



A home for everyone

Trustees' annual report and accounts
for the year ended 31 March 2016



Shelter, the National Campaign for Homeless People Limited

Registered charity in England and Wales (263710) and in Scotland (SC002327)

Shelter

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Welcome from the Chair

This year's report shows again the range and extent of the need that Shelter exists to respond to and I hope the professionalism and creativity of the Shelter staff who are so committed to our work.

In our 50th year, our work remains vital but it has changed. We continue to press the case to government for positive legislative change and to protect the existing systems which we believe are still important and relevant. Britain needs more homes. Britain needs better protection for tenants. Britain needs a reliable safety net for when life throws any of us a curve ball.

The work of Shelter thankfully attracts the support of tens of thousands of fundraisers, businesses, trusts and donors. We take their trust very seriously and strive to make every penny work hard.

Our supporters and donors share one central characteristic. They care that others should have the opportunities and protections that make for a civilised society. I thank them as I thank my fellow Trustees who carry the Shelter flame forward and the Shelter staff who every day pursue our mission.



Sir Derek Myers
Chair



“

Until everyone has a safe,
secure and affordable home,
we are going nowhere.



Introduction from the Chief Executive

In 2016, Shelter turns 50 and despite our many successes over the years, the housing crisis is as challenging and as far from fixed as it was in 1966. Our 2015–18 strategy focuses on our core belief – that everyone should have a safe, secure and affordable home.

The last year has been a mixed one for the organisation and our service users. Further welfare cuts and the government's home-ownership focused housing policy have dominated our political landscape. We have also continued to see a rise in the numbers of people contacting us for advice.

In Scotland and England, we have been a driving force behind new legislation that will substantially improve the rights of private renters. We were instrumental in ensuring that the supply of housing was central to the general and Scottish elections, as well as the London mayoral race. And we fought hard to stop plans to remove housing benefit from 18–21-year-olds and have ensured significant amendments to the recent Housing and Planning Bill.

A particular highlight from the last year is our use of test cases to ensure that the rights of our service users are being upheld, including successful interventions in the Supreme Court. We have also made real strides in the innovative use of our digital channels to offer tailored advice.

Our outcomes framework is now embedded across everything we do and is an outstanding model for truly understanding how our work makes a difference to those we help.

There have, of course, been challenges too, namely in statutory income and the changing environment and attitudes to fundraising. We value the support, generosity and commitment of our donors and we are taking an active role in the consultation process for a new regulatory framework for fundraising. We have and will continue to hold ourselves up to high standards of compliance in this area.

Overall, Shelter continues to retain a clear focus on its priorities despite some very challenging external headwinds. I remain impressed and proud of the passion and dedication that our staff and volunteers bring to Shelter to help us achieve so much each year.

Campbell Robb
Chief Executive

Strategic report



What we do

Shelter helps millions of people every year struggling with bad housing and homelessness. We do this by giving expert housing advice on the phone, online and face to face. We attend court to defend people at risk of losing their home. We provide specialist support services to help families keep their home or settle into a new one. And we campaign to tackle the root causes of the housing crisis so that, one day, no one will have to turn to us for help.

We're here so that no one has to fight bad housing or homelessness on their own. We won't stop until we all have a place to call home.

Our strategy 2015–18



In April 2015, Shelter launched a new three-year strategy – ‘A home for everyone’ – with the following key priorities:

We will:

- campaign to make housing more affordable, renting fairer and homelessness a thing of the past;
- ensure the governments in Scotland and England plan to build the homes we need;
- create a mass movement to campaign for social change, spread awareness of the support we offer and raise more money to support the people who need our help;
- build public support for a comprehensive safety net;
- ensure those who come to us get the best possible help to resolve their housing problems in the most timely and efficient way possible, and
- ensure that our staff and our volunteers have the tools they need to achieve our vision.

Our Shelter Scotland three-year strategy was launched in April 2015. Aligned with the overall Shelter strategy above, its key priorities are as follows:

- speak out with, and on behalf of, homeless and badly housed people across Scotland by campaigning for housing justice;
- deliver a range of services which are based on the principles of prevention, personalisation and partnership;
- foster passion, imagination and strong performance among all staff to improve the lives of people who are badly housed or homeless;
- involve and engage our service users in our campaigns and in shaping our services and focus our services development and capacity through our four city hubs, and
- improve our digital presence by making it easier for people to access us online, by providing engaging and personalised content. We shall continue to improve our telephone helpline responsiveness.

Bold

We are not afraid to set the agenda or challenge the status quo. We want to make an impact and we will make sure our voice, and the voice of those we help, is heard.

Passionate

We have a fundamental belief in social justice, fairness and a place to call home. That drives us to find solutions and means we won't give up until we achieve our vision.

Focused

We focus on how to make a difference and achieve sustainable change for individuals, families and the wider society. We choose our battles and we fight them in public and behind the scenes.

Together

We bring expert knowledge, experience and talent together to help us achieve our goal.

Our year in numbers

5
million+



people we helped

128,638

enquiries answered through our helpline and online advice services

5,100,696

visits to our advice pages online

Changing the law

Our legal and policy teams work to change the way that homelessness is dealt with in the courts. Over the last year, we've intervened in a number of landmark cases that will influence how the law is applied in the future.

- In May 2015, we intervened in a landmark case that set **a new precedent for the way councils define 'vulnerability'**. As a result, vulnerable homeless people now have greater legal protection.
- We successfully intervened in a case to reunite a family who'd been separated. This landmark case will help to **ensure that councils think more carefully when moving families** out of their local area and consider the impact on children's lives.
- We **helped protect disabled tenants from losing their home** in a case that dramatically changes the way courts deal with evictions. Before, as long as landlords followed correct procedure, courts had no choice but to make an order for possession. Now, where an equality defence can be made, a landlord will have to justify the eviction as necessary and proportionate, otherwise the court can stop it.



Building more homes



Everyone should have a safe, secure and affordable home. Following on from our joint report with KPMG in 2014, this year we have continued to put pressure on the government to build the homes we need.

- Ever since the housing budget was cut by 60% in 2010, we've been calling on the chancellor to do more to increase house building. Last year, that cut was finally reversed as **the budget for 2018–21 was roughly doubled**.
- In 2016, leading London mayoral election candidates responded to our campaigning by pledging to build **50,000 more affordable homes** a year.
- In November 2015, our Chief Executive, Campbell Robb, took part in a special documentary for **ITV's *Tonight* programme**, highlighting Britain's housing crisis and the lack of social housing.
- In November 2015, **Shelter Scotland published a paper on the economic benefits of delivering more affordable homes**, which helped to strengthen our case for affordable housing supply.
- In February 2016, we launched our **Manifesto for Homes in Scotland**. We've now secured manifesto commitments from all major political parties in Scotland to build between 50,000–60,000 affordable homes over the lifetime of the next parliament.



Fixing the private rented sector

In the last year, we've seen key victories in our work to improve the private rented sector and to make sure there is enough support for people who need it.

- In autumn 2015, the Department for Communities and Local Government announced **£5 million of funding for councils to tackle rogue landlords**. The minister, Brandon Lewis, explicitly attributed this to Shelter's influence in getting the issue up the agenda.
- The **Housing and Planning Bill 2015** contains measures to tackle rogue landlords that we've been demanding for years. This includes banning orders, penalty fines, stronger checks for HMO landlords and an extension of the use of rent repayment orders to conditions cases.
- In early 2016, the government moved to introduce a new law that will require landlords to **keep rented homes free from electrical hazards** – and which allows councils to clamp down on landlords who don't follow the rules. Working in partnership with British Gas and Electrical Safety First, we've raised awareness in parliament so that politicians know about the devastating effects of bad housing.
- Although the **Immigration Act 2016** will introduce mandatory evictions for people without a right to be in the UK, our lobbying has successfully extended the proposed eviction period from seven to 28 days.
- **Shelter Scotland's Make Renting Right** campaign received support from a majority of MSPs in the Scottish parliament. It was also backed by over a third of local authorities, more than 80 councillors, 30 partner organisations and more than 3,000 supporters.

This campaign helped to significantly influence and improve the Private Tenancies Bill that passed in parliament in March 2016. Not only is this the culmination of 10 years of work to transform renting in Scotland, but it heralds a fairer tenancy for Scotland's 330,000 private renters.

Protecting the housing safety net

It takes just one thing – like losing your job or falling ill – to put you at risk of becoming homeless. That's why we want a stronger housing safety net for the future.

- We have put relentless pressure on the government to drop their plan to cut **housing benefit for 18–21-year-olds**. As a result, we have received assurances that changes to housing benefit will not affect the most vulnerable young people, including care leavers and those fleeing abuse.
- We have managed to **save local welfare schemes** (vital pots of money for people facing homelessness) from being abolished.
- In March 2016, we held a **Homelessness Conference** in Glasgow on the theme of ‘beyond the cuts’. The conference brought together a panel of experts to look at innovative ways of better demonstrating the value of housing and homelessness services, as well as new ways to fund and deliver services.



Edward's story

For 50 years, Edward had lived in his family home with his parents. But when his father passed away, Edward really struggled to keep on top of the finances.



“

All the bills just came tumbling in like some tornado, and suddenly all the money was gone.

‘Things just spiralled out of control,’ Edward told us. ‘All the bills just came tumbling in like some tornado, and suddenly all the money was gone.’

‘I received a possession order for the flat. The landlord wanted the property back anyway, but I was also starting to get into arrears.’

‘My Mum had passed on several years previously – it’d just been Dad and myself and Dad had paid the bills.’

‘When Dad passed on, it was like some kind of giant stone that just came down and crushed me. Like the gods had decided to hit me with a thunderbolt.’

‘I reached out to a lot of people but to no joy, until my friend – the wonderful Sue – stepped in. She was the one who put me in touch with Shelter.’

‘Sue made me an appointment with an adviser called Abi, and she said – “We’re there for you.” Abi was kindness itself. She wrote to the landlord and helped me get my documents together for court.’

‘In court, the judge granted the eviction order. But then on the day of the eviction I had a group of people with me – my friends, their friends and also I had agreed to let the BBC film it.’

‘So when the bailiffs turned up they didn’t want to go in and evict me. They rang the landlord, and when the landlord saw what was going on, they decided to give me a second chance.’

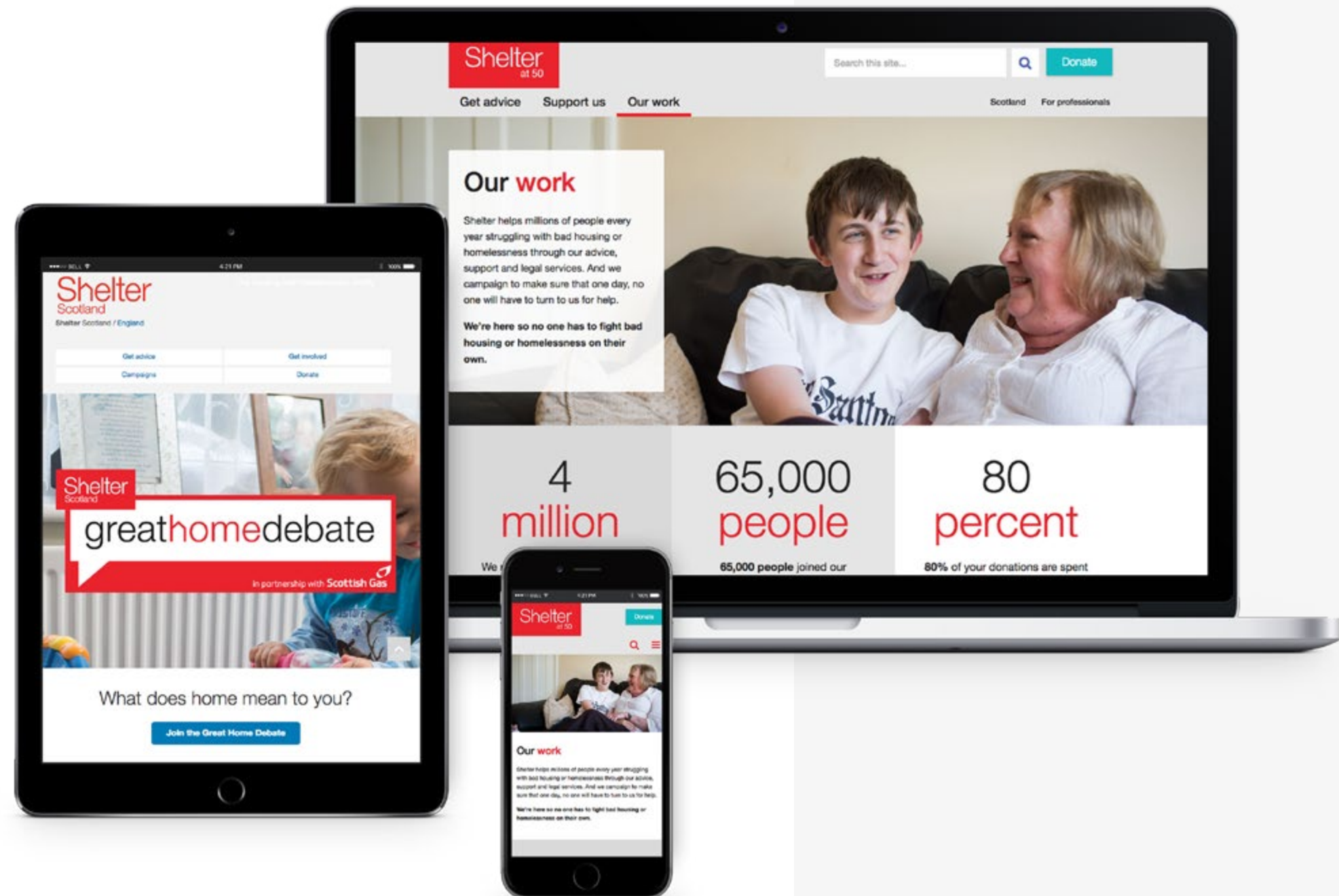
‘In the end, the landlord said we have another place for you and here I am. I’m very fortunate, I live in a nice area, and it’s thanks to my friends and thanks to Shelter that I got this place.’



