



**NORWOOD  
SCHOOLS  
LIMITED**

(A Charitable Company Limited by Guarantee)

**Trustees' Annual Report and  
Financial Statements  
For the year ended 31 March 2022**

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**CHARITY INFORMATION**

**Trustees and Directors** The directors of the charity are its trustees for the purpose of charity law. The trustees that served during the financial year and since the year end are:

Neville Kahn  
Ben Freeman  
Tim Isaacs

**Senior Management Team**

Chief Executive Officer	Beverley Jacobson
Director of Finance and Corporate Services	Patrick Murphy
Director of Engagement	Hazel Kaye
Director of Services and Development:	
- <i>resigned 6.8.21</i>	Mikkel Togsverd
- <i>appointed 23.8.21</i>	Caroline Taylor
Director of Human Resources	Steve Bennett
Director of Change Management	Johanna Day
<i>appointed 1.12.21</i>	
Director of Risk and Compliance	Philippa Shirtcliffe
<i>appointed 1.5.22</i>	

**Company Secretary**

Patrick Murphy

**Auditors**

Grant Thornton UK LLP, 30 Finsbury Square, London, EC2A 1AG

**Investment Managers**

CCLA Investment Management Ltd, 85 Queen Victoria Street, London, EC4V 4ET

**Bankers**

Barclays Bank Plc, 1250 High Road, London N20 0PB

**Principal and Registered Office**

Broadway House, 80-82 The Broadway, Stanmore, HA7 4HB

## Trustees' Annual Report (Incorporating the Strategic Report)

The trustees are pleased to present their annual report and audited financial statements for the year ended 31 March 2022. These statements comply with the Charities Act 2011 and the Charities (Protection and Social Investment) Act 2016, the Companies Act 2006, the Memorandum and Articles of Association, and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland – FRS102 (effective 1 January 2019).

### About Norwood

Norwood provides a lifeline to children and families facing significant challenges due to learning difficulties, mental health or wellbeing issues and lifelong support for people of any age with learning disabilities or autism. We are dedicated to enabling the People We Support (PWS) to live fulfilling, meaningful and active lives, taking their rightful place as valued members of society.

Every year, Norwood transforms over 2,500 lives. When we talk about “Taking on life together”, this is both a promise and a reality – Norwood’s support is available for the whole family and throughout the whole of one’s life.

Norwood also advocates and campaigns on pertinent issues affecting the PWS. We do this as a leader in social care to inspire and direct change enhancing the lives of those we support, but to also share knowledge and learnings so we continue to lead from the front.

Norwood is proud to continue to be the only Jewish charity that enjoys the patronage of Her Majesty the Queen.

### Our Services

Norwood’s services celebrate our Jewish culture and are run in accordance with Jewish values but are open to all who need our support. Our services fall into two main categories namely: *Children and Family Services* supporting those facing challenges and *Adult Services* providing registered care and supported living services to those with a learning disability or autism.

### Children & Family Services

The Children and Family Services team has continued to deliver a range of 'in-person' and online support during the year depending on the preferences of our service users and national guidance/restrictions.

Our **Psychotherapy and Counselling** services delivers:

- individual and group psychotherapy for children/young people in schools
- individual and group psychotherapy for children/young people in the community
- psychotherapeutic parenting support
- adult counselling

Our **Schools & Education** team provide a range of services to schools and the wider community.

- specialist teaching, occupational therapy, speech and language therapy, and educational psychology to support children in Jewish schools with SEND / EHCP needs
- training and consultancy to teachers/schools
- support to parents through advice clinics, information sessions and courses/training

Our **Whole Life Offer** provides practical and emotional support to families impacted by Learning Disability and Autism. This includes:

- Support Groups both in person and online
- Parenting Courses (NVR and Cygnet)
- Key Worker to coordinator support
- Unity (our short breaks holiday provision)
- Inbetweeners (Sunday groups)

We continue to offer advice, support and signposting to the community through our '**one front door**' referral and advice service. We also provide generic groups and courses, including:

- Talking Teens
- Strengthening Families
- Step Up, Walk Tall
- 2Gether Group (parenting drop in)
- Twins and More (multiple birth drop in)

### **Adult Services**

Our work with adults with learning disabilities and autism is core to our service. It is geared to providing the individual care and support that each person needs, both residential and supported living accommodation services, in London and Berkshire. Our adult services include the provision of:

- Assistive Technology - Overcoming challenges, enhancing safety and promoting independence through the use of technology
- Complementary services – promoting good physical and mental wellbeing through education and ease of access to health services.
- Transition services – information, guidance, and advocacy
- Benefits and welfare advice
- Employment training and social enterprise

## **Our Goals, Challenges and Achievements in 2021/22**

### **1. Covid-19**

Our main priority throughout the global Covid-19 pandemic has been safeguarding the health and wellbeing of the PWS, our staff and volunteers. In order to mitigate risk to them and to our service provision, Norwood undertook a comprehensive educational and advocacy programme around Covid-19 vaccination. This is in support of the government's position that maximising vaccination remains the best way of protecting the PWS and our staff from Covid-19. As a result of this, we had a very high proportion of members of both groups electing to have the two doses of the Covid-19 vaccines, as well as the booster once available to them. With the easing of national lockdown restrictions and under sector-specific advice from relevant local and health authorities, Norwood has also been committed to facilitating family visits to support the care and wellbeing of the PWS, where possible.

### **2. Organisational change and Financial Sustainability**

The Senior Management Team have been transforming Norwood's services and culture and ensuring that the organisation is 'Safe and Sound' to face the future. We have refocused all organisational effort on our services to find ways to support them better including a sounder financial footing. We have started several initiatives to improve our level of engagement with the staff team including regular organisational updates.

Over the year we:

- Embedded finance business partnering with operational colleagues to support the organisation in continuing to improve the financial performance of services.
- Began undertaking a service user by service user review, updated individual costings for a fair fee review and began renegotiating with local authorities to be paid fairly for the work we do.
- Continued work with local authorities to recover additional costs incurred due to Covid-19, through infection control funding, workforce recruitment and retention funding, and other funding made available by local and central government.

We are benefitting from fixed gas and electricity prices which we expect will translate to an anticipated saving of circa £0.6m in the coming year.

### **3. Recruitment and Retention**

In our Human Resources department, we introduced Occupop, a recruitment system, which facilitates the full tracking of candidates' journeys, from their initial application to being hired and through their induction. This allows for more

seamless and comprehensive information sharing between the department and hiring managers, comprising CVs, right to work documents and qualifications.

The final two months of the last financial year saw a marked improvement in care worker recruitment across the charity, with a total of 42 new hires (Permanent and Bank) in February and March 2022. The labour market remains challenging, with UK employment levels now back to pre-pandemic levels, but recent increases in new starts have been encouraging. However, high care worker turnover continues to be a problem, and we are reviewing the main reasons given by care workers for leaving us – by means of an online exit survey – to help inform what actions we can take progressively to improve staff retention.

#### **4. Ravenswood Village**

In recent years, it has become increasingly difficult to ensure that the high standard of care and support to which Norwood is committed can continue to be met at Ravenswood Village, given the declining number of residents and increasing deficit. In May 2020, plans for the redevelopment of the site, which had been ongoing for six years, were no longer able to proceed after planning permission was denied and the development partner withdrew from the project. Norwood began to explore other options. Following this, in April 2021, Norwood’s Board of Trustees and the Senior Management Team decided to launch a wide-ranging consultation into options for the future of Ravenswood Village to determine the future of our services there. That initial consultation drew to a close in Autumn 2021 but was extended to February 2022 to allow for additional submissions to be made by the residents’ families, as well as the commissioning of additional reports and information to help facilitate a robust decision-making process. The feedback received by Norwood from all parties, including families, residents, staff and local authorities, has been shared with the Board of Trustees and will form an important part of the process. Norwood has outlined a range of possible options for the residents at Ravenswood, with a focus on their longer-term needs and wellbeing and these options are still under discussion. The Board of Trustees, supported by the Senior Management Team, is continuing to explore all the options in the consultation into the future of Ravenswood Village and at the point of writing, all options remain under consideration.

#### **5. Technology Transformation**

We have completed the first phase of Norwood’s technology transformation. This involved moving our IT estate out of Citrix and providing staff with new hardware and access to Microsoft Modern Workspace. We moved away from an outsourced IT provider by moving to a cloud-first strategy hosting our platforms and applications in Microsoft Azure and in-sourcing our IT helpdesk. This has future-proofed the organisation and will enable it to make better choices around the technology it uses and ultimately better support for PWS.

### **Our Strategic Priorities and Focus for 2022/23**

#### **1. Ravenswood**

The Board of Trustees has been working to reach a decision regarding the future of Ravenswood Village and has undertaken an extensive consultation with its key stakeholders in order to understand their views and the available options. That consultation was launched in April 2021, since when much work has been done to fully explore the potential options for its future and the views on those options. The Board of Trustees and the Senior Management Team recognises that this has created significant uncertainty for everyone connected with Ravenswood and are working with urgency to determine the best possible/most viable option. They remain committed to fully consider all the views shared by everyone before reaching a decision. The Board aims to provide clarity on the future plans for the Village as a priority as early on in this financial year as possible.

