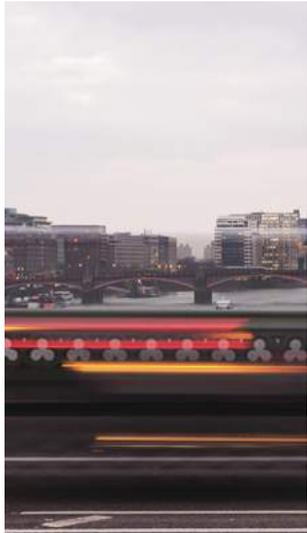




The Hyelm Group
Quality living in London



Annual Report

For the Year Ending 30th September 2014

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Key Facts



Our Corporate Status

The Hyelm Group comprises Hyelm and Ames House. Hyelm is a registered charity, a registered provider of housing and a company limited by guarantee. Ames House is a subsidiary of Hyelm and is a registered charity established under trust deed. Both are not-for-profit organisations.

Our Vision

Our vision is to be the housing charity of choice for the young people and priority groups that we set out to house.

Our Mission

Our mission is to understand and respond to the needs and to make a real difference to the lives of young people and those from priority groups who are:

- On low to moderate incomes.
- In need of affordable, rented housing.
- Looking to embark on or in the early years of their careers.
- In need of no to minimal levels of support but who could benefit from and contribute to living in positive, safe, stable, supportive environments and strong communities.

Priority groups are those groups of people to whom priority must be given for grant funded intermediate rent housing such as that provided at our Old Street scheme.

Our Values

Our values are:

- Integrity.
- Transparency.
- Accountability.
- Quality.
- Respect.
- Responsiveness.
- Dynamism.
- Sustainability.

Our Performance

Our overall performance is strong. We currently:

- Provide quality, affordable accommodation for 125 people.
- Have embarked on a development programme to provide affordable accommodation for an additional 250 young people by 2019, and, thereafter, to an extent that our capacity to further develop allows.
- Provide high standards of services and facilities.
- Have a well-maintained housing stock.
- Place strong emphasis on resident involvement in the management of our affairs.
- Have high levels of resident satisfaction.
- Are committed to delivering value for money in everything that we do.
- Are in sound financial health with a history of strong financial management and planning.
- Have an impressive set of performance indicators.
- Are committed to placing diversity at the heart of our organisation.



Hyelm

Hyelm was founded in 1926 by the late Arthur J. West who, realising the great need, decided to provide a personal service accommodation club for young people moving to London to work or to study.

It started life in Tufnell Park, North London, where several properties were occupied and moved to a Victorian property in Hampstead in the early 1950s after increasing repair costs and war damage made it necessary to consolidate.

Funded mainly by grants from the Greater London Council, the Hampstead property was demolished during the 1970s to make way for Arthur West House, a purpose-built development that went on to provide accommodation and facilities for 233 residents.

Construction began on a new Hyelm property in the Old Street area of London in 2006. This opened in March 2008 and now provides contemporary accommodation, facilities and services for up to 125 young people in housing need as well as those from priority housing groups.

Ames House

In 1996, Hyelm entered into merger negotiations with Ames House, which offered affordable housing for 25 young women in Hampstead. Ames House was established in the late 1890s.

After negotiations with the Charity Commissioners, a group structure was formed whereby the two organisations retained their separate legal identities and Hyelm became the sole corporate trustee of Ames House.

The Ames House property was sold during 2004. A long-term lease of a portion of Arthur West House, comprising 68 bed spaces, was subsequently purchased from Hyelm with the sale proceeds.

Arthur West House

In 2014, Hyelm and Ames House sold Arthur West House with a view to using the sale proceeds to construct more contemporary, affordable accommodation for young people to rent in vibrant and attractive areas elsewhere in London.

Suitable sites on which to develop are now being considered. The aim is to provide accommodation, facilities and services for a further 250 young people by 2019.

Chair & Chief Executive's Review



Susan Parsonage
Chair



Keith Douglas
Chief Executive

Introduction

This has been a year of considerable progress for The Group.

