



NORWOOD
Taking on life together

**NORWOOD
SCHOOLS
LIMITED**

(A Charitable Company Limited by Guarantee)

**Trustees' Annual Report and
Financial Statements
For the year ended 31 March 2025**



Patron HM King Charles III
Registered Charity No. 307992
Registered Company Number: 00516901

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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 Miles Webber, Ben Freeman and Tim Isaacs.
Senior Leadership Team	<p>The charity is managed on a unified basis with its parent charity, Norwood Ravenswood. The Senior Leadership team comprises:</p> <p>Chief Executive Officer</p> <ul style="list-style-type: none">• Naomi Dickson <p>Director of Finance and Corporate Services</p> <ul style="list-style-type: none">• Robert Morton (interim) (until 31.5.24)• Heather Lees (interim) (from 17.6.24 to 22.11.24) <p>Director of Finance and Resources</p> <ul style="list-style-type: none">• Neil Harris (appointed 11.11.24) <p>Director of Fundraising, Communications and Community Engagement</p> <ul style="list-style-type: none">• Liz Jessel (resigned 24.9.24) <p>Director of Fundraising</p> <ul style="list-style-type: none">• Anthony Shaw (appointed 1.4.25) <p>Director of Adult Services (Director of Services and Development to 21.4.24)</p> <ul style="list-style-type: none">• Hannah Barnett <p>Director of Children and Family Services</p> <ul style="list-style-type: none">• Emma Gray (from 22.4.24) <p>Director of People and Culture</p> <ul style="list-style-type: none">• Tarrance Ryder-Downes (resigned 31.7.25) <p>Interim Director of People and Culture</p> <ul style="list-style-type: none">• Vicky Greig (appointed 01.9.25) <p>Director of Risk and Compliance</p> <ul style="list-style-type: none">• Philippa Shirtcliffe <p>Director of Major Projects</p> <ul style="list-style-type: none">• Caroline Taylor (retired 31.3.25) <p>Director of Marketing and Communications</p> <ul style="list-style-type: none">• Huw Thomas (appointed 06.05.2025)
Company Secretary	Nick Bernstein (resigned 31.3.25) Obinna Chijioke (appointed 31.3.25)
Auditors	HaysMac LLP
Investment Managers	CCLA Investment Management Sarasin & Partners

Bankers

Barclays Bank plc

**Principal and
Registered Office**

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

Trustees' Annual Report (incorporating Strategic Report)

The trustees are pleased to present their annual report and audited financial statements for the year ended 31 March 2025. 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 Schools (“the Charity”) is the principal operating entity in the Norwood Ravenswood group (“Norwood”).

Norwood supports and empowers Jewish people of all ages with neurodiversity or neurodevelopmental disabilities, along with their families, to live their best lives in communities that value them. Founded in 1795, Norwood is the oldest Jewish charity in the UK and has been privileged to receive Royal Patronage since 1815.

Norwood works with local authorities to deliver wide-ranging services including residential and supported living accommodation and short-breaks facilities, as well as a range of support groups aimed at the whole family, not just the individual.

Children & Family Services

Our Children and Family provision is based in two northwest London locations. Our needs- and strengths-based support strengthens the family unit, giving them the tools to create meaningful and fulfilling relationships.

We are proud to run a range of support groups, including One to One Parenting, Exploring Autism and Exploring Autism for Grandparents courses, and Unity, our short breaks weekend and holiday provision for cohorts of children and young people aged 5-12 and 12-18 years. Our broader support includes Rainbow and Rainbow Plus (for the parents of primary and secondary school-aged children respectively), 2Gether Group (parenting drop in), and an Afternoon Homework Club.

Our Psychotherapy and Counselling service delivers individual and group psychotherapy for children/young people in schools or in the community; individual psychotherapy for young adults (18-25) with learning disabilities and autism; psychotherapeutic parenting support; adult counselling; groups designed to build resilience and increase social and emotional competence; and sessions to enable children with ongoing difficulties to explore their experiences in a safe and non-judgemental space.

Adult Services

Our residential and supported living accommodation services in London and Berkshire are suitable for neurodiverse adults and/or adults who have a neurodevelopmental disability. Our residents receive appropriate support according to their needs, where they can enjoy being part of a community. All our homes offer a warm, supportive environment where Jewish values are at the heart of daily life. Our person-centred support enables people to live the life of their choosing.

Beyond accommodation our adult services include the provision of Assistive Technology, promoting independence and enhancing day-to-day living using technology. This includes nighttime telecare systems that avoid the need for intrusive nighttime checks, and Eye Gaze technology to enable people to use environmental control systems. We also use laptops, music systems, toys and many other devices to facilitate communication and support early screen engagement skills. We also offer complementary services that promote good physical and mental wellbeing through activities such as equine and hydrotherapy.

Transition services

Norwood provides information, guidance, and advocacy for parents of 16-25 year-olds with a learning disability and/or autism, to help them navigate the social care system; benefits and welfare advice; and Jewish cultural activities.

Our Highlights, Challenges and Achievements in the year

1. The Hub opening

In September 2024, our Unity short breaks services moved to an alternative Norwood location known as The Hub in northwest London, to enable us to expand our offer. This large multi-faceted specialist space includes a sensory room, a music room, an arts/crafts room, a soft playroom and an outdoor adventure playground. Our offer now includes after-school clubs, including a life skills club for our children and young adults aged 16+.

The extended offer provides families with a regular short break, strengthening the whole family unit, and enabling them to thrive. We provide activities for children and young people tailored to their interests, wellbeing and development. These opportunities foster their participation in the Jewish and wider community, and expand social and friendship opportunities, preparing them to live their best independent lives.

2. Ravenswood Village

The Board's Ravenswood Steering Group continued to discuss next steps for Ravenswood Village, our purpose-built multi-home site providing supported living and residential care for adults with neurodevelopmental disabilities or autism. We remain fully committed to providing the highest standards of care for the residents at Ravenswood. We continue to review the needs and care plans of residents on an ongoing basis, as part of our commitment to providing person-centred care and to maximise capacity in the future. A significant stabilisation of the management team and a leadership development programme helped to promote the positive transition of new residents and good engagement from staff.

3. Fee renegotiation programme

We continued our ambitious fee review, which will continue into 2025/6. This is to ensure that the people we support receive an appropriate care package from statutory commissioners and that Norwood receives a fair fee for the support we provide.

4. Condition survey – London homes

Norwood commissioned a full property condition survey across all our London-based homes. The purpose was to establish an objective, independent view of the physical condition of our estate; ensure ongoing compliance with statutory requirements; and create a clear, costed plan for maintaining safe, high-quality environments for the people we support.