Improving our website and technology

The last year has seen a big change in our online presence, with the re-design of our England website. We have also invested in new technology to upgrade our helpline and improved our infrastructure to better support our people and processes.

- Our website re-design has been a 'test and learn' process, as we've used feedback from visitors to continually improve the site. This has helped us to ensure that we're providing information in a clear, accessible way. The majority of our new England website is now live with our 'Get Advice' pages to follow during 2016.
- In 2015, we started a project to review and upgrade our contact centre telephony to improve our ability to triage and answer calls to our helpline. We also invested in our helpline's hub premises in Sheffield by providing more areas for face-to-face support, community groups and training.
- We have continued to improve our Scotland website's online advice pages. This has seen us introduce more online tools, as well as extra audio and video content. We've also developed a new 'Topic Hub', which looks at key issues affecting users and presents information in a more compelling and succinct format.
- We are improving our capabilities for remote working and better internal communication. This year, we introduced Skype for Business as part of our Office 365 programme. As well as improving communication, this has reduced our need for employee travel, which in turn has brought cost savings.



shelter.org.uk/ourwork

Shelter shops

Our shop staff and volunteers have worked incredibly hard this year, raising an amazing £500,000, and our furniture stores continue to go from strength to strength.

- In April 2016, we **opened our latest furniture store** in Sunderland, which raised £7,000 in its first week. The store will have a close link to our Newcastle service through projects like 'Homestarter', which sees us give household goods from our shop to our service users.
- To mark our 50th year, we hosted '**pop-up' vintage shops** in London and Manchester. Customers had the opportunity to consult our stylist on the day and to come away with a vintage bargain.
- Our supporters have made some **amazing donations** over the last year. For example, our store in Dundee received £21,000 worth of designer dresses from the staff at Prego Boutique.



Pioneering digital advice



In 2015/16, we saw growing numbers of people turn to us for support through our online and telephone advice services.

- After running a successful pilot, we've recruited a number of full-time volunteers to a service that gives people in England **advice via webchats**. The service has been particularly beneficial to our more vulnerable users, who tend to prefer it as a communication method.
- In February 2016, we launched a new pilot to deliver **advice by social media** through private messages on Facebook. Early indications are that there's a growing demand for advice on social media. As a result, work is underway to develop a more advice-focused content plan for our Facebook account.
- In autumn 2015, we launched the first of our new **online tools that provides people with advice and support** based on where they live. The tools can help users apply to their local authority for a Discretionary Housing Payment (DHP) or to take the first steps to applying as homeless.
- In June 2015, we **launched our webchat service in Scotland**, which now has a team of 25 volunteers operating five days a week. In the last year, 4,172 webchats were completed, with volunteers giving us 2,087 hours of their time.

Volunteer profile

Ian Fulton, Webchat Volunteer

I became involved with Shelter Scotland in early 2014. I wanted to help people who are less fortunate than me and to give time to volunteering as I stepped back from a long business career. I knew little about what Shelter really did and like most people thought they just helped with homeless people. How wrong I was!

I wasn't sure how I could help. Shelter Scotland's Volunteer Co-ordinator, Donna, chatted with me and identified that I could help by using my experience in business to offer advice to people who had tenancy issues. She suggested I consider volunteering for the Webchat project which was about to be piloted in Scotland.

I completed the online Housing Law Information and Advice training and course type one. I went through this training in the spring and summer of 2014 and started as an online chat adviser in September 2014. I work four hours a week at the Shelter Scotland offices in Glasgow. I like the interaction with the staff. I have found the energy and enthusiasm of everyone, all focused on helping people, very infectious and encouraging.

My work involves helping people who ask for information through the website. The type of questions vary enormously, from people who want to know about rent deposit schemes, who have difficulties with landlords and people who face financial issues which threaten their independence and ability to pay their rent. The advice section of the Shelter Scotland website contains a wealth of information and my job is mainly to signpost people to the relevant part of the site and provide them with general information to deal with their problem. We are able to help lots of people but sometimes their needs are so urgent or specific that I will refer them to our helpline where they can speak to an adviser. Yvonne, our full-time Digital Advice Co-ordinator, is on hand to help and encourage us and under her direction the team is growing in confidence.

I get great satisfaction from being able to resolve people's problems and help Shelter Scotland deal with more enquiries than their Helpline advisers would be able to respond to. More than anything I feel that I am helping by reaching out to people, albeit remotely and I look forward to my time with Shelter Scotland.

Ian has so far completed a massive 262 hours of volunteering with Shelter Scotland (to the end April 2016).



Expanding our advice and support networks

- As part of the government's 'Transforming Rehabilitation' programme (launched in February 2015), Shelter delivers housing advice across multiple regions including some rural areas. Staff and peer mentors work from partner organisations' offices in locations where Shelter has previously had little presence.
- This year, we funded an extra 13 advisers across eight locations in England, which will allow us to take on an additional 2,500 cases each year.
- Working in partnership with local organisations and NHS Trusts, we've been running a hospital discharge service in Sheffield since 2013. The aim of the service is to help people with housing problems who've recently been discharged from hospital and other community care routes. As of March 2016, we'd received more than 1,000 referrals.
- The Supporting Prisoners Advice Network (SPAN), is an innovative service giving housing support to people in prisons across the north east of Scotland. We launched a report in September 2015 to highlight the learning from the service and a plan for how to build on this pioneering work.



Tackling root causes

Over the last year, we have focused our efforts on addressing the causes, as well as the consequences, of housing problems.

- Since 2014, we've been running our Shelter Hackney Family Service, which provides a range of support to families struggling with housing problems. Thanks to generous support from the Berkeley Foundation, the service was able to open another hub premises in Hackney in October 2015.
- In June 2015, Nef Consulting carried out a review of our Shelter Hackney Family Service, identifying a number of success factors. It found that we take a holistic, whole family approach, tackling the root causes that lead to families losing their homes. And it reported that we have highly knowledgeable staff, which makes families more likely to turn to Shelter than other services.
- The Shelter Hackney Family Services creates returns to the state of between £1.22 and £3.52 per £1 invested in the first year.
- We have expanded our offering to provide new intensive family support services in Bristol and Sheffield. These services work with households where children are in need of resettlement and homelessness prevention. Our support workers can also work with adults to address the issues affecting their children, as well as any difficulties at home.
- In Scotland, we've continued our work to support families who are experiencing repeat homelessness. This has been achieved through our Early Years programme in Glasgow, our Building Families programme in Edinburgh and through our work to pilot 'Housing First for Families' in both our Foundations First and South Lanarkshire services.



Chrissie's story

For years, Chrissie hadn't felt like herself. It was clear something wasn't right – she was forgetting things and just couldn't work out where her money was going. But in early 2015, everything came to a head.



“Amanda was absolutely brilliant – I don't know what I would have done without her

Chrissie said, 'In January 2015, my housing association sent a letter saying they were evicting me for non-payment of rent.

'Then in March I had a stroke which actually saved my life. When the hospital scanned me after the stroke, they found a brain tumour, right in the middle of my brain stem.

'In June, the surgeon signed me off work for three months, until after I'd had the operation to remove the tumour. They said stress could trigger fits, which could kill me.

'But I still had to face going to court and possibly losing my home.

'I rang Shelter's helpline who arranged for me to have a call back. Then I received a call from a lovely lady called Amanda – she calmed me down and I explained what I was going through.

'Amanda said, "Just stay calm, we'll get it sorted." She did a breakdown of my finances for me. She said, "You haven't paid your rent for ten months." I had no idea. But she understood.

'Amanda told me every step of the way what to do and who to speak to and where to go. She explained that a suspended order would allow me to stay in my home. She helped me to prepare for court.

'I was granted a suspended order at court which means I can stay in my home. I have to pay an extra £250 a month in order to pay off my arrears, although I did get that reduced until I was able to go back to work.



Service user involvement

A photograph of a man with grey hair and glasses, wearing a grey cable-knit sweater over a light blue collared shirt. He is seated and speaking, with his hands gesturing. In the background, a woman with blonde hair and glasses is partially visible, looking towards the man. The setting appears to be a library or a room with bookshelves.

We recognise how valuable the insight of service users is, which is why we've been working hard to give them plenty of opportunities to have their voices heard.

- Last year, we continued work on our service user involvement strategy, which we'll embed over the coming year. This strategy will see service users sharing their unique insights to help with the development and commissioning of services.
- We provide a range of training and support to service users. For example, we've trained ex-service users in Sheffield to call up new supporters to welcome them and inform them about our work. And many ex-service users want to share their story, so we help them prepare for media appearances and to speak at events.
- We asked our online community to help us build a new website that is clear, accessible and jargon free. We know that the people who visit our site want up-to-date information quickly and easily, and the feedback we obtained from our user testing sessions was a core part of the project.
- Through our Oak Foundation funded, private rented sector tenants' forums, we now have a **growing network of people with first-hand experiences** who are involved in our campaigning. This has given us the opportunity to seek their input when developing our private rented sector policy work.

Shelter at 50

We've used the opportunity that our 50th anniversary provides us to raise our profile, widen our reach and mobilise our supporters.

In January 2016, we created a new site (www.shelterat50.org.uk) bringing to life 50 years of our work, with the aim of inspiring even more people to join us. This was followed by an extensive media campaign to find the subjects of Nick Hedges' poignant 1960s photographs, which told a stark story of housing conditions at the time. To date, we've reconnected with a number of people featured in Nick's original images and they are kindly supporting us as part of our anniversary programme.

Throughout our anniversary year we will be holding regional events at our hub locations in Birmingham, Manchester and Sheffield to reconnect our supporters with our original vision, as well as supporting a wider programme of external events that link with the 50th anniversary of Cathy Come Home.

The following pages illustrate our journey over the last 50 years.



Our journey



1966

- The country wakes up to the housing crisis on its doorstep after a quarter of the British public watch Cathy Come Home. After months of planning, Shelter launches.

1967

- Within six months, thousands have taken action and more than 100 local groups are set up. Within two years, £1 million has been raised.

1969

- Initiatives in Liverpool and Bradford help people living in slum housing to plan and build neighbourhoods they wanted to live in.



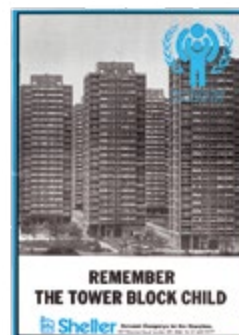
Baby and older sister – Birmingham 1969.



- Our Face the Facts campaign ensures homelessness has an unprecedented profile at party conferences.

1970

- Our first Housing Aid Centre opens in London giving free housing help and advice. By 2000 there are 59 centres.



1973

- We win a test case on homelessness: Bristol Corporation must carry out its duty to a homeless family.

1974

- We successfully campaign for a new Rent Act, to give security of tenure to private tenants in furnished accommodation.

1977

- The Housing (Homeless Persons) Act implements many of the policies we'd been lobbying for since 1966 and, by placing duties on councils to assist homeless people, changes the face of housing law in the UK.

1980

- The Housing Act introduces Right to Buy for council tenants. It also gives them security of tenure in their homes as a result of our campaigning.
- Homebase Programme (later First Key) is established to support young care leavers.

1984

- Bayswater Hotel Homelessness Project makes services available to people living in bed and breakfast hotels.

1975

- We mount a landmark legal case challenging a decision by Dorset County Council to serve notice on Peter and Susan Roberts to leave emergency bed and breakfast accommodation with their baby son.
- Our report into housing of homeless families in bed and breakfasts kick-starts years of campaigning on the issue.



1986

- Our Care and Repair scheme is set up to help older people maintain their homes.
- We help overturn the House of Lords' judgment that accommodation provided for homeless people does not need to be suitable.

