undertaken and the basis of our opinions.

The purpose of this report and restrictions on its use by persons other than the Company's members as a body

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 and section 128 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the 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 Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Chris Wilson,
Senior Statutory Auditor
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
Arlington Business Park
Theale
Reading
RG7 4SD

29 July 2015

Financial Statements

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Mark and Herbert
Handyman Mark Samson pictured
with resident Herbert Browse

Consolidated Income and Expenditure Account

for the year ended 31 March 2015

	Note	2015 £ '000	2014 £ '000
Turnover	4	269,817	265,822
Operating costs	4	(258,108)	(247,521)
Operating Surplus		11,709	18,301
Surplus / (deficit) on disposal of fixed assets		3,399	(1,560)
Interest receivable and other income	9	3,353	2,727
Interest payable and similar charges	10	(7,423)	(7,414)
Surplus for the year		11,038	12,054

Statement of total recognised surpluses and deficits

	Note	2015 £ '000	2014 £ '000
Surplus for the year		11,038	12,054
Actuarial loss on pension fund	25	(10,670)	(1,292)
Total recognised surplus for the year		368	10,762

Note of historical cost surpluses and deficits

	Note	2015 £ '000	2014 £ '000
Reported surplus for the year		11,038	12,054
Realised investment loss / (gain)	14	99	(239)
Historical cost surplus for the year		11,137	11,815

The accompanying accounting policies and notes on pages 44 to 68 form an integral part of these Financial Statements.

Consolidated Balance Sheet

as at 31 March 2015

	Note	£ '000	2015 £ '000	£'000	2014 £'000
Intangible Fixed Assets					
Goodwill	12		-		50
Tangible Fixed Assets					
Housing properties - gross cost less depreciation	13	961,786		915,350	
Less: Social housing grant	13	(510,234)		(515,972)	
Other capital grants and receipts	13	(39,445)		(43,804)	
			412,107		355,574
Other tangible fixed assets	13		11,267		4,248
Investments	14		2,503		3,129
			425,877		363,001
Current Assets					
Stock: properties for sale	15	29,754		13,117	
Stock: raw material and other consumables	15	125		141	
Debtors: amounts due within one year	16	14,582		18,772	
Debtors: amounts due after more than one year	17	20,182		20,763	
Short term deposits and investments	18	91		24,521	
Cash at bank		28,737		46,771	
		93,471		124,085	
Creditors: amounts falling due within one year	19	(83,575)		(61,285)	
Net current assets			9,896		62,800
Total assets less current liabilities			435,773		425,801
Creditors: amounts falling due after more than one year	20		145,198		139,827
Provisions and Pension Liability					
Provisions for liabilities and charges	21		795		967
Pension liability	25		40,061		35,657
Capital and Reserves					
Restricted reserves	27		355		354
Income and Expenditure reserve	27		249,364		248,996
			435,773		425,801

The Financial Statements on pages 39 to 68 were approved by the Board on 29 July 2015 and signed on its behalf by:

Pamela Chesters CBE
Chair

Stephen Jack OBE
Director

Company Balance Sheet

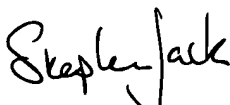
as at 31 March 2015

	Note	£ '000	2015 £ '000	£'000	2014 £'000
Tangible Fixed Assets					
Housing properties - gross cost less depreciation	13	944,887		915,416	
Less: Social housing grant	13	(510,234)		(515,972)	
Other capital grants and receipts	13	(39,445)		(43,804)	
			395,208		355,640
Other tangible fixed assets	13		11,267		4,248
Investments	14		2,503		3,129
Investments in subsidiary undertakings	14		2,301		2,301
			411,279		365,318
Current Assets					
Stock: properties for sale	15	4,320		3,620	
Stock: raw material and other consumables	15	125		141	
Debtors: amounts due within one year	16	13,371		18,601	
Debtors: amounts due after more than one year	17	71,558		37,269	
Short term deposits and investments	18	91		24,521	
Cash at bank		23,622		42,575	
		113,087		126,727	
Creditors: amounts falling due within one year	19	(75,877)		(57,721)	
Net current assets			37,210		69,006
Total assets less current liabilities			448,489		434,324
Creditors: amounts falling due after more than one year	20		145,198		139,827
Provisions and Pension Liability					
Provisions for liabilities and charges	21		795		967
Pension liability	25		40,061		35,657
Capital and Reserves					
Restricted reserves	27		355		354
Income and Expenditure reserve	27		262,080		257,519
			448,489		434,324

The Financial Statements on pages 39 to 68 were approved by the Board on 29 July 2015 and signed on its behalf by:



Pamela Chesters CBE
Chair



Stephen Jack OBE
Director

Consolidated Cash Flow Statement

for the year ended 31 March 2015

	Note	2015 £ '000	2014 £ '000
Net cash inflow from operating activities	28.1	37,880	46,352
Returns on investments and servicing of finance			
Net cash outflow from returns on investments and servicing of finance	28.3	(5,528)	(7,234)
Capital expenditure and finance investment			
Net cash outflow from capital expenditure and financial investment	28.3	(83,633)	(61,236)
Net cash outflow before use of liquid resources and financing		(51,281)	(22,118)
Management of liquid resources			
Net cash inflow from management of liquid resources	28.3	24,430	2,907
Net cash outflow before financing		(26,851)	(19,211)
Financing			
Net cash inflow / (outflow) from financing	28.3	8,817	(226)
Decrease in cash		(18,034)	(19,437)

	Note	2015 £ '000	2014 £ '000
Reconciliation of net cash flow to movement in net debt			
Decrease in cash in the period		(18,034)	(19,437)
Cash (outflow) / inflow from net increase in debt		(8,787)	226
Change in debt resulting from movement in finance lease obligations		205	171
Cash flow from decrease in liquid resources		(24,430)	(2,907)
Movement in net funds in the year		(51,046)	(21,947)
Net debt at 1 April	28.2	(51,928)	(29,981)
Net debt at 31 March	28.2	(102,974)	51,928

The accompanying accounting policies and notes on pages 44 to 68 form an integral part of these Financial Statements.

Notes to the Financial Statements

for the year ended 31 March 2015

1. Basis of accounting

The financial statements have been prepared on a going concern basis under the historical cost convention as modified by the revaluation of fixed asset investments and in accordance with accounting standards applicable in the United Kingdom. Accounting policies have been applied consistently with the prior year.

The financial statements have been prepared in accordance with the Accounting Direction for Private Registered Providers of Social Housing 2012.

2. Basis of consolidation

The Group financial statements comprise those of Anchor Trust and its subsidiary undertakings.

3. Principal accounting policies

i Turnover

Turnover is net of voids and Value Added Tax and includes:

- Rents and service charges from social housing lettings and leasehold management
- Residential care home charges
- Home care charges
- Revenue grants
- Sales of leasehold properties
- Supporting People contract income

Turnover has been analysed in accordance with the requirements of the Accounting Direction for Private Registered Providers of Social Housing 2012 (see note 4).

Charges for services provided and Supporting People income are recognised as income when Anchor has provided the service concerned. Grants made as contributions to revenue expenditure are credited to income in the period in which the related expenditure is incurred.

Income from the sale of leasehold properties is recognised as turnover at the completion date of the sale of the property.

Voids represent rent losses arising from vacant accommodation and the amount is shown in note 4.3, as required by the Accounting Direction for Private Registered Providers of Social Housing 2012.

ii Interest payable

Interest is capitalised on borrowings to finance developments to the extent that it accrues in respect of the period of development if it represents either:

- a) interest on borrowings specifically financing the development programme after deduction of interest on social housing grant received in advance
- b) interest on borrowings of Anchor Trust as a whole after deduction of interest on social housing grant received in advance to the extent that they can be deemed to be financing the development programme

Other interest payable is charged to the income and expenditure account in the year.

iii Pensions

Defined contribution pension costs are charged to the income and expenditure account in the year they are incurred.