The survey identified priority maintenance, lifecycle replacements, and improvement works, which have been developed into a five-year programme. Implementation commenced in April 2025 and progress to date includes:

- Completion of several year one priorities, including fabric repairs and compliance upgrades
- Integration into multi-year capital and operating spending plans incorporating a Planned Preventive Maintenance cycle.

In addition, we renegotiated facilities management contracts and worked with contractors to ensure works are sequenced around operational needs and minimise disruption to residents and staff.

We strengthened our ability to manage our estate proactively, reduce reactive repair demand, and ensure our homes remain safe, compliant, and fit for purpose.

5. Staff satisfaction

We continued to focus on enhancing staff satisfaction and retention. These included enhancing our benefits with increased sleep-in rates and access to the Blue Light Card discount scheme, mental health first aid, wellbeing and resilience training for managers and refreshed long-service awards to recognise outstanding commitment and loyalty. We also recently launched a new management development programme.

Among the key findings from our staff survey, 86% of staff enjoy working with our people across the organisation; 81% say they are comfortable being themselves at work; 85% enjoy the work they do; and 82% of staff feel like they are making a difference. We are pleased to note that staff satisfaction rose further in 2025/26 year and we will report on this encouraging trend next year.

Feedback from team meetings to discuss the survey results was shared with our leadership and incorporated into three priorities for change: Pay, Reward and Recognition; Leadership; and People Management.

6. Staff remuneration

We developed and implemented a pay and recognition review to ensure our pay is fair, consistent, and financially sustainable, as well as recognising our staff's commitment to making our work possible.

Included in that review was an increase in the hourly rate for our front-line care staff, based on a premium over National Living Wage, which had positive impacts on staff retention.

In the 2024 state budget, the government announced significant increases to the National Living Wage and employers' National Insurance contributions. The additional burden represents a significant challenge for the care sector going forwards and has added over £1 million to Norwood's employment costs for 2025/26.

7. Strategy and governance

The recommendations in the Bayes Business School's review of Norwood's governance were implemented from September 2024. A new board and subcommittee timetable and reporting framework was implemented in January 2025. Norwood's Board of Trustees is now supported by six committees and several groups.

8. Our Volunteers

By the end of 2024/25, Norwood was supported by 192 (2024: 173) volunteers across services, cultural programmes, and head office. Volunteer numbers grew steadily, especially within London Adult Services.

We welcomed new corporate partners for volunteering days, including Johnson & Johnson, EY, Virgin Media, Bayer, and others. Community Engagement Volunteering expanded with flexible opportunities, and Jewish Cultural Volunteering grew through regular contributions from local synagogues.

We are deeply grateful to all our volunteers. Their time, energy and commitment to enriches lives and strengthens our community.

Norwood's Strategic Priorities and Focus for 2025/2026

In 2024, we launched a bold new strategy to transform our services and deliver sector-leading, empowering support for Jewish children, families, and individuals with neurodevelopmental disabilities and neurodiversity. This strategy sets our direction through 2027.

Our vision

A world where the people we support can:

- Live ordinary, fulfilled Jewish lives
- Enjoy lasting physical and mental wellbeing
- Be valued members of their communities
- Live independently in homes that feel like their own

Our mission

To empower Jewish people of all ages with neurodiversity or neurodevelopmental disabilities, and their families, to lead fulfilled lives in communities that value them.

Values

Everything we do is guided by our Values:

- Kindness (Chesed)
- Respect (Kavod)
- Belonging (Beitenu)
- Empowerment (Chayim)

Our strategy is focused on four pillars that outline our main areas of service delivery, and which will continue to drive our work next year.

Pillar One: Our Open Front Door

Working with 11 community partners, we will establish a seamless advice, signposting and referral service for Jewish people seeking support for a wide range of social needs. The service is already running in a pilot capacity and will launch publicly in 2026. The commitment by the Wohl Legacy of £250k over two years will contribute to the support needed to deliver this service.

Pillar Two: Our Offer to Neurodivergent Children and Their Families

Norwood is implementing an ambitious whole family centred model, focused on strengths and needs, to empower children, young people, and their families. This will enhance our offer beyond what's available through local authorities. A new CRM system with integrated outcome measurement will strengthen our evidence base and support our influence on local policy and provision. An expert advisory group will guide the phased three-year rollout of the model.

As we develop our advocacy offer, we will expand our family resource and wellbeing centre, delivering expert-led events and programmes to support family wellbeing and understanding.

We are reviewing our current therapy offer and exploring a shift to whole-family therapeutic approaches, which show strong evidence of impact. We will also build the infrastructure for a wraparound community response, working in partnership with local authorities, schools, synagogues, and other stakeholders.

Pillar Three: Our Transition Support

Norwood will invest in a Transition Service that holds the hands of young people and their parents as they work through the complex and often frightening experience of transition into adulthood.

In year one we will develop a Transition Strategy which will utilise a CRM system to enable us to identify and follow the path of a young person through Norwood's services.

As part of our implementation, we will expand our offer of monthly family peer support groups to two new cohorts:

- Families of those who have taken up residency in one of Norwood's adult services
- Families with children 16+ who are considering options for their future, with a potential to move into adult services in the future

Pillar Four: Our Offer to Adults

We will offer person-centred support that is deeply informed by an understanding of the importance of Jewish values, practices and community to those we serve, consistently incorporating co-

production with individuals and their families. We will develop a co-production implementation plan and develop our use of the ‘Nourish’ system to monitor the outcomes for those we support.

We will develop a housing strategy to include the development of improved tenancies and housing management, so we can meet growing demand for modern, high-quality supported living accommodation in the right places for the community and configured to allow independent living.

Governance

Group structure

Norwood Schools is a charitable company limited by guarantee, governed by its Memorandum and Articles of Association. Norwood’s charitable purposes are “the promotion of education and the relief in need of people with learning difficulties and children and families in need through the provision of support, particularly in the areas of special education, respite and recreational services, family support including social work, and adoption, the beneficiaries of which activities shall be drawn primarily, but not exclusively, from the Jewish community”.

The directors of the company are the trustees of the charity.

Structure, Governance and Management

Norwood Schools is overseen by a board of trustees who set our strategy, contribute their expertise and experience to the effective running of the charity, and ensure that we comply with the highest standards of legal and regulatory requirements.

The charity is overseen and managed on a unified basis with its parent charity, Norwood Ravenswood. The Charity’s trustees are also trustees of the parent charity. The senior leadership team (SLT) of the Charity is also unified with that of the parent charity. Details of delegated responsibility, the committee structure of the board, and members of the senior leadership team are disclosed in the parent charity’s trustees’ report.

Statement on s.172(1) of The Companies Act 2006 and s.17 of The Charities Act 2011

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 set strategic priorities to ensure that the charity’s activities are carried out for the public benefit. The Trustees also confirm that they have had full regard to the Charity Commission’s general guidance on public benefit, “Charities and Public Benefit”.

