

**THE DOLPHIN SQUARE CHARITABLE FOUNDATION**

**(Registered Charity Number: 1110090)**

**REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2024**

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**THE DOLPHIN SQUARE CHARITABLE FOUNDATION**

**REFERENCE AND ADMINISTRATIVE DETAILS (continued)**

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# THE DOLPHIN SQUARE CHARITABLE FOUNDATION

## REFERENCE AND ADMINISTRATIVE DETAILS

<b>Corporate Trustee:</b>	Dolphin Square Charitable Trustee Limited
<b>Brand name:</b>	Dolphin Living
<b>Governors of Corporate Trustee</b>	Andrew Giblin (Chair) Deirdra Armsby Bruce Clitherow Paul Disley-Tindell Jason Green Jo Moran Julia Moulder Sarah Philbrick Sarah Smith Anna Strongman
<b>Acquisition, Finance and Development Committee</b>	Julia Moulder (Chair) Andrew Giblin Jason Green Katherine Russell Anna Strongman
<b>Audit and Risk Committee</b>	Sarah Smith (Chair) Deidra Armsby Ben Laryea Sarah Philbrick
<b>Operations Committee</b>	Jo Moran (Chair) Bruce Clitherow Paul Disley-Tindell Ben Laryea Sarah Philbrick Janice White
<b>Remuneration and Nominations Committee</b>	Andrew Giblin (Chair) Jo Moran Julia Moulder Sarah Smith
<b>Key management personnel</b>	Olivia Harris (Chief Executive) Jacqueline England Matthew Lamb Gary Preston Octavia Williams



# THE DOLPHIN SQUARE CHARITABLE FOUNDATION

## REPORT OF THE CHAIR FOR THE YEAR ENDED 31 MARCH 2024

### Introduction

Dolphin's Living's unique offer is providing homes at below market rent specifically for working Londoners on modest incomes.

In its early years Dolphin Living was primarily a developer of new homes. Now with a substantial portfolio, the charity and its strategy have matured to encompass the stewardship of those homes and the services we provide to our residents, with residents being a focal point in all we do. Delivery of a truly customer centric approach requires a culture whereby all Dolphin suppliers and colleagues acknowledge they are accountable for the experience residents have because of the decisions they make.

### Strategy

The Board formulated a new strategy in May 2024 which will take the Group through to 2027. It is based around three core pillars:

- Residents;
- Homes; and
- Growth.

These are discussed in more detail later in this report.

To deliver this strategy we have expanded the Dolphin Living team, bringing in expertise in customer service and asset management, whilst maintaining strong development and finance teams. We are also investing in technology and resources to improve the data and understanding we have of our homes and the services we offer our residents.

### Strong financial position

The Group's underlying financial performance during the year has been strong. As a result of full year's income from the prior year acquisitions, and the current year acquisition, rental income increased by £0.7m to £13.3m. Excluding the impairment at Parkhouse Street, which is discussed later, we achieved an operating surplus of £0.8m. Our rent collection remains strong and we have seen only a relatively small increase in arrears.

The cost of living crisis and increased property maintenance costs continues to present the Group and its residents with a challenging environment during the 2023/24 financial year. Against this background, our team have maintained our proactive and collaborative approach and increased our focus on long term cyclical maintenance whilst continuing to provide high quality and affordable homes to working Londoners.

Our balance sheet remains strong with net assets of £166.9m.

# THE DOLPHIN SQUARE CHARITABLE FOUNDATION

## REPORT OF THE CHAIR FOR THE YEAR ENDED 31 MARCH 2024 (continued)

### **Properties and pipeline**

Following the acquisition of one property comprising 25 homes and the disposal of six homes during the year, the Group's portfolio totalled 838 homes at the year end. At which time occupancy was 98%.

Our plans for the redevelopment of the New Era estate have been delayed as a result of the recent requirement by the London Borough of Hackney (LBH) and emerging Building Regulations for a second staircase. However, earlier this year we selected a development partner and we are working with them and LBH to produce a scheme which meets the new requirements and submit an updated planning application later in the year.

During the year, we explored actions required to achieve the fuel poverty strategy of EPC C for all homes by 2030. This exercise included analysing data for our properties such as heating type, construction age, property type, wall type, roof insulation levels and glazing type, as well as energy efficiency data from the EPC assessment.

### **Supporting our residents**

As part of our annual Board strategy meeting each Board member and Director met with a resident in their home. This was an opportunity to hear directly from residents and reflect their views in our new strategic plan.

Surveying our residents is an important tool to understand our residents experience and ensure we take action to improve the areas that matter most to them. Our annual customer survey resulted in a Net Promoter Score (NPS) of 31 and across Tenant Satisfaction Measures (TSMs) we consistently scored an average of 69%.

Positive feedback from our residents includes common themes on affordability, value for money, good locations for work and transport, as well as community. These all align with the charitable benefit the Charity seeks to deliver.

The challenges faced by our residents caused by the cost of living crisis are ongoing. We have continued our open dialogue with all residents and have encouraged those in need to approach us for assistance, particularly those in financial hardship. The response has been positive and we have provided assistance through rent deferrals, waivers and payment plans, supporting our residents to maintain their tenancies where possible.

# THE DOLPHIN SQUARE CHARITABLE FOUNDATION

## REPORT OF THE CHAIR FOR THE YEAR ENDED 31 MARCH 2024 (continued)

### **Environmental, social and governance (ESG)**

Like all organisations, particularly those within real estate, we have both a responsibility and financial imperative to measure and improve our sustainability performance.

Our primary charitable objective is to *'provide reasonable assistance to those who cannot afford to rent or buy near their place of work'*. Delivering on this social purpose, with a particular focus on affordability of our homes, both in terms of rent and utilities, is therefore a priority.

As a property owner and developer, we contribute to the reduction of carbon emissions through location, design, use and retrofit of our properties. We work with residents to resolve the root causes of any damp and mould found in their homes and enable them to live safely and comfortably in their homes.

The Group was an early adopter of The Good Economy ESG reporting standard and our third report was published in October 2023. The second year of a three-year term of our SHIFT accreditation by Suss Housing was completed last summer and we attained a silver standard.


### **Health and safety**

Achieving full compliance with health and safety regulations remains firmly at the core of our operations. We regularly review our portfolio and take appropriate action to keep our homes safe and compliant with all existing and emerging legislation.

### **Looking forward**

Following the appointment of a dedicated Customer Services Director last year, we have reviewed all aspects of our residents' customer experience and have introduced improvements to our customer service offer in collaboration with our managing agent. This work is ongoing and following a review of our repairs process during the year includes focusing on delivering a more customer centric approach to repairs.

The organisation is well placed to continue to make significant progress and growth over the next decade, providing homes for the many people who keep London going and who help to make it such a successful, vibrant and multicultural city. I would like to thank the capable and dedicated team of governors, executives and staff for helping to make this happen.



**Andrew Giblin** (Chair of Governors)

## **DOLPHIN SQUARE CHARITABLE FOUNDATION**

### **REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 MARCH 2024**

The Trustee presents the annual report and audited financial statements for the year ended 31 March 2024. These financial statements reflect the results of the Charity and its subsidiaries (the 'Group').

#### **ESTABLISHMENT**

The Dolphin Square Charitable Foundation (the 'Charity') was first registered as a charity on 17 June 2005 under registered Charity Number 1110090. Its governing document is a Trust Deed dated 11 May 2005.

#### **TRUSTEE**

Dolphin Square Charitable Trustee Limited is the corporate trustee of the Charity. Its Governors are as follows:

- Andrew Giblin (Chair)
- Deirdra Armsby
- Bruce Clitherow
- Paul Disley-Tindell appointed 1 January 2024
- Jason Green appointed 1 January 2024
- Jo Moran
- Julia Moulder
- Sarah Philbrick
- Sarah Smith
- Anna Strongman

The company secretary is Olivia Harris.

There are four classes of membership:

- A The Dolphin Square Trust (represented by Bruce Clitherow)
- B Westminster City Council (represented by Deirdra Armsby)
- C CityWest Homes
- D Other Governors

The rights of the various classes of members are set out in the Memorandum and Articles but in summary are:

- A The right to nominate a governor and to veto a governor's removal.
- B The right to nominate a governor and to veto certain amendments to articles.
- C The right to nominate a governor.
- D No special rights.

# THE DOLPHIN SQUARE CHARITABLE FOUNDATION

## REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 MARCH 2024 (continued)

### STRUCTURE, GOVERNANCE AND MANAGEMENT

Dolphin Square Charitable Trustee Limited (the 'Trustee') is a company limited by guarantee (number 5442737, incorporated 4 May 2005) and was formed to declare the trust and to act as trustee of the Charity. The Charity was originally funded by a total of £125m received in accordance with the Deed of Gift between Dolphin Square Trust Limited and the Trustee as trustee of the Charity. These monies were realised from the sale of leasehold interests held by Westminster City Council and the Dolphin Square Trust (Industrial & Provident Society: 16737R) in the Dolphin Square mansion block in Pimlico.

The Trustee holds the assets to apply the income and, at its discretion, the capital in furtherance of the objectives.

The Governors meet quarterly to set the strategy and policies of the Charity and monitor operational activity and financial performance. Day-to-day management of the work of the Charity is delegated to the Chief Executive and her team.

