

Centrepont Soho

Financial Statements

For the year ended 31 March 2017

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Centrepont Soho

Financial Statements

For the year ended 31 March 2017

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Centrepoint Soho Financial Statements 2017

Directors' Report (incorporating the strategic report)

The directors, who are also trustees of the charity, present their annual report and the audited financial statements for the year ended 31 March 2017. In preparing this report, the directors have complied with the Statement of Recommended Practice for social housing providers: Housing SORP 2014.

Centrepoint Soho ('Centrepoint') is both a registered charity and a registered provider, and sees both of these areas represented significantly in its activities. In addition to Housing SORP 2014, where appropriate, Centrepoint also follows the Statement of Recommended Practice applicable to charities "Charities SORP (FRS 102)".

Please refer to the accounting policies, on page 30, for further information. A list of the Board, officers and advisers can be found on page 48.

Where we work, who we work with and what we do

We work with homeless young people and young people at risk of homelessness, offering them a safe place to stay and support to find a job and a home. We accommodate young people in a range of owned properties, properties leased from private sector landlords and properties owned by other registered providers. Alongside housing, Centrepoint offers a wide variety of support and training to help young people leave homelessness behind them for good.

We provide education support, advice and job skills training at whatever level a young person requires. Good mental and physical health is crucial for young people to progress towards independence, so we also support young people to look after their wellbeing through a mixture of intervention and signposting.

Homeless young people need representation. We campaign to influence the policies that affect young people and support them to speak up for themselves. We collaborate with local authorities and other homelessness and youth organisations. Our support model incorporates learning, health, employability and mentoring support. We are increasingly offering the benefits of these programmes to vulnerable young people who have never lived in Centrepoint accommodation.

The next chapter: Centrepoint's strategy to 2020

'In 2016-17 we made significant progress in several of the areas which form the central pillars of The Next Chapter - our strategy to 2020. As Centrepoint's presence grows nationwide, we constantly re-examine and expand the ways in which we support young people to sustain a home and a job. Pairing these ambitions with incredibly strong fundraising results makes us able to think big about how far our impact can reach.'

- Seyi Obakin, CEO

Putting People First

In 2016-17 we focused on the fantastic team of staff and volunteers that makes Centrepoint able to deliver for homeless young people.

Directors' Report (incorporating the strategic report)

Putting People First, our new staff programme launched in October 2016, saw our Senior Executive Team dedicate itself to improving everyone's experience of working at Centrepont.

Putting People First ensures that there are career development opportunities for everyone, that talent is enhanced through skills development and that excellence is rewarded.

The valued@centrepont award

In 2015-16 we introduced a set of six values – energy, integrity, humility, accountable, focused, entrepreneurial – which guide our decisions, strategy and behaviour as part of Centrepont.

In 2016-17 we began recognising the outstanding colleagues who embodied these values. The valued@centrepont award is a monthly staff prize for the team member who represented Centrepont's values most consistently.

Knowledge

Our Youth Homelessness Databank unearthed the shocking fact that more than 150,000 young people had approached their local authorities for help with housing over the course of a year.

The databank's unprecedented approach to delivering new empirical evidence of youth homelessness informed and inspired Centrepont's work to influence policy and prevent young people becoming homeless.

Helpline and website

Funded by Centrepont's largest ever media partnership and fundraising campaign, the Young and Homeless Helpline launched in February 2017. Providing the first UK helpline specifically designed for young people worried about their housing situation allowed us to give young people the right advice at the start of their problems. The helpline and additional support for young people through our website brings us a large step closer to one of our central aims: preventing youth homelessness before it occurs.

Vocational Training

Alongside making our skills and employability programmes open to more young people than ever, in 2016-17 we launched Centrepont Works, which provides high quality traineeships and apprenticeships to help young people find the right career.

Helping more young people

Focusing on prevention and supporting young people who have never been Centrepont residents was married up with a drive to make our programmes available to a widening range of young people.

The helpline, outreach to job centres, influencing national policy for young people and publishing research that looks at a bigger picture than hostel accommodation all contributed to the growing variety of ways in which we help young people.

Review of the year summary

In 2016-17 Centrepoint significantly widened its geographical scope and extended its programmes to more effectively fight the risk homelessness poses to 16-25 year-olds in the UK.

We started programmes of support to help young people secure a home and a job in Manchester, Barnsley and previously untapped areas of London.

From a fundraising perspective, the year saw Centrepoint's largest ever media partnership and Christmas appeal – integrating the two created a landmark campaign in the year's third quarter. Supported by strong backing from corporate partners, extensive press coverage and high online engagement throughout the year, 2016-17 was Centrepoint's most successful 12 months of fundraising to date.

We recruited a National Head of Health, working directly with young people and in partnership with other organisations to extend our reach further.

Centrepoint's volunteering team collaborated with its health and participation teams across all regions to support existing volunteer roles and create new ones.

Last year we acquired a national training subsidiary which combined our skills and employability support with training and apprenticeship opportunities.

Centrepoint Partnering launched a new membership scheme in May 2016, Now 60 members strong, we offer a range of services to give more support than ever to like-minded organisations fighting youth homelessness.

More than 1,000 people participated in Sleep Out London raising £536,000; an increase of £200,000 from 2015-16. Corporate fundraising at large exceeded its 20% income growth target.

We secured significant changes to the government's plans to cut housing benefit for 18-21 year olds and worked with the Centrepoint Parliament to produce a young person's guide to Universal Credit. Though we were disappointed that the cuts went ahead at all, without these concessions the effect on young people could have been drastically worse.

We raised £9m from direct and legacy marketing activity with expenditure of £4.4m, and exceeded our target for net income by £600,000.

Review of the year – how we performed against our 2016-17 plans**HOUSING SERVICES****Performance against plan**

We expanded what we provide for young people in London and further embedded our position in Yorkshire by extending services in Bradford and establishing a pathway in Barnsley. Centrepoint now also has a significant presence in Manchester.

We have evaluated the health support we offer in line with a new operating model focusing on functional skills as well as traineeships and apprenticeships. We have widened the

scope of what we offer in Yorkshire and the North East, including the development of a learning hub in Bradford.

We merged with the Young People's Support Foundation (YPSF) in Manchester and made immediate progress by developing move on accommodation for young people exiting supported accommodation

Centrepoint secured its fourth whole pathway of young people's provision. We have designed and now deliver Barnsley Metropolitan Borough Council's supported housing for young people with multiple needs.

Eighty two per cent of young people were able to achieve positive move on when leaving Centrepoint's supported accommodation.

Young people have attended, contributed to and help make a success of numerous Centrepoint events including Centrepoint at the Palace, Centrepoint's Got Talent and our polo event.

SUPPORT SERVICES FOR YOUNG PEOPLE

Overall

We have grown our accommodation and developed our floating support nationally. In the North East we have evaluated and amended our Lifewise and Youth Educator programmes.

We have evaluated the support model by consulting with both front line staff and managers to fully understand the changing needs of the young people we work with.

We have implemented new provision for young people's health in Barnsley, where our focus is on health, homes and jobs for young people. Our new offer in Manchester is specifically focused on prevention, advice and guidance to avoid rough sleeping.

Skills and Employability

We created Centrepoint Works, a strong national brand bringing together Centrepoint's existing learning offer with the commercial offer delivered by our subsidiary Astral Training. The move has strengthened our curriculum offer and helped us to better map young people's journeys from; not being in education employment and training (NEET) to moving into employment, education and training (EET). We have also devised a framework that maps the four stages of a young person's journey into EET.

We have developed a structured learning offer, delivered to increasing numbers of young people. The qualifications we offer and our geographical footprint have both been extended. We have won contracts for DWP clients not living in Centrepoint services. We continue to build and develop a sustainable model to guarantee this support for Centrepoint young people, working towards our strategic goal of providing young people with a job and a home.

Through our dedicated bid development team we continue to build strong relationships with strategic partners through which we deliver a range of commercial contracts, including Eastleigh College and London Learning Consortium, LTEN and Gateshead Council.

Participation

Directors' Report (incorporating the strategic report)

Centrepont Parliament, a group elected from our hostels to represent young people within Centrepont, went through intensive campaign training. The training was run in-house by a member of a former Centrepont Parliament, our Participation Assistant and Centrepont's Policy Team.

Their campaign focused on mental health and wellbeing, with an emphasis on how to remain mentally fit. Based on submissions from Centrepont's young people the parliament created a social media A to Z of Mental Health and Wellbeing.

The Participation Team worked in partnership with Fully Focused Productions to develop two youth-led films about housing law and young people's rights. Centrepont Parliament were heavily involved in the initial research stages and provided topics for content.

The first film has been completed and the rough cut has been presented to Centrepont's Senior Executive Team. Both films will have a screening at BAFTA and launched in July 2017.

The Centrepont Parliament alumni programme has been launched, recruiting six members initially. Their continuing aim is to embed a more participative approach throughout all Centrepont teams and trigger volunteering opportunities for young people. They are also providing direct support to the current Centrepont Parliament, guiding them through activities such as the annual residential where parliament members stay overnight.

Health and wellbeing

The Health and Wellbeing Team restructure commenced in March 2017 in line with organisational efficiency savings, creating a more specialist, streamlined office.

A light-touch mapping exercise was completed, demonstrating our existing footprint against each of our housing services and where gaps in delivery currently are. The creation of the forthcoming Health and Wellbeing Strategy will consider a strategic approach to address these.

The CRM approach will be utilised in conjunction with Housing and Support colleagues to understand integrated commissioning, identify joint opportunities and consider new business in the context of the overall strategic direction of the organisation.

A new contract has been secured via Lambeth Clinical Commissioning Group to fund two part-time Psychotherapist positions.

£250,000 worth of NHS Mental Health training was secured to deliver a programme of workforce transformation across housing and support staff.

The Centrepont Helpline

The Centrepont Helpline was launched successfully, with staffing and technology resources in place and funding secured from the ASOS Foundation and Co-op Bank to sustain the service.