In respect of defined benefit pensions, the pension costs charged against income are based on an actuarial method and actuarial assumptions. Before the current financial year, these were designed to provide the anticipated pension cost over the average service lives of the employees in the scheme in a way that sought to ensure that the regular pension cost represented a broadly level percentage of the current and expected future pensionable payroll in the light of current actuarial assumptions. Variations from the current costs were spread over the average service lives of the employees in the scheme in a way that seeks to ensure that the regular pension cost represents a broadly level percentage of the current and expected future pensionable payroll in the light of current actuarial assumptions. Variations from the current cost were spread over the remaining service lives of current employees in the pension scheme.

As the scheme was closed to further accrual as at 31 March 2011, the anticipated pension costs are primarily the scheme expenses and there is no remaining service life of employees assumed for the scheme.

iv Taxation

Income and capital gains of Anchor Trust are exempt from tax where arising from charitable purposes.

v Leases

→ As Lessee

Assets financed by leasing agreements which give rights approximating to ownership (finance leases) have been capitalised at their fair value and depreciation is provided on the basis of the Group depreciation policy. The capital elements of future obligations under finance leases are included as liabilities in the balance sheet and the current year's interest element, having been allocated to accounting periods to give a constant periodic rate of charge on the outstanding liability, is charged to the Income and Expenditure Account. The annual payments under all other lease arrangements, known as operating leases, are charged to the Income and Expenditure Account on a straight-line basis.

→ As Lessor

Upon completion of properties the development costs incurred under a Private Finance Initiative (PFI) contract are converted to a finance lease debtor. This debtor represents the total amount outstanding under the lease agreements less unearned income. Finance lease income, having been allocated to accounting periods to give a constant periodic rate of return on the net investment, is included in turnover.

vi Housing properties

Retirement housing and residential care home properties are stated at cost less social housing grant, other capital grants and depreciation.

Shared Ownership for the Elderly (SOE) schemes are held at the outstanding interest in the properties less social housing grant retained and depreciation. The outstanding interest in SOE schemes is stated at cost, plus cost of equity subsequently repurchased by Anchor Trust. Proceeds from first tranche disposals are accounted for in the income and expenditure account in the year in which the disposal occurs.

Cost for housing properties includes the cost of acquiring land and buildings, construction costs including internal equipment and fittings, cost of capital employed during the development period and expenditure incurred in respect of improvements and extension of existing properties to the extent that it enhances the economic benefit derived from the assets.

The costs of housing properties are split between the structure and those major components which require periodic replacement. Replacement or restoration of

such major components is capitalised and depreciated over the average estimated useful life which has been set taking into account professional advice, the Group's asset management strategy and the requirements of the Decent Homes Standard. The lives attributable to assets capitalised in this way range from four to 50 years.

Housing properties in the course of construction are held at cost and are not depreciated. They are transferred to completed properties when ready for letting.

The asset lives used are as follows:

- Housing properties and residential care homes: between 25 and 50 years except where the economic life of the property is dependent on a revenue support agreement in which case the life used is the initial term of that agreement.

For individual components the assets lives used are as follows:

- Bathrooms and kitchens: 10 years
- Windows: 15 years
- SOE schemes: 99 years

For all properties impairment reviews are carried out on an annual basis in accordance with Financial Reporting Standard 11.

The depreciation policy relating to Housing Properties follows the SORP Updated 2010 on Accounting by registered social landlords. Depreciation is calculated on cost net of any grant received.

vii Social housing grant

Social housing grant is receivable from central government agencies and local authorities and is offset against the cost of housing properties on the face of the balance sheet. The purpose of social housing grant is to subsidise the capital cost of affordable housing.

Social housing grant due from such agencies or received in advance is included as a current asset or liability.

Where, following the sale of the property, social housing grant becomes repayable, to the extent that it is not subject to abatement, it is included as a liability until it is repaid or utilised.

Any social housing grant received in respect of revenue expenditure is credited to the income and expenditure account in the same year as the expenditure to which it relates.

viii Other grants

The capital costs of housing properties are stated net of capital grants, other than social housing grant, receivable from public bodies.

Grants in respect of revenue expenditure are credited to the income and expenditure account in the same year as the expenditure to which they relate.

ix Other tangible fixed assets

All other tangible fixed assets are included at cost less depreciation.

Depreciation is provided on a straight line basis on the cost of the asset less the estimated residual value on all tangible fixed assets except land.

The asset lives used are as follows:

- Motor vehicles: four years
- Computer equipment: two to four years
- Office equipment and fittings: four years

x Investments

All investments are stated at market value at the balance sheet date. Investments that are intended to be held to generate returns for use on a continuing basis in the activities of Anchor Trust are classified as fixed assets.

xi Restricted reserves

Restricted reserves are funds received, the use of which is restricted by general law or by the terms on which the funds were given.

These include funds where the donor has made a donation to be spent for a particular purpose or in a particular geographical area.

Investments held as part of short-term treasury management for a planned expenditure purpose are classified as current assets.

xii Impairment

When a review of individual fixed assets or income generating units indicates an impairment, this is recognised in the income and expenditure account and included within cumulative depreciation.

xiii Stock

Stock comprises properties available for resale and goods for consumption, which are shown at cost. This is considered to be a reasonable approximation to the lower of cost and net realisable value.

xiv Positive goodwill

Where the fair value consideration for an acquired business exceeds the fair value of its separable net assets, the difference is treated as purchased goodwill and is capitalised and amortised through the income and expenditure account over its estimated economic life. The estimated useful economic life of goodwill is four to 10 years.

xv Financing costs

The initial cost of raising finance is charged to the income and expenditure account when incurred.

xvi Provision for liabilities

A provision is made when Anchor Trust has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligations. Anchor Trust closes retirement housing and care homes that are not financially viable in the ordinary course of business and provision is made accordingly.

xvii Related parties

Anchor Trust has taken advantage of the exemption contained in Financial Reporting Standard 8 and has therefore not disclosed transactions between Group companies that are eliminated on consolidation. All transactions between Group companies are on commercial terms.

4. Particulars of turnover, operating costs and operating surplus

4.1 Analysis of turnover

	Social housing lettings £'000	Home care £ '000	Non-social housing activities £'000	Central overheads and income £'000	2015 Total £'000	2014 Total £'000
Turnover	262,390	1,877	4,561	989	269,817	265,822
Operating costs	(234,430)	(1,985)	(5,864)	(15,829)	(258,108)	(247,521)
Operating surplus / (deficit)	27,960	(108)	(1,303)	(14,840)	11,709	18,301

Social housing lettings comprise income from retirement housing and from residential care homes (see note 4.3).

Home care income comprises income from care services delivered into customers' homes.

Anchor's costs relating to administration, offices and other support functions are allocated to Anchor Trust's businesses, being social housing lettings, home care and non-social housing activities. The amounts allocated were £35,466,000 (2014: £35,557,000), £324,000 (2014: £645,000) and £3,687,000 (2014: £3,775,000) respectively. Anchor Trust, which operates the regulated retirement housing to let and residential care home businesses, also transacts with other Group companies, which are not regulated, and these transactions are described in note 31.

4.2 Particulars of turnover from non-social housing activities

	2015 £'000	2014 £'000
Leasehold management	3,841	3,468
Sales of leasehold properties	-	849
Other activities	720	811
Total	4,561	5,128

All turnover has been derived from activities within the United Kingdom.

