

Registered Social Landlord No: L2023

Charity Commission

No: 209301

DAVID HENRY WARING HOME TRUST

FINANCIAL STATEMENTS

Year Ended 31st March 2018

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

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Reference and Administrative Details

ADDRESS: Civic Centre
London Borough of Hounslow
Lampton Road
Hounslow
TW3 4DN

REGISTERED CHARITY NO.: 209301

REGISTERED SOCIAL LANDLORD L2023

SOLICITOR: Peter Large
Head of Governance
London Borough of Hounslow (Civic Centre)
Lampton Road
Hounslow
TW3 4DN

HONOURARY TREASURER: Clive Palfreyman
Director Finance & Corporate Services
London Borough of Hounslow (Civic Centre)
Lampton Road
Hounslow
TW3 4DN

AUDITORS: Kingston Smith LLP
The Shipping Building
The Old Vinyl Factory
Hayes
London
UB3 1HA

BANKERS: Natwest Bank
Hounslow Branch
275-277 High Street
Hounslow
Middlesex
TW3 1ZA

FUND MANAGERS: Blackrock Investment Management (UK) Ltd
12 Throgmorton Avenue
London
EC2N 2DL

INTERNAL AUDITORS: Mike Pinder
Head of Internal Audit
London Borough of Hounslow (Civic Centre)
Lampton Road
Hounslow
TW3 4DN

MANAGEMENT COMMITTEE REPORT

Principal Activities

The Trust was formally established by an order of the High Court dated 20 July 1953. The house was bequeathed along with the contents and gardens to the Parish of Bedford and is managed by trustees. These are a management committee, comprising representatives of the London Borough of Hounslow and representatives of the parish of Bedford, and the London Borough of Hounslow, as the Corporate Trustee. The trust is a Registered Social Landlord, providing accommodation for elderly persons who are vulnerable or needy. The Trust is administered by a management committee.

Members of the Committee

The members of the management committee are appointed annually, from both the Parish and Borough Councils. As there were council elections during the period there were a number of changes to the membership of the committee over the year. The full list of councillors who acted as Trustees for the charity over the financial year to date are listed overleaf.

Management Committee

Sachin Gupta	<i>ceased to be a Trustee 24.05.2017</i>	
David Hughes	<i>ceased to be a Trustee 24.05.2017</i>	
Elizabeth Hughes	<i>ceased to be a Trustee 24.05.2017</i>	
Sue Sampson	<i>ceased to be a Trustee 24.05.2017</i>	
Sue Brewerton		
David Harvey		
William Jinks		
Sam Christie		<i>ceased to be a Trustee 3.05.2018</i>
Alan Mitchell		<i>ceased to be a Trustee (re-appointed- 3.05.2018 22.05.2018)</i>
Keith Anderson	<i>(appointed 23.05.2017)</i>	<i>ceased to be a Trustee 3.05.2018</i>
Katherine Dunne	<i>(appointed Corporate Trustee-23.05.2017)</i>	<i>ceased to be a Trustee 3.05.2018</i>
Theo Dennison	<i>(appointed 11.07.2017)</i>	<i>ceased to be a Trustee 3.05.2018</i>
Hanif Khan	<i>(appointed 11.07.2017)</i>	<i>ceased to be a Trustee 3.05.2018</i>
Guy Lambert	<i>(appointed 11.07.2017)</i>	<i>ceased to be a Trustee 3.05.2018</i>
Mohamed Umair		<i>(appointed- 22.05.2018)</i>
Raghwinder Siddhu		<i>(appointed- 22.05.2018)</i>
Adriana Gheorghe		<i>(appointed- 22.05.2018)</i>
Hina Mir		<i>(appointed- 22.05.2018)</i>
Javed Akhunzada		<i>(appointed- 22.05.2018)</i>

Corporate Governance

The administration of the home is the responsibility of a Committee of 9 Trustees and the London Borough of Hounslow carries out the day-to-day management of the facilities on behalf of the Committee.

The Committee meets regularly during the year to receive reports on the day to day running of the Home, to approve non-routine expenditure and to allocate new lettings. It also takes decisions about strategic issues affecting the Home, when required. The London Borough of Hounslow is responsible to the Committee for the day-to-day management of the Home, maintenance of the premises and grounds and the financial, secretarial and legal administration of the Trust.