The helpline supported nearly 1,500 young people who have contacted Centrepont last year and recorded information from each interaction to help Centrepont better understand the true picture of youth homelessness.

COLLABORATION

Performance against plan

In May 2016 Centrepoint Partnering launched a new membership scheme. We now have 60 members. Members benefit from a range of services depending on the membership package.

We are now ready to pilot a couple of People, Skills and Employability offers for members. The first apprenticeship through Centrepoint Partnering is being delivered in the West Midlands.

We increased the demand for our 'buy in' consultancy services this year and are delivering organisational reviews, evaluations and supporting organisations to develop strategically relevant business plans.

Two hundred and seventy one young people received 502 AQA accreditations for life skills workshops through the Centrepoint Lifewise programme. We also trained 33 staff members to deliver this course.

Themed events have engaged young people from across the country. Our 'On My Own' poetry competition enabled young people to get creative and voice experiences. All the poems entered will be featured in the Centrepoint anthology. Homeless In Parliament saw young people from member organisations working together with Centrepoint to voice their views on the current political environment.

INFLUENCING LOCAL AND NATIONAL POLICY

We held successful events at the two largest parties' conferences, with journalist Polly Toynbee chairing the debate at the Labour Party conference and Education Select Committee member Michelle Donelan taking the role at the Conservatives' conference.

We met with MPs and civil servants throughout the year, including the secretary of state for communities and local government, the leader of the Labour Party and the leader of the Liberal Democrats. We welcomed the inclusion of additional funding, called for in our report about barriers to employment and training, for apprenticeships taken up by care leavers and those from low-income backgrounds to attract additional funding.

New research into preventing homelessness was launched in October and further new research on supporting care leavers to ensure they do not become homeless followed in June 2017.

We secured significant changes to the government's plans to cut housing benefit for 18-21 year olds and worked with the Centrepoint Parliament to produce a young person's guide to Universal Credit.

MOBILISING SUPPORT AND SUPPORTERS**Volunteering**

We began setting up youth volunteering roles within Centrepoint, alumni of the Centrepoint Parliament have worked as volunteers with teams throughout the organisation, helping them identify how current residents can become involved in volunteering. We have also worked collaboratively with our health and participation teams across all regions to support existing volunteer roles and create new ones.

Directors' Report (incorporating the strategic report)

We successfully moved the day-to-day management of our one-to-one volunteering across to the Housing and Support team and other teams running volunteer programmes.

We were unable to recruit the planned volunteering team post in Bradford. In Sunderland, the volunteering process has continued to grow with teams and services actively seeking to create volunteer roles to enhance delivery and support young people. This has resulted in valuable skillsets from volunteers being utilised and some inventive role development. The volunteering working group has been established and this has improved coordination of roles and staff input into volunteer training and development. Also, the incorporation of the participation element into the senior volunteering officer role has facilitated a direct link to Sunderland services for the Participation team and has enabled young people to access Centrepont Parliament.

Marketing

We generated £9m from direct and legacy marketing activity. This was achieved with expenditure of £4.4m. These results are £600,000 ahead of the net target.

Sponsor a Room was successfully relaunched with a new section of the website, new materials for donors and new advertisements to recruit more donors in future. A legacy proposition was successfully launched and the in-house direct dialogue team is now eight strong with further teams to be added next year. Extra training will be required before young people join the team.

The new website was launched successfully in September 2016. It brought several sites into one place increasing the ease of navigation for supporters. Its increased effectivity is demonstrated by a 40 per cent increase in donations during the Christmas period. Information for those at risk of homelessness has been reviewed and improved.

The Media and PR team supported, trained and briefed over 40 young people to speak to the media – telling their stories and raising awareness of youth homelessness.

Corporate fundraising

More than 1,000 people participated in Sleep Out London raising £536,000 an increase of £200,000 from 2015-16.

Corporate fundraising exceeded its 20% income growth target.

Support from clothing company ASOS grew from £20,000 per year to £350,000 per year – including £150,000 annually for three years to support the Centrepont Helpline.

End Youth Homelessness

The End Youth Homelessness movement raised £500,000 against a target of £400,000

Total attendance for Sleep Out nationally saw 2,300 people raise over £900,000 in all.

Income for End Youth Homelessness increased by 40 per cent as new partnerships were won with Eversheds, Yorkshire Building Society, The H&M Foundation and Chiquito.

Regional fundraising

Directors' Report (incorporating the strategic report)

Regional fundraising events grew from three in 2014-15 to nine in 2016-17, including a new Sleep Out (Manchester) and the Ultimate Pub Quiz coming to Yorkshire.

Sleep Outs in Bradford, Sunderland and Manchester Sleep Out's raised £53,163 after costs. Sleep Out income in Bradford doubled for the second year running.

Increased fundraising allowed us to fund two Learning Workers in the North East, strengthening our offer of support to young people in the area.

BUSINESS SUPPORT**Performance against plan**

Our housing management system will be rolled out in the summer. The system build is complete and front line staff are being trained. The new system will reduce front line staff work load enabling more face to face time with young people and improve efficiency for support teams.

We redefined our approach to procurement, supported by revised policies and procedures. The tools, support and guidance now in place are delivering benefit by giving teams across Centrepont the confidence and ability to lead their own effective procurement.

We continue to align IT systems and migrate applications for cloud readiness. Centrepont is on course to achieve its cloud strategy in line with its 2020 strategy

We reviewed our internal audit provision and are developing our own internal audit function. Our Quality and Contracts team have a good understanding of the complexities of the organisation and are studying to become qualified internal auditors. This will help Centrepont drive compliance and quality.

The structure of our annual tenants' report was reviewed and overhauled with the help of the Centrepont Parliament, resulting in a short leaflet in place of the previous 26 sided A4 document.

Our approach to fundraising

Centrepont works with partners to help us deliver our campaigns to new and existing supporters. As we have over 50,000 existing supporters and recruit 11,000 new supporters a year we simply aren't able to raise funds and report back on the impact of donations without support.

All of these agencies also adhere to relevant regulation and any agency working directly with the public has their own respective vulnerable policies.

The agencies Centrepont is currently working with are:

Campfire – they help us to deliver our campaigns through helping us with the creative execution and strategic delivery of our campaigns for example they support us in the delivery of our warm appeal programme which brings in over £1m and our cold appeals (press, inserts, digital) which brings in about £650k from new supporters.

All Response Media – they assist us in the planning and buying of all of our media specifically – TV, Press, Inserts and outdoor advertising.

As well as running an in-house face to face operation we also work with two direct dialogue agencies – **REAL & One Sixty** who work with us in our street and door campaigns. We have worked with both of these agencies for the past three years which

Directors' Report (incorporating the strategic report)

has resulted in a solid partnership with both agencies developing an in-depth understanding of Centrepont, our long term goals and objectives. This year they will recruit 6,000 regular givers for us. **Ethical** carry out all of our telemarketing to our existing supporters thanking them for their support and asking them for additional support where appropriate.

Fundraising practice

The Institute of Fundraising's Code of Fundraising practice states that:

- *Fundraisers must take all reasonable steps to treat a donor fairly, enabling them to make an informed decision about any donation. This must include taking into account the needs of any potential donor who may be in a vulnerable circumstance or require additional care and support to make an informed decision.*
- *Fundraisers must not exploit the credulity, lack of knowledge, apparent need for care and support or vulnerable circumstance of any donor at any point in time.*

We recognise that it may be difficult in some situations for fundraisers to make a clear cut decision as to whether or not someone is in a vulnerable circumstance or lacks capacity. The person is likely to be a stranger to the fundraiser; the interaction can be short-lived and may not be in person. We will provide guidelines for fundraisers but our approach is always to err on the side of caution.

Our approach has been informed by the Institute of Fundraising document: Treating Donors Fairly - Guidance for fundraisers responding to the needs of people in vulnerable circumstances and helping donors make informed decisions:
<http://www.institute-of-fundraising.org.uk/library/treatingdonorsfairly/>

Centrepont has never failed to comply with any voluntary scheme or fundraising regulation. We aim to follow fundraising best practice and industry guidelines in all of our activity.

How we monitor fundraising activity

Centrepont and its agencies' monitoring guidelines include:

- Regular meetings
- Monitoring of performance
- Training
- Mystery shopping
- Observer agency training
- Shadowing
- Call listening
- Monitoring of complaints
- Involving senior management and trustee's
- Regular consultation with other charities and regulatory bodies
- Due diligence clauses in contract

We listen to a randomly selected sample of the calls made by our telemarketing and fulfilment agencies on a weekly basis. We score these calls and feed back improvements or concerns.

Complaints

We received 104 fundraising related complaints in the calendar year 2016, compared to 127 in 2015.

Our fundraising promise

1. Because we are committed to making a difference to the lives of homeless young people, we always encourage people to make a donation to Centrepoint if they are in a position to do so. But we recognise that it's your decision and you need to make it in your own time.
2. We will always respect your privacy. We recognise and appreciate your donations are completely personal to you.
3. We will give you the opportunity to be connected with the work we do, which is made possible by gifts like yours.
4. If you wish to receive updates from us, we will always tell you about how you are helping to change young people's lives so you know how your money is being spent.
5. We will use your donations carefully and cost effectively so that they have the greatest impact for our young people.
6. We will always take appropriate action if others acting on our behalf fail to meet our high standards.
7. We will always check first that you are happy to speak to us when we call.
8. We will never share your data with other organisations, non-profit or otherwise.
9. If you tell us you don't want to hear from us again, or want to hear from us less, we will respect this and amend your record accordingly.

All of the agencies that we work with that have direct communication with new or existing supporters have a vulnerable person policy in place. Prior to working with any agency we review their policy and with street and door to door agencies we will sit in on any fundraiser training that covers talking to vulnerable people.

Refer to <https://centrepoint.org.uk/working-with-supporters> for more information on how we treat supporters and core FAQs about Centrepoint.