The Charity has committees covering areas of specialised interest:

- Acquisition, Finance and Development;
- Audit and Risk;
- Operations; and
- Remuneration and Nominations.

These committees meet regularly and help to implement the Board's decisions and report to the main board.

Training opportunities are regularly identified and Governors are encouraged to participate in those that they feel to be of use.

The Governors of the Dolphin Square Charitable Foundation received no remuneration during the year. Details of Governors' expenses and related party transactions are disclosed in notes 17 and 19 to the accounts. Governors are required to disclose all relevant interests and register them with the Chief Executive and in accordance with the Charity's policy withdraw from decisions where a conflict of interest arises. Several Governors are active in the affordable housing sector. The Charity's trust deed recognises the potential for conflicts of interest to occur and regulates how they are managed at Board meetings.

The Charity has three subsidiaries, Dolphin Housing Limited (Community benefit society number 32446R, regulated by the Regulator of Social Housing), Hoxton Regeneration Limited and DSF Developments Limited. A number of Governors and staff of the Charity are directors of the subsidiaries. Dolphin Housing Limited also has one independent director. The subsidiaries hold regular Board meetings and directors are invited to attend committee meetings as necessary. In accordance with normal industry practice the independent director of Dolphin Housing Limited receives remuneration.

From January 2024, the Board has operated as a joint Board of the Charity and Dolphin Housing Limited. This change was put in place to support a more streamlined approach in Board meetings. Provisions are in place to manage any conflicts of interest that may arise as a result of this structure.

# THE DOLPHIN SQUARE CHARITABLE FOUNDATION

## REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 MARCH 2024 (continued)

### STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

During 2023, one Governor of the Charity and two independent directors of Dolphin Housing Limited, who are also members of the Board sub-committees, completed the recommended maximum term and so retired from the Board. The method of recruitment, induction and appraisal of Governors is decided upon by the Board in accordance with the articles and in light of best practice within the sector. Following an assessment of the Charity's business and skills requirements, two Governors were appointed to the joint Board. Additionally, one independent committee member was appointed to both the Acquisition, Finance and Development Committee and the Operations Committee during the year.

All staff are jointly employed by the Charity and its subsidiaries. Each entity is responsible for its own direct costs. The Charity has entered into a cost sharing agreement for central costs with its subsidiaries based upon staff allocations. The Charity enters into other arms-length transactions with its subsidiaries.

### OBJECTIVES AND ACTIVITIES

The Objectives of the Charity are to:

'Provide reasonable assistance in securing accommodation within the City of Westminster for individuals (and any dependants living with them) who are in need of accommodation as a result of:

- their employment in the public or voluntary sectors or in relevant employment in the City of Westminster and the surrounding area, having regard to the fact that such individuals could not afford to secure such accommodation on normal commercial terms; or
- financial hardship, social or economic need, age, ill health, disability or any other need.'

The objectives define the interpretation of the terms 'public sector,' 'voluntary sector,' and 'relevant employment.' They also describe the consultation required between the Charity and Westminster City Council regarding the determination of the needs of people living in the area and the activities of the Charity, which will meet those needs. With the consent of Westminster City Council, the Charity may secure accommodation outside of the City of Westminster.

# THE DOLPHIN SQUARE CHARITABLE FOUNDATION

## REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 MARCH 2024 (continued)

### STRATEGY

In May 2024, the Board and the executive team formulated a new three-year strategy to take the Group through to 2027. The strategy is broken down into three areas of focus: customers; homes; and growth. The key issues in the housing sector; affordability, safety, sustainability, emerging legislation and inclusivity, are embedded within our strategy across the three core areas of residents, homes and growth. These three pillars are not independent of each other and to deliver this strategy the links between them are acknowledged.

#### Residents

Our residents are central to what we do and why we do it. They should all be treated equally irrespective of housing tenure. We will continuously improve our offer to our residents through:

- establishing a customer experience management system;
- delivering improvements in customer experience where it matters most to our residents; and
- growing a customer centric culture across all of Dolphin Living.

#### Homes

We provide homes that meet our residents' needs and that they can afford near to their place of work. We will:

- keep our homes and customer safe by delivering 100% health & safety compliance;
- evolve the repairs service to be customer centric;
- reduce our customers' energy costs by making our homes more energy efficient; and
- provide quality homes to all of our residents by ensuring all homes are decent, safe and energy efficient through effective planned maintenance and management.

#### Growth

Dolphin will deliver a sustainable level of growth within a 30-minute commute of Westminster by:

- improving existing homes and rebuilding our older estates;
- acquiring affordable housing delivered by other developers; and
- identifying land-led opportunities to deliver new homes.

We will deliver our strategic aims whilst being mindful of financial and resource capacity constraints, data management, external changes to law, regulation and policy, as well as embedding our approach within our culture. Strong governance, financial resilience and responsible management underpin the delivery of the strategy.

# THE DOLPHIN SQUARE CHARITABLE FOUNDATION

## REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 MARCH 2024 (continued)

### ACHIEVEMENTS AND PERFORMANCE

#### Homes available to rent

During the year, we acquired one property at Marylebone Square which added 25 homes to our portfolio. We also disposed of six homes from our portfolio which now comprises 838 homes for rent and 13 commercial units. Of the total portfolio 72% (2023: 72%) is intermediate rent, providing homes at an average discount of 39% (2023: 34%) to market rent whilst delivering a financial return that ensures the continued financial viability and growth of the Charity.

	Number of homes				Commercial units	TOTAL
	Intermediate	Social/ affordable	Market	TOTAL		
<b>Portfolio at 31 March 2023</b>	<b>601</b>	<b>49</b>	<b>169</b>	<b>819</b>	<b>13</b>	<b>832</b>
Disposals	(6)	-	-	(6)	-	(6)
Marylebone Square	25	-	-	25	-	25
<b>Portfolio at 31 March 2024</b>	<b>620</b>	<b>49</b>	<b>169</b>	<b>838</b>	<b>13</b>	<b>851</b>
% of portfolio	72%	6%	20%	98%	2%	100%
Planning:						
New Era	97	49	-	<b>97</b>	<b>1</b>	<b>98</b>
Existing units demolished for redevelopment	(96)	-	-	<b>(96)</b>	<b>(12)</b>	<b>(108)</b>
<b>Forecast to 31 March 2029</b>	<b>621</b>	<b>49</b>	<b>169</b>	<b>839</b>	<b>2</b>	<b>841</b>

We continue to meet our charitable objectives with the majority of our affordable housing being intermediate rental homes. These homes provide stable tenancies at a range of rents affordable to households earning less than the affordable housing incomes limits set annually by the Mayor of London. Priority is given to those who can afford the rent yet earn the least and those who will most fully occupy each home. In following our charitable objects, we aim to prioritise those with a Westminster connection.

Alongside our intermediate rental homes we provide a smaller number of homes at affordable and social rent that are subject to nominations by the local authority. We also own and let a portfolio of homes for those with a more acute housing need. Our intermediate, affordable and social rent homes are cross-subsidised by the 169 market rent homes.

Throughout the year we achieved 100% compliance (2023: 100%) with our Health and Safety KPI targets. These KPIs include:

- ensuring homes have current fire and general risk assessments, and valid gas and electrical certificates; and
- that they have been inspected in the current year.



**THE DOLPHIN SQUARE CHARITABLE FOUNDATION**

**REPORT OF THE TRUSTEE  
FOR THE YEAR ENDED 31 MARCH 2024 (continued)**

**ACHIEVEMENTS AND PERFORMANCE (continued)**

**Financial review**

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Net assets</b>	£166.9m	£168.5m	£168.4m	£166.7m	£166.0m
<b>Turnover <sup>1</sup></b>	£15.2m	£12.7m	£12.5m	£12.1m	£9.2m
<b>Operating surplus <sup>2</sup></b>	£4.7m	£4.3m	£5.6m	£4.3m	£3.7m
<b>Operating margin <sup>3</sup></b>	32%	34%	45%	36%	40%
<b>Gearing <sup>4</sup></b>	71%	71%	63%	64%	64%
<b>Interest cover <sup>5</sup></b>	3.2	3.0	3.2	3.2	5.1
<b>Homes in portfolio</b>	838	819	791	798	660
<b>Homes completed in year</b>	25	31	-	141	33

<sup>1</sup> Turnover includes all income except for profit on sale of land and buildings.

<sup>2</sup> Operating surplus excludes finance costs, restricted and investment income and goodwill amortisation.

<sup>3</sup> Operating surplus as a proportion of income from charitable and other trading activities.

<sup>4</sup> Loans as a proportion of total funds.

<sup>5</sup> Income from charitable and other trading activities divided by finance costs.

Turnover, which comprises rental income, investment income and other income, during 2023/24 increased from last year due to:

- a full year of the three acquisitions, comprising a total of 31 homes, which completed during last year;
- an increase in investment income due to the increases in deposit rates; and
- other income received during the year,

and was offset by the decrease in income resulting from the disposal of six homes that did not deliver our strategic objectives (2023: three).

Rental income is received from two types of property;

- purpose-built developments; and
- existing properties that the Charity has acquired,

and from three sources;

- intermediate rent leases;
- market rent leases (residential and commercial); and
- leases under its objective to assist those in acute housing need.

Other income relates to amounts received from third parties in relation to reimbursement of costs incurred by the Group.

