

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 2025**

NORTON HOUSING AND SUPPORT LTD

LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|--|--|--------------------------|
| Trustees | Mr W T Holynski Mr G N Sedgwick Mr P E Frost Ms J Moore Ms S Johnson Dr S M Fallow Mr L W Price Ms S Ralphson | (Appointed 10 July 2025) |
| Secretary | Ms J K Moore | |
| Company registered number | 01870880 | |
| Charity registered number | 701800 | |
| Registered office & principal address | 107 Newport Street Leicester LE3 9FU | |
| Chief executive | Mrs J Fleetwood-Smith | |
| 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 2025

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 2025. 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.

2024/2025 has been a year of continued change, development and transition for the organisation. The year started shortly after the appointment of Joanna Fleetwood-Smith as our new CEO on 1 February 2024.

Joanna's appointment was immediately followed by a major delay in our new capital development of 15 new-build supported flats in Blaby (Frost Court scheme). This was due to a company take-over of the employed Construction Company, followed by a subsequent winding-up order of the Construction Company. A significant amount of work by the OMT, Trustees and NCHA/Pelham went into securing a replacement Construction Company and JCT. The development was eventually completed on 28 October 2024, which represented a delay of over 3 months against the original JCT Completion Date.

The termination of the support contract with Leicester City Council on 31st March 2023 required significant changes to the delivery of our support service. During 2024/25 those changes were developed further with staff being transitioned into a new delivery structure that supported the implementation of support through group activities and a greater alignment with Norton's values and aspirations to ensure person-centred support and engaging opportunities for skills development and personal growth. 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 remained a key priority for the year, as has that of residents.

2 OBJECTIVES AND ACTIVITIES

2.1 Strategic objectives - Review of progress / achievements

Joanna began on 1st February 2024 and has made a significant contribution, having introduced Key Personal Performance Targets and Revised Management Structures to support efficient and effective staff appraisals, reviewed the organisation's IT infrastructure, introduced RM Solutions a custom built CRM & intensive housing management system to increase security, efficiency and longevity for Norton as a supported housing provider and developed a new approach to mapping and measuring resident's personal Journey and progress.

Objective 1: Consolidate Existing Services

Successful transition to a new Support Service delivery model 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, this has been vital in ensuring the viability and sustainability of the service going forward, whilst working towards introducing a more comprehensive offer of support to our residents.

NORTON HOUSING AND SUPPORT LTD

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FOR THE YEAR ENDED 31 MARCH 2025

2 OBJECTIVES AND ACTIVITIES

(Continued)

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

Objective 1: Consolidate Existing Services (continued)

The PA Service has continued and plans to link it into the new Support Service are being developed with a view to increase the flexible use of staff to better meet the needs of service users.

The Drop-In service continues to be delivered with 2 weekly session. Plans to further develop this service will be implemented in 2025/26.

The Womens Service continues to provide 14 places across 2 properties. However, at the end of the year we were notified that PA Housing Association would give us 12 months notice on one of those properties. As prior notice had been provided by PA that this would happen at some time, scoping work to relocate those 7 places had already started.

Objective 2: Managing Organisational Expansion

Development of 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 well in advance of the original JCT Completion Date of July 2024. However unforeseen circumstances due to a company take-over of the employed Construction Company followed by a subsequent winding-up order caused a significant delay.

During 2024/25 significant work went into securing a replacement construction company resulting in a new Fixed Price JCT at an additional cost of £118,664.49 in building works and £12,377.11 in additional fees.

Over the year significant work was undertaken to develop the referral routes and a detailed allocations protocol for working in partnership with Blaby District Council. This enabled a smooth transition for potential residents and supported the swift allocation of the supported flats. At the end of 2024/25 thirteen of the fifteen flats were occupied.

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.

This has been a financially challenging year with significant additional costs as a result of the increased costs due to the delay in the Supported Housing Development in Blaby. Those increased costs were covered through reserves. In addition to the increased build and associated costs there was a significant loss of £60,061.50 rental income due the high level of VOIDS created by the delayed build completion.

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FOR THE YEAR ENDED 31 MARCH 2025

2 OBJECTIVES AND ACTIVITIES

(Continued)

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

Objective 3: Financial Stability (continued)

Prior to the commencement of the new build project, the Board had already made the decision to dispose of a 3-bed flat property and that proceeds would in part contribute to this Supported Housing Development in Blaby. That property was put on the market at the beginning of the year with existing tenants being moved to alternative accommodation and one transferring to the new build scheme. This resulted in a further significant loss of income during 2024/25. The sale of the property is underway during the end of March 2025, the proceeds from the sale will restore unrestricted reserves to a level that more than covers the 6 months running costs requirement in our Reserves Policy within the financial year 2025/2026.

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.

Fundraising activity has been compromised during 2024/25 due to the concentration on staffing and delivery structures alongside the development of the Supported Housing Development in Blaby. However, small pots of funds have been received totalling £2,917.07.

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 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 twelve times with a variety of different residents having been involved. A core group of around 7 residents regularly attend. A review of progress was started in 2024/25 including the development of plans for an Away Day Feedback event involving residents, tenants, staff and trustees to take place in early 2025/26.

Norton Housing and Support is an Investors in People accredited organisation having achieved reaccreditation in 2021. In the 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'. Preparations for re-accreditation in September 2025 were ongoing during 2024/25.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

2 OBJECTIVES AND ACTIVITIES

(Continued)

2.3 Quality Assurance (continued)

The CEO reviewed the training and skills of the team both to inform the review of the staffing structures and a training programme across the organisation. During the budget setting process the Board agreed a budget of £14,100 to support that training programme, which also includes implementation of Clinical Supervision for Support Service Staff.

The organisation is committed to supporting the mental health and wellbeing of its staff who represent our greatest asset.

The CEO has commissioned 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.

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 charity's primary objectives, which support our organisational mission – 'To enhance the lives of our service users through person-centred support services, advocacy, and sustainable housing solutions, ensuring every person has the opportunity to thrive'.

The direct beneficiaries of our supported 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 (at 2016/17 prices).

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 developed its own supported flats schemes which enabled residents to move to their own tenancy, whilst continuing to receive intensive housing management support. Our new Frost Court scheme has enabled the organisation to broaden its reach and provide supported accommodation services to those in the Blaby district.

Our Personal Assistant Service enables us to provide a service to both existing residents moving to their own flats, as well as people living in the community.

Since 2018, Norton Housing and Support has also provided supported accommodation for women at risk of homelessness. The service enables women to move on to their own tenancy. Due to high demand, in 2022 the number of places were increased from 7 to 14 through the provision of an additional property.

NORTON HOUSING AND SUPPORT LTD

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FOR THE YEAR ENDED 31 MARCH 2025

2 OBJECTIVES AND ACTIVITIES

(Continued)

2.4 Public Benefit Statement (continued)

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 Employment Support Allowance or Universal Credit.