4.3 Particulars of turnover and operating costs from social housing lettings

	Retirement housing to let £'000	Residential care homes £'000	2015 Total £'000	2014 Total £'000
Income				
Rent receivable net of identifiable service charges	87,676	121,306	208,982	204,854
Charges for support services	2,225	-	2,225	2,657
Service charge income	48,260	-	48,260	46,014
Net rental income	138,161	121,306	259,467	253,525
Other revenue grants	15	468	483	479
Other income from social housing lettings	1,800	640	2,440	2,843
Income from social housing lettings	139,976	122,414	262,390	256,847
Expenditure				
Management	22,916	17,245	40,161	41,042
Service charge costs	42,833	92,186	135,019	134,047
Routine maintenance	10,447	1,252	11,699	9,938
Planned maintenance	12,878	2,543	15,421	12,591
Bad debts	341	197	538	819
Lease charges	105	458	563	660
Depreciation of housing properties	22,163	8,346	30,509	27,403
Other costs	141	379	520	416
Operating costs on social housing lettings	111,824	122,606	234,430	226,916
Operating surplus / (deficit) on social housing lettings	28,152	(192)	27,960	29,931

The value of void losses was £1,981,000 (2014: £2,364,000)

4.4 Property numbers

	Retirement housing leasehold units	Retirement housing units to let	Residential care homes units
Unit numbers available as at 1 April 2014	6,770	22,365	4,213
Additions	3	-	-
Disposals / De-registered	(51)	(43)	(185)
Unit numbers available as at 31 March 2015	6,722	22,322	4,028

5. Impairment of land and buildings

An impairment review of assets has been undertaken as required by Financial Reporting Standard 11. The review concluded that no impairment charge was required for the year (2014: £nil).

6. Operating surplus before exceptional items

Operating surplus is stated after charging

	2015 £'000	2014 £'000
Depreciation of tangible owned fixed assets - housing properties	30,370	27,506
Depreciation of tangible owned fixed assets - other	2,330	1,498
Amortisation of positive goodwill	50	52
Operating lease rentals - land and buildings	1,897	2,119
Auditor's remuneration excluding VAT		
In their capacity as auditor	107	107
In respect of other services:		
Service charge audit fees	66	70
Tax advice	60	88
Pensions consultancy	-	81
Debt advisory	27	-

7. Directors' emoluments

The directors are defined as the members of the Board and members of the Executive Management Board. Members of the Board are defined as directors for the purposes of the Companies Act 2006. Members of the Executive Management Board are not classified as directors under the Companies Act 2006.

	2015 £'000	2014 £'000
Payments to Board members during the year	202	192
Total aggregate remuneration payable in respect of the Executive Management Board was		
Emoluments (excluding benefits in kind)	1,466	1,222
Benefits in kind	43	35
Pension contributions	119	169
Compensation paid in respect of loss of office	64	39
	1,692	1,465
Payments to the highest paid director		
Total emoluments, excluding pension contributions	417	362
Defined benefit pension scheme		
Accrued pension of the highest paid director	46	45

The highest paid director was the Chief Executive who received a base salary of £300,478 (2014: £293,000) and a bonus for the year of 13 percent of base salary (2014: 7.5 percent). The Chief Executive is entitled to a car allowance. The total value of benefit in kind, was £11,520 (2014: £13,599) and a balancing amount was paid in respect of the car allowance of £5,922 (2014: £3,742), in accordance with Anchor's policy. The Chief Executive was an ordinary member of the Anchor Trust defined benefit scheme before it was closed to further contributions on 1 April 2011 and is an ordinary member of the Anchor Trust defined contribution scheme. Employer's contribution in respect of the Chief Executive's pension in the year was £90,143 (2014: £87,945) of which £60,096 (2014: £29,315) was taken as cash. No contribution was made to any other individual pension schemes.

8. Employee costs and numbers

8.1 Employee costs

	2015 £'000	2014 £'000
Wages and salaries	111,071	114,593
Social security costs	8,256	8,251
Pension costs	2,762	2,368
	122,089	125,212

Included within these costs was £4,418,000 (2014: £927,000) arising from restructuring during the year.

8.2 The average number of employees, including part time staff, during the year

	2015 Number	2014 Number
Office staff	687	720
Operational staff	7,163	7,725
	7,850	8,445

8.3 The full time equivalent number of employees during the year

	2015 Number	2014 Number
Office staff	641	677
Operational staff	4,961	5,652
	5,602	6,329

Full time equivalents are calculated based on a standard working week of 37.5 hours.

The full time equivalent number of employees whose total aggregate remuneration (including pension contributions and compensation payable in respect of loss of office) fell within the following bands was:

	2015 Number	2014 Number
£60,001 to £70,000	43	27
£70,001 to £80,000	9	2
£80,001 to £90,000	14	8
£90,001 to £100,000	10	9
£100,001 to £110,000	8	3
£110,001 to £120,000	2	3
£120,001 to £130,000	2	2
£130,001 to £140,000	1	-
£140,001 to £150,000	2	1
£150,001 to £160,000	2	-
£160,001 to £170,000	1	2
£170,001 to £180,000	1	1
£180,001 to £190,000	2	1
£190,001 to £200,000	1	-
£230,001 to £240,000	1	-
£280,001 to £290,000	-	1
£420,001 to £430,000	-	1
£440,001 to £450,000	1	-

9. Interest receivable and other income

	2015 £'000	2014 £'000
Interest receivable	2,133	2,221
Exchange rate gain	-	239
Other income	1,220	267
	3,353	2,727

10. Interest payable and similar charges

	2015 £'000	2014 £'000
On bank loans, overdrafts and other loans repayable wholly or partly in more than five years	6,256	6,173
Less: interest capitalised	(223)	(55)
Exchange rate loss	99	-
Finance lease interest	1,291	1,296
	7,423	7,414

Interest was capitalised on assets under construction at a rate of LIBOR + 0.225 percent, being the weighted average rate payable on the bank loans used to finance development costs.

11. Taxation charge

The taxation charge comprises:

	2015 £'000	2014 £'000
United Kingdom corporation tax at 21% (2014: 23%)	-	-
	-	-

The tax assessed for the period is lower than that resulting from applying the standard rate of 21 percent (2014: 23 percent) corporation tax in the UK. The differences are explained below:

	2015 £'000	2014 £'000
Surplus for the year	11,038	12,054
Tax on surplus at standard rate of 21% (2014: 23%)	(2,318)	(2,772)
Factors affecting charge for the year		
Charitable surplus exempt from taxation	2,318	2,772
	-	-

Anchor Trust is exempt from UK corporation tax on activities which fall under its charitable objects.

12. Intangible fixed assets

	Group £'000	Company £'000
Goodwill		
At 1 April 2014	50	-
Amortisation for the year	(50)	-
As at 31 March 2015	-	-

13. Tangible fixed assets

13.1 Housing properties - Group

	Retirement housing £'000	Residential care homes £'000	Properties under construction £'000	Shared ownership schemes £'000	Total housing properties £'000
Cost					
At 1 April 2014	865,638	230,201	46,974	4,751	1,147,564
Additions	42,812	9,870	36,447	-	89,129
Disposals	(9,674)	(10,866)	(147)	-	(20,687)
As at 31 March 2015	898,776	229,205	83,274	4,751	1,216,006
Depreciation					
At 1 April 2014	145,142	87,072	-	-	232,214
Provided in the year	22,042	8,328	-	-	30,370
Disposals	(2,473)	(5,891)	-	-	(8,364)
As at 31 March 2015	164,711	89,509	-	-	254,220
Net book value at 31 March 2015	734,065	139,696	83,274	4,751	961,786
Net book value at 31 March 2014	720,496	143,129	46,974	4,751	915,350
Social housing grant (SHG)					
At 1 April 2014	470,665	38,638	-	6,669	515,972
Transfer to Recycled Capital Grant Fund	(332)	(400)	-	-	(732)
Disposals	(4,267)	(739)	-	-	(5,006)
As at 31 March 2015	466,066	37,499	-	6,669	510,234
Other capital grants					
At 1 April 2014	25,494	18,310	-	-	43,804
Disposals	(2,080)	(2,279)	-	-	(4,359)
As at 31 March 2015	23,414	16,031	-	-	39,445
Total SHG and other capital grants as at 31 March 2015	489,480	53,530	-	6,669	549,679
Total SHG and other capital grants as at 31 March 2014	496,159	56,948	-	6,669	559,776
Overall net book value as at 31 March 2015	244,585	86,166	83,274	(1,918)	412,107
Overall net book value as at 31 March 2014	224,337	86,181	46,974	(1,918)	355,574