Financial review*Income*

Income for the year ended 31 March 2017 was £32.6m (2016: £27.3m).

Income from charitable activities was £13.7m and has increased slightly from £12.9m in 2015-16.

Voluntary income for the year was £16.3m, an increase of £4.3m from 2015-16.

Resources expended

Resources expended during the year ended 31 March 2017 were £28.7m (2016: £26.3m). Charitable activity expenditure accounts for 74 per cent of our expenditure. With the reduction of public sector grants, we have increased our investment in fundraising to ensure an uninterrupted service to young people.

Expenditure on charitable activities was £21.2m and £1.2m more than the previous year due to the increased number of services. Expenditure on support costs increased only slightly despite the increased activities and reflects the continued effort to improve efficiency and drive down costs.

Directors' Report (incorporating the strategic report)

The overall cost of generating voluntary income was £7.5m (2016: £6.3m). This reflects the increased fundraising activity, including our event Centrepont at the Palace.

Surplus

The surplus for the year was £3.9m and of this, £345k is for restricted projects and £1.5m for unrestricted reserves. An additional £2m has been designated primarily for new housing stock.

Balance sheet and cash flow

The balance sheet and cash flow remains strong. Working capital ratio was greater than 2.8:1.

Value for money self-assessment 2016-17

This report outlines our approach to value for money (VfM) and what we have achieved over the last financial year to make sure we get the most value out of our resources. It is in direct reference to the required outcomes and specific expectations of the Homes and community Agency (HCA) VFM Standard. This report covers our aim to work collaboratively, harnessing innovation and creativity of our staff, our young people and stakeholders to deliver improvements in efficiency, effectiveness and economy.

Our approach to VfM

Our business planning, decision making process and VfM strategy is designed to work together to obtain better outcomes for young people that ultimately lead to a job and a home. VfM is an integral part of all of our planning, from our strategic plan, business plan, team plans and our individual objectives. It is not just about cost savings – it is getting the most from our money.

Our approach to VfM will:

- Support our vision, mission and strategic objectives
- Provide a range and priority of services that our stakeholders want
- Achieve and maintain standards of quality and costs which positions Centrepont among the top performers in our sector
- Adopt recognised good practice where appropriate
- Seek out better ways of performing
- Make the most productive and efficient use of internal and external resources
- Demonstrate sustained year on year improvement
- Maximising our social value
- Maximising opportunities through procurement
- Regulatory compliance and involving our young people
- Excellent performance and young people satisfaction

Our resources and decision making

Centrepont's resources are:

- Property assets and the services we provide: home and a job
- People: working for Centrepont
- Financial

Our planning process starts with our strategic plan and identifies the direction in which we are headed. The business plan and financial plan are written showing how we will achieve our goals and what they will cost. During the annual budget process, resources are allocated based on the business plan and financial plan plus the individual team work plans, all working together to achieve efficiencies alongside our strategic objectives.

Directors' Report (incorporating the strategic report)

We have policies and procedures in place which guide our staff in day to day activities. For example, our procurement policy and procedure, alongside our financial regulations and delegations, guides staff on purchasing decisions and the inter-connection of quality and price.

All key operational decisions are made based on reports written by senior managers which outline the cost and service delivery implications of the decision required and how it will help us achieve our strategic objectives.

How we monitor Vfm

We complete Vfm reviews of our activities:

- What are the outcomes?
- Cost per outcome?
- How could we do this better or more efficiently?
- Benchmark our services to understand strength and weaknesses
- Improve IT infrastructure to support the business

Monitoring our performance against key performance indicators

Getting feedback from young people through a biennial survey, regular resident speakouts, and young people attendance at senior management meetings including all Board meetings.

Using internal audits and benchmarking information to identify waste, poor use of resources and potential areas for review

Performance – the return on our resources

- *Home and a job*

Performance measure	2016-17 actual	2016-17 target
Number of young people worked with	9,207	8,002
% of senior management meetings attended by young people	29%	75%
% Positive move on	88%	75%
% young people EET on departure or made significant progress during stay	51%	75%
% young people managing their mental health better	74%	60%
% repairs completed on time	82%	95%
% repairs right first time	85%	80%
% satisfaction with repairs	99%	90%
% rent arrears	20%	12%
% void loss	8%	6%
% complaints resolved on time	93%	100%

We are part of a pan-London benchmarking group and we not only benchmark against other providers but also share best practise and share information. We use the benchmarking data to inform our housing targets but being mindful that our client group, of young people predominantly in supported housing, can be more chaotic than all age, general needs clients.

Directors' Report (incorporating the strategic report)

We started the year with voids at 13.8% and have worked hard to reduce them over the year. Our rent arrears are much higher than target but we are working to reduce this by investing in a new rent system to help young people manage their rent.

Young people have attended senior management meetings to discuss any issues they have. We recognise that we need to improve our response time on complaints.

We are working with more young people and the number of bedspaces we own or manage has increased from 840 to 844. We have acquired training company who provide apprenticeships, traineeships and functional skills. This investment will help us support more young people into education, employment and training.

- *Working for Centrepont*

Performance measure	2016-17 actual	2016-17 target
Staff turnover	22%	20.0%
Unplanned staff absence	3%	3.50%

Our staff are very important resource and one of our objectives is to Pursue Excellence Together and improve the experience of every staff member in Centrepont. We have made progress during the year and introduced new initiatives for inducting staff, developing leaders and listening and responding to the views of our staff and importantly retaining skilled staff. Whilst our performance on staff turnover is not where it needs to be, we have made good progress in this area. We are pleased with our performance on staff absence.

Financial performance

Performance measure	2016-17 Actual £'000	2015-16 Actual £'000
Income ¹	30,357	25,022
Services to young people	21,039	19,994
Surplus / (deficit)	3,859	1,028
Fundraising income	16,333	12,005
Fundraising net contribution	8,846	5,732
% business support costs	7.8%	8.3%

Our income has increased across all income streams this year. We have increased the number of staff working with young people from 286 to 306.

How we monitor our VFM and key achievements

In addition to the key performance measures above, we have also achieved the following through procurement activity

- Reactive and voids repair maintenance run rate savings of 8% or £40,000
- Insurance premiums maintained at current levels with 20% increase in sums insured, reduction in excess and more favourable terms.

¹ Excluding profit on disposal of fixed asset

Directors' Report (incorporating the strategic report)

- Review of our procurement policies and procedures and how we procure and identify different methods such as direct tender and procurement frameworks for generic items and direct tender for more specialised items.
- Introduce procurement workshops to understand procurement needs and deliver best value products to our young people.

This year we completed value for money reviews across all our business with the aim of identifying and prioritising social impact and best value. All business units were required to demonstrate value for money whilst linking outcomes to a job and a home. This led to an action plan to reshape work in some areas to get improved value for money.

During 2017-18 we plan to:

- Continue procurement workshops focusing on housing items and involving young people in the process where possible.
- Continue our programme of retendering key procurement activities.
- Continue to review all activity costs and identify any ways to deliver more effectively and efficiently.

How the Board has gained assurance

Our Board receive regular reports on:

- Performance measurement on key strategic targets
- Financial information
- Internal audits
- Quality reviews
- Annual report to tenants

Investment policy

Our investments are held as a means of earning revenue on designated and restricted funds until they are required, and also on reserves held for any future shortfall in income to ensure we can continue to provide an uninterrupted high quality service to young people. Our policy is to hold investments in cash on short-term deposit to be readily available and to maximise the return.

Reserves

We hold reserves in order to ensure the uninterrupted provision of high quality services to young people. This includes keeping their homes in a good state of repair and continuing to campaign on their behalf to influence public policy appropriately.

Through its Audit and Risk Committee, the Board reviews annually the minimum level of reserves it needs to maintain continuation of activities in the event of financial difficulties. The review takes account of the risks attached to all categories of our income and expenditure. Based on this review, the Board has set a target of achieving general reserves (i.e. total 'unrestricted' reserves) equal to at least £2.6m.

At the end of 31 March 2017, unrestricted reserves stood at £16.8m. However, of this amount, £15.1m has been designated for the various essential activities we plan to carry out in the immediate future or already have invested in fixed assets, leaving £1.7m of general reserves – lower than the target level set by the Board. Therefore, although reserves are in a satisfactory position overall, we shall continue our efforts to strengthen them.

Transfers between funds primarily represent the designation of fixed assets and fixed assets purchased from restricted funds where the acquisition of the fixed assets has discharged the restriction and the assets are transferred to unrestricted funds.

Financial position

The Board considers that there are sufficient reserves held at 31 March 2017 to manage any foreseeable downturn in the UK economy. The Board consider that there is a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future and for this reason, the Board continues to adopt the 'going concern' basis in preparing the accounts.

Plans for next year**HOUSING AND SUPPORT SERVICES FOR YOUNG PEOPLE**

We will create an operating model that enables all the young people we work with to live independent, aspirational lives and achieve both a home and a job.

We will continue to grow our provision, working in partnership where appropriate, to ensure that our full offer reaches as many young people as possible.

We will implement and embed our new partnership-based health offer across all of the regions where Centrepont works.

We will focus our preventative work to contracts that fully demonstrate a home and a job offer to young people.

We will redesign, implement and embed our support model, which has complete focus on a home and a job for young people.

We will continue to develop work in Centrepont's current locations and work hard to develop new areas where stakeholders and partners are as committed as we to a home and a job.

SKILLS AND EMPLOYABILITY

We will to continue develop our model to increase the number of homeless and disadvantaged young people accessing a home and a job in line with Centrepont's strategy.

We will focus on extending our remit to provide sustainable employment and career progression.

We will continue to expand our reach, building on strategic partnerships to enhance our offer, providing an offer as specialist intervention partners with a focus around homelessness and disadvantaged young people.

We will expand our apprenticeship offer to employers through the new apprenticeship levy and to develop the services around traineeships and qualifications to young people in Manchester.