It was a year that saw us sell our housing scheme in Hampstead with a view to using the sale proceeds to provide more contemporary affordable housing for young people elsewhere in London.

It was also a year of excellent operational performance and a year that saw us continuing to become more outward reaching as an organisation with further progress being made in raising our profile within the housing and charity sectors.

The Group also delivered on the final year of its current Strategic Plan.

Development

It was with mixed feelings that we bade a final farewell to Arthur West House during the year.

Having provided affordable accommodation in a safe, homely environment for an estimated 7,000 young people since it first opened its doors some 40 years ago, the sale of the property finally completed in October 2014.

A highly competitive sale price was agreed with the purchaser, PegasusLife. This followed an extensive professional marketing campaign, which attracted strong interest from both the UK and overseas.

Arthur West House served us exceptionally well during its lifetime, affording many memories and enabling numerous friendships to develop amongst thousands of young people.

Although, in more recent years, it continued to be maintained to a good standard, both planned and reactive maintenance costs increased significantly.

Weaknesses in its physical design also became apparent as the needs and expectations of young people changed.

Demand for the accommodation fell, resident turnover increased as a result and we had to work much harder than ever before to maintain a strong community and to keep occupancy rates at high levels.

After much deliberation, our Board came to the conclusion that the option to sell the property with a view to providing more contemporary

accommodation elsewhere in London was by far the best way forward as this would enable us to provide more accommodation in locations considered by young people to be vibrant and attractive than all of the other options that were considered.

Funded by the sale proceeds of the property and by additional borrowing, the aim is to now construct the equivalent of two new schemes each similar in size to Arthur West House, providing housing, services and facilities for up to 250 young people by 2019.

A specialist firm of Lead Development Consultants has now been appointed to find suitable sites on which to develop and to attend to all aspects of project management, thereafter. A number of initial opportunities have since been identified and are now being considered.

Our overall goal is to position ourselves as the housing charity that offers the accommodation and communities that those whom we set out to house want to live in rather than have to live in due to there being a lack of affordable housing options elsewhere and to do so at great prices and in great locations.

It is also to ensure that the sense of place and family and the supportive communities that we promote, which are so fundamental to what we do, are kept as we move from old to new.

A big thank you to all those who contributed to the success and community of Arthur West House during its remarkable lifetime!



Strategic Partnerships

Good progress continued to be made during the year to better reach and meet the needs of young people through partnership working.

Existing links with organisations such as The Stephen Lawrence Charitable Trust, Springboard, and Stonewall Housing were further developed. New relationships were forged, the most recent being with Alone in London, Forest YMCA, LB Hackney and Outward Housing.

Referrals for our accommodation were accepted from them as a result. This enabled a number of young people to benefit from the affordable accommodation and stable communities that we provide and to make further progress on their pathways towards full independent living. A total of 79 young people were housed by us in this way during the year.

In addition, we now operate our own apprenticeship scheme with the help and support of a number of our partner organisations.

Two people took part in our scheme during the year. Each was given the opportunity to further develop their skills by working through a structured programme that gave them practical work experience and which led to a recognised college qualification.

A further 19 young people secured apprenticeship places with our partner organisations during the year and/or benefited from personal training and development opportunities that were provided by them in partnership with us.

Group Structure

Further progress was made during 2014 in streamlining our Group structure.

Supported by Equalities legislation, the Charity Commissioners approved a scheme to amend the Objects of Ames House to enable it to house young men as well as young women.

As a result, the two charities are now able to embark on our new development programme jointly and without the need for the complicated lease and management arrangement that was previously required in relation to the operation of Arthur West House.

Value for Money

Our ethos and way of doing things fits in well with the current focus within the housing sector on Value for Money.

In these challenging economic times, it is particularly important that best value is achieved in the money that we spend, the things that we do and the way in which we do things.

In accordance with regulation, we now produce and publish on our website an annual statement outlining our approach to and performance in Value for Money.