13.2 Housing properties - Company

	Retirement housing £'000	Residential care homes £'000	Properties under construction £'000	Shared ownership schemes £'000	Total housing properties £'000
Cost					
At 1 April 2014	864,924	242,984	34,971	4,751	1,147,630
Additions	42,812	9,870	36,752	-	89,434
Disposals	(9,674)	(10,866)	(17,282)	-	(37,822)
As at 31 March 2015	898,062	241,988	54,441	4,751	1,199,242
Depreciation					
At 1 April 2014	145,142	87,072	-	-	232,214
Provided in the year	22,042	8,463	-	-	30,505
Disposals	(2,473)	(5,891)	-	-	(8,364)
As at 31 March 2015	164,711	89,644	-	-	254,355
Net book value at 31 March 2015	733,351	152,344	54,441	4,751	944,887
Net book value at 31 March 2014	719,782	155,912	34,971	4,751	915,416
Social housing grant (SHG)					
At 1 April 2014	470,665	38,638	-	6,669	515,972
Transfer to Recycled Capital Grant Fund	(332)	(400)	-	-	(732)
Disposals	(4,267)	(739)	-	-	(5,006)
As at 31 March 2015	466,066	37,499	-	6,669	510,234
Other capital grants					
At 1 April 2014	25,494	18,310	-	-	43,804
Disposals	(2,080)	(2,279)	-	-	(4,359)
As at 31 March 2015	23,414	16,031	-	-	39,445
Total SHG and other capital grants as at 31 March 2015	489,480	53,530	-	6,669	549,679
Total SHG and other capital grants as at 31 March 2014	496,159	56,948	-	6,669	559,776
Overall net book value as at 31 March 2015	243,871	98,814	54,441	(1,918)	395,208
Overall net book value as at 31 March 2014	223,623	98,964	34,971	(1,918)	355,640

13.3 Housing properties held under finance leases - Group and Company

The balances for residential care homes include four residential care homes held under finance leases at gross cost £11,878,000 (2014: £11,878,000) with accumulated depreciation of £8,529,000 (2014: £8,188,000).

The depreciation charge during the year was £341,000 (2014: £341,000).

13.4 Other tangible fixed assets - Group and Company

	Office equipment and fittings £'000	Total other tangible fixed assets £'000
Cost		
At 1 April 2014	19,265	19,265
Additions	9,349	9,349
As at 31 March 2015	28,614	28,614
Depreciation		
At 1 April 2014	15,017	15,017
Provided in the year	2,330	2,330
As at 31 March 2015	17,347	17,347
Net book value at 31 March 2015	11,267	11,267
Net book value at 31 March 2014	4,248	4,248

13.5 Housing properties

Additions to housing properties in the course of construction during the period included capitalised interest of £223,000 (2014: £55,000).

The net book value of housing properties at the balance sheet date comprises:

	Group		Company	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Freehold land and buildings	381,232	325,530	364,333	325,596
Long leasehold land and buildings	30,875	30,044	30,875	30,044
	412,107	355,574	395,208	355,640

The total amount of social housing grant received or receivable as at the balance sheet date was £510,234,000 (2014: £515,972,000).

13.6 Expenditure works to housing properties

	Note	2015 £ '000	2014 £ '000
Total expenditure works to housing properties		68,103	47,143
of which:			
Amounts capitalised	13.1	52,682	34,552
Amounts charged to income and expenditure (planned maintenance)	4.3	15,421	12,591

13.7 Surplus / (deficit) on disposal of housing properties

	2015 £'000	2014 £'000
Receipts from disposal of housing properties	8,650	5,169
Net book value of property disposals	(1,653)	(2,201)
Transfer to Recycled Capital Grant Fund	(732)	(2,830)
Other disposal costs	(2,866)	(1,698)
Surplus / (deficit) on disposal of housing properties	3,399	(1,560)

14. Fixed asset investments**14.1 Fixed asset investments - Group and Company**

	£'000
Market value at 1 April 2014	3,129
Realised investment loss	(99)
Disposals at market value	(527)
Market value at 31 March 2015	2,503
Historic cost at 31 March 2015 (2014: £2,332,000)	1,805

14.2 Fixed asset investments - subsidiary undertakings**Company
£'000****Cost at 1 April 2014 and 31 March 2015****2,301**

The following subsidiary undertakings are controlled by Anchor Trust and are registered in England and Wales:

Company	Nature of business	Share capital
Anchor Lifestyle Developments Limited	Residential care homes and housing development	£1
Anchor 2020 Limited	Design and construction services	£1
Anchor Retirement Living Limited	Dormant	£1
Anchor Trust Trading Limited	Dormant	£1,000
AMSA Retirement Homes Limited	Dormant	£100
Rain Healthcare Services Limited	Dormant	£1,000
Anchor Housing Association	Dormant	£141
Guardian Housing Association Limited	Dormant	£970
Guardian Housing Association (Retirement) Limited	Dormant	£28

Anchor Trust is regarded as the parent company for these companies on the grounds that it either owns 100 percent of the issued share capital or it has the sole right to nominate directors.

15. Stock - Group and Company

	Group		Company	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Properties for resale	29,754	13,117	4,320	3,620
Raw materials and consumables	125	141	125	141

Properties held for resale includes £4,294,000 (2014: £3,620,000) properties ready for resale and £25,460,000 (2014: £9,497,000) work in progress.

Stocks of raw materials and consumables relate to catering supplies within residential care homes.

16. Debtors: amounts falling due within one year

	Group		Company	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Rental debtors	5,346	5,562	5,346	5,562
Less: Provision for bad and doubtful debts	(1,314)	(1,206)	(1,314)	(1,206)
	4,032	4,356	4,032	4,356
Trade debtors	1,088	371	1,088	371
Prepayments	4,560	7,630	4,552	8,743
Other debtors and accrued income	4,902	6,415	3,699	5,131
	14,582	18,772	13,371	18,601

17. Debtors: amounts falling due after more than one year

	Group		Company	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Finance debtor	18,717	19,187	18,717	19,187
Amounts due from subsidiary undertakings	-	-	51,376	16,506
Amounts due from related companies	925	1,036	925	1,036
Other debtors	540	540	540	540
	20,182	20,763	71,558	37,269

Upon completion of properties the development costs incurred under a PFI contract have been converted to a finance debtor in line with Anchor's accounting policy.

Amounts due from related companies comprise amounts due from Burnbank House Limited, a company registered in England and Wales, of which Anchor Trust owns 25 percent of the company's share capital.

Transactions with Burnbank House Limited are as follows. Interest receivable for 2015: £111,000 (2014: £111,000) and rent payable for 2015: £113,000 (2014: £113,000).

18. Short-term deposits and investments - Group and Company

	2015 £'000	2014 £'000
Money market fund investments	91	24,521
	91	24,521

19. Creditors: amounts falling due within one year

	Note	Group		Company	
		2015 £'000	2014 £'000	2015 £'000	2014 £'000
Trade creditors		7,451	4,471	7,506	4,526
Rents received in advance		3,450	3,139	3,450	3,139
Surpluses carried forward on variable service charge		5,766	3,626	5,766	3,626
Recycled capital grant fund	20	10,407	7,083	10,407	7,083
Housing loans: current instalments due on loans	22	1,663	644	1,663	644
Obligations under finance leases	24	295	207	295	207
Social security and other taxes		2,193	2,360	2,154	2,360
Other creditors		10,202	8,871	9,130	8,826
Accruals and deferred income		42,148	30,884	35,506	27,310
		83,575	61,285	75,877	57,721

**20. Creditors: amounts falling due after more than one year
- Group and Company**

	Note	2015 £'000	2014 £'000
Recycled capital grant fund		3,583	6,107
Housing loans	22	117,073	109,275
Obligations under finance leases	24	12,466	12,759
Loan stock		335	335
Major repairs sinking funds for leasehold schemes		8,798	9,671
Other creditors		2,943	1,680
		145,198	139,827

Major repairs sinking funds for leasehold schemes

Major repairs sinking funds are maintained for most leasehold retirement estates to provide for repairs of a long-term nature. Contributions are normally received from leasehold customers on the resale of properties by reference to the length of occupation and original purchase price of the property. Some leasehold customers contribute through the service charge.

