

Charity registration number 701800

Company registration number 01870880 (England and Wales)

RSH No. 4676

**NORTON HOUSING AND SUPPORT LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

NORTON HOUSING AND SUPPORT LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr G N Sedgwick Ms J Moore Mr W T Holynski Ms S Johnson Mr P E Frost Dr S M Fallow Mr V Gaten Mr L W Price Mr M Takolia	<i>(Appointed 8 February 2024)</i> <i>(Resigned 8 June 2023)</i>
Secretary	Ms S Johnson	
Company registered number	01870880	
Charity registered number	701800	
Registered office & principal address	107 Newport Street Leicester LE3 9FU	
Chief executive	Mrs J Fleetwood-Smith Ms S Cowling <i>(retired 22 September 2023)</i>	
Independent auditors	Price Bailey LLP 36 Tyndall Court Commerce Road Lynchwood Peterborough PE2 6LR	
Bankers	Cater Allen 9 Nelson Street Bradford BD1 5AN	
Registered Provider Number	4676	

NORTON HOUSING AND SUPPORT LTD

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NORTON HOUSING AND SUPPORT LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

1 INTRODUCTION

The Trustees present their annual report together with the audited financial statements of Norton Housing and Support Limited for the year ended 31 March 2024. The Annual Report serves the purposes of both a Trustees' report and a Directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current regulatory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to registered social housing providers preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

Since the charitable company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

2023/2024 has been a significant year of change, development and transition for the organisation as the support contract with Leicester City Council ended on 31st March 2023 and we transitioned staff into the new delivery structure. The year has also seen the end of a long-serving staff with particular reference to the retirement of the CEO Sue Cowling and two other senior members of staff, whilst also successfully progressing plans for a major new capital development. Throughout the year, the staff team have worked tirelessly to try to ensure that the needs of residents are met. Staff health and wellbeing have again been a key priority for the year, as has that of residents.

2 OBJECTIVES AND ACTIVITIES

2.1 Strategic objectives - Review of progress / achievements

In line with the strategic objectives and specific objectives set out in the Business Plan, our key achievements are:

- **Having developed a 15-bed new build supported flats scheme in Leicestershire to be able to expand and provide further high-quality housing and support to individuals with diagnosed mental health conditions.**

Expanding the property side of the business has been a priority for Norton Housing and Support. At the beginning of 2023/24, the plans had progressed to purchase land and provide 15 new-build supported flats in the Leicestershire area. This was accompanied by a bid for Homes England funding which was successful, with Blaby District Council also providing grant funding in support of the development.

Work began on the purchased land on Grove Road in Blaby, in March 2023 and was anticipated to be a 12-month build period. The build was fully on track for completion in March/April 2024, however unforeseen circumstances due to a company take-over of the employed Construction Company, which was followed by a subsequent winding-up order have caused a delay. This process has resulted in the build being on hold since January 2024.

A significant amount of work has gone into securing a replacement construction company and we have been fortunate to be offered a reasonably priced 'Fixed Price Contract' from a new company, who will be taking on the Design and Build contract going forward. It is anticipated that the end date for completion and handover will be July 2024.

Over the year significant work has also been done to develop the referral routes and methodology and a detailed allocations protocol for working in partnership with Blaby District Council has been negotiated and developed to enable a smooth transition for potential residents and to support the swift allocation of the properties as soon after completion as possible.

NORTON HOUSING AND SUPPORT LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

2 OBJECTIVES AND ACTIVITIES

(Continued)

2.1 Strategic objectives - Review of progress / achievements (continued)

- **Successfully transitioned to the new Support Service delivery and recruitment of key staff.**

Due to the changes in the funding of the Support Service, Norton Housing and Support has had to restructure the delivery and staffing model. This has seen a significant change in the way support has been delivered to residents and has seen a change in staff hours, roles and responsibilities. Despite these changes, staff and residents have made a smooth transition overall. In addition, recruitment into the Support Manager role was successful and has brought in a fresh and skilled perspective to the team.

During 2023 Norton Housing and Support has also seen the retirement of long-standing CEO Sue Cowling. It had been expected that the role would be fulfilled internally on an Interim basis, however, this was not possible and as such recruitment for a new CEO took place in November 2023. A number of quality candidates were interviewed and trustees appointed Joanna Fleetwood-Smith to the role.

Joanna began on 1st February 2024 and has made a significant contribution already, having introduced Key Performance Targets and Management Structures to support efficient and effective staff appraisals, began a review of the organisation's IT infrastructure, developed a new approach to mapping and measuring resident's personal Journey and progress and has also navigated the organisation around the issues surrounding the new build delays.

2.2 Pay Policy for Senior Staff

The board of directors, who are the charity's trustees, consider themselves and the management team to comprise the key management personnel of the charity in charge of directing, controlling, running and operating it on a day-to-day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in the notes to the accounts. The pay of senior staff is externally evaluated and reviewed annually (as is the case with all other managerial, administrative and support staff).

2.3 Quality Assurance

Norton Housing and Support is determined to ensure the provision of a high-quality service and is committed to ongoing quality improvement. A quality assurance strategy is in place.

Norton Housing and Support endorse the Leicester, Leicestershire and Rutland Mental Health Charter and Homelessness Charter, and has worked hard to develop its Residents Involvement Strategy. Following the organisation's adoption of the National Housing Federation's Tenants' Charter, a new Residents' Panel, In This Together, was established to more formally involve residents in scrutiny, planning and decision-making processes. Since its inception in late 2021, the Group has met nine times with a variety of different residents having been involved. A core group of around 7 residents regularly attend. A review of progress will take place in 2024/25.

Norton Housing and Support is an Investors in People accredited organisation having achieved reaccreditation in 2021. In her report, the Assessor noted the level of 'personal and professional support, flexibility and training' offered to staff to 'ensure they are happy in their work and provided with the skills, confidence and knowledge to do their job well'. The new CEO is also committed to this and has programmed a review of the training and skills of the team which will support the review of the staffing structures going forward.

The organisation is committed to supporting the mental health and wellbeing of its staff who represent our greatest asset. It has been highly evident during the past year that all trustees value the staff greatly and have provided additional support for operational staff during a period of limited capacity within Senior Leadership. The new CEO has also employed the support of Occupational Health & independent HR Advisors where required to; ensure a safe and supported return to work for staff on long-term sick and to ensure the correct operational procedures are in place to support staff. Additionally, a basic health plan, provided by a not-for-profit organisation and offering a range of benefits, is in place for all staff.