Governance

It is vital for the continued health and progress of our organisation and from the point of view of our regulators that our Board and governance arrangements reflect best practice guidelines and are of the highest standards at all times.

With this in mind, our Board has adopted and complies with all relevant aspects of the National Housing Federation's codes on best governance practice and conduct. Hyelm is a member of the Federation.

In addition, an annual Board and Board member appraisal process is now followed. This is supported by governance development and succession plans, which continued to be implemented successfully during the year.

We would like to express our continual appreciation to all members of our Board who contributed their time and effort during the year in performing their duties.

Profile

Our executive team continued to raise the profile of The Group by hosting sector events and by attending a variety of sector conferences, seminars and group meetings during the year.

A close involvement was maintained, in particular, with the G320 group of smaller housing associations in London.

Chair & Chief Executive's Review



On top of this, visits to our accommodation were received from positive role models Ben Fogle and Stuart Lawrence. A live broadcast was also transmitted from our Old Street scheme by local radio station, Hoxton FM.

Operation

A healthy set of performance indicators in relation to the year demonstrated our continued strength in management and service delivery.

These are highlighted in a later section of this report and show that our performance compared favourably with that of the sector as a whole.

Challenging performance indicators will continue to be set and monitored by the Board during the forthcoming year.

The quality and standard of our housing stock, facilities and services remained high. Great emphasis continued to be placed on maintaining stable, safe and homely environments.

Our thanks go to all of our staff, whose commitment and dedication were the keystones to another successful year.

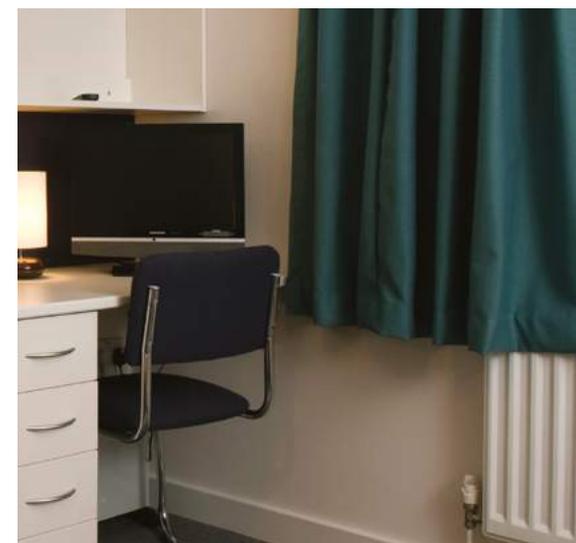
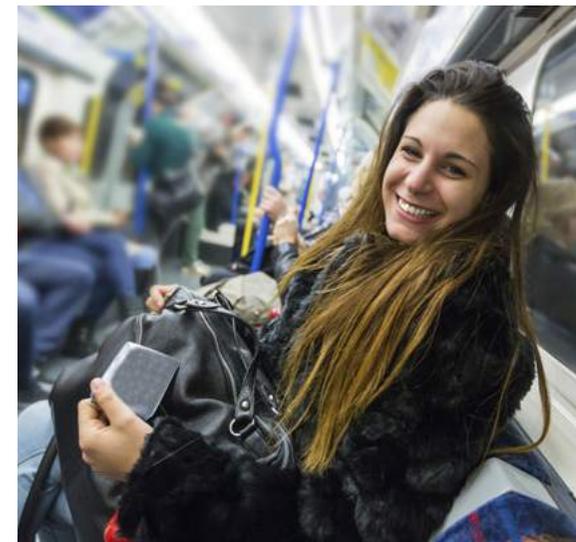
Summary

The Hyelm Group has a very positive story to tell in relation to its performance, plans and the quality of the accommodation and services that it provides.

We are confident that it remains well placed to meet the challenges of our development and other plans and of the particularly challenging economic, funding and regulatory environments in which we now live.