Expenditure in the year was considerably higher than during the previous year due to an increased level of investment at our properties as these properties age and the high levels of inflation experienced during the year. In addition, higher property management and depreciation costs reflect the increased portfolio size.

## THE DOLPHIN SQUARE CHARITABLE FOUNDATION

### REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 MARCH 2024 (continued)

#### Financial review (continued)

Finance costs are higher than last year due to the increases in base rates during the year, although our exposure to such increases is limited as 94.4% of our loans are at fixed interest rates.

Excluding the impairment at Parkhouse Street of £2.5m, net income for the Group for the year was £0.8m (2023: £0.1m) and reserves of £166.9m (2023: £168.5m) were carried forward.

#### Funding

In 2017, we issued a £25m charity bond and we have a further £20m of bonds available for future issue if required.

Last year, we completed two new facilities of £10.0m and £2.9m with Legal and General and Unity Trust Bank, respectively. No additional funding was obtained during the year. We continue to investigate the requirement for new funding facilities over the short and medium-term as we look to implement our development and acquisition strategies.

The financial strength of the Group remains strong with cash or near cash being £23.0m (2023: £21.6m) and a net asset position of £166.9m (2023: £168.5m).

#### Development properties and pipeline

During the year, we completed the acquisition of 25 homes for intermediate rent at Marylebone Square, Westminster.

In July 2020, the London Borough of Hackney ('LBH') resolved to grant planning consent for the New Era estate where 199 new homes will be built. However, the requirement for a second staircase in new developments above 18m has delayed our plans. Earlier this year we selected a development partner and we are working with them and LBH to redesign our plans to incorporate the second staircase and to ensure financial viability of the scheme. A revised application will be submitted in early 2025.

We are updating the planning application for our proposed development at Parkhouse Street, Camberwell, where we have a resolution to grant planning for 85 homes. The updated plans take into consideration new Fire Safety regulations by incorporating second staircase access as well as the financial viability and deliverability of the scheme.

The Board have defined Growth within our strategy as improvements to existing homes as well as the acquisition and development of new homes. During the year, we commenced a review of two existing estates owned by the Charity, being Mount Close, Ealing and Havelock House & The Hermitage, Lewisham. The work includes a review of the opportunities within each estate to improve the existing homes, both from a design and sustainability perspective.

We continue to be active in the market looking for opportunities to acquire sites, completed properties and existing homes. We remain committed to our Westminster beneficiaries, albeit acknowledging that in balancing costs against number of beneficiaries, we will continue to seek opportunities in areas that provide a sustainable commute to Westminster as well as making acquisitions within Westminster.

## THE DOLPHIN SQUARE CHARITABLE FOUNDATION

### REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 MARCH 2024 (continued)

#### ACHIEVEMENTS AND PERFORMANCE (continued)

##### Customer service

Following on from our review last year of our residents' experience we have:

- increased our resident engagement with at least one in person meeting at each property during the year and more as required, in addition to an increase in 1:1 home visits. The outcomes of these meetings have, and will continue to, inform our approach and help us improve the service that we offer;
- carried out a review of our repairs service with a focus on making it resident centric. Key actions have been identified and will be rolled out over the coming year;
- improved our arrears management, increasing engagement at an early stage and offering support to residents through deferral, waiver and rent payment plans; and
- made improvements to the onboarding process for new residents, which are underway and ongoing.

Surveying our residents is an important tool to understand their experience and ensure we take action to improve the areas that matter most to them. Our annual customer survey resulted in a Net Promoter Score (NPS) of 31 and Tenant Satisfaction Measures (TSMs) identified that 74% of residents are satisfied with our services. Across the TSMs we scored an average of 69%. Our lowest scoring TSM was in response to complaint handling where we will seek to deliver improvement next year, in particular as we roll out improvements to our repairs service which was the main source of customer complaints.

We continue to improve our response to reports of damp and mould in our homes and have plans to carry out extensive capital works at some of our older properties. Our regimen of regular property inspections will also identify any cases which our residents do not report. Our customer service colleagues, along with team members from our managing agents, Touchstone CPS, have undertaken training in the identification of domestic abuse within our homes and how to respond to suspected abuse, as well as further training on improving customer service specifically in written communications and complaints handling. We will be using the learning from this training to improve our services and support our residents.

**THE DOLPHIN SQUARE CHARITABLE FOUNDATION**  
**REPORT OF THE TRUSTEE**  
**FOR THE YEAR ENDED 31 MARCH 2024 (continued)**

**Environmental, social and governance (ESG) monitoring and reporting**

Our stakeholders include our residents, local communities, investors, local government, our staff and Board. It is extremely important to us to continually improve our sustainability credentials. In order to assist measurement and reporting, the Group signed up as an early adopter of The Good Economy ESG reporting standard and our third report was published during the year. This standard sets out a number of baseline sustainability measures against which adopters must report and evidences our commitment to achieving high performance in all areas of ESG. We are measured as an organisation on our environmental and social impacts and risks, and the quality of our governance. The objectives of ESG reporting closely align to the Group's charitable objectives, our culture and the future legislative requirements we expect to emerge in coming years.

In both our homes and our office, and through development and our supply chain we will:

- minimise our carbon footprint through reducing electricity and gas usage, and prioritising carbon reduction measures in our homes, developments and refurbishments;
- monitor our construction projects to reduce the environmental impact of activities on site;
- risk assess all our construction, development and refurbishment projects against the predicted local impacts of climate change;
- develop sustainable procurement processes for our goods and services;
- assess and improve carbon emissions across our housing stock;
- deliver net gain biodiversity at our developments, creating great places for both people and nature to thrive;
- work with residents so they can make greener choices; and
- encourage our residents to put the environment first and to integrate good environmental practices into their everyday lives.

Following a review of the available industry benchmarks undertaken last year, SHIFT by Suss Housing was selected as a sustainability measure/benchmark. The second year of a three-year term of our SHIFT accreditation was completed last summer and we attained a silver standard.

A sustainability group comprising the CEO and other senior members of staff, established last year, monitors and reviews our progress against the Group's targets.

## THE DOLPHIN SQUARE CHARITABLE FOUNDATION

### REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 MARCH 2024 (continued)

#### ACHIEVEMENTS AND PERFORMANCE (continued)

##### The team

Our executive team, led by Olivia Harris as Chief Executive, comprises 17 employees across property acquisition & development, property letting & management, and finance. Remuneration is reviewed annually with reference to current salaries, wage inflation and market rates. Management sets the remuneration for all staff except for senior management whose remuneration is set by the Remuneration and Nominations Committee, which also approves the overall salary expenditure. Key management personnel are Olivia Harris (Chief Executive), Gary Preston (Finance Director), Jacqueline England (Customer Services Director), Matthew Lamb (Development Director) and Octavia Williams (Asset Management and Governance Director).

##### PLANS FOR FUTURE PERIODS

We will continue to build our portfolio of intermediate rental properties through direct development, working with developers to acquire the affordable housing element of larger schemes and through the acquisition of existing homes. We continue to be open to joint venture opportunities with other charitable or benevolent landowners who wish to develop their sites and lack either capital or development expertise.

Our planning consent at the New Era estate will further enhance our growing portfolio of intermediate rental homes. We have progressed this scheme during the year and look forward to delivering this development in the near future. We are also exploring other development opportunities within our portfolio, such as those discussed earlier, in terms of both the resource required and the financial capacity to deliver them.

We aim to provide an exemplary customer experience, as well as ensuring that our homes are regularly upgraded and the portfolio delivers its potential. We are increasingly focused on long-term cyclical works. Throughout all the Charity does, from design, through construction and delivery, to management, there is a strong commitment embedded throughout the organisation to meet our customers' needs and in doing so fulfilling our charitable objectives. We will continue to champion the provision of intermediate rental housing for working Londoners.

We are monitoring the impact of rent reform proposals on our tenancies and our ability to continue to deliver charitable benefit to those who need it. To fund future growth we will raise additional finance as required but will always be mindful of maintaining the strong financial stability that currently exists.

## **THE DOLPHIN SQUARE CHARITABLE FOUNDATION**

### **REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 MARCH 2024 (continued)**

#### **PUBLIC BENEFIT**

The Charity has had regard to the guidance issued by the Charity Commission in respect of public benefit under the Charities Act 2011. The Board of Governors is keen to ensure there is an effective and appropriate balance of activity addressing the objectives of the Charity, both of which generate public benefit.

Every development scheme the Charity undertakes will have a proportion of the development providing accommodation at rents lower than those available in an open market. This benefits those working in the City of Westminster and Greater London by reducing travel time and expense as well as providing a stable tenancy with limited rental increases in a property that is managed for the benefit of the tenants. These factors improve quality of life for those working in the City of Westminster and Greater London who are not able to afford market rents.

The Charity provides accommodation to those in more acute financial hardship such as the homeless in the City of Westminster. The beneficiaries are housed in accommodation in the City of Westminster which is appropriate to their needs and family composition. The Charity also invests in projects that support the homeless to obtain work and provides accommodation to the beneficiaries of the projects. The provision of accommodation is another key stability factor supporting those entering the workplace.

#### **CHARITY CODE OF GOVERNANCE**

The Charity has adopted the Charity Code of Governance as set out by the Charities Commission. The Charity substantively complies with the Code of Governance and aspires to adopt all of the Code.