2.5 Strategic Objectives 2025/26

During 2025/26 agreed strategic objectives are:

- 1) **Securing Our Future** - Ensuring long-term sustainability through consolidation, resource optimisation, financial stability, and by expanding our impact.
- 2) **Enhancing Our Services** – Refining and developing our current service offers to promote independence, resilience, and resident satisfaction.
- 3) **Enabling Our People** - Empowering residents and staff through personal development, training, and advocacy initiatives to foster a supportive environment.
- 4) **Building Our Profile** - Increasing visibility and community engagement to attract funding, strengthen partnerships, and advocate for vulnerable groups.

By focusing on these areas, we aim to strengthen our community presence, enhance our service delivery, empower our staff and service users, and ensure long-term financial sustainability and a resilient future for the organisation and those we work for and with.

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 flats offering daily intensive housing management support. During subsequent years, further schemes were developed, including the building of a new development in Blaby. This scheme, called Frost Court in honour of former Chair and co-founder of the Charity, Dr Stephen Frost, opened in autumn 2024 and took the number of flats to 25.

The launch of Frost Court has been a huge achievement for the Charity, particularly given that the build process was affected by an unforeseen take-over of the employed Construction Company, an event which caused significant delays as well as additional costs. This new scheme has expanded the charities' offer and broadened the geographic spread of Norton's Supported Housing and Support provision into an area that has shown a growing need for accommodation and support of this kind.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

3 ACHIEVEMENTS AND PERFORMANCE

(Continued)

3.1 Summary of Activities (continued)

Norton Housing and Support achieves 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 for 59 adults with ongoing mental health needs and/or a learning disability who live within 8 properties around Leicester, Oadby and Wigston and Blaby. 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 a dedicated Housing Management Officer.

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.

3.1.1 Mental Health Supported Accommodation Service

During the year 34 referrals were received. Of these 34 referrals 3 were accepted, 8 were declined, 14 withdrew, 1 is on hold and 8 are awaiting assessment.

Applicants were mainly declined due to ineligibility, including inability to afford the accommodation due to not having access to public funds, issues with substance misuse which are not conducive within our current housing portfolio and/or Norton Housing and Support being unable to meet support needs due to complexity or accommodation not being suitable.

During the year, three residents moved on from living in a supported group homes. One moved into a residential care home that better suited their support needs, and two were unfortunately served notice due to Anti-Social Behaviour.

3.1.2 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 4 have been accepted and one withdrew. In addition, 3 clients increased their weekly support hours. Throughout the year, 11 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

3.1.3 Supported Flats

The occupancy rate for the year was 86.58%, excluding units at one property, which were held so the property could be sold. This is lower than previous year, mostly due to the time needed to fill our new scheme, Frost Court.

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FOR THE YEAR ENDED 31 MARCH 2025

3 ACHIEVEMENTS AND PERFORMANCE

(Continued)

3.1 Summary of Activities (continued)

3.1.4 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 was 88.14% In the previous year it was 89.27%

| | 2024/25 | 2023/24 |
|---------------------|---------|---------|
| Referrals received | 44 | 42 |
| Referrals accepted | 10 | 13 |
| Referrals declined | 12 | 10 |
| Referrals withdrawn | 16 | 13 |
| On Hold | 2 | 0 |
| Awaiting assessment | 4 | 6 |

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.

| Metric | 2021/22 | 2022/23 | 2023/24 | 2024/25 | Sector (2024) |
|--|---------|---------|---------|---------|---------------|
| Reinvestment % (in existing homes and new homes) | 0% | 0% | 0% | 0% | 6.8% |
| New supply delivered % | 0% | 0% | 0% | 43% | 5.1% |
| Gearing % | -1.9% | -31.9% | 36.0% | 24.7% | 7.6% |
| Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs, Included (EBIDTA MRI) Interest Cover % | 406% | 349% | 11% | 80% | 14% |
| Headline Social Housing Cost Per Unit £ | £9,980 | £9,990 | £13,221 | £11,880 | £20,144 |
| Operating Margin % Social housing lettings only | 4.1% | 12.2% | -0.4% | 3.4% | 1.2% |
| Overall | 6.4% | 8.4% | -4.1% | 1.9% | 9.0% |
| Return on Capital Employed % | 2.3% | 3.4% | -1.0% | 0.5% | 0.8% |

NORTON HOUSING AND SUPPORT LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

3 ACHIEVEMENTS AND PERFORMANCE

(Continued)

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 £2,917.07 being received into the business.

This can be broken down into £280 of restricted funds and £2,637.07 of unrestricted funds. Restricted funds were the Neighbourly Toys, which bought toys for the children living within our Women's Schemes. We also received a £1,000 donation from the Fire Service's - Rudolph Collection, which enabled a well-received resident day trip to Ingoldmells, £1,507.55 unrestricted donation from British Gas, courtesy of a former employee connection and £129.52 in anonymous donations.

With the change in Chief Executive and Management Structure, there will be a new direction going forward to support the fundraising efforts of Norton Housing and Support. This will be supported by the 2025/26 Business Plan, Income Generation Strategy and Marketing and Communication Strategy that were developed during 2024/25.

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.

2024/25 has been a turbulent year 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, however with careful financial management and the robust monitoring processes upheld via the Finance and Resources Committee, the Trustees have assessed the risks 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 £1,757,796, after taking into account the charity's property assets of £3,988,654 net of the associated property loans of £1,756,887. Unrestricted reserves include designated funds of £131,281. 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.

NORTON HOUSING AND SUPPORT LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

4 FINANCIAL REVIEW

(Continued)

4.2 Reserves Policy (continued)

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 Supported Housing Infrastructure with a New Build project. This was funded through a CAF Bank Loan, Norton Housing and Support's Reserves and further financial support from Homes England and Blaby District Council. The Board also agreed a temporary reduction in reserves during 2024/25 to cover cash flow issues pending the previously agreed sale of a 3-flat property the proceeds from which would in part contribute to the cost the New Build Project (the Supported Housing Development in Blaby). However, as result of the build delays in that Development there was a greater than anticipated call on reserves The trustees closely monitored progress of this project and worked with the CEO to find ways of reinflating the reserves to ensure they remain at an appropriate level. In early 2025/26 the sale of the 3 flat property increased unrestricted to a level which covers 6 months running costs, additional funds were also sort and agreed from Homes England and Blaby District Council.

4.3 Financial Review

During the year the charity received income of £1,072,364 from Housing Benefit, support costs and ineligible charges. Expenditure on all salaries, premises costs, administration and governance costs etc amounted to £1,132,678. When combined with investment, voluntary and other income of this resulted in net outgoing resources of: net incoming resources of £22,320.