PARTICIPATION

To join Participation and Volunteering into a dual role, reconsidering current projects on both sides and re-establishing what our offer will be.

To grow youth volunteering.

A mapping exercise to review how we monitor young people's satisfaction across Centrepoint and provide recommendations on how to streamline and improve this, so that it benefits all young people living in Centrepoint services.

HEALTH

To ensure every Centrepoint young person has access to a health offer via in-house direct provision or through brokering partnerships with health providers.

To diversify the team's income further through more statutory commissioned business that is strategic in nature and contributes to Centrepoint strategy.

To create a Health and Wellbeing Strategy that is robust and identifies a clear direction of travel to 2020 and beyond.

COLLABORATION

To grow the Centrepoint Partnering scheme by increasing numbers of members, which in turn will increase the ability to charge and attract further funding. Our goal is to increase the profile through the numbers of organisations engaged with Centrepoint on national research, lobbying and media campaigns, as well as through business opportunities and engagement with our People, skills and Employability department.

Pilot a new bursary scheme for young people from Centrepoint Partnering organisations.

Continue to develop new programmes for members that support homeless young people into a job and a home.

INFLUENCING LOCAL AND NATIONAL POLICY

Influence the new government to ensure a sustainable funding system for the future of supported housing post 2019.

We will meet with MPs, councillors and civil servants to disseminate, as widely as possible, the findings and recommendations of new reports on supporting homeless care leavers and refugees.

We will undertake further research, including into the impact of the Youth Obligation and on how prevent homelessness amongst young people leaving custody.

MOBILISING SUPPORT AND SUPPORTERS**Volunteering**

To join Participation and Volunteering into a dual role, this means re-looking at current projects on both sides and re-establishing what our offer will be.

To continue to support Centrepoint young people and volunteers.

To grow youth volunteering.

Marketing

Launch unique research which will uncover the challenges facing vulnerable young people across the UK in 2017 and inform appeals for funding.

Deliver a fully integrated Christmas appeal; recruit two new in-house direct dialogue teams; launch two new mass participation events.

Continue to develop the legacy programme and deliver at least two supporter events to give supporters a better understanding of what we do.

Corporate

We will increase income by 20 per cent.

We will develop long lasting and sustainable relationships to ensure a secure income base for future years.

We will grow the London team from six to nine people in line with the five year corporate development strategy.

End Youth Homelessness

We will raise £975,000 through nationwide corporate partnerships.

We will deliver a portfolio of national services supporting homeless young people across EYH charities, including a national rent deposit scheme, jobs coaching programme and bursary scheme.

We will develop new fundraising mechanisms and products to diversify our income streams towards our 2020 target to raise £1.5m.

Regional fundraising

We aim to raise £500,000 from Regional Fundraising in 2017-18.

We will develop long lasting and sustainable relationships in each of our regions to ensure a secure income base for future years.

We will run Sleep Out in each of our operational areas – Bradford, Barnsley, Sunderland and Manchester.

BUSINESS SUPPORT

We will drive quality within Centrepont through a new internal audit focus and a new performance management framework.

We will ensure we are compliant with the new data protection regulations to be enforced in 2018.

We will develop our management information systems to improve user efficiency and improve management information.

We will improve our ICT infrastructure and enable staff more flexible working including mobile working, remote working and hot-desking.

We will continue to drive best value from our procurement activities.

We will launch our new rent accounting system providing young people with improved and timely information.

Structure, governance and management

Structure and decision making process

Centrepont is a registered charity legally organised in the form of a company limited by guarantee and governed by its memorandum and articles of association. The Board of Trustees are the members of the company and their liability in the event of the company being wound up is limited to £1 each. Centrepont is also a registered provider and acts entirely as a non-profit making organisation.

It has four subsidiary companies

- CP Trading Limited, a non-charitable company that gifts all of its profits to the charity.
- The American Friends of Centrepont, a charitable company registered in New York which donates its income to Centrepont.
- Astral Training Limited and Astral ATA Limited, which offer training opportunities to young people.

These subsidiaries have been consolidated into these financial statements.

Centrepont is controlled by a Board of Directors as set out on page 48. The directors, who are also Trustees of the charity, are volunteers who have distinguished careers in a wide variety of activities. They provide the full range of experience and expertise required to add significant value to the work of the charity. They do not receive any remuneration for their roles as directors.

Directors are recruited through a combination of newspaper adverts, recruitment consultants and referrals. They are appointed for three-year periods but may be re-elected twice subject to performance and need. Newly appointed Trustees receive a letter of appointment and an induction programme which together covers general responsibilities, committee membership and involvement outside formal Trustees' meetings. Ongoing training for Board members consists of training courses, regular updates at Board meetings and the Board annual away day is focussed on sector developments and the impact on our strategy.

The Board sets the overall mission, direction and strategies for successful fulfilment of Centrepont's purposes and continued development as a viable enterprise. It scrutinises performance to secure effective implementation of strategy. It exercises overall accountability to major stakeholders and oversees major policies and major policy positions.

Details of implementation and execution are the responsibility of the senior executive team, led by the Chief Executive Officer. In order to perform its role effectively, the Board has established the Audit and Risk committee and the Centrepont Parliament. The Audit and Risk Committee is responsible for detailed oversight of risk management and internal control, internal and external audit, financial management and reporting, and operational performance. The Committee comprises five Board members and meets at least three times per year.

The Centrepont Parliament was established in May 2010 from young people in our services and was formally launched in January 2011 in the House of Commons. The Parliament has 15-20 members who are young people from Centrepont services. They are elected by young people in those services. The purpose of Centrepont Parliament is to

Directors' Report (incorporating the strategic report)

ensure all young people at Centrepont have: a genuine voice and are given the opportunity to influence Centrepont, the lives of local young people, local and national government; and to raise awareness of the risks and realities of youth homelessness through the Youth Educator Programme.

The Remuneration Committee comprises four board members and meets annually to review the salaries of the senior executive team. They are also responsible for nominations and board renewal.

The full Board meets every quarter to: scrutinise performance of the organisation in relation to its objectives; receive reports of its committees; and deal with major strategic issues. One further meeting is held each year in the autumn to review strategy.

The directors have sought to implement the recommendations of the National Federation of Housing Associations (NFHA) Code of Governance in the context of the particular features of Centrepont and will continue to abide by it.

A new governance and financial viability standard was introduced by the regulator, Homes and Communities Agency, in 2015. The directors have reviewed the standard and assess that Centrepont fully complies with it.

Statement of directors' responsibilities

The directors (who are also Trustees of Centrepont for the purposes of company law) are responsible for preparing the Directors' Report (incorporating the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Standards (UK GAAP).

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Housing SORP 2014
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and The Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2015. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Disclosure of information to auditors

In so far as the directors are aware:

Directors' Report (incorporating the strategic report)

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Internal controls

In recognition of its responsibilities for the company's system of internal control, the directors have established control systems that aim, in part, to provide reasonable but not absolute assurances against material misstatement or loss.

The controls in place include:

- Authorisation controls by responsible personnel to ensure that only transactions which are necessary and fall within the scope of the company's operations are undertaken and that alterations or amendments to existing company records are properly authorised;
- Recording controls that ensure that all and only authorised transactions are taken into the accounting records. Elements of these controls comprise segregation of duties among personnel and checking reports against input source documents;
- Safe custody of assets including periodic physical verification of their existence at sites where these are located, maintenance and updating of records detailing information about such assets and restricted access to premises and use of the company's assets to authorised personnel;
- Employment of suitably qualified and experienced staff to take responsibility for the key areas of the company's business, supported by a formal appraisal system;
- Preparation of forecasts and budgets which allow the Board and the executive officers to monitor the key business risks and financial objectives and identify variances arising during the monthly reporting cycles.

In addition to the general controls described above, specific control systems in respect of computer systems are also in place. These include restriction of access to computer equipment, systems and suites of programs including amendment of standing data to designated personnel through approved measures such as compulsory use of passwords and access rights.

The directors have reviewed and continue to review the effectiveness of the system of internal control through delegated authority to appropriate personnel or by engaging outside agencies.

The reviews carried out in the financial year ended 31 March 2017 have not revealed weaknesses in internal control resulting in material losses, contingencies, or uncertainties which the directors regard as material therefore requiring disclosure in the financial statements.

Risk management

The Board has direct responsibility for overseeing the management of risk.

We seek to be a 'risk intelligent' organisation: taking more appropriate managed risk as well as avoiding pitfalls; and creating the appropriate culture and performance management systems to deal with risk appropriately.

We have a formal risk register that identifies the key risks facing Centrepont. These are risks that in our judgement may have significant effect on the achievement of our mission and our operational performance. The register is updated on an ongoing basis and is formally presented to and reviewed by the Audit and Risk Committee at each of its meetings. It is also presented to the Board every quarter.

Directors' Report (incorporating the strategic report)

The key risks identified in our risk register are prioritised in terms of potential impact and likelihood of occurrence. We consider ways of mitigating the risks and identify a lead executive that is responsible for taking necessary actions.

In addition to the register of significant risks, senior managers review risk-relevant issues monthly and take appropriate actions to mitigate emerging risks.

Centrepoint faces two particularly significant risks. The reduction in public spending has impacted on Supported Housing grants and grants available for development projects. We are implementing strategies to minimise its impact on Centrepoint. Data protection regulation is changing in 2018 and alongside cyber security; we need to ensure we keep our data and systems safe.

Health and safety

We are committed to continual improvement in health and safety performance. We recognise our duty of care to personnel, volunteers, members of the public and young people using our services. To ensure our policy is implemented and maintained we have a health and safety management system which has been put in place to assist in compliance with health and safety legislation and good practice.

We review our health and safety policies on a rolling programme and review all at least annually. The Chief Executive Officer will review the Health & Safety Policy and its arrangements on a bi-annual basis with the Board of Trustees.