#### **2. Children & Family Services Review**

Another key priority during this year is to provide greater clarity on the long-term vision for our Children & Family Services, after the lengthy period of disruption following the necessary adaption of the service provision during Covid-19. The aim is to continue to adapt according to the need and to ensure our services are of value to Jewish families, schools and children facing a range of social, education, and mental health challenges.

#### **3. Adult Services Restructuring and Property Review**

In 2021/22 we commenced a restructuring of our Adult Services in London, to ensure we meet the CQC’s aims that “the model of care and setting should maximise people’s choice, control and independence; the right care is person-centred and promotes people’s dignity, privacy and human rights; the right culture is about the values, attitudes and behaviours of all staff which should ensure people using services lead confident, inclusive and

empowered lives". In the case of Norwood's Adult Services – beginning with London as discussions over the future of Ravenswood Village continue – which are currently delivered within both Registered Care Homes and Supported Living models, this involved reviewing our properties to determine how best we can achieve these aims both now and in the future. This review will continue in 2022/23.

We identified that this was likely to involve changing some of our registrations to Supported Living, as well as developing more supported living services in the future. To that end, we've been having discussions with families about deregistering Edgeworth Crescent as a Registered Care Home, to support its transition to a Supported Living Service. We have also been having discussions about closing other services, which no longer provide an ideal environment for the PWS there and transition their care to other Norwood services.

## **Compliance and Operational Risk Management**

We have a comprehensive risk management framework to identify and manage financial, strategic, operational, and regulatory risks that may impact our ability to meet Norwood's objectives. Our risk management procedures are benchmarked against best practice found within social care providers and other not for profit organisations.

We identify and manage risks in the following ways:

- Strategic risks are identified and, where necessary, escalated to the Board of Trustees via committees
- We undertake regular reviews with the Senior Management Team, who are risk owners, to assess the likelihood and impact of risks, and the effectiveness of mitigation strategies.
- Our internal audit function is outsourced to RSM UK Group LLP. Our internal audit plan is informed by an analysis of the risks Norwood is exposed to.
- Audit & Risk Committee (ARC) monitors the progress of these plans.

### **1. Resilient Services - Covid Response**

As part of Norwood's Business Continuity response, a Coronavirus Taskforce had been implemented at the start of the pandemic. In response to the new variant, the scope and membership was widened allowing Norwood to respond robustly to rapidly changing operational issues across all areas of the charity and ensuring the safety and wellbeing of the PWS is reviewed on a daily risk call.

December 2021 to March 2022 saw adult services significantly impacted by staff absences due to testing positive to covid and self-isolation and we worked closely with partners in local authorities and the UK Health Security Agencies. In January 2022, over 1,000 working days were lost due to covid related absence which was a consistent picture across all providers. There have been however no hospitalisations due to COVID for staff or PWS, and no notifications were required to be sent to CQC for critical staffing levels.

We engaged with the Government's Covid-19 vaccination scheme since it commenced in December 2020 and we have worked and continue to work with services to promote the vaccine uptake for the PWS. We also had a fully vaccinated workforce in Adult Residential services and were working to ensure full compliance when the 'vaccination as a condition of deployment' was revoked. We continue to work with health partners to ensure that those who are eligible to receive additional boosters have equitable access to services.

To ensure compliance with the changing guidance, manager workshops were set up weekly to cascade the information and share knowledge.

### **2. Listening and Acting - Quality and Compliance**

Between 1 January and 31 December 2021, 74 Quality Key Audits were completed. In the first quarter of 2022, there was a focus on covid compliance using a newly developed tool and we reviewed the key audit tool to move the quality audit to align it to revised CQC inspection methodology. In Q2 2022 the working group finalised the tool and we started rolling out the new audit programme. This new methodology will help prepare services for the changes to CQC inspection from April 2023.

Following the appointment of a Health and Safety Manager, all services underwent a health and safety review, and a new audit tool has been developed to support managers to identify risks easily. Data from the Quality and Health and Safety Audits now feed into a newly developed Quality Risk Profile for each service allowing senior management oversight of key risks.

### **3. Safeguarding**

In Q1 of 2022 we reviewed our safeguarding policies and procedures to ensure they reflect the definition of safeguarding introduced by the Charity Commission. The updated policy was used as basis for a new face to face training programme that was commissioned from an external provider. We rolled out 'train the trainer' courses to a wide group of staff and provided classroom based safeguarding investigation training for managers to support our services in London and Berkshire. In Q4 2021, a Safeguarding subcommittee was established to review all incidents within our services in London

and Berkshire, identify themes and trends and share best practice. This committee reports into the Safeguarding Committee and the Adult Integrated Governance Committee.

#### 4. Positive Behaviour Support

Building on the 'Safe and Sound' transformation programme from 2020/21, we carried out a root and branch review of positive behaviour support (PBS) across our services. We invested in PROACT- SCRPr™ practitioner training, the person-centred training that underpins PBS, for several managers to ensure we have robust in-house support. A review of our training strategy for PBS took place with a clear programme now in-situ and being rolled out. To strengthen our good governance, a new PBS panel has been set up to identify themes, review incidents and share good practice.

### Section 172(1) Statement Of The Companies Act 2006

During the course of their duties, the trustees have had full regard for their obligations in promoting the success of the organisation. Norwood's detailed charitable objects are contained within its memorandum and articles and in keeping with these, the trustees' strategic priorities ensure that the charity's activities are carried out for the public benefit. This has been further clarified in the following sections of this report:

- Our Services (Pages 4 –5)
- Our Goals, Challenges and Achievements (Pages 5 – 6)
- Employee Engagement (Page 8)
- Our volunteers (Page 8)
- Business Relationships (Page 9)
- Energy Efficiency Measures Undertaken (Page 13)

#### Employee Engagement

The ongoing challenges presented by Covid-19 necessitated that we consider new ways of promoting engagement with staff throughout the organisation. In front line services, operations managers have been supported to improve communications through the introduction of a monthly Ops Staff Bulletin, issued by the Director of Services & Development. This has the objective of improving the quality and consistency of engagement with and amongst staff, and as a means of creating a formal channel for upward communication. The Senior Management Team has developed an organisation-wide leadership development initiative, called '*Lead to Succeed*', to support managers in improving their performance with respect to staff engagement and motivation.

Within the central functions, similar to many organisations, we have now adopted hybrid (office and home based) working practices, which means less face-to-face interaction, as a consequence of which we have sought ways to better use technology and online systems of working. Significant investment in our IT infrastructure has substantially improved engagement, knowledge sharing, and problem resolution, and in many instances the increased use of Teams video meetings has enhanced the quality and effectiveness of cross-functional interactions.

#### Our Volunteers

During 2021/22, Covid-19 restrictions were still in place, severely impacting regular volunteering.

Our volunteers have continued to run our virtual volunteering programme 'Connect Together'. This weekly calendar of activities has continued to expand and deliver daily volunteer led activities direct to our residents.

Our charity shops (Stanmore and Southgate) are supported by volunteers 6 days a week, 2 shifts per day and also both are running a full Duke of Edinburgh programme to students over 14 years old.

Volunteers played an integral part in Norwood's Matched Giving Campaign both for the telethon and as team leaders. We have been able to invite our volunteers back into Broadway House this year and have seen a growth in the number of placements and new recruits who support Head office staff.

We are delivering training to new staff starters monthly on the importance of volunteering with Norwood and the PWS, the process of requesting new volunteers for their service and volunteer management within the organisation.

### Business Relationships

Norwood works closely with its customers and donors with relationships spanning several decades to ensure we are providing a high level of care to the PWS. Norwood values its suppliers and has multi-year contracts with key suppliers. Norwood reports its performance and practices in line with reporting requirements.

### Risk Appetite and Other Principal Risks

Risk Title	Existing Treatment and Mitigating Actions
<p>The evaluation of the strategic options for the Village leading to sub-optimal outcomes.</p>	<p>A complex piece of work is required to determine and work through the best outcome for Norwood and various stakeholders.</p> <p>A detailed framework and governance structure are in place with a working group of trustees and a program working group.</p> <p>Various future options have been developed and are being thoroughly explored with all relevant stakeholders.</p> <p>For the three main stakeholder groups (people Living at Ravenswood, families and staff) independent, external facilitators, all expert in their fields were engaged to support the consultation process</p> <p>Reasonable adjustments were made to the consultation process to take account of the disabilities of the residents of Ravenswood. These included engaging a consultancy company with expertise and experience of communicating complex information to people with learning disabilities and engaging independent advocacy to act on people's behalf as appropriate.</p> <p>An Equality Impact Assessment was commissioned.</p> <p>Legal advice and other professional expert advice has been taken on items to be considered and acted upon in the program and as part of the stakeholder consultation process.</p> <p>A detailed program risk register is in place articulating, and assisting with the management of, the risks of the program as it evolves.</p>
<p>Lack of operational regulatory compliance resulting in significant safeguarding incidents</p>	<p>Quality Audit Framework in place with Key Audits, follow up and Thematic audits taking place. Action plans developed to drive continuous improvement. Managers complete monthly provider visits to assess quality each month within Services.</p> <p>Weekly reporting on safeguarding and incident analysis is carried out. This is shared with the Operational Services Committee, ensuring incidents or concerns are promptly dealt with and reported at the Audit and Risk Committee (as required). A safeguarding committee is also in place, and it performs a very active oversight role.</p> <p>Training compliance is linked to key audit and follow up audits with non-compliance impacting on quality scores. Induction training is now delivered over 5 days in the classroom, with a work-based competency assessment required before full induction is signed off.</p>