We are equally confident that, in the years to come, The Group will continue to make a real difference to the lives of those whom it sets out to house by strengthening its position as a modern, dynamic, well run, financially sound and forward looking organisation that closely involves, understands and responds to the needs of its client groups.

Hyelm Old Street





Accommodation

Close to Old Street Underground station on the Northern Line and with excellent transport links to the City and West End, Hyelm – Old Street offers a varied portfolio of housing types for rent, including one bedroom flats and two, three, four and six bedroom cluster apartments.

A cluster apartment is one in which a small number of bedrooms share a kitchen and dining room area.

Each bedroom is furnished to a high standard and has its own bathroom. It includes a double bed and is wired for connection to the internet, Sky and a BT landline, should residents wish to subscribe to such services.

Each communal kitchen and dining room is furnished and includes a fridge with freezer compartment, oven, hob, storage space and lounge furniture.

74 places within the project are reserved for those from priority groups. The remaining 51 places are for young people in housing need who are in work or study.

Services

The following services are provided on an inclusive charge basis:

- A hotel-style reception desk and lounge.
- Members of staff, who are available on premises or on call each day and night to offer help and assistance.
- The cleaning of certain communal areas by our domestic staff.
- A comprehensive housing management and maintenance service.

Facilities

State-of-the-art facilities include:

- Internet café.
- Gym.
- Sauna.
- Self-service launderette.
- Landscaped courtyard garden.
- Skyline roof terraces.
- Office and conference space.

Community and Environment

Our aim is to make a real difference to the lives of those whom we house by providing positive, stable, safe, supportive environments and strong communities in which lasting friendships can develop in an otherwise vibrant but challenging, and sometimes impersonal, capital city.

We do this in the following ways:

- A programme of social and sports activities is organised.
- Help and information is offered on welfare matters and on the broad range of issues that affect young people today.
- Help in identifying training and employment opportunities is given, using the links that we have established with our partner organisations.
- Help in identifying more permanent move on accommodation is offered.
- Financial assistance is available in cases of extreme hardship.

Hyelm Old Street

Resident Involvement and Scrutiny

We recognise that involving our residents in the management of our affairs represents good practice and is central to our aim of delivering high standards in everything that we do.

Our residents are formally consulted and involved in a number of ways:

- Satisfaction surveys covering all aspects of our service delivery are carried out on a regular basis.
- A panel of residents meets each quarter to monitor our performance and to provide suggestions on ways in which our service delivery could be improved.
- Minutes of all governance meetings that are not confidential in nature are made available to residents for feedback and comment.

More informal consultation and involvement takes place through regular face-to-face discussions with residents, management bulletins, the operation of a suggestion box scheme and annual performance reviews and reports.



Partnership Working



We have developed relationships with a number of organisations that share our values and are now working with them to improve the lives of young people through the provision of training, development and apprenticeship opportunities.

These organisations include:

- Co-operative seeds.
- Couture.
- Emmaus UK.
- Hawk Training.
- Host.
- HIT Training.
- PMD.
- The Milkmen.
- Social Enterprise UK.

Links have also been established with a range of organisations that provide housing advice and services to young people and from which we now accept referrals for our accommodation.

These organisations include:

- Alone in London.
- Christian Action Housing.
- Forest YMCA.
- LB Hackney (Outward Housing).
- Springboard.
- Stonewall Housing.
- The Stephen Lawrence Charitable Trust.

Further information on each of the above can be found on their respective websites.

Hyelm



Income & Expenditure Account for years ending :

| | 15th Oct | 30th Sept |
|-----------------------------------|--------------|--------------|
| | 2013 | 2014 |
| | £'000 | £'000 |
| Income | | |
| Rent & other housing activities | 2,263 | 2,112 |
| Interest and other income | 7 | 5 |
| Total Income | 2,270 | 2,117 |
| Expenditure | | |
| Management costs | 667 | 653 |
| Service costs | 810 | 826 |
| Other costs | 86 | 83 |
| Interest payable | 372 | 354 |
| Depreciation - properties | 203 | 195 |
| Depreciation - other fixed assets | 133 | 127 |
| Total Expenditure | 2,271 | 2,238 |
| Deficit for Year | (1) | (121) |