#### **FUTURE LEGISLATION**

We actively track emerging legislation which, at present, includes the Fairer Private Rented Sector White Paper. Currently, it is too early to understand the impact on our organisation as much of the detail will only be decided following consultation with the sector.

#### **RESERVES POLICY**

The reserves policy of the Charity is to hold sufficient liquid assets and undrawn loan facilities to meet all commitments and at least 12 months of operating costs.

The reserves of the Charity invested in liquid assets are held to provide certainty of amount, at maturity, to match the Charity's utilisation of these funds in its property development activities.

The Charity has reserves of £166.9m invested in properties, working capital and liquid assets. The life cycle costs for our properties are reviewed annually and a long-term plan is in place to incur these costs at the end of their expected lives which are incorporated into our forecast cash flows. Free reserves, excluding fixed assets, long-term debt and committed funds, are £17.7m. This is in excess of our target of 12 months of operating costs as funds are held for acquisition opportunities.

## **THE DOLPHIN SQUARE CHARITABLE FOUNDATION**

### **REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 MARCH 2024 (continued)**

#### **INVESTMENT POLICY**

The Charity's treasury policy, including its investment strategy for non-property assets, is regularly under review by the Acquisition, Finance and Development Committee. In accordance with the reserves policy the Committee ensures that the projected investment in properties and operating costs can be covered by readily available funds, whilst ensuring that the risks inherent in the investment portfolio are mitigated and returns are maintained. During the year investment performance has been in line with the investment strategy.

#### **GOING CONCERN**

The continuing cost of living crisis and high inflation environment has impacted both the UK economy and to a lesser extent the charity's operations and finances. These have had a impact on the core operations of the Charity and Group with increased costs reflecting the ongoing high inflation levels. Whilst we have seen a small increase in the rent arrears position, our collection rates of our residential income have remained high and the impact has been modest.

Where tenants have approached the Charity for assistance, we have addressed each case individually and on its merits. We are providing as much assistance as we can where appropriate to tenants and want to work with them to overcome any financial hardship they may sustain.

The Charity, as disclosed in this report, has substantial cash reserves. Having forecasted the Group's cashflow out to 2029/30, and stress tested the rental receipts and costs impacted by interest rate and inflationary increases, over that same period, the Governors consider that the Group has sufficient cash reserves to meet any potential falls in rental income as well as any interest rate and inflationary cost increases.

Staff work a minimum of two days in the office with the remainder remotely. The IT platform supporting remote working continues to work well and following the introduction of a new accounting system in April 2024, our systems are now completely 'cloud' based strengthening our strategy of working anywhere at any time. We have experienced no down time in systems during the year with no disruption to the service levels expected of the Group.

In 2021/22, we respecified and retendered our property management services and as a result reappointed Touchstone CPS for a term of three years and we have agreed to extend their contract for a further year. We have a continuous dialogue with them and they are key to delivering the Group's service model. They are part of a larger housing group of companies and are financially secure.

The executive team continue to monitor the financial position and performance of the Charity closely with updates on key metrics provided to Governors on a quarterly basis.

The Governors, although acknowledging the potential impact of the cost of living crisis and increasing property management costs, are satisfied that the financial strength that underpins the Charity provides sufficient confidence that the Charity and its subsidiaries have the ability to continue to operate as a going concern.



## THE DOLPHIN SQUARE CHARITABLE FOUNDATION

### REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 MARCH 2024 (continued)

#### BUSINESS RISK MITIGATION POLICY

The Governors are responsible for safeguarding the assets of the Charity and for ensuring that it is fully compliant with relevant regulations and best practice. They review the key risks to which the Charity is exposed at least once a year, together with the operating and financial compliance controls that have been implemented to mitigate those risks. The detailed risk register is maintained by the executive team and a strategic risk register is prepared for regular review by the Audit & Risk Committee, and annually by the Board. The Board are of the view that the formal ongoing process for identifying, evaluating and managing the Charity's significant risks that has been in place for the year ending 31 March 2024 continues to be appropriate for the Charity.

The key risks identified in the most recent review by the Board, including factors that are likely to affect the financial performance or position going forward are:

- external market risks including supply chain, cost inflation and labour shortages that would impact on the Charity's ability to deliver services and manage costs;
- regulatory changes, in particular around sustainability, fire safety and housing delivery policy, which increase costs and potentially absorb significant amounts of management resources;
- the delivery of new homes for intermediate rent which is impacted by external market pressures and regulatory changes as described above;
- insufficient business continuity capacity in the event of a critical or emergency event, which could result in cessation or delay of delivery of strategic objectives, and in the most extreme case organisational failure; and
- dependency on key suppliers whereby Dolphin has significant exposure to the performance and financial stability of a small number of key suppliers.

The controls and assurance in place for mitigating those risks are set out in the risk register and include:

- oversight by the Board and sub-committees of those risks and assurance on performance measures and reporting intended to mitigate the likelihood of occurrence or impact upon occurrence of those risks crystallising;
- setting and reporting of key performance indicators;
- sensitising and stress testing budgets and business plans;
- implementing service standards which can be flexed as required;
- recruiting and retaining suitably qualified and experienced staff and professional advisors to oversee, advise and manage properties;
- providing staff and Board members with training and information to keep abreast of regulatory changes;
- regular testing of the business continuity plan;
- robust procurement process including financial checks; and
- monthly monitoring of key supplier health and safety compliance.

The Board continue to identify any skills gaps and the recruitment of new Governors is focused on acquiring the needed skills.



## THE DOLPHIN SQUARE CHARITABLE FOUNDATION

### STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and the Group and of the Group's incoming resources and application of resources of the year. In preparing financial statements giving a true and fair view the Trustee should follow best practice and:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 Group will continue in operation.

The Trustee is responsible for keeping accounting records that disclose with reasonable accuracy the financial position of the Charity and the Group and enable the trustee to ensure that the financial statements comply with the Charities Act 2011 and regulations made thereunder. The Trustee is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

Approved and authorised for issue by the Trustee on 9 July 2024 and signed on its behalf.



**Andrew Giblin**  
(Chair of Governors)



**Julia Moulder**  
(Governor)

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF  
THE DOLPHIN SQUARE CHARITABLE FOUNDATION  
FOR THE YEAR ENDED 31 MARCH 2024**

**Opinion**

We have audited the financial statements of The Dolphin Square Charitable Foundation for the year ended 31 March 2024 which comprise consolidated statement of financial activities, consolidated balance sheet, balance sheet, consolidated cashflow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charity's affairs as at 31 March 2024 and of the Group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**Basis for opinion**

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

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's or the Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustee with respect to going concern are described in the relevant sections of this report.

**Other information**

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

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF  
THE DOLPHIN SQUARE CHARITABLE FOUNDATION  
FOR THE YEAR ENDED 31 MARCH 2024 (continued)**

**Other information (continued)**

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustee's report; or
- sufficient accounting records have not been kept by the parent Charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of the Trustee**

As explained more fully in the Trustee's responsibilities statement set out on page 19, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as Auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF  
THE DOLPHIN SQUARE CHARITABLE FOUNDATION  
FOR THE YEAR ENDED 31 MARCH 2024 (continued)**

**Auditor's responsibilities for the audit of the financial statements (continued)**

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

**Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Group and charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 and together with the Charities SORP (FRS102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Group's and charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Group and charitable company for fraud. The only other laws and regulations we considered in this context are taxation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Governors and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, analytical procedures and sample testing of income, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF  
THE DOLPHIN SQUARE CHARITABLE FOUNDATION  
FOR THE YEAR ENDED 31 MARCH 2024 (continued)**

**Use of our report**

This report is made solely to the charity's Trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

**Crowe U.K. LLP**

Statutory Auditor

55 Ludgate Hill

London

EC4M 7JW

15 July 2024

**THE DOLPHIN SQUARE CHARITABLE FOUNDATION**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Restricted 2024 £	Unrestricted 2024 £	Total 2024 £
<b>Income and endowments from:</b>				
Restricted income – grants receivable		-	-	-
Charitable activities		-	10,242,721	10,242,721
Other trading activities		-	3,090,159	3,090,159
Investment income		-	1,051,346	1,051,346
Profit on sale of land and buildings		-	426,064	426,064
Other income		-	841,700	841,700
<b>Total</b>		<b>-</b>	<b>15,651,990</b>	<b>15,651,990</b>
<b>Expenditure on:</b>				
Raising funds				
Investment management fees		-	-	-
Charitable activities				
Housing support	3	-	9,653,919	9,653,919
Strategic development	3	-	281,159	281,159
Finance costs		-	4,880,566	4,880,566
<b>Total resources expended</b>		<b>-</b>	<b>14,815,644</b>	<b>14,815,644</b>
<b>Net income</b>		<b>-</b>	<b>836,346</b>	<b>836,346</b>
Impairment		-	(2,500,000)	(2,500,000)
<b>Net movement for the year</b>		<b>-</b>	<b>(1,663,654)</b>	<b>(1,663,654)</b>
Balance brought forward at 1 April 2023		28,412,800	140,120,273	168,533,073
<b>Balance carried forward at 31 March 2024</b>	<b>15</b>	<b>28,412,800</b>	<b>138,456,619</b>	<b>166,869,419</b>

All amounts relate to continuing operations. All gains and losses recognised in the year are included in the statement of financial activities.

