

Company number: 06396687

Charity number: 1122206

SPEAR Housing Association Limited

(Known and operating as SPEAR)

Report and financial statements

For the year ended 31 March 2017

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SPEAR Housing Association Limited
Legal & administrative information
For the year ended 31 March 2017

Company number 06396687

Charity number 1122206

Registered office and operational address 89 Heath Road, Twickenham. TW1 4AW

Trustees Trustees who are also directors under company law, who served during the year and up to the date of this report were as follows:

Jack Stephen	Chair
Charles Barrie Hatch	Secretary
Grant Healy	
Katy Kiely	
Duncan Richford	(Joined 23 May 2016)
Charlotta Campanale	(Joined 28 September 2016)
Alex Doig	(Joined 11 October 2016)
Jonathan Cardy	(Joined 01 November 2016)
Rachel Smith	(Joined 01 November 2016)
Lorraine Clifton	(Resigned 31 October 2016)
Frances Bouchier	(Resigned 14 November 2016)
Jeremy Theobald	(Resigned 14 November 2016)

Key management personnel	Stuart Nevill	Chief Executive
	Lesleigh Bounds	Operations Director
	Syed Ali Naqi	Finance Director

Bankers CAF Bank Limited
25 Kings Hill Avenue
West Malling
Kent
ME19 4JQ

Solicitors Russell Cooke LLP
Bishop's Palace House
Kingston-Upon-Thames
KT1 1QN

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House, 108-114 Golden Lane
LONDON
EC1Y 0TL

Message from Stuart Nevill, Chief Executive and Jack Stephen, Chair

SPEAR has been transforming people's lives for 30 years. In 1987, after the tragic deaths of two rough sleepers on the banks of the River Thames, the local community came together to help. Since then, SPEAR has transformed as a charity and we now offer a range of accommodation options and support services to people across five South West London boroughs, reaching hundreds of people each year.



The local community remain at the heart of everything we do – funding our services, volunteering in our projects and partnering with us on new initiatives. We want to take this opportunity to thank you for your commitment to SPEAR.

Sadly, our work is as important today as it was in 1987: the number of people coming through our doors has increased every year for the last five years; we continue to see more people with complex health and social issues; and a lack of affordable accommodation makes finding routes out of homelessness very difficult.

At the same time, a climate of financial uncertainty and cuts in services mean we are having to do more work with less money. If recent trends continue, the demand for our services will continue to rise.

Our new strategic objectives will address these challenges. Over the coming years, we will increase accommodation options, continue to improve people's health, skills and employability; develop more partnerships and innovative services, we will invest in our staff and we will continue to involve the people who use our services in everything we do.

By doing this, we will continue to transform the lives of the people we work with.

We hope you enjoy reading about what SPEAR has achieved in 2016 to 2017.

A handwritten signature in black ink, appearing to read 'Stuart Nevill', with a long, sweeping underline.

Stuart Nevill, Chief Executive

A handwritten signature in black ink, appearing to read 'Jack Stephen', with a long, sweeping underline.

Jack Stephen, Chairman of Trustees



Our approach and values

SPEAR is a charity for people experiencing homelessness in South West London.

We build communities in which those people suffering from homelessness have a place to call home and the help they need to lead a fulfilling independent life.

We recognise that homelessness is much more than just a housing issue, so we provide a range of support services to help our clients reach their full potential.

We understand the powerful ways people who have used, and are still using, our services can support others who are experiencing homelessness. During 2016/17 we engaged our clients and colleagues to refocus our organisational values:

Working together: We work alongside service users, partners, staff and volunteers to design and provide services that meet the needs of those suffering from homelessness. Together we overcome challenges.

Aspirational: We aim high, aspiring to achieve the very best outcomes for our clients. We see potential in everyone, and encourage our clients to achieve their own goals, dreams and ambitions. We aspire to the highest standards of professionalism.

Respectful: We respect everyone, regardless of their background or circumstances. We view everyone as an individual with their own personal journey. We always listen to and value people's views.

Determined: We work tirelessly to support people experiencing homelessness to recover from their personal issues. We break down the barriers they face.

Visionary: We try new and innovative ways to provide long-term solutions and reduce the isolation of homelessness. We are always willing to take a new approach, learning from what works (*and what doesn't*) and use this to guide our work.



SPEAR's Service User Involvement group are important in shaping SPEAR's work. This was a confidence building trip to Kew Gardens.

Building on our successes

We continued to deliver integrated services in Richmond that form a pathway from street homelessness to independence.

Building on this success:

We worked to secure central government funding to extend our rough sleeper outreach service and new supported accommodation schemes across five South West London Boroughs, (Richmond, Wandsworth, Kingston, Merton and Sutton).

With support from Richmond council we secured new funding for our work with vulnerable women experiencing homelessness so we could continue to provide a specialist housing and support service for a further year.

With support from local trusts, we continued to help our clients develop their confidence, skills, qualifications, and to pursue employment opportunities, with a greater focus on peer to peer support.

We continued to provide supported housing schemes for young people experiencing homelessness and we expanded the number of supported housing units to young people experiencing homelessness in Merton.

We secured funding to set up an innovative pilot service to prevent people becoming homeless, (working across Kingston, Merton and Sutton). We are looking forward to building on the lessons from this pilot in future years.

We conducted an evaluation of our very successful Homeless Health Link Service, (the central government funding for this program ended early 2017) and used this to secure Big Lottery funding to continue this important area of our work for a further two years. The new service works across Richmond and Kingston, with a greater focus on peer mentoring.