1988

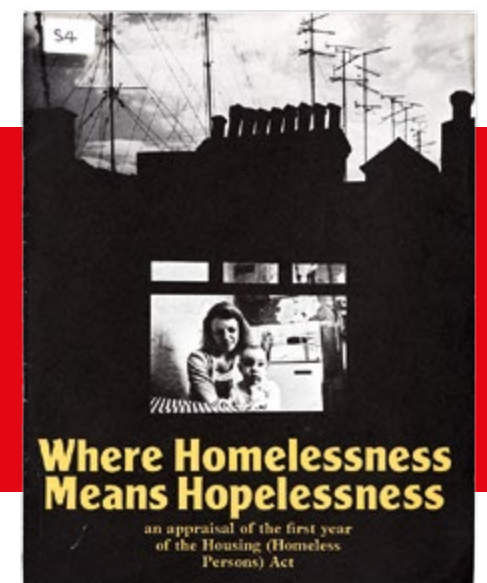
- Despite Shelter opposition, the Housing Act introduces the assured shorthold tenancy (AST), ending stable homes for private renters. The ending of ASTs is now the biggest cause of homelessness.

1990

- Shelter and National Association of Citizens Advice Bureaux launch the National Homelessness Advice service, providing specialist advice and support for local advice agencies.
- Government announces the rough sleeper initiative to tackle street homelessness.

1981

- We reveal the true scale of homelessness by persuading the government to publish the number of homeless applications.



Right: 'Remember The Tower Block Child' poster, Shelter archive.

Far right: 'We're Going To Put a Stop To It' poster, Shelter archive.

1991

- We launch Winterwatch, funding temporary shelters to prevent rough sleeping in life-threatening weather.
- Shelter Nightline opens, offering emergency telephone advice to Londoners outside office hours. Almost 22,000 calls were received in its first year.



1993

- We set up an in-house Legal Team of housing lawyers to take on cases directly on behalf of our clients.

1994

- We represent the family of Terri Anne who had died at just 20-months-old in a fire at the Richmond Hotel in Scarborough. The jury returns a verdict of unlawful killing.

1996

- Despite Shelter opposition, the Housing Act sadly erodes some of the rights of homeless people introduced by the 1977 Act and makes the shorthold tenancy standard for private renters.

1998

- We launch Shelterline, the UK's first free national housing advice helpline. It takes over 40,000 calls in the first six months.

1999

- Homeless to Home offers support to homeless families to settle in and sustain their tenancy. The programme currently supports 100 new families every year.

2002

- The Homelessness Act strengthens the legal safety net for people facing homelessness and is ground-breaking in requiring councils to strategically prevent and tackle homelessness.

2004

- Our Million Children campaign aims to end bad housing for the next generation.
- The Housing Act introduces the Housing Health and Safety Rating System and contains measures for licensing some private landlords, protecting tenants' deposits and reforming the Right to Buy.

2008



- **Shelter's Manchester Legal Team win a judgment in the House of Lords on behalf of a client in a women's refuge who was escaping domestic violence, enabling her to qualify for assistance with rehousing.**
- **After the credit crunch hit, we rapidly dealt with the fallout by setting up new services and campaigning for higher mortgage regulation.**
- **Our 'Breaking Point' campaign shows how unaffordable housing was pushing families to the limit at the height of the house price boom.**

2010

- We win new legislation protecting tenants from immediate eviction when their rental property is repossessed by the landlord's lender.

2011

- Shelter's Children's Legal Service intervene in Court of Appeal case which clarifies the duties of social services authorities towards homeless young people.
- Government responds to our campaign to stamp out rogue landlords by setting up a taskforce and making £6.6m available to councils.

2013

- Our campaigning influences the government to pass a law requiring letting agents to be part of a compensation scheme that protects private renters' money where agents go out of business.

2014

- Shelter's Eastern Counties Legal Team brings a successful appeal in the Supreme Court on behalf of a client facing eviction from a mobile home.
- Our innovative proposal for an affordable new garden city of the future is runner up for the prestigious Wolfson Economics Prize.

2015

- **Shelter's Bristol Legal Team obtains a Supreme Court judgment concerning the protection of disabled people from eviction on grounds of disability discrimination.**

- Our Legal Team intervene in two ground-breaking test cases to clarify the law regarding vulnerable homeless people and families being accommodated out of their home area.
- As a result of Shelter's campaigning, housing becomes a top four issue for the public during the general election.



Above: Shelter's General Election Campaign 2015



Our plans for 2016/17

During the next year, we will continue working towards our aims and objectives as set out in our 2015–18 strategy. Some particular areas of focus are as follows.



Great Home Debate

In our 50th year, we want to understand what home means, why it's so important to us all and what standard of 'home' people should reasonably expect in the 21st century. Together with British Gas, we have launched the Great Home Debate to ask those questions up and down the country. If you'd like to take part in the debate, you can do so by visiting greathomedebate.org.uk

Towards the end of 2016, we will combine people's views with in-depth research by Ipsos-Mori to create a new standard for homes. The research will also reveal how many of us have homes that meet the standard, and how much more needs to be done to make it achievable for all.

Digital advice

We will launch new online tools that help people apply for social housing and give them information about local welfare assistance, tenancy deposits and housing benefit. We are also working to make it as easy as possible for people to find the support they need by introducing a 'triage' functionality to the site.

Innovation in services

We want to focus on pioneering services that prevent homelessness and offer advice and support. To achieve this, we need to use our knowledge and experience to create innovative services that help people to find, keep and improve a home. Over the next year, we will use the information gathered during consultation with regional and local managers to design our future advice and support service offerings

Shelter Scotland

We will ensure that pressure is kept up on the Scottish government to meet their 50,000 affordable homes target and continue to drive forward the key and agreed recommendations of the Commission on Housing and Wellbeing.

We will also be expanding our work on empty homes and continuing with current development projects, such as the NHS Intervention Project and the RBS Vulnerable Customers Project.

Our commitment to good governance

Measuring our success

We have a vision: a safe, secure and affordable home for everyone. To make that vision a reality, we have developed a common outcomes framework with four key objectives to:

1. better understand how Shelter's services and campaigning contributes to the delivery of our strategic aims;
2. support decisions about how we invest in particular activities;
3. enhance our ability to demonstrate value to funders and supporters, and
4. support the continuous improvement of Shelter's services and campaigning.

The framework is structured to enable us to link all our activity across our services and campaigning to three main areas of impact for our clients – **finding**, **keeping** and **improving** a home.

Your privacy and security

We recognise the importance of personal data and our role in protecting that data from any breaches or misuse. This year, we have developed an extensive information governance strategy which has included a review of our information security. This will help us to ensure that we are doing all we can to safeguard the personal data provided by our donors, supporters, service users and by our people.

Our pay policy

We take an approach to pay and reward that enables us to recruit and retain the skilled staff we need. We have a performance management culture that enables staff and volunteers to understand and deliver our strategy while being accountable for their role in doing so. Shelter is a diverse organisation that competes in different job markets for varied skills and experience. Our pay policy is structured to reflect this and is guided by the following principles that mean we:

- aim to pay staff a salary that is at the market median position of the relevant job market;
- benchmark salaries against service providers and charities of comparable size and roles to ours;
- commission a full benchmarking exercise every three years and supplement this with annual checks against charity sector salary surveys in order to monitor our pay position in the market;
- aim to offer a good benefits package which makes our reward offer competitive, and
- believe those who consistently contribute at a level above expectation should have opportunity to be further rewarded for doing so.

The pay and conditions of the Chief Executive are set in accordance with Shelter's pay policy and then agreed by the Board of Trustees. Shelter's Chief Executive is paid a salary of £133,843 per annum. This practice is in

line with the National Council for Voluntary Organisations' executive pay guidance, that 'the overall goal of a charity's pay policy should be to offer fair pay to attract and keep appropriately-qualified staff to lead, manage, support and/or deliver the charity's aims.'

Fair, honest and open fundraising

Your generosity means we can help people who are facing a crisis or in need of long-term support. Because we're committed to fair fundraising, we:

- follow the Institute of Fundraising's Codes of Fundraising practice;
- are part of the Fundraising Standards Board self-regulatory scheme;
- are an accredited member of the Public Fundraising Regulatory Association, and
- have contributed to the recent review of fundraising regulation and will continue to operate within the best practices as set out by any new regulatory body.

Our supporter charter

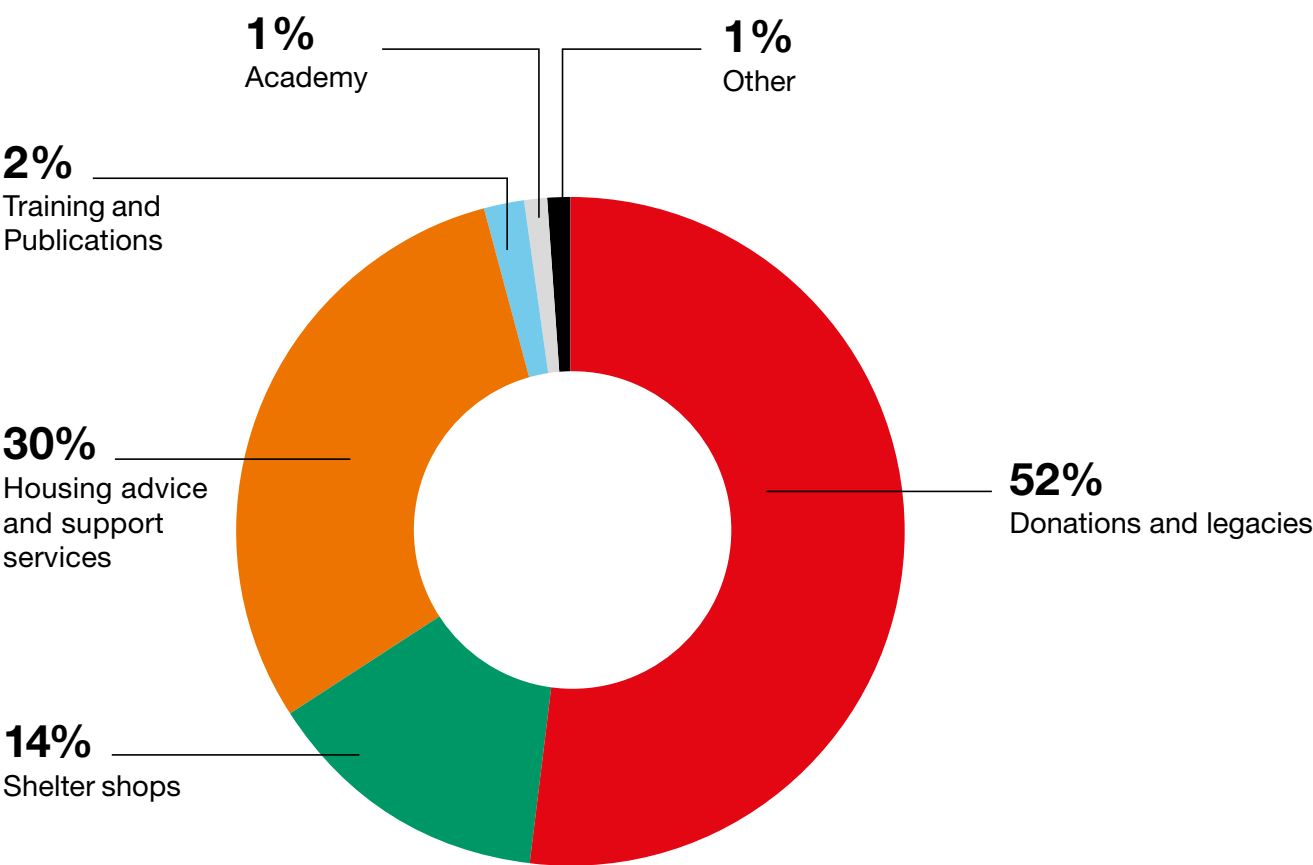
We will:

- use your donations carefully and responsibly;
- respect your wish to assign a gift to a particular aspect of our work;
- thank you for your support, and let you know what your donations do;
- fund work with a demonstrable, positive impact on the lives of homeless and badly housed people, while keeping support costs to a minimum;
- follow the Institute of Fundraising Codes of Fundraising Practice, ensuring our activities are open, fair, honest and legal;
- use your preferred communication channels – if these change, we'll adapt them swiftly to suit your needs, and
- acknowledge any queries and complaints within three working days, and respond fully within ten working days via your preferred method of contact.