The notes on pages 29 to 46 form part of the financial statements

**THE DOLPHIN SQUARE CHARITABLE FOUNDATION**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Restricted 2023 £	Unrestricted 2023 £	Total 2023 £
<b>Income and endowments from:</b>				
Restricted income – grants receivable		-	-	-
Charitable activities		-	9,857,919	9,857,919
Other trading activities		-	2,778,548	2,778,548
Investment income		-	113,530	113,530
Profit on sale of land and buildings		-	344,436	344,436
<b>Total</b>		<b>-</b>	<b>13,094,433</b>	<b>13,094,433</b>
<b>Expenditure on:</b>				
Raising funds		-	-	-
Investment management fees		-	-	-
Charitable activities		-	8,352,486	8,352,486
Housing support	3	-	284,853	284,853
Strategic development	3	-	4,325,371	4,325,371
Finance costs		-	-	-
<b>Total resources expended</b>		<b>-</b>	<b>12,962,710</b>	<b>12,962,710</b>
<b>Net income/movement for the year</b>		<b>-</b>	<b>131,723</b>	<b>131,723</b>
Balance brought forward at 1 April 2022		28,412,800	139,988,550	168,401,350
<b>Balance carried forward at 31 March 2023</b>	<b>15</b>	<b>28,412,800</b>	<b>140,120,273</b>	<b>168,533,073</b>

All amounts relate to continuing operations. All gains and losses recognised in the year are included in the statement of financial activities.

The notes on pages 29 to 46 form part of the financial statements

THE DOLPHIN SQUARE CHARITABLE FOUNDATION

CONSOLIDATED BALANCE SHEET AS AT  
31 MARCH 2024

	Note	£	2024 £	£	2023 £
<b>FIXED ASSETS</b>					
Freehold buildings	5		94,870,369		94,925,886
Leasehold buildings	6		158,288,748		156,918,128
Land and buildings under development	7		10,759,607		15,618,419
Tangible fixed assets	8		108,317		97,376
Investments	9		12,000,000		-
			<u>276,027,041</u>		<u>267,559,809</u>
<b>CURRENT ASSETS</b>					
Debtors and prepayments	10	2,498,330		1,656,203	
Cash at bank	11	10,991,930		21,711,801	
		<u>13,490,260</u>		<u>23,368,004</u>	
<b>LIABILITIES</b>					
Creditors: amounts falling due within one year	12	(3,582,026)		(3,355,422)	
<b>NET CURRENT ASSETS</b>			<u>9,908,234</u>		<u>20,012,582</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>285,935,275</u>		<u>287,572,391</u>
Creditors: amounts falling due after more than one year	13		(119,065,856)		(119,039,318)
<b>NET ASSETS</b>			<u>166,869,419</u>		<u>168,533,073</u>
Unrestricted funds			134,901,830		133,296,640
Designated funds			3,554,789		6,823,633
Total unrestricted funds			<u>138,456,619</u>		<u>140,120,273</u>
Restricted funds			28,412,800		28,412,800
<b>TOTAL FUNDS</b>	15		<u>166,869,419</u>		<u>168,533,073</u>

Approved and authorised for issue by the Trustee on 9 July 2024 and signed on its behalf



**Andrew Giblin**  
(Chair of Governors)



**Julia Moulder**  
(Governor)

The notes on pages 29 to 46 form part of the financial statements




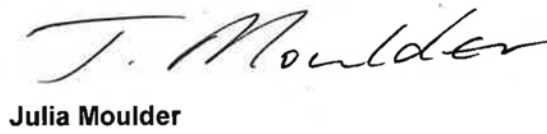
**THE DOLPHIN SQUARE CHARITABLE FOUNDATION**  
**BALANCE SHEET AS AT 31 MARCH 2024**

	Note	£	2024 £	£	2023 £
<b>FIXED ASSETS</b>					
Freehold buildings	5		69,860,966		69,911,134
Leasehold buildings	6		146,074,602		148,726,652
Land and buildings under development	7		7,280,067		9,157,636
Tangible fixed assets	8		108,317		97,376
Investments	9		38,059,666		26,059,666
			261,383,618		253,952,464
<b>CURRENT ASSETS</b>					
Debtors and prepayments	10	13,741,331		11,498,964	
Cash at bank	11	10,687,544		21,558,645	
		24,428,875		33,057,609	
<b>LIABILITIES</b>					
Creditors: amounts falling due within one year	12	(2,625,423)		(2,330,725)	
<b>NET CURRENT ASSETS</b>			21,803,452		30,726,884
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			283,187,070		284,679,348
Creditors: amounts falling due after more than one year	13		(116,234,881)		(116,212,686)
<b>NET ASSETS</b>			166,952,189		168,466,662
Unrestricted funds			134,984,600		133,230,229
Designated funds			3,554,789		6,823,633
Total unrestricted funds			138,539,389		140,053,862
Restricted funds			28,412,800		28,412,800
<b>TOTAL FUNDS</b>	15		166,952,189		168,466,662

The Charity had gross income of £13,094,072 (2023: £11,063,713) in the year and a net negative movement on reserves of £1,514,473 (2023: £2,804,059 negative).

Approved and authorised for issue by the Trustee on 9 July 2024 and signed on its behalf:

  
**Andrew Giblin**  
(Chair of Governors)

  
**Julia Moulder**  
(Governor)

The notes on pages 29 to 46 form part of the financial statements

**THE DOLPHIN SQUARE CHARITABLE FOUNDATION**

**CONSOLIDATED CASHFLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	2023 £	2022 £
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities	a	<u>500,574</u>	<u>994,202</u>
<b>Cash flows from investing activities:</b>			
Interest from investments		1,051,346	113,350
Proceeds from the sale of property, plant and equipment		2,440,413	1,273,979
Purchase of property, plant and equipment		(2,561,600)	(11,259,492)
Amounts invested		(12,000,000)	-
Proceeds of sales of investments		-	7,887,904
Net cash used in investing activities		<u>(11,069,841)</u>	<u>(1,984,259)</u>
<b>Cash flows from financing activities:</b>			
Repayments of borrowing		(150,604)	(132,130)
New financing net of fees		-	12,489,007
Net cash provided by financing activities		<u>(150,604)</u>	<u>12,356,877</u>
<b>Cash and cash equivalents:</b>			
Change in the reporting period		(10,719,871)	11,366,820
Balance brought forward at 1 April		21,711,801	10,344,981
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><b>10,991,930</b></u>	<u><b>21,711,801</b></u>

**Note**

**a. Reconciliation of cash flows from operating activities**

Net income for the reporting period	(1,663,654)	142,460
Adjustments for:		
Depreciation charges	1,580,019	1,517,479
Impairment	2,500,000	-
Amortisation of costs of raising finance	177,142	70,905
Interest from investments	(1,051,346)	(113,350)
Profit on the sale of fixed assets	(426,064)	(344,436)
Increase in debtors	(842,127)	(367,415)
Increase in creditors	226,604	88,559
<b>Net cash used in operating activities</b>	<u><b>500,574</b></u>	<u><b>994,202</b></u>

The notes on pages 29 to 46 form part of the financial statements

# THE DOLPHIN SQUARE CHARITABLE FOUNDATION

## NOTES TO THE ACCOUNTS YEAR ENDED 31 MARCH 2024

### 1. CHARITY INFORMATION

The Charity is registered with the Charity Commission, registration number 1110090. The registered address of the Charity is 1 Castle Lane, London, SW1E 6DR.

### 2. ACCOUNTING POLICIES

#### (a) Going concern

Although the impact of the continuing cost of living crisis and high inflation environment to the economy has been significant the Charity and the Group are in a strong position to operate through the economic upheaval and be well placed for when the recovery comes. In addition, the Charity has substantial cash reserves to call upon if needed.

Having forecasted the Group's cashflow out to 2025/26 and having stress tested the rental receipts, and costs that could be impacted by interest rate and inflationary increases over that same period, the Governors feel that the Group has sufficient cash reserves to meet an any fall in rental income or increase in costs. In addition, the rent collection rates throughout 2023/24 remained high providing further confidence of the Group's cashflow and stability.

These accounts are therefore prepared on a going concern basis. There are no material uncertainties over the Group's ability to continue as a going concern.

#### (b) Basis of accounting

The accounts have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities Act 2011 and UK Generally Accepted Practice.

The accounts have been prepared to give a true and fair view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005, which has since been withdrawn.

The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements of the Charity and its three subsidiaries, DSF Developments Limited, Dolphin Housing Limited and Hoxton Regeneration Limited are consolidated, on a line-by-line basis, to produce Group financial statements. The consolidated entity is referred to as 'the Group'. Only the financial activity of the Group is shown in the consolidated statement of financial activities.

# THE DOLPHIN SQUARE CHARITABLE FOUNDATION

## NOTES TO THE ACCOUNTS YEAR ENDED 31 MARCH 2024 (continued)

### 2. ACCOUNTING POLICIES (continued)

#### (c) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, which are described in this note, judgements, estimates, and assumptions are made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

There are no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date that are likely to result in a material adjustment to their carrying amounts in the next financial year.

In preparing these financial statements, key judgements have been made in respect of whether there are indicators of impairment of the Group's tangible fixed assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset. The Board have considered the measurement basis to determine the recoverable amount of assets where there are indicators of impairment based on EUV-SH or appropriate development appraisal.