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.

4.5 Risk Management

During 2024/25, as part of the Business Planning process 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 two years. The transition although challenging for all concerned has taken place without significant upset and staff and residents have become familiar with the new system. The structure and delivery continues to be reviewed by the CEO to ensure it meets the aims and standards of the service that Norton Housing and Support expect for their staff and residents.

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4 FINANCIAL REVIEW

(Continued)

4.5 Risk Management (continued)

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 gave notice on one of their properties at the beginning of the year, but have yet to provide any further information on timelines for the potential disposal of their other stock managed by Norton Housing and Support, or how they may intend to go about this. Further discussions are planned with PA Housing in 2025/26 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 2025, 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.
- 25 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.
- 2 x weekly Mental Health Drop Ins for general public and resident engagement.

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.

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.

Two formal Sub Groups have been established as part of the governance arrangements: the Finance and Resources Subgroup and the Mental and Physical Wellbeing Subgroup. Both meet on a 6 weekly basis approximately 2 weeks prior to the next Management Committee Meeting. Discussions at the Subgroups are reported back to the Management Committee and allow for quality reflection and discussion on service provision and service users outcomes to inform recommendations for the full Committee. Subgroup recommendations are subject to discussion and approval by the Management Committee.

NORTON HOUSING AND SUPPORT LTD

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FOR THE YEAR ENDED 31 MARCH 2025

5 STRUCTURE, GOVERNANCE AND MANAGEMENT

(Continued)

5.1 Constitution (continued)

The Trustees afford a high priority to issues of governance, and robust action planning has continued this year 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. The Board has agreed the following position on trustee tenure:

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 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 continued to review its practice against the Housing Ombudsman's Complaint Handling Code and has updated policies as a result.

5.2 Recruitment, Appointment and Training of Trustees

In May 2024 Mr N Sedgwick stood down as Chair and was replaced by Mr W Holynski.

In December 2024 Mr V Gatlen resigned from the Board.

As part of succession planning, a recruitment exercise was carried out to identify suitable candidates to join the Board, with a view to ensuring that it possessed a range of appropriate skills. As a result, we hope to welcome two new Board members during the 2025/26 year.

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 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.

NORTON HOUSING AND SUPPORT LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

5 STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

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.

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

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:

P Frost

P. Frost (Sep 29, 2025)

Mr P E Frost
Treasurer

29 Sep 2025

NORTON HOUSING AND SUPPORT LTD

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2025

Opinion

We have audited the financial statements of Norton Housing and Support Ltd (the charitable company) for the year ended 31 March 2025 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 2025 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 2025

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 2025

- 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 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: 29 September 2025.

NORTON HOUSING AND SUPPORT LTD

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2025

| | 2025 £ | 2024 £ |
|--|----------------------|------------------------|
| TURNOVER | 1,155,869 | 988,428 |
| Operating costs | (1,132,678) | (1,027,252) |
| Fundraising costs | (1,071) | (2,643) |
| Operating surplus/(deficit) | <u>22,120</u> | <u>(41,467)</u> |
| Interest receivable and similar income | 200 | 551 |
| Surplus/(deficit) for the year | <u>22,320</u> | <u>(40,916)</u> |
| Total comprehensive income for the year | <u><u>22,320</u></u> | <u><u>(40,916)</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.

The financial statements were approved by the Trustees on 29 Sep 2025

W T Holynski

W Holynski (Sep 29, 2025, 11:33am)

P Frost

P Frost (Sep 29, 2025, 11:43am)

.....
Mr W T Holynski

Trustee

.....
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 2025

| | Restricted reserves £ | Unrestricted reserves £ | Designated reserves £ | Total funds £ |
|---|-----------------------------|-------------------------------|-----------------------------|------------------|
| 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> |
| 2025 | | | | |
| Balance as at 1 April 2024 | - | 1,634,092 | 101,664 | 1,735,756 |
| Total comprehensive income for the year | 280 | 22,319 | (279) | 22,320 |
| Transfer to designated reserves | - | - | - | - |
| Balance as at 31 March 2025 | <u>280</u> | <u>1,656,411</u> | <u>101,385</u> | <u>1,758,076</u> |

The accompanying notes form part of these financial statements.

NORTON HOUSING AND SUPPORT LTD

BALANCE SHEET AS AT 31 MARCH 2025

| | Notes | 2025 £ | 2024 £ |
|--|-------|-------------------------|-------------------------|
| Fixed assets | | | |
| Tangible assets | 11 | 3,953,503 | 3,396,199 |
| Current assets | | | |
| Debtors | 12 | 134,991 | 54,351 |
| Cash at bank and in hand | | <u>619,629</u> | <u>792,118</u> |
| | | 754,620 | 846,469 |
| Creditors: amounts falling due within one year | 13 | <u>(95,085)</u> | <u>(171,605)</u> |
| Net current assets | | <u>659,535</u> | <u>674,864</u> |
| Total assets less current liabilities | | 4,613,038 | 4,071,063 |
| Creditors: amounts falling due after more than one year | 14 | (2,854,962) | (2,335,307) |
| Net assets | | <u><u>1,758,076</u></u> | <u><u>1,735,756</u></u> |
| Charity funds | | | |
| Restricted funds | 17 | 280 | - |
| Unrestricted funds | 17 | 1,757,796 | 1,735,756 |
| | | <u><u>1,758,076</u></u> | <u><u>1,735,756</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.

29 Sep 2025

The financial statements were approved by the Trustees on

W T Holyński

W Holyński (Sep 29, 2025, 11:33am)

P Frost

P Frost (Sep 29, 2025, 11:43am)

.....
Mr W T Holyński

Trustee

.....
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 2025

| | Notes | 2025 £ | 2024 £ |
|--|-------|-----------------------|-----------------------|
| Cash flows from operating activities | | | |
| Cash generated from operations | 18 | 27,646 | 241,466 |
| Cash flow from investing activities | | | |
| Interest received | | 200 | 551 |
| Purchase of tangible fixed assets - housing properties | | (634,132) | (1,480,721) |
| Grants received | | 359,505 | 75,000 |
| Grants released | | (11,191) | - |
| Cash flow from financing activities | | | |
| New borrowings | | 243,770 | 669,230 |
| Repayment of borrowings | | (34,780) | (26,152) |
| Interest paid | | (123,507) | (79,478) |
| Net cash flow from financing activities | | <u>85,483</u> | <u>563,600</u> |
| Net decrease in cash and cash equivalents | | (172,489) | (600,104) |
| Cash and cash equivalents at beginning of the year | | 792,118 | 1,392,222 |
| Cash and cash equivalents at end of the year | | <u><u>619,629</u></u> | <u><u>792,118</u></u> |
| Cash and cash equivalents consists of: | | | |
| Cash at bank and in hand | | 619,629 | 792,118 |
| Cash and cash equivalents at end of the year | | <u><u>619,629</u></u> | <u><u>792,118</u></u> |