Recycled capital grant fund

	2015 £'000	2014 £'000
Fund at 1 April	13,190	10,304
Transferred to fund during the year	732	2,830
Interest credited to fund	68	56
Fund at 31 March	13,990	13,190
Falling due within one year	10,407	7,083
Falling due after more than one year	3,583	6,107
	13,990	13,190

The total recycled capital grant fund balance would be repayable to the Homes & Communities Agency in the event that it is not utilised.

21. Provisions for liabilities and charges - Group and Company

	Onerous Leases £'000	Tax Liabilities £'000	2015 £'000	2014 £'000
Balance as at 1 April	960	7	967	1,216
Balances utilised in the year	(165)	(7)	(172)	(249)
Balance as at 31 March	795	-	795	967

22. Housing loans - Group and Company

All housing loans from Orchardbrook Limited, HACO, local authorities and banks are secured by charges on certain of Anchor Trust's housing properties and are repayable at varying rates of interest as follows:

		2015 £'000	2014 £'000
Fixed rates			
Orchardbrook Limited	Interest payable at 11.615%	28,764	28,912
HACO	10.625% debenture stock 2017	15,000	15,000
Banks	Between 5.895% - 6.345%	10,000	10,000
Local authorities	Between 11.600% - 16.500%	104	108
Other	Between 0.000% - 3.000%	590	590
		54,458	54,610
Variable rates			
Banks	0.200% - 0.450% above LIBOR	64,000	55,000
Orchardbrook Limited	Interest payable 1.690%	278	309
		64,278	55,309
		118,736	109,919

The total net book value of housing properties used to secure liabilities to third parties is £145,565,000 (2014: £123,988,000).

Repayment instalments fall due as follows:

	2015 £'000	2014 £'000
In one year or less	1,663	644
Greater than one year, but less than two	1,215	1,196
Greater than two years, but less than five	37,124	25,466
In five years or more	78,734	82,613
Total	118,736	109,919

23. Operating lease obligations - Group and Company

Anchor Trust leases a number of properties and motor vehicles under operating leases. The annual commitments under non-cancellable operating leases are set out below:

	Properties £'000	Motor vehicles £'000	2015 £'000	2014 £'000
Operating leases which expire				
Within one year	84	99	295	297
In the second to fifth year	-	674	674	1,631
Over five years	510	-	510	260
Total	594	773	1,367	2,188

24. Finance lease obligations - Group and Company

Obligations under finance leases are payable as follows:

	Gross obligations £'000	Future finance charges £'000	2015 Net obligations £'000	2014 Net obligations £'000
In one year or less	1,574	1,279	295	207
Between two and five years	7,153	4,831	2,322	1,822
In five years or more	15,723	5,579	10,144	10,937
Total	24,450	11,689	12,761	12,966

25. Pension obligations - Group and Company

Anchor Trust operates two pension schemes for its employees:

Defined contribution scheme:

A defined contribution scheme was opened on 1 January 2003. The pension cost for this scheme, which represents contributions payable by the Group, was £2,762,000 (2014: £2,368,000).

Defined benefit scheme:

Members of staff employed prior to 1 January 2003 were eligible to join a group life assurance and pension scheme which provides benefits based on final pensionable salary. The assets of the scheme are held separately by an independent fund manager, The Pensions Trust. After consultation with members, the defined benefit scheme was closed to future contributions from existing members as at 1 April 2011. From 1 April 2014 Anchor will contribute £5,052,000 per year into the scheme, increasing by three percent per annum for the next eight years.

The total group charge for the year was £333,000 (2014: £340,000). The contributions were determined on the basis of actuarial advice using the projected unit method and relate entirely to current service costs. Before the scheme closed, Anchor Trust paid contributions at 12.5 percent of pensionable salaries.

The last full valuation was carried out at 30 September 2012. The next valuation is due to be carried out on data as at 30 September 2015.

Financial Reporting Standard 17 "Retirement Benefits" (FRS17) disclosures

Anchor applies the provisions of FRS 17 in preparing these accounts.

A valuation for the purposes of FRS 17 was prepared as at 31 March 2015 by a qualified independent actuary.

The assumptions used by the actuary are:

	At 31 March 2015 % per annum	At 31 March 2014 % per annum	At 31 March 2013 % per annum
Inflation rate	3.00	3.30	3.30
Rate of increase in salaries	4.00	4.30	4.30
Rate of increase for pensions in payment	1.70	2.00	2.00
Rate of increase for deferred benefits during deferment	3.00	3.30	3.30
Discount rate	3.10	4.40	4.40

The assets in the scheme and the expected rates of return were:

	Expected rate of return %	Market value at 31 March 2015 £'000	Expected rate of return %	Market value at 31 March 2014 £'000	Expected rate of return %	Market value at 31 March 2013 £'000
Equities	7.50	98,980	7.00	87,050	7.30	84,295
Bonds	3.90	48,705	3.40	37,321	4.20	36,645
Property	6.50	10,703	6.00	9,559	6.30	8,684
Cash	0.50	1,464	0.50	715	0.50	1,628
Total market value of assets		159,852		134,645		131,252
Present value of scheme liabilities		(199,913)		(170,302)		(170,476)
Net pension liability		(40,061)		(35,657)		(39,224)

Movement in liability during the year:

	2015 £'000	2014 £'000	2013 £'000	2012 £'000	2011 £'000
Liability at the start of the year	(35,657)	(39,224)	(36,779)	(29,569)	(40,459)
Movement during the year					
Contributions paid	5,379	4,932	4,932	4,980	1,799
Current service cost	(333)	(340)	(348)	(16)	(2,011)
Other finance income / (charge)	1,220	267	432	293	(125)
Recognised actuarial (loss) / gain	(10,670)	(1,292)	(7,461)	(12,467)	11,227
Liability at the end of the year	(40,061)	(35,657)	(39,224)	(36,779)	(29,569)

Analysis of the amount charged to operating surplus:

	2015 £'000	2014 £'000
Current service cost	333	340

Analysis of the amount charged to other finance income:

	2015 £'000	2014 £'000
Expected return on assets	8,589	7,644
Interest cost	(7,369)	(7,377)
Net charge to other interest payable	1,220	267

Analysis of amount recognised in statement of total recognised surpluses and deficits:

	2015 £'000	2014 £'000
Actual return less expected return	17,270	(3,145)
Experience gain on scheme liabilities	558	430
(Loss) / gain on change of assumptions	(28,498)	1,423
Recognised actuarial loss	(10,670)	(1,292)

History of experience gains and losses:

	2015	2014	2013	2012	2011
Difference between actual and expected returns on assets					
Amount (£'000)	17,270	(3,145)	8,193	(2,880)	(392)
% of scheme assets	10.8	-2.3	6.2	-2.5	-0.3
Experience gain / (loss) on scheme liabilities					
Amount (£'000)	558	430	(5,865)	1,255	1,363
% of scheme liabilities	0.3	0.3	-3.4	0.8	1.0
Total actuarial gain / (loss) recognised in statement of total recognised surpluses and deficits					
Amount (£'000)	(10,670)	(1,292)	(7,461)	(12,467)	11,227
% of scheme liabilities	-5.3	-0.8	-4.4	-8.1	7.9

Reconciliation to the balance sheet:

	2015 £'000	2014 £'000
Net assets		
Net assets excluding pension liability	289,780	285,007
Pension liability	(40,061)	(35,657)
Net assets including pension liability	249,719	249,350

	2015 £'000	2014 £'000
Reserves		
Revenue reserve excluding pension liability	289,425	284,653
Pension liability	(40,061)	(35,657)
Revenue reserve including pension liability	249,364	248,996

26. Share capital

Anchor Trust is a company limited by guarantee and as such has no share capital.