Employment

At all levels, we are committed to the elimination of all forms of discrimination, promoting equality and fulfilling our duties as a registered provider and charity, particularly in relation to equality and diversity legislation. At Centrepoint we are committed to doing all we can to make sure our staff feel highly engaged and are able to be highly productive. We want everyone to feel empowered and inspired, and to know they play an important role in sustaining an effective, professional and innovative service for young people.

Centrepoint is an equal opportunities employer. All recruitment and selection decisions will be based on relevant skills, knowledge and experience. At all stages of the process, it is important to avoid judgements based on age, disability, gender, marital status, sexual orientation, pregnancy or maternity, ethnic origin, race, religious/philosophical belief or any other irrelevant factor. Selection for all roles must be based on merit, against objective criteria that avoid discrimination. Our policy and practices reflect all current relevant UK legislation and we will ensure that we continue to comply with future legislative changes. This policy promotes and supports good practice for those with responsibility for recruitment, applying fair and consistent procedures that are non-discriminatory.

To do this we need as many channels of communication as we can get, up, down and across our organisation. The newly formed staff forum plays a key part in providing this. The forum aims to contribute to the continuous improvement of Centrepoint through the involvement of our employees by:

- Enabling staff knowledge and know-how to be shared throughout the organisation.
- Strengthening and enhancing open and timely communication with staff by offering an additional channel for people to be informed and to raise issues and problems that affect Centrepoint as an organisation, employees and young people.
- Involving employees, through their representatives, in the decision-making process by consulting more broadly on staff views and ideas, and acceptance testing and trialling new initiatives.
- Enhancing the links and communication between the various office locations and remote workers.

We offer a comprehensive learning and development programme which is developed and offered each year to employees.

Staff also have direct access to the senior executive team on a monthly basis. These visits provide the opportunity to both staff and the senior executive team to share information and seek views on all issues. They complement other forms of internal communication including On Point, Talking Point and Centranet and provide staff with an opportunity to consult on issues of direct relevance to them.

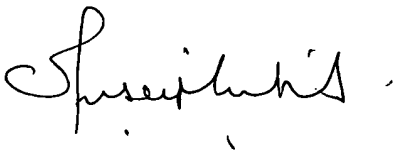
Public benefit

The directors have had regard to the Charity Commission's general guidance on public benefit and its supplementary guidance on fee charging and are satisfied that we provide considerable public benefit as demonstrated in this report. We have referred to the guidance when reviewing our purpose and mission and in planning future activities. In particular, consideration is given to how planned future activities will contribute to our strategy.

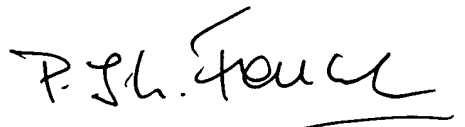
All staff and directors are covered for professional indemnity under Centrepoint's insurance policy.

Further information about getting help, the issue of youth homelessness, the solution and getting involved can be found on our website www.centrepoint.org.uk.

Approved by the Board on 2 August 2017 and signed on its behalf by:



Seyi Obakin
Company Secretary



Penny Francis
Chair

Opinion on financial statements

We have audited the parent and group financial statements of Centrepont Soho for the year ended 31 March 2017 (the "financial statements") on pages 27 to 47. 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 group's and the parent company's affairs as at 31 March 2017 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly 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 2015.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report (incorporating the Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements and, based on the work undertaken in the course of our audit, the Directors' Report (incorporating the Strategic Report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report (incorporating the Strategic Report).

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

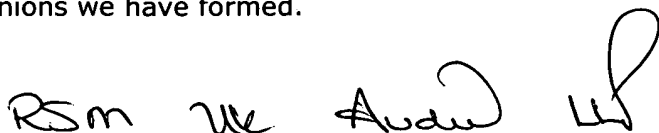
Respective responsibilities of Directors, as Trustees and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on pages 21 to 22, the Trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

This report is made solely to the company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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.

Handwritten signature of Andrew Monteith in black ink.

ANDREW MONTEITH (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Marlborough House
Victoria Road South
Chelmsford, CM1 1LN

Date: 14th September 2017.

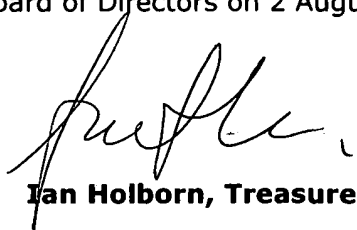
Centrepoint Soho **Financial Statements 2017**
Consolidated statement of financial activities
(Incorporating an income and expenditure account)
for the year ended 31 March 2017

	Note	Unrestricted		Restricted	Endowment	Total	Total
		General	Designated			2017	2016
						£'000	£'000
Income							
Charitable activities							
Housing	2a	6,265	214	-	-	6,479	6,107
Support services to young people	2a	6,788	-	-	-	6,788	6,623
Skills & employability	2a	426	-	37	-	463	121
Influencing public policy	2a	-	-	-	-	-	-
Collaboration	2a	-	-	-	-	-	-
Income from generating funds							
Donations and Legacies	2b	13,463	551	2,319	-	16,333	12,005
Investment income		36	-	-	-	36	25
Other income	2c	258	2,229	-	-	2,487	2,414
Total income	4	27,236	2,994	2,356	-	32,586	27,295
Expenditure							
Charitable activities							
Housing	2d	6,001	-	31	-	6,032	6,539
Support services to young people	2d	10,495	816	594	-	11,905	11,049
Skills & employability	2d	1,826	-	733	-	2,559	1,658
Influencing public policy	2d	357	-	187	-	544	535
Collaboration	2d	75	-	125	-	200	213
Cost of generating donations and legacies	2d	7,024	121	342	-	7,487	6,273
Total expenditure	4	25,778	937	2,012	-	28,727	26,267
Net income		1,458	2,057	344	-	3,859	1,028
Transfers	12	(3,210)	3,296	(86)	-	-	-
Net movements in funds		(1,752)	5,353	258	-	3,859	1,028
Reserves brought forward		3,471	9,765	1,584	172	14,992	13,964
Reserves carried forward	12	1,719	15,118	1,842	172	18,851	14,992

All of the above results relate to continuing activities. These financial statements were approved and authorised for issue by the Board of Directors on 2 August 2017 and signed on their behalf by:



Penny Francis, Chair



Ian Holborn, Treasurer

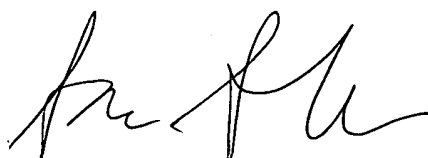
Centrepont Soho**Balance sheets****As at 31 March 2017****Company registration number 1929421****Financial Statements 2017**

	Note	2017		2016	
		Company £'000	Group £'000	Company £'000	Group £'000
Fixed assets					
Intangible assets	8a	287	287	151	151
Housing properties	8b	27,362	27,362	27,467	27,467
Depreciation on housing properties	8b	(3,293)	(3,293)	(3,015)	(3,015)
Net Housing properties		24,069	24,069	24,452	24,452
Other tangible fixed assets	8b	2,166	2,166	1,966	1,970
Investments		24	-	24	-
		26,546	26,522	26,593	26,573
Current assets					
Debtors	9	3,886	2,780	2,769	2,106
Cash deposits		3,672	3,672	3,973	4,150
Cash at bank and in hand		2,803	3,909	652	1,016
		10,361	10,361	7,394	7,272
Creditors: amounts falling due within one year	10a	(3,772)	(3,739)	(4,447)	(4,453)
Net current assets		6,589	6,622	2,947	2,819
Total assets less current liabilities		33,135	33,144	29,540	29,392
Creditors: amounts falling due after one year	10b	(14,293)	(14,293)	(14,400)	(14,400)
Net assets		18,842	18,851	15,140	14,992
Reserves					
Endowment	12	172	172	172	172
Restricted reserves	12	1,842	1,842	1,584	1,584
Unrestricted reserves					
Designated	12	15,118	15,118	9,765	9,765
General	12	1,710	1,719	3,619	3,471
Total unrestricted reserves		16,828	16,837	13,384	13,236
Total reserves	12	18,842	18,851	15,140	14,992

These financial statements were approved and authorised for issue by the Board of Directors on 2 August 2017 and signed on their behalf by:



Penny Francis, Chair



Ian Holborn, Treasurer

Centrepont Soho
Consolidated cash flow statement
For the year ended 31 March 2017

Financial Statements 2017

	Note	2017 £'000	2016 £'000
Net cash generated by /(used in) operations	17	132	(1,774)
Interest		36	25
Capital expenditure		(440)	(1,483)
Proceeds from sale of tangible fixed assets		2,717	2,717
Purchase of intangible fixed assets		(223)	(62)
Cash acquired by transfer of engagements		193	-
Social housing grants and other public grants received		-	1,059
Cash provided by investing activities		2,283	2,256
Increase in cash and cash equivalents		2,415	482
Cash and cash equivalents at the beginning of the year	17	5,166	4,684
Cash and cash equivalents at the end of the year	17	7,581	5,166

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered to be material in relation to the accounts of Centrepoint.

a. Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable UK accounting standards, with special regard to the Housing SORP 2014 and Charities SORP (FRS102). Centrepoint is a public benefit entity. Centrepoint is both a registered charity and a registered social landlord and sees both of these areas represented significantly in its activities. In particular it receives a large amount of charitable income and incurs expenditure to do this. The directors consider that the financial statements prepared to reflect Centrepoint's aims and to satisfy the different reporting needs of users. Therefore they have produced a Statement of Financial Activities (SOFA), incorporating an income and expenditure account which satisfies the reporting requirements of the Companies Act 2006, the Housing Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2015.