Balance Sheet as at :

| | 15th Oct | 30th Sept |
|---------------------------------|---------------|---------------|
| | 2013 | 2014 |
| | £'000 | £'000 |
| Fixed Assets | | |
| | (Restated) | |
| Housing properties less grants | 11,052 | 10,857 |
| Other fixed assets | 474 | 387 |
| Total Fixed Assets | 11,526 | 11,244 |
| Current Assets | | |
| Properties held for sale | 147 | 147 |
| Stocks | 6 | 2 |
| Debtors | 273 | 166 |
| Cash at bank and in hand | 1,976 | 1,926 |
| Less creditors | (680) | (389) |
| Total Net Current Assets | 1,722 | 1,852 |
| Assets less Creditors | 13,248 | 13,096 |
| Funds | | |
| Long term loans | 6,677 | 6,646 |
| Designated reserves | 96 | 103 |
| Retained surplus | 6,475 | 6,347 |
| Total Funds | 13,248 | 13,096 |

Ames House



Income & Expenditure Account for years ending :

| | 15th Oct | 30th Sept |
|---|------------|------------|
| | 2013 | 2014 |
| | £'000 | £'000 |
| Income | | |
| Income from lettings | 405 | 351 |
| Interest and other income | 7 | 6 |
| Total Income | 412 | 357 |
| Expenditure | | |
| Management costs | 2 | 2 |
| Service costs | 369 | 345 |
| Depreciation | 14 | 13 |
| Total Expenditure | 385 | 360 |
| Surplus / (deficit) for Year | 27 | (3) |
| Unrealised gains/(losses) on investment assets | 0 | 0 |
| Retained Surplus / Deficit | 27 | (3) |

Balance Sheet as at :

| | 15th Oct | 30th Sept |
|----------------------------------|--------------|--------------|
| | 2013 | 2014 |
| | £'000 | £'000 |
| Fixed Assets | | |
| Property, furnishings & fittings | 2,534 | 2,521 |
| Investments | 0 | 0 |
| Total Fixed Assets | 2,534 | 2,521 |
| Current Assets | | |
| Debtors | 321 | 172 |
| Cash at bank and in hand | 274 | 304 |
| Less creditors | (141) | (12) |
| Total Net Current Assets | 454 | 464 |
| Assets less Creditors | 2,988 | 2,985 |
| Reserves | | |
| Endowment fund | 2,545 | 2,545 |
| Retained surplus (general fund) | 443 | 440 |
| Total Reserves | 2,988 | 2,985 |

The figures on these pages provide a summary of the financial performance of Hyelm and Ames House. Full copies of the audited financial statements can be made available on request. The deficits shown in the Hyelm income and expenditure accounts reflect the financial models that we have adopted in relation to our housing schemes and arise primarily as a result of depreciation charges, which are non cash items, on the property element of our Old Street scheme. The results for each organisation are as planned and are in accordance with the financial projections included within our business plan. Our business plan helps to demonstrate the continued viability and financial health of each organisation and of The Group as a whole. Copies of this document can also be made available on request. The financial year end dates for both Hyelm and Ames House were changed from 15th October to 30th September during 2014 for ease of administration. The restatement to the Hyelm balance sheet for 2013 arose as a result of the reclassification of Social Housing Grant for Arthur West House, which was previously shown under Housing Properties less grants rather than Properties held for sale.