We have referred to the guidance in the Charity Commission's general guidance on Public Benefit including the guidance 'public benefit: running a charity (PB2)', when reviewing our aims and objectives and planning our future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives that they have set. The trustees believe that in providing independent living accommodation at a subsidised rent for the benefit of elderly persons who are vulnerable or need, the charity is both meeting its charitable objectives and providing a clear benefit to the Parish of Bedfont.

As a registered social landlord, the Trust is compliant with the H&CA 'Governance and Financial Viability Standard' 2015, and regularly reviews its financial position.

As part of this review and in order to reduce the pressure on reserves the Committee has decided to demolish the old 1970's block as described in the objectives for 2018/19.

As a registered charity the Trust has also adopted the Charity Commission code of governance for small charities were appropriate.

Statement of Management Committee's Responsibilities

The Trust Deed, dated 20 July 1953, registered social housing legislation and charity law require the Management Committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust, and of the surplus or deficit of the Trust for that period. In preparing these financial statements, the Management Committee is required to:

- Select suitable accounting policies, then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare financial statements on the going concern basis, unless it is inappropriate to presume that the Trust will continue in business.

The Management Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and enable the Committee to ensure that the financial statements comply with the provisions of the Trust Deed, the Charities Act 2011, the Housing and Regeneration Act 2008, The Housing SORP 2014 and the Accounting Direction for Private Registered Providers of Social Housing 2015.

The Committee has general responsibility for taking reasonable steps to safeguard the assets of the Trust and to prevent and detect fraud and other irregularities.

Activities During 2017/18

The Trust set a budget for the year with expenditure being balanced by a contribution from reserves. The Management Committee received regular reports from the Honorary Treasurer about expenditure incurred and income received compared to the approved budget. The Management Committee also received regular reports about the performance of investments from Black Rock, the Trust's Investment Managers.

The level of vacant properties is similar to previous years at 20, (2016/17: 20) This represents a significant void percentage and leads to a large level of rent income that the Trust has foregone.

Objectives During 2018/19

The 20 units in the block constructed in the 1970s were vacant during 2017/18 and are not currently lettable under the relevant regulations. As empty properties they are generating a significant ongoing liability for Council tax, so the Trustees have decided to reduce this liability and protect the level of ongoing reserves by demolishing the block.

Investments Policy

The investment policy of the Trust is to maximise return on its investments, while retaining a prudent, low risk strategy. The majority of the Trust's investments are in the form of money market loans to reliable financial institutions.

Value for Money

The Trust's objectives of increasing occupancy of the Home while keeping tight control of its finances are wholly compatible with the need to deliver value for money. The Trust is considering how prudent investments of its reserves into the Home can lead to an overall benefit to its residents and financial performance.

Reserves Policy

The Trust is required to ensure that rents charged are sufficient to meet the day-to-day running expenses of the David Henry Waring Home. At present, there is a significant shortfall, which means a contribution from reserves is required. The Trust's rules do not allow it to generate a surplus. Reserves will be utilised to fund deficits in year. There is an ambition to replenish reserves where possible and when the trust can do so.

Internal Control

The Management Committee has overall responsibility for the Trust's system of internal control. The internal control of the Trust follows the principles outlined in Housing Corporation Circular 07/07: Internal Controls Assurance. The way in which control is exercised is outlined below.

The Management Committee recognises that a system of internal control can only provide reasonable and not absolute assurance about material misstatements or loss. The controls are designed to provide reasonable assurance with respect to: -

- The reliability of financial information used by the Trust or for publication

David Henry Waring Home Trust

- The maintenance of proper accounting records
- The safeguarding of assets against unauthorised use or disposal.

The Management Committee approves the annual budget and receives regular reports comparing actual expenditure against budget during the year. The Management Committee also receives a report incorporating the annual accounts. These accounts are subject to audit by Kingston Smith LLP who were appointed as the Trust's external auditors.

The London Borough of Hounslow, acting on behalf of the Trust, is responsible for collection of income and payment of expenditure as well as maintaining accounting records. The Council's internal financial controls are subject to systematic review by the Council's internal auditors.

The results of this work are reported to the Council's Assistant Director Strategic Finance, who is also the Honorary Treasurer to the Trust. No matters have arisen during this year that requires disclosure to the Trust.