Risk Title	Existing Treatment and Mitigating Actions
<p>The ongoing pandemic, Ukrainian crisis, and increase in the cost of living may impact on fundraising</p>	<p>Government grants, infection control funding and the furlough scheme have supported some business elements, but not covered the whole financial impact.</p> <p>A fundraising strategy has been approved by the Board of Trustees but, nevertheless, the economic impact of the pandemic alongside challenges with the Ukrainian crisis, and the rise in the cost of living may continue to affect funding from existing donors, trusts and other income streams.</p> <p>A targeted strategy to review our most important fundraising campaigns case-by-case is also being implemented so as to maximise 2022 fundraising potential.</p>
<p>Failure to comply with prevailing regulations such as GDPR, Health &amp; Safety, Fundraising Regulator etc.</p>	<p>Several external audits, recent surveys upon the changes in service provider and the change of recent internal personnel suggest all regulatory compliance is in place.</p> <p>To mitigate the risk of under reporting within services, a new programme of Health and Safety support visits have commenced by the Health and Safety Manager, as well as monitoring via the Health and Safety Operational Meetings.</p> <p>A Risk, Health &amp; Safety Staff Committee has now been established of senior leaders and stakeholders (including an external industry representative) to provide additional oversight that Norwood remains compliant with its regulatory obligations.</p>

## FINANCIAL REVIEW

The operating surplus for the year was £0.4m (2021: £0.8m), before recognising unrealised revaluation gains of £1.2m (2021: £0.3m). This included an £8.5m grant (2021: £8.8m) received from the parent company – Norwood Ravenswood – which operates as the fundraising arm of the group of entities. At the end of the financial year, Norwood Schools generated £19.0m (2021: £19.3m) income from its core charitable activities and expended £28.3m (2021: £29.0m) on core services, reflecting a funding shortfall of £10.3m (2021: £9.7m). Whilst some of the charity’s activities are chargeable and funded by commissioning authorities such as the adults learning disability care and autism services, the charity relies on voluntary donations to deliver its children and families support services and meet the funding gap in statutory services. Like other social care providers, Norwood Schools continues to feel the impact of the growing funding gap for adult social care from local authorities. While we were successful at securing annual increases from some local authorities, particularly in response to Covid-19, most local authorities we work with were not forthcoming with increases and some challenged the level of fees already being paid. Norwood Schools will continue to pursue operational efficiencies and maximise limited resources.

As a result of challenges faced by the high street, Norwood took the decision in the prior year to commence the phased closure of its retail operations. Trading from the two remaining shops generated income of £0.3m (2021: £0.1m). Government assistance in the form of retail grants and furlough ceased once the shops were able to open all year.

### Income

Total income generated in the year was £29.1m (2021: £30.9m), a £1.8m decrease on the prior year, substantially due to lower donation income and the sale of a property in the prior year. 60% (£17.5m) of the charity's income came from Adults Learning Disability Services through its supported living and residential accommodation services. 32% (£9.3m) came from donations and grants largely from the parent company while the remaining 8% came from Children and Families Services, investment and other income and the trading shops.

### Expenditure

Total expenditure in the year was £28.7m (2021: £30.1m) of which 87% (£25.1m) was expended on Adults Learning Disability Services. 12% (£3.3m) was expended on Children and Families Services, and the remaining 1% on generating voluntary, trading, and investment income. Included in the cost of services is £4.8m (2021: £4.7m) support and governance costs. Staff costs (£20.3m), representing 71% of the expenditure, remains the largest spend of the charity.

### Going Concern

In addition to the risks outlined above, additional work has been carried out to assess the going concern of the charity. The majority of Norwood Schools' income is secure as it arises from statutory sources. However, we have modelled a 4% and 6% reduction in statutory income due to attrition rates, with 6% being an extreme case. The forecasting performed and support in the form of an intercompany grant from the parent charity endorses the accounts being prepared on a going concern basis. Factoring in these additional assessments and financial forecast scenarios with the conclusion it is appropriate that the financial statements continue to be prepared on a going concern basis.

### Reserves Policy

An important role for trustees is to manage the long-term sustainability of the charity. Norwood Schools' reserves policy sets out the basic principles that should:

- demonstrate to beneficiaries, commissioners, funders and the public, Norwood School's resilience and capacity to manage unforeseen financial difficulties
- give voluntary funders an understanding of why funding is needed to undertake various projects especially where there are restrictions as to the application of funds
- give assurance to lenders and creditors that Norwood School can meet its financial commitments
- give confidence to funders and commissioners by demonstrating good stewardship and active financial management
- manage the risk to Norwood's reputation of holding substantial unspent funds at the year-end without an explanation or insight into its capital commitments.

The trustees calculate the free reserves at Group level due to how the parent and subsidiary entities operate. Norwood Schools Limited acts as the operating entity within the Group structure which the parent company, Norwood Ravenswood, generates voluntary income to meet the funding gap and support the operations of the charity undertaken through Norwood Schools. The Group's free reserves is the unrestricted income fund that is freely available after taking account of the restricted funds that have been donated and earmarked for specific projects. Understanding the nature of the funds allows trustees to identify unrestricted funds which can be spent on the core activities of the charity. As at 31 March 2022, the free reserves of the Norwood Schools was £6.9m (2021: £4.6m) however, the free reserve for the Group was £18.5m (2021: £16.3m).

#### Free Reserves for Norwood Schools Limited

	31 March 2022 £'000	31 March 2021 £'000
Net assets	33,339	31,700
Less restricted fund	(6,605)	(6,951)
Less unrestricted tangible fixed assets	(19,842)	(20,132)
<b>Free Reserves</b>	<b>6,892</b>	<b>4,617</b>

## Free Reserves for the Group

	31 March 2022 £'000	31 March 2021 £'000
Group net assets	47,472	45,840
Less Endowment fund	(1,982)	(1,900)
Less restricted fund	(6,622)	(7,015)
Less unrestricted tangible fixed assets	(20,325)	(20,649)
<b>Free Reserves</b>	<b>18,543</b>	<b>16,276</b>

The trustees have set a target range of free reserves for the Group of between 3 and 6 months of its annual expenditure. This is equivalent to between £7.7m and £15.4m.

### Investment Policy and Performance

Norwood Schools holds investments to generate income for the furtherance of its charitable activities. The trustees adopt a Total Return investment policy to ensure potential returns are well balanced with the appropriate levels of risks. The Investment Policy Statement was reviewed by the Investment Committee during the year to ensure it remained effective and relevant given the dynamics of the investment markets and the charity's operating environment. The trustees appointed CCLA as fund managers to manage the investment portfolio.

The Board of Trustees has delegated the regular monitoring of investment performance against investment objectives to the Investment Committee. The investment objective is long term total return of CPI+3.5% over a rolling 3-year period. Valuation as at 31 March 2022 was £1.5m (2021: £1.4m), representing an investment gain of 8.6%.

### Going Concern

These financial statements have been prepared on a going concern basis. The majority of Norwood Schools' income is secure as it arises from statutory sources. However, we have modelled a 4% and 6% reduction in statutory income due to attrition rates, with 6% being an extreme case. The forecasting performed and support in the form of an intercompany grant from the parent charity endorses the accounts being prepared on a going concern basis. Norwood Ravenswood intends to support Norwood Schools Limited for at least 12 months from the date of approval of the statutory financial statements for the year ended 31 March 2022 and has the liquidity to do so. The trustees consider this uncertainty not to be material and hence do not consider the charities ability to continue as a going concern to be at risk for at least 12 months from the signing of the accounts. Accordingly, the trustees have prepared these accounts on a going concern basis.

### Streamlined Energy and Carbon Report (SECR)

Norwood Ravenswood is required to report under the Streamlined Energy and Carbon Reporting (SECR) framework. The Trustees are committed to complying with the new mandatory UK-wide energy and carbon reporting framework which seeks to improve transparency and help reduce UK carbon emissions associated with large business and charities.

### Methodology

Norwood's footprint is calculated in accordance with the Greenhouse Gas (GHG) Protocol and Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance. Department for Environment, Food and Rural Affairs (DEFRA) emission factors have been used for all emission sources as this provides the most comprehensive list of factors available. They allow an activity to be converted into carbon dioxide equivalent (CO2e). Market based emissions factors have been sourced from each relevant supplier.

## Scope

The scope of emission included natural gas, diesel (gas oil), electricity, Bio Diesel and petrol. For ease of reporting and comparison, the emission types were categorised as:

- Scope 1: comprises emissions associated with the combustion of fuels as well as additional emissions sources such as refrigerant leakages.
- Scope 2: comprises primarily the emissions associated with electricity consumption as well as emissions associated with any other generated electricity
- Scope 3: relates to indirect emissions occurring as a consequence of activities not owned or controlled by the company e.g. business travel.
- 

## SECR Dashboard

Energy Consumption (kWh)			
	Current Year	SECR Baseline	Variance
	2021/22	2018/19	%
Scope 1 Energy Consumption	4,790,563	6,041,297	-21%
Scope 2 Energy Consumption	1,543,584	2,159,306	-29%
Scope 3 Energy Consumption	18,027	0	

  

Carbon Emissions (tCO <sub>2</sub> e)			
	Current Year	SECR Baseline	Variance
	2021/22	2018/19	%
Scope 1	886.7	1,135.6	-22%
Scope 2 - Location Based (LB)	327.7	611.2	-46%
Scope 2 - Market Based (MB)	290.2	624.0	-53%
Scope 3	4.2	0.0	
Total Carbon - LB (tCO <sub>2</sub> )	1,219	1,747	-30%
Total Carbon - MB (tCO <sub>2</sub> )	1,181	1,760	-33%

  

Intensity Ratio			
	Current Year	SECR Baseline	Variance
	2021/22	2018/19	%
Ratio 1 (tCO <sub>2</sub> e/Headcount)	2.0	2.7	-28%



### BASE YEAR

Due to the impact of Covid19, the base year chosen for all future SECR comparisons is the Financial Year 2018/19 (April to March) as this was felt to be more representative of a 'typical' year.