27. Movement on reserves

27.1 Movement on other reserves - Group and Company

	Restricted reserves £'000
At 1 April 2014	354
Realised investment surpluses	1
At 31 March 2015	355

Restricted reserves represent unspent funds received for specific purposes from external organisations. Restricted reserves are only expendable in respect of the projects for which they are received.

27.2 Movement on Income and Expenditure reserve

	Group £'000	Company £'000
At 1 April 2014	248,996	257,519
Surplus for the year	11,038	15,231
Actuarial loss on pension fund assets	(10,670)	(10,670)
At 31 March 2015	249,364	262,080

28. Notes to the consolidated cash flow statement

28.1 Reconciliation of operating surplus to net cash flow from operating activities

	2015 £'000	2014 £'000
Total operating surplus	11,709	18,301
Depreciation	32,700	29,004
Movement in restricted reserves	1	(1)
Amortisation of positive goodwill	50	52
Difference between pension charge and cash contributions	(5,046)	(4,592)
Increase in stock	(16,621)	(10,526)
Decrease in debtors	4,771	7,354
Increase in creditors	10,316	6,760
Net cash inflow from operating activities	37,880	46,352

28.2 Analysis of changes in net debt

	At 1 April 2014 £'000	Cash flows £'000	Non cash movement £'000	At 31 March 2015 £'000
Cash at bank and in hand including overnight deposits	46,771	(18,034)	-	28,737
Other short term deposits and investments	24,521	(24,430)	-	91
Debt due within one year	(644)	644	(1,633)	(1,633)
Debt due after one year	(109,275)	(9,431)	1,633	(117,073)
Finance lease obligations	(12,966)	205	-	(12,761)
Loan stock	(335)	-	-	(335)
Total	(51,928)	(51,046)	-	(102,974)

28.3 Analysis of cash flows for headings netted in the cash flow statement

	2015 £'000	2014 £'000
Returns on investments and servicing of finance		
Interest received	2,133	2,221
Interest paid	(7,661)	(9,455)
Net cash outflow from returns on investment and servicing of finance	(5,528)	(7,234)

	2015 £'000	2014 £'000
Capital expenditure		
Payments to acquire and develop housing properties	(81,168)	(62,108)
Payments to acquire non-housing fixed assets	(9,349)	(3,126)
Receipts from disposal of housing fixed assets	6,357	3,465
	(84,160)	(61,769)

Financial investment		
Receipts from sale of investments	527	533
Net cash outflow from capital expenditure and financial investment	(83,633)	(61,236)

	2015 £'000	2014 £'000
Management of liquid resources		
Withdrawals from short-term deposits	24,430	2,907
Net cash inflow from management of liquid resources	24,430	2,907

	2015 £'000	2014 £'000
Financing		
Loans advanced	9,000	-
Loan repayments	(183)	(226)
Net cash inflow / (outflow) from financing	8,817	(226)

29. Capital commitments - Group and Company

	2015 £'000	2014 £'000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	4,722	9,695
Capital expenditure that has been authorised by the Board but has not yet been contracted for	55,419	75,753
	60,141	85,448

In addition, expenditure on developing housing stock of £21,007,000 (2014: £7,426,000) has been contracted for but not provided for in the Financial Statements and a further £23,521,000 (2014: £46,337,000) has been authorised by the Board but not yet contracted for.

All of this anticipated expenditure is covered by existing cash and banking facilities.

30. Contingent liabilities - Group and Company

There were no contingent liabilities as at 31 March 2015 nor at 31 March 2014.

31. Transactions with related parties

During the year Anchor Lifestyle Developments Limited made inter-group charges of £635,000 (2014: £511,000) in respect of interest on loans and management charges to Anchor Trust. Anchor 2020 Limited made inter-group charges of £200,000 (2014: £325,000) in respect of interest on loans, management charges and donations to Anchor Trust. In addition, Anchor 2020 Limited sales to Anchor Trust and Anchor Lifestyle Developments Limited were £26,230,000 and £12,027,000 (2014: £16,655,000 and £4,009,000) respectively. All transactions between group companies are on normal commercial terms.

As at 31 March 2015, Anchor Trust was owed £47,996,000 (2014: £12,598,000) from Anchor Lifestyle Developments Limited and owed £47,000 to Anchor 2020 Limited (2014: Anchor 2020 Limited owed £3,393,000 to Anchor Trust). Both these companies are 100 percent owned by Anchor Trust.

Transactions with Burnbank House Limited are described in note 17.

During the year, one member of the Executive Management Board had relationships with organisations with which Anchor Trust has immaterial transactions. Jane Ashcroft is a Non Executive Director at Care England (formerly known as English Community Care Association) Limited and ARCO Limited, who had transactions with Anchor totalling £35,198 and £5,173 respectively.

There are no other related party transactions in the year to 31 March 2015 (2014: £nil).

32. Legislative provisions

Anchor Trust is registered under the following Acts:

	Registration Number
Companies Act 2006	3147851
Charities Act 1993	1052183
Housing Act 1996	LH4095

33. Post Balance Sheet Events - Group and Company

Anchor's five-year business plan, which commenced in April 2015, included an objective to grow the business through a combination of development and acquisition, increasing the breadth of services provided to customers based on their changing needs and demands. In line with this strategy, Anchor has exchanged contracts with the LNT Group to acquire 25 of their care homes. Run by their subsidiary Ideal Carehomes, these homes are based in the North and the Midlands. Between them, these homes look after over 1,200 older people including customers living with dementia and employ over 1000 people. We have also exchanged contracts to acquire five care homes from R & J Investments. Known as The Carefore Group, the homes in Essex and Suffolk look after over 250 older people and employ almost 300 people. The consideration for these transactions is circa £164 million with completion subject to the agreement of the final terms of the debt being taken on by Anchor, and of its new bank facilities.

The Board and Executive Management Board

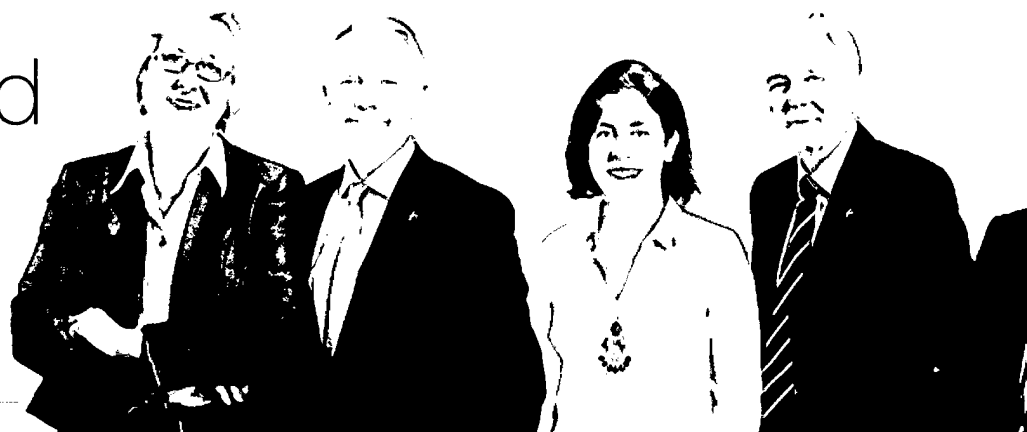


Lilian and Veronica
Resident Lilian Smith
pictured with Team Leader
Veronica Reid

A
over

The Board

Pictured left to right



Pamela Chesters CBE Chair

Pamela joined the Board in April 2013 and took up the role of Chair of Anchor from September 2013. She is also Chair of Central London Community Healthcare NHS Trust.