This picture includes a volunteer, a client and a Homeless Healthlink & tenancy support staff member on a health assessment day held at our SPEAR offices

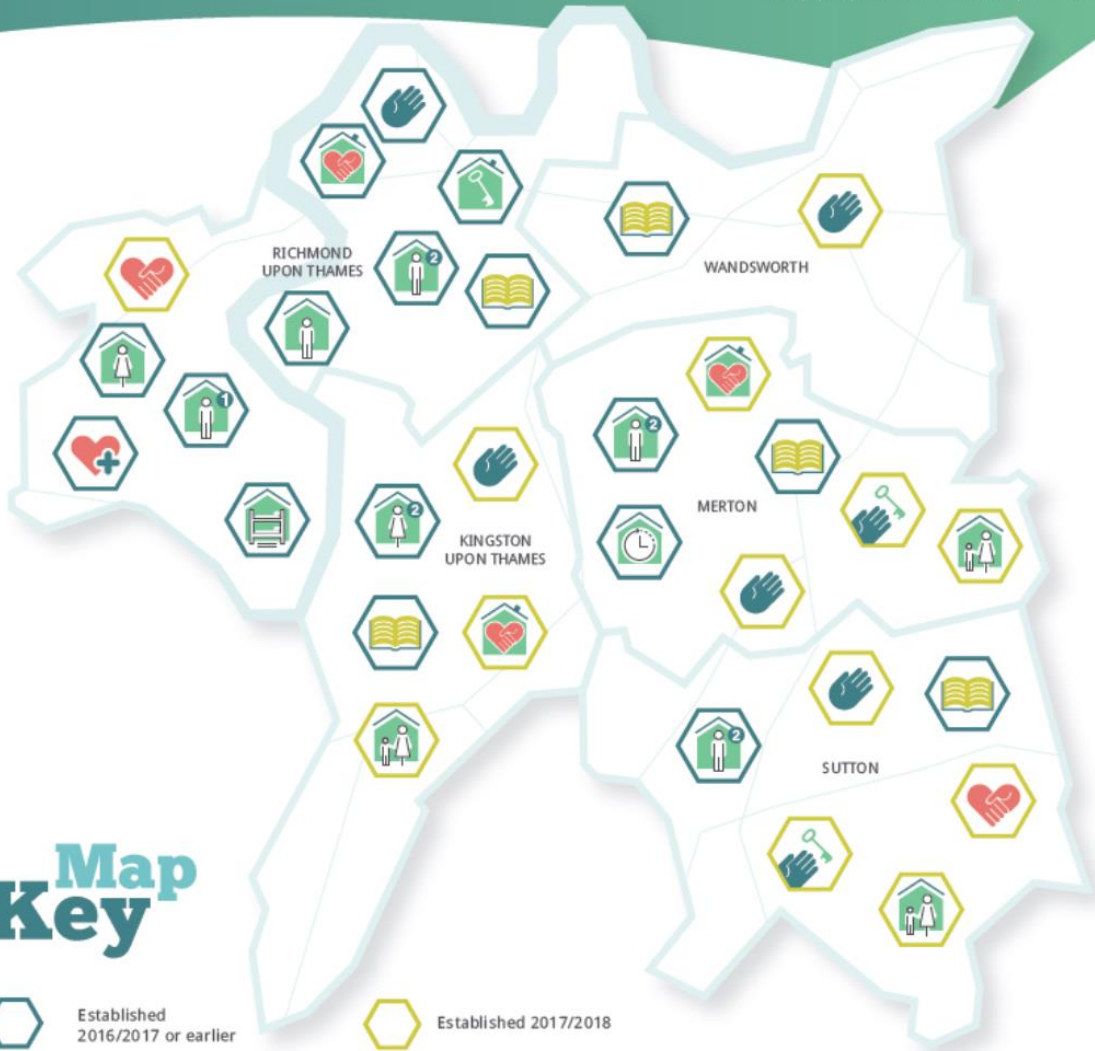


The above services represented significant growth for SPEAR, (with some of these new services becoming operational in April 2017).

On the next page, we provide a map that represents our existing and new services in South West London.

Our Services

SPEAR is a charity for people experiencing homelessness in South-West London. We build communities in which everyone has a place to call home, and provide the help needed to lead a fulfilling life. We recognise that homelessness is much more than just a housing issue, so we provide a range of accommodation and support services to help people reach their full potential



Map Key

- | | | | | | |
|---|--|---|--|--|---|
|  | Established 2016/2017 or earlier |  | Established 2017/2018 |  | Skills development service |
|  | 24 hour supported accommodation |  | Second-stage accommodation for women |  | Homeless Health Link Service |
|  | Young people's supported accommodation |  | Homelessness prevention for families and single households |  | Rough sleeper outreach service |
|  | First-stage accommodation for men |  | Semi-independent accommodation |  | Floating support and tenancy sustainment |
|  | Second-stage accommodation for men |  | Short-term accommodation for young people |  | Support to access the private rented sector |
|  | Women's supported accommodation |  | Home-based support | | |

Our key impacts on homelessness

Over 500 homeless people accessed SPEAR's services in 2016/17:

- 20% were female
- 20% were under the age of 25

Providing Housing:

- We worked with around 170 rough sleepers in Richmond and over 100 in Sutton
- We provided over 170 people supported housing tenancies.
- Over 90% of our clients in supported housing maintained their accommodation.

Improving Health:

- We supported over 200 people to improve their health
- We helped 100 people register with a GP
- We reduced the use of emergency health services such as A&E and ambulance call out by 65%

Women's Services:

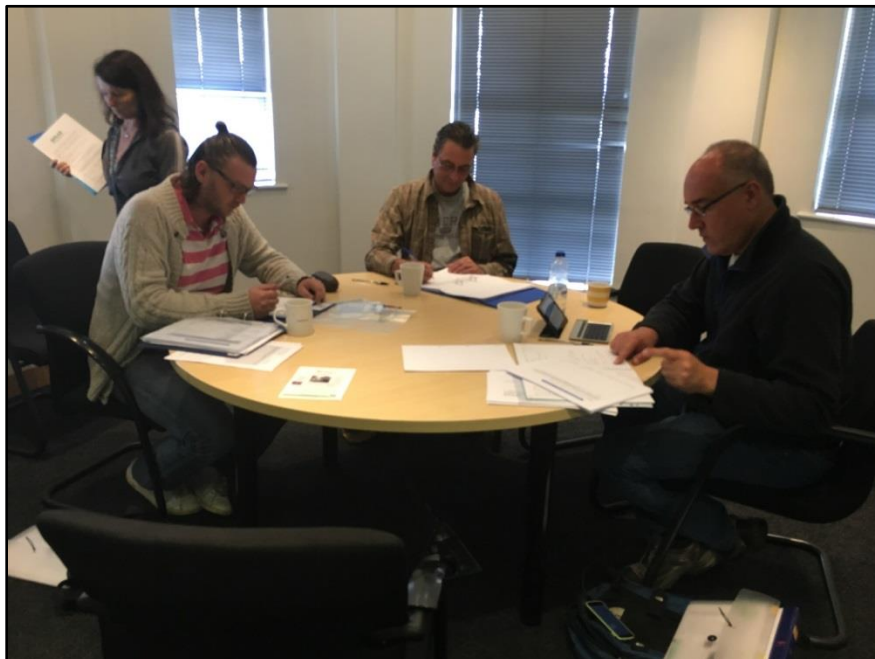
- We provided supported housing tenancies to over 50 women
- We gave 15 women with specialist counselling support