NORTON HOUSING AND SUPPORT LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

2 OBJECTIVES AND ACTIVITIES

(Continued)

2.4 Public Benefit Statement

The Trustees have complied with their duty to have due regard to the guidance on public benefit by the Charity Commission in carrying out their roles.

All the activities carried out by Norton Housing and Support are in line with our primary objective, i.e., providing accommodation and/or support for people with ongoing mental health needs, a learning disability or from other disadvantaged groups.

The direct beneficiaries of our Independent Living Support (ILS) accommodation based service are vulnerable adults with ongoing mental health needs, and/or a learning disability, living in Leicester, and their carers. Our residents receive personalised support to enable them to develop their daily living skills, better manage their mental health, increase social inclusion and maintain a safe, secure and decent home.

As care and support is person centred, residents are able to progress at their own pace. Individual residents play a full role in agreeing the support package they require in order to meet their needs, realise their potential and achieve their aspirations. Norton Housing and Support already monitored outcomes for residents, but in 2016/17 an externally evaluated and accredited SROI initiative enabled us to better demonstrate our effectiveness in supporting residents to achieve agreed outcomes. The report also demonstrated that for every £1 spent, Norton Housing and Support achieves between £8 and £12 in social value.

Norton Housing and Support enables residents to maximise their independence and many have felt able to move on to more independent living, generally in their own supported flat. We assist those residents wanting to move on and, in some cases, continue to offer support. To facilitate this, Norton Housing and Support has developed its own supported flats schemes which enable residents to move to their own tenancy, whilst continuing to receive intensive housing management support. Where vacancies have allowed, it has also been possible to offer people who have not previously been Norton Housing and Support residents, the opportunity to move to one of these schemes.

The development of the Personal Assistant Service has enabled us to provide a service to both existing residents moving to their own flats, as well as people living in the community.

In August 2018, women at risk of homelessness, and their children, became new beneficiaries of Norton Housing and Support with the opening of a new supported housing scheme. This scheme offers intensive housing management support and aims to enable women to move on to their own tenancy. Due to high demand, a further scheme opened in early 2022.

Norton Housing and Support strives to ensure fair and equal access to its services and receives referrals from a range of organisations. Referrals for our mental health support services are received via health and social services professionals, local voluntary and community sector organisations and from homelessness services. Self-referrals are also accepted. We work closely and effectively with involved health and social care professionals to ensure a well-co-ordinated and integrated package of care and support is available to each resident.

With the development of new services for women at risk of homelessness, close working relationships have been developed with local Housing Options and homelessness services, who regularly either signpost women to the scheme, or refer them directly.

Norton Housing and Support reviews its charges on an annual basis and strives to ensure they are fair and provide value for money. The vast majority of residents are eligible for benefits, with Housing Benefit and Personal Independent Payments covering service and support charges. The weekly ineligible charge, which individual residents are responsible for paying, is generally met by Personal Independence Payments or Employment Support Allowance.

NORTON HOUSING AND SUPPORT LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

2 OBJECTIVES AND ACTIVITIES

(Continued)

2.5 Strategic Objectives 2024/25

During 2024/25 agreed strategic objectives are:

- **Objective 1 - Existing Services**

To consolidate existing services, delivering excellent performance whilst developing sustainable high quality service models for the future to ensure we can continue to support existing service users. It is accepted that whilst there may be some overall churn in services it should be an objective to ensure the balance remains roughly the same.

- **Objective 2 – Managing Organisational Expansion**

To manage the expansion of any new services both in terms of growth and diversity, and where appropriate to deliver with partner organisations. All growth must be led by genuine need and with the assurance that Norton Housing and Support is equipped for the expansion in terms of ability and capacity.

- **Objective 3 - Financial Stability**

To ensure the organisation is financially stable and sustainable including its overall budget, level of resources and that it is managing a healthy reserves position.

- **Objective 4 – Income Growth**

To pursue additional pathways for income generation outside of the traditional Norton Housing and Support revenue streams, providing sustainability and growth for the organisation, and/or to fund service-specific projects, e.g. healthy living service, drop ins etc.

3 ACHIEVEMENTS AND PERFORMANCE

3.1 Summary of Activities

In 2011 Norton Housing and Support became a registered provider of social housing and landlord when it purchased and renovated three move on flats. During subsequent years, two further schemes were developed offering a further ten places. Tenanted by those wishing to move on from supported accommodation to more independent living, these developments offer intensive housing management support daily. A total of 13 flats are now available and are owned and managed by Norton Housing and Support.

Norton Housing and Support achieve its charitable objectives by providing high-quality accommodation and / or support to adults with ongoing mental health needs and/or a learning disability, or from other disadvantaged groups.

We provide Supported Housing to 47 adults with ongoing mental health needs and/or a learning disability who live within 8 properties around Leicester, Oadby and Wigston. 34 individuals receive direct support from the Norton Housing and Support Service which is tailored to individual needs.

The women's service (14 places across two properties) is supported by dedicated Housing Management Officers.

Personal Assistants provide similar personalised support to those living in either the group homes or their own tenancy.

In 2022 Norton Housing and Support also took over the delivery of the Mental Health Drop-Ins that had previously been run by You in Mind. These drop-in's run twice a week and are open to the general public and residents of our Supported Housing Services.

NORTON HOUSING AND SUPPORT LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

3 ACHIEVEMENTS AND PERFORMANCE

(Continued)

3.1.1 Personal Assistant Service

During this year there has been a focus on maintaining and rebuilding the PA service. This is now overseen by the Support Manager and Senior Support Worker.

During the year the service has received 5 referrals. Of this 2 have been accepted and throughout the year 8 individuals have been worked with.

Summary of Personal Assistant activities undertaken to support individuals:

- Maintaining the home
- Developing learning, vocational or social skills/positive interactions
- Managing money
- Developing domestic / life skills
- Establishing social contacts and activities
- Maintaining personal safety and security
- Monitoring of health and wellbeing
- Emotional support, practical advice and liaison

3.1.2 Supported Flats

During the year, Norton Housing and Support provided 13 places across three sites.

The occupancy rate for the year was 93.63%, this is lower than previous mostly due to maintenance work required at our Westcotes Drive property.

3.1.3 Women's Scheme

The original scheme was opened in August 2018 to provide seven places (plus children). In 2022/23 the service was expanded through the acquisition of a second property, taking the total number of places to 14.

The occupancy rate for the year 2023/24 was 89.27%.