## Energy Efficiency Measures undertaken by the charity

In the period covered by the report Covid-19 and the safety of our staff and service users has been the priority. Work to upgrade our energy efficiency has been limited, but where we have replaced lighting, we have taken the opportunity to install LED lighting. In addition, where pumps have been replaced, these have been replaced with new more efficient systems. We anticipate that further improvements will take place during the years 22/23, which will include new LED lighting, insulation improvements and boiler upgrades.

### **Structure, Governance and Management**

Every year, we provide direct intervention to two and half thousand individuals including children, young adults and families experiencing social, emotional and wellbeing challenges and children and adults with learning disabilities and autism. While our head office is in Stanmore, we support individuals living in more than thirty homes across London and Berkshire, we run a family centre in north-west London with hubs in both Hackney and Redbridge. This is to ensure that we can continue to provide localised and bespoke care and support. As set out in our Memorandum and Articles of Association, our charitable purposes are “to provide relief for children, young people and adults drawn primarily, but not exclusively, from the Jewish community, who are in need by reason of disability, abuse, neglect, financial hardship or other disadvantages, through providing or securing or assisting in the provision of education, training, support, care, treatment, substitute family care, accommodation and/or other assistance of a charitable nature.”

Norwood Schools is governed by its Memorandum and Articles of Association. The subscribers to the Memorandum of Association were the first members of the charity. Any individual or organisation wanting to become a member has to apply to the board of trustees. The members of Norwood are entitled to attend and vote at the Annual General Meetings (AGM) and Extraordinary General Meetings (EGM). The responsibility of overseeing Norwood’s activities is down to our Board which also exercises all the powers of the charity other than where they are subject to restrictions imposed by Companies House, the Charity Commission, the Memorandum and Articles of Association and any special resolution. Our trustees have due regard for their specific responsibilities in respect of the charity and apply care and diligence in ensuring that the requirements of the Charities Act 2011 and the Charities (Protection and Social Investment) Act 2016 are adhered to.

Our board of trustees delegates the day-to-day management of Norwood’s operations to the Chief Executive Officer and the senior management team. To support the crucial role of the Norwood’s board, sub-committees and service review, panels were set up with specific terms of reference and delegated authorities. Trustees are appointed for a four-year term and may serve a second consecutive term. An advisory council was set up to provide valuable advice and guidance to our board on the delivery of safe, quality and viable services. The members of our advisory council are professionals in their fields, contributing a wealth of knowledge to Norwood’s governance. While the advisory council meets once a year, the board of trustees meets at least six times in a year.

To support the overarching responsibilities of Norwood’s board, three main committees (the Corporate Services Committee, the Operational Services Committee and the Fundraising Committee) were set up with specific terms of reference and authorities delegated to them by the board. The Corporate Services Committee has since established an Audit and Risk Committee, an Investment Committee and a Property Strategy Group. The Fundraising Committee provides support in achieving our fundraising strategy and annual fundraising targets. The membership of each sub-committee is drawn from the board and a pool of lay leaders (i.e. co-optees) with relevant expertise. Committees meet at least four times a year and reported in the financial statements of Norwood Ravenswood (charity number; 1059050).

### **Trustees And Lay Leaders’ Recruitment and Remuneration Policy**

We adopt a transparent and objective approach when recruiting our trustees and lay leaders. Arrangements are made for new members to meet the Trustees, the Chief Executive and the Senior Leadership Team, visit some of our homes and meet with some of the people we support. Our trustees are also provided with key sector updates. All are invited to attend relevant training, some of which is mandatory, to ensure they are kept abreast of prevailing changes that may affect the charity and the social care sector.

None of our trustees or lay leaders receive remuneration, expense claims or benefits in kind for their work with the charity. They are, however, entitled to receive reimbursements of travel expenses. Any connection between a trustee and the charity’s stakeholders is declared to the board of trustees in the same way as any contractual relationship with a related party. Such disclosures are dealt with by the board and committee meetings in the form of Declaration of Interests. No allegation of fraud was raised against any trustee or lay leaders in the year. Details of related party transactions and trustees’ expenses are disclosed in Note 21 of the financial statements.

## Trustees' Responsibilities Statement

The trustees (who are also directors of Norwood Schools Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently,
- Observe the methods and principles in the Charities SORP (FRS 102),
- Make judgments and accounting estimates that are reasonable and prudent,
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees confirm that:

- So far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all the steps that they ought to have taken as trustees to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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

*Neville Kahn*

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**Neville Kahn**

Chairman of the Board

*Ben Freeman*

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**Benjamin Freeman**

Joint Treasurer

8 July 2022

## Independent auditor's report to the members of Norwood Schools Limited

### Opinion

We have audited the financial statements of Norwood Schools Limited (the 'charitable company') for the year ended 31 March 2022, which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources including, its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements section' of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the trustees' conclusions, we considered the inherent risks associated with the charitable company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the trustees and the related disclosures and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

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 charitable company'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.

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

The responsibilities of the trustees with respect to going concern are described in the 'Responsibilities of trustees for the financial statements' section of this report.

### Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or

apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Strategic Report and the Directors' Report, prepared for the purposes of company law, included in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Directors' Report included in the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

#### **Matter on which we are required to report under the Companies Act 2006**

In the light of the knowledge and understanding of the group and charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included in the Trustees' Annual Report.

#### **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 Companies Act 2006 requires us to report to you if, in our opinion:

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

#### **Responsibilities of trustees for the financial statements**

As explained more fully in the Trustees' Responsibilities Statement set out on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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. 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.

#### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial

statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We understood how Norwood Schools Limited is complying with those legal and regulatory frameworks by making enquiries of management, those responsible for legal and compliance procedures and the audit committee. We corroborated our enquiries through our review of board minutes, papers provided to the Audit Committee and correspondence received from regulatory bodies.
- The company is subject to many laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. We identified the following laws and regulations as the most likely to have a material effect if non-compliance were to occur; the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (effective 1 January 2019) ('Charities SORP (FRS 102)'), Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), Charities Act 2011, Companies Act 2006 and tax legislation.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur and the risk of material override of controls. Audit procedures performed by the engagement team included:
  - Identifying and assessing the design effectiveness of certain controls management has in place to prevent and detect fraud
  - Challenging assumptions and judgments made by management in its significant accounting policies
  - Identifying and testing journal entries
  - Identifying and testing related party transactions
  - Inspecting the board minutes
  - Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- The assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
  - Understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation
  - Knowledge of the industry in which the group operates, and
  - Understanding of the legal and regulatory requirements specific to the group including the provisions of the applicable legislation.
- The team communications in respect of potential non-compliance with laws and regulations and fraud included the potential for fraud in revenue recognition through manipulation of donation income, grant income, income from charitable activities, trading income and investment income.
- We did not identify any matters relating to non-compliance with laws and regulation and fraud.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - The company's operations, including the nature of its revenue sources, to understand the classes of transactions, accounts balances, expected financial statement disclosures and business risks that may result in risks of material misstatement, and

- The company's control environment, including
  - o Management's knowledge of relevant laws and regulations and how the company is complying with those laws and regulations
  - o The adequacy of procedures for authorisation of transactions and review of management accounts, and
  - o Procedures to ensure that possible breaches of laws and regulations are appropriately resolved.

**Use of our report**

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

*Grant Thornton UK LLP*

**Stephen Dean**

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

**London**

**08 July 2022**

**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**Statement of Financial Activities**  
**For the year ended 31 March 2022**  
**(Incorporating the Income and Expenditure Account)**