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

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 2025

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), support Costs 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 2025

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 or 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 2025

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 2025

3 Particulars of turnover, operating costs and operating surplus

| | 2025 | | |
|---|------------------|--|---|
| | Turnover £ | Operating & Fundraising costs £ | Operating surplus/ (deficit) £ |
| Social housing lettings (Note 3a) | 934,276 | (902,869) | 31,407 |
| Other social housing activities | | | |
| Support costs | 138,088 | (140,370) | (2,282) |
| Activities other than social housing | 83,505 | (90,510) | (7,005) |
| | <u>1,155,869</u> | <u>(1,133,749)</u> | <u>22,120</u> |
| | 2024 | | |
| | Turnover £ | Operating & Fundraising costs £ | Operating surplus/ (deficit) £ |
| Social housing lettings (Note 3a) | 803,265 | (806,451) | (3,186) |
| Other social housing activities | | | |
| Support costs | 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> |

3a Particulars of income and expenditure from social housing lettings

| | 2025 No. | 2024 No. |
|-----------------------------------|-------------|-------------|
| Social rent | | |
| Supported housing units - owned | 35 | 20 |
| Supported housing units - managed | 41 | 41 |
| | <u>76</u> | <u>61</u> |

All units represent supported housing. Overall, there was an increase of 15 units. This was due to 15 new units at Frost Court, Grove Road, Blaby, Leicester.

| | 2025 £ | 2024 £ |
|--------------------------------|---------------|----------------|
| Rent receivable | 1,030,037 | 866,209 |
| Social housing operating costs | (902,869) | (806,451) |
| Void losses | (95,761) | (62,944) |
| | <u>31,407</u> | <u>(3,186)</u> |

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

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

| | 2025 £ | 2024 £ |
|----------------------------|----------------|-----------------|
| Other Income | 23,197 | 9,312 |
| Grove Road insurance claim | 46,201 | - |
| Donations and gifts | 2,917 | 8,058 |
| Other grants | 11,191 | - |
| Operating costs | (89,440) | (52,321) |
| Fundraising expenses | (1,071) | (2,643) |
| | <u>(7,005)</u> | <u>(37,594)</u> |

4 Interest receivable and similar income

| | Unrestricted funds 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|---------------------|------------------------------------|--------------------------|--------------------------|
| Interest receivable | 200 | 200 | 551 |
| <i>Total 2024</i> | <u>551</u> | <u>551</u> | |

5 Expenditure on raising funds

| | Unrestricted funds 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|----------------------|------------------------------------|--------------------------|--------------------------|
| Fundraising expenses | 1,071 | 1,071 | 2,643 |
| <i>Total 2024</i> | <u>2,643</u> | <u>2,643</u> | |

6 Interest and financing costs

| | Unrestricted funds 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|------------------------|------------------------------------|--------------------------|--------------------------|
| Interest on bank loans | 123,507 | 123,507 | 79,478 |
| <i>Total 2024</i> | <u>79,478</u> | <u>79,478</u> | |

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

7 Analysis of Operating Costs

| | Direct costs 2025 £ | Support costs 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|----------------------------------|---------------------------|-------------------------------|--------------------------|--------------------------|
| Social housing lettings | 499,857 | 401,941 | 901,798 | 804,515 |
| Support costs | 132,138 | 8,232 | 140,370 | 168,480 |
| Additional charitable activities | 27,087 | 63,423 | 90,510 | 54,257 |
| Total 2025 | 659,082 | 473,596 | 1,132,678 | 1,027,252 |
| Total 2024 | 629,841 | 397,411 | 1,027,252 | - |

Analysis of direct costs

| | Support costs 2025 £ | Social housing lettings 2025 £ | Additional charitable activities 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|-------------------|----------------------------|--|---|--------------------------|--------------------------|
| Staff costs | 128,032 | 96,437 | 24,112 | 248,581 | 226,806 |
| Premises expenses | 2,691 | 376,525 | 2,975 | 382,191 | 381,086 |
| Professional fees | 1,415 | 26,895 | - | 28,310 | 21,949 |
| Total 2025 | 132,138 | 499,857 | 27,087 | 659,082 | 629,841 |
| Total 2024 | 139,490 | 452,395 | 37,956 | 629,841 | - |

Analysis of support costs

| | Support costs 2025 £ | Social housing lettings 2025 £ | Additional charitable activities 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|---------------------|----------------------------|--|---|--------------------------|--------------------------|
| Staff costs | 5,696 | 217,145 | - | 222,841 | 231,752 |
| Depreciation | - | 76,828 | - | 76,828 | 48,351 |
| Loan interest | - | 62,047 | 61,460 | 123,507 | 79,478 |
| Other support costs | 2,460 | 44,316 | 1,963 | 48,739 | 37,375 |
| Governance | 76 | 1,605 | - | 1,681 | 455 |
| Total 2025 | 8,232 | 401,941 | 63,423 | 473,596 | 397,411 |
| Total 2024 | 28,990 | 352,120 | 16,301 | 397,411 | - |

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

8 Auditors' remuneration

| | 2025 £ | 2024 £ |
|--|---------------|--------------|
| Fees payable to the charitable company's auditor for the audit of the charitable company's annual accounts | <u>10,800</u> | <u>7,200</u> |

9 Staff costs

| | 2025 £ | 2024 £ |
|-----------------------|----------------|----------------|
| Wages and salaries | 425,998 | 421,181 |
| Social security costs | 28,501 | 22,244 |
| Pension costs | 16,924 | 15,132 |
| | <u>471,423</u> | <u>458,557</u> |

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

| | 2025 No. | 2024 No. |
|-------------------------------|-------------|-------------|
| Support workers | 10 | 9 |
| Management and administrative | 9 | 7 |
| Domestic staff | 1 | 1 |
| | <u>20</u> | <u>17</u> |

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

| | 2025 £ | 2024 £ |
|--|---------------|---------------|
| Key management personnel remuneration: | | |
| Salary | 57,333 | 28,656 |
| Employers NIC | 3,157 | 2,536 |
| Pension contributions | 2,304 | 743 |
| | <u>62,794</u> | <u>31,935</u> |

The highest paid Director's emoluments excluding pension costs in the year ended 31 March 2025 were £60,490 (2024: £20,769)

During the year, no non-executive board members received any remuneration or other benefits (2024 - none).

The Chief Executive 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 (2024 - £Nil).

During the year ended 31 March 2025, no Trustee expenses have been incurred (2024 - £Nil).