Centrepoint has taken advantage of the Companies Act 2006 not to present its own SOFA (profit and loss account). Centrepoint is a company incorporated in England and Wales.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000 except where otherwise indicated.

b. Income

Income is generally recognised on a receivable basis and is reported gross of related expenditure, where the amount is reasonably certain and when there is adequate certainty of receipt. The specific bases used are as follows:

- Income from charitable activities, including income from long-term contracts, is accounted for when earned. Income received in advance is deferred until entitlement to the income has arisen;
- Grants are recognised when the entitlement to the grant is confirmed. Grants for the purchase of equipment and towards the initial setting up of projects are credited in full to the various activities in furtherance of the charity's objects in the year in which they are received. Grants received specifically for goods and services to be provided as part of charitable activities are recorded against the activity to which they relate;
- Rental income is accounted for on a receivable basis;
- Donations, gifts, legacies and general grants receivable, which do not relate to specific charitable activities, are categorised as donations and legacies;
- The financial statements reflect no amounts in respect of time provided by volunteers;
- Donated goods, services or facilities are brought into the accounts at their estimated fair value. Where pro bono services are received, the value of those services, as estimated by the directors, is included as both income and expenditure;
- Legacies are recognised as income when there is entitlement, certainty of receipt and measurability of the legacy;
- Investment income is accounted for on a receivable basis.

1. Accounting policies (continued)**c. Basis of consolidation**

- The consolidated financial statements incorporate those of the charity and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Any subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes. All financial statements are made up to 31 March 2017.
- All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

d. Adoption of FRS 102

- Reduced disclosures: In accordance with FRS 102, Centrepont has taken advantage of the exemptions from the following disclosure requirements in its individual financial statements: Section 7 "Statement of Cash Flows – Presentation of a Statement of Cash Flows and related notes and disclosures" and Section 11 "basic financial instruments and Section 12 Other Financial Instrument issues – carrying amounts.

e. Business combinations

- The cost of a business combination is the fair value at the acquisition date, of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination.
- The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.
- Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date.

f. Expenditure

Expenditure is recognised when it is incurred and is reported gross of related income on the following bases:

- Charitable expenditure comprises direct expenditure, including direct staff costs attributable to its activities. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources;
- Raising funds comprises the costs associated with attracting voluntary income;
- Governance costs comprise those incurred as a result of constitutional and statutory requirements;
- Support costs represent centrally incurred costs, principally relating to Finance, Information and Communication Technology, Human Resources, Contracts and Quality, Information and Management, which cannot be attributed to specific activities but provide the organisational infrastructure that enables those activities to take place.

1. Accounting policies (continued)

g. Fund accounting

- General reserves are available for use at the discretion of the directors in furtherance of the general objectives of Centrepont.
- Designated reserves are funds that have been set aside at the discretion of the directors for specific purposes. The purpose and use of the designated funds are set out in note 12.
- Restricted funds are funds subject to specific restrictions imposed by donors or by the purpose of the appeal.
- Endowment funds are capital funds where the capital must be preserved but the income can be spent. The income is added to restricted funds at the request of the donor.

h. VAT

All income and expenditure is shown exclusive of VAT. Any irrecoverable VAT is included as part of general expenditure.

i. Taxation

Centrepont is a registered charity and is therefore exempt from taxation of income and gains falling within Sections 478-488 Corporation Tax Act 2010 or Section 256 Taxation of Chargeable Gains Act 1992 to the extent these are charitably applied. No tax charge has arisen in the year.

j. Operating leases

Payments made under operating leases are charged to the statement of financial activities as incurred.

k. Fixed assets

Fixed asset investments comprise investments in subsidiary undertakings and are recorded at cost less provision for any impairment.

Impairments of fixed assets

An assessment is made at each reporting date, at scheme level, of whether there are indications that a fixed asset (including housing properties) may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, Centrepont estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use of the asset based on its service potential, are recognised as impairment losses in the SOFA.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in income and expenditure. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

1. Accounting policies (continued)

Intangible fixed assets

Intangible fixed assets includes software licences and is capitalised and written off evenly over the duration of the licence.

Goodwill is capitalised and written off evenly over ten years as in the opinion of the directors, this represents the period over which the goodwill is expected to give rise to economic benefits.

Tangible fixed assets – housing properties

Housing properties are properties for the provision of social housing and are principally properties available for rent.

- Hostel and housing properties are stated at cost less provision for any impairment in value. As a result of the introduction of component accounting in the RSL SORP 2014, components of properties are recorded at cost and depreciated over their estimated useful life.
- The components of housing property and their estimated useful lives are:

Component	Estimated useful life in years
Land	Not depreciated
Structure	100
Kitchens	15
Bathrooms	15
Central heating systems	30
Boilers	10
Lifts	30
Roofs	60
Windows	30
Doors	20
Electrical wiring	30

- Housing properties under the course of construction are recorded at cost less provision for impairment in value.
- Leasehold office properties are stated at cost and depreciated evenly over the length of the lease, or useful life if shorter.
- Other fixed assets are stated at cost and depreciated over their estimated useful lives as follows:

Asset	Estimated useful life in years
Vehicles	5
Equipment	3
Furniture	4

1. Accounting policies (continued)

- Other properties include Sunderland Foyle Street office and Bradford Foyer Training Centre which are depreciated over the length of the lease of the buildings.
- Where hostel and housing properties have been funded by social housing grants, the grant is repayable on disposal, unless it is recycled in accordance with applicable Homes and Communities Agency rules.
- The surplus or deficit on disposal of fixed assets is accounted for in the SOFA of the period in which the disposal occurs as the difference between the net sale proceeds and the net carrying value.

l. Capitalisation of development overheads

Directly attributable development administration costs are capitalised. These include the staffing costs of employees arising from the acquisition or construction of the property, and the incremental costs that would have been avoided if the property had not been acquired or constructed.

m. Cyclical maintenance

Cyclical maintenance is carried out as required and charged to the SOFA in the year in which it is carried out.

n. Managed properties

All income and expenditure incurred by Centrepont relating to services where the properties are owned by partner associations and managed by Centrepont have been accounted for in these financial statements.

o. Pension costs

Centrepont has a defined contribution pension scheme. The amount charged to the SOFA in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

p. Current asset investments**Cash deposits**

This includes cash on deposit and cash equivalents with a maturity of less than one year held for investment purposes rather than to meet short-term cash commitments as they fall due.

Cash at bank and in hand

This is held to meet short-term cash commitments as they fall due rather than for investment purposes and includes all cash equivalents held in the form of short-term highly liquid investments.

q. Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants

1. Accounting policies (continued)

will be received. Government grants received for housing properties are recognised in income over the useful economic life of the structure of the asset and, where applicable, the individual components of the structure (excluding land) under the accruals model.

Government grants relating to revenue are recognised as income over the periods when the related costs are incurred once reasonable assurance has been gained that Centrepont will comply with the conditions and the funds will be received.

r. Financial instruments

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

Financial assets and financial liabilities are recognised when Centrepont becomes a party to the contractual provisions of the instrument, and are offset only when Centrepont currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

s. Employee benefits

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when Centrepont is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

t. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The group makes key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, including details of their nature. The estimated useful lives of social housing assets and components are stated above, under tangible fixed assets. We undertake impairment reviews across our supported housing portfolio, at each reporting date, to ascertain whether an impairment adjustment is required.

Centrepoint Soho**Financial Statements 2017****Notes to the financial statements****For the year ended 31 March 2017 (continued)****2. Analysis of income****a. Analysis of income from charitable activities**

	Housing	Support	Skills & employability	Influencing public policy	Collaboration	2017	2016
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Rent and charges	6,265	-	-	-	-	6,265	5,958
Supported housing grant	-	6,617	-	-	-	6,617	6,551
Other grants and contracts	214	171	463	-	-	848	342
	6,479	6,788	463	-	-	13,730	12,851

b. Analysis of donations and legacies

	2017	2016
	£'000	£'000
Individual giving	9,008	8,207
Corporate donations	3,969	2,230
Statutory and trust donations	1,121	749
Other donations and gifts	2,235	819
	16,333	12,005

c. Analysis of other income

	2017	2016
	£'000	£'000
Surplus on disposal of fixed asset	2,229	2,273
Other income	258	141
	2,487	2,414

d. Analysis of expenditure

	Staff costs	Other direct costs	Support costs	2017	2016
	£'000	£'000	£'000	£'000	£'000
Charitable expenditure					
Housing	1,249	4,634	149	6,032	6,539
Support services to young people	8,135	2,266	1,504	11,905	11,049
Skills & employability	1,505	785	269	2,559	1,658
Influencing public policy	383	116	45	544	535
Collaboration	142	33	25	200	213
Total direct charitable expenditure	11,414	7,834	1,992	21,240	19,994
Cost of generating donations and legacies	1,753	5,499	235	7,487	6,273
Total expenditure	13,167	13,333	2,227	28,727	26,267

3. Analysis of support and governance costs

	Housing	Support services to young people	Skills & employability	Influencing public policy	Collaboration	Cost of generating voluntary funds	2017	2016
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Finance	44	439	81	13	7	69	653	532
ICT	39	397	74	12	7	62	591	608
Human resources	47	471	77	14	8	73	690	793
Management	19	197	37	6	3	31	293	247
	149	1,504	269	45	25	235	2,227	2,180
Governance	8	83	15	3	1	13	123	157

Governance costs are included within the support costs above.