	Notes	Continuing Operations			Discontinued Operations				2021	
		Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds			
							2022	2022		2022
£'000	£'000	£'000	£'000	2022	2022	2022	Total	2022	Total	2021
<b>Income from:</b>										
Donations and legacies	2	8,504	867	9,371	-	-	-	9,371	10,399	
Charitable activities	3	18,378	653	19,031	-	-	-	19,031	19,361	
Trading activities	4	-	-	-	316	5	321	321	472	
Investments	5	414	-	414	-	-	-	414	408	
<b>Other Income</b>										
Profit on disposal of property		-	-	-	-	-	-	-	232	
<b>Total income</b>		<b>27,296</b>	<b>1,520</b>	<b>28,816</b>	<b>316</b>	<b>5</b>	<b>321</b>	<b>29,137</b>	<b>30,872</b>	
<b>Expenditure on:</b>										
Raising voluntary income and marketing	6a	170	-	170	-	-	-	170	241	
Trading activities	6a	-	-	-	146	5	151	151	843	
Charitable activities	6a	26,634	1,744	28,378	-	-	-	28,378	29,002	
<b>Total cost</b>		<b>26,804</b>	<b>1,744</b>	<b>28,548</b>	<b>146</b>	<b>5</b>	<b>151</b>	<b>28,700</b>	<b>30,086</b>	
Operating surplus/ (deficit)		492	(224)	268	169	-	169	438	786	
Net gains on investments	10c	1,204	-	1,204	-	-	-	1,204	281	
<b>Net income / (expenditure)</b>		<b>1,696</b>	<b>(224)</b>	<b>1,472</b>	<b>169</b>	<b>-</b>	<b>169</b>	<b>1,642</b>	<b>1,067</b>	
Transfers between funds	15	157	(157)	-	-	-	-	-	-	
<b>Net movement in funds</b>		<b>1,853</b>	<b>(381)</b>	<b>1,472</b>	<b>169</b>	<b>-</b>	<b>169</b>	<b>1,642</b>	<b>1,067</b>	
<b>Reconciliation of funds:</b>										
Total funds brought forward	23	25,120	6,951	32,071	(371)	-	(371)	31,700	30,634	
<b>Total funds carried forward</b>	<b>21</b>	<b>26,973</b>	<b>6,570</b>	<b>33,543</b>	<b>(202)</b>	<b>-</b>	<b>(202)</b>	<b>33,342</b>	<b>31,700</b>	

There were no gains and losses other than those included in the Statement of Financial Activities. All income and expenditure derived from continuing operations is shown separately from discontinued trading operations. The comparative figures for each fund are shown in the notes to the financial statements (Note 23). The accompanying notes on pages 22 to 44 of this report form an integral part of these accounts.

**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**Balance sheet**  
**as at 31 March 2022**

		<b>2022</b>	<b>2021</b>
		<b>£'000</b>	<b>£'000</b>
<b>Fixed Assets</b>	Note		
Intangible fixed assets	8	164	52
Tangible fixed assets	9	21,478	21,756
Investments: Managed investment portfolio	10a	1,503	1,383
Directly managed property	10b	7,380	6,300
Interest rate derivative	10c	5	-
<b>Total fixed assets</b>		<b>30,530</b>	<b>29,491</b>
<b>Current Assets</b>			
Debtors	11	10,403	8,000
Cash at bank and in hand		799	2,781
<b>Total current assets</b>		<b>11,202</b>	<b>10,781</b>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	12	(4,584)	(4,295)
<b>Net current assets</b>		<b>6,618</b>	<b>6,486</b>
<b>Total assets less current liabilities</b>		<b>37,148</b>	<b>35,976</b>
Creditors: amount falling due after one year	13	(3,806)	(4,277)
<b>Total net assets</b>		<b>33,342</b>	<b>31,699</b>
<b>Funds</b>			
Including cumulative revaluation gains of £2.3m (2021: £1.2m)			
Restricted funds	14	6,570	6,951
Unrestricted funds	16	26,771	24,749
<b>Total Fund</b>		<b>33,342</b>	<b>31,700</b>

The accompanying notes on pages 22 to 44 of this report form an integral part of these accounts.

Approved by the Board of Trustees on 8 July 2022

*Neville Kahn*

**Neville Kahn**

Chair

*Ben Freeman*

**Ben Freeman**

Joint Treasurer & Chair of  
 Audit and Risk Committee  
 and Investment Committee

**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**1. Accounting Policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

***a) Basis of preparation***

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - Charities SORP (FRS 102) and the Companies Act 2006.

Norwood Schools Limited is incorporated in the United Kingdom and meets the definition of a public benefit entity under FRS 102. The financial statements are presented in Sterling (£).

***b) Preparation of the accounts on a going concern basis***

These financial statements have been prepared on a going concern basis. The majority of Norwood Schools' income is secure as it arises from statutory sources. However, we have modelled a 4% and 6% reduction in statutory income due to attrition rates, with 6% being an extreme case. The forecasting performed and support in the form of an intercompany grant from the parent charity endorses the accounts being prepared on a going concern basis. Norwood Ravenswood intends to support Norwood Schools Limited for at least 12 months from the date of approval of the statutory financial statements for the year ended 31 March 2022 and has the liquidity to do so. The trustees consider this uncertainty not to be material and hence do not consider the charities ability to continue as a going concern to be at risk for at least 12 months from the signing of the accounts. Accordingly, the trustees have prepared these accounts on a going concern basis.

***c) Estimates***

The preparation of financial statements requires management to make estimates, judgements and assumptions that affect reported assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

***Financial instruments***

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in the income and expenditure account under finance costs or income as appropriate.

***Fair value of investment properties***

Directly managed investment properties are periodically valued on the basis of fair value in accordance with the RICS valuation and relevant accounting standards, with desktop valuations conducted in the interim, with any change recognised in the Statement of Financial Activities. A special assumption that the office element of the property, occupied by Norwood, was sold on a long leasehold basis for a term of 999 years, at a peppercorn. The purpose of this special assumption is so that we can provide an opinion of Fair Value of the Supermarket element of the property, in isolation.

***Other significant estimates and assumptions***

Significant estimates and assumptions in these Financial Statements require the exercise of judgment and are used for, but not limited to, allowance for doubtful clients and local authorities' account, estimates of future cash flows and other assumptions associated with asset impairment tests, including the reversal of previous impairments, useful lives for depreciation, determination of discount and other rate assumptions for contingencies. Due to the inherent uncertainty involved in making estimates, actual results reported in future periods may be different from these estimates.

There are no significant judgements.

***d) FRS 102 Cash flow exemption applied***

In line with Financial Reporting Standard 102, a qualifying entity may take advantage of certain disclosure exemptions, including the preparation of a cash flow statement. Norwood Schools Ltd is a qualifying entity as it is a member of a group where the parent company, Norwood Ravenswood, prepares publicly available consolidated financial statements which are intended to give a true and fair view of its assets, liabilities, financial position and profit or loss.

## **Notes to the Financial Statements**

**For the year ended 31 March 2022**

### ***e) Income recognition***

All income is accounted for when Norwood has entitlement, there is probability of receipt and the amount is measurable. If income relates to a future period or event and the purpose of that income is to support the costs and activities in the future, the income is deferred and recognised in the appropriate period.

### **Gifts in kind**

Donated goods and services are included as income within the Statement of Financial Activities (with an equivalent amount in expenditure) at the estimated value to Norwood, where this is reasonably quantifiable, measurable and material.

### **Volunteers**

The charity benefits from the involvement and enthusiastic support of its volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

### **Grants**

Grant income is recognised in the statement of financial activities when received or when Norwood becomes entitled to receipt. Grants that have been received will be treated as deferred income where there are specific requirements in the terms of the grant that the income recognition is dependent on certain activities being completed in a future accounting period.

### **Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by Norwood which is usually upon notification of the interest paid or payable by the Bank.

### ***f) Fund Accounting***

Restricted, designated and unrestricted funds are separately disclosed, as set out in Note 14. Restricted funds are resources donated, the uses of which are subject to specific restrictions imposed by the donors or by the nature of the appeal. Designated funds are unrestricted funds set aside at the discretion of the Board for specific purposes. All other types of funds which are not restricted or designated funds form part of general funds. General funds are available to spend at the discretion of the Board, in furtherance of the charitable objectives of the charity. Transfers to and from designated funds are recognised as and when the Board designates or un-designates funds.

### ***g) Expenditure***

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

### **Cost of raising funds**

The costs of raising funds comprise of costs associated with charitable expenditure including fundraising, trading costs and publicity.

### **Irrecoverable VAT**

Irrecoverable VAT is charged as a cost to the Statement of Financial Activities, being allocated on the same basis as the underlying expenditure to which it relates.

### **Support costs**

Support costs are allocated to the different categories of activities. This is based on different apportionment bases as identified in Note 5 of the financial statements. Support costs include financial management, information systems, central management, human resources, property and facilities management, Jewish culture, volunteering and risk and assurance.

**Notes to the Financial Statements****For the year ended 31 March 2022****Governance Costs**

Governance costs, other than those disclosed specifically in the notes to these accounts, are included within support costs and allocated on the same basis across services, as per Note 5. Governance costs relate to costs associated with the governance arrangements of the Norwood. These costs will normally include internal and external audit fees, legal advice for trustees and costs associated with constitutional and statutory requirements, for example the cost of trustee meetings and preparing statutory accounts. Also included within governance costs are any costs associated with the strategic as opposed to day-to-day management of the charity's activities. An appropriate proportion of the central management support costs have also been attributed as governance costs to reflect the cost of Norwood's employees involved in meetings with the trustees and the cost of all administrative support provided to the trustees.

**Grants payable**

Grants to individuals are recognised on payment and grants to institutions are recognised when there is a constructive obligation to make the payment.

***h) Intangible and tangible fixed assets*****Intangible fixed assets:**

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses (if applicable). Software development costs are recognised as an intangible asset when all of the following criteria are demonstrated:

- The technical feasibility of completing the software so that it will be available for use.
- The intention to complete the software and use.
- The ability to use the software.
- The software will generate probable future economic benefits.
- The availability of adequate technical, financial and other resources to complete the development and to use the software.
- The ability to measure reliably the expenditure attributable to the software during its development.

Amortisation is charged so as to allocate the cost of intangible assets less their residual values over their estimated useful lives, using the straight-line method. The intangible assets are amortised over the following useful economic lives:

Software costs                      4 to 7 years

**Tangible fixed assets**

Operational assets are held at depreciated cost. Expenditure relating to tangible fixed assets is expected to be used over several years and where the combined value of the asset or group of assets exceeds £1,000 they are capitalised at cost and depreciated over their estimated useful economic lives on a straight line basis.