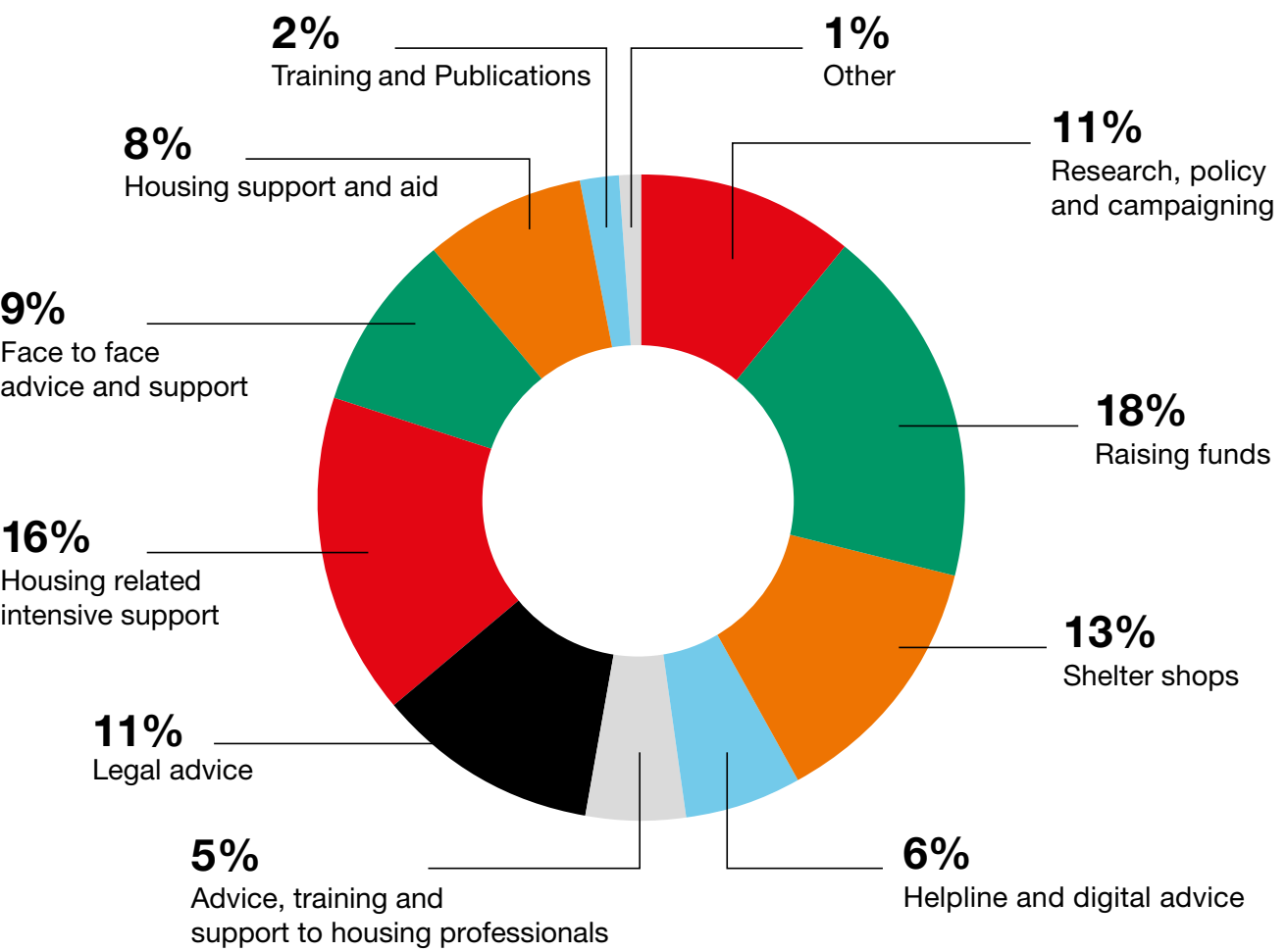


Our finances

Income 2015/16



Expenditure 2015/16



Our corporate partners



Berkeley Foundation

The Berkeley Foundation is the largest single funder of our Shelter Hackney Family Service and its support has been key to the successful launch of the London Hub in Hackney in October 2015. Berkeley Group also entered the largest team into our Vertical Rush event in March 2016 with over 200 employees taking part, raising over £56,000.



British Gas

We are in our fourth year of our five-year partnership with British Gas, and in 2015 employees reached the £1 million fundraising milestone. We also successfully campaigned to make electrical safety checks mandatory for landlords and, in February 2016, launched the Great Home Debate as part of our 50th anniversary.



CBRE

CBRE have raised over £300,000 in year one of our partnership and recently won a Better Society award for their staff's fundraising efforts. They have also carried out an in depth analysis of Shelter's shops and are now helping us to acquire new sites to make our retail network more profitable.



Legal and General

Legal and General have collaborated with us on policy development and have continued to give funding and volunteer support to our West Sussex Service in Worthing and its Court Helpdesk.



EST. 1884

Marks & Spencer

In 2015, we celebrated the 10th year of our partnership with M&S. Shelter benefits from both stock donations that support our retail network, and in-store activity at Christmas where 5% of sales from the Food on the Move range are donated to Shelter. We are also one of nine charities supported by the new 'Sparks' loyalty card, which sees M&S donate 1p to a customer's chosen charity every time they make a transaction.



Nationwide

In the last year, Nationwide have raised over £400,000 for Shelter, supporting our services in Birmingham and Sheffield. At Christmas 2015, Nationwide staff wore their Slippers for Shelter for the second year in a row.



WHSmith Travel

In autumn 2015, WHSmith generously chose to donate all profits from their carrier bag sales on an ongoing basis.

Our supporters

Each year, we are humbled by the generosity and kindness of all our supporters, and this year has been no exception.



28,865

new supporters joined us in 2015/16



1,142

people took part in Vertical Rush, racing up the 932 steps of London's Tower 42

5,933

people took part in our run, cycle, challenge and comedy events



Thanks

We’d like to say a special thank you to those who have helped us this year towards our vision of a home for everyone.

Donors
Vivian Aldous
Daniel and Caroline Bixer
Robert Blizzard
Michael Bresges
Jacob and Miranda Cnattingius
Edward Frazer – Trinity Group Limited
Mr & Mrs D Hardisty
Nick Hedges
Dexter Lee
Robert Lind
Philippe Lintern
John Moore
David Nicholls
Larry Sadler
Mark Sorrell for The JMCMRJ Sorrell Foundation
John Young
Goldman Sachs Gives

Trusts and foundations
29th May 1961 Charitable Trust
Adint Charitable Trust
Albert Hunt Trust
Alice Ellen Cooper Dean Charitable Foundation
Ampelos Trust
Big Lottery Fund
C B & H H Taylor 1984 Trust
Calypso Browning Trust
Cattanach Trust
City Bridge Trust
Comic Relief
Constance Travis Charitable Trust
D G Charitable Settlement
David and Rose Heyman Foundation
David Budenberg Charitable Trust
Dr Mortimer and Theresa Sackler Foundation
Elizabeth Frankland Moore and Star Foundation
Esmée Fairbairn Foundation
Evan Cornish Foundation
Fulmer Charitable Trust
J & J R Wilson Trust

J Paul Getty Jr Charitable Trust
JUSACA Charitable Trust
Liz & Terry Bramall Foundation
Miss R C R Angel Charitable Trust
Mulberry Trust
Oak Foundation
Odin Charitable Trust
Pilkington Charities Fund
Porta Pia 2012 Foundation
Rita & David Slowe Charitable Trust
Robertson Trust
ShareGift
Sir James Knott Trust
StreetSmart
STV Appeal
Talisman Charitable Trust
Thornton Charitable Trust
Trillium Trust
William Allen Young Charitable Trust
Zochonis Charitable Trust

Legacies
The estate of Mr L Baker
The estate of Miss E Black
The estate of Mrs G Barnes
The estate of Mr E Browell
The estate of Ms M Caesar
The estate of Mr K Carpenter
The estate of Mr B Duttson
The estate of Mrs V Elphick
The estate of Ms J Haakman
The estate of Mr B Harris
The estate of Ms B Heard
The estate of Mrs W Heller
The estate of Mr H Ivell
The estate of Ms S King
The estate of Mr A Marchant
The estate of Ms P MacLiesh
The estate of Mrs P Owen
The estate of Mrs C Prosser
The estate of Miss S Read

The estate of Ms M Salvatori
The estate of Ms S Saxby
The estate of Mrs J Scharma
The estate of Miss E Scott
The estate of Mr J Shaw
The estate of Ms E Slowe
The estate of Mr B A Smith
The estate of Mrs V E Smith
The estate of Ms S Sutherland
The estate of Mrs M Wagstaff
The estate of Ms C Westell
The estate of Mrs K Whitehead

Partner organisations
Back on Track
Cheshire & Greater Manchester Community Rehabilitation Company
CLI (Community Led Initiatives)
Cumbria & Lancashire Community Rehabilitation Company
Humberside, Lincolnshire & North Yorkshire Community Rehabilitation Company
Merseyside Community Rehabilitation Company
Mind in Birmingham and Hackney
Northumbria Community Rehabilitation Company
Families Outside
Sifa Fireside
Slough CVS
Self Help Services
Child Poverty Action Group (CPAG)
One Parent Family Scotland
Children 1st
St Mungos Broadway (London Connect)
Toynbee Hall
SACRO
Inverness Badenoch and Strathspey Citizens Advice Bureau
Aberlour
Relationship Scotland
Blackwood Housing Association
Caledonia Housing Association
Stirling Council

Corporate partners
Freshfields
Percol
British Land

KPMG
Ian Williams
Rail Freight
Stolt Nielsen
Progressive Housewares
Birmingham Midshires Solutions

Celebrities
Annie Lennox
Calum Best
Charlie Luxton
Christian O’Connell
Dara O’Brian
Ellie Goulding
Frank Turner
Gail Porter
Josie Long
George Clarke
George Gilbey
Adrian Lester
Julia Bradbury
James Hill
Jake Sims
Gregg Wallace
Hayley Squires
Kelly Hoppen
Kieron McCloud
Laura Norton
Laurence Llweyln Bowen
Louis Theroux
Luisa Omielan
Martin Lewis
Max and Ivan
Milton Jones
Nell McAndrew
Nish Kumar
Rachel Christie
Rob Beckett
Sair Khan
Sarah Kendall
Simon Munnery
Speech Debelle
Tiff Stevenson
Tommy Tiernan
Wayne Hemmingsway



**Together, we raised an incredible
£30,049,000 in voluntary income**

Financial review

Shelter recorded a planned deficit as agreed by the Board to utilise excess reserves for the reasons set out below, resulting in a £3.0m deficit before movements in investment values. Excluding an exceptional legacy received last year, donation income increased compared to last year by £594k, and income from grants for housing advice also increased marginally. Gross retail income fell but in fact the year saw a strong and continuing improvement in retail performance, as retail expenditure fell by much more and net income increased as a result to £634k. This reflects continuing reductions in the costs of operating our shops and also closures of underperforming shops. In fundraising we increased expenditure in order to continue investing in recruiting new donors, so while donations grew, net donation income was £1.2m lower. At the end of the year we largely put on hold our Street Academy activities providing fundraising services to other charities, resulting in significant reductions in both income and expenditure in that category.

Expenditure on charitable activities increased by £1.9m. Within that, two particular areas of increase were housing-related intensive support as we took on work with ex-offenders under the Government's Transforming Rehabilitation programme; and face to face advice and support as we used accumulated funds to pay for additional advice and support workers.

Reserves

Under the requirements of the 2015 SORP, Shelter segregates its funds into restricted and unrestricted. A further description of these funds is included in the notes to the accounts. Shelter's general funds are its reserves.

The Board considered the risks Shelter faces and identified the main risk as the risks to fundraising sources in an increasingly volatile, competitive and economically challenged market. They also identified the need to invest in improving the operational efficiency of Shelter to cope with the increasing demands on our services, through technology and systems investment. Having

taken these any other areas of risk and investment need they assessed the level of reserves for Shelter to hold as a prudent buffer against changes in circumstances and concluded that the appropriate level of reserves was around £5-7m rather than the current reserves level of £16.5m, inflated as it is by the very generous one off legacy of £10m we received in 2014/15. We invested part of those funds in 2015/16 and intend to make further investments in infrastructure and our support and service capability over the next two years whilst we work towards our target of a balanced budget in 2018-19 and a level of reserves that we believe is adequate.

Risk management and internal control

The Trustees have overall responsibility for ensuring that the organisation operates an appropriate system of controls, financial and otherwise, to provide reasonable assurance that:

- the charity is operating efficiently and effectively;

- proper records are maintained and financial information, used within the charity or for publication, is reliable, and
- the charity complies with relevant laws and regulations.

The Audit, Risk and Finance Committee is responsible for monitoring the effectiveness of the internal controls and reports to the Board the results of such monitoring. This is achieved through:

- reviewing Shelter's systems of financial control, risk management and compliance;
- reviewing the nature and scope of the external audit, and any matters raised, for the attention of management. Any significant findings or identified risks are examined so that appropriate action can be taken;
- reviewing and approving the annual internal audit plan, considering and approving the areas of the organisation that are subject to review, approving the scope of such reviews, considering any findings that arise and agreeing changes to audit plans to take account of emerging risks and new areas of business, and

- ensuring that appropriate action is taken on recommendations made by the internal auditors.

The systems of control operated within Shelter are designed to provide reasonable, but not absolute assurance against material misstatement or loss.

They include:

- the preparation of a three-year strategy;
- a business plan, annual budget and cash flow forecast;
- regular consideration by the Trustees of actual results compared with budgets, forecasts and trends, cash flow and reserves levels;
- segregation of duties;
- an identification of, and management of, risks, and
- a regular review of financial procedures.

A three-tier system of risk registers operates in Shelter, with a top ten organisational-level risk register, divisional risk registers and project specific risk register. The Senior Management Team review the top ten risk register on a rolling basis throughout the year, and with Trustees annually. The key

risks that have been identified to the successful delivery of Shelter's strategy include:

- new regulations on fundraising limiting the organisation's ability to raise funds to deliver services;
- possible failure to optimise past investment in IT and gain maximum benefit from it;
- a loss of momentum in retail sales, and
- a lack of the digital infrastructure to enable the organisation to achieve all its ambitions for online activity.