Signed on behalf of the Management Committee by:

Chair
Ms S Brewerton



6.12.18

Date

Honorary Treasurer
Mr C Palfreyman



6-12-18

Date

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF DAVID HENRY WARING HOME TRUST

Opinion

We have audited the financial statements of David Henry Waring Home Trust for the year ended 31 March 2018 which comprise the Statement of Comprehensive Income, the Balance Sheet, Statement of Cash Flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2018, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of Charities Act 2011, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2015 and the Statement of Recommended Practice for registered social housing providers 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustee has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustee is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material

misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees

As explained more fully in the trustee's responsibilities statement, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustee.

- Conclude on the appropriateness of the trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's trustee, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustee 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 any party other than the charity and charity's trustee as a body, for our audit work, for this report, or for the opinion we have formed.

Kingston Smith LLP

Kingston Smith LLP

Statutory auditor

The Shipping Building
The Old Vinyl Factory
Hayes, London
UB3 1HA

Date: *13 December 2018*

Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

David Henry Waring Home Trust

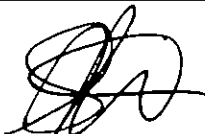
**DAVID HENRY WARING HOME TRUST
BALANCE SHEET
AS AT 31 MARCH 2018**

	Notes	2017-18	2016-17
FIXED ASSETS			
		£	£
Tangible Assets	(5)	1,591,389	1,631,084
		1,591,389	1,631,084
Long Term Investments	(6)	679,868	673,515
		2,271,257	2,304,599
CURRENT ASSETS			
Debtors	(7)	1,656	414
Investments	(8)	74,000	74,000
Cash at Bank		1,111,462	1,105,012
		1,187,118	1,179,426
<i>LESS CREDITORS</i>			
Amounts falling due within one year	(9)	(586,959)	(409,302)
NET CURRENT ASSETS		600,159	770,124
		2,871,416	3,074,723

REPRESENTED BY: -

CAPITAL AND RESERVES			
		£	£
Amenities Fund	(10)	5,149	5,149
Capital Reserves	(10)	754,967	754,967
Housing Property Revaluation Reserve	(10)	213,183	214,244
Investment Revaluation Reserve	(10)	548,825	542,472
Revenue Reserves	(10)	1,276,641	1,485,240
Extraordinary Repairs Reserves	(10)	72,651	72,651
		2,871,416	3,074,723

Chair

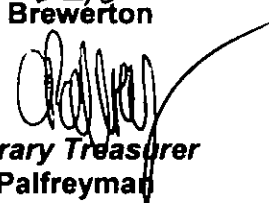


Ms S. Brewerton

Date

6.12.18

Honorary Treasurer
Mr C Palfreyman



6.12.18

Date

DAVID HENRY WARING HOME TRUST
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2017-18	2016-17
		£	£
Turnover	(2)	40,084	43,245
Operating Costs	(2)	(258,131)	(478,011)
Operating Deficit	(2)	(218,047)	(434,766)
Interest Receivable and Other Income	(3)	8,387	15,884
Movement in fair value of investments	(4)	6,353	98,521
Deficit before tax		(203,307)	(320,361)
Deficit for the year		(203,307)	(320,361)

All amounts are related to continuing activities.

The notes on pages 18 to 23 form part of these financial statements.

The financial statements on pages 11 to 23 were approved:

Chair

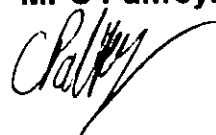
Ms S. Brewerton



Date 6.12.18

Honorary Treasurer

Mr C Palfreyman



Date 6.12.18.