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

11 Tangible fixed assets including housing properties

| | Freehold property | Social housing properties | Social housing properties under construction | Fixtures and fittings | Office equipment | Total |
|------------------------------------|-------------------|---------------------------|--|-----------------------|------------------|-----------|
| | £ | £ | £ | £ | £ | £ |
| Cost or valuation | | | | | | |
| At 1 April 2024 | 132,287 | 1,965,642 | 1,901,909 | 32,394 | 14,261 | 4,046,493 |
| Additions | - | - | 601,823 | 30,830 | 1,479 | 634,132 |
| Transfers | - | 2,503,732 | (2,503,732) | - | - | - |
| Disposals | - | - | - | - | (6,341) | (6,341) |
| At 31 March 2025 | 132,287 | 4,469,374 | - | 63,224 | 9,399 | 4,674,284 |
| Depreciation | | | | | | |
| At 1 April 2024 | 95,654 | 520,331 | - | 21,894 | 12,415 | 650,294 |
| Charge for the year | 4,692 | 66,690 | - | 3,951 | 1,495 | 76,828 |
| Eliminated in respect of disposals | - | - | - | - | (6,341) | (6,341) |
| At 31 March 2025 | 100,346 | 587,021 | - | 25,845 | 7,569 | 720,781 |
| Net book value | | | | | | |
| At 31 March 2025 | 31,941 | 3,882,353 | - | 37,379 | 1,830 | 3,953,503 |
| At 31 March 2024 | 36,633 | 1,445,311 | 1,901,909 | 10,500 | 1,846 | 3,396,199 |

Included in freehold property is freehold land at cost of £15,000 (2024 - £15,000) which is not depreciated.

Included in social housing properties is freehold land at cost of £717,042 (2024 - £463,359) which is not depreciated.

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

12 Debtors

| | 2025 £ | 2024 £ |
|-----------------------------------|----------------|---------------|
| Other debtors | 1,364 | 575 |
| Prepayments and accrued income | 57,835 | 1,547 |
| Rental and service charge debtors | 75,792 | 52,229 |
| | <u>134,991</u> | <u>54,351</u> |

13 Creditors: Amounts falling due within one year

| | 2025 £ | 2024 £ |
|--|---------------|----------------|
| Bank loans - secured | 45,530 | 30,040 |
| Trade creditors | - | 18,552 |
| Pension contributions | 1,273 | 437 |
| Other creditors | 9,798 | 44,113 |
| Accruals | 17,598 | 78,900 |
| Deferred income - government grant (Note 16) | 22,159 | - |
| | <u>95,085</u> | <u>171,605</u> |

14 Creditors: Amounts falling due after more than one year

| | 2025 £ | 2024 £ |
|--|------------------|------------------|
| Bank loans - secured | 1,711,357 | 1,517,857 |
| Deferred income - government grant (Note 16) | 1,143,605 | 817,450 |
| | <u>2,854,962</u> | <u>2,335,307</u> |

Included within the above are amounts falling due as follows:

Between one and two years

| | | |
|----------------------|---------------|---------------|
| Bank loans - secured | <u>45,530</u> | <u>30,040</u> |
|----------------------|---------------|---------------|

Between two and five years

| | | |
|----------------------|----------------|----------------|
| Bank loans - secured | <u>182,120</u> | <u>120,160</u> |
|----------------------|----------------|----------------|

Over five years

| | | |
|----------------------|------------------|------------------|
| Bank loans - secured | <u>1,529,237</u> | <u>1,397,697</u> |
|----------------------|------------------|------------------|

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

| | 2025 £ | 2024 £ |
|--------------------------|------------------|------------------|
| Repayable by instalments | 1,756,887 | 1,397,697 |
| | <u>1,756,887</u> | <u>1,397,697</u> |

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

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 2.1% 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 2.1% 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

| | 2025 £ | 2024 £ |
|--|------------------|------------------|
| Financial assets | | |
| Financial assets measured at amortised cost | <u>1,364</u> | <u>575</u> |
| Financial liabilities | | |
| Other financial liabilities measured at amortised cost | <u>1,766,685</u> | <u>1,610,562</u> |

Financial assets measured at amortised cost comprise of other debtors.

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

| | 2025 £ | 2024 £ |
|-------------------------------------|------------------|----------------|
| At 1 April 2024 | 817,450 | 742,450 |
| Grant received in the year | 359,505 | 75,000 |
| Released to income in the year | <u>(11,191)</u> | <u>-</u> |
| At 31 March 2025 | <u>1,165,764</u> | <u>817,450</u> |
| Deferred income due within one year | 22,159 | - |
| Deferred income due after one year | <u>1,143,605</u> | <u>817,450</u> |
| | <u>1,165,764</u> | <u>817,450</u> |

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

17 Statement of reserves

| | Balance at 1 April 2024 £ | Income £ | Expenditure £ | Transfers in/(out) £ | Balance at 31 March 2025 £ |
|------------------------------|---------------------------------|-------------|------------------|----------------------------|-------------------------------------|
| Unrestricted reserves | | | | | |
| Designated reserves | | | | | |
| Information technology | 232 | - | - | (232) | - |
| Training | 4,093 | - | - | (4,093) | - |
| Marketing | 756 | - | - | (756) | - |
| Fundraising | 10,000 | - | - | (10,000) | - |
| Development | 96,571 | - | - | - | 96,571 |
| Contingency | 34,989 | - | (279) | (34,710) | - |
| | 146,641 | - | (279) | (49,791) | 96,571 |
| General reserves | | | | | |
| Unrestricted reserves | 1,589,115 | 1,155,789 | (1,133,470) | 49,791 | 1,661,225 |
| Total unrestricted reserves | 1,735,756 | 1,155,789 | (1,133,749) | - | 1,757,796 |
| Restricted reserves | | | | | |
| Neighbourly Toys | - | 280 | - | - | 280 |
| | - | 280 | - | - | 280 |
| Total of reserves | 1,735,756 | 1,156,069 | (1,133,749) | - | 1,758,076 |

Designated reserves

Fund balances relating to Information Technology, Training, Marketing, Fundraising and Contingency have been transferred to Unrestricted funds during the year.

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.

General reserves

The carried forward balance of general funds of £1,758,076 includes £3,988,654 in relation to fixed assets net of £1,711,357 of associated property loans equating to £2,280,014.

Restricted reserves

Restricted funds comprise £280 funding from Neighbourly Toys to purchase toys for the children living within our Women's Scheme.