We are addressing these by:

- monitoring developments through sector bodies and, as the shape of the new regulatory approach becomes clear, determining the appropriate response;
- convening an organisation-wide IT programme board to look at our IT infrastructure holistically;
- looking to open new sites selectively while also focusing on growing like-for-like sales, and
- implementing new processes to better prioritise between competing demands and give greater certainty to teams.

Key objectives and statement of public benefit



Shelter was set up in 1966 with the following objectives to:

- relieve hardship and distress among homeless people and among those in need who are living in adverse housing conditions;
- make monies available to other bodies (whether corporate or not) whose aims being charitable are the relief of such hardship and distress;
- relieve poverty and distress, and
- educate the public concerning the nature, causes and effects of homelessness, human suffering, poverty and distress as aforesaid and to conduct and procure research concerning the same and to make available the useful results thereafter to the public.

Statement of Public Benefit

Under the Charities Act 2006, charities are required to demonstrate that their aims are for the public benefit. The two key principles which must be met in this context are, first, that there must be an identifiable benefit or benefits; and, secondly, that the benefit must be to the public, or a section of the public. Charity Trustees must ensure that they carry out their charity's aims for the public benefit, must have regard to the Charity Commission's guidance, and must report on public benefit in their Annual Report.

Shelter's Board of Trustees regularly monitors and reviews the success of the organisation in meeting its key objectives of helping people to find and keep a home and campaigning for decent homes for all. The Trustees confirm, in the light of the guidance, that these aims fully meet the public benefit test and that all the activities of the charity, described in the Report of the Trustees, are undertaken in pursuit of these aims.

How we are organised

Our Trustee Board

Shelter, the National Campaign for Homeless People Limited (trading as “Shelter”) is a registered charity (number 263710 for England and Wales and SCO02327 Scotland) and a company limited by guarantee (number 1038133) and is governed by its Memorandum and Articles of Association. Shelter’s Board of Trustees, who are also directors of the charity for the purposes of the Companies Act, have overall responsibility for the direction, management and control of the charity. The Board met formally six times during 2015/16.

Our Board currently consists of 11 members. Applications for membership are invited by external advertisement and promotion through social and other networks. Our commitment to diversity and inclusiveness is a core value of Shelter’s work. This commitment is a social and moral responsibility, and informs everything we do. We welcome applications from everyone and believe our decision-making board should be fit for purpose, future-proof and bring a collection of different skillsets, perspectives and experiences.

Applicants are shortlisted and interviewed by our Nominations and Governance Committee and are appointed according to their skills, competencies and experience as well as their fit with the current Board membership. Trustee terms of office are normally limited to a maximum of two terms, each of three years and all new Trustees are given an extensive induction programme. Both new and existing Trustees are asked to adhere to Shelter’s Trustee Code of Conduct. Our Trustees are volunteers and receive no benefits from the charity. Any expenses reclaimed are paid in accordance with our Trustee Expenses Policy.

Board Committees

To support the Board in fulfilling its governance responsibilities, we have the following Committees:

■ Audit, Risk and Finance Committee

Supports the Board in the effective identification and management of risks, maintenance of systems of financial management and control to assure financial probity and transparency, and effective financial stewardship and management within Shelter.

■ Nominations and Governance Committee

Reviews the organisation’s governance policies in accordance with best practice within the sector and oversees appointments to the Board or its committees.

■ Scotland Committee

Uses its Scotland specific knowledge, expertise and presence to support and oversee the development and delivery of Shelter’s activities in Scotland.

Working Parties

The Board may convene a working party to oversee a particular area of focus for the organisation as required. Working parties are time-limited and task-focused and will contain a sub-set of Trustees and Senior Management. Working parties will report their findings / recommendations to the Board of Trustees. They are not a formal committee.

Executive Team

Overall operational management of Shelter is delegated to the Senior Management Team, made up of six divisional directors and led by the Chief Executive.

Our People

We employ over 1,250 staff and have a network of more than 1,500 volunteers who all play a vital role in making sure no one fights bad housing or homelessness on their own.

The Trustee Board acknowledges and greatly appreciates the high contribution which volunteers make to the charity with their enthusiasm and dedication.

During 2015/16, Shelter achieved 50,109 volunteering hours across England and Scotland (excludes shop volunteer hours), a 30% increase on 2014/15. With an average of 151 active volunteers per month. For every £1 we invest in volunteering, we receive an £8 return. The added value to Shelter during 2015/16 through volunteer support equates to £240,945.

(Non shop-based) volunteer roles breakdown

- 31% – Admin
- 20% – Advice Support
- 14% – Support Assistant
- 9% – Information / Guidance Support
- 6% – Research
- 5% – Legal Support
- 4% – Fundraising / Events
- 3% – Mentoring / Befriending
- 1% – DIY
- 7% – Other

As at November 2015, our shops network had 1,519 volunteers, of those:

- 15% – were classed as vulnerable adults (including adults with a disability)
- 33% – were young people (including Duke of Edinburgh and foreign students)
- 35% – were retired adults

Over the last year, we have developed a staff and volunteer engagement strategy that aims to drive higher levels of engagement and through that deliver a positive working culture where high performance thrives.

Each Shelter team now has a local staff engagement plan. Over the next year, our focus will be on implementing measures of volunteer engagement and working through actions in response to organisation-wide issues raised in our 'happiness at work' survey in 2015. Our next full measurement of all staff engagement will be in year three of our current strategy. This work is supported by our internal communications strategy, which aims to inform and engage staff through a variety of tools. As well as central e-zine news detailing operational policies, major projects and strategic directives, staff are invited to attend internal briefings on key campaigns and projects. Local engagement plans also encourage managers to provide staff with information directly relevant to their role / team.

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with Shelter continues and that appropriate training is arranged. It is the policy of Shelter that the support, career development and promotion of disabled employees should, as far as possible, be identical to that of other employees.

Our Fundraising Policy

Shelter carries out a variety of fundraising activities. In addition to direct approaches to companies and individuals, we use our own

in-house team of street fundraisers to engage members of the public in direct dialogue, and a professional door-to-door fundraising agency. We also employ a number of professional fundraising agencies to solicit donations on our behalf by telephone and SMS. Our policies and approach to fundraising standards are outlined below:

- We are bound by the Fundraising Standards Board's Code of Practice and our telemarketing agencies are TPS Accredited, a scheme which goes beyond compliance with the Telephone Preference Service.
- We have a policy to protect vulnerable people and we insist on checking the policies of our suppliers as part of any tender process.
- We give our supporters the opportunity to opt out of further contact, or to opt out of a particular method of communication as part of every approach for a donation.
- When selecting people for an approach by telephone, we screen them against the Telephone Preference Service register.
- All our mailing lists are screened against industry standard bereavement registers and the mail preference service.
- We do not share or sell data.
- We have business processes in place to enforce intervals between fundraising approaches. For example, the maximum number of postal cash appeals someone would receive is six per year.

- We have a cap on the number of telephone contacts for existing direct debit supporters, limited to one every nine months.
- We monitor the activities of our fundraising agencies by 'mystery shopping', to ensure that our agencies are adhering to standards and also to the approach that we have agreed. As well as receiving sample recordings of telephone contacts, we are able to request specific recordings where concerns are raised.
- During 2015/16 our supporter helpdesk dealt with 108 complaints.

Subsidiary undertakings

The charity's wholly owned trading subsidiary, Shelter Trading Limited, carries out non-charitable trading activities for the charity; primarily the operation of shops selling donated and new goods, and the delivery of training courses. Details are included in Note 18 to the accounts. Shelter's trading and training activity generates considerable awareness of the charity's wider work and some of the funds required to support the operations of the charity are raised by means of trading activities through Shelter Trading Limited.

Legal and administrative information

Board of Trustees

Sir Derek Myers (Chair)
Julie Bentley (Vice Chair)
Nigel Chapman
Kamena Dorling
Ruth Hunt
Rob Hayward
Ros Micklem (Scotland Chair)
William Anthony Rice
Gavin Sanderson
Joanna Simons
Jonathan Simmons
Sharon Flood (*Retired 14 July 2015*)
Kelvin MacDonald (*Retired 18 February 2016*)
Jon Kenworthy (*Retired 18 February 2016*)
Rosemary Hilary (*Retired 18 February 2016*)
Paola Barbarino (*Retired 18 February 2016*)
John Devaney (*Resigned 24 March 2016*)
Shirley-Anne Somerville (*Resigned 24 March 2016*)

Operations Committee Removed February 2016

Julie Bentley
Sir Derek Myers
Jon Kenworthy
(*Retired 18 February 2016*)
Paola Barbarino
(*Retired 18 February 2016*)
Shirley-Anne Somerville
(*Resigned 24 March 2016*)

Audit, Risk and Finance Committee

William Anthony Rice (Chair)
Joanna Simons
Gavin Sanderson
Ruth Hunt
Rosemary Hilary
(*Retired 18 February 2016*)
Sharon Flood (*Retired 14 July 2015*)

Co-opted members

Andrew Martyn-Johns

Nominations and Governance Committee

Nigel Chapman (Chair)
Julie Bentley
Ros Micklem
Kamena Dorling
Sir Derek Myers
Paola Barbarino
(*Retired 18 February 2016*)
Shirley-Anne Somerville
(*Resigned 24 March 2016*)

Scotland Committee

Ros Micklem (Chair)
Rob Hayward
Kelvin MacDonald
(*Retired 18 February 2016*)
Shirley-Anne Somerville
(*Resigned 24 March 2016*)

Co-opted members

Lindy Paterson QC
Ewen Fleming
Tony Cain
(*Appointed 25 November 2015*)
Douglas White
(*Appointed 25 November 2015*)

Chief Executive

Campbell Robb

Company Secretary

Daniel Oppenheimer

Solicitors

Bates, Wells and Braithwaite,
2–6 Cannon Street,
London, EC4M 6YH

Auditors

Sayer Vincent, Invicta House,
108–114 Golden Lane,
London, EC1Y 0TL

Registered Office

88 Old Street,
London, EC1V 9HU

Registered Charity Number

England and Wales 263710
Scotland SCO02327

Investment Managers

Schroders PLC,
3rd Fl, 100 Wood Street,
London, EC2V 7ER

Principal Bankers

Lloyds Bank,
4th Fl, 25 Gresham Street,
London EC2V 7HN

Statement of Trustees' responsibilities

The Trustees (who are also directors of Shelter, the National Campaign for Homeless People Limited for the purposes of company law) are responsible for preparing the report of the Trustees including the Strategic 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company/group 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 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees 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, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and the group 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; and
- 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.



Sir Derek Myers
Chair of the Board of Trustees

14 July 2016

Financial statements

Independent auditor's report to the Trustees of Shelter,
the National Campaign for Homeless People Limited

We have audited the financial statements of Shelter for the year ended 31 March 2016 which comprise Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Cashflow statement and the related notes and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members and Trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members and Trustees those matters we are required to state to them in an auditors' 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 and Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the statement of Trustees' responsibilities set out in the report of the Trustees, 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.

We have been appointed as auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable

assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the report of the Trustees including the Strategic Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 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, and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the report of the Trustees, including the strategic report, for the financial year for which the

financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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



Joanna Pittman
Senior Statutory Auditor
9 August 2016

For and on behalf of
Sayer Vincent LLP
Statutory Auditors
Invicta House, 108-114 Golden Lane,
LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Consolidated statement of financial activities

For the period ended 31 March 2016
(incorporating income and expenditure accounts)

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2016 £'000	Total 2015 £'000
Income from:					
Donations and legacies	2	26,735	3,314	30,049	29,455
Exceptional Legacy		–	–	–	11,816
Charitable activities:					
Housing advice and support services	4	3,156	14,004	17,160	16,819
Research, policy and campaigning		45	–	45	29
Training and publications		1,220	59	1,279	1,370
Other trading activities:					
Retail sales	3	8,314	–	8,314	9,625
Fundraising services to other organisations		236	–	236	1,449
Income from investments	3b	325	–	325	260
Office rental income		19	–	19	33
Total income and endowments		40,050	17,377	57,427	70,856
Expenditure on:					
Raising funds	2	10,931	–	10,931	9,196
Charitable activities:					
Research, policy and campaigning		6,677	–	6,677	6,217
Training and publications		948	59	1,007	1,132
Housing advice and support					
Digital advice		958	–	958	737
Helpline		1,887	819	2,706	3,246
Advice, training and support to housing professionals		404	2,733	3,137	2,572
Legal advice		6,167	663	6,830	7,361
Housing related intensive support		740	9,167	9,907	9,378
Face to face advice and support		2,134	3,271	5,405	4,537
Housing support		4,353	543	4,896	4,497
Housing aid and other grants made	6	18	–	18	9
Other trading activities:					
Retail costs	3	7,491	189	7,680	9,492
Fundraising services to other organisations		308	–	308	1,441
Total expenditure		43,016	17,444	60,460	59,815

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2016 £'000	Total 2015 £'000
Net income/(expenditure) before investment gains/ (losses)		(2,966)	(67)	(3,033)	11,041
Net gains/(losses) on investments	13	(515)	–	(515)	342
Net income/(expenditure) for the year	10	(3,481)	(67)	(3,548)	11,383
Transfers between funds		144	(144)	–	–
Net movement in funds		(3,337)	(211)	(3,548)	11,383
Reconciliation of funds:					
Fund balances at the start of the year (restated)		29,393	727	30,120	18,737
Fund at the end of the year	20	26,056	516	26,572	30,120