Bedspaces in Management *at year end:*

| | 2013 | 2014 |
|-------------------------|------------|------------|
| Hyelm - Hampstead | 165 | 165 |
| Ames House - Hampstead | 68 | 68 |
| Hyelm - Old Street | 125 | 125 |
| Total | 358 | 358 |
| BM320 benchmark average | 423 | 404 |

Lettings *during the year:*

| | 2012 - 13 | 2013 - 14 |
|-------------------------|------------|------------|
| Hyelm - Hampstead | 414 | 229 |
| Ames House - Hampstead | 163 | 59 |
| Hyelm - Old Street | 58 | 40 |
| Total | 635 | 328 |
| BM320 benchmark average | 99 | 67 |

Lettings to Black and Minority Ethnic Groups *at year end:*

| | 2013 | 2014 |
|-------------------------|------------|------------|
| Hyelm - Hampstead | 80% | 92% |
| Ames House - Hampstead | 91% | 94% |
| Hyelm - Old Street | 70% | 65% |
| Total | 80% | 84% |
| BM320 benchmark average | 30% | 38% |

Analysis of Lettings by Gender *at year end 2014:*

| | Hyelm Hampstead | Ames House Hampstead | Hyelm Old Street |
|--------------|-----------------|----------------------|------------------|
| Female | 35% | 100% | 57% |
| Male | 65% | 0% | 43% |
| Total | 100% | 100% | 100% |

Analysis of Lettings by Vocation *at year end 2014:*

| | Hyelm Hampstead | Ames House Hampstead | Hyelm Old Street |
|-------------------------------|-----------------|----------------------|------------------|
| Students | 37% | 54% | 10% |
| Priority Groups | 0% | 0% | 45% |
| In other full-time employment | 63% | 46% | 45% |
| Total | 100% | 100% | 100% |

Occupancy Rates *during the year:*

| | 2012-2013 | 2013-2014 |
|-------------------------|--------------|--------------|
| Hyelm - Hampstead | 96.0% | 95.4% |
| Ames House - Hampstead | 98.6% | 98.7% |
| Hyelm - Old Street | 100.0% | 99.8% |
| Total | 98.2% | 98.0% |
| BM320 benchmark average | 98.9% | 99.6% |

Rates are expressed as a percentage of capacity.

Rent Arrears *at year end:*

| | 2013 | 2014 |
|-------------------------|--------------|--------------|
| Hyelm - Hampstead | 0.34% | 0.21% |
| Ames House - Hampstead | 0.09% | 0.22% |
| Hyelm - Old Street | 0.27% | 0.55% |
| Total | 0.27% | 0.33% |
| BM320 benchmark average | 5.40% | 2.21% |

Levels are expressed as a percentage of rent collectable.



Average Length of Stay *during the year:*

| | 2012-2013 | 2013-2014 |
|------------------------|--------------------|--------------------|
| Hyelm - Hampstead | 5.1 months | 3.9 months |
| Ames House - Hampstead | 4.5 months | 4.1 months |
| Hyelm - Old Street | 30.0 months | 25.8 months |
| Total | 13.2 months | 11.3 months |

Formal Complaints *during the year:*

| | 2012-2013 | 2013-2014 |
|------------------------|-----------|-----------|
| Hyelm - Hampstead | 0 | 0 |
| Ames House - Hampstead | 0 | 0 |
| Hyelm - Old Street | 0 | 0 |
| Total | 0 | 0 |

Levels of Resident Satisfaction *during the year:*

| | 2012-2013 | 2013-2014 |
|-------------------------|------------|---------------|
| Hyelm - Hampstead | 90% | Not Available |
| Ames House - Hampstead | 90% | Not Available |
| Hyelm - Old Street | 100% | 100% |
| Total | 95% | 100% |
| BM320 benchmark average | 85% | 96% |