Figures for 2023/24 are as follows;

	2023/24	2022/23
Referrals received	42	34
Referrals accepted	13	6
Referrals declined	10	4
Referrals withdrawn	13	22
Awaiting assessment	6	2

During 2023-2024, 13 women moved on from the scheme, with 11 securing their own tenancy.

3.2 Value for Money Metrics

The Regulator of Social Housing (RSH) requires that from 2018/19 all Registered Providers with a stock holding of less than 1,000 units report on the RSH Value for Money (VFM) metrics, within statutory accounts. The below table outlines performance in each of these metrics.

The RSH accepts that the metrics are standard and therefore inevitably more appropriate for some Registered Providers than others. As Norton Housing and Support is a small, specialised provider there are some areas where the variances may be greater than expected. For example, although there is significant development underway, as there has been no new development activity within the twelve-month period this is reported as 0%. Also, the Headline Social Housing Cost per unit is towards the higher end as all homes are supported housing with associated costs and social returns.

NORTON HOUSING AND SUPPORT LTD

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FOR THE YEAR ENDED 31 MARCH 2024

3 ACHIEVEMENTS AND PERFORMANCE

(Continued)

Metric	2020/21	2021/22	2022/23	2023/24	Sector (2023)
Reinvestment % (in existing homes and new homes)	0%	0%	0%	0%	7.1%
New supply delivered %	0%	0%	0%	0%	5.1%
Gearing %	2.6%	-1.9%	-31.9%	36.0%	11.4%
Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs, Included (EBIDTA MRI) Interest Cover %	496%	406%	349%	11%	47%
Headline Social Housing Cost Per Unit £	£9,810	£9,980	£9,990	£13,221	£17,915
Operating Margin % Social housing lettings only Overall	5.9% 6.7%	4.1% 6.4%	12.2% 8.4%	-0.4% -4.1%	3.5% 1.3%
Return on Capital Employed %	2.2%	2.3%	3.4%	-1.0%	1.0%

3.3 Fundraising

Fundraising although still an important area to develop for the organisation, has received less attention during this period due to the concentration on staffing and delivery structures alongside the development of the Supported Housing Development in Blaby.

Nevertheless, during the year efforts have resulted in a total of £8,058.43 being received into the business.

This can be broken down into £500 of restricted funds and £7,558.43 of unrestricted funds. Restricted funds were the neighbourly Grant towards food. We also utilised most of the kind donation of £894.75, from a former resident's family, towards a much enjoyed and appreciated resident trip.

The organisation also again benefitted from being selected as the 'charity of the year' by a local firm of accountants Torr Waterfield, whose quiz night raised a total of £4,045 for Norton Housing and Support and further private donations were received including via the Benevity Charitable Giving fund.

With the change in Chief Executive and Management Structure, there will be a new direction anticipated going forward to support the fundraising efforts of Norton Housing and Support. It is expected that a Fundraising Strategy will accompany the new Business Plan which will be adopted from 2025.

NORTON HOUSING AND SUPPORT LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

4 FINANCIAL REVIEW

4.1 Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

2023/24 has ended with a turbulent period for the organisation due to the unforeseen circumstances surrounding the New Build Project, whilst the ongoing impact of the cost of living increases and the new Consumer Standards will likely provide further challenges going forward both economically and operationally. The Trustees have considered the effect this may have had on the charitable company. This will continue to be a developing situation and as such a reasonable estimate of the financial effect on the charity cannot feasibly be made. The Trustees have assessed this and consider the charity to be a going concern.

4.2 Reserves Policy

The Trustees consider that the state of affairs of the charity at the date of the balance sheet is satisfactory and that the present level of funding on a fund by fund basis is adequate to support the continuation of the homes, flats and support services.

The accounts show unrestricted reserves of £1,735,756, after taking into account the charity's property assets of £3,383,853 net of the associated property loans of £1,547,897. Unrestricted reserves include designated funds of £146,641. The likely timing of expenditure in relation to the designated funds, as detailed within note 17 in the accounts, is anticipated to be within the next 12 months.

As part of their analysis and review of risk management, the Trustees have reviewed the Reserves Policy and taken advice from their professional advisers. In recent years, the aim has been to keep reserves at a level sufficient to fund six months unrestricted expenditure. This has been felt to be appropriate in light of income and expenditure levels.

Further review incorporating organisational risk analysis concluded that Norton Housing and Support must continue to strive to diversify its income streams and expand services to increase its financial stability and longer term security. This must, however, balance the need to maintain a level of reserves appropriate to the risks of operating in the current financial climate and in the new contracting environment.

As a result of this analysis and as described in 2.1 above, in 2022/23 the decision was made to invest and develop the organisation's Support Housing Infrastructure with New Build project. This has been funded through a CAF Bank Loan, Norton Housing and Support's Reserves and further financial support from Homes England and Blaby District Council. Due to unforeseen circumstances it is expected that the organisational reserves will become depleted in 2024/25 due to the need to finish the New Build Project with a new construction company. The trustees will be monitoring closely the progress of this project and working with the CEO to find ways of reinflating the reserves to ensure they remain at an appropriate level.

4.3 Financial review

During the year the charity received income of £971,058 (2023: £1,013,324) from Housing Benefit, Independent Living Support and ineligible charges. Expenditure on all salaries, premises costs, administration and governance costs etc amounted to £1,029,895 (2023: £1,004,677). When combined with investment, voluntary and other income of £17,921 (2023: £82,448) this resulted in net outgoing resources of £40,916 (2023: net incoming resources of £91,476).

4.4 Investments Policy and Objectives

The Trustees closely monitor how Norton Housing and Support invests its funds and review investment options. However, following an externally facilitated review of those options, the Board prioritised the need to maintain the liquidity required to fund future capital developments. At present, money is held in bank accounts and therefore readily accessible.

NORTON HOUSING AND SUPPORT LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

4 FINANCIAL REVIEW

4.5 Risk Management

During 2023/2024, the Organisational Risk Assessment and Risk Map were reviewed by the Operational Management Team and Trustees. Key risks were identified and analysed in terms of their likelihood and potential impact. Existing control measures and contingency plans were reviewed and updated to ensure their continuing effectiveness in minimising risk. The new CEO has the review of the risks as a high priority.

The Business Continuity Plan was also reviewed and will continue to be tested by the Operational Management Team on a six-monthly basis and reported to the Management Committee.

The Trustees consider the key issue currently facing the organisation continues to be that of securing long term security and financial stability for the organisation. The agreed strategy is to try to expand and diversify services / income streams, focusing on consolidating services in Leicester City and further expanding into the County of Leicestershire. This will involve balancing the need to maintain sufficient reserves in an uncertain climate with that of utilising some reserves in order to kick start developments.