Charity and group balance sheets

As at 31 March 2016

	Notes	Group		Charity	
		2016	2015	2016	2015
		£'000	£'000	£'000	£'000
Fixed Assets					
Tangible fixed assets	12	9,567	9,489	9,567	9,489
Investments	13	6,208	6,527	6,288	6,607
Investments – Cash Deposits	13	8,132	12,093	8,132	12,093
Total fixed assets		23,907	28,109	23,987	28,189
Current Assets					
Stock		26	42	–	–
Debtors	14	6,618	7,316	6,811	7,744
Cash at bank		4,432	2,626	4,147	2,099
Total current assets		11,076	9,984	10,958	9,843
Current liabilities					
Creditors: amounts falling due within one year	15	6,974	6,559	6,951	6,513
Net Current Assets		4,102	3,425	4,007	3,330
Total assets less current liabilities		28,009	31,534	27,994	31,519
Provisions for liabilities and charges	16	1,437	1,414	1,437	1,414
Net Assets		26,572	30,120	26,557	30,105
Accumulated funds					
Unrestricted income funds					
General funds	20	16,489	19,904	16,474	19,889
Designated funds	20	9,567	9,489	9,567	9,489
Restricted income funds	20	477	688	477	688
Permanent endowment fund	20	39	39	39	39
Total charity funds		26,572	30,120	26,557	30,105

The financial statements were approved by the Board of Trustees and authorised for issue on 14 July 2016.
They were signed on its behalf by:



Sir Derek Myers

Chair of the Board of Trustees

Shelter company registration number 1038133

Consolidated cash flow statement

Period ended 31 March 2016

	Notes	2016	2015
		£'000	£'000
Cash flows from operating activities			
Net cash flow for returns on investment & servicing of finance			
	24	(788)	11,757
Cash flows from investing activities:			
Dividends, interest and rents from investments		325	260
Purchase of fixed assets	12	(1,496)	(1,802)
Purchase of investments	13	(2,932)	(6,832)
Sale of investments	13	2,736	6,629
Net cash provided by investing activities		(1,367)	(1,745)
Change in cash and cash equivalents in the year			
	25	(2,155)	10,012
Cash and cash equivalents at the beginning of the year			
		14,719	4,707
Cash and cash equivalents at the end of the year			
		12,564	14,719

Notes to the Financial Statements

1. Accounting policies

(a) Basis of Accounting

Shelter is a public benefit entity as defined under Financial Reporting Standard 102 (FRS102). The accounts have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (August 2014) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS102. The year ended 31st March 2016 is the first time the accounts have been prepared under this new standard. The accounts have also been prepared under the historical cost convention with the exception of investments and the 88 Old Street freehold property for which the charity has taken the option afforded by FRS102 to measure at deemed cost (being the fair value at the date of transition). As explained in the report of the Trustees the planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. The Trustees have a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties in relation to the charity's ability to continue operating as a going concern.

The accounts have therefore been prepared on the basis that the charity is a going concern.

(b) Reconciliation with previously Generally Accepted Accounting Practice (GAAP)

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS102 and the Charities SORP FRS102 a restatement of comparative items was required. The transition date was 1 April 2014. In accordance with the requirements of FRS102, a reconciliation of opening balances and net income/(expenditure) for the year is provided with the net income/(expenditure) under previous GAAP adjusted for the presentation of investment gains/(losses) as a component of reported income. This is provided in note 26.

(c) Group accounts

Group accounts have been prepared for Shelter, The National Campaign for Homeless People Limited, and its wholly owned subsidiary company, Shelter Trading Limited, in accordance with the requirements of FRS102. The accounts have been consolidated, on a line by line basis to include the results of Shelter Trading Limited. The results of Shelter Trading Limited are shown in note 18. Shelter operates 34 Advice Services throughout England and Scotland. The income and expenditure relating to these Advice Services are included in the consolidated statements. In accordance with section 408 of the Companies Act 2006, no

individual statement of financial activities has been prepared for the parent company, Shelter or The National Campaign for Homeless People Limited.

(d) Incoming resources

All incoming resources are included in the Consolidated Statement of Financial Activities when the charity is legally entitled to the income, it is probable the income will be received and the amount can be quantified with reasonable accuracy.

The following specific policies apply to categories of income:

- (1) Legacy income is accounted for on the earlier of cash receipt or notification of estate accounts being finalised.
- (2) Grant income is split between government and other. Grant income that is received in advance of performance is deferred and included in creditors.

(e) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of resources. The majority of overheads have been apportioned on the basis of headcount because

that is the main driver of costs in the charity.

Expenditure is stated in line with the SORP FRS102. Support costs, which include finance, IT, head office functions (London and Scotland) and facilities are allocated across the categories of charitable expenditure, governance and the costs of generating funds. The basis of the cost allocation is explained in note 5.

Governance costs, separately identified, relate to the general running of the charity as opposed to the costs of fundraising or charitable activity. Included within this category are costs associated with the strategic as opposed to day to day management of the charity's activities.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities or costs of negotiating contracts for the provision of services.

Grants are charged to the Consolidated Statement of Financial Activity when a constructive obligation exists.

Irrecoverable VAT is charged as a cost to the Consolidated Statement of Financial Activity.

(f) Donated services and facilities

Donated services and facilities are included at the value to the charity where this can be quantified. No amounts are included in the

Financial Statements for services donated by volunteers.

(g) Gifts in kind

Gifts in kind are included at current market value where their value is ascertainable and material. The estimated valuation of gifts in kind is based on the value of the contribution to the charity, or the valuation the charity would have had to pay to acquire the assets.

(h) Tangible assets and depreciation

Assets with a cost in excess of £1000 intended to be of ongoing use to Shelter in carrying out its activities are capitalised as fixed assets. Fixed assets are included at cost with the exception of the 88 Old Street freehold property which has been included at market value as at 31 March 2014. On transition to FRS102 the revaluation is deemed as cost at 1 April 2014. Depreciation is charged, on a straight line basis, as follows:

Freehold buildings:

50 years

Short-leasehold buildings:

In line with the lease term

Freehold improvements:

10 years

Furniture and fittings:

4 years

Computer and office equipment:

3 years

Vehicles:

3 years

Freehold land on which buildings are constructed is not depreciated.

Fixed assets are subject to a review for impairment where there is an indication of a reduction in their carrying value. Any permanent impairment is recognised in the Consolidated Statement of Financial Activities in the year in which it occurs.

(i) Dilapidations

Provision is made for all dilapidations on leasehold properties where Shelter has a contractual obligation to bear such costs. The provision for these costs is based on the results of an internal Chartered Surveyor's review and is reviewed periodically. Movements on the provisions are included in the expense headings to which they relate.

(j) Investments

Listed investments (such as shares, bonds, etc) are stated at market value. Any realised or unrealised gain resulting from movements in investments and changes in valuations are reflected in the statement of gains and losses on investment assets and are accounted for in the relevant fund (see note 1 (k)). Investments in subsidiary companies in the balance sheet of Shelter, The National Campaign for Homeless People Limited, and unlisted investments, in the form of donated shares, are stated at cost.

(k) Stock

Stock is stated at the lower of cost or net realisable value. Stock consists of new goods held by Shelter Trading Limited. Donated stock held for resale is not recognised as stock as it is not practicable to value it reliably. The income from sale of donated stock is recognised at point of sale.

(l) Fund accounting

Due to the constraints of law and donor imposed restrictions, the charity segregates its funds between those that are restricted and those that are unrestricted. General funds

represent the accumulated surplus on income and expenditure and are available for use at the discretion of the Board in pursuing the general charitable objectives of the charity (see Report of the Trustees).

Designated funds are funds that have been set aside by the Board for a specific purpose. An analysis of designated funds is provided in note 20 to the financial statements.

Included in designated funds is a freehold property and fixed asset fund that represents the net book value of Shelter's freehold property and fixed assets. This fund has been separated from the general fund in recognition of the fact that the freehold property and fixed assets are used in Shelter's day-to-day work, and the fund value would not be easily realisable if needed to meet future liabilities.

Where funds are received under contracts to provide services they are classified as restricted, this is on the basis that the contracts specify the service to be performed by the charity. The treatment of these contracts as restricted enables monitoring of performance and outcomes against the contractual agreement. The terms of the contract for legal services are such that it is categorised as unrestricted.

Restricted funds represent income received where the donor or the nature of the appeal generating the income has imposed restrictions as to how the monies shall be used. The nature and purpose of the designated and restricted funds are also set out in note 22 to the financial statements. The cost of raising and administering such funds are charged against the specific fund.

Endowment funds comprise a capital sum donated under the restriction that the money is invested and only the income arising is available for expenditure.

(m) Operating leases

Rental income and expenditure applicable to operating leases are credited or charged to the Consolidated Statement of Financial Activities on a straight line basis, in the period to which the cost or income relates.

(n) Pension costs

Contributions to the company's defined contribution pension scheme are charged to the Consolidated Statement of Financial Activities in the year in which they are payable to the scheme.

2. Voluntary income

	2016 £'000	2016 £'000	2016 £'000	2015 £'000
Donations and legacies	Unrestricted	Restricted	Total	Total
Individuals	21,623	502	22,125	21,386
Donated services	167	–	167	556
Charitable foundations	407	956	1363	1,101
Corporate donors	1,423	1,590	3,013	3,027
Total	23,620	3,048	26,668	26,070
Legacies	3,115	266	3,381	3,385
Exceptional legacy	–	–	–	11,816
Total	3,115	266	3,381	15,201
	2016 £'000	2016 £'000	2016 £'000	2015 £'000
Expenditure on raising funds: Fundraising activities	Unrestricted	Restricted	Total	Total
Staff costs	6,779	–	6,779	5,785
Other costs and support costs	4,152	–	4,152	3,396
Total	10,931	–	10,931	9,181

The charity has been notified of legacies with an estimated value of £1.58m (2015: £1.47m) which has not been included in income at 31 March 2016 because no confirmation of impending distribution or notification of estate accounts being finalised has been received.

3. Other trading activities

i) Income from retail activities	Shops			Mail Order	Total 2016	Total 2015
	Donated Goods £'000	New Goods £'000	Other £'000	£'000	£'000	£'000
Retail sales	8,031	129	14	140	8,314	9,625
Retail costs	(7,496)	(97)	–	(87)	(7,680)	(9,492)
Net income available for charitable application	535	32	14	53	634	133
	2016 £'000	2016 £'000	2016 £'000	2015 £'000	2015 £'000	2015 £'000
ii) Direct cost of retail activities	Staff	Other	Total	Staff	Other	Total
Shelter Shops	1,563	6,030	7,593	3,548	5,857	9,405
Mail Order	–	87	87	–	87	87
Total	1,563	6,117	7,680	3,548	5,944	9,492
				2016 £'000	2015 £'000	
iii) Income from investments						
Interest on cash at bank				112	45	
Listed securities				213	215	
Total				325	260	

4. Housing Services

	2016 £'000	2016 £'000	2016 £'000	2015 £'000
Contract and statutory grant funding in Shelter comprise the following:	Unrestricted	Restricted	Total	Total
Legal Services Contracts	2,762	–	2762	2,843
Government grants				
Scottish government	86	357	443	250
Ministry of Justice	–	2,554	2,554	–
Department for Communities and Local Government	–	2,778	2,778	2,525
Grants from Other Agencies				
Local authority grants	116	1,927	2,043	2,695
Local authority Supporting People grants	-	2,083	2,083	2,119
Big Lottery Fund	-	3,344	3,344	2,872
HM Prison Service	-	139	139	1,535
Other agencies	20	781	801	1,007
Total statutory and grant funded activities	222	13,963	14,185	13,003
Other income - non statutory	172	41	213	973
Total contract and statutory funded activities	3,156	14,004	17,160	16,819

5. Total resources expended

Support cost allocation									
	Direct costs* £'000	Apportioned cost					Total £'000	Total 2016 £'000	Total 2015 £'000
		HR £'000	Finance £'000	IT £'000	Facilities £'000	Director & governance £'000			
Costs of raising funds									
Voluntary income									
Fundraising & legacies	9,984	246	139	305	164	93	947	10,931	9,196
Costs of activities for generating funds									
Retail costs (shops and trading)	7,680	–	–	–	–	–	–	7,680	9,492
Fundraising services to other organisations	308	–	–	–	–	–	–	308	1,441
Costs for charitable activities									
Training	886	31	18	39	21	12	121	1,007	1,132
Research, policy and campaigning	5,905	200	113	249	134	76	772	6,677	6,217
Housing aid and other grants made - note 6	18	–	–	–	–	–	–	18	9
Housing advice and support	26,215	1,984	1,118	2,456	1,318	748	7,624	33,839	32,328
Total direct and apportioned costs	50,996	2,461	1,388	3,049	1,637	929	9,464	60,460	59,815

* Direct costs are directly attributable to the department.
Indirect support costs are directly allocated, where possible, or apportioned on the basis of headcount. After apportioning support costs to Housing services, they are then apportioned to Housing Advice under Charitable Activities on the SOFA based on cost.