Maintenance Performance *during the year 2013-2014:*

| | Hyelm Hampstead | Ames House Hampstead | Hyelm Old Street | BM320 Benchmark Average |
|---|-----------------|----------------------|------------------|-------------------------|
| Emergency Repairs | | | | |
| Number of requests for repairs reported | 0 | 0 | 0 | Not Available |
| Target response time | 24 hours | 24 hours | 24 hours | 22.4 hours |
| Repairs completed within target | n/a | n/a | 100% | 100.00% |
| Number of repairs outstanding | 0 | 0 | 0 | Not Available |
| Priority Repairs | | | | |
| Number of requests for repairs reported | 24 | 11 | 13 | Not Available |
| Target response time | 5 working days | 5 working days | 5 working days | 4.5 working days |
| Repairs completed within target | 100% | 100% | 100% | 97.27% |
| Number of repairs outstanding | 0 | 0 | 0 | Not Available |
| Routine Repairs | | | | |
| Number of requests for repairs reported | 52 | 21 | 78 | Not Available |
| Target response time | 20 working days | 20 working days | 20 working days | 20.6 working days |
| Repairs completed within target | 100% | 100% | 100% | 97.00% |
| Number of repairs outstanding | 0 | 0 | 0 | Not Available |



Rent and Service Charges

The weekly rent and service charge at our Old Street scheme ranged from £137.61 to £150.34 per bed space, which is below private sector market rates and at levels comparable to those charged by our competitors. It included:

- Accommodation.
- Electricity and gas.
- Water.
- The regular cleaning of certain communal areas
- A comprehensive housing management service.

Rents and service charges were increased, on average, by 3.70% in January 2014. VAT does not apply.

BM320 Benchmarking

BM320 is a group of 15 small housing associations in London that share information for performance benchmarking purposes. Hyelm is a member.

BM320 comparison figures have been included in this Performance section where they are relevant and available.

Financial Year End Dates

The financial year end dates for Hyelm and Ames House were changed from 15th October to 30th September during 2014. The performance figures shown within this section are, therefore, to 15th October for 2013 and to 30th September for 2014.

In addition, the performance figures that are shown for our Hampstead scheme for 2014 are to 29th May, which is the date on which contracts were exchanged in relation to its sale.

Board members act in a voluntary capacity.

As at 30th September 2014 the Board comprised:

| | |
|------------------|---|
| Rebecca Begej | <i>Vice-chair of the Board</i> |
| Graham Briscoe | |
| Lee Buss | |
| Keith Douglas | |
| Paul Orrett | |
| Susan Parsonage | <i>Chair of the Board</i> |
| Charlotte Paxton | <i>Chair of the Development Sub-group</i> |
| Helen Taylor | |
| Howard Webb | |
| Bryony Willett | |
| Wayne Willis | |

The Board has established a Development Sub-group, which meets four times each year to assist the Board in the delivery of its development strategy.

Management

On the closure of Arthur West House in October 2014, our staff comprised:

Executive Management Team

| | |
|---------------|------------------------------------|
| Keith Douglas | Chief Executive |
| Mark Sharman | Director of Finance (part-time) |
| Simon Wright | Director of Operations |

Hyelm - Old Street

| | |
|---------------|----------------|
| Gillian Oman | Scheme Manager |
| Phillip Lloyd | Duty Manager |
| Sheridan Orr | Duty Manager |

Central Operation

| | |
|------------------------|-----------------|
| Frederick Bawua-Anipah | Finance Officer |
|------------------------|-----------------|

Other

Two apprentices, Gita Browning and Aziz Huseni, were also employed.

Contact Us



Hyelm - Old Street

43 New North Road
London N1 6JB

Nearest Underground Station

Old Street (Northern Line - Zone 1)

For further information on this scheme, the resident eligibility criteria that apply, who qualifies for priority group housing, how to apply for accommodation and rent and service charge levels, please:

- Visit our website www.hyelm.com; or
- Email your enquiry to oldstreet@hyelm.com; or
- Telephone **020 7336 9000**



Other Information

In accordance with our Provision of Information policy statement and our commitment to openness and accountability, anyone is entitled, within reason, to receive information on our performance, plans and policies on request. This includes all Board papers and Minutes that are not confidential in nature.

If you would like to have any such information, please do not hesitate to contact us using any of the contact methods outlined on the left.

Hyelm and The Ames House Trust: Registered with the Charity Commission – Number 215575.

Hyelm: Registered with the Homes and Communities Agency – Number HO 312.

Hyelm: Registered in England at Companies House - Number 00244598 (Registered Office: 43 New North Road, London N1 6JB).

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