**DAVID HENRY WARING HOME TRUST
STATEMENT OF CASH FLOWS**

	Notes	2017-18	2016-17
		£	£
Net cashflow from operating activities	(a)	(182)	(726,780)
Cash flows from investing activities	(c)	6,632	158
Net change in cash and cash equivalents	(b)	6,450	(726,622)

(a) Reconciliation of deficit for the year to net cash inflow from operating activities

	2017-18	2016-17
Deficit for the year	(209,660)	15,884
Depreciation	39,695	39,695
Interest receivable	(6,632)	(14,937)
Decrease/(Increase) in debtors	(1,242)	824
(Decrease)/Increase in creditors	177,657	(333,480)
Net cash inflow from operating activities	(182)	(292,014)

(b) Changes in cash and cash equivalents

	2017-18	2016-17
Increase in cash and cash equivalents	6,450	(726,622)
Net cash and cash equivalents as at 1 April 2017	1,105,012	1,831,634
Net cash and cash equivalents at 31 March 2018	1,111,462	1,105,012

(c) Gross cash flows

	2017-18	2016-17
Cash flows from investing activities		
Interest received	6,632	14,937
Purchase of property, plant and eqmt		(14,779)
	6,632	158

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(d) Analysis of changes in cash and cash equivalents

	Balance at 1 April 2017	Cash flows	Balance at 31 March 2018
Cash at bank	1,105,012	6,450	1,111,462
Current asset investments	74,000	-	74,000
	1,179,012	6,450	1,185,462

NOTES TO THE ACCOUNTS FOR THE YEAR ENDING 31 MARCH 2018

NOTE 1 - ACCOUNTING POLICIES

a) Basis Of Preparation

The financial statements have been prepared in accordance within FRS 102 "The Financial Reporting Standard" applicable in the UK and Republic of Ireland ("FRS 102") and the requirement of the Statement of Recommended Practice: Accounting by Registered Social Landlords 2014.

These financial statements comply with the Trust Deed dated 20th July 1953, the appropriate legislation, and with the Housing and Regeneration Act 2008, and the Accounting Direction for Private Registered Providers of Social Housing 2015. The society meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared under the historic cost convention, modified to include the revaluation of certain fixed assets. The accounting policies adopted by the Trust are set out below and have remained unchanged from the previous year.

b) Going Concern

These financial statements are prepared on the going concern basis. As a result of considerable reserves the Management Committee has a reasonable expectation that the company will continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed

c) Turnover

Turnover in 2016/17 represents rental income receivable in the year and is not subject to VAT. Rental income is recognised from the point when properties become available for letting, net of any voids.

d) Fixed Assets and Depreciation

Tangible fixed assets, except housing properties, are stated at cost less accumulated depreciation. All costs incurred in the purchase or enhancement of fixed assets is included. Depreciation is charged on a straight-line basis over the expected useful life of the asset, and all fixed assets other than housing properties, have been depreciated over a life of four years.

Housing properties are properties held for the provision of social housing or to otherwise provide social benefit. Housing properties are valued at Existing Use Value for Social Housing (EUV – SH) and are held at fair value at the date of revaluation less any subsequent accumulated depreciation. The Trust's property was last valued as at 31 March 2013 by Jones Lang LaSalle. The full valuation was undertaken in accordance with the Appraisal and Valuation Manual of the Royal Institute of Chartered Surveyors.

The assets will be revalued every 5 years and an interim valuation will be carried out in the interim period if it's deemed that the valuation may have changed significantly.

David Henry Waring Home Trust

Depreciation is charged on the housing property at 2% (i.e. an estimated useful economic life of 50 years) on a straight line basis on the current valuation. This is charged to operating costs within the Income and Expenditure Account each year.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item should be depreciated separately. Where there is more than one significant part of the same asset which has the same useful life and depreciation method, such parts may be grouped in determining the depreciation charge. The housing property is treated as a single component for accounts purposes, as it not considered practicable to split the asset into its separate components.

e) Operating Cost

Expenditure on operating cost is analysed in note 2. Expenses are allocated to expenditure heads on the basis of cost incurred.

Insurance costs are an allocation of the costs incurred by the council on the basis of assessed risk of the rebuilding sum insured.

f) Social Housing Grant

Where developments have been financed wholly or in part by Housing Association Grant, these government grants are recognised under the performance model, and recognised as income when the Trust has entitlement or when performance conditions have been met.

g) Taxation

The Trust is registered as an exempt charity and as such is exempt from Corporation Tax on its charitable activities.

h) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

i) Financial Instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

j) Pensions

The Trust operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Trust in respect of the year. The contributions are invested separately from the Trust's assets in an independently administered fund.

k) Reserves

- Amenities Fund: This fund provides for small amenity items for the residents of the home.
- Extraordinary Repair Reserves: The reserve has been established to provide for future expenditure of a capital nature, which is not eligible for grants from the Housing Corporation or Local Authorities.