She has previously chaired: Action for Children, Royal Free Hampstead NHS Trust, PRIME and English Churches Housing Group, and was on the board of Riverside.

Pamela was a councillor at the London Borough of Camden from 1990 to 2000, including two years as leader of the opposition. In her executive roles, she was London Mayor Boris Johnson's Advisor for Health & Families between 2009 and 2012. Prior to that, she spent nearly 20 years at British Petroleum Company, most recently as CEO of Duckhams Oils.

Stephen Jack OBE Vice Chair

Stephen is a Chartered Accountant and has held a number of senior finance positions in international financial services organisations including Dresdner Kleinwort Benson, ING Barings, Collins Stewart Tullett plc (where he was Group Finance Director) and Compagnie Financière Tradition SA (where he was Group CFO).

Since 2007 he has been the Chairman of the Independent Living Fund, a non-departmental public body sponsored by the Department for Work and Pensions, which provides support to nearly 18,000 disabled people across the UK. Stephen joined the Board of the Cambridge Building Society as a Non-Executive Director in April 2014 and became a Trustee of the Royal Mencap Society in May 2014. In April 2015, he joined the board of Mitsubishi UFJ Securities International plc subject to regulatory approval as a Non-Executive Director and Chair of the Audit & Risk Committee.

Dr Rima Makarem Trustee Director

Rima has extensive experience in healthcare and the pharmaceutical industry. She currently runs her own interim management and consultancy business and holds a portfolio of non-executive positions. These include: Non-Executive Director and Audit Chair at University College London Hospitals, Trustee of UCLH Charity, and associate Board member and Chair of the Risk Assurance Committee at Health Education South London. She was formerly a Non-Executive Director and the Audit Chair at NHS London and at NHS Haringey before that. Previously, Rima was Director of Competitive Excellence at GlaxoSmithKline and prior to that, a management consultant.

Paul Doona Trustee Director

Paul is a Chartered Accountant, and was Finance Director and Company Secretary of St Modwen Properties plc from 1985 to 1999, managing the flotation and restructure of the company. After two years as Finance Director and then Chief Executive of Claims Direct plc, Paul undertook a number of chief executive and finance director roles in the gaming sector.

Paul is currently a Non-Executive Director of the Dudley Building Society and Burton Hospitals Foundation Trust. His other non-executive roles have encompassed various sectors including leisure, property, financial services, asset management and natural resources businesses. Paul resigned from the Board of Anchor Trust on 30 June 2015.



Chris Wood Trustee Director

Chris has spent over twenty years of his career working in local government. He was Director of Housing in two London boroughs and then held the posts of Deputy and Chief Executive at the London Borough of Newham. Chris left local government in 2008 and for the last five years has worked as a partner with a housing and regeneration management consultancy company, working with public and private sector clients. Chris is a Non-Executive Director of Sahara Homes (a private sector care provider for adults with learning disabilities), Fair Finance (a personal finance social enterprise) and Meridian Homestart (a housing company wholly owned by the Royal Borough of Greenwich). Chris resigned from the Board of Anchor Trust on 30 April 2015.

Mark Allan Trustee Director

Mark is Chief Executive of Unite Students, the UK's leading provider of student accommodation with a portfolio of over 40,000 bedrooms across the country. He has been CEO since 2006 and is responsible for a strategy which has seen the Group extend its leadership position in the sector over the past five years. He is a member of both the Institute of Chartered Accountants in England and Wales, and the Royal Institute of Chartered Surveyors. Outside of work, Mark is a keen traveller and charity fundraiser and recently raised £55,000 by skiing to the South Pole. Mark joined the Board of Anchor Trust on 1 August 2014.

Alun Griffiths Trustee Director

Alun holds non-executive directorships with Severfield plc, ISG plc, Ramboll Group A/S, The Port of London Authority and The McLean Partnership. He is also a Non-Executive Director of Women in Science and Engineering (a community interest company), is a member of the Diversity Steering Group of The Royal Society and a member of the National Employer Advisory Board.

Alun retired from WS Atkins plc, the leading engineering and project management consultancy, in July 2014 where he was a main Board Director and Group HR director. Alun joined the Board of Anchor Trust on 1 August 2014.

Richard Jones CBE Trustee Director

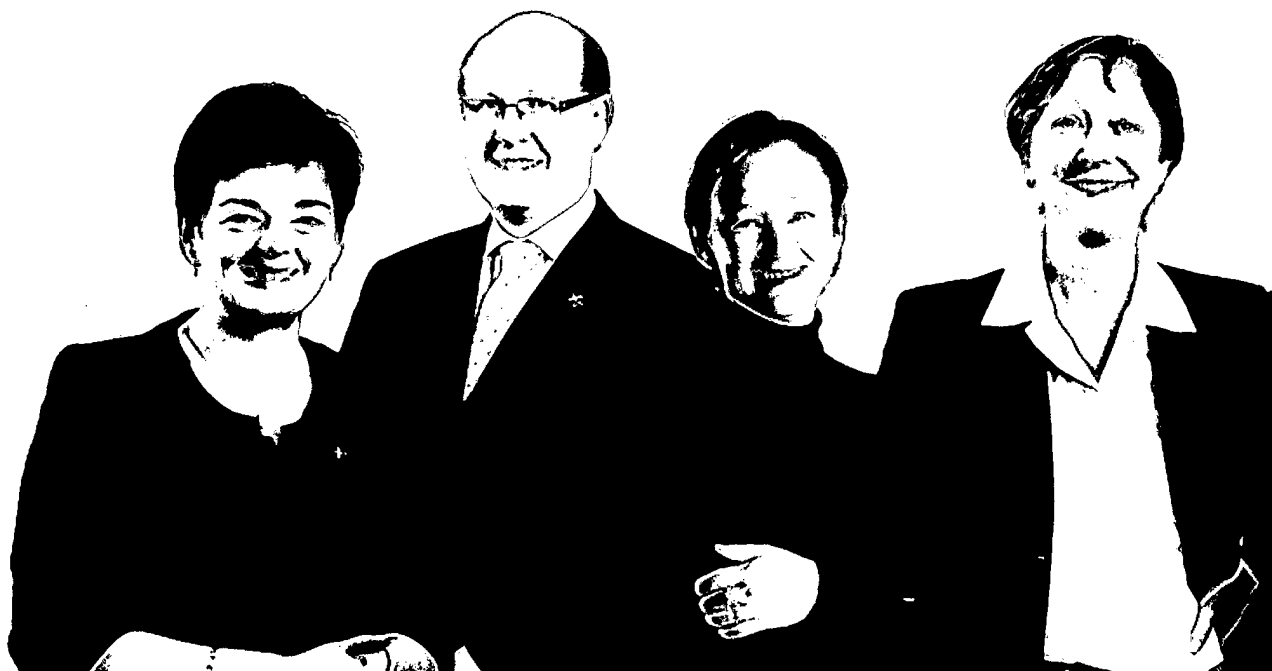
Richard is an independent consultant having worked in a range of executive roles. He was a Director with NHS England responsible for the Area Team in Lancashire. Richard has worked in central and local government and was Executive Director of Adult and Community Services for Lancashire County Council. Richard qualified as a social worker and has held senior roles in a number of organisations. He has experience of commissioning both health and care services.

Richard was President of the Association of Directors of Adult Social Services and is a Trustee for Scope, Carers UK, Action on Hearing Loss and Shared Lives. He was awarded a CBE for services to adult social care in 2011. Richard joined the Board of Anchor Trust on 1 August 2014.