#### Development expenditure

Development expenditure is capitalised in accordance with the accounting policy given below. Initial capitalisation of costs is based on management's judgement that technical and economic feasibility is confirmed, usually when a development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised management makes assumptions regarding the expected future cash generation of the assets, discount rates to be applied and the expected period of benefits.

#### Fixed asset depreciation

Tangible fixed assets are depreciated over their expected useful economic lives. The expected lives of the assets are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account.

#### (d) Grants and donations

Grants and donations are recognised when the Charity is entitled to the income, the receipt is probable and the amount can be quantified with reasonable accuracy.

#### (e) Rental income

Rental income is recognised as it falls due. Rental income charged at sub-market rates is recognised as income from charitable activities. All other rental income is recognised as income from other trading activities.

THE DOLPHIN SQUARE CHARITABLE FOUNDATION

NOTES TO THE ACCOUNTS  
YEAR ENDED 31 MARCH 2024 (continued)

2. ACCOUNTING POLICIES (continued)

**(f) Investment income**

Interest income is included in incoming resources on a receivable basis.

**(g) Resources expended**

Expenditure is included on an accruals basis.

Costs of charitable activities comprise all the resources applied by the Charity in undertaking its work to meet its charitable objectives. Housing support costs comprise staff and overhead costs and grants payable in support of housing projects.

Grants payable are accounted for in the Statement of Financial Activities in the year in which they are authorised. Any amounts which have been authorised but which remain unpaid at the year-end are included within the current liabilities in the balance sheet.

Strategic development costs comprise staff costs, overheads and fees payable to advisers in conjunction with the development of the Charity's objects.

**(h) Tangible fixed assets**

All tangible assets are shown at cost less depreciation.

Additions to tangible fixed assets comprise costs of a capital nature and include capitalised interest and certain staff costs directly attributable to the management of a development. Capitalised interest is calculated at the rate on associated borrowings applied to direct expenditure between the date of gaining planning consent and the date of practical completion.

Depreciation on tangible assets is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives.

Depreciation will be calculated on the following basis;

Office and computer equipment	33% straight line
Office improvements	20% straight line
Furniture in tenanted property	33% straight line
Freehold buildings	Over 100 to 150 years
Leasehold properties	Over the lower of their lease term and 150 years

Land is not depreciated.

**(i) Buildings in development**

Developments are shown at cost of acquisition and spend to date after taking into account any impairment in value. No depreciation is charged on developments until such time as they are completed.

## THE DOLPHIN SQUARE CHARITABLE FOUNDATION

### NOTES TO THE ACCOUNTS YEAR ENDED 31 MARCH 2024 (continued)

#### 2. ACCOUNTING POLICIES (continued)

##### (j) Investments

Fixed asset investments include cash on long-term deposit and are shown at cost.

##### (k) Pension costs

The Group contributed to a defined contribution scheme pension scheme administered by an independent company and to employees' personal pension schemes. The pension costs represent the contributions payable by the Group to the schemes for the year.

##### (l) Lease commitments

Rental income paid under operating leases is charged to income on a straight-line basis over the lease term.

##### (m) Business combinations

The consolidated financial statements incorporate the financial statements of the Charity and all subsidiaries. These are adjusted, where appropriate, to conform to Group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of entities acquired or disposed of are included in the income and expenditure account after or up to the date that control passes respectively.

##### (n) Financial instruments

Financial assets and liabilities are measured at fair value which is the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Loan transaction costs are amortised over the term of the loan.

**THE DOLPHIN SQUARE CHARITABLE FOUNDATION**

**NOTES TO THE ACCOUNTS  
YEAR ENDED 31 MARCH 2024 (continued)**

3. RESOURCES EXPENDED	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
<b>Charitable activities</b>				
<b>Housing support costs</b>				
Staff costs	1,078,341	1,050,102	556,367	506,109
Grants and donations	199,481	197,133	300,000	3,302,353
Direct costs	5,437,406	4,270,122	4,142,884	3,289,142
Property management costs	1,090,924	1,037,697	839,906	799,863
Office costs	52,276	110,981	53,522	100,889
Legal and professional fees	65,894	81,535	58,192	138,086
Support costs	64,014	13,929	63,828	32,727
Audit and accountancy fees	49,248	60,551	30,638	43,407
Depreciation: buildings	1,616,335	1,530,436	1,525,602	1,455,477
	<u>9,653,919</u>	<u>8,352,486</u>	<u>7,570,939</u>	<u>9,668,053</u>
<b>Strategic development costs</b>				
Staff costs	25,846	26,043	13,335	12,953
Direct costs	526	-	-	-
Office costs	72,191	123,778	73,911	112,522
Legal and professional fees	90,996	112,597	80,360	-
Support costs	88,400	-	88,143	-
Audit and accountancy fees	3,200	3,200	-	-
Other	-	19,235	-	-
	<u>281,159</u>	<u>284,853</u>	<u>255,749</u>	<u>125,475</u>

Support costs are either directly allocated to the activity, e.g. salaries, or shared pro-rata between the activities e.g. premises costs.

During the year salary costs capitalised to developments amounted to £239,639 (2023: £264,702).

Legal and professional fees include costs relating to Crowe U.K. LLP for accountancy and tax services which totalled £13,540 for the Group (2023: £29,030).

Grants and donations comprise:	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Paid in the year	<u>199,481</u>	<u>197,133</u>	<u>300,000</u>	<u>3,288,096</u>

**THE DOLPHIN SQUARE CHARITABLE FOUNDATION**

**NOTES TO THE ACCOUNTS  
YEAR ENDED 31 MARCH 2024 (continued)**

<b>4. STAFF COSTS</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Gross salaries	<b>1,008,748</b>	998,626
Employer's NI contributions	<b>102,565</b>	97,466
Employer's pension contributions	<b>168,838</b>	153,476
	<hr/>	<hr/>
	<b>1,280,151</b>	1,249,568
	<hr/>	<hr/>
Key management benefits	<b>559,698</b>	598,365
	<hr/>	<hr/>

The average number of employees in the year was 16 (2023: 15). Employees are divided between housing support and strategic development, 8:8 (2022: 7:8), respectively.

The number of employees whose emoluments, excluding pensions, exceeded £60,000 was:

	<b>2024</b>	<b>2023</b>
£60,000 - £69,999	<b>2</b>	3
£70,000 - £79,999	<b>3</b>	-
£80,000 - £89,999	<b>1</b>	-
£90,000 - £99,999	-	-
£100,000 - £109,999	-	1
£110,000 - £119,999	-	1
£120,000 - £129,999	<b>1</b>	-
£130,000 - £139,999	-	-
£140,000 - £149,999	-	-
£150,000 - £159,999	-	1
£160,000 - £169,999	<b>1</b>	-

Pension payments of £168,838 (2023: £153,476) were made during the year in respect of 14 employees (2023: 14).

The Governors received no remuneration during the year (2023: £nil).



**THE DOLPHIN SQUARE CHARITABLE FOUNDATION**

**NOTES TO THE ACCOUNTS  
YEAR ENDED 31 MARCH 2024 (continued)**

**5. FREEHOLD LAND AND BUILDINGS:**

<b>Group</b>	<b>Land £</b>	<b>Buildings £</b>	<b>Total £</b>
<b>COST</b>			
<b>At 1 April 2023</b>	42,344,016	56,835,628	99,179,644
Additions	-	755,272	755,272
Disposals	(314,285)	(101,687)	(415,972)
<b>At 31 March 2024</b>	<b>42,029,731</b>	<b>57,489,213</b>	<b>99,518,944</b>
<b>DEPRECIATION</b>			
<b>At 1 April 2023</b>	-	4,253,758	4,253,758
Charge in the year	-	403,484	403,484
Disposals	-	(8,667)	(8,667)
<b>At 31 March 2024</b>	<b>-</b>	<b>4,648,575</b>	<b>4,648,575</b>
<b>NET BOOK VALUE</b>			
<b>At 31 March 2024</b>	<b>42,029,731</b>	<b>52,840,638</b>	<b>94,870,369</b>
At 31 March 2023	42,344,016	52,581,870	94,925,886
<b>Charity</b>			
<b>COST</b>			
<b>At 1 April 2023</b>	21,435,768	52,144,098	73,579,866
Additions	-	734,942	734,942
Disposals	(314,285)	(101,687)	(415,972)
<b>At 31 March 2024</b>	<b>21,121,483</b>	<b>52,777,353</b>	<b>73,898,836</b>
<b>DEPRECIATION</b>			
<b>At 1 April 2023</b>	-	3,668,732	3,668,732
Charge in the year	-	377,805	377,805
Disposals	-	(8,667)	(8,667)
<b>At 31 March 2024</b>	<b>-</b>	<b>4,037,870</b>	<b>4,037,870</b>
<b>NET BOOK VALUE</b>			
<b>At 31 March 2024</b>	<b>21,121,483</b>	<b>48,739,483</b>	<b>69,860,966</b>
At 31 March 2023	21,435,768	48,475,366	69,911,134