Young people's Services:

- We provided over 50 young people with supported housing tenancies
- Over 60% of our younger clients were supported into education, training or employment

Skills Development and Client Involvement

- We supported over 100 homeless people to develop their skills:
 - 25% of our clients working with our Skills Development team gained employment
 - 17% gained a qualification from an external provider
 - 20% contributed to their local community through volunteering (within SPEAR and elsewhere)



Our Peer Mentor program where SPEAR clients gain an accredited qualification to offer peer to peer support with other SPEAR clients who have experienced homelessness

Our Staff, Supporters and Volunteers

Client and Staff Satisfaction:

- 86% of clients surveyed said they felt they were being well supported by SPEAR
- 91% of staff surveyed said they were often or always enthusiastic about their job



Some of SPEAR staff enjoying a team-building day

Our Supporters and Volunteers:

- Around 90 volunteers supported our work in a variety of roles including: IT, literacy and maths tutors, SPEAR ambassadors, receptionists at SPEAR projects, fundraisers, and event organisers.
- Our volunteers gave over 4,000 hours supporting SPEAR (with a value of over £70,000)
- Many brave supporters took on a challenge for SPEAR, including: Richmond Swimathon, Run to the Somme, Brighton Marathon, Hackney Half Marathon and Ride London.



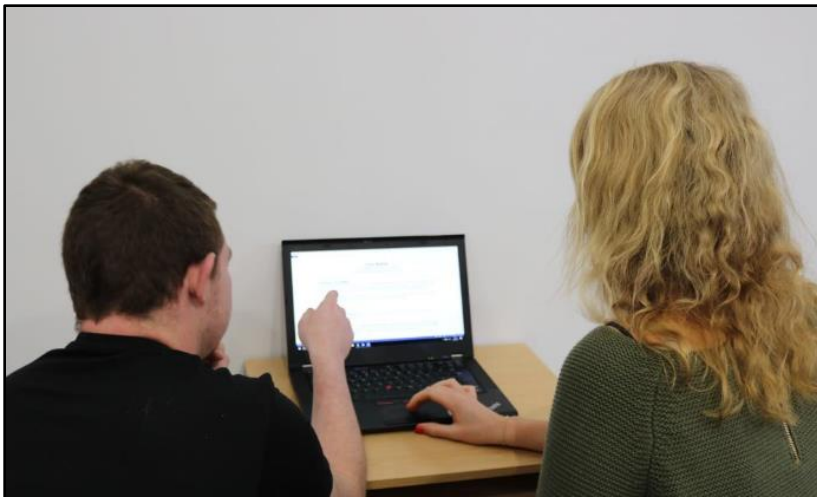
Engaging our local communities:

- We raised awareness of homelessness by engaging with over 4,000 people in the local communities we work in through presentations about homelessness to local councils, health and social care professionals, schools, churches community groups and at local events.
- Over 16,000 people visited our website in 2016/17
- We reached over 1,000 Twitter followers

Business Plan Achievements

We set an ambitious business plan to further organisational development and improve the impact we deliver in the lives of homeless people. The key achievements being:

- We secured new funding for several innovative services resulting in a 50% increase in our turnover going into 2017/18
- We rolled out new staff training to improve the quality of the support provided to our clients, (including Reflective Practice and Asset Based Support)
- We implemented new Client Involvement initiatives, including Peer Mentoring training
- We upgraded our IT infrastructure with new case management and fundraising databases
- We secured the ISO 9001 Quality Assurance accreditation
- We secured London Living Wage employer accreditation
- SPEAR became corporate Trustee of Quintus Housing Trust (QHT), a charity that provides housing and support to older people in Richmond on 31st October 2017, and took over the operational management of the charity from that date.



Working collaboratively is extremely important at SPEAR. Two staff here are analysing our SPEAR client survey

In our Client's words:

"SPEAR has helped me to understand I am not to blame for my situation" Amy

"SPEAR gave me hope and a second chance at life" Joe

Thank you to those who supported us

Many of our operational services received local authority funding from the London Boroughs of Richmond upon Thames, Kingston, Wandsworth, Sutton and Merton.

Over 100 organisations including companies, community groups, trusts, schools and faith groups gave money to SPEAR or organised fundraising events.

Plus over 100 organisations gave gifts in kind and practical gifts including food, clothing, toiletries and others.

Over 230 individuals donated money to SPEAR, either as a one off or as a regular donation.

Preparations were also made for SPEAR's 30th Anniversary year celebrations.



Our SPEAR client and staff tag rugby team playing against corporate teams in this annual fundraising event organised by St George, who with the Berkeley Foundation, have renewed their support for SPEAR for another three years.

In particular, thank you to:

All Hallows Church
Barnes Workhouse Fund
Charlotte Wade Charity
Clare King Charitable Trust
Friends of Galsworthy House
Greggs
Hampton Fuel Allotment Charity
Here-East
Kew Fete

Orleans Park School
Raynes Park High School
Richmond Parish Lands Charity
Richmond Team Ministry
Squires Garden Centre
St Elizabeth of Portugal RC Church
St James' Church, Hampton Hill
St Anne's Church, Kew
St George plc
St Margaret's Fete
Stephen Roberts Memorial Trust

Streetsmart
The 29th May 1961 Charity
The Ashcroft Charitable Trust
The Berkeley Charitable Foundation
The Double 'O' Charity
The Golden Bottle Trust
The Monument Trust
Twickerati
Try Twickenham
Waitrose



"As a volunteer at SPEAR, no day is the same. I have loved getting to know SPEAR clients, staff and other volunteers from all the different projects and seeing how a small effort can make a big difference". – Sarah & Kate

On the left is just one of the many SPEAR clients Sarah & Kate 'styled' with donated clothes

SPEAR Client Stories

Rob's story:

I used to have a good job, good friends and a home. Then a few years ago, my life imploded. I was drinking and losing everyone around me. After I left the place I shared with my girlfriend, I quickly ran out of money and had nowhere to stay.