Depreciation is provided on tangible fixed assets in order to write off their cost to their estimated realisable values by annual instalments over the following expected useful lives:

Freehold land - not depreciated

Freehold buildings - 50 years

Long leasehold land and buildings - 50 years or length of lease if shorter

Freehold and leasehold improvements - 10 years

Motor vehicles - 10 years

Furniture, fixtures, fittings and equipment - 10 years

Where there are indications that assets are or may be impaired in value or use, an impairment review is undertaken to establish the net realisable value and the value in use. The carrying amount of the assets is reduced by any excess over the higher of these valuations.

In the course of capital projects where costs are incurred for payments on account and assets under construction or installation of equipment, they are not subject to depreciation until they are reclassified after their completion and available for use.

**Notes to the Financial Statements**

**For the year ended 31 March 2022**

***i) Financial instruments***

Norwood operates basic financial instruments in terms of its assets and liabilities.

**Financial assets**

Financial asset represents financial resources available to the charity and include financial investments in equities, debtors, intercompany debtors, cash and accrued income. Financial assets are carried at fair value and changes in fair value are recognised in the Statement of Financial Activities. Fair value of financial instruments is established by the open market value of the asset.

**Financial Liabilities**

Financial liabilities are recognised on the date on which Norwood becomes a party to the contractual provisions of the instrument giving rise to the liability. These include trade creditors, other creditors, loan, accruals and intercompany creditors. Financial liabilities are initially recognised at fair value plus transaction costs and are no longer recognised when the contractual obligations are discharged, cancelled or expire. The bank loan shown in creditor amount falling due after one year is recognised at its principal amount advanced less capital repayments.

***j) Investments***

**Investment properties**

Investment properties are revalued annually by the trustees and periodically by independent Chartered Surveyors on a fair value basis. Gains and losses are recognised in the Statement of Financial Activities account for the period. Therefore no depreciation is provided on investment properties.

**Equity Investments:**

Equity investments are stated at fair value. Changes in fair value are recorded in the Statement of Financial Activities. Unrealised gains and losses are calculated based on the carrying value of the investments in the Balance Sheet.

**Investment management fees:**

Norwood investments are held within collective investment schemes and managed by fund managers. The investment income is reported net of investment management costs. The investment management fees are disclosed in the Statements of Financial Activities. There are no 'investment management costs' to report in respect of the COIF Fund holdings. This is because there are no costs netted off investment income as costs are to the Fund.

***k) Debtors***

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

***l) Cash at bank and in hand***

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

***m) Creditors and provisions***

Creditors and provisions are recognised when Norwood has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due. Most amounts provided for are expected to be settled within 12 months and are therefore recognised at the estimated settlement amount.

**Notes to the Financial Statements**

**For the year ended 31 March 2022**

***n) Employee benefits***

Short-term employee benefits are those expected to be settled wholly before twelve months after the end of the annual reporting period during which employee services are rendered, but to not include termination benefits. These include wages, salaries and any other benefits paid to current employees. All short-term employee benefits are recognised as expenses in the period in which they are incurred. Post-employment benefits, representing contributions into defined contribution plans for current employees are equally recognised as expenses in the period in which the contribution payable is exchanged for services rendered by employees. The assets of the scheme are held separately from the charity.

A termination benefit liability is recognised at the earlier of the following dates:

- when the entity can no longer withdraw the offer of those benefits or ;
- when the entity recognises costs for the restructuring which involves the payment of termination benefits.

***o) Leases***

Operating lease rentals are charged to the Statement of Financial Activities as they are incurred.

**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**2. Incoming resources from donations and legacies**

	Unrestricted Funds	Restricted Income Funds	Total 2022	Total 2021
	£'000	£'000	£'000	£'000
Donations	-	867	<b>867</b>	1,589
Grant from parent entity	8,500	-	<b>8,500</b>	8,800
Grants	4	-	<b>4</b>	9
<b>Total</b>	<b>8,504</b>	<b>867</b>	<b>9,371</b>	<b>10,399</b>

**3a. Incoming resources from charitable activities by income type**

	Unrestricted Funds	Restricted Income Funds	Total 2022	Total 2021
	£'000	£'000	£'000	£'000
Statutory income from Local Authorities	16,842	-	<b>16,842</b>	16,598
Gross fee income	286	-	<b>286</b>	236
Rental income	1,208	-	<b>1,208</b>	1,294
Other income	42	-	<b>42</b>	81
Government Grant	-	653	<b>653</b>	1,152
<b>Total</b>	<b>18,378</b>	<b>653</b>	<b>19,031</b>	<b>19,361</b>

Included within Government Grants - Furlough Grants is £118,000 (2021: £613,000) relating to the Coronavirus Job Retention Scheme (CJRS), Infection Control Fund (ICF) Grants £535,000 (2021: £539,000).

**3b. Incoming resources from charitable activities by service area**

	Unrestricted Funds	Restricted Income Funds	Total 2022	Total 2021
	£'000	£'000	£'000	£'000
Adults services	16,905	617	<b>17,522</b>	17,815
Family services	52	24	<b>76</b>	381
Children services	1,323	-	<b>1,323</b>	1,105
Support services	98	12	<b>110</b>	60
<b>Total</b>	<b>18,378</b>	<b>653</b>	<b>19,031</b>	<b>19,361</b>

**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**4. Trading activities - discontinued**

	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
	£'000	£'000	£'000	£'000
Trading income	294	-	<b>294</b>	96
Governments Grants	22	5	<b>27</b>	376
<b>Total</b>	<b>316</b>	<b>5</b>	<b>321</b>	<b>472</b>

As a result of the challenges faced by the high street, Norwood took the decision to commence the phased closure of its retail operations in 20/21. Included within Government Grants - Unrestricted Fund shop grants is £22,000 (2021: £239,000). Furlough Grant was £5,000 (2021: £137,000) relating to the Coronavirus Job Retention Scheme (CJRS).

**5. Incoming resources from investments**

	Unrestricted Funds	Restricted Income Funds	Total 2022	Total 2021
	£'000	£'000	£'000	£'000
Bank deposit interest	41	-	<b>41</b>	45
Rental income from investment properties	373	-	<b>373</b>	363
<b>Total</b>	<b>414</b>	<b>-</b>	<b>414</b>	<b>408</b>

**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**6a: Resources expended**

	Direct Staff Costs	Other Direct Costs	Reallocated Support Cost	Total 2022	Total 2021
	£'000	£'000	£'000	£'000	£'000
Cost of generating voluntary income	-	-	170	170	241
Cost of trading - discontinued	161	(37)	27	151	843
Charitable expenditure:					
Adults services	15,874	5,368	3,866	25,108	25,252
Family services	801	(225)	473	1,049	1,430
Children & educational services	1,115	876	230	2,221	2,319
<b>Total cost of charitable expenditure</b>	<b>17,790</b>	<b>6,019</b>	<b>4,569</b>	<b>28,378</b>	<b>29,002</b>
<b>Total resources expended</b>	<b>17,951</b>	<b>5,982</b>	<b>4,765</b>	<b>28,700</b>	<b>30,086</b>

Within note 6a costs of trading represent costs of discontinued operations.

**Note 6b: Analysis of reallocated support costs with bases of apportionment**

Support costs of apportionment)	(basis	Adults services	Family services	Children services	Fundraising	Trading	Total 2022	Total 2021
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Financial Management</b> <i>(percentage of staff)</i>		767	30	47	31	4	879	622
<b>Information Systems</b> <i>(number of PCs)</i>		798	263	31	51	10	1,153	1,216
<b>Assistive Technology</b> <i>(equipment and time spent)</i>		71	15	15	-	-	101	141
<b>Human Resources</b> <i>(percentage of staff)</i>		828	33	51	34	5	951	1,018
<b>Property and Facilities</b> <i>(percentage of staff)</i>		467	18	29	19	3	536	540
<b>Central Management</b> <i>(percentage of staff)</i>		485	19	30	20	3	557	647
<b>Jewish culture</b> <i>(percentage of staff)</i>		51	2	3	2	-	58	87
<b>Risk and Assurance</b> <i>(percentage of staff)</i>		28	1	2	1	-	32	56
<b>Volunteering</b> <i>(number of volunteers)</i>		74	80	4	-	-	158	113
<b>Governance</b> <i>(percentage of staff)</i>		297	12	18	12	2	341	308
<b>Total</b>		<b>3,866</b>	<b>473</b>	<b>230</b>	<b>170</b>	<b>27</b>	<b>4,765</b>	<b>4,748</b>

**6c. Resources expended also include:**

		Total 2022	Total 2021
		£'000	£'000
External audit and related costs:	Fees payable to the charitable company's auditor for the audit of the charitable company's annual accounts	33	29
Depreciation of owned fixed assets		1,491	1,752
Interest payable		50	64
Operating lease rentals:	Plant & machinery	183	215
	Properties	251	496
Trustees' indemnity insurance premiums		6	4