Principal Risks and Risk Management

Risk management is undertaken on an overall group level for Norwood and its subsidiaries.

Norwood has a corporate risk management policy that sets out its board’s agreed approach to risk management. The policy applies to the whole Norwood group and sets out how it understands and manages risks relating to the law, regulations, governance, financial management and business performance. Norwood uses its risk management framework to identify, prioritise and manage risks. This helps Norwood minimise threats and make the most of opportunities.

Norwood faces a range of strategic, operational, financial, regulatory, and external risks which could impact its ability to deliver services and fulfil its charitable objectives. The Audit, Risk and Compliance Committee ensures these risks are reviewed regularly, with appropriate mitigation strategies in place. Risk management at the operational level is managed by the executive directors, who review risks regularly both within their directorates and as a group.

Norwood has a central quality assurance, risk and compliance function, responsible for managing and developing the framework, and regular monitoring and reporting of compliance and risks. Norwood is committed to the continued development of its risk management approach, ensuring that consideration and awareness of risk is central to operational and strategic objectives. The most significant risks currently identified that relate to the Charity include:

Risk	Existing Treatment and Mitigating Actions
<p>Failure to Deliver the Organisational Strategy:</p> <p>The organisation may fail to effectively implement its new strategic plan, resulting in misalignment of resources, lack of stakeholder engagement, and failure to meet objectives</p>	<ul style="list-style-type: none"> • Strategic plan launched with clear project planning and regular oversight by SLT and board sub-committees to ensure accountability and progress monitoring • Strategy champions and task & finish groups established with targeted training to drive engagement and tailored implementation across service areas
<p>Regulatory or Quality Compliance Breaches:</p> <p>Potential non-compliance with regulatory requirements (e.g. CQC standards), leading to reputational damage, enforcement action, or harm to service users</p>	<ul style="list-style-type: none"> • Quality Audit Framework in place with regular audits, incident analysis, and thematic reviews to drive continuous improvement. • In-house developed compliance systems to support central and senior management oversight and regular governance meetings ensure safeguarding standards and lessons learned are shared
<p>Workforce Recruitment, Retention, and Capability:</p> <p>Inability to attract and retain skilled staff may undermine service delivery, increase agency</p>	<ul style="list-style-type: none"> • Strengthened recruitment, onboarding, and people strategies (e.g. pay/reward review, engagement initiatives) to enhance attraction and retention • Ongoing agencies spend reduction, improved internal communication, and dedicated governance groups on People, Culture & Inclusion

Risk	Existing Treatment and Mitigating Actions
dependency, and reduce continuity of care	
<p>Financial Sustainability:</p> <p>The organisation may experience deficits or funding shortfalls due to rising costs, inadequate fee income, or inefficient delivery of commissioned care</p>	<ul style="list-style-type: none"> • Successful fee renegotiations and support package reviews ensure lean, contracted care with sustainable staffing • Partnership with authorities and utilisation of staff ensure delivery of commissioned hours and long-term viability
<p>Technology and Information Security Risk:</p> <p>Failure to manage IT infrastructure, cybersecurity threats, or data protection breaches could disrupt services and violate legal obligations</p>	<ul style="list-style-type: none"> • Nourish care system implemented; Phase 2 quality assurance project commenced • Development of IT strategy commenced • Virtual CTO and IT consultant engaged to support CRM and digital systems • Information Governance Forum chaired by DPO; quarterly meetings held • Cyber Essentials accreditation achieved in 2024/25 ; phishing simulation returned low-risk results
<p>Business Continuity and Emergency Preparedness:</p> <p>Inadequate planning for business interruptions (e.g., pandemics, cyberattacks, severe weather) may disrupt operations and affect vulnerable service users</p>	<ul style="list-style-type: none"> • Organisation-wide business continuity policy published; service-level business continuity plans reviewed annually • Centralised intranet repository for all plans; SLT escalation plan in place • Hybrid working embedded to enhance resilience
<p>Fire and Health & Safety Compliance:</p> <p>Failure to meet fire safety and H&S regulations could endanger residents, staff, and result in regulatory consequences</p>	<ul style="list-style-type: none"> • Dedicated Fire Safety Project Group overseeing fire strategy (12-month plan) • Regular fire risk assessments, compartmentation surveys, and implementation of findings • New software to complete Fire Risk Assessments procured ahead of 2025 assessments • Staff training on induction, routine fire drills, and compliance monitoring • Personal emergency evacuation plans maintained for individuals with evacuation support needs

Risk	Existing Treatment and Mitigating Actions
<p>Failure to Maintain Public Trust and Reputational Harm:</p> <p>Reputational damage due to safeguarding incidents, poor service quality, or failure to act on hate crime incidents may erode stakeholder trust</p>	<ul style="list-style-type: none"> • RAID log and physical security improvements at key sites • All hate crime incidents reported and addressed with CST and Police support • Transparency in communication and stakeholder engagement embedded in project management

Each of these risks is actively monitored, with mitigation strategies implemented and regularly reviewed by designated risk owners and leadership. While challenges remain, Norwood continues to take proactive steps to manage risk and build organisational resilience.

Compliance and Operational Risk Management

Risk is inherent in our operations and the decisions made in pursuit of our charitable goals. The Norwood Board is responsible for the nature and extent of the principal risks that it is willing to take. It reviews the principal risks to the organisation and ensures that risks are effectively managed through our governance structure.

Norwood has 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. Risk management procedures are benchmarked against best practice found within social care providers and other not-for-profit organisations.

These risks are managed on a day-to-day basis by the Senior Leadership Team and overseen by the Audit, Risk and Compliance Committee on behalf of the Norwood board. In addition, a programme of audits of specific areas is undertaken by RSM, our internal auditors, in conjunction with the Norwood Risk and Compliance team.

Quality and Compliance

We are proud to report that all of our services continue to be rated Good or Outstanding by the Care Quality Commission (CQC), reflecting the dedication and professionalism of our teams. In addition, several recent local authority quality inspections have provided highly positive feedback, further affirming our commitment to excellence in care. Our internal Quality Team provides robust and ongoing oversight across all services, ensuring continuous improvement and accountability. We rigorously benchmark our practices against the CQC inspection framework to uphold the highest standards. This same level of scrutiny and oversight is embedded within our Ofsted-registered services, where we apply consistent quality assurance processes to maintain safe, effective, and child-centred support in our day respite services in line with regulatory expectations and our charitable values.

Safeguarding

In our safeguarding work, we take a person-centred, proactive approach. Where concerns have arisen, we conducted thorough reviews with input from both individuals and staff. The reviews informed immediate actions and built on the recommendations from an independent audit that will support our review of training. We have a transparent approach to safeguarding and report any

concerns in line with our statutory responsibilities. During 2024-25, there were no reports made to the Charity Commission.