Angela Horsman Trustee Director

Angela is a marketing consultant with more than 25 years experience in leisure marketing and communications. She worked for Saga, the market leader in services for the over-50s, where she was Marketing Director for Saga Holidays and then Communications Director for the Saga Group. Angela was previously Marketing Director of London Zoo and Whipsnade Wild Animal Park and was Chief Executive of a tourism development action programme in Kent.

Angela is a member of the Royal National Lifeboat Institution Council and its fundraising and communications committee. She is also a trustee director of The Brooke, an international animal welfare organisation dedicated to improving the lives of working horses, donkeys and mules in some of the world's poorest communities. Angela resigned from the Board of Anchor Trust on 30 November 2015.



The Executive Management Board

Pictured left to right

Jane Ashcroft CBE Chief Executive

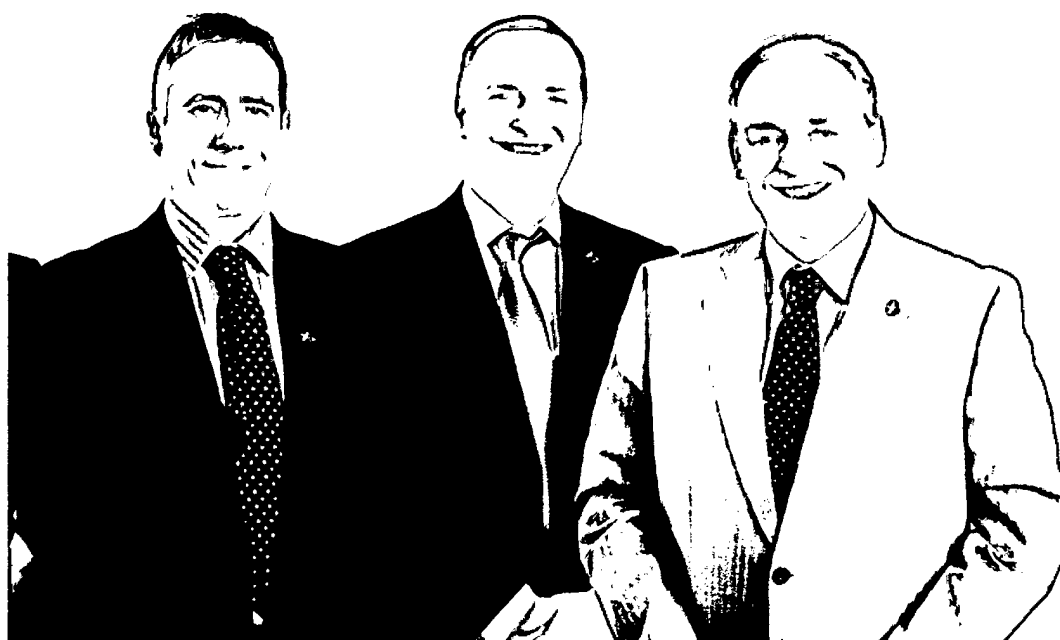
Jane joined Anchor in 1999 from BUPA, which had acquired Care First plc where she was Personnel Director. She was appointed Chief Executive of Anchor on 9 March 2010. She previously held HR and governance roles with Bromford Housing Group and Midlands Electricity plc. Jane is a Trustee of The Silverline, a helpline for older people and a Non-Executive Director of Dignity plc. She is also a Board member of ARCO, representing retirement community operators and a Board member of Care England, the largest representative body for providers of adult social care. In 2014, Jane undertook the role of a Commissioner on the review of the long-term care sector chaired by Paul Burstow MP. Jane is a Fellow of the Institute of Chartered Secretaries and a Member of the Chartered Institute of Personnel and Development.

David Edwards General Counsel and Company Secretary

David, a barrister, joined Anchor in July 2011 from Peverel Limited, where he was Head of Legal Services and Company Secretary. Prior to that, David was Company Secretary and Director of Legal Services for De Vere Group plc until the company was taken over in 2006. As well as a number of other appointments in commerce and industry, David has also been a director of the Cheshire Courts Board.

Sarah Jones Finance Director

Sarah Jones joined Anchor as Finance Director in September 2014, bringing with her a wealth of experience. Sarah, a Chartered Management Accountant, has held a variety of roles in finance, including Chief Financial Officer of Spicers Ltd, Director of Finance in UK & Republic of Ireland at Carpetright plc and senior roles at HMV and The Burton Group/Arcadia.



Sue Ingrouille Human Resources Director

Sue joined Anchor as Director of HR in February 2012. Her early career was with Marks & Spencer, undertaking a wide range of HR roles. She joined Orange where she was part of the start-up executive team for the B2B part of the organisation and, more recently, HR Director. After eight years with Orange, Sue moved into executive search for a couple of years before joining the not-for-profit sector with Anchor.

Howard Nankivell Sales and Marketing Director

Howard joined Anchor in October 2009 bringing with him twenty years of sales and marketing experience from a number of different market sectors. Most of his experience is from the travel and hospitality industry where he held UK and EMEA Marketing Director roles at both Marriott International and the Hilton Group. Howard was also the Head of Business Development at Direct Wines where he was responsible for creating and developing a wide portfolio of wine club brands including Laithwaites and the Sunday Times Wine Club.

Tim Seal Operations Director

Tim joined Anchor in December 2013, following more than eight years as a Regional Director for BUPA, managing, developing and growing a region of 105 care homes across the Midlands, South West and Wales. His earlier career saw him broadening his experience in a variety of senior sales, account management, and operational roles with Compass Group, Group 4, Braun (UK) and a stint as a Futures and Options Broker for a merchant bank in the City in the nineties.

Dominic Hayes Development and Property Director

Dominic joined Anchor in February 2014. Previously Dominic held senior corporate property roles in private healthcare (BUPA, BMI, Nuffield) and transportation (National Express Group). These roles involved responsibility for all property matters across diverse portfolios, both in the UK and internationally. Dominic also worked as Managing Director of Simons Developments, a family owned business specialising in retail development and mixed use schemes throughout the UK. Dominic is a Chartered Surveyor who has operated for over 20 years at a senior level in the property sector.

Accessibility

This document can be made available in large print, Braille, audio or electronic formats or other languages on request.

Contact our Customer Participation Officer on 01274 757 111

આ પત્રિકા બીજી ભાષાઓમાં મેળવી શકાય છે. અંગ્રેજી બોલતી કોઈ વ્યક્તિને કહો કે 01274 757 111 પર ફોન કરીને તેની નકલ માટે વિનંતી કરે.

यह दस्तावेज़ दूसरी भाषाओं में भी मिल सकता है. एक प्रति पाने के लिये, कृपया अंग्रेज़ी बोलने वाले किसी व्यक्ति से कहिये कि 01274 757 111 नंबर डायल करे.

এ দলিল অন্যান্য ভাষায় পাওয়া যাবে। ইংরেজী বলতে পারেন এমন কাউকে 01274 757 111 এ নাথারে টেলিফোন করে একটি সংখ্যার জন্য অনুরোধ করতে বলুন।

ਇਹ ਦਸਤਾਵੇਜ਼ ਦੂਸਰੀਆਂ ਬੋਲੀਆਂ ਵਿੱਚ ਵੀ ਉਪਲਬੱਧ ਕੀਤਾ ਜਾ ਸਕਦਾ ਹੈ। ਕਾਪੀ ਲੈਣ ਲਈ ਬੇਨਤੀ ਕਰਨ ਵਾਸਤੇ ਅੰਗ੍ਰੇਜ਼ੀ ਬੋਲਣ ਵਾਲੇ ਕਿਸੇ ਵਿਅਕਤੀ ਨੂੰ 01274 757 111 ਤੇ ਟੈਲੀਫੋਨ ਕਰਨ ਲਈ ਕਹੋ।

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Many thanks to all the Anchor customers and colleagues featured in this document.



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Tel: 020 7759 9100 www.anchor.org.uk

Company Number: 3147851

Registered Charity Number: 1052183 (England and Wales)

Housing Association Number: LH4095