**THE DOLPHIN SQUARE CHARITABLE FOUNDATION**

**NOTES TO THE ACCOUNTS  
YEAR ENDED 31 MARCH 2024 (continued)**

**6. LEASEHOLD BUILDINGS**

<b>Group</b>	<b>Total £</b>
<b>COST</b>	
<b>At 1 April 2023</b>	162,761,948
Additions	691,085
Disposals	(1,678,234)
Transfers from land and buildings under development	3,453,411
<b>At 31 March 2024</b>	<b>165,228,210</b>
<b>DEPRECIATION</b>	
<b>At 1 April 2023</b>	5,843,820
Charge in the year	1,166,832
Disposals	(71,190)
<b>At 31 March 2024</b>	<b>6,939,462</b>
<b>NET BOOK VALUE</b>	
<b>At 31 March 2024</b>	<b>158,288,748</b>
At 31 March 2023	156,918,128
<b>Charity</b>	<b>Total £</b>
<b>COST</b>	
<b>At 1 April 2023</b>	154,527,577
Additions	271,651
Disposals	(1,893,115)
<b>At 31 March 2024</b>	<b>152,906,113</b>
<b>DEPRECIATION</b>	
<b>At 1 April 2023</b>	5,800,925
Charge in the year	1,101,776
Disposals	(71,190)
<b>At 31 March 2024</b>	<b>6,831,511</b>
<b>NET BOOK VALUE</b>	
<b>At 31 March 2024</b>	<b>146,074,602</b>
At 31 March 2023	148,726,652

THE DOLPHIN SQUARE CHARITABLE FOUNDATION

NOTES TO THE ACCOUNTS  
YEAR ENDED 31 MARCH 2024 (continued)

7. LAND AND BUILDINGS UNDER DEVELOPMENT

Group	Land £	Buildings under development £	Total £
<b>At 1 April 2023</b>	7,041,749	8,576,670	15,618,419
Additions	-	1,094,599	1,094,599
Transfer to leasehold buildings	-	(3,453,411)	(3,453,411)
Impairment	-	(2,500,000)	(2,500,000)
<b>At 31 March 2024</b>	<b>7,041,749</b>	<b>3,717,858</b>	<b>10,759,607</b>
<b>Charity</b>			
<b>At 1 April 2023</b>	7,041,749	2,115,887	9,157,636
Additions	-	622,431	622,431
Impairment	-	(2,500,000)	(2,500,000)
<b>At 31 March 2024</b>	<b>7,041,749</b>	<b>238,318</b>	<b>7,280,067</b>

The impairment of £2.5m relates to our property at Parkhouse Street, Camberwell. We have a resolution to grant planning for 85 homes. However, in order to comply with new Fire Safety regulations and incorporate second staircase access and to ensure financial viability of the scheme, we are updating the planning application for our proposed development. At the year end, we have reassessed the value of the site and as a result have recognised an impairment of £2.5m.

**THE DOLPHIN SQUARE CHARITABLE FOUNDATION**

**NOTES TO THE ACCOUNTS  
YEAR ENDED 31 MARCH 2024 (continued)**

**8. TANGIBLE FIXED ASSETS**

Group and Charity	Office improvements £	Computer and office equipment £	Total £
<b>COST</b>			
At 1 April 2023	87,886	117,783	205,669
Additions	9,200	11,444	20,644
<b>At 31 March 2024</b>	<b>97,086</b>	<b>129,227</b>	<b>226,313</b>
<b>DEPRECIATION</b>			
At 1 April 2023	18,004	90,289	108,293
Charge in the year	8,643	1,060	9,703
<b>At 31 March 2024</b>	<b>26,647</b>	<b>91,349</b>	<b>117,996</b>
<b>NET BOOK VALUE</b>			
At 31 March 2024	<b>70,439</b>	<b>37,878</b>	<b>108,317</b>
At 31 March 2023	69,882	27,494	97,376

**9. FIXED ASSET INVESTMENTS:**

Group	2024 £	2023 £
Cash held as an investment	<b>12,000,000</b>	-
Historical cost	<b>12,000,000</b>	-
<b>Charity</b>	<b>2024 £</b>	<b>2023 £</b>
Investments in subsidiaries	<b>26,059,666</b>	26,059,666
Cash held as an investment	<b>12,000,000</b>	-
	<b>38,059,666</b>	26,059,666
Historical cost	<b>38,059,666</b>	26,059,666

Investments in cash are primarily held to preserve the capital to meet existing capital commitments and for appropriate property investment opportunities as they arise.

**THE DOLPHIN SQUARE CHARITABLE FOUNDATION**

**NOTES TO THE ACCOUNTS  
YEAR ENDED 31 MARCH 2024 (continued)**

**9. FIXED ASSET INVESTMENTS (continued)**

The investment in subsidiaries figures above represent investments in the following subsidiaries:

**Subsidiaries**

	<b>DSF Developments Limited</b>	<b>Dolphin Housing Limited</b>	<b>Hoxton Regeneration Limited</b>
Company number	8327131	32446R	597445
Incorporation	England	England	England
Shareholding	100%	100%	100%
	<b>2024</b>	<b>2024</b>	<b>2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Assets	913,406	13,276,666	22,844,134
Liabilities	919,011	9,985,411	5,192,782
Fund/net assets	(5,605)	3,291,255	17,651,352
Income	160,259	2,368,908	1,000,029
Expenditure	163,106	2,486,424	913,762
(Loss)/profit	(2,847)	(117,516)	86,267

**10. DEBTORS**

	<b>Group</b>		<b>Charity</b>	
	<b>£</b>		<b>£</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Trade debtors	287,926	299,571	173,831	178,603
Other debtors	1,693,439	1,162,253	1,670,642	1,127,224
Prepayments	178,110	194,379	175,393	191,717
Accrued income	338,855	-	338,855	-
Amounts owed by subsidiaries	-	-	11,382,610	10,001,420
	<u>2,498,330</u>	<u>1,656,203</u>	<u>13,741,331</u>	<u>11,498,964</u>

**THE DOLPHIN SQUARE CHARITABLE FOUNDATION**

**NOTES TO THE ACCOUNTS  
YEAR ENDED 31 MARCH 2024 (continued)**

**10. DEBTORS (continued)**

During the year the Charity provided funds to wholly owned subsidiaries under loan agreements and an agreement to provide support.

At the year end, the amounts owed to the Charity by DSF Developments Limited were £238,014 (2023: £154,818) under the development agreement. During the year, shared costs of £186,656 were recharged by the Charity to DSF Developments Limited (2023: £132,351).

At the year end, the amounts owed to the Charity by Hoxton Regeneration Limited were £4,253,078 (2023: £4,764,925) including two loan agreements for £865,074 (2023: £865,074) and £2,491,190 (2023: £1,198,202). Both loan agreements have a ten-year term and are repayable in three and four years respectively. During the year, a gift of £106,594 (2023: £449,441) was donated by Hoxton Regeneration Limited to the Charity. Additionally, finance costs were recharged by the Charity to Hoxton Regeneration Limited £225,998 (2023: £nil) and shared costs of £287,085 were recharged by the Charity to Hoxton Regeneration Limited (2023: £297,972).

At the year end, the amounts owed to the Charity by Dolphin Housing Limited were £6,897,003 (2023: £5,946,851) for shared costs and expenses including three loan agreements for £1,885,000 (2023: £1,885,000), £1,500,000 (2023: £1,500,000) and £2,285,000 (2023: £2,285,000) which are secured against certain assets owned by Dolphin Housing Limited. During the year, finance costs of £163,561 were charged by the Charity to Dolphin Housing Limited (2023: £161,251) and shared costs of £283,751 were recharged by the Charity to Dolphin Housing Limited (2023: £296,478).

**11. CASH AT BANK**

An amount of £250,000 (2023: £250,000) is currently held in reserve for specific development costs.

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	2,691	88,767	2,791	26,739
Social security & other taxes	23,905	34,566	23,905	34,566
VAT	6,153	14,228	-	14,228
Accruals	1,836,866	1,456,426	1,705,459	1,423,903
Development retentions	819,221	819,221	-	-
Loans	111,748	106,185	111,748	106,185
Deferred income	-	27,834	-	27,834
Other creditors	781,442	808,195	781,520	697,270
	<b>3,582,026</b>	<b>3,355,422</b>	<b>2,625,423</b>	<b>2,330,725</b>

Deferred income relates to rental income received in advance from tenants which is then released after the year end in the period to which it relates.