Complaints

We take all complaints seriously, monitor them closely and report on them regularly. We respond to each complaint within three working days and aim to conclude all complaints within 28 working days. The Quality and Impact and Audit, Risk and Compliance Committee have oversight of compliant KPIs, themes and trends.

Health and Safety

We remain committed to maintaining a safety-first culture across all areas of the charity. Over the past year, we have taken significant steps to strengthen our approach, including the procurement of new fire risk assessment software to enhance our monitoring and compliance capabilities. In addition, a comprehensive new fire safety strategy is currently in development, with full implementation planned across the organisation during 2025.

Themes, trends, and emerging risks are routinely reviewed through structured reporting and analysis, ensuring timely response and mitigation. Oversight of these matters is maintained through the relevant Norwood board committees, reinforcing our commitment to a safe and well-governed operating environment.

Data Security and Data Protection

In 2024, Norwood successfully completed the Data Security and Protection Toolkit submission for the 2024/25 period, achieving a status of 'standards met'. Throughout the year, we have continued to fulfil our legal responsibilities in relation to data protection and security, operating in line with the Information Commissioner's Code of Practice. We successfully achieved Cyber Essentials and are preparing for Cyber First accreditation, a further strengthening of our commitment to data security and resilience across the charity.

Financial Review

In the 2024/25 financial year, the charity made an operating surplus of £1.6m (2024: £0.3m). The increase in surplus is principally attributable to:

- (i) Additional income of £1.0m from charitable activities, arising from successful fee negotiations with local authorities.
- (ii) An increase in the parent company grant which rose from £5.3m to £7.5m, provided to mitigate the impact of investment losses of £1.1m.

A reduction in the value of investment properties due to higher long-term discount rates applied to rental income, and adverse movement in the market value of the investment portfolios resulted in a net surplus of £0.5m (2024: 0.1m surplus).

The shortfall in statutory funding compared to the cost of providing adult social care was £2.5m for the year. This has been reducing in recent years through work to renegotiate appropriate care packages and agree fee uplifts with commissioning authorities to cover increases to frontline staff wages and other inflationary pressures. With rising costs from national insurance, wage increases,

and inflation, Norwood, like other care sector organisations, will find it difficult to close this funding gap, especially given ongoing constraints on local authority finances. We will therefore need to continue to pursue operational efficiencies, at the same time as investing in implementing our multi-year strategy – to enhance our service provision while ensuring regulatory compliance and to facilitate efficiencies by applying appropriate information technology systems and digitalisation.

Income

The total income generated for the year was £32.7m (2024: £29.8m). £24.1m, or 74% (2024: £23.1m, 77%) of this was generated from providing paid-for services in line with our charitable purpose (Charitable Services). Those services include the delivery of statutory care services on behalf of local authorities, rental income for supported living accommodation, and a small amount where we charge beneficiaries directly. 99% of that income (2024: 99%) for Charitable Services related to Adult Services with the remainder for Children and Family Services. £8.0m or 24% (£6.1m, 20%) of total income was generated from voluntary donations and grants largely from the parent charity, while the remainder arose from investments in security portfolios, rentals of investment properties and interest on deposits (in 2024 a small amount of income was generated from discontinued trading activities).

As indicated above, the charity continues to make progress in improving the fees from commissioning authorities to better reflect the support Norwood provides to the people we support through a structured fee renegotiation programme using a shared costing tool. While we secured annual uplifts in fee rates from most local authorities, a significant number of them, including ones for which we have larger contracts were not able to agree increases that would keep pace with inflationary cost pressures faced by the group, and the funding shortfall therefore persists. We will continue to liaise with local authorities to seek a level of fees commensurate with the level of care being provided, although this may provide challenging given the pressure on local authority finances.

Expenditure

Our total expenditure was £31.1m (2024: £29.5m). The increase of 5.4% was primarily driven by an increase of 10.0% in the direct costs of providing charitable Adult Services reflecting increases in the cost of staff providing care. As indicated in notes 6a and 6b to the financial statements, the cost of providing other charitable services decreased, while support service costs increased by 5.4% driven by general inflationary pressure and the need to enhance central management and governance in line with a formal governance review undertaken in the prior year, together with a somewhat higher spend on maintaining our properties.

In the face of a challenging environment for growing statutory income for statutory services commissioned by local government, as well as cost pressures arising from higher general inflation, and in particular for care staff for which significant increase in National Living Wage are a key driver, Norwood has continued to seek and achieve efficiencies. The use of higher cost agency staff for care provision decreased markedly over the year generating a saving of £1.2m compared to 2024, while initiatives commenced to obtain better value from suppliers including the retendering of facilities management contracts.

Looking forwards, our multi-year strategic plan requires significant investment in IT services to facilitate digitalisation and the adoption of up-to-date applications for both charitable services, including a CRM system to handle the Open Front Door strategic pillar, and support services such as finance, human resources, fundraising, marketing and compliance. The Nourish care application was implemented during the year, and an ambitious IT strategy has been approved to be implemented

across other services over the few years. We will also need to spend more over the next few years to maintain our property portfolio, based on the condition survey reports commissioned during the year. Accordingly, Norwood will need to continue to focus on ensuring value for money over the long-term while continuing to identify and implement efficiencies.

Investment Policy and Performance (excluding directly managed investment properties)

Norwood holds investments to generate income for the furtherance of its charitable activities. The trustees understand that to generate returns over the long-term, in excess of the rate of inflation, it will be necessary to expose the portfolio to a degree of risk. The trustees' risk appetite for its investment funds is medium risk and the group's investment policy mandates that any decisions taken by its investment managers are consistent with its social care policies.

The charity's investment portfolio is managed by external fund manager, CCLA and invested in funds designed for the charity sector. Performance of the fund manager is reviewed at least semi-annually by the group's Finance & Investment Committee using report from the fund manager and meeting with them.

The CCLA portfolio invests across multiple asset classes including global equities government and commercial bonds, credit instruments, property, alternative assets, and money market deposits. Performance is measured against composite index benchmark, a peer group index and a target return of CPI plus 4% per annum. During the year the fund had a negative return of 2.0% compared to a target return of 6.6% (adverse variance of 8.8%), although over five- and ten-year periods, the annualised return has been broadly in line with the target return and exceeded or been close to the comparators.

Reserves Policy

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

- give confidence to funders by demonstrating good stewardship and active financial management;
- demonstrate to beneficiaries, funders and the public, Norwood's resilience, and capacity to manage unforeseen financial difficulties;
- give voluntary funders an understanding of why funding is needed to undertake projects;
- give assurance to lenders and creditors that Norwood can meet its financial commitments; and
- manage the risk to Norwood's reputation from holding substantial unspent funds at the year-end without an explanation.

Norwood's restricted and endowment funds are subject to specific conditions which have been declared by the donor, or with their authority but still within the objects of the charity. Furthermore, endowment funds may be permanent endowments which trustees cannot expend without seeking consent from the Charity Commission. Other funds are unrestricted funds.