6. Grants made

	2016 £'000	2015 £'000
Housing Aid and other grants		
Andy Ludlow Homelessness Awards	5	5
Dundee City Council	5	–
North Lanarkshire	5	–
Sheila McKechnie Foundation	2	3
Chris Holmes Memorial	1	–
Glasgow Winter Night Shelter	–	1
Total	18	9

7. Governance costs

	2016 £'000	2015 £'000
Fees payable to the Charity's auditors for the audit of the Charity's annual accounts	44	43
Fees payable to the Charity's auditors for other work	7	11
Internal audit	44	51
Trustee expenses, insurance and recruitment	5	5
Board and committee support costs*	57	50
Total	157	160

* These costs reflect a proportion of the pay and non-pay costs of the CEO, directors, and support staff who support the Board and governing committees.

8. Staff costs

Disclosure note on Directors costs

The key management personnel of the charity comprises of Trustees and directors. The total remuneration received by the directors during the year was £774,080 (2015: £740,421). There are adequate systems in place to manage expenses and these do not form part of the remuneration.

Redundancy and termination costs during the year were £244,106 (2015: £385,597)

Staff Costs	2016 £'000	2015 £'000
Wages and salaries	30,738	29,974
Social Security costs	2,787	2,701
Pension costs	2,855	2,715
Other staff-related costs	1,003	3,311
Total	37,383	38,701

Average staff numbers	Full-time equivalents		Headcount	
	2016 No.	2015 No.	2016 No.	2015 No.
Fundraising	87	79	95	91
Retail shops and trading	164	175	217	305
Training	11	10	12	13
Publications	3	4	3	4
Campaigning and education	68	68	74	74
Legal services contracts	340	313	370	323
Housing services	361	347	393	360
Governance	2	2	2	2
Support	79	108	94	128
Total	1,115	1,106	1,260	1,300

The average full-time equivalent number of employees who received emoluments (excluding pensions) in the following ranges were:

	2016 No.	2015 No.
£60,001 to £70,000	5	2
£70,001 to £80,000	1	–
£80,001 to £90,000	5	5
£130,001 to £140,000	1	1

All of the higher paid employees shown belong to a defined contribution scheme that Shelter operates for employees. The assets of the scheme are held separately from those of the charity, being invested with AEGON Scottish Equitable plc. The pension cost shown above represents contributions payable by Shelter to AEGON Scottish Equitable. Of the total, £76,561 (2015: £56,724) related to the higher paid employees.

Trustees are not entitled to, and did not receive, any remuneration in respect of their services throughout the year. Travel expenses incurred by Trustees in respect of Shelter meetings amounted to £4,717 (2015: £4,674) during the year. The number of Trustees incurring expenses during the year was 8 (2015: 9).

Volunteer Contribution: Shelter has been supported by volunteers over the year through helping out in our shops, offices and various events, they helped us tremendously and we would not have been able to achieve what we have done without their help.

	2016	2015
Average group number of volunteers	1,670	1,764

9. Related-party transactions

There were no related party transactions to disclose in 2016 (2015: none).
There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

10. Net incoming resources

The net incoming resources to funds is stated after charging:		
	2016 £'000	2015 £'000
Fees payable to the charity's auditors for the audit of the charity's annual accounts	35	34
Fees payable to the charity's auditors for the audit of the charity's subsidiaries pursuant to legislation	9	9
Total audit fees	44	43
Other services	7	11
Total fees payable to the charity's auditors	51	54
Depreciation of tangible fixed assets	1,393	1,337
Rental costs relating to operating leases		
Plant & machinery	50	31
Others	969	1,042

11. Taxation

The company is registered as a charity and as such is entitled to the exemptions under the Corporation Taxes Act 2011. During the year, the group incurred VAT of £743,760 (2015: £726,743) which it was unable to recover from HM Revenue and Customs under current VAT legislation. This resulted in a commensurate reduction in the resources of the charity.

12. Fixed assets – group and charity

	Freehold buildings & improvements £'000	Short leasehold buildings £'000	Furniture and fittings £'000	Computer and office equipment £'000	Vehicles £'000	Total £'000
Cost or valuation						
At 1 April 2015	7,000	114	3,599	3,874	5	14,592
Additions	–	55	869	572	–	1,496
Disposals	–	(7)	(124)	(92)	–	(223)
At 31 March 2016	7,000	162	4,344	4,354	5	15,865
Depreciation						
At 1 April 2015	(120)	(105)	(2,697)	(2,176)	(5)	(5,103)
Charge for the year	(120)	(9)	(429)	(835)	–	(1,393)
Disposals	–	7	102	89	–	198
At 31 March 2016	(240)	(107)	(3,024)	(2,922)	(5)	(6,298)
Net book values						
At 31 March 2016	6,760	55	1,320	1,432	–	9,567
At 31 March 2015	6,880	9	902	1,698	–	9,489

Freehold buildings include £1,000,000 of land that is not depreciated. The Old Street property was included at market value, based on a valuation undertaken on 27 January 2014 by Strettons Chartered Surveyors, acting as independent valuers.

The valuation was undertaken in accordance with the Practice Statements of the RICS Appraisal and Valuation Manual.

On transition to FRS102 this revaluation has been deemed to be cost as at 1 April 2014.

Aggregated rental income received from operating leases amounted to £19,154 (2015: £17,058)

13. Fixed asset investments – group and charity

	Group		Group		Charity		Charity	
	2016 £'000	2016 £'000	2016 £'000	2016 £'000	2016 £'000	2016 £'000	2015 £'000	2015 £'000
	Cash Deposit	Equity UK	Equity Foreign	Bonds	Fund	Total		
Listed investments								
Investments at market value at 1 April	–	4,030	822	1,175	500	6,527	5,982	6,527
Additions	–	2,292	325	–	315	2,932	6,832	2,932
Disposals	–	(2,249)	(427)	(60)	–	(2,736)	(6,629)	(2,736)
Net gain/loss for the year	–	(509)	26	(32)	–	(515)	342	(515)
Listed investments	–	3,564	746	1,083	815	6,208	6,527	6,208
Cash investments	8,132	–	–	–	–	8,132	12,093	8,132
Investment in subsidiaries	–	–	–	–	–	–	–	80
Total investments at 31 March	8,132	3,564	746	1,083	815	14,340	18,620	14,420
Historical cost: listed investments as at 31 March	–	4,087	738	1,123	815	6,763	6,567	6,843
Common Strategy Investment funds								
Schroders Equity UK	–	3,564	–	–	–	3,564	4,030	3,564
Schroders Equity Foreign	–	–	746	–	–	746	822	746
Schroders Bonds	–	–	–	1,083	–	1,083	1,175	1,083
Schroders Funds	–	–	–	–	815	815	500	815
Cash investments								
Schroders Cash Management	1,080	–	–	–	–	1,080	1,076	1,080
Royal London Cash Management	7,052	–	–	–	–	7,052	11,017	7,052
Total	8,132	3,564	746	1,083	815	14,340	18,620	14,340

14. Debtors

	Group		Charity	
	2016	2015	2016	2015
	£'000	£'000	£'000	£'000
Trade debtors	1,939	1,802	1,411	1,181
Amounts due from subsidiary companies	–	–	722	1,058
Taxation recoverable – Gift Aid	561	521	561	521
VAT	123	–	123	–
Other debtors	1,503	1,700	1,503	1,700
Prepayments	1,143	1,018	1,142	1,013
Accrued income	1,349	2,275	1,349	2,271
Total debtors	6,618	7,316	6,811	7,744

15. Creditors: amounts falling due within one year

	Group		Charity	
	2016	2015	2016	2015
	£'000	£'000	£'000	£'000
Trade creditors	1,561	1,525	1,551	1,486
Amounts due for taxation and Social Security	712	676	712	676
VAT	–	160	–	159
Other creditors	723	1,246	723	1,246
Accruals	1,753	1,598	1,740	1,601
Deferred income	2,225	1,354	2,225	1,345
Total creditors	6,974	6,559	6,951	6,513

Movement on deferred Income

	Group		Charity	
	2016	2015	2016	2015
	£'000	£'000	£'000	£'000
Deferred income brought forward	1,354	1,222	1,354	1,222
Realised during year to March 2016	(1,354)	(1,222)	(1,354)	(1,222)
Deferred in March 2016	2,225	1,354	2,225	1,345
Deferred income carried forward	2,225	1,354	2,225	1,345

Deferred income relates to income received in advance of its recognition in the accounts.

All deferred income brought forward is released and the carry forward relates only to new deferrals.

16. Provision for liabilities and charges – group and charity

	Dilapidations	Total 2016	Total 2015
	£'000	£'000	£'000
Balance at 1 April 2015	1,414	1,414	1,163
Utilised during the year	(55)	(55)	(101)
Additions in the year	78	78	352
Balance at 31 March 2016	1,437	1,437	1,414

Provisions relate to dilapidations on leasehold properties where Shelter has a contractual obligation to bear such costs.

The provision for these costs is based on the results of an internal Chartered Surveyor's review. The dilapidations will become payable on lease terminations.

17. Leasing commitments – group

As at 31 March 2016 the group had annual commitments under non-cancellable operating leases of:

	2016	2016	2015	2015
	Land and buildings	Other	Land and buildings	Other
	£'000	£'000	£'000	£'000
Operating leases which expire:				
within one year	728	7	596	38
between one and five years	2,035	275	2,160	35
after more than five years	121	–	20	–
Total lease commitments	2,884	282	2,776	73

18. Trading subsidiaries

The principal activities of Shelter Trading Limited (STL) Company No. 2573404 in the period under review was the sale of new goods via Shelter’s retail chain, mail order activities, the management of the fundraising enterprise Street Academy and managing the corporate sponsorship activities of Shelter, the National Campaign for Homeless People Limited. Audited financial statements have been prepared for STL and all taxable profit is gifted to Shelter.

Shelter Trading Limited		
	2016 £'000	2015 £'000
Total income	1,105	3,142
Cost of sales	(188)	(552)
	917	2,590
Selling and distribution costs	(451)	(1,825)
Administration costs	(31)	(125)
Net profit gifted to Shelter	435	640

As at 31 March 2016, Shelter Trading Limited had total assets of £852,297 (2015: £1,219,387) and total liabilities of £757,184 (2015: £1,124,274).

19. Summary of Charity figures in consolidated accounts

The net movement in funds for the year for the charity only was £3,983,000 (2015: £10,743,000 surplus restated), Shelter’s income was £56,322,000 (2015: £68,061,000 restated) less expenditure of £60,305,000 (2015: £57,318,000).

20. Statement of funds

	Balance 1 Apr 2015 £'000	Income and endowments £'000	Total expenditure £'000	Net loss on investments £'000	Net gain on revaluation £'000	Transfers £'000	Balance 31 Mar 2016 £'000
Unrestricted income funds							
General funds	18,099	40,050	(43,016)	–	–	66	15,199
Unrealised investment gain	1,805	–	–	(515)	–	–	1,290
Total general funds	19,904	40,050	(43,016)	(515)	–	66	16,489
Designated funds							
Strategy	–	–	–	–	–	–	–
Investment fund							
Revaluation reserve	5,616	–	–	–	–	(120)	5,496
Property and fixed asset fund	3,873	–	–	–	–	198	4,071
Shops improvement fund	–	–	–	–	–	–	–
Total designated funds	9,489	–	–	–	–	78	9,567
Total unrestricted funds	29,393	40,050	(43,016)	(515)	–	144	26,056
Restricted income funds (Note 21)							
Permanent endowment – John Rees Fund	39	–	–	–	–	–	39
Total restricted funds	727	17,377	(17,444)	–	–	(144)	516
As at 31 March 2016	30,120	57,427	(60,460)	(515)	–	–	26,572

The Endowment fund relates to a donation from John Rees to fund an award to volunteers. Interest added to the Permanent endowment will be utilised in future years with capital remaining in perpetuity. A formal plan has been put in place to use the interest on the endowment for Volunteer Awards to recognise individuals who have made a significant contribution to Shelter as volunteers.