4. Particulars of turnover and social housing activities

Group	Turnover	2017 Operating cost	Surplus/ (deficit)	Turnover	2016 Operating cost	Surplus/ (deficit)
	£'000	£'000	£'000	£'000	£'000	£'000
Social housing lettings						
Gross rental income	6,265	(6,032)	233	5,958	(6,539)	(581)
Supported housing grant	6,617	(9,120)	(2,503)	6,551	(8,420)	(1,869)
Other grants and contracts	385	(2,785)	(2,400)	221	(2,629)	(2,408)
	13,267	(17,937)	(4,670)	12,730	(17,588)	(4,858)
Non-social housing activities						
Skills & employability	463	(2,559)	(2,096)	121	(1,658)	(1,537)
Influencing public policy	-	(544)	(544)	-	(535)	(535)
Collaboration	-	(199)	(199)	-	(213)	(213)
Voluntary income	16,333	(7,487)	8,846	12,005	(6,273)	5,732
Other	2,523	-	2,523	2,439	-	2,439
	32,586	(28,726)	3,860	27,295	(26,267)	1,028
			2017			2016
			£'000			£'000
Social housing income						
Rental income net of identifiable service charges			3,931			3,808
Service charges			2,788			2,620
Gross rental income			6,719			6,428
Rental losses from voids			(454)			(470)
			6,265			5,958
Statutory grants			7,002			6,772
			13,267			12,730
Social housing expenditure						
Services			16,635			15,990
Management			354			307
Routine maintenance			619			736
Planned maintenance			45			8
Bad debts			284			547
Operating cost of social housing lettings			17,937			17,588
Operating deficit of social housing letting			(4,670)			(4,858)

5. Grants and contracts

	2017	2016
	£'000	£'000
Supported housing grant	6,617	6,551
Skills and employability contracts	463	121
Other	385	221
	7,465	6,893

6. Employee information

a Staff numbers	2017	2016
	Number	Number
The average full time equivalent number of persons (including executives) employed during the year was:		
Housing	23	20
Support services to young people	229	218
Skills & employability	39	35
Influencing public policy	10	9
Collaboration	5	4
Generating voluntary income	44	35
Business support	30	27
	380	348
The average number of persons (including executives) employed during the year was:		
Housing	25	21
Support services to young people	244	231
Skills & employability	41	35
Influencing public policy	12	10
Collaboration	5	4
Generating voluntary income	45	36
Business support	31	29
	403	366
b Staff costs	2017	2016
	£'000	£'000
The staff costs for the above persons was:		
Wages and salaries	11,095	9,651
Social service costs	1,047	942
Pension costs	369	333
Redundancy costs	43	50
	12,554	10,976
Agency staff	1,696	1,458
	14,250	12,434
c Emoluments of directors and employees	2017	2016
	Number	Number
The number of employees including the Chief Executive whose emoluments as defined for taxation purposes exceeded £60,000 was as follows:		
£60,001 - £70,000	7	3
£70,001 - £80,000	1	1
£80,001 - £90,000	2	1
£100,001 - £110,000	1	1
£130,001 - £140,000	1	1

- During the year, pension contributions on behalf of these staff amounted to approximately £75k. (2016: £64.5k)
- The remuneration (including pension contributions and benefits paid in kind) paid to the CEO and senior executive team during the year was £681k (2016: £670k). These

Centrepont Soho**Financial Statements 2017****Notes to the financial statements****For the year ended 31 March 2017 (continued)**

individuals, together with the trustees are considered key management personal and their remuneration which includes Employers national insurance was £68k (20-16 : £67k).

- The Chief Executive is entitled to ordinary membership of the defined pension contribution pension scheme operated by the company. No special terms or individual pension arrangements apply to this post.
- No members of the Board received any emolument for their services as Trustees, but are reimbursed for expenses which are necessarily incurred in the performance of their duties.
- Expenses claimed by members were £608 (2016 : £849)

7. Surplus for the year

	2017 £'000	2016 £'000
The surplus for the year is stated after charging		
Audit fee (gross)	40	39
Other services provided by the auditor	-	4
Depreciation	815	530
Interest payable	-	1
Operating leases - office equipment	63	81
Operating leases - other	368	342
Amortisation of intangible assets	87	57

8. Fixed assets**a. Intangible fixed assets (software and goodwill)**

Group and Company	IT Software £'000	Goodwill £'000	Total £'000
Cost			
At 1 April 2016	173	81	254
Addition of assets	223	-	223
At 31 March 2017	396	81	477
Amortisation and impairment			
At 1 April 2016	(99)	(4)	(103)
Amortisation	(79)	(8)	(87)
At 31 March 2017	(178)	(12)	(190)
Carrying amount			
At 31 March 2017	218	69	287
At 31 March 2016	74	77	151

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Notes to the financial statements

For the year ended 31 March 2017 (continued)

b. Tangible fixed assets

Group and company	Hostels & housing properties for letting					Other properties	Vehicles, equipment & furniture	Total
	Free-hold	Long lease - hold	Short lease - hold	Assets under course of construction	Total			
Cost	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 April 2016	8,275	16,589	2,379	224	27,467	1,428	1,964	30,859
Additions	36	17	28	246	327	581	103	1,011
Disposals	(428)	-	(4)	-	(432)	-	-	(432)
Transfers	-	-	-	-	-	-	-	-
At 31 March 2017	7,883	16,606	2,403	470	27,362	2,009	2,067	31,438
Depreciation								
At 1 April 2016	(1,137)	(1,181)	(697)	-	(3,015)	(190)	(1,232)	(4,437)
Reclassification	(86)	183	(97)	-	-	-	-	-
Charge for year	(42)	(200)	(86)	-	(328)	(280)	(207)	(815)
Disposals	46	-	4	-	50	-	-	50
At 31 March 2017	(1,219)	(1,198)	(876)	-	(3,293)	(470)	(1,440)	(5,203)
Net book value								
At 31 March 2017	6,664	15,408	1,527	470	24,069	1,539	627	26,236
At 31 March 2016	7,138	15,408	1,682	224	24,452	1,238	732	26,422

9. Debtors

Group	2017 £'000	2016 £'000
Residents' occupancy	1,281	1,293
Less provision for bad debts	(1,140)	(1,054)
	141	239
Grants and donations receivable	944	768
Trade debtors	1,490	933
Amount due from subsidiary undertakings	-	-
Other debtors	40	33
Prepayments	165	133
	2,780	2,106

Included in above financial assets are financial instruments measured at amortised costs of £2,615k (2016 : £1,038k)

Company	2017 £'000	2016 £'000
Residents' occupancy	1,281	1,293
Less provision for bad debts	(1,140)	(1,054)
	141	239
Grants and donations receivable	966	729
Trade debtors	1,477	933
CP Trading Limited	980	185
American Friends of Centrepont	13	281
Astral Training Limited	90	222
Astral ATA Limited	14	14
Amount due from subsidiary undertakings	1,097	702
Other debtors	40	33
Prepayments	165	133
	3,886	2,769

Centrepont Soho
Notes to the financial statements
For the year ended 31 March 2017 (continued)

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10. a. Creditors: amounts falling due within one year

Group	2017	2016
	£'000	£'000
Trade creditors	234	1,333
Other taxes and social security costs	363	347
Accruals and deferred income	2,225	1,942
Deferred capital grants	150	149
Other creditors	767	682
	3,739	4,453

The above includes outstanding pension contributions of: 58 85

Company	2017	2016
	£'000	£'000
Trade creditors	234	1,333
Other taxes and social security costs	362	342
Accruals and deferred income	2,259	1,942
Deferred capital grants	150	149
Other creditors	767	681
	3,772	4,447

The above includes outstanding pension contributions of: 58 85

Other creditors includes balances in respect of recycled capital grants, as follows

Group and company	2017	2016
	£'000	£'000
As at 1 April	547	171
Capital grant released on sale	448	442
Interest accrued	-	-
Grant recycled into new schemes	-	(67)
As at 31 March	995	547
Due within one year (Note 10a above)	105	105
Due after more than one year (Note 10b above)	890	442

Surplus on sale of fixed assets – housing properties

Group and company	2017	2016
	£'000	£'000
Disposal proceeds	2,717	2,727
Carrying value of fixed assets	(381)	(450)
	2,336	2,277
Amortised Capital grant recycled	(107)	(4)
	2,229	2,273

10.b. Creditors: amounts falling due after one year

Group and company	2017	2016
	£'000	£'000
Deferred capital grant greater than one year	13,403	13,958
Recycled Social Housing Grant greater than one year	890	442
	14,293	14,400

The total Social Housing Grant included in the Balance Sheet and SOFA, at 31 March 2017, is £15,778k (2016 : £15,778k)

Centrepont Soho

Financial Statements 2017

Notes to the financial statements

For the year ended 31 March 2017 (continued)

11. Subsidiaries

Centrepont has four wholly owned subsidiary undertakings.

CP Trading Limited is incorporated in England and Wales. The principal activity is the organisation of fundraising events and activities. American Friends of Centrepont is registered in the United States of America. Its principal activity is to fundraise on behalf of Centrepont. Astral Training Limited is incorporated in England and Wales and provides functional skills, apprenticeships and traineeships. Astral ATA Limited is incorporated in England and Wales and facilitates apprenticeships for small businesses.

In October 2016 Astral Training Limited and Astral ATA Limited became dormant subsidiaries and subsequently their assets and liabilities transferred to Centrepont. Astral Training Limited and Astral ATA Limited have now been struck off.

All subsidiaries are wholly owned by Centrepont. Cost of investment in subsidiaries is £24k (2016 : £24k)

The only material transactions between Centrepont and its subsidiaries, which are not registered providers of social housing, are gift aid are shown below and the transfer of assets and liabilities from Astral Training Limited and Astral ATA Limited.