Luckily my ex still cared and got in touch with SPEAR. They moved me into a place in Twickenham. I thought I was moving there to die. I kept on drinking, lost all confidence and the ability to cope with life. There were more ambulances, more hospitals, more worry.

But SPEAR persevered. They were patient with me. They gave me a plan. Eventually I woke up and chose life. I chose to accept help. I chose the future, not the past. I went to AA and counselling and stopped drinking. Hour by hour, day by day, week by week, I worked at it and slowly won back the trust of the people I had hurt.

SPEAR have helped me learn to love life. I have ambitious plans now. Rob 2.0 will be a better version of the Rob that was at his best before all this. Between the time I was sat outside a building, on the street, drinking, sitting in urine, dressed in hospital 'lost and found' clothing and with life ebbing away, and a meeting yesterday with Google, there was a bridge. That bridge was SPEAR. I can never thank them enough.

Carrie (not her real name):

Carrie is a young Albanian woman in her early twenties, who had been a victim of severe exploitation. Extremely vulnerable, she was housed in SPEAR's women's accommodation. At first, she was very shy and reserved, wary of interacting with anyone. The project manager spent a long time getting to know Carrie, building her confidence and gaining her trust.

Eventually, Carrie opened up and told the project manager that she had trained as a nurse in Albania, and that she wanted to find work in the UK. Carrie was introduced to SPEAR's Skills Development Coordinator, who helped her to arrange the paperwork for her nursing qualification to be recognised in the UK. He also helped her to access a course at Richmond Adult Community College which would help her to improve her English comprehension relevant to the nursing sector.

At the same time, Carrie undertook some volunteering, to help build her confidence and gain work experience in an English speaking role. A volunteer is also helping Carrie to improve her spoken English, so she will have the skills and confidence to find work.



The Skills Development Coordinator says 'She's far happier now and sees a future for herself, rather than seeing herself as a victim.'

'We thank you for your support to enable us to help people like Rob and Carrie have a brighter future' – Heidi Shrimpton, Head of Fundraising

The trustees present their report and the audited financial statements for the year ended 31 March 2017.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

The objectives of the charity are:

- The relief of persons in need who are homeless or at risk of becoming homeless, including, but not limited to, those with substance misuse problems by providing accommodation, services and advice so as to help increase the independence and decrease the marginalisation in society of such persons; and
- To undertake research into homelessness for the public benefit.

The trustees review the aims, objectives and activities of the charity regularly. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

The charity's main activities and who it tries to help are described below. All its charitable activities focus on Homeless individuals and are undertaken to further SPEAR's charitable purposes for the public benefit.

Beneficiaries of our services

SPEAR supports those who are homeless or at risk of homelessness in South West London. SPEAR works with rough sleepers, and provides tenancy support and access to the Private Rented Sector for those who need it. For some clients there is a personal development aspect to the journey to self-reliance, and supports clients who may have a mental health issue or a drug and alcohol support need. The Young People's Programme works with young homeless people to make a smooth transition into adulthood. These clients may have chaotic or institutional backgrounds or involvement with the criminal justice system.

Financial review

We would like to thank our donors and supporters for their contributions during a year in which SPEAR has increase the scale of its operations to meet growing demand from local homeless people.

We increased our expenditure for the year to £2,122,911 from £1,970,550 last year. This almost 7.5% increase in expenditure reflects growth in accordance with our three year strategy, with increased activity and continuous support for established housing schemes and a rough sleeper service which operates across the London Boroughs of Richmond, Merton, Wandsworth, Kingston and Sutton.

Analysis of our expenditure shows that we spent 71% on charitable activities, 20% on support costs, 7% on fundraising, and 2% on governance.

Total incoming resources for the year decreased from £2,011,289 to £1,930,335 – a 4% decrease (£80,954) from the previous year. The majority (90%) of our income is from local authorities and charitable trusts funding particular services. The fundraising department raised restricted income totalling £180,550 via charitable trusts and donations. The unrestricted income raised by fundraising department, excluding legacies, has increased by 15% from £130,146 to £140,946. This income was raised via individuals, community groups and the business community and provides much needed income to ensure our viability as a charity.

The deficit for the year has been funded by unrestricted reserve funds to support future charitable activity. The unrestricted funds decreased by 26% from £602,023 to £445,300.

Principal risks and uncertainties

SPEAR's Audit & Risk Committee reviews major risks facing the charity. The committee reviews a Risk Map and Management Plan, drafted by the Senior Management Team on a quarterly basis, updating the full Trustee Board as required. In 2016-17, the two key risks identified were:

- A reduction in our income. Agreed actions to mitigate the impact of this risk area included: diversifying income sources, robust financial monitoring, and moderated fundraising targets.
- Health & Safety. Agreed actions to mitigate the impact of this risk area included: a review of our H&S policy, H&S training, engaging an external H&S expert, revised H&S reporting to Trustees.

Reserves policy and going concern

Trustees have examined the requirement for free reserves i.e. unrestricted funds not invested in tangible fixed assets or designated for specific purposes. Trustees are aiming at free reserves to cover operational activities from unrestricted income for at least 3 months. As of 31 March 2017, unrestricted free reserves totalling £485,712 represented just under three months of average expenditure.

The Reserves Policy is reviewed annually by the Audit and Risk Committee and approved by the Trustees.

Restricted Funds may only be used for the purposes specified by the donor and only expenditure meeting these criteria is allocated to each fund. Any grants which remain unspent at the year-end will be held as restricted reserves subject to any specific funding terms attached to the grants. These may only be used for the projects in accordance with the terms of the grants received.

Plans for the future

SPEAR Trustees and Senior Managers undertook a strategic review during 2016, reviewing environmental risks and opportunities, client and staff feedback and organisation development requirements. It was agreed that over the coming 3 years, we will: increase accommodation options for homeless people; we will continue to improve people's health, skills and employability; we will develop more partnerships and innovative services to respond to changing needs; we will invest in our staff and we will involve the people who use our services in everything we do.

Trustees are reviewing governance policies and recruiting new Trustees.