The trustees calculate the free reserves as that part of the charity's unrestricted income funds that is freely available after taking account of any unrestricted funds that have been formally designated for specific projects or which are committed for the purchase of fixed assets.

Understanding the nature of the funds allows trustees to identify unrestricted funds which can be spent on any purposes of the charity, i.e. freely available to it. As indicated in the following table, as

at 31 March 2025, unrestricted reserves were £29.1m and the free reserves of the charity were £4.9m. The trustees consider that depending on the level of future fundraising income available for implementing the various element of the group’s multi-year strategy (albeit uncommitted costs at present), a significant proportion of the free reserves may not be available for handling fluctuations in working capital, unplanned variance in income or costs or external shocks that have a financial impact. They have therefore also calculated a level of pro-forma free reserves after deducting an estimate of the free reserves that may be required for the implementation of the multi-year strategic investment projects. Those pro-forma free reserves were £1.9m at 31 March 2025.

Free Reserves for Norwood Schools Limited

	31-Mar-25	31-Mar-24
	£m	£m
Group net assets (total reserves)	33.9	33.4
Less restricted funds	(4.8)	(5.5)
Unrestricted reserves	29.1	27.9
Less unrestricted fixed assets	(18.6)	(18.5)
Less Investment property	(5.6)	(6.7)
Free reserves	4.9	2.7
Less: strategic investment	(3.0)	-
Pro-forma free reserves	1.9	2.7

Free reserves represent were just over 1.9 months’ operating expenditure, while pro-forma free reserves represent 0.7 months’ operating expenditure.

Free reserves are calculated in accordance with the Charities SORP. Pro-forma Free Reserves takes into account the estimated cost of initial investment in the charity’s multi-year strategy including implementation of a comprehensive IT solution across all services and departments, property investment costs to reposition and expand services, and additional resources to implement an enhanced offering for Children & Family Services. Those costs remain uncommitted estimates but are likely to be incurred within the next 24 months.

The trustees have set a target range of free reserves of three months or more, being £7.8m of gross expenditure. At 31 March 2025, the charity’s free reserves are below that target. However, on a consolidated basis, the group has sufficient free reserves to support the charity, and the trustees are satisfied that the overall level of reserves is adequate to ensure the charity’s ongoing financial resilience. In addition, approximately three quarters of the charity’s income is derived from statutory sources, and the group has sufficient liquidity within its investment portfolio to meet the charity’s working capital requirements for the foreseeable future.

Going Concern

Work has been carried out to assess the going concern of the charity, factoring in additional assessments and financial forecast scenarios. The majority of Norwood's 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. Investment income has been modelled to fall by up to 25%. The financial statements have been prepared on a going concern basis, taking into account the forecasts prepared and the confirmed commitment of financial support from the parent charity through an intercompany grant. The parent charity has indicated its intention to continue supporting the charity for at least the next 12 months. Accordingly, the trustees do not consider there to be any significant uncertainty regarding the charity's ability to continue as a going concern over this period.

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;

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 in order 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.

Miles Webber

Ben Freeman

Miles Webber

Director/Chair

Ben Freeman

Director/Joint

15 December 2025

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

Opinion

We have audited the financial statements of Norwood Schools for the year ended 31 March 2025 which comprise Trustees' Annual Report (incorporating Strategic report), Statement of Financial Activities, 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 2025 and of the charitable company's net movement in funds, including the 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 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections 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. 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 Trustees' Annual Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company 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 19, 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.

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

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity and company law applicable in England and Wales, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to revenue recognition, in particular in relation to recording income and charitable activities in the correct accounting period and management override of controls. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing the controls and procedures of the charity relevant to the preparation of the financial statements to ensure these were in place throughout the year;
- Reviewing debtor recoverability post year end.
- Reviewing post balance sheet events.
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions, and
- Challenging assumptions and judgements made by management in their critical accounting estimates including legacy valuations and investment property valuations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our auditor's report.

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.



Richard Weaver

Senior Statutory Auditor
for and on behalf of HaysMac LLP
Statutory Auditor
10 Queen Street Place
London
EC4R 1AG

Date 17 December 2025

Statement of Financial Activities

For the year ended 31 March 2025

(Incorporating the Income and Expenditure Account)

		Unrestricted Funds 2025	Restricted Funds 2025	Total 2025	Total 2024
	Notes	£'000	£'000	£'000	£'000
Income from:					
Donations and legacies	2	7,500	524	8,024	6,064
Charitable activities	3	24,087	-	24,087	23,068
Trading activities	4	-	-	-	168
Investments	5	585	-	585	480
Total income		32,172	524	32,696	29,780
Expenditure on:					
Raising funds	6a	331	-	331	516
Trading activities	6a	-	-	-	79
Charitable activities	6a	29,480	1,306	30,786	28,879
Total cost		29,811	1,306	31,117	29,474
Operating surplus/ (deficit)		2,361	(782)	1,579	306
Net (losses)/gains on managed investments	10a	(73)	-	(73)	131
Net (losses)/gains on revaluation of investment properties	10b	(1,025)	-	(1,025)	(310)
Net movement in funds		1,263	(782)	481	127
Reconciliation of funds:					
Total funds brought forward	18	27,853	5,539	33,392	33,265
Total funds carried forward	18	29,116	4,757	33,873	33,392

All income and expenditure were derived from continuing operations in 2025. In 2024 a loss of £59k from discontinued operations was experienced as disclosed in the comparative information for each fund in note 18.

The accompanying notes on pages 26 to 42 of this report form an integral part of these accounts.

Balance Sheet

As at 31 March 2025

		2025	2024
Fixed Assets	Note	£'000	£'000
Intangible fixed assets	8	203	177
Tangible fixed assets	9	19,913	19,894
Investments: Managed investment portfolio	10a	1,504	1,577
Directly managed property	10b	5,635	6,660
Total fixed assets		27,255	28,308
Current Assets			
Debtors	11	13,585	11,038
Cash at bank and in hand		444	982
Total current assets		14,029	12,020
Liabilities			
Creditors: amounts falling due within one year	12	(4,651)	(3,940)
Net current assets		9,378	8,080
Total assets less current liabilities		36,633	36,388
Creditors: amount falling due after one year	13	(2,760)	(2,996)
Total net assets		33,873	33,392
Funds			
Restricted funds	14	4,757	5,539
Unrestricted funds	15	29,116	27,853
Total Fund		33,873	33,392

The accompanying notes on pages 26 to 42 of this report form an integral part of these accounts.
Approved by the Board of Trustees on 15 December 2025