**THE DOLPHIN SQUARE CHARITABLE FOUNDATION**

**NOTES TO THE ACCOUNTS  
YEAR ENDED 31 MARCH 2024 (continued)**

**13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

<b>Group</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Loans maturing:		
Within one year	<b>123,771</b>	118,208
In one to two years	<b>132,520</b>	126,439
In two to five years	<b>25,455,807</b>	25,434,634
In more than five years	<b>95,518,236</b>	95,668,636
	<hr/> <b>121,230,334</b>	<hr/> 121,347,917
Unamortised issue costs	<b>(2,052,730)</b>	(2,202,414)
	<hr/> <b>119,177,604</b>	<hr/> 119,145,503
Due within one year	<b>(111,748)</b>	(106,185)
	<hr/> <b>119,065,856</b>	<hr/> 119,039,318
	<hr/> <hr/>	<hr/> <hr/>
<b>Charity</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Loans maturing:		
Within one year	<b>123,771</b>	118,208
In one to two years	<b>132,520</b>	126,439
In two to five years	<b>25,455,807</b>	25,434,634
In more than five years	<b>92,593,236</b>	92,743,636
	<hr/> <b>118,305,334</b>	<hr/> 118,422,917
Unamortised issue costs	<b>(1,958,705)</b>	(2,104,046)
	<hr/> <b>116,346,629</b>	<hr/> 116,318,871
Due within one year	<b>(111,748)</b>	(106,185)
	<hr/> <b>116,234,881</b>	<hr/> 116,212,686
	<hr/> <hr/>	<hr/> <hr/>

**THE DOLPHIN SQUARE CHARITABLE FOUNDATION**

**NOTES TO THE ACCOUNTS  
YEAR ENDED 31 MARCH 2024 (continued)**

**13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (continued)**

	2024 £	2023 £	Interest rate	Maturity Year
Fixed rate				
Loan	53,493,438	53,493,438	3.73%	2046
Loan	26,000,000	26,000,000	3.48%	2046
Loan	5,000,000	5,000,000	5.35%	2042
Loan	5,000,000	5,000,000	5.42%	2053
Charity bond	25,000,000	25,000,000	4.25%	2026
	<u>114,493,438</u>	<u>114,493,438</u>		
Floating rate				
Loan	3,811,896	3,929,479	1.60% above base rate	2041
Loan	2,925,000	2,925,000	1.35% above base rate	2032
	<u>121,230,334</u>	<u>121,347,917</u>		

At the balance sheet date, the Group held financial assets at amortised cost of £13,312,150 (2023: £23,173,616), financial assets at fair value through income and expenditure of £12,000,000 (2023: £nil) and financial liabilities at amortised cost of £122,671,787 (2023: £122,289,399).

**14. MOVEMENTS IN NET DEBT**

Group	At 1 April 2023 £	Cashflows £	Transfers £	Non-cash changes £	At 31 March 2024 £
Cash	(21,711,801)	(1,280,129)	12,000,000	-	(10,991,930)
Cash held as investments	-	-	(12,000,000)	-	(12,000,000)
Loans due within one year	106,185	-	-	5,563	111,748
Loans due in more than one year	119,039,318	(49,804)	-	76,342	119,065,856
	<u>97,433,702</u>	<u>(1,329,933)</u>	<u>-</u>	<u>81,905</u>	<u>96,185,674</u>
<b>Charity</b>					
Cash	(21,558,645)	(1,128,899)	12,000,000	-	(10,687,544)
Cash held as investments	-	-	(12,000,000)	-	(12,000,000)
Loans due within one year	106,185	-	-	5,563	111,748
Loans due in more than one year	116,212,686	(44,242)	-	66,437	116,234,881
	<u>94,760,226</u>	<u>(1,173,141)</u>	<u>-</u>	<u>72,000</u>	<u>93,659,085</u>



**THE DOLPHIN SQUARE CHARITABLE FOUNDATION**

**NOTES TO THE ACCOUNTS  
YEAR ENDED 31 MARCH 2024 (continued)**

**15. MOVEMENTS IN RESERVES**

<b>Group</b>	<b>At 1 April 2023 £</b>	<b>Surplus/ (deficit) £</b>	<b>Transfer £</b>	<b>At 31 March 2024 £</b>
Unrestricted funds	133,296,640	(1,810,096)	3,415,286	<b>134,901,830</b>
Designated funds				
WHOA fund	3,744,270	(189,481)	-	<b>3,554,789</b>
Sinking fund	3,079,363	335,923	(3,415,286)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total unrestricted funds	140,120,273	(1,663,654)	-	<b>138,456,619</b>
Restricted funds	28,412,800	-	-	<b>28,412,800</b>
	<hr/>	<hr/>	<hr/>	<hr/>
	168,533,073	(1,663,654)	-	<b>166,869,419</b>
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>At 1 April 2022 £</b>	<b>Surplus/ (deficit) £</b>	<b>Transfer £</b>	<b>At 31 March 2023 £</b>
Unrestricted funds	133,427,070	(130,430)	-	133,296,640
Designated funds				
WHOA fund	3,930,013	(185,743)	-	3,744,270
Sinking fund	2,631,467	447,896	-	3,079,363
	<hr/>	<hr/>	<hr/>	<hr/>
Total unrestricted funds	139,988,550	131,723	-	140,120,273
Restricted funds	28,412,800	-	-	28,412,800
	<hr/>	<hr/>	<hr/>	<hr/>
	168,401,350	131,723	-	168,533,073
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Charity</b>	<b>At 1 April 2023 £</b>	<b>Surplus/ (deficit) £</b>	<b>Transfer £</b>	<b>At 31 March 2024 £</b>
Unrestricted funds	133,230,229	(1,660,915)	3,415,286	<b>134,984,600</b>
Designated funds				
WHOA fund	3,744,270	(189,481)	-	<b>3,554,789</b>
Sinking fund	3,079,363	335,923	(3,415,286)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total unrestricted funds	140,053,862	(1,514,473)	-	<b>138,539,389</b>
Restricted funds	28,412,800	-	-	<b>28,412,800</b>
	<hr/>	<hr/>	<hr/>	<hr/>
	168,466,662	(1,514,473)	-	<b>166,952,189</b>
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**THE DOLPHIN SQUARE CHARITABLE FOUNDATION**

**NOTES TO THE ACCOUNTS  
YEAR ENDED 31 MARCH 2024 (continued)**

**15. MOVEMENTS IN RESERVES (continued)**

<b>Charity</b>	At 1 April 2022 £	Surplus/ (deficit) £	Transfer £	At 31 March 2023 £
Unrestricted funds	136,296,441	(3,066,212)	-	133,230,229
Designated funds				
WHOA fund	3,930,013	(185,743)	-	3,744,270
Sinking fund	2,631,467	447,896	-	3,079,363
Total unrestricted funds	142,857,921	(2,804,059)	-	140,053,862
Restricted funds	28,412,800	-	-	28,412,800
	<u>171,270,721</u>	<u>(2,804,059)</u>	-	<u>168,466,662</u>

Restricted funds and the related transfer relates to the purchase or development of homes for use in the WHOA scheme and reflects expenditure over and above the restricted grant received. The homes, and funds, are restricted for the duration of the scheme (15 years).

The designated WHOA fund and the related transfer reflects the contingent liability for the payment of enhanced deposits to the participants of the scheme. The expenditure of WHOA funds in the year relates to the successful payment of grants under the scheme.

**THE DOLPHIN SQUARE CHARITABLE FOUNDATION**

**NOTES TO THE ACCOUNTS  
YEAR ENDED 31 MARCH 2024 (continued)**

**16. NET ASSETS ACROSS FUNDS**

<b>Group</b>	<b>Restricted funds £</b>	<b>Designated funds £</b>	<b>Unrestricted funds £</b>
<b>At 31 March 2024</b>			
Fixed assets	28,412,800	-	247,614,241
Current assets	-	3,554,789	9,935,471
Liabilities	-	-	(122,647,882)
<b>Total funds</b>	<u>28,412,800</u>	<u>3,554,789</u>	<u>134,901,830</u>
<b>At 31 March 2023</b>			
Fixed assets	28,412,800	-	239,147,009
Current assets	-	6,823,633	16,544,371
Liabilities	-	-	(122,394,740)
<b>Total funds</b>	<u>28,412,800</u>	<u>6,823,633</u>	<u>133,296,640</u>
<b>Charity</b>			
<b>At 31 March 2024</b>			
Fixed assets	28,412,800	-	233,170,818
Current assets	-	3,554,789	20,874,087
Liabilities	-	-	(118,860,306)
<b>Total funds</b>	<u>28,412,800</u>	<u>3,554,789</u>	<u>135,184,599</u>
<b>At 31 March 2023</b>			
Fixed assets	28,412,800	-	225,539,664
Current assets	-	6,823,633	26,233,976
Liabilities	-	-	(118,543,411)
<b>Total funds</b>	<u>28,412,800</u>	<u>6,823,633</u>	<u>133,230,229</u>

**THE DOLPHIN SQUARE CHARITABLE FOUNDATION**

**NOTES TO THE ACCOUNTS  
YEAR ENDED 31 MARCH 2024 (continued)**

**17. TRUSTEES' EXPENSES**

The Governors of Dolphin Square Charitable Foundation received no remuneration during the year. Expenses of £569 (2023: £429) were reimbursed to three (2023: three) Governors for travel, entertaining and subsistence expenses incurred for business purposes.

**18. CONTROLLING PARTY**

The ultimate controlling party is the Dolphin Square Charitable Trustee Limited, which is the trustee for the Charity.

**19. RELATED PARTY TRANSACTIONS**

The Group operates a cost sharing agreement whereby support costs are shared between the entities within the Group. The employees are jointly employed by all Group operating entities. The details of these and other related party transactions can be found in notes 4 and 10. There were no other related party transactions in the current or prior year.

**20. COMMITMENTS**

The Charity and the Group has the following commitments payable within the year to 31 March 2024:

<b>OPERATING LEASE: Group and Charity</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Lease payments within one year	74,834	68,338
Lease payments later than one year not later than five years	65,480	68,338
	<hr/>	<hr/>

Amounts payable under operating leases during the year ended 31 March 2024 amounted to £28,072 (2023: £110,534).

At the year end, the corporate trustee had authorised the following capital commitments for the Charity and the Group:

	<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>
	<b>Authorised</b>	<b>Contracted</b>	<b>Authorised</b>	<b>Contracted</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Capital commitments	4,583,914	942,221	3,150,934	2,300,934
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