Structure, governance, management and remuneration policy

The organisation is a charitable company limited by guarantee, incorporated on 11 October 2007 and registered as a charity on 7 January 2008

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

The Board comprises of 9 members. No Trustees received remuneration for their roles or were paid for any other activity relating to the charity in the year. The Board is supported in discharging these responsibilities through an Audit and Risk Committee. Overall operational management of SPEAR is delegated to the Chief Executive. Throughout the year, the Trustees, the Chief Executive and the wider Senior Management Team monitored effectiveness and best practice. The Board approves SPEAR's three year strategy; an annual business plan; annual budgets; extraordinary expenditure in excess of agreed limits; strategic decisions; policies; employment terms and conditions, remuneration levels of key management personnel with reference to existing pay scales within the organisation and the housing sector in which SPEAR operates; and all decisions relating to governance.

All trustees give their time voluntarily and receive no benefits from the charity. No expenses were reclaimed from the charity during the year.

Appointment of trustees

New trustees are recruited through local advertising, and candidates are asked to attend an interview with the Chair and another trustee.

Trustee induction and training

On appointment, all Trustees undergo a formal induction process and training needs of trustees are reviewed regularly with a view to ensuring that trustees are kept up to date with their responsibilities.

Related parties and relationships with other organisations

SPEAR maintains no relations with, and no transactions were entered into with, related parties during the year 2016-17, with the exception of Quintus Housing Trust.

During the year, SPEAR became the corporate trustee for the Quintus Housing Trust, a trust engaged in providing almshouses, housing for elderly people and residential care for the frail and elderly. Due to the nature of the trust deed governing the Trust, SPEAR cannot control the Trusts' activities or resources for its own benefit, with the property of the separately registered Trust to be dealt with under the terms of its own trust deed. SPEAR acknowledges the potential conflict of interest between the operations of the Trust and its own charitable operations, and therefore seeks to exercise discretion on the part of the Trust, on the assumption that SPEAR, as the corporate trustee, and its direct beneficiaries will not principally benefit from the activities of Quintus Housing Trust. Transactions between SPEAR and the Trust have been disclosed separately within the notes to the financial statements as related party transactions. The results of Quintus Housing Trust are presented in its own accounts and are not consolidated into the results of SPEAR.

Funds held as custodian trustee on behalf of others

The charity holds no funds on behalf of others as custodian.

Statement of responsibilities of the trustees

The trustees (who are also directors of SPEAR for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees 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 trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP

- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate 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. 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.

In so far as the trustees are aware:

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

The trustees 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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2017 was 8 (2016: 8). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditors

Sayer Vincent LLP were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 8 December 2017 and signed on their behalf by

Jack Stephen
Chair of trustees

Opinion

We have audited the financial statements of SPEAR Housing Association Limited (the 'charitable company') for the year ended 31 March 2017 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charitable company's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other

**Independent auditor's report
to the members of
SPEAR Housing Association Limited**

information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

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

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable

**Independent auditor's report
to the members of
SPEAR Housing Association Limited**

the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures

**Independent auditor's report
to the members of
SPEAR Housing Association Limited**

are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Noelia Serrano (Senior statutory auditor)

12 December 2017

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

SPEAR Housing Association Limited

Statement of financial activities (incorporating income and expenditure account)

For the year ended 31 March 2017

		2017			2016		
	Note	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Income from:							
Donations and legacies	2	149,876	-	149,876	182,899	80,492	263,391
Charitable activities	3	1,594,303	180,550	1,774,853	1,619,272	121,100	1,740,372
Investments	4	5,606	-	5,606	7,526	-	7,526
Total income		1,749,785	180,550	1,930,335	1,809,697	201,592	2,011,289
Expenditure on:							
Raising funds	5	149,741	-	149,741	99,275		99,275
Charitable activities	5	1,756,768	216,403	1,973,171	1,674,490	196,785	1,871,275
Total expenditure		1,906,508	216,403	2,122,911	1,773,765	196,785	1,970,550
Net (expenditure) / income for the year	6	(156,723)	(35,853)	(192,576)	35,932	4,807	40,739
Net movement in funds		(156,723)	(35,853)	(192,576)	35,932	4,807	40,739
Reconciliation of funds:							
Total funds brought forward		602,023	79,103	681,126	566,091	74,296	640,387
Total funds carried forward		445,300	43,250	488,550	602,023	79,103	681,126

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 15 to the financial statements.

SPEAR Housing Association Limited

Balance sheet

Company no. 06396687

As at 31 March 2017

	Note	£	2017 £	£	2016 £
Fixed assets:					
Tangible assets	10		2,838		2,515
Current assets:					
Debtors	11	174,760		73,621	
Deposits		322,090		400,030	
Cash at bank and in hand		98,870		605,602	
			595,720	1,079,253	
Liabilities:					
Creditors: amounts falling due within one year	12	(110,008)		(400,642)	
Net current assets			485,712		678,611
Total assets less current liabilities			488,550		681,126
Total net assets			488,550		681,126
The funds of the charity:					
Restricted income funds	15		43,250		79,103
Unrestricted income funds:					
Designated funds		-		19,000	
General funds		445,300		583,023	
Total unrestricted funds			445,300		602,023
Total charity funds			488,550		681,126

Approved by the trustees on 8 December 2017 and signed on their behalf by

Jack Stephen
Chair of Trustees

SPEAR Housing Association Limited

Statement of cash flows

For the year ended 31 March 2017

	Note	2017 £	£	2016 £	£
Cash flows from operating activities					
Net cash (used in) / provided by operating activities	16	(587,440)		376,254	
Cash flows from investing activities:					
Dividends, interest and rents from investments		5,606		7,526	
Additions to fixed assets		(2,838)		-	
Net cash provided by investing activities		2,768		7,526	
Change in cash and cash equivalents in the year		(584,672)		383,780	
Cash and cash equivalents at the beginning of the year		1,005,632		621,852	
Cash and cash equivalents at the end of the year	17	420,960		1,005,632	

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

c) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1 Accounting policies (continued)

f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in encouraging third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of our charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

g) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. The cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

1 Accounting policies (continued)

h) Allocation of support costs (continued)

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities. Governance costs are apportioned on the basis of staff time attributable to each activity, as outlined above.

i) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset is shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

~ Fixtures & Fittings	3 years
~ Computers & Equipment	3 years

l) Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Pensions

The pension contributions are paid into a Group Personal Pension Plan on behalf of all eligible employees who elect to have such a pension arrangement. This is an individual defined contribution arrangement. The charity's liability is limited to the employer's contributions.