21. Statement of restricted funds

Restricted Funds Name	Balance 1 April 2015 £'000	Incoming resources £'000	Resources used/transfers £'000	Balance 31 March 2016 £'000
Aberlour	–	35	35	–
Advice Services Transition Fund	–	119	119	–
Berkeley Foundation	–	120	120	–
Inspiring Change Manchester (Big Lottery Fund)	–	1,379	1,379	–
Birmingham Multiple Complex Needs	–	633	633	–
Blackwood	–	24	24	–
British Gas Advice Work	–	752	752	–
British Gas - Healthy Homes	–	25	25	–
British Land	–	25	25	–
Building Families Project (Big Lottery Fund)	–	113	113	–
Caledonia	–	57	57	–
CBRE	–	340	290	50
Central Access, Assessment & Information Services	–	44	44	–
Children & Young People Service	–	58	57	1
Childrens Fund	–	52	52	–
Children's Legal - Freshfields	–	31	28	3
Hackney Family Support Project (City Bridge Trust)	–	58	58	–
City Wide	–	530	530	–
Crisis Sharing Solutions Project	–	20	20	–
East Lothian Project	–	76	76	–
Empty Homes	39	164	203	–
Feel at Home with Your Finances (Big Lottery Fund)	–	169	169	–
Foundations First (STV Appeal)	–	228	228	–
Glasgow Early Years (Cattanach Trust)	32	34	51	15
Glasgow Early Years (Robertson Trust)				
Gypsy Traveller	–	43	43	–
Homeless Families	–	252	252	–
Housing Association Advisors Fund	–	40	40	–
Housing Law and Debt Advice	–	273	273	–
Legal & General	–	45	45	–
London Councils	–	650	650	–
London Councils Second Tier	–	59	59	–
Making Advice Work Glasgow	–	78	78	–
Making Advice Work Stirling	–	51	51	–
Manchester Targeted Advice	–	171	171	–
Merseyside Family Support (Esmée Fairbairn Foundation)	–	140	140	–
National Homelessness Advice Service	–	2,776	2,776	–
Nationwide Partnership	–	430	430	–
Newcastle Advice Partnership (Big Lottery Fund)	–	149	149	–
North & South Lanarkshire Project	–	17	17	–
North East Prisons	–	49	49	–
North Lanarkshire Service	–	24	24	–
Norwich IFC	–	40	40	–
Offenders Floating Support	–	79	79	–
Older Persons	–	373	373	–
Oxford City Council	–	80	80	–
Polmont Young Offenders (Robertson Trust)	–	36	36	–
Prisons North West	–	60	60	–
Prisons Yorkshire	–	30	30	–
Private Rented Sector Project (Oak Foundation)	–	111	111	–
Realising Ambition (Big Lottery Fund)	–	226	226	–
Restricted Projects - Scotland	1	362	362	1
Restricted Projects - Services	392	546	531	407

Statement of restricted funds continued

Restricted Funds Name	Balance 1 April 2015 £'000	Incoming resources £'000	Resources used/transfers £'000	Balance 31 March 2016 £'000
Restricted to Shop Expansion	189	–	189	–
Safe and Sound (Big Lottery Fund)	–	204	204	–
Safe and Sound (Comic Relief)	–	27	27	–
Scottish Housing Law Service	–	204	204	–
Single Persons Project	–	360	360	–
South Lanarkshire Families	–	193	193	–
SPAN Scotland (Big Lottery Fund)	–	217	217	–
Stirling Challenge Fund	–	41	41	–
Supporting People - Birmingham	–	293	293	–
Supporting People - Merseyside	14	163	177	–
Supporting People Domestic Abuse	–	349	349	–
Tackling Money Worries	–	122	122	–
Transforming Rehabilitation Purple Futures	–	1,703	1,703	–
Transforming Rehabilitation Sodexo	–	851	851	–
Troubled Families - Birmingham	–	177	177	–
West Yorkshire Finding Independence	–	102	102	–
Tonybee Hall	–	20	20	–
Other Funds - Income resources <20K	21	75	96	–
Total	688	17,377	17,588	477

Included in the Note are the following projects funded by The Big Lottery Fund:

Restricted Funds Name	Balance 1 April 2015 £'000	Incoming resources £'000	Resources used/transfers £'000	Balance 31 March 2016 £'000
Multiple Needs, Inspiring Change Manchester ¹	0	1,379	1,379	0
Feel at Home with Your Finances ²	0	169	169	0
Newcastle Advice Partnership ³	0	149	149	0
Realising Ambition Programme	0	226	226	0
Safe and Sound Project ⁴	0	204	204	0
Building Families Project ⁵	0	113	113	0
Supporting Prisoners: Advice Network - Scotland ⁶	0	217	217	0
Foundation First	0	228	228	0

	Deferred/(accrued) income brought forward £'000	Cash received 2015–16	Deferred/ (accrued) income at 31 March 2016
Multiple Needs, Inspiring Change Manchester	273	1,325	218
Feel at Home with Your Finances	52	181	63
Newcastle Advice Partnership	67	82	0
Realising Ambition Programme	-13	239	0
Safe and Sound Project	0	211	6
Building Families Project	30	134	51
Supporting Prisoners: Advice Network - Scotland	13	226	22
Foundation First	93	219	84

¹The income for the Multiple Needs, Inspiring Change Manchester project includes income received from Big Lottery Fund payable to Riverside £472k, and received from Big Lottery Fund payable to Back on Track £151k, and received from Big Lottery Fund payable to Big Life Group £82k.

²The income for the Feel at Home with Your Finances project includes income received from Big Lottery Fund payable to Citizens Advice Slough £64k.

³The income for the Newcastle Advice Partnership project includes income received from Big Lottery Fund payable to Citizens Advice Newcastle £30k and received from Big Lottery Fund payable to Law Centre £22k.

⁴The income for the Safe and Sound project includes income received from Big Lottery Fund payable to Relationships Scotland £33k.

⁵The income received for the Building Families Project includes income received from Big Lottery Fund payable to Children 1st £45k.

⁶The income received for the Supporting Prisoners: Advice Network - Scotland project includes income received from Big Lottery Fund payable to Sacro of £129k and received from Big Lottery Fund payable to Inverness CAB to £18k.

22. Contracts and grants from statutory bodies and local authorities

Listed below are grants in excess of £2,000 receivable in respect of the year ended 31 March 2016.
The list is prepared in compliance with section 37 of the Local Government and Housing Act 1989.

Funder	Purpose of funding	Incoming resources 2016 £'000	Resources used 2016 £'000
District, Borough and County Councils in England and Wales			
Birmingham City Council	Birmingham Domestic Abuse	349	349
Sheffield City Council	Sheffield Older Persons Services - Tenancy Support	373	373
Sheffield City Council	Sheffield Homeless to Homes - Tenancy Support	252	252
Rochdale MBC	Offenders Floating Support	79	79
Rochdale MBC	Central Access, Assessment and Information Services	44	44
Sheffield City Council	Sheffield Central Tenancy Support	530	552
Birmingham City Council	Birmingham Homeless to Homes - Tenancy support	293	293
Liverpool City Council	Supporting People - Merseyside	163	176
Weymouth BC	Housing Possession Court Duty Scheme	12	12
Manchester City Council	Manchester Advice	171	171
Oxford City Council	Oxford Housing Advice Services	80	80
London Councils	First Tier Services	650	650
Birmingham City Council	Troubled Families Programme - Birmingham	177	177
Sheffield City Council	Sheffield Childrens fund	52	52
Bristol City Council	Children and Young People Services	58	57
Norwich Council	Social Welfare Advice	15	15
Total		3,298	3,310

Local authorities in Scotland			
West Lothian Council	Home Again project	(2)	37
Stirling Council	Stirling welfare reform	41	41
South Lanarkshire Council	South Lanarkshire Families Project	(9)	(9)
South Lanarkshire Council	South Lanarkshire Families Project	193	193
Dumfries & Galloway Council	Single Persons Project	360	360
East Lothian Council	East Lothian Project	76	76
North Lanarkshire Council	North Lanarkshire Service	24	24
East Lothian Council	Gypsy Traveller Project	9	10
Aberdeen City Council	Dundee Advice Service	64	74
Stirling City Council	Dundee Advice Service	41	41
North & South Lanarkshire Councils	Empty Homes - Scotland	17	17
Glasgow Council	Empty Homes - Scotland	12	12
Total		826	876

Funder	Purpose of funding	Incoming resources 2015 £'000	Resources used 2015 £'000
Government departments			
Department of Communities & Local Government	National Homelessness Advice Service	2,763	2,763
Essex Probation Trust	Essex Probation Project	6	6
HM Prison Services	Prison Housing Advice Service - Humberside & Yorkshire	30	30
HM Prison Services	North West Prison Services	60	60
HM Prison Services	North East Prison Services	49	49
Department of Communities & Local Government	Mortgage Debt Advice Service	14	14
Purple Futures	Humberside, Lincolnshire and North Yorkshire Probation	467	468
Sodexo	Northumbria Probation	194	194
Sodexo	HMP Northumberland Probation	54	54
Sodexo	Northumbria Mentoring	58	58
Purple Futures	Merseyside	370	370
Sodexo	Cumbria and Lancashire Probation	424	424
Purple Futures	Cheshire and Greater Manchester Probation	866	866
Sodexo	Cumbria and Lancashire Mentoring	120	120
Empty Homes - Scotland	Empty Homes - Scotland	17	17
Scottish Government	Empty Homes - Scotland	142	142
Scottish Government	Shelter Housing Law Service	204	204
Scottish Government	SELF DIRECTED SUPPORT INNOVATION FUND	86	83
Total		5,926	5,924

London Council Grant Summary	Grant (£)	Grant spent (£)
Income received from London Council	650,000	
Staffing		334,834
Premises cost		18,322
Central OH		36,853
Running Cost		15,377
Partner payment		252,811
Total	650,000	658,197

Shelter received £650,000 from London Council during financial year 15/16 in connection with homelessness:
Early intervention and prevention project. Shelter confirms that it has made a payment of £252,881 for the partner,
Broadway during financial year 15/16 and all of the income received from London Council has been fully expended for
the purpose of delivering the project in accordance with the grant agreement. Shelter also confirms there were no under
spend on this project in financial year 15/16.

23. Analysis of net assets between funds – group

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Group total funds £'000
Fund balances as at 31 March 2016 are represented by:				
Tangible fixed assets	9,567	–	–	9,567
Investments	14,301	–	39	14,340
Net current assets	3,625	477	–	4,102
Provisions	(1,437)	–	–	(1,437)
Total net assets	26,056	477	39	26,572

24. Reconciliation of net incoming resources to net cash flow from operating activities

	2016 £'000	2015 £'000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(3,548)	11,383
Depreciation charges	12	1,393
Movement in provisions		23
(Gains)/losses on investments		515
Dividends and interest from investments		(325)
(Profit)/loss on disposal of fixed assets	12	25
(Increase) / decrease in stocks		16
(Increase) / decrease in debtors		698
Increase / (decrease) in creditors		415
Net Cash inflow from operating activities	(788)	11,757

25. Analysis of changes in net debt

	1 April 2015	Cash flow	31 March 2016
Cash outflow from decrease in debt and lease financing	–	–	–
Cash at bank	2,626	1,806	4,432
Cash on deposit	12,093	(3,961)	8,132
Total	14,719	(2,155)	12,564

26. Impact of transition to FRS 102 and SORP 2015

	31 March 2015		
	Unrestricted £	Restricted £	Total £
Reserves position			
Funds previously reported	28,102	727	28,829
Adjustments on transition			
Deferred legacy income recognition	1,291	–	1,291
Funds restated on transition	29,393	727	30,120

	31 March 2015		
	Unrestricted £	Restricted £	Total £
Impact on income and expenditure			
Net income / (expenditure) as previously reported	10,334	(242)	10,092
Adjustments on transition			
Deferred legacy income recognition	1,291	–	1,291
Net income / (expenditure) as restated	11,625	(242)	11,383

27. Consolidated Statement of Financial Activities - restated

for the year ended 31 March 2015 (incorporating income and expenditure accounts)

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2015 £'000
Income from:				
Donations and legacies	2	26,967	2,488	29,455
Exceptional Legacy		11,816	-	11,816
Charitable activities:				
Housing Advice and Support Services	4	4,054	12,765	16,819
Research, Policy and Campaigning		29	-	29
Training & Publications		1,299	71	1,370
Other trading activities:				
Retail sales	3	9,625	-	9,625
Fundraising services to other organisations		1,449	-	1,449
Income from investments	3b	260	-	260
Office Rental Income		33	-	33
Total income and endowments		55,532	15,324	70,856
Expenditure on:				
Raising funds	2	9,196	-	9,196
Charitable activities:				
Research, Policy and Campaigning		6,217	-	6,217
Training & Publications		1,132	-	1,132
Housing advice and support				
Digital advice		737	-	737
Helpline		2,585	661	3,246
Advice, training and support to housing professionals		347	2,226	2,572
Legal advice		6,545	815	7,360
Housing Related Intensive Support		1,721	7,657	9,378
Face to face advice and support		1,356	3,180	4,537
Housing support		3,534	964	4,498
Housing Aid and other Grants made	6	9	-	9
Other trading activities:				
Retail costs	3	9,492	-	9,492
Fundraising services to other organisations		1,441	-	1,441
Total expenditure		44,312	15,503	59,815

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2015 £'000
Net income/(expenditure) before investment gains/(losses)		11,220	(179)	11,041
Net gains/(losses) on investments	13	342	-	342
Net income/(expenditure) for the year	10	11,562	(179)	11,383
Transfers between funds		315	(315)	-
Net movement in funds		11,877	(494)	11,383
Reconciliation of funds:				
Fund balances at the start of the year		17,768	969	18,737
Fund at the end of the year	20	29,645	475	30,120

Shelter helps millions of people every year struggling with bad housing or homelessness through our advice, support and legal services. And we campaign to make sure that, one day, no one will have to turn to us for help.

We're here so no one has to fight bad housing or homelessness on their own.

Shelter
88 Old Street
London EC1V 9HU

Shelter Scotland
6 South Charlotte Street
Edinburgh EH2 4AW

0300 330 1234
[shelter.org.uk](https://www.shelter.org.uk)

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