Miles Webber

Miles Webber
Director / Chair

Ben Freeman

Ben Freeman
Director / Joint Treasurer

Company Registration Number 00516901
Charity Registration Number 307992

Notes to the Financial Statements

For the year ended 31 March 2025

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) FRS 102 exemptions applied

Norwood Schools Limited has taken advantage of the exemption available under FRS 102 from presenting a cash flow statement and certain other disclosures, including some relating to financial instruments, on the basis that it is a qualifying entity and its parent charity, Norwood Ravenswood prepares publicly available consolidated financial statements in accordance with the requirements of the Charities SORP (FRS 102).

c) 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 Limited's income is secure as it arises from statutory sources. However, we have modelled 4% and 6% reductions in statutory income due to unplanned occupancy vacancies and other sources of attrition rates, with 6% considered an extreme case. The forecasting undertaken and the ongoing support in the form of an intercompany grant from the parent charity, Norwood Ravenswood, endorse the accounts being prepared on a going concern basis. Norwood Ravenswood intends to support Norwood Schools Limited for at least twelve months from the date of approval of the statutory financial statements for the year ended 31 March 2025 and has adequate current and forecast liquidity to do so. The trustees do not consider the charities ability to continue as a going concern to be at significant risk for at least twelve months from the signing of the accounts, and accordingly, have prepared these accounts on a going concern basis.

d) Estimates and judgements

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 as 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:

Fair value of investment properties

Directly managed investment properties are valued on the basis of fair value. Formal valuations in accordance with RICS valuation standards are undertaken periodically, with desktop valuations conducted in the interim (where there has been no significant change to the underlying asset), with any change recognised in the Statement of Financial Activities.

Other significant estimates and judgements

Significant estimates and assumptions in these financial statements require the exercise of judgment and are used for, but not limited to, allowance for doubtful debts, which are primarily due from statutory care commissioning authorities and care clients (or on behalf of care clients), useful economic lives for depreciation of fixed assets, and estimates of future cash flows and other assumptions associated with fixed asset impairment tests. Due to the inherent uncertainty involved in making estimates, actual results reported in future periods may be different from these estimates.

e) Fund accounting

Restricted, designated and unrestricted funds are separately disclosed. 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. Transfers to and from designated funds are recognised as and when the board designates or un-designates funds.

f) Income recognition

All income is accounted for when the charity has entitlement, there is probability of receipt, and the amount can be measured reliably. If income is directly related to supporting the cost of future activities or events, the income is deferred and recognised in the appropriate period.

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.

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 reliably.

Raising funds

The cost of raising funds comprise all costs incurred to raise funds to support the charitable purposes. It includes the cost of all fundraising activities and events, including publicity and marketing not associated with the delivery of charitable activities, investment management costs, and an appropriate apportionment of support costs.

Charitable expenditure

Charitable expenditure comprises all costs incurred in undertaking activities that further the charitable aims for the benefit of the charity's beneficiaries, including an appropriate apportionment of support and governance costs.

Support costs

Support costs are incurred to facilitate charitable and fundraising activities. Support costs include financial management, information systems, central management, human resources, property and facilities management, Jewish culture, volunteering and risk and assurance. Support costs are allocated between activities using an appropriate basis of apportionment as disclosed in Note 6b of the financial statements.

Governance costs

Governance costs are included within support costs and allocated on the same basis across services, as per Note 6c. These costs 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 costs associated with developing and revising the charity's long-term strategy 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.

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.

h) Intangible and tangible fixed assets

Intangible fixed assets

Intangible assets are measured at cost less accumulated amortisation and any applicable 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, and intention to, complete the software development.
- 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.
- The software will generate probable future economic benefits.

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 10 years

Tangible fixed assets

Tangible fixed assets used within the charity's operations are stated at their 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 or length of lease if shorter
Motor vehicles	7 to 10 years
Furniture, fixtures and equipment	10 years
Office equipment	4 to 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. Impairment losses are charged within the Statement of Financial Activities.

Where costs are incurred as part of capital projects that relate to payments on account and assets under construction or otherwise prior to the installation of equipment, such costs are not subject to depreciation until the asset is complete and available for use.

i) Financial Instruments

All financial instruments held by Norwood Schools Limited or to which it is a party are treated as basic financial instruments in accordance with FRS 102. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instruments. Basic financial assets and liabilities are initially recognised at the amount receivable or payable, adjusted for any related transaction costs. The subsequent measurement depends on the nature of the financial instrument and its term.

Financial assets

Financial assets represent financial resources available to the charity and include financial investments in trade debtors, intercompany debtors, cash and accrued income. They also include investments in collective investment schemes within the managed investment portfolios. Current financial assets, other than cash, are measured at the consideration expected to be received. Debtors due in more than one year are carried at the present value of the future consideration expected to be received using appropriate the discount rate. Investments in collective investment schemes, for which prices are readily available, are carried at fair value determined by market prices. Changes in the fair values of financial assets are recognised in the Statement of Financial Activities.

Financial Liabilities

Financial liabilities include trade creditors, other creditors, loan, accruals and intercompany creditors. Current financial liabilities are initially recognised at the amount payable, adjusted for any related transaction costs. Loans repayable after more than one year are initially recognised at the amount of principal received, net of transaction costs, and are subsequently measured at amortised cost using an effective interest rate method.

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.

Investments - managed portfolios

Norwood Schools Limited appoints external regulated investment managers to manage its investment portfolios. Those investment managers invest the charity's funds in collective investment schemes which, in turn, invest in equities, debt instruments, real assets, derivative financial instruments, cash and money market investments. The price for buying and selling units in the collective investment schemes is readily available. The value of the investments is initially measured at cost and subsequently carried at fair value (market value, using the unit prices). Changes in fair value are recorded in the Statement of Financial Activities.

Investment management fee

Net gains or losses on the investment portfolios are stated net of investment management fees where these are charged within the collective investment schemes. Where investment management fees are separately disclosed by fund managers, these are charged to expenditure on raising funds.

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.

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 without discounting.

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 do 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 pension plans for current employees are recognised as expenses in the period in which the contribution payable is exchanged for services rendered by employees. The assets of the pension scheme are held separately from the charity.