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

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

| | 2025 £ | 2024 £ |
|--|---------------|----------------|
| Net expenditure for the year (as per SOFA) | 22,320 | (40,916) |
| Adjustments for: | | |
| Dividends, interests and rents from investments | (200) | (551) |
| Loss on disposal of tangible fixed assets | - | 504 |
| Depreciation charges | 76,828 | 48,351 |
| (Increase)/decrease in debtors | (80,640) | 25,941 |
| (Decrease)/increase in creditors | (114,169) | 128,659 |
| Interest paid | 123,507 | 79,478 |
| Net cash provided by operating activities | <u>27,646</u> | <u>241,466</u> |

19 Analysis of cash and cash equivalents

| | 2025 £ | 2024 £ |
|--------------------------|----------------|----------------|
| Cash at bank and in hand | 619,629 | 792,118 |
| | <u>619,629</u> | <u>792,118</u> |

20 Analysis of changes in net debt

| | At 1 April 2024 £ | Cash flows £ | At 31 March 2025 £ |
|--------------------------|-------------------------|------------------|--------------------------|
| Cash at bank and in hand | 792,118 | (172,489) | 619,629 |
| Debt due within 1 year | (30,040) | (15,490) | (45,530) |
| Debt due after 1 year | (1,547,897) | (208,990) | (1,756,887) |
| | <u>(785,819)</u> | <u>(396,969)</u> | <u>(1,182,788)</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 2025

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 £17,622 (2024 - £15,132) with £1,273 being included within creditors (2024 - £437).

23 Operating lease commitments

At 31 March 2025 the charitable company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 2025 £ | 2024 £ |
|--|----------------|----------------|
| Not later than 1 year | 153,929 | 149,744 |
| Later than 1 year and not later than 5 years | 857 | 1,325 |
| | <u>154,786</u> | <u>151,069</u> |

24 Capital commitments

At 31 March 2025 the charitable company had capital commitments as follows:

| | 2025 £ | 2024 £ |
|--|-----------|----------------|
| Contracted for but not provided for in the financial statements: | | |
| Acquisition of social housing property | - | 346,630 |
| | <u>-</u> | <u>346,630</u> |

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 disposed of one of its housing properties at Westcotes Drive containing three social housing units. This is expected to result in a profit on disposal of housing properties of £133,460, reported in the financial year ended 31 March 2026. At 31 March 2025 the net book value of this property, classified within fixed assets (housing properties), was £158,338.

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 2025**

NORTON HOUSING AND SUPPORT LTD

LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|--|--|--------------------------|
| Trustees | Mr W T Holynski Mr G N Sedgwick Mr P E Frost Ms J Moore Ms S Johnson Dr S M Fallow Mr L W Price Ms S Ralphson | (Appointed 10 July 2025) |
| Secretary | Ms J K Moore | |
| Company registered number | 01870880 | |
| Charity registered number | 701800 | |
| Registered office & principal address | 107 Newport Street Leicester LE3 9FU | |
| Chief executive | Mrs J Fleetwood-Smith | |
| 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 2025

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 2025. 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.

2024/2025 has been a year of continued change, development and transition for the organisation. The year started shortly after the appointment of Joanna Fleetwood-Smith as our new CEO on 1 February 2024.

Joanna's appointment was immediately followed by a major delay in our new capital development of 15 new-build supported flats in Blaby (Frost Court scheme). This was due to a company take-over of the employed Construction Company, followed by a subsequent winding-up order of the Construction Company. A significant amount of work by the OMT, Trustees and NCHA/Pelham went into securing a replacement Construction Company and JCT. The development was eventually completed on 28 October 2024, which represented a delay of over 3 months against the original JCT Completion Date.

The termination of the support contract with Leicester City Council on 31st March 2023 required significant changes to the delivery of our support service. During 2024/25 those changes were developed further with staff being transitioned into a new delivery structure that supported the implementation of support through group activities and a greater alignment with Norton's values and aspirations to ensure person-centred support and engaging opportunities for skills development and personal growth. 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 remained a key priority for the year, as has that of residents.

2 OBJECTIVES AND ACTIVITIES

2.1 Strategic objectives - Review of progress / achievements

Joanna began on 1st February 2024 and has made a significant contribution, having introduced Key Personal Performance Targets and Revised Management Structures to support efficient and effective staff appraisals, reviewed the organisation's IT infrastructure, introduced RM Solutions a custom built CRM & intensive housing management system to increase security, efficiency and longevity for Norton as a supported housing provider and developed a new approach to mapping and measuring resident's personal Journey and progress.

Objective 1: Consolidate Existing Services

Successful transition to a new Support Service delivery model 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, this has been vital in ensuring the viability and sustainability of the service going forward, whilst working towards introducing a more comprehensive offer of support to our residents.

NORTON HOUSING AND SUPPORT LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

2 OBJECTIVES AND ACTIVITIES

(Continued)

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

Objective 1: Consolidate Existing Services (continued)

The PA Service has continued and plans to link it into the new Support Service are being developed with a view to increase the flexible use of staff to better meet the needs of service users.

The Drop-In service continues to be delivered with 2 weekly session. Plans to further develop this service will be implemented in 2025/26.

The Womens Service continues to provide 14 places across 2 properties. However, at the end of the year we were notified that PA Housing Association would give us 12 months notice on one of those properties. As prior notice had been provided by PA that this would happen at some time, scoping work to relocate those 7 places had already started.

Objective 2: Managing Organisational Expansion

Development of 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 well in advance of the original JCT Completion Date of July 2024. However unforeseen circumstances due to a company take-over of the employed Construction Company followed by a subsequent winding-up order caused a significant delay.

During 2024/25 significant work went into securing a replacement construction company resulting in a new Fixed Price JCT at an additional cost of £118,664.49 in building works and £12,377.11 in additional fees.

Over the year significant work was undertaken to develop the referral routes and a detailed allocations protocol for working in partnership with Blaby District Council. This enabled a smooth transition for potential residents and supported the swift allocation of the supported flats. At the end of 2024/25 thirteen of the fifteen flats were occupied.

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.

This has been a financially challenging year with significant additional costs as a result of the increased costs due to the delay in the Supported Housing Development in Blaby. Those increased costs were covered through reserves. In addition to the increased build and associated costs there was a significant loss of £60,061.50 rental income due the high level of VOIDS created by the delayed build completion.

NORTON HOUSING AND SUPPORT LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

2 OBJECTIVES AND ACTIVITIES

(Continued)

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

Objective 3: Financial Stability (continued)

Prior to the commencement of the new build project, the Board had already made the decision to dispose of a 3-bed flat property and that proceeds would in part contribute to this Supported Housing Development in Blaby. That property was put on the market at the beginning of the year with existing tenants being moved to alternative accommodation and one transferring to the new build scheme. This resulted in a further significant loss of income during 2024/25. The sale of the property is underway during the end of March 2025, the proceeds from the sale will restore unrestricted reserves to a level that more than covers the 6 months running costs requirement in our Reserves Policy within the financial year 2025/2026.

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.

Fundraising activity has been compromised during 2024/25 due to the concentration on staffing and delivery structures alongside the development of the Supported Housing Development in Blaby. However, small pots of funds have been received totalling £2,917.07.