**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**7a. Staff costs**

	<b>2022</b>	<b>2021</b>
	£'000	£'000
<b>Direct staff expenditure:</b>		
Wages and salaries	15,810	17,042
Social security costs	1,395	1,462
Pension costs	493	512
<b>Total direct staff costs</b>	<b>17,698</b>	<b>19,016</b>
<b>Other Staff expenditure:</b>		
Agency costs	2,652	1,872
Other staff costs	531	432
<b>Total staff expenditure</b>	<b>20,881</b>	<b>21,320</b>

**7b. Redundancy and Termination costs:**

	<b>2022</b>	<b>2021</b>
	£'000	£'000
Statutory redundancy payments	89	108
Payments in Lieu of notice period	122	171
Compensation for loss of office	3	57
<b>Total payments on termination included above</b>	<b>214</b>	<b>336</b>

**7c. Average number of staff employed and the full-time equivalent**

	<b>Staff employed</b>		<b>Full-time equivalent</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	Number	Number	Number	Number
Fundraising	6	8	5	5
Adults' Services	598	643	407	453
Children and Family Services	28	33	21	28
Education and Support	18	28	10	16
Support Services	57	64	51	56
	<b>707</b>	<b>776</b>	<b>494</b>	<b>558</b>

**Notes to the Financial Statements****For the year ended 31 March 2022****7d. Earnings above £60,000****The number of employees who earned more than £60,000 during the year was:**

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
£60,001 - £70,000	3	5
£70,001 - £80,000	4	1
£80,001 - £90,000	-	-
£90,001 - £100,000	1	-
£100,001 - £110,000	-	1
£110,001 - £120,000	1	1
£120,001 - £130,000	1	1
£150,001 - £160,000	-	-

Contributions made to the pension scheme for the ten (2021: nine) employees who earned more than £60,000 amounted to £49,133 (2021: £53,781).

The trustees and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, Trustees received no remuneration and were not reimbursed any expenses in either year.

The total employee benefits of Key Management Personnel of the group were £693,549 (2021: £541,859)

**Note 7e: Pension**

Norwood operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the charity. Contributions payable in respect of the year were £493,000 (2021: £506,000) of which £112,000 was outstanding at 31 March 2022

**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**Note 8: Intangible fixed assets**

	<b>Computer Software</b>	<b>Total</b>
	£'000	£'000
<b>Cost</b>		
At 1 April 2021	2,662	2,662
Additions	180	180
Disposals	(28)	(28)
<b>At 31 March 2022</b>	<b>2,814</b>	<b>2,814</b>
<b>Depreciation</b>		
At 1 April 2021	2,610	2,610
Charge for the year	42	42
Disposals	(2)	(2)
<b>At 31 March 2022</b>	<b>2,650</b>	<b>2,650</b>
<b>Net Book Values:</b>		
<b>At 31 March 2022</b>	<b>164</b>	<b>164</b>
<b>At 31 March 2021</b>	<b>52</b>	<b>52</b>

**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**Note 9:Tangible fixed assets**

	Freehold properties	Leasehold properties	Motor vehicles	Fixtures, Furniture & Equipment	Total
	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>					
At 1 April 2021	31,889	2,740	878	7,404	<b>42,911</b>
Additions	163	34	-	1,068	<b>1,265</b>
Disposals	-	(44)	(27)	(59)	<b>(130)</b>
<b>At 31 March 2022</b>	<b>32,052</b>	<b>2,730</b>	<b>851</b>	<b>8,413</b>	<b>44,046</b>
<b>Depreciation</b>					
At 1 April 2021	14,034	1,235	548	5,339	<b>21,156</b>
Charge for the year	864	117	73	413	<b>1,467</b>
Disposals	-	(20)	(27)	(8)	<b>(55)</b>
<b>At 31 March 2022</b>	<b>14,898</b>	<b>1,332</b>	<b>594</b>	<b>5,744</b>	<b>22,568</b>
<b>Net Book Values:</b>					
<b>At 31 March 2022</b>	<b>17,154</b>	<b>1,398</b>	<b>257</b>	<b>2,669</b>	<b>21,478</b>
<b>At 31 March 2021</b>	<b>17,855</b>	<b>987</b>	<b>330</b>	<b>2,065</b>	<b>21,756</b>

**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**Note 10a: Investments - Managed Investment Portfolio**

<b>Market Value</b>	<b>2022</b>	<b>2021</b>
	£'000	£'000
Market values at 1 April	1,383	1,502
Disposals in the year	-	(400)
Net investment gains	119	281
<b>Market value at 31 March</b>	<b>1,502</b>	<b>1,383</b>

<b>Historical Cost for comparison</b>	<b>2022</b>	<b>2021</b>
	£'000	£'000
Historical cost at 31 March	1,288	1,288
Cumulative revaluation gains (investment portfolio)	214	94

The underlying investments may also be analysed as follows:

<b>Equity Investments by type</b>	<b>2022</b>	<b>2021</b>
	£'000	£'000
Multi-asset Investment Funds	1,503	1,382
Cash	-	-
<b>Market Value at 31 March</b>	<b>1,503</b>	<b>1,382</b>

**Note 10b: Investments - Directly Managed Properties**

<b>Market Value</b>	<b>2022</b>	<b>2021</b>
	£'000	£'000
Valuation at 1 April	6,300	6,300
Net investment (losses)/gains - unrealised	1,080	-
<b>Carrying values at 31 March</b>	<b>7,380</b>	<b>6,300</b>

	<b>2022</b>	<b>2021</b>
	£'000	£'000
Historical cost at 31 March	5,200	5,200
Cumulative property revaluation gains for the year	2,180	1,100

The investment property relates to the ground floor of the building at 80-82 The Broadway, Stanmore leased to a third party (LIDL). In April 2022, an independent valuer, Cluttons LLP, undertook a valuation of the investment property.

**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**Note 10c: Net gains/(losses) on revaluations**

<b>Market Value</b>	<b>2022</b>	<b>2021</b>
	£'000	£'000
Net (losses) / gains on investments: managed portfolio	119	281
Net (losses) on financial instruments: interest rate cap	5	-
Net gains on fixed asset: directly managed property	1,080	-
<b>Net (losses)/gains on investments</b>	<b>1,204</b>	<b>281</b>

The Interest Rate Cap has been valued by JC Rathbone Associates Ltd, a financial institution authorised and regulated by the Financial Conduct Authority, for the year ended 31 March 2022. The valuation is based on fair value using the MID point of the yield curve prevailing at the reporting date. Fair value represents the net present value of the difference between the contracted rate and the valuation rate when balances are projected to the contracted expiration data. The valuation does not include a credit valuation adjustment.

**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**Note 11: Debtors**

	<b>2022</b>	<b>2021</b>
	£'000	£'000
Trade debtors and Local Authorities' debts	1,066	1,323
Amount due from group undertakings	8,810	6,283
Other debtors	187	39
Prepayments	332	355
Accrued income	8	-
<b>Total debtors</b>	<b>10,403</b>	<b>8,000</b>

**Note 12: Creditors: amount falling due within one year**

	<b>2022</b>	<b>2021</b>
	£'000	£'000
Trade creditors	1,092	1,101
Accruals and deferred income	2,532	2,091
Bank loan repayable within one year	363	329
JCoSS PSRP grant	-	160
Other creditors	141	178
Other taxes and social security costs	456	435
<b>Total creditors due in less than one year</b>	<b>4,584</b>	<b>4,295</b>

**Note 12a: Deferred income**

	<b>2022</b>	<b>2021</b>
	£'000	£'000
Opening balance at 01 April	586	423
Amounts released in year	(586)	(423)
Amounts deferred in year	702	586
<b>Closing balance at 31 March</b>	<b>702</b>	<b>586</b>

Deferred income relates to fee income invoices raised at the year-end which pertain to future periods.

**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**Note 13: Creditors: amount falling due after one year**

	<b>2022</b>	<b>2021</b>
	£'000	£'000
Bank loan repayable within two to five years	1,495	1,493
Bank loan repayable after five years	2,219	2,577
	3,714	4,070
Provision for Dilapidation	50	126
Rental Deposit	42	42
JCoSS PSRP grant	-	40
<b>Total creditors due in more than one year</b>	<b>3,806</b>	<b>4,277</b>

Loan: In October 2007 Norwood purchased Broadway House in Stanmore with a 25 year loan taken with RBS for 80% of purchase price, £6.68m. Capital repayments commenced after 60 months of loan issue (first 5 years is interest only). The bank loan is secured by a charge over Broadway House, Stanmore and is repayable in 240 monthly instalments from November 2012.