A termination benefit liability is recognised when the entity can no longer realistically withdraw the offer of those benefits.

o) Leases

Operating lease rentals are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

2. Incoming resources from donations and legacies

	Unrestricted Funds	Restricted Income Funds	Total 2025	Total 2024
	£'000	£'000	£'000	£'000
Grant from parent entity	7,500	524	8,024	6,063
Grants	-	-	-	1
Total	7,500	524	8,024	6,064

3a. Incoming resources from charitable activities by income type

	Unrestricted Funds	Restricted Income Funds	Total 2025	Total 2024
	£'000	£'000	£'000	£'000
Statutory income from Local Authorities	22,172	-	22,172	21,582
Gross fee income	98	-	98	103
Rental income	1,698	-	1,698	1,320
Other income	119	-	119	41
Government Grant	-	-	-	22
Total	24,087	-	24,087	23,068

3b. Incoming resources from charitable activities by service area

	Unrestricted Funds	Restricted Income Funds	Total 2025	Total 2024
	£'000	£'000	£'000	£'000
Adult services	23,963	-	23,963	22,816
Children & Family services	124	-	124	244
Support services	-	-	-	8
Total	24,087	-	24,087	23,068

4. Trading activities - discontinued

	Unrestricted Funds	Restricted Income Funds	Total 2025	Total 2024
	£'000	£'000	£'000	£'000
Trading income	-	-	-	168
Total	-	-	-	168

5. Income resources from investments

	Unrestricted Funds	Restricted Funds	Total 2025	Total 2024
	£'000	£'000	£'000	£'000
Bank deposit interest	49	-	49	39
Rental income from investment properties	536	-	536	441
Total	585	-	585	480

6a. Resources expended

	Direct Staff Costs	Other Direct Costs	Reallocated Support Cost	Total 2025	Total 2024
	£'000	£'000	£'000	£'000	£'000
Cost of raising funds	-	-	331	331	516
Cost of trading - discontinued	-	-	-	-	79
Charitable expenditure:					
Adult services	18,350	5,220	4,743	28,313	25,638
Children & Family services	1,228	864	381	2,473	3,147
Other	-	-	-	-	94
	19,578	6,084	5,067	30,786	28,879
Total resources expended	19,578	6,084	5,455	31,117	29,474

Direct cost of generating funds is recorded in the parent company.

6b. Analysis of reallocated support costs with bases of apportionment

Support costs (basis of apportionment)	Children and Family services			Total	Total
	Adult services	Family services	Fundraising	2025	2024
	£'000	£'000	£'000	£'000	£'000
Financial Management (percentage of staff)	685	25	34	744	1,001
Information Systems (number of PCs)	847	196	139	1,182	1,081
Assistive Technology (equipment and time spent)	98	28	-	126	94
Human Resources (percentage of staff)	1015	37	52	1,104	1,153
Property and Facilities (percentage of staff)	936	34	48	1,018	791
Central Management (percentage of staff)	695	25	36	756	549
Jewish culture (percentage of staff)	-	-	-	-	59
Risk and Assurance (percentage of staff)	74	3	4	81	78
Volunteering (number of volunteers)	35	20	-	55	46
Governance (percentage of staff)	358	13	18	389	320
Total	4,743	381	331	5,455	5,172

6c. Resources expended include

		Total	Total
		2025	2024
		£'000	£'000
External audit and related costs	Audit of the annual accounts	44	30
Depreciation of owned fixed assets		1,572	1,567
Interest payable		188	209
Operating lease rentals:	Plant & machinery	136	116
	Properties	288	267
Trustees' indemnity insurance premiums		7	7
Gains on disposal of fixed assets		-	313

7a. Staff costs

	2025	2024
	£'000	£'000
Employees:		
Wages and salaries	18,445	16,581
Social security costs	1,723	1,475
Pension costs	535	449
	20,703	18,505
Other Staff expenditure:		
Agency costs	1,483	2,665
Other staff costs	422	456
Total staff expenditure	22,608	21,626

7b. Redundancy and termination costs

	2025	2024
	£'000	£'000
Statutory redundancy payments	35	122
Payments in lieu of notice period	63	13
Compensation for loss of office	-	228
Total payments on termination included above	98	363

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

	2025	2024
	Number	Number
Adults' Services	569	583
Children and Family Services	61	63
Support Services	54	57
	684	703

7d. Earnings above £60,000

The number of employees who earned more than £60,000 during the year was:

	2025	2024
	Number	Number
£60,001 - £70,000	7	3
£70,001 - £80,000	4	4
£80,001 - £90,000	1	1
£90,001 - £100,000	3	2
£100,001 - £110,000	-	1
£110,001 - £120,000	1	1

Contributions made to the pension scheme for the sixteen (2024: twelve) employees who earned more than £60,000 amounted to £49,000 (2024: £42,000).

The trustees and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. 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 £743,000 (2024: £890,000).

7e. Pension

Norwood Schools Limited operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the charity. Employer's contributions payable in respect of the year were £535,000 (2024: £411,000). At 31 March 2025, employer and employee pension contributions of £682,000 were outstanding. This arose due to an IT upgrade failure at the pension provider, a large regulated insurance company. The charity has notified the pension regulator of the issue. The pension provider has undertaken to resolve the issues and ensure that employees are in no worse situation than would be the case had the contribution been transferred and allocated on the original due dates. The charity has transferred the full outstanding amount to the pension provider after the year end.

8. Intangible fixed assets

	Computer Software	Total
	£'000	£'000
Cost		
At 1 April 2024	2,937	2,937
Additions	115	115
At 31 March 2025	3,052	3,052
Depreciation		
At 1 April 2024	2,760	2,760
Charge for the year	89	89
At 31 March 2025	2,849	2,849
Net Book Values:		
At 31 March 2025	203	203
At 31 March 2024	177	177

9. Tangible fixed assets

	Freehold properties	Leasehold properties	Motor vehicles	Fixtures, Furniture & Equipment	Assets under construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 April 2024	32,691	2,209	544	9,138	-	44,582
Additions	346	17	6	883	250	1,502
At 31 March 2025	33,037	2,226	550	10,021	250	46,084
Depreciation						
At 1 April 2024	16,554	1,157	389	6,588	-	24,688
Charge for the year	806	79	39	559	-	1,483
At 31 March 2025	17,360	1,236	428	7,147	-	26,171
Net Book Values:						
At 31 March 2025	15,677	990	122	2,874	250	19,913
At 31 March 2024	16,137	1,052	155	2,550	-	19,894

10a. Investments – Managed investment portfolio

Market Value	2025	2024
	£'000	£'000
Market values at 1 April	1,577	1,446
Net investment (losses)/gains	(73)	131
Market value at 31 March	1,504	1,577

Historical Cost for comparison	2025	2024
	£'000	£'000
Historical cost at 31 March	1,288	1,288
Cumulative revaluation gains (investment portfolio)	216	289

The underlying investments may also be analysed as follows:

Investments by type	2025	2024
	£'000	£'000
Multi-asset investment funds	1,504	1,577
Market Value at 31 March	1,504	1,577

10b. Investments – Directly managed properties

Market Value	2025	2024
	£'000	£'000
Valuation at 1 April	6,660	6,970
Net investment (losses) - unrealised	(1,025)	(310)
Carrying values at 31 March	5,635	6,660

Historical Cost for comparison	2025	2024
	£'000	£'000
Historical cost at 31 March	5,200	5,200
Cumulative property revaluation	435	1,460

The investment property relates to the ground floor of the building at 80-82 The Broadway, Stanmore, HA7 leased to a third party. In April 2024, an independent valuer undertook a valuation of the investment property. The unrealised loss in 2025 is attributable to the impact of increasing long term interest rates on the discount rate applied to the future stream of rental income.