The end of the Leicester City Council ILS contract on 31 March 2023, brought about significant changes to the structure of the support services to residents over the past year. The transition although challenging for all concerned has taken place without significant upset and staff and residents have become familiar with the new system. Now 12 months into delivery, the structure and delivery will be reviewed by the new CEO to ensure it meets the aims and standards of the service that Norton Housing and Support expect for their staff and residents.

An ongoing challenge this year has been to gain a full understanding of PA Housing's intentions with the stock Norton Housing and Support currently manages. PA Housing have yet to provide any further information on timelines for the potential disposal of this stock, or how they may intend to go about this. Discussions are planned with PA Housing in 2024/25 to consider potential options.

5 STRUCTURE, GOVERNANCE AND MANAGEMENT

5.1 Constitution

Norton House, as it was then known, was established in 1984 as a charity and company limited by guarantee. The charity is governed by its Memorandum and Articles of Association incorporated on the 11th December 1984, updated in October 2014 and again in 2018, to reflect the intention to develop services for other disadvantaged groups.

In the event of the charity being wound up the liability of the members is limited to £10.

The primary objective of the charity is the provision of accommodation and / or support for people with ongoing mental health needs and/or a learning disability, or from another disadvantaged group.

As of 31 March 2024, Norton Housing and Support provided the following services:

- 34 places in five supported group homes, for people with ongoing mental health needs and / or a learning disability. Four properties owned by PA Housing Association and one by Norton Housing and Support.
- 13 supported one bedroomed flats for people with mental health needs over three properties, all owned by Norton Housing and Support.
- Personal Assistant service for people in either the group homes, or their own tenancy.
- 14 places in two schemes for homeless women, including those with children.
- 2 x weekly Mental Health Drop Ins for general public and resident engagement.

NORTON HOUSING AND SUPPORT LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

5 STRUCTURE, GOVERNANCE AND MANAGEMENT

(Continued)

Norton Housing and Support became a registered provider of Social Housing and Landlord in 2011.

The Management Committee is the governing body of Norton Housing and Support, the Trustees being the core members. The Chief Executive attends all Management Committee meetings.

Effective resident involvement is central to the Norton Housing and Support philosophy. This ranges from the co-produced support planning process through to a range of feedback mechanisms and the involvement of residents in the planning and delivery of services. An active Residents' Forum, In This Together, has been developed to more formally involve residents in scrutinising performance and in developing plans for the future. Trustees were pleased to be able to carry out their annual visiting programme with face-to-face visits in summer 2023/24.

The Management Committee is supported by the Chief Executive, to whom responsibility for the day to day running of the organisation has been delegated. She has extensive experience of management, planning and business development in the Charity and Housing Sector, and has been in post since February 2024.

The Management Committee meets every six weeks to consider organisational, financial and strategic issues relating to the organisation's activities and objectives. Ad hoc meetings are also held to enable fuller consideration of issues / action planning which are then reported back to the next Management Committee meeting.

The Trustees afford a high priority to issues of governance, and robust action planning has continued this year intending to enable Norton Housing and Support to sign up to the National Housing Federation (NHF) Code of Governance (2020) which states organisations may choose to follow wholly or in part, depending on their size, type complexity and existing policies.

A number of the agreed code of governance actions are either in progress or have been completed. However, some of the guidelines, including those on Trustee tenure and succession planning, are particularly challenging for a smaller housing association. Work has been done during 2022-2023 to address these challenges, including the Board agreeing a position on trustee tenure, that being:

The best interests of Norton Housing and Support are served by having a Board that comprises both longer serving Trustees and newer Trustees with a range of backgrounds, skills and experiences. Therefore, in line with the organisation's constitution, there will be no time limit on trustee tenure and Trustees will be able to continue to serve as long as they are able to make a positive contribution to the Board. To ensure longer serving Trustees continue to be able to fulfil the requirements of the role and remain effective, once they have served 6 years, the Board will conduct an appraisal before they seek re-election.

As Norton Housing and Support cannot currently comply with NHF recommendations on Trustee tenure, the Organisation will continue to comply with its constitutional documents and the Charity Commission Governance Code, which it fully endorses.

During the year, the organisation has reviewed its practice against the Housing Ombudsman's Complaint Handling Code and has updated policies as a result.

NORTON HOUSING AND SUPPORT LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

5 STRUCTURE, GOVERNANCE AND MANAGEMENT

(Continued)

5.2 Recruitment, Appointment and Training of Trustees

At the AGM on 28 September 2023 Ms J Moore stood down as Chair and was replaced by Mr N Sedgewick.

A further Trustee appointment was confirmed in February 2024; the new trustee has extensive housing management experience. The Board continues to progress work on succession planning and increasing diversity.

During the year, Mr M Takolia resigned as a Trustee.

All Trustees maintain an active interest in the organisation and keep themselves updated on the changing external environment. This is achieved mainly through regular Management Committee Meetings but also through occasional in-house training initiatives and attendance at external training events and conferences. There is a Trustee induction programme in place for new Trustees.

A system of Board and Trustee appraisals has been in place for some time; following review a revised group appraisal process was introduced.

The Trustees' skills and experience can be summarised as follows:

- One Trustee worked for many years as a Consultant Psychiatrist, in Rehabilitation, General Psychiatry, the Forensic Service and the Assertive Outreach Service.
- One has a background in Social Work and worked extensively in the field of mental health for over 20 years, including as a Senior Practice Therapist in the Common Mental Health Problem Service in Leicester, which provides psychological therapies in Primary Care.
- Another also has a social work background having worked in the social care sector for over 35 years as a social worker, team manager and service manager for adult and older persons' mental health services, and on secondment to the NHS, as a mental health commissioning manager.
- One is a qualified Occupational Therapist who has worked in the field of general and forensic mental health for over 35 years. During her career she has managed Therapy Services and worked as a Project Manager on major capital development schemes.
- One is the Director of a locally based marketing agency, the twice-voted best agency in Leicestershire in consecutive years, with a small property portfolio. One is a housing management and policy professional with 36 years of experience, whose career has particularly focused on supported housing and tackling homelessness.
- One Trustee has been a fundraiser for over 16 years, working within the voluntary, community, and education sectors.
- One is a housing professional for 13 years working in a large Housing Association across the East Midlands with experience in income collection, tenancy enforcement, budgets, contracts, commercial interests and oversees residential tenancy sustainment across a national care and support team.