**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**Note 14: Restricted Funds**

	Note	1 April 2021	Incoming resources	Outgoing resources	Transfer between funds	31 March 2022
JCoSS PSRP Fund	i	1,050		(85)	11	976
JAPH	ii	25	-	-		25
Somers Court & Residential Fund	iii	194	-			194
Somers Court (ex Daniel Ct.)		325		(17)		308
Supported Living Properties Fund:	iv	21				21
11 Highview Gardens		632		(15)		617
Holmbury Avenue		354		(17)		337
Greenwood Road		175		(6)		169
The Grange Fund	v	165	-	(11)		154
Phyllis Somers Capital & Service Fund	vi	2,834	-	(200)	(168)	2,466
Assistive Technology Fund	vii	220	65	(107)		177
Lyonsdown Road Rear Garden	viii	38	-	(3)		35
Heads Up Kids	ix	59	126	(98)		87
Rochelle & Alan Bernard Fund	x	59	-	(1)		58
Capital Projects	xi	502	-	-		502
Binoh SEND Fund	xii	-	18	(7)		11
Lyonsdown minibus operational costs	xiii	19	14	(5)		28
Braude Trust for Staff Training	xiv	-	275	(58)		217
Government Grant ICF	xvi		557	(557)		-
Government Grant CJRS	xvii		123	(123)		-
Autism Services	xix	36	10	(23)		23
Under £20K		242	338	(416)		165
<b>Total</b>		<b>6,950</b>	<b>1,526</b>	<b>(1,749)</b>	<b>(157)</b>	<b>6,570</b>

**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**Restricted funds**

- i JCoSS PSRP Fund supporting students at JCoSS with special educational needs, mostly at the severe end of the autistic spectrum.
- ii JAPH Fund to assist Jewish people with physical and/or learning disabilities
- iii Somers Court & Residential Accommodation Fund to provide accommodation for young adults with learning disabilities.
- iv Supported Living Properties Fund. Capital investments made from the Supported Living Capital Fund.
- v The Grange Fund representing a donation of a flat which can only be used by the current resident during his lifetime.
- vi Phyllis Somers Service Delivery Fund comprising donations towards construction, refurbishment and associated costs of family centres and accommodation for adults with disability, plus the operating cost of such services.
- vii Assistive Technology Fund Grants from Trusts and Foundations including the K C Sasha Charitable Foundation to provide assistive technology and associated support to people with learning difficulties and complex needs.
- viii Lyonsdown Road Rear Garden supporting the landscaping of rear garden.
- ix Heads Up Kids - supports our work in partnership with Heads Up Kids and PaJes.
- x Rochelle and Alan Bernard Fund : A memorial fund set up in memory of Rochelle and Alna Bernard to support children dealing with trauma
- xi Capital Projects provided by the Leo Baeck Housing Association to support building improvements at several Norwood properties.
- xii Binoh Send Fund : supports Binoh's Special Educational Needs and Disabilities Programme
- xiii Lyonsdown minibus operational costs : Support the operational costs of the mini bus. i.e minibus driver costs, fuel and fleet charges
- xiv The Norwood Braude Training Programme is generously supported by the Braude Trust
- xv Lira Abeleva (Novi Dom) set up to provide an educational and respite care facility for disabled children in Minsk, Belarus.
- xvi Government Grants – Infection Control, Lateral Flow Device, Vaccine, Omicron and Workforce Capacity Funding provided by Local Authorities
- xvii Government Grant - CJRS Coronavirus Job Retention Scheme funding provided by Central Government
- xix Autism Services funding towards the cost of community engagement management.

**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**Note 15: Unrestricted funds: designated**

		<b>1 April 2021</b>	<b>Incoming resources</b>	<b>Outgoing resources</b>	<b>Investment gains and losses</b>	<b>Transfer between funds</b>	<b>31 March 2022</b>
	note:	£'000	£'000	£'000	£'000	£'000	£'000
JCoSS PSRP	i	31	-	-	-	(31)	-
<b>Total Designated Fund</b>		<b>31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(31)</b>	<b>-</b>

**Note 16: Summary of Funds**

	<b>1 April 2021</b>	<b>Incoming resources</b>	<b>Outgoing resources</b>	<b>Impairment Reversal &amp; Investment gains and losses</b>	<b>Transfer between funds</b>	<b>31 March 2022</b>
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted Fund	24,718	27,612	(26,950)	1,204	188	26,772
Unrestricted Fund: Designated	31	-	-	-	(31)	-
Restricted Fund	6,951	1,525	(1,749)	-	(157)	6,570
<b>Total funds</b>	<b>31,700</b>	<b>29,137</b>	<b>(28,699)</b>	<b>1,204</b>	<b>-</b>	<b>33,342</b>

**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**Note 17: Analysis of Net Assets Between Funds**

	Unrestricted Fund	Designated Fund	Restricted Fund	Total Fund
	£'000	£'000	£'000	£'000
<b>2022</b>				
Fixed assets	19,842	-	1,800	<b>21,642</b>
Investments	8,888	-	-	<b>8,888</b>
Net current assets/(liabilities)	1,848	-	4,770	<b>6,618</b>
Liability due after one year	(3,806)	-	-	<b>(3,806)</b>
<b>Total net assets</b>	<b>26,772</b>	<b>-</b>	<b>6,570</b>	<b>33,342</b>
<b>2021</b>				
Fixed assets	20,130	-	1,676	<b>21,807</b>
Investments	7,652	31	-	<b>7,683</b>
Net current assets/(liabilities)	1,212	-	5,274	<b>6,486</b>
Liability due after one year	(4,277)	-	-	<b>(4,277)</b>
<b>Total net assets</b>	<b>24,718</b>	<b>31</b>	<b>6,950</b>	<b>31,699</b>

**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**Note 18: Commitments under operating leases**

The future minimum payments under non-cancellable operating leases are:

	<b>Leased Properties 2022</b>	<b>Other 2022</b>	<b>Leased Properties 2021</b>	<b>Other 2021</b>
	£'000	£'000	£'000	£'000
Within one year	317	154	336	161
Between one and five years	895	37	842	78
Over five years	2,711	-	2,689	-
	<b>3,923</b>	<b>191</b>	<b>3,867</b>	<b>239</b>

**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**Note 19: Related Parties**

In the year, there was a related party transaction between the charity and The Radlett Centre Trust for the provision of theatre hire amounting to £2,098 (2021: £nil). One of the Trustees is a director in The Radlett Centre Trust.

There were no related party transactions in the year between the charity and Ashridge Home Care Limited for the provision of agency care (2021: £17,402). The Director of Service and Development is a director in Ashridge Home Care Limited.

**Group companies:**

In the year, there were related party transactions between the charity and members of the group.

Norwood Schools Limited paid for expenditure of £56,700 (2021: £12,000) on behalf of The Hope Charity. Norwood Schools Limited received funds totalling £11,300 (2021: £99,000) from The Hope Charity. At the year-end Norwood Schools Limited was owed £904,000 (2021: £848,000) by The Hope Charity.

Norwood Schools Limited received income of £9,350,000 (2020: £10,392,000) from Norwood Ravenswood. Norwood Schools Limited incurred expenditure of £589,000 (2021: £834,000) on behalf of Norwood Ravenswood. At the year-end Norwood Schools Limited was owed £7,907,000 (2021: £5,434,000) by Norwood Ravenswood.

Norwood Schools Limited accounts are consolidated into Norwood Ravenswood, the parent company. Norwood Ravenswood is a registered charity limited by guarantee, registered in England and Wales with charity registration number 1059050 and company registration number 03263519. The principal and registered office for Norwood Ravenswood is:

Broadway House  
80-82 The Broadway  
Stanmore  
HA7 4HB

**Key management personnel compensation:**

In line with paragraph 33.6 of FRS102 Related Party Disclosures, compensation paid to key management personnel in respect of services provided to the reporting entity is disclosed in Note 6.

**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**20. Comparative figures for individual funds**

**Statement of Financial Activities**

**For the year ended 31 March 2021 (incorporating the income and expenditure account)**

	Continuing Operations			Discontinued Operations			Total 2021	Total 2021	Total 2020
	Unrestricted Funds	Restricted Funds	Total funds	Unrestricted Funds	Restricted Funds	Total funds			
	2021	2021	2021	2021	2021	2021			
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
<b>Income from:</b>									
Donations and legacies	8,811	1,588	10,399	-	-	-	10,399	9,884	
Charitable activities	18,209	1,152	19,361	-	-	-	19,361	19,425	
Other trading activities	-	-	-	335	137	472	472	569	
Investments	408	-	408	-	-	-	408	380	
Profit on disposal of property	232	-	232	-	-	-	232	755	
<b>Total income</b>	<b>27,660</b>	<b>2,740</b>	<b>30,400</b>	<b>335</b>	<b>137</b>	<b>472</b>	<b>30,872</b>	<b>31,013</b>	
<b>Expenditure on:</b>									
Raising voluntary income	241	-	241	-	-	-	241	205	
Trading activities	-	-	-	706	137	843	843	845	
Investments	-	-	-	-	-	-	-	-	
Charitable activities	26,143	2,859	29,002	-	-	-	29,002	29,075	
<b>Total cost</b>	<b>26,384</b>	<b>2,859</b>	<b>29,243</b>	<b>706</b>	<b>137</b>	<b>843</b>	<b>30,086</b>	<b>30,125</b>	
Operating surplus / (deficit)	1,276	(119)	1,157	(371)	-	(371)	786	888	
Net gains on investments	281	-	281	-	-	-	281	(107)	
<b>Net income / (expenditure)</b>	<b>1,557</b>	<b>(119)</b>	<b>1,438</b>	<b>(371)</b>		<b>(371)</b>	<b>1,067</b>	<b>781</b>	
Transfers between funds	(14)	14	-	-	-	-	-	-	
<b>Net movement in funds</b>	<b>1,543</b>	<b>(105)</b>	<b>1,438</b>	<b>(371)</b>		<b>(371)</b>	<b>1,067</b>	<b>781</b>	
<b>Reconciliation of funds:</b>									
Total funds brought forward	23,577	7,056	30,634	-	-	-	30,634	29,853	
<b>Total funds carried forward</b>	<b>25,120</b>	<b>6,951</b>	<b>32,071</b>	<b>(371)</b>		<b>(371)</b>	<b>31,700</b>	<b>30,634</b>	