11. Debtors

	2025	2024
	£'000	£'000
Trade debtors (including care commissioning authorities)	1,135	1,560
Amount due from group undertakings	11,963	8,810
Other debtors	26	308
Prepayments	461	360
Total debtors	13,585	11,038

12a. Creditors: amount falling due within one year

	2025	2024
	£'000	£'000
Trade creditors	1,402	1,059
Accruals and deferred income	1,537	1,532
Bank loan repayable within one year	198	349
Other creditors	1,099	377
Other taxes and social security costs	415	623
Total creditors due in less than one year	4,651	3,940

12b. Deferred income

	2025	2024
	£'000	£'000
Opening balance at 1 April	580	647
Amounts released in year	(580)	(647)
Amounts deferred in year	376	580
Closing balance at 31 March	376	580

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

13. Creditors amount falling due after one year

	2025	2024
	£'000	£'000
Bank loan repayable within two to five years	1,422	1,437
Bank loan repayable after five years	1,298	1,519
	2,720	2,956
Rental deposit	40	40
Total creditors due in more than one year	2,760	2,996

Bank 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. The bank loan is secured by a charge over Broadway House, Stanmore, HA7 and is repayable in 240 monthly instalments from November 2012. The final payment will be in October 2032.

14. Restricted funds

	Note	1 April 2024	Incoming resources	Outgoing resources	31 March 2025
		£'000	£'000	£'000	£'000
JCoSS PSRP Fund	i	417	-	(275)	142
JAPH	ii	25	-	(25)	-
Somers Court & Residential Fund	iii	160	-	(24)	136
Somers Court (ex Daniel Ct)		308	-	-	308
Supported Living Properties Fund:		29	-	(14)	15
11 Highview Gardens	iv	587	-	(14)	573
Holmbury Avenue		303	-	7	310
Greenwood Road		157	-	(4)	153
Phyllis Somers Capital & Service Fund	v	2,466	-	-	2,466
Assistive Technology Fund	vi	241	8	(37)	212
Lyonsdown Road Rear Garden	vii	29	-	(4)	25
Rochelle & Alan Bernard Fund	viii	58	-	-	58
Capital Projects	ix	594	124	(718)	-
Binoh SEND Fund	x	31	-	(18)	13
Lyonsdown minibus operational costs	xi	29	15	(15)	29
Autism Services	xii	23	-	(23)	-
Transformational Change Management	xiii	40	120	(40)	120
Under £20k		42	257	(102)	197
Total		5,539	524	(1,306)	4,757

Restricted funds

- i Fund supporting the Pears' Special Resource Provision at JCoSS.
- 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 including capital investments.
- v Phyllis Somers Service Delivery Fund: Towards construction, refurbishment and associated costs of family centres and accommodation for adults with disability, plus the operating cost of such services.
- vi Assistive Technology and Digital Fund: Grants from KC Shasha Charitable Foundation and other Trusts to provide AT and associated support to people with LD and complex needs.
- vii Lyonsdown Road Rear Garden supporting the landscaping of rear garden.
- viii A memorial fund set up in memory of Rochelle and Alan Bernard to support children dealing with trauma.
- ix Capital Projects provided by the Leo Baeck Housing Association, the Locker Foundation and the Gerald and Gail Ronson Family Foundation to support building improvements.
- x Binoh Send Fund supports Binoh's Special Educational Needs and Disabilities Programme.
- xi A fund to support the Lyonsdown minibus operational costs: Driver, fuel and fleet charges.
- xii Autism Services funding.
- xiii Transformational Change Management Funding

15. Analysis of net assets between funds

	Unrestricted Fund	Restricted Fund	Total Fund
	£'000	£'000	£'000
2025			
Fixed assets	18,621	1,495	20,116
Investments	7,139	-	7,139
Net current assets	6,116	3,262	9,378
Liability due after one year	(2,760)	-	(2,760)
Total net assets	29,116	4,757	33,873
2024			
Fixed assets	18,527	1,544	20,071
Investments	8,237	-	8,237
Net current assets	4,085	3,995	8,080
Liability due after one year	(2,996)	-	(2,996)
Total net assets	27,853	5,539	33,392

16. Commitments under operating leases

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

	Leased Properties 2025	Other 2025	Leased Properties 2024	Other 2024
	£'000	£'000	£'000	£'000
Within one year	247	113	240	116
Between one and five years	987	186	961	320
Over five years	2,660	-	2,536	-
	3,894	299	3,737	436

17. Related parties

Group companies

In the year to 31 March 2025, there were related party transactions between the charity and members of the group.

Norwood Schools Limited paid £10,000 (2024: £15,000) for expenditure on behalf of The Hope Charity. The Hope Charity repaid to Norwood Schools Limited £189,000 (2024: £207,000). At the year-end Norwood Schools Limited was owed £631,000 (2024: £810,000) by The Hope Charity.

Norwood Schools Limited received income of £8,033,000 (2024: £5,300,000) from Norwood Ravenswood. Norwood Schools Limited incurred expenditure of £1,241,000 (2024: £3,725,000) on behalf of Norwood Ravenswood. At the year end, Norwood Schools Limited was owed £11,330,000 (2024: £7,947,000) 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.

Key management personnel compensation

Compensation paid to key management personnel is disclosed in Note 7d.

18. Comparative Statement of Financial Activities

	Continuing Operations			Discontinued Operations		
	Unrestricted Funds	Restricted Funds	Total funds	Unrestricted Funds	Total funds	Total
	2024	2024	2024	2024	2024	2024
	£'000	£'000	£'000	£'000	£'000	£'000
Income from:						
Donations and legacies	5,300	764	6,064	-	-	6,064
Charitable activities	23,068	-	23,068	-	-	23,068
Other trading activities	-	-	-	168	168	168
Investments	480	-	480	-	-	480
Total income	28,848	764	29,612	168	168	29,780
Expenditure on:						
Raising voluntary income	516	-	516	-	-	516
Trading activities	-	-	-	79	79	79
Charitable activities	27,799	1,080	28,879	-	-	28,879
Total cost	28,315	1,080	29,395	79	79	29,474
Operating surplus / (deficit)	533	(316)	217	89	89	306
Net gains on investments	(179)	-	(179)	-	-	(179)
Net income / (expenditure)	354	(316)	38	89	89	127
Transfers between funds	132	(132)	-	-	-	-
Net movement in funds	486	(448)	38	89	89	127
Reconciliation of funds:						
Total funds brought forward	27,426	5,987	33,413	(148)	(148)	33,265
Total funds carried forward	27,912	5,539	33,451	(59)	(59)	33,392