	2017 £'000	2016 £'000
Income	1,240	383
Expenditure	(1,032)	(9)
Operating (loss) / profit	208	(8)
Interest receivable	24	1
Retained (loss) / profit	231	(7)
Gift aid (distribution to) / received from	(287)	-
Assets	1,027	499
Liabilities	(994)	(467)
Funds	34	32

a	CP Trading Limited	2017 £'000	2016 £'000	c	Astral Training Limited	2017 £'000	2016 £'000
	Income	972	-		Income	259	333
	Expenditure	(709)	(1)		Expenditure	(316)	(501)
	Operating profit / (loss)	263	(1)		Operating (loss) / profit	(57)	(168)
	Interest receivable	24	1		Interest receivable	-	-
	Retained profit	287	-		Retained (loss) / profit	(57)	(168)
	Gift aid distribution	(287)	-				
	Assets	1,003	208		Assets	90	107
	Liabilities	(979)	(184)		Liabilities	(90)	(260)
	Funds	24	24		Funds	-	(153)

Centrepont Soho

Financial Statements 2017

Notes to the financial statements

For the year ended 31 March 2017 (continued)

b American Friends of Centrepont	2017	2016	d Astral ATA Limited	2017	2016
	£'000	£'000		£'000	£'000
Income	8	-	Income	-	50
Expenditure	(7)	(7)	Expenditure	-	(71)
Retained (loss) / profit	1	(7)	Operating (loss) / profit	-	(21)
			Interest receivable	-	-
			Retained (loss) / profit	-	(21)
Assets	24	291	Assets	14	17
Liabilities	(13)	(281)	Liabilities	(14)	(20)
Funds	11	10	Funds	-	(3)

12. Statement of funds

	1 April 2016	Income	Expenditure	Transfers	31 March 2017
	£'000	£'000	£'000	£'000	£'000
Unrestricted reserves					
Designated funds					
Centrepont Helpline	-	551	(121)	-	430
Housing property	-	2,229	-	382	2,611
Fixed assets	9,765	214	(816)	2,914	12,077
Total designated funds	9,765	2,994	(937)	3,296	15,118
Other revenue reserves	3,471	27,236	(25,778)	(3,210)	1,719
Total unrestricted reserves	13,236	30,230	(26,715)	86	16,837
Restricted reserves					
Housing	108	50	(31)	(86)	41
Support services to young people	462	985	(640)	-	807
Skills & employability	543	811	(726)	-	628
Influencing public policy	302	-	(187)	-	115
Collaboration	149	65	(125)	-	89
Cost of generating voluntary funds	20	445	(303)	-	162
Total restricted charitable donations and grants	1,584	2,356	(2,012)	(86)	1,842
Restricted endowment	172	-	-	-	172
Total restricted reserves	1,756	2,356	(2,012)	(86)	2,014
Total funds	14,992	32,586	(28,727)	-	18,851

Our designated funds represent

- Centrepont helpline: for the running costs of Centrepont helpline.
- Housing property: reinvesting housing stock proceeds into new housing stock for young people

Centrepont Soho**Financial Statements 2017****Notes to the financial statements****For the year ended 31 March 2017 (continued)**

- Fixed assets: to reflect funds already invested in buildings and equipment necessary for our aims to be achieved.

Our restricted funds represent

- Housing: to provide a safe warm room
- Support: to provide learning, health and move on support
- Skills and employability: to provide learning support
- Influencing: at local and national level in respect of issues that matter to homeless young people
- Collaboration: assisting our work with other providers and local authorities

Transfers between funds primarily represent fixed assets purchased from restricted funds where the acquisition of the fixed assets has discharged the restriction and the assets are transferred to unrestricted funds.

Below, was the position at 31 March 2016.

	1 April 2015	Income	Expenditure	Transfers	31 March 2016
	£'000	£'000	£'000	£'000	£'000
Unrestricted reserves					
Designated funds					
Business systems	167	-	-	(167)	-
Innovation	100	-	-	(100)	-
Fixed assets	9,382	-	-	383	9,765
Total designated funds	9,649	-	-	116	9,765
Other revenue reserves	1,993	25,849	(24,358)	(13)	3,471
Total unrestricted reserves	11,642	25,849	(24,358)	103	13,236
Restricted reserves					
Housing	195	38	(60)	(65)	108
Support services to young people	646	671	(819)	(36)	462
Skills & employability	606	553	(614)	(2)	543
Influencing public policy	515	30	(230)	-	302
Collaboration	155	160	(166)	-	149
Cost of generating voluntary funds	46	(6)	(20)	-	20
Total restricted charitable donations and grants	2,150	1,446	(1,909)	(103)	1,584
Restricted endowment	172	-	-	-	172
Total restricted reserves	2,322	1,446	(1,909)	(103)	1,756
Total funds	13,964	27,295	(26,267)	-	14,992

13. Analysis of net assets between funds

	Endowment	Restricted	Designated	General	2017 Total
	£'000	£'000	£'000	£'000	£'000
Fixed assets	-	-	26,522	-	26,522
Debtors	-	-	-	2,780	2,780
Cash deposits	172	1,842	-	1,658	3,672
Cash at bank and in hand	-	-	3,040	869	3,909
Creditors: amounts falling due within one year	-	-	(151)	(3,588)	(3,739)
Creditors: amounts falling due after one year	-	-	(14,293)	-	(14,293)
	172	1,842	15,118	1,719	18,851

Below, was the position at 31 March 2016

	Endowment	Restricted	Designated	General	2016 Total
	£'000	£'000	£'000	£'000	£'000
Fixed assets	-	-	24,314	2,259	26,573
Debtors	-	-	-	2,106	2,106
Cash deposits	172	1,584	-	2,394	4,150
Cash at bank and in hand	-	-	-	1,016	1,016
Creditors: amounts falling due within one year	-	-	(149)	(4,304)	(4,453)
Creditors: amounts falling due after one year	-	-	(14,400)	-	(14,400)
	172	1,584	9,765	3,471	14,992

14. Contingent liabilities

There were no known contingent liabilities at 31 March 2017 (2016: none).

15. Operating lease commitments

At 31 March commitments under non-cancellable operating leases expiring amounted to:

	2017		2016	
	Land & buildings	Office equipment	Land & buildings	Office equipment
	£'000	£'000	£'000	£'000
Group and company				
One year	368	63	342	81
Two to five years	974	-	956	-
	1,342	63	1,298	81

Centrepont Soho**Financial Statements 2017****Notes to the financial statements****For the year ended 31 March 2017 (continued)**

At 31 March commitments under non-cancellable operating leases expiring amounted to:

	2017		2016	
	Land & buildings	Office equipment	Land & buildings	Office equipment
	£'000	£'000	£'000	£'000
Group and company				
One year	368	63	342	81
Two to five years	974	-	956	-
	1,342	63	1,298	81

16. Accommodation in management

	As at 31 March 2017	As at 31 March 2016
	Number	Number
Group and company		
Owned or lease held by Centrepont		
Hostel bed spaces	131	106
Other bed spaces	236	245
	367	351
Owned by partner registered providers		
Hostel bed spaces	296	308
Other bed spaces	163	163
	459	471
Total	826	822

17.Reconciliation of net income to net cash generated by / (used in) operations

	2017	2016
	£'000	£'000
Net income	3,859	1,028
Net gain on disposal of fixed assets	(2,229)	(2,273)
Acquisition	(762)	-
Positive goodwill arising on transfer of engagements	-	(77)
Negative goodwill arising on transfer of engagements	-	-
Interest receivable	(36)	(25)
Depreciation charges	815	530
Amortisation of intangible assets	87	57
Amortisation of social housing grant	(214)	(149)
Operating cash flows before movement in working capital	1,520	(909)
Increase in debtors	(674)	(249)
Increase in creditors	(714)	(616)
Cash generated by /(used in) operations	132	(1,774)

Cash and cash equivalents represent

2017

2016

Centrepont Soho**Financial Statements 2017****Notes to the financial statements****For the year ended 31 March 2017 (continued)**

	£'000	£'000	£'000	£'000
	Company	Group	Company	Group
Cash deposits	3,672	3,672	3,973	4,150
Cash at bank and in hand	2,803	3,909	652	1,016
	6,475	7,581	4,625	5,166

18. Company limited by guarantee

Centrepont is a company limited by guarantee. If, upon the winding up or dissolution of the company there remains, after the satisfaction of all its debts and liabilities any property whatsoever the same shall not be paid to or distributed amongst the members of the company but shall be given or transferred to some other charitable institution or institutions having objects similar to the objects of the company. Every member of the company undertakes to contribute to the assets of the company in the event of the same being wound up, such amount as may be required not exceeding the sum of £1. There are currently 12 members (2016 : 15).

19. Acquisitions

	2017	2016
	£'00	£'000
Property	570	-
Bank	193	-
Liability	(1)	-
Total net assets on transfer of engagements	762	-

On 1 February 2017 Centrepont acquired, by transfer of engagements, the assets and liabilities of Young Peoples Support Foundation Limited. The major assets and liabilities, at fair value at date of transfer, are shown above. No consideration was paid and the negative goodwill arising has been treated as a gift and included as voluntary income (see note 2b). The impact of the transfer of engagements on the operating results in the Statement of Financial Activities, for the year ended 31 March 2017 has not been disclosed separately on the grounds of immateriality.

Board

Penny Francis	Chair
Ian Holborn	Treasurer [Appointed director 8 June 2016 and appointed treasurer 22 August 2016]
Graham Allcott	
Symon Elliott	
Robert Kerse	
Meenaz Lilani	
Jon Milward	
Clare Montagu	Appointed 8 June 2016
Sally Scriminger	
Chris Sullivan	
Alan Wardle	
Mike Westcott	
Sarika Patel	Vice chair [Retired as director and vice chair 8 June 2016]
Gill Gibb	Treasurer [Retired as director and treasurer 22 August 2016]
Danielle Alexandra	Retired 8 June 2016
Jane Creasy	Retired 8 June 2016
Robert Gray	Retired 8 June 2016
Kai Peters	Retired 23 November 2016

Secretary

Seyi Obakin

Executive Officers

Seyi Obakin	Chief Executive Officer
Balbir Chatrik	Director of Policy and Engagement
Karen Gibson	Director of Finance and Corporate Services
Martin Gill	Director of Housing and Support
Sally Orlopp	Director of People, Skills & Employability
Stuart Rogers	Commercial Director

Centrepont Soho
Board, Officers and Advisers

Financial Statements 2017

Registered office

Central House
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E1 8DZ

Solicitors

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Westminster
London
SW1H 0BL

Auditor

RSM UK Audit LLP
Chartered Accountants
Marlborough House
Victoria Road South
Chelmsford
CM1 1LN

Registration details

Registered Charity No: 292411
Company Registration No: 1929421
Homes and Communities Agency registration No:
H1869

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25 Southampton Buildings
London
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Banker

Royal Bank of Scotland Group
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EC2M 4RB