5.3 Compliance with Governance and Financial Viability Standard

The trustees have undertaken an assessment of compliance with the Governance and Financial Viability Standard issued by the Regulator of Social Housing. No issues of non compliance were noted during the financial year or since the year end.

NORTON HOUSING AND SUPPORT LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

6 STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of the charitable company for the purposes of charitable company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. 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 company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) and the Statement of Recommended Practice (SORP) Accounting by Registered Social Housing Providers Update 2018 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper Accounting Records that disclose with reasonable accuracy at any time the financial position of the Charity and Group and to enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and the Group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

7 DISCLOSURE OF INFORMATION TO AUDITORS

We, the trustees of the charitable company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- we have taken all the steps that ought to have been taken as Trustees in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report has been prepared taking advantage of the exemptions for small companies within part 15 of the Companies Act 2006.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Peter Frost (Sep 30, 2024, 7:22pm)
Mr P E Frost
Treasurer

Date: 30 Sep 2024

NORTON HOUSING AND SUPPORT LTD

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2024

Opinion

We have audited the financial statements of Norton Housing and Support Ltd (the charitable company) for the year ended 31 March 2024 which comprise a Statement of Comprehensive Income, Statement of Changes in Reserves, Statement of Financial Position, Statement of Cash Flows and notes to the financial statements, including 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 2024 and of 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, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2022.

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 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

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the 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. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

NORTON HOUSING AND SUPPORT LTD

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2024

Opinions 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' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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' 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, 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the board were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of charity 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 board 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 board either intends to liquidate the charitable company or to cease operations, or to 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:

- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments;
- Assessing whether the judgements made in accounting estimates are indicative of a potential basis;

NORTON HOUSING AND SUPPORT LTD

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2024

- Evaluating the rationale of any significant transactions that are unusual or outside the normal course of business;
- Analytical procedures are performed as well as substantive testing to identify any potential misstatement due to fraud; and
- The audit procedures would also involve being aware of any such items from reviewing minutes and third party communications and reports and discussions held with staff and management to obtain an understanding.

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 is available on the Financial Reporting Council's website at <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor-s-responsibilities-for>. 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 and section 137 of the Housing and Regeneration Act 2008. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Kerry Hilliard

Kerry Hilliard (Sep 30, 2024, 7:25pm)
Kerry Hilliard ACA FCCA CTA (Senior Statutory Auditor)

for and on behalf of Price Bailey LLP
Statutory Auditor
36 Tyndall Court
Commerce Road
Lynchwood
Peterborough
PE2 6LR

Date: 30 Sep 2024

NORTON HOUSING AND SUPPORT LTD

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2024

	2024 £	2023 £
TURNOVER	988,428	1,095,772
Operating costs	(1,027,252)	(1,002,377)
Fundraising costs	(2,643)	(2,300)
Operating surplus/(deficit)	<u>(41,467)</u>	<u>91,095</u>
Interest receivable and similar income	551	381
Surplus/(deficit) for the year	<u>(40,916)</u>	<u>91,476</u>
Total comprehensive income for the year	<u><u>(40,916)</u></u>	<u><u>91,476</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The charitable company's results relate wholly to continuing activities. The accompanying notes form part of these financial statements.

30 Sep 2024

The financial statements were approved by the Trustees on



.....
Wieslaw Holynski (Sep 30, 2024, 7:24pm)
Mr W T Holynski

Trustee



.....
Peter Frost (Sep 30, 2024, 7:22pm)
Mr P E Frost

Trustee

Company registration number 01870880

NORTON HOUSING AND SUPPORT LTD

STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDED 31 MARCH 2024

	Restricted reserves £	Unrestricted reserves £	Designated reserves £	Total funds £
2023				
Balance as at 1 April 2022	14,362	1,488,741	182,093	1,685,196
Total comprehensive income for the year	(7,816)	153,410	(54,118)	91,476
Transfer to designated reserves	-	(678)	678	-
Balance as at 31 March 2023	<u>6,546</u>	<u>1,641,473</u>	<u>128,653</u>	<u>1,776,672</u>
2024				
Balance as at 1 April 2023	6,546	1,641,473	128,653	1,776,672
Total comprehensive income for the year	(6,546)	(7,381)	(26,989)	(40,916)
Transfer to designated reserves	-	-	-	-
Balance as at 31 March 2024	<u>-</u>	<u>1,634,092</u>	<u>101,664</u>	<u>1,735,756</u>

The accompanying notes form part of these financial statements.

NORTON HOUSING AND SUPPORT LTD

BALANCE SHEET AS AT 31 MARCH 2024

	Notes	2024 £	2023 £
Fixed assets			
Tangible assets	11	3,396,199	1,964,333
Current assets			
Debtors	12	54,351	80,292
Cash at bank and in hand		<u>792,118</u>	<u>1,392,222</u>
		846,469	1,472,514
Creditors: amounts falling due within one year	13	<u>(171,605)</u>	<u>(44,318)</u>
Net current assets		<u>674,864</u>	<u>1,428,196</u>
Total assets less current liabilities		4,071,063	3,392,529
Creditors: amounts falling due after more than one year	14	(2,335,307)	(1,615,857)
Net assets		<u><u>1,735,756</u></u>	<u><u>1,776,672</u></u>
Charity funds			
Restricted funds	17	-	6,546
Unrestricted funds	17	1,735,756	1,770,126
		<u><u>1,735,756</u></u>	<u><u>1,776,672</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accompanying notes form part of these financial statements.

30 Sep 2024

The financial statements were approved by the Trustees on

WTH

Wieslaw Holynski (Sep 30, 2024, 7:24pm)
Mr W T Holynski
Trustee

[Signature]

Peter Frost (Sep 30, 2024, 7:22pm)
Mr P E Frost
Trustee

The notes on pages 19 to 33 form an integral part of the financial statements.

Charity registration number 701800
Company registration number 01870880 (England and Wales)
RSH No. 4676

NORTON HOUSING AND SUPPORT LTD

STATEMENT OF CASH FLOWS AS AT 31 MARCH 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	18	241,466	187,578
Cash flow from investing activities			
Interest received		551	381
Purchase of tangible fixed assets - housing properties		(1,480,721)	(427,590)
Grants received		75,000	742,450
Cash flow from financing activities			
New borrowings		669,230	-
Repayment of borrowings		(26,152)	(31,970)
Interest paid		(79,478)	(46,032)
Net cash flow from financing activities		<u>563,600</u>	<u>(78,002)</u>
Net decrease in cash and cash equivalents		(600,104)	424,817
Cash and cash equivalents at beginning of the year		1,392,222	967,405
Cash and cash equivalents at end of the year		<u><u>792,118</u></u>	<u><u>1,392,222</u></u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		792,118	1,392,222
Cash and cash equivalents at end of the year		<u><u>792,118</u></u>	<u><u>1,392,222</u></u>

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Norton Housing and Support Ltd is a private company limited by guarantee under the Companies Act 2006, a registered charity and a private registered provider of social housing with the Regulator of Social Housing in England and Wales.