SPEAR Housing Association Limited

Notes to the financial statements

For the year ended 31 March 2017

2 Income from donations and legacies

	Unrestricted £	Restricted £	2017 Total £	2016 Total £
Legacies	8,931	-	8,931	52,753
Donations	140,946	-	140,946	210,638
	149,876	-	149,876	263,391

3 Income from charitable activities

Hostels

Penny Wade House Hostel

	Unrestricted £	Restricted £	2017 Total £	2016 Total £
Housing Benefit Income	212,222	-	212,222	203,465
London Borough of Richmond - Supporting People contract	102,440	-	102,440	102,996
London Borough of Richmond - Service Level Agreement	96,868	-	96,868	106,720
The Richard Tait Charity grant	-	3,750	3,750	-
Other Income	8,466	-	8,466	16,582
Sub total	419,996	3,750	423,746	429,763

Wilton Road Hostel

Housing Benefit Income	168,156	-	168,156	126,923
London Borough of Merton - Supporting People contract	144,725	-	144,725	161,598
London Borough of Merton - Housing Management grant	12,890	-	12,890	-
Other Income	4,806	-	4,806	3,044
Sub total	330,577	-	330,577	291,565

Lower Grove Hostel

London Borough of Richmond - Supporting People contract	48,509	-	48,509	62,633
Sub total	48,509	-	48,509	62,633

Supported Housing Schemes

Sandycombe Road Supported Housing Scheme

Housing Benefit Income	39,363	-	39,363	35,532
Richmond Parish Land Charity Trust grant	-	12,750	12,750	17,000
Other Income	1,268	-	1,268	1,908
Sub total	40,631	12,750	53,381	54,440

Heath Road Supported Housing Scheme

Housing Benefit Income	34,450	-	34,450	66,873
Other Income	4,652	-	4,652	11,532
Sub total	39,102	-	39,102	78,405

St John's Lodge Supported Housing Scheme

Housing Benefit Income	42,009	-	42,009	-
Other Income	3,613	-	3,613	-
Sub total	45,622	-	45,622	-

SPEAR Housing Association Limited

Notes to the financial statements

For the year ended 31 March 2017

3 Income from charitable activities (continued)

	Unrestricted £	Restricted £	2017 Total £	2016 Total £
<u>Vectis Road Supported Housing Scheme</u>				
Housing Benefit Income	25,205	-	25,205	35,937
London Borough of Merton grant	-	-	-	5,000
Other Income	9,736	-	9,736	5,409
Sub total	34,941	-	34,941	46,346
<u>Rosa House Supported Housing Scheme</u>				
Housing Benefit Income	23,419	-	23,419	-
Richmond Parish Land Charity Trust grant	-	13,200	13,200	-
Other Income	3,029	-	3,029	-
Sub total	26,448	13,200	39,648	-
<u>Barnard Road Supported Housing Scheme</u>				
Housing Benefit Income	42,444	-	42,444	34,713
Other Income	1,630	-	1,630	-
Sub total	44,074	-	44,074	34,713
<u>Boyd Close Supported Housing Scheme</u>				
Housing Benefit Income	25,232	-	25,232	-
Other Income	1,035	-	1,035	-
Sub total	26,267	-	26,267	-
<u>Other Services</u>				
<u>Skills Development Service</u>				
Hampton Fuel Allotment Charity grant	-	18,250	18,250	34,000
The Richard Tait Charity grant	-	21,250	21,250	43,700
St. George plc grant	-	-	-	10,000
Streetsmart grant	-	10,000	10,000	10,100
The 29th May 1961 Charitable Trust grant	-	3,500	3,500	-
Double O Charity Trust grant	-	5,000	5,000	-
Monument Trust grant	-	20,000	20,000	-
Sub total	-	78,000	78,000	97,800
<u>Rough Sleeper Outreach Service</u>				
London Borough of Richmond - Supporting People contract	45,380	-	45,380	60,373
London Borough of Richmond - Service Level Agreement	68,220	-	68,220	56,840
Barnes Workhouse Fund grant	-	11,000	11,000	-
Hampton Fuel Allotment Charity grant	-	2,500	2,500	29,137
Berkeley Foundation	-	5,000	5,000	-
Sub total	113,600	18,500	132,100	146,350
<u>Tenancy Sustainment Service</u>				
London Borough of Richmond - Supporting People contract	34,036	-	34,036	43,125
London Borough of Richmond - Service Level Agreement	51,165	-	51,165	40,600
Sub total	85,201	-	85,201	83,725

SPEAR Housing Association Limited

Notes to the financial statements

For the year ended 31 March 2017

3 Income from charitable activities (continued)

	Unrestricted £	Restricted £	2017 Total £	2016 Total £
<u>South West London Resettlement Service</u>				
Housing Benefit Income				
South West London Housing Partnership Grant	93,875	-	93,875	281,118
Other Income	-	-	-	133,514
Sub total	93,875	-	93,875	414,632
<u>Homeless Health Link Service</u>				
London Borough of Richmond grant	113,773	-	113,773	-
Hampton Fuel Allotment Charity grant	-	6,000	6,000	-
Richmond Parish Land Charity Trust grant	-	7,500	7,500	-
London Borough of Kingston grant	5,000	-	5,000	-
Barnes Workhouse Fund grant	-	1,500	1,500	-
Sub total	118,773	15,000	133,773	-
<u>Domestic Violence Service</u>				
London Borough of Richmond grant	89,930	-	89,930	-
Sub total	89,930	-	89,930	-
<u>Volunteering</u>				
Hampton Fuel Allotment Charity grant	-	16,750	16,750	-
Sub total	-	16,750	16,750	-
<u>Core Grants</u>				
London Borough of Richmond - Supporting People contract	15,831	-	-	-
London Borough of Richmond - Service Level Agreement	15,747	-	-	-
Richmond Parish Land Charity Trust grant	-	22,600	22,600	22,600
Other Income	5,180	-	-	-
Sub total	36,758	22,600	22,600	22,600
Total income from charitable activities	1,594,303	180,550	1,738,095	1,740,372

4 Income from investments

	Unrestricted £	Restricted £	2017 Total £	2016 Total £
Interest earned	5,606	-	5,606	7,526