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 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 twelve times with a variety of different residents having been involved. A core group of around 7 residents regularly attend. A review of progress was started in 2024/25 including the development of plans for an Away Day Feedback event involving residents, tenants, staff and trustees to take place in early 2025/26.

Norton Housing and Support is an Investors in People accredited organisation having achieved reaccreditation in 2021. In the 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'. Preparations for re-accreditation in September 2025 were ongoing during 2024/25.

NORTON HOUSING AND SUPPORT LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

2 OBJECTIVES AND ACTIVITIES

(Continued)

2.3 Quality Assurance (continued)

The CEO reviewed the training and skills of the team both to inform the review of the staffing structures and a training programme across the organisation. During the budget setting process the Board agreed a budget of £14,100 to support that training programme, which also includes implementation of Clinical Supervision for Support Service Staff.

The organisation is committed to supporting the mental health and wellbeing of its staff who represent our greatest asset.

The CEO has commissioned 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.

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 charity's primary objectives, which support our organisational mission – 'To enhance the lives of our service users through person-centred support services, advocacy, and sustainable housing solutions, ensuring every person has the opportunity to thrive'.

The direct beneficiaries of our supported 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 (at 2016/17 prices).

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 developed its own supported flats schemes which enabled residents to move to their own tenancy, whilst continuing to receive intensive housing management support. Our new Frost Court scheme has enabled the organisation to broaden its reach and provide supported accommodation services to those in the Blaby district.

Our Personal Assistant Service enables us to provide a service to both existing residents moving to their own flats, as well as people living in the community.

Since 2018, Norton Housing and Support has also provided supported accommodation for women at risk of homelessness. The service enables women to move on to their own tenancy. Due to high demand, in 2022 the number of places were increased from 7 to 14 through the provision of an additional property.

NORTON HOUSING AND SUPPORT LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

2 OBJECTIVES AND ACTIVITIES

(Continued)

2.4 Public Benefit Statement (continued)

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 Employment Support Allowance or Universal Credit.

2.5 Strategic Objectives 2025/26

During 2025/26 agreed strategic objectives are:

- 1) **Securing Our Future** - Ensuring long-term sustainability through consolidation, resource optimisation, financial stability, and by expanding our impact.
- 2) **Enhancing Our Services** – Refining and developing our current service offers to promote independence, resilience, and resident satisfaction.
- 3) **Enabling Our People** - Empowering residents and staff through personal development, training, and advocacy initiatives to foster a supportive environment.
- 4) **Building Our Profile** - Increasing visibility and community engagement to attract funding, strengthen partnerships, and advocate for vulnerable groups.

By focusing on these areas, we aim to strengthen our community presence, enhance our service delivery, empower our staff and service users, and ensure long-term financial sustainability and a resilient future for the organisation and those we work for and with.

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 flats offering daily intensive housing management support. During subsequent years, further schemes were developed, including the building of a new development in Blaby. This scheme, called Frost Court in honour of former Chair and co-founder of the Charity, Dr Stephen Frost, opened in autumn 2024 and took the number of flats to 25.

The launch of Frost Court has been a huge achievement for the Charity, particularly given that the build process was affected by an unforeseen take-over of the employed Construction Company, an event which caused significant delays as well as additional costs. This new scheme has expanded the charities' offer and broadened the geographic spread of Norton's Supported Housing and Support provision into an area that has shown a growing need for accommodation and support of this kind.

NORTON HOUSING AND SUPPORT LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

3 ACHIEVEMENTS AND PERFORMANCE

(Continued)

3.1 Summary of Activities (continued)

Norton Housing and Support achieves 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 for 59 adults with ongoing mental health needs and/or a learning disability who live within 8 properties around Leicester, Oadby and Wigston and Blaby. 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 a dedicated Housing Management Officer.

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.

3.1.1 Mental Health Supported Accommodation Service

During the year 34 referrals were received. Of these 34 referrals 3 were accepted, 8 were declined, 14 withdrew, 1 is on hold and 8 are awaiting assessment.

Applicants were mainly declined due to ineligibility, including inability to afford the accommodation due to not having access to public funds, issues with substance misuse which are not conducive within our current housing portfolio and/or Norton Housing and Support being unable to meet support needs due to complexity or accommodation not being suitable.

During the year, three residents moved on from living in a supported group homes. One moved into a residential care home that better suited their support needs, and two were unfortunately served notice due to Anti-Social Behaviour.

3.1.2 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 4 have been accepted and one withdrew. In addition, 3 clients increased their weekly support hours. Throughout the year, 11 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

3.1.3 Supported Flats

The occupancy rate for the year was 86.58%, excluding units at one property, which were held so the property could be sold. This is lower than previous year, mostly due to the time needed to fill our new scheme, Frost Court.

NORTON HOUSING AND SUPPORT LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

3 ACHIEVEMENTS AND PERFORMANCE

(Continued)

3.1 Summary of Activities (continued)

3.1.4 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 was 88.14% In the previous year it was 89.27%

| | 2024/25 | 2023/24 |
|---------------------|---------|---------|
| Referrals received | 44 | 42 |
| Referrals accepted | 10 | 13 |
| Referrals declined | 12 | 10 |
| Referrals withdrawn | 16 | 13 |
| On Hold | 2 | 0 |
| Awaiting assessment | 4 | 6 |

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.

| Metric | 2021/22 | 2022/23 | 2023/24 | 2024/25 | Sector (2024) |
|--|---------|---------|---------|---------|---------------|
| Reinvestment % (in existing homes and new homes) | 0% | 0% | 0% | 0% | 6.8% |
| New supply delivered % | 0% | 0% | 0% | 43% | 5.1% |
| Gearing % | -1.9% | -31.9% | 36.0% | 24.7% | 7.6% |
| Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs, Included (EBIDTA MRI) Interest Cover % | 406% | 349% | 11% | 80% | 14% |
| Headline Social Housing Cost Per Unit £ | £9,980 | £9,990 | £13,221 | £11,880 | £20,144 |
| Operating Margin % Social housing lettings only | 4.1% | 12.2% | -0.4% | 3.4% | 1.2% |
| Overall | 6.4% | 8.4% | -4.1% | 1.9% | 9.0% |
| Return on Capital Employed % | 2.3% | 3.4% | -1.0% | 0.5% | 0.8% |

NORTON HOUSING AND SUPPORT LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

3 ACHIEVEMENTS AND PERFORMANCE

(Continued)

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 £2,917.07 being received into the business.

This can be broken down into £280 of restricted funds and £2,637.07 of unrestricted funds. Restricted funds were the Neighbourly Toys, which bought toys for the children living within our Women's Schemes. We also received a £1,000 donation from the Fire Service's - Rudolph Collection, which enabled a well-received resident day trip to Ingoldmells, £1,507.55 unrestricted donation from British Gas, courtesy of a former employee connection and £129.52 in anonymous donations.