The address of the registered office is given in the reference and administration details of the company on page 1 of these financial statements.

The nature of the entity's operations and principal activities are to provide accommodation and/or support for people with ongoing mental health issues, a learning disability or from disadvantaged groups.

The entity constitutes a public benefit entity as defined by FRS102.

1.1 Accounting convention

The financial statements have been prepared in accordance with applicable accounting standards and statements of recommended practice of the United Kingdom, including FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland", Companies Act, the Housing SORP 2018 Update – Statement of Recommended Practice for Registered Social Housing Providers' ("the SORP") and the Accounting Direction for Private Registered Providers of Social Housing – 2022 ("the Direction").

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Significant judgements and estimates

The preparation of financial statements requires judgement in the process of applying the accounting policies and the use of accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

The following key estimates and judgements apply:

a) Useful lives of depreciable assets

Management reviews the estimated useful lives of depreciable assets at each reporting date. Uncertainties in these estimates may relate to the impact of technological change and/or to changes in government regulation that may require components of property to be replaced more frequently.

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

b) Apportionment of operating costs

The charitable company is required to allocate its expenditure between social housing activities and activities other than social housing. There is a degree of judgement that must be applied in determining the basis of apportionment for indirect costs, which may change over time and is reviewed and applied annually.

1.4 Turnover

Turnover represents maintenance contributions and service charges received in the year net of losses from voids, Independent Living People support income and revenue from grants.

Monetary donations to the charitable company are credited to the accounts on a receipt's basis except where the amount and entitlement is identifiable in advance where they are brought in as debtors. Gifted assets are credited in the accounts at the net fair value of the assets and liabilities.

1.5 Expenditure

Costs are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefit will be required in settlement and the amount of the obligation can be measured reliably. Costs are classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charitable company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charitable company and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred relating to the governance of the charitable company apportioned to the charitable activities.

All costs are inclusive of VAT.

1.6 Depreciation of social housing properties

Major components of housing properties are identified and treated as separable assets and are depreciated on a straight line basis over their expected economic useful lives at the following rates:

Property structure	50 years
Roof	30 years
Windows and external doors	20 years
Kitchens	15 years
Bathrooms	15 years

Freehold land is not depreciated.

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.7 Tangible fixed assets

Tangible fixed assets costing £500 or more are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

Housing Properties and other tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 4% on cost
Property improvements	- 5% on cost
Fixtures and fittings	- 15% reducing balance
Office equipment	- 33.33% on cost
Freehold land	- not depreciated

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charitable company; this is normally upon notification of the interest paid of payable by the bank.

1.9 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over lease term.

1.10 Debtors

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

1.11 Cash at bank and in hand

Cash at the 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 the deposit or similar account.

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past events, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charitable company anticipated it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounts at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.13 Taxation

The company has charitable status and therefore is not subject to Corporation Tax on surpluses derived from charitable activities.

1.14 Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.15 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities incorporating Income and Expenditure Account over the expected useful lives of the assets concerned. Grants received from non-government sources are recognised using the performance model. A grant which does not impose specified future performance conditions is recognised as revenue when the grant proceeds are received or receivable. A grant that imposes specified future performance-related conditions on the association is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as deferred income.

1.16 Pensions

The charitable company operates a defined contribution pension scheme and the pension charge represents the amount payable by the charitable company to the fund in respect of the year.

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Management reviews its estimate of useful lives of depreciable assets at each reporting date based on the expected utility of the assets including any components. Uncertainties in these estimates relate to the Decent Homes Standards and other asset replacement programme revisions which may require more frequent replacement of key components.

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

3 Particulars of turnover, operating costs and operating surplus

	2024		
	Turnover £	Operating & Fundraising costs £	Operating surplus/ (deficit) £
Social housing lettings (Note 3a)	803,265	(806,451)	(3,186)
Other social housing activities			
Supporting people	167,793	(168,480)	(687)
Activities other than social housing	17,370	(54,964)	(37,594)
	<u>988,428</u>	<u>(1,029,895)</u>	<u>(41,467)</u>
	2023		
	Turnover £	Operating & Fundraising costs £	Operating surplus/ (deficit) £
Social housing lettings (Note 3a)	850,142	(752,977)	97,165
Other social housing activities			
Supporting people	163,182	(162,248)	934
Activities other than social housing	82,448	(89,452)	(7,004)
	<u>1,095,772</u>	<u>(1,004,677)</u>	<u>91,095</u>

3a Particulars of income and expenditure from social housing lettings

	2024 No.	2023 No.
Social rent		
Supported housing units - owned	20	20
Supported housing units - managed	41	46
	<u>61</u>	<u>66</u>

All units represent supported housing. Overall, there was a decrease of 5 units, this was due to ceasing to manage 2 properties during the year.

	2024 £	2023 £
Rent receivable	866,209	885,039
Social housing operating costs	(806,451)	(752,977)
Void losses	(62,944)	(34,897)
	<u>(3,186)</u>	<u>97,165</u>

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

3b Particulars of income and expenditure from non-social housing lettings

	2024 £	2023 £
Other Income	9,312	67,076
Donations and gifts	8,058	10,673
Other grants	-	4,699
Operating costs	(52,321)	(87,152)
Fundraising expenses	(2,643)	(2,300)
	<u>(37,594)</u>	<u>(7,004)</u>

4 Interest receivable and similar income

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Interest receivable	551	551	381
<i>Total 2023</i>	<u>381</u>	<u>381</u>	

5 Expenditure on raising funds

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Fundraising expenses	2,643	2,643	2,300
	<u>2,300</u>	<u>2,300</u>	

6 Interest and financing costs

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Interest on bank loans	79,478	79,478	46,032
	<u>46,032</u>	<u>46,032</u>	

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

7 Analysis of Social Housing Operating Costs

	Direct costs 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Social housing lettings	452,395	352,120	804,515	752,973
Independent Living Support	139,490	28,990	168,480	162,248
Additional charitable activities	37,956	16,301	54,257	87,156
Total 2024	<u>629,841</u>	<u>397,411</u>	<u>1,027,252</u>	<u>1,002,377</u>
Total 2023	<u>667,547</u>	<u>334,830</u>	<u>1,002,377</u>	