David Henry Waring Home Trust

- **Capital Reserves:** This relates to sums set aside from the original bequest and capital receipts to fund the cost of the capital works.
- **Housing property revaluation reserve:** The difference between the valuation of the housing property and the historical cost carrying value (net of capital grants and depreciation) is credited to the housing property revaluation reserve. A transfer is made each period from the revaluation reserve to the revenue reserve of an amount equal to the difference between depreciation for the period calculated on an historical cost basis of the properties (net of any Social Housing Grant) and that of the actual depreciation charged to operating costs based on the revalued asset.
- **Investment revaluation reserve:** The difference between the market value and historical cost of the Trust's investments is credited or debited to the investment revaluation reserve.
- **Revenue reserves:** This reserve represents the Trust's unrestricted and undesignated funds for the current and future working capital in fulfilling the Trust's charitable objects and protecting the Trust from unexpected expenditure.

l) Investments

Investments are stated at market value. Gains or losses on investments, whether realised or unrealised, are disclosed in the Statement of Comprehensive Income in the year in which they arise.

m) Funds

Unrestricted funds are general accumulated funds available to the Trust for its general purposes and include funds designated by the Trust for a particular purpose, the use of such funds remaining at the discretion of the Trust's officers and Trustees.

Restricted funds are funds subject to conditions imposed by the donor or by the specific terms of the appeal under which the funds were raised. The restrictive conditions are binding upon the Trustees of the Charity.

n) Judgements and key sources of estimation techniques

In the application of the Trust's accounting policies, the Management Committee is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimations and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The following judgements have had the most significant effect on amounts recognised in the financial statements:

o) Fixed assets:

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 5 for the carrying amount of the property, plant and equipment and note 1.d for the useful economic lives for each class of asset.

NOTE 2 - ANALYSIS OF INCOME & EXPENDITURE

	2017-18	2016-17
	£	£
INCOME		
Rental receivable (net of identifiable service charges)	153,862	149,952
Service Charges	3,262	2,922
Voids	(117,040)	(109,629)
TOTAL INCOME	40,084	43,245
EXPENDITURE		
Salaries and Wages	(43,691)	(32,893)
Repairs and Maintenance	(60,612)	(163,641)
Grounds Maintenance	(8,660)	(10,393)
Heating and Lighting	(9,365)	(10,421)
Council Tax and Water Rates	(41,463)	(64,229)
Cleaning Materials and Services	(113)	(618)
Insurances	(4,271)	(3,320)
Equipment, Fixtures and Fittings	0	(44,972)
Telephones, Printing & Postage	(1,559)	(2,405)
Subscriptions	0	(25)
Residents Amenities	0	(146)
Link Line	(3,442)	(6,869)
Management Fees	(10,000)	(17,386)
Other Professional Fees	0	(8,495)
Other Expenses	(366)	(154)
Depreciation	(39,695)	(39,695)
Audit Fees	(6,551)	(6,595)
Irrecoverable VAT	(28,343)	(65,754)
TOTAL EXPENDITURE	(253,131)	(478,011)
OPERATING DEFICIT	(213,047)	(434,766)

NOTE 3 – INTEREST RECEIVABLE AND SIMILAR INCOME

	2017-18	2016-17
	£	£
Interest Receivable from listed investments and cash deposits	7,874	14,937
Miscellaneous Income	513	947
	8,387	15,884

NOTE 4 – SURPLUS ON REVALUATION AND DISPOSAL OF INVESTMENT ASSETS

	2017-18	2016-17
	£	£
Unrealised (Loss)/Surplus on listed investments	6,353	98,521
	6,353	98,521

NOTE 5 - FIXED ASSET SCHEDULE

2017/18	Housing Properties Freehold Property £	Other Fixed Assets		Total £
		Plant & Vehicles £	Fixtures & Fittings £	
Balance brought forward 1st April 2017	1,800,000	4,102	18,043	1,822,145
Additions	-	-		0
Balance carried forward 31st March 2018	1,800,000	4,102	18,043	1,822,145
Accumulated Depreciation				
Balance brought forward 1st April 2017	(180,000)	(4,102)	(6,959)	(191,061)
Charge for the year	(36,000)		(3,695)	(39,695)
Balance carried forward 31st March 2018	(216,000)	(4,102)	(10,654)	(230,756)
Net Book Value 31st March 2017	1,620,000	-	11,084	1,631,084
Net Book Value 31st March 2018	1,584,000	-	7,389	1,591,389

Accommodation in Management

The number of supported housing units in management was 28 at the start and end of the year.