SPEAR Housing Association Limited

Notes to the financial statements

For the year ended 31 March 2017

	Cost of raising funds £	Hostels £	Supported Housing Schemes £	Homeless Healthlink Service £	Skills Development Service £	Rough Sleeper Outreach Service £	Tenancy Support Service £	Domestic Violence Service £	South West London Resettlement Service £	Volunteering Service £	Governance Costs £	Support Costs £	2017 Total £	2016 Total £
Staff costs (Note 7)	110,575	637,190	119,065	112,677	65,138	87,726	65,795	41,278	25,632	24,468	-	331,832	1,621,376	1,454,796
Fundraising Costs	8,931	-	-	-	-	-	-	-	-	-	-	-	8,931	8,203
Premises Costs	-	82,954	214,685	-	-	330	-	-	-	-	-	62,788	360,757	359,784
Infrastructure Costs	-	16,167	11,207	3,525	2,808	3,353	2,514	1,439	1,240	-	-	34,065	76,318	83,633
Client Costs	-	4,133	1,857	1,256	3,881	5,221	3,916	9	360	-	-	135	20,768	23,251
Other Direct Costs	-	-	-	-	-	-	-	-	-	-	32,209	2,553	34,762	40,883
	119,507	740,444	346,814	117,459	71,826	96,630	72,225	42,727	27,232	24,468	32,209	431,373	2,122,913	1,970,550
Support costs	28,133	178,176	45,013	37,511	18,755	37,511	28,133	18,755	39,386			(431,373)		-
Governance costs	2,101	13,304	3,361	2,801	1,400	2,801	2,101	1,400	2,941		(32,209)			-
Total expenditure 2017	149,741	931,924	395,188	157,771	91,981	136,942	102,459	62,882	69,559	24,468	-	-	2,122,911	
Total expenditure 2016	99,275	944,272	206,257	-	126,639	155,227	110,909	-	327,971	-	-	-	1,970,550	

SPEAR Housing Association Limited

Notes to the financial statements

For the year ended 31 March 2017

6 Net (expenditure) / income for the year

This is stated after charging:

	2017	2016
	£	£
Depreciation	2,515	6,188
Operating lease rentals:		
Property	243,210	229,044
Auditor's remuneration (excluding VAT):		
Audit	9,520	9,520
Other services	7,750	8,500
	252,995	242,252

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2017	2016
	£	£
Salaries and wages	1,390,027	1,281,283
Social security costs	117,893	98,425
Staff Expenses	10,112	8,730
Temporary Staff	46,911	9,646
Staff Training/Support	15,042	8,055
Recruitment	7,675	20,092
CRB Checks	1,366	1,216
Volunteer Expenses	105	522
Employer's contribution to defined contribution pension schemes	31,783	24,180
Other forms of employee benefits	461	2,647
	1,621,376	1,454,796

The following number of employees received employee benefits (excluding pension contributions and employer's national insurance) during the year between:

	2017	2016
	No.	No.
£60,000 - £69,999	-	1
£70,000 - £79,999	1	-

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £189,030 (2016: £156,303).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2016: £nil). No charity trustee received payment for professional or other services supplied to the charity (2016: £nil).

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was:

	2017 No.	2016 No.
Raising funds	3.0	3.0
Penny Wade House Hostel	11.0	11.0
Wilton Road Hostel	6.0	6.0
Lower Grove Road Hostel	2.0	2.0
Sandycombe Road Supported Housing Scheme	1.0	1.0
Heath Road Supported Housing Scheme	1.0	1.0
St John Lodge Supported Housing Scheme	0.5	-
Vectis Road Supported Housing Scheme	1.0	1.0
Rosa House Supported Housing Scheme	0.5	-
Barnard Road Supported Housing Scheme	0.4	-
Boyd Close Supported Housing Scheme	0.4	-
Homeless Healthlink Service	4.0	-
Skills Development Service	2.0	3.0
Rough Sleeper Outreach Service	4.0	4.0
Tenancy Support Service	3.0	3.0
Domestic Violence Service	2.0	-
South West London Resettlement Service	4.2	9.0
Central Support	9.0	10.0
	55.0	54.0

9 Related party transactions

During the year SPEAR recharged expenses of £29,082 to Quintus Housing Trust (2016: £nil). There were no other related party transactions for 2017 (2016: none). There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

10 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation			
At the start of the year	8,783	10,536	19,319
Additions in year	2,838	-	2,838
At the end of the year	11,621	10,536	22,157
Depreciation			
At the start of the year	8,783	8,021	16,804
Charge for the year	-	2,515	2,515
At the end of the year	8,783	10,536	19,319
Net book value			
At the end of the year	2,838	-	2,838
At the start of the year	-	2,515	2,515

All of the above assets are used for charitable purposes.

SPEAR Housing Association Limited

Notes to the financial statements

For the year ended 31 March 2017

11 Debtors

	2017	2016
	£	£
Trade debtors	144,873	31,870
Other debtors	3,289	3,551
Prepayments	18,748	10,200
Accrued income	7,850	28,000
	174,760	73,621

12 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	29,760	28,136
Other creditors	58,216	60,557
Pension Accrual	-	4,516
Accruals	22,032	42,230
Deferred income	-	265,203
	110,008	400,642

13 Deferred income

	2017	2016
	£	£
Balance at the beginning of the year	265,203	97,574
Amount released to income in the year	(265,203)	(97,574)
Amount deferred in the year	-	265,203
	-	265,203
Balance at the end of the year	-	265,203

14 Analysis of net assets between funds - current year

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	2,838	-	-	2,838
Net current assets	433,812	-	43,250	477,062
Net assets at the end of the year	436,650	-	43,250	479,900

Prior year

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	2,515	-	-	2,515
Net current assets	580,508	19,000	79,103	678,611
Net assets at the end of the year	583,023	19,000	79,103	681,126