Analysis of direct costs

	Independent Living Support 2024 £	Social housing lettings 2024 £	Additional charitable activities 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	130,036	81,881	14,889	226,806	269,162
Premises expenses	3,967	354,052	23,067	381,086	372,803
Residents expenses	-	-	-	-	7,941
Professional fees	5,487	16,462	-	21,949	17,641
Total 2024	<u>139,490</u>	<u>452,395</u>	<u>37,956</u>	<u>629,841</u>	<u>667,547</u>
Total 2023	<u>133,347</u>	<u>484,972</u>	<u>49,228</u>	<u>667,547</u>	

Analysis of support costs

	Independent Living Support 2024 £	Social housing lettings 2024 £	Additional charitable activities 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	23,649	207,828	275	231,752	182,380
Depreciation	-	48,351	-	48,351	68,171
Loan interest	-	65,689	13,789	79,478	46,032
Other support costs	5,246	29,892	2,237	37,375	37,631
Governance	95	360	-	455	616
	<u>28,990</u>	<u>352,120</u>	<u>16,301</u>	<u>397,411</u>	<u>334,830</u>
Total 2023	<u>28,901</u>	<u>268,001</u>	<u>37,928</u>	<u>334,830</u>	

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

8 Auditors' remuneration

	2024 £	2023 £
Fees payable to the charitable company's auditor for the audit of the charitable company's annual accounts	<u>7,200</u>	<u>7,200</u>

9 Staff costs

	2024 £	2023 £
Wages and salaries	421,181	409,190
Social security costs	22,244	23,970
Pension costs	15,132	18,383
	<u>458,557</u>	<u>451,543</u>

The average number of employees expressed as full time equivalents (calculated based on a standard working week of 37.5 hours):

	2024 No.	2023 No.
Support workers	9	9
Management and administrative	7	7
Domestic staff	1	1
	<u>17</u>	<u>17</u>

No employees received remuneration on a full-time equivalent basis, including employer pension contribution, in excess of £60k.

	2024 £	2023 £
Key management personnel remuneration:		
Salary	28,656	29,086
Employers NIC	2,536	2,649
Pension contributions	743	1,572
	<u>31,935</u>	<u>33,307</u>

The highest paid Director's emoluments excluding pension costs in the year ended 31 March 2024 were £20,769 (2023: £31,735)

During the year, no non-executive board members received any remuneration or other benefits (2023 - none).

The Chief Executive is a member of the salary sacrifice pension plan. She is an ordinary member of the pension scheme and no enhanced or special terms apply. The charitable company does not make any further contribution to an individual pension arrangement for the Chief Executive.

In accordance with para 24 of the Accounting Direction for Private Registered Providers of Social Housing - 2022, the term 'Director' in the disclosures above include the Chief Executive and any other person who is a member of the executive management team.

10 Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £Nil).

During the year ended 31 March 2024, no Trustee expenses have been incurred (2023 - £Nil).

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

11 Tangible fixed assets including housing properties

	Freehold property	Social housing properties	Social housing properties under construction	Property improvements	Fixtures and fittings	Office equipment	Total
	£			£	£	£	£
Cost or valuation							
At 1 April 2023	132,287	1,965,642	427,590	2,950	37,149	17,833	2,583,451
Additions	-	-	1,474,319	-	3,633	2,769	1,480,721
Disposals	-	-	-	(2,950)	(8,388)	(6,341)	(17,679)
At 31 March 2024	132,287	1,965,642	1,901,909	-	32,394	14,261	4,046,493
Depreciation							
At 1 April 2023	90,962	480,020	-	2,950	27,925	17,261	619,118
Charge for the year	4,692	40,311	-	-	1,853	1,495	48,351
Eliminated in respect of disposals	-	-	-	(2,950)	(7,884)	(6,341)	(17,175)
At 31 March 2024	95,654	520,331	-	-	21,894	12,415	650,294
Net book value							
At 31 March 2024	36,633	1,445,311	1,901,909	-	10,500	1,846	3,396,199
At 31 March 2023	41,325	1,485,622	427,590	-	9,224	572	1,964,333

Included in freehold property is freehold land at cost of £15,000 (2023 - £15,000) which is not depreciated.

Included in social housing properties is freehold land at cost of £463,359 (2023 - £463,359) which is not depreciated.

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

12 Debtors

	2024 £	2023 £
Other debtors	575	380
Prepayments and accrued income	1,547	1,516
Rental and service charge debtors	52,229	78,396
	<u>54,351</u>	<u>80,292</u>

13 Creditors: Amounts falling due within one year

	2024 £	2023 £
Bank loans - secured	30,040	31,412
Trade creditors	18,552	5,380
Other creditors	44,113	315
Accruals	78,900	7,211
	<u>171,605</u>	<u>44,318</u>

14 Creditors: Amounts falling due after more than one year

	2024 £	2023 £
Bank loans - secured	1,517,857	873,407
Deferred income - government grant (Note 16)	817,450	742,450
	<u>2,335,307</u>	<u>1,615,857</u>

Included within the above are amounts falling due as follows:

Between one and two years

Bank loans - secured	<u>30,040</u>	<u>31,412</u>
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Between two and five years

Bank loans - secured	<u>120,160</u>	<u>94,237</u>
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Over five years

Bank loans - secured	<u>1,397,697</u>	<u>747,759</u>
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The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2024 £	2023 £
Repayable by instalments	1,397,697	747,759
	<u>1,397,697</u>	<u>747,759</u>

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

14 Creditors: Amounts falling due after more than one year (Continued)

The bank borrowings are made up of five facilities.

The first facility is a bank loan due for repayment by 30 August 2036 and currently attracts interest at 2.9% above base rate. The bank loan is secured by a First legal charge over the charitable company's freehold premises at 128 Westcotes Drive.

The second facility is a bank loan due for repayment by 19 October 2039 and currently attracts interest at 2.10% above base rate. The bank loan is secured by a First legal charge over the charitable company's freehold premises at 16 St James Road.

The third facility is a bank loan due for repayment by 19 June 2041 and currently attracts interest at 2.75% above base rate. The bank loan is secured by a First legal charge over the charitable company's freehold premises at 25 Church Street.

The fourth facility is a bank loan due for repayment by 19 January 2043 and currently attracts interest at 2.65% above base rate. The bank loan is secured by a First legal charge over the charitable company's freehold premises at 15 Ashleigh Road.