NOTE 6: FIXED ASSETS LONG TERM INVESTMENTS

FIXED ASSETS – LONG TERM INVESTMENTS		
	2017-18	2016-17
	£	£
BlackRock Investments		
Balance brought forward 1st April 2017	673,515	574,994
Movement during the year	6,353	98,521
Balance carried forward 31st March 2018	679,868	673,515
Closing Value of Investments at Cost	131,043	131,043
Total Balance carried forward 31st March 2018	679,868	673,515

NOTE 7 – DEBTORS

DEBTORS		
	2017-18	2016-17
	£	£
Amounts falling due within one year		
Accrued Interest	1,656	414
	1,656	414

NOTE 8

SHORT TERM INVESTMENTS		
	2017-18	2016-17
	£	£
Investment Fund		
CBF Investment Fund	74,000	74,000
Balance carried forward 31st March 2018	74,000	74,000

NOTE 9: CREDITORS

	2017-18	2016-17
	£	£
Amounts falling due within one year		
Creditors - LBH	552,416	393,047
Accruals and deferred income	34,543	16,255
Balance carried forward 31st March 2018	586,959	409,302

NOTE 10 RESERVES

	RESERVES				
	Brought forward	2017-18	2017-18	2017-18	Carried forward
	1 April 2017	Surplus (Deficit)	Revaluation Surplus for the Year	Transfer between Reserves	31 March 2018
	£	£	£	£	£
Amenities Fund	5,149	0	0	0	5,149
Capital Reserves	754,967	0	0	0	754,967
Housing Property Revaluation Reserve	214,244	0	0	(1,061)	213,183
Investment Revaluation Reserve	542,472	0	6,353	0	548,825
Revenue reserves	1,485,240	(203,307)	(6,353)	1,061	1,276,641
Extraordinary repairs reserves	72,651	0	0	0	72,651
	3,074,723	(203,307)	0	0	2,871,416

NOTE 11

ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible assets	Investments	Current assets	Current liabilities	Total
	£	£	£	£	£
Amenities fund		5,149			5,149
Capital reserves	754,967				754,967
Housing Property Revaluation Reserve	213,183				213,183
Investment Revaluation Reserve		548,825			548,825
Revenue reserves	623,239	127,243	1,113,118	(586,959)	1,276,641
Extraordinary repairs reserves		72,651			72,651
	1,591,389	753,863	1,113,118	(586,959)	2,871,416

NOTE 12 – EMPLOYEE INFORMATION

The average number of staff employed during the year was 2 (2016/17: 2). The staff members are employees of The London Borough of Hounslow and the associated salaries are charged to the Trust.

	2017-18	2016-17
	£	£
Salaries and wages	33,947	25,633
Social security contributions	2,432	1,739
Pension contributions	7,312	5,521
	36,379	32,893
No employee received remuneration in excess of £60,000 (2016-17 : none)		
Agency staff wages in the year amounted to £nil (2016-17 : £nil)		

NOTE 13 REMUNERATION OF TRUSTEES

Key management comprises the members of the Management Committee. None of the Management Committee received any emoluments in 2017/18 (2016/17: none).

One Trustee was reimbursed expenses of £182 during the year.

NOTE 14 RELATED PARTIES

The Trust's Honorary Treasurer is the Assistant Director of Strategic Finance to the London Borough of Hounslow, and the Secretary to the Trust is the Head of Governance to the London Borough of Hounslow. None of the members of the management committee have any relationships with third parties except with its managing agent, the London Borough of Hounslow.

During the year, The London Borough of Hounslow charged the Trust £10,000 (2016/17 £17,386) in respect of management fees.

NOTE 15 RELATIONSHIP WITH THE LONDON BOROUGH OF HOUNSLOW

6 of the 9 members of the management committee are nominated by the London Borough of Hounslow. All transactions with the London Borough of Hounslow are made at arm's length, on normal commercial terms.