SPEAR Housing Association Limited

Notes to the financial statements

For the year ended 31 March 2017

15 Movements in funds - current year

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	At the end of the year £
Restricted funds:				
Core Charitable Services	8,793	22,600	(31,393)	-
Volunteering	7,718	16,750	(20,093)	4,375
Sandycombe Road Supported Housing	8,500	12,750	(21,250)	-
Rosa House Supported Housing Scheme	-	13,200	(13,200)	-
The Richard Tait Charity - Peer Mentoring	-	25,000	(25,000)	-
Skills Development Fund	14,438	56,750	(49,813)	21,375
Trainee Outreach Service	3,000	18,500	(19,000)	2,500
Business Development	30,000	-	(30,000)	-
Pathway Project	6,654	-	(6,654)	-
Homeless Healthlink	-	15,000	-	15,000
Total restricted funds	79,103	180,550	(216,403)	43,250
Unrestricted funds:				
Designated funds:				
South West London Resettlement Service	19,000	-	(19,000)	-
Total designated funds	19,000	-	(19,000)	-
General funds	583,023	1,749,785	(1,887,508)	445,300
Total unrestricted funds	602,023	1,749,785	(1,906,508)	445,300
Total funds	681,126	1,930,335	(2,122,911)	488,550

Purposes of restricted funds

The Core Charitable Services Support Fund

This grant from the Richmond Parish Lands Charity Trust funds overheads including central services, head office and IT costs.

Sandycombe Road Supported Housing Scheme

This grant from the Richmond Parish Lands Charity Trust funds a supported housing scheme for men in Richmond.

The Skills Development Fund

Grants from the Hampton Fuel Allotment Charity, Berkeley Foundation, Monument Trust and Streetsmart fund our work supporting homeless people to develop their confidence and life skills, to undertake training and education, and to secure employment.

Volunteering

This grant from Hampton Fuel Allotment Charity are used for the purpose of running our volunteering department in which volunteers are recruited, trained and supported in a range of roles throughout SPEAR.

15 Movements in funds (continued)

The Trainee Outreach Service

These grants from Barnes Workhoue Fund, Berkeley Foundation and Hampton Fuel Allotment Charity fund a Trainee post to work in our rough sleeper outreach service in Richmond. The outreach team actively seek and engage with rough sleepers & support them into acommodation.

The Richard Tait Charity - Peer Mentoring

The Richard Tait Charity enabled us to launch a client involvement service, including peer mentoring, which we have subsequently developed so that our clients new opportunities to support other people who have homelessness and help in the wider management of SPEAR.

Rosa House Supported Housing Scheme

This grant from the Richmond Parish Lands Charity Trust funds a supported housing scheme for women in Richmond.

The Pathway Project

This fund was provided by The London Borough of Merton for the use of evaluating SPEAR's services to ensure Spear meets the need of homeless people by providing support & encouragement for clients to get back into sustaining an independent life.

Business Development

This grant from the Richmond Parish Lands Charity were restricted to recruit a post holder to support new business and organisational development.

Homeless Health Link service

This grant from the London Borough of Richmond funds our service that supports homeless people to improve their physical and mental health.

Purposes of designated funds

South West London Resettlement Services

This grant from the South West London Housing Partnership funds our service that provides accommodation for rough sleepers across four London Boroughs of Merton, Richmond, Sutton and Wandsworth.

SPEAR Housing Association Limited

Notes to the financial statements

For the year ended 31 March 2017

Prior year

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	At the end of the year £
Restricted funds:				
Core Charitable Services	11,300	15,917	(18,424)	8,793
Sandycombe Road Supported Housing	8,500	17,000	(17,000)	8,500
Skills Development Fund	30,108	97,800	(113,470)	14,438
Volunteering	16,000	12,875	(21,157)	7,718
Trainee Outreach Service	1,734	28,000	(26,734)	3,000
Business Development Pathway Project	6,654	30,000 -	- -	30,000 6,654
Total restricted funds	74,296	201,592	(196,785)	79,103
Unrestricted funds:				
Designated funds:				
Business Development	34,645	-	(34,645)	-
Homeless Healthlink Service	-	231,119	(231,119)	-
South West London Resettlement Service	-	168,227	(149,227)	19,000
Total designated funds	34,645	399,346	(414,991)	19,000
General funds	531,446	1,410,351	(1,358,774)	583,023
Total unrestricted funds	566,091	1,809,697	(1,773,765)	602,023
Total funds	640,387	2,011,289	(1,970,550)	681,126

16 Reconciliation of net (expenditure) / income to net cash flow from operating activities

	2017	2016
	£	£
Net (expenditure) / income for the reporting period (as per the statement of financial activities)	(192,576)	40,739
Depreciation charges	2,515	6,187
Dividends, interest and rent from investments	(5,606)	(7,526)
(Increase)/decrease in debtors	(101,139)	161,226
(Decrease)/increase in creditors	(290,634)	175,628
Net cash (used in) / provided by operating activities	(587,440)	376,254

17 Analysis of cash and cash equivalents

	At 1 April 2016	Cash flows	At 31 March 2017
	£	£	£
Cash at bank and in hand	605,602	(506,732)	98,870
Notice deposits (less than three months)	400,029	(77,939)	322,090
Total cash and cash equivalents	1,005,631	(584,671)	420,960

18 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property		Equipment	
	2017	2016	2017	2016
	£	£	£	£
Less than one year	212,600	212,600	1,450	1,450
One to five years	193,600	193,600	-	-
	406,200	406,200	1,450	1,450

19 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

20 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2016

21 Detailed comparatives for the statement of financial activities

	Unrestricted £	Restricted £	2017 Total £
Income from:			
Donations and legacies	182,899	80,492	263,391
Charitable activities	1,619,272	121,100	1,740,372
Other trading activities	7526	-	7,526
Investments	-	-	-
Other	-	-	-
Total income	1,809,697	201,592	2,011,289
Expenditure on:			
Raising funds	99,275	-	99,275
Charitable activities	1,674,490	196,785	1,871,275
Other	-	-	-
Total expenditure	1,773,765	196,785	1,970,550
Net income / expenditure before gains / (losses) on investments	35,932	4,807	40,739
Net gains / (losses) on investments	-	-	-
Net income / expenditure	35,932	4,807	40,739
Transfers between funds	-	-	-
Net income / (expenditure) before other recognised gains and losses	35,932	4,807	40,739
Gains / (losses) on revaluation of fixed assets	-	-	-
Actuarial gains / (losses) on defined benefit pension schemes	-	-	-
Other gains / (losses)	-	-	-
Net movement in funds	35,932	4,807	40,739
Total funds brought forward	566,091	74,296	640,387
Total funds carried forward	602,023	79,103	681,126