The fifth facility is an interest only bank loan due for repayment by 19 October 2048 and currently attracts interest at 2.1% above base rate. The bank loan is secured by a First legal charge over the charitable company's freehold premises at Frost Court. The total facility available is £913,000. A drawdown of £669,230 was made in the year ended 31 March 2024. Since the year end, a further drawdown of £243,770 has been made. (Note 25).

15 Financial instruments

	2024 £	2023 £
Financial assets		
Financial assets measured at amortised cost	<u>792,693</u>	<u>1,392,602</u>
Financial liabilities		
Other financial liabilities measured at amortised cost	<u>1,610,562</u>	<u>917,725</u>

Financial assets measured at amortised cost comprise of other debtors and cash at bank.

Financial liabilities measured at amortised cost comprise of bank loans, trade creditors, other creditors and accruals excluding any elements of deferred income.

16 Deferred capital government grant

	2024 £	2023 £
At 1 April 2023	742,450	-
Grant received in the year	75,000	742,450
Released to income in the year	-	-
At 31 March 2024	<u>817,450</u>	<u>742,450</u>

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

17 Statement of reserves

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 31 March 2024 £
Unrestricted reserves					
Designated reserves					
Information technology	-	-	(768)	1,000	232
Training	5,314	-	(907)	314	4,093
Marketing	1,537	-	(781)	-	756
Fundraising	6,426	-	-	3,574	10,000
Development	81,321	-	-	15,250	96,571
Contingency	34,055	-	(24,533)	25,467	34,989
	128,653	-	(26,989)	44,977	146,641
General reserves					
Unrestricted reserves	1,641,473	988,979	(996,360)	(44,977)	1,589,115
Total unrestricted reserves	1,770,126	988,979	(1,023,349)	-	1,735,756
Restricted reserves					
Carlton Hayes	3,423	-	(3,423)	-	-
National Lottery Community F	2,468	-	(2,468)	-	-
Edward Gosling	572	-	(572)	-	-
Tesco Community Grant	-	-	-	-	-
You in Mind	83	-	(83)	-	-
	6,546	-	(6,546)	-	-
Total of reserves	1,776,672	988,979	(1,029,895)	-	1,735,756

Designated reserves

The information technology fund has been set up to fund the upgrade of computer equipment, the implementation of a backup system and the provision of technological support as required. The carried forward balance consists of entirely unspent funds.

The training fund was put aside to support the recruitment and salary of a trainer post for Norton Housing and Support Ltd. This role has been instrumental in testing the market and delivering external training events, in order to generate income and support development of a training arm for the organisation

The marketing fund will ensure that money is available to support the branding and marketing of Norton Housing and Support, which is essential in order to further develop services in line with our business plan. This fund will also support material for the new training and fundraising posts.

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

17 Statement of reserves (Continued)

The Fundraising Fund will support the implementation of the Fundraising Strategy, with the intention of generating new income streams into the organisation.

The development fund has been set aside to ensure delivery of our asset management plan, which was developed by an external consultant following a full stock condition survey in 2018. This will ensure our owned properties remain fit for purpose now and in the future.

The contingency fund is a designated fund for items identified on the service charge schedule, this fund will be adjusted annually in line with the actual expenditure for each home in accordance with the schedule for that property. It has been agreed by Trustees to include this fund to keep a clear and separate account of funds carried for each property.

General reserves

The carried forward balance of general funds of £1,564,829 consists of £3,256,537 in relation to fixed assets net of £1,547,897 of associated property loans equating to £1,708,640.

Restricted reserves

The Carlton Hayes fund was set up to cover the costs of producing a promotional video and funding towards the Healthy Living Project. During the year further funding was received towards the project. The funds have been fully spent in 2023/24.

The National Lottery Community Fund was set up for the Healthy Living Project. During the year further funding towards the project was received. The funds have been fully spent in 2023/24.

The funds from Edward Gosling were received towards the cost of four new iPads. The carried forward value represents the net book value of the assets.

You in Mind is a local mental health charity, funds were previously received from them for Norton Housing and Support to take over providing drop ins twice a week for people with mental health needs to meet up.

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

18 Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net expenditure for the year (as per SOFA)	(40,916)	91,476
Adjustments for:		
Dividends, interests and rents from investments	(551)	(381)
Loss on disposal of tangible fixed assets	504	740
Depreciation charges	48,351	69,840
Decrease in debtors	25,941	(17,260)
Increase in creditors	128,659	(2,869)
Interest paid	79,478	46,032
Net cash provided by operating activities	<u><u>241,466</u></u>	<u><u>187,578</u></u>

19 Analysis of cash and cash equivalents

	2024 £	2023 £
Cash at bank and in hand	792,118	1,392,222
	<u><u>792,118</u></u>	<u><u>1,392,222</u></u>

20 Analysis of changes in net debt

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	1,392,222	(600,104)	792,118
Debt due within 1 year	(31,412)	1,372	(30,040)
Debt due after 1 year	(873,407)	(674,490)	(1,547,897)
	<u><u>487,403</u></u>	<u><u>-</u></u>	<u><u>785,819</u></u>

21 Share capital

Norton Housing and Support Ltd is a company limited by guarantee and has no share capital. The members of the charitable company are the Board of Trustees names on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

22 Pension commitments

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable by the charitable company to the fund.

Contributions payable by the charitable company for the year amounted to £15,132 (2023 - £18,383) with £437 being included within creditors (2023 - £315).

23 Operating lease commitments

At 31 March 2024 the charitable company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Not later than 1 year	149,744	155,645
Later than 1 year and not later than 5 years	1,325	-
	<u>151,069</u>	<u>155,645</u>

24 Capital commitments

At 31 March 2024 the charitable company had capital commitments as follows:

	2024 £	2023 £
Contracted for but not provided for in the financial statements:		
Acquisition of social housing property	346,630	1,762,516
	<u>346,630</u>	<u>1,762,516</u>

The above commitments are intended to be funded from capital government grants (total allocation £990k), with the balance (£773k) funded through other grants, property sales and existing reserves.

The contract relating to the above commitment was cancelled after the year end and replaced with a new contract to complete the construction works.

25 Events after the reporting date

Since the year end, the charitable company has drawn down further loan advances of £243,770 relating to the fifth loan facility as detailed in note 14.

Since the year end the charity has exceeded its bank covenants. This breach enables the bank to demand immediate repayment of its loans. These loans have a value of £1,450,722 as at 31 March 2024.



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Parties involved with this document

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Mon, 30th Sep 2024 19:25:34 BST	Kerry Hilliard - Signer (902a0ce0e67d0844108736cc48cef507)

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