With the change in Chief Executive and Management Structure, there will be a new direction going forward to support the fundraising efforts of Norton Housing and Support. This will be supported by the 2025/26 Business Plan, Income Generation Strategy and Marketing and Communication Strategy that were developed during 2024/25.

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.

2024/25 has been a turbulent year 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, however with careful financial management and the robust monitoring processes upheld via the Finance and Resources Committee, the Trustees have assessed the risks 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 £1,757,796, after taking into account the charity's property assets of £3,988,654 net of the associated property loans of £1,756,887. Unrestricted reserves include designated funds of £131,281. 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.

NORTON HOUSING AND SUPPORT LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

4 FINANCIAL REVIEW

(Continued)

4.2 Reserves Policy (continued)

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 Supported Housing Infrastructure with a New Build project. This was funded through a CAF Bank Loan, Norton Housing and Support's Reserves and further financial support from Homes England and Blaby District Council. The Board also agreed a temporary reduction in reserves during 2024/25 to cover cash flow issues pending the previously agreed sale of a 3-flat property the proceeds from which would in part contribute to the cost the New Build Project (the Supported Housing Development in Blaby). However, as result of the build delays in that Development there was a greater than anticipated call on reserves The trustees closely monitored progress of this project and worked with the CEO to find ways of reinflating the reserves to ensure they remain at an appropriate level. In early 2025/26 the sale of the 3 flat property increased unrestricted to a level which covers 6 months running costs, additional funds were also sort and agreed from Homes England and Blaby District Council.

4.3 Financial Review

During the year the charity received income of £1,072,364 from Housing Benefit, support costs and ineligible charges. Expenditure on all salaries, premises costs, administration and governance costs etc amounted to £1,132,678. When combined with investment, voluntary and other income of this resulted in net outgoing resources of: net incoming resources of £22,320.

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.

4.5 Risk Management

During 2024/25, as part of the Business Planning process 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 two years. The transition although challenging for all concerned has taken place without significant upset and staff and residents have become familiar with the new system. The structure and delivery continues to be reviewed by the CEO to ensure it meets the aims and standards of the service that Norton Housing and Support expect for their staff and residents.

NORTON HOUSING AND SUPPORT LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

4 FINANCIAL REVIEW

(Continued)

4.5 Risk Management (continued)

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 gave notice on one of their properties at the beginning of the year, but have yet to provide any further information on timelines for the potential disposal of their other stock managed by Norton Housing and Support, or how they may intend to go about this. Further discussions are planned with PA Housing in 2025/26 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 2025 , 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.
- 25 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.
- 2 x weekly Mental Health Drop Ins for general public and resident engagement.

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.

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.

Two formal Sub Groups have been established as part of the governance arrangements: the Finance and Resources Subgroup and the Mental and Physical Wellbeing Subgroup. Both meet on a 6 weekly basis approximately 2 weeks prior to the next Management Committee Meeting. Discussions at the Subgroups are reported back to the Management Committee and allow for quality reflection and discussion on service provision and service users outcomes to inform recommendations for the full Committee. Subgroup recommendations are subject to discussion and approval by the Management Committee.

NORTON HOUSING AND SUPPORT LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

5 STRUCTURE, GOVERNANCE AND MANAGEMENT

(Continued)

5.1 Constitution (continued)

The Trustees afford a high priority to issues of governance, and robust action planning has continued this year 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. The Board has agreed the following position on trustee tenure:

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 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 continued to review its practice against the Housing Ombudsman's Complaint Handling Code and has updated policies as a result.

5.2 Recruitment, Appointment and Training of Trustees

In May 2024 Mr N Sedgwick stood down as Chair and was replaced by Mr W Holynski.

In December 2024 Mr V Gatlen resigned from the Board.

As part of succession planning, a recruitment exercise was carried out to identify suitable candidates to join the Board, with a view to ensuring that it possessed a range of appropriate skills. As a result, we hope to welcome two new Board members during the 2025/26 year.

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 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.

NORTON HOUSING AND SUPPORT LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

5 STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

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.

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

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:

P Frost

P. Frost (Sep 29, 2025)

Mr P E Frost
Treasurer

29 Sep 2025

NORTON HOUSING AND SUPPORT LTD

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2025

Opinion

We have audited the financial statements of Norton Housing and Support Ltd (the charitable company) for the year ended 31 March 2025 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 2025 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 2025

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 2025

- 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 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: 29 September 2025.

NORTON HOUSING AND SUPPORT LTD

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2025

| | 2025 £ | 2024 £ |
|--|----------------------|------------------------|
| TURNOVER | 1,155,869 | 988,428 |
| Operating costs | (1,132,678) | (1,027,252) |
| Fundraising costs | (1,071) | (2,643) |
| Operating surplus/(deficit) | <u>22,120</u> | <u>(41,467)</u> |
| Interest receivable and similar income | 200 | 551 |
| Surplus/(deficit) for the year | <u>22,320</u> | <u>(40,916)</u> |
| Total comprehensive income for the year | <u><u>22,320</u></u> | <u><u>(40,916)</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.

The financial statements were approved by the Trustees on 29 Sep 2025

W T Holynski

W Holynski (Sep 29, 2025, 11:33am)

P Frost

P Frost (Sep 29, 2025, 11:43am)

.....
Mr W T Holynski

Trustee

.....
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 2025

| | Restricted reserves £ | Unrestricted reserves £ | Designated reserves £ | Total funds £ |
|---|-----------------------------|-------------------------------|-----------------------------|------------------|
| 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> |
| 2025 | | | | |
| Balance as at 1 April 2024 | - | 1,634,092 | 101,664 | 1,735,756 |
| Total comprehensive income for the year | 280 | 22,319 | (279) | 22,320 |
| Transfer to designated reserves | - | - | - | - |
| Balance as at 31 March 2025 | <u>280</u> | <u>1,656,411</u> | <u>101,385</u> | <u>1,758,076</u> |

The accompanying notes form part of these financial statements.

NORTON HOUSING AND SUPPORT LTD

BALANCE SHEET AS AT 31 MARCH 2025

| | Notes | 2025 £ | 2024 £ |
|--|-------|-------------------------|-------------------------|
| Fixed assets | | | |
| Tangible assets | 11 | 3,953,503 | 3,396,199 |
| Current assets | | | |
| Debtors | 12 | 134,991 | 54,351 |
| Cash at bank and in hand | | <u>619,629</u> | <u>792,118</u> |
| | | 754,620 | 846,469 |
| Creditors: amounts falling due within one year | 13 | <u>(95,085)</u> | <u>(171,605)</u> |
| Net current assets | | <u>659,535</u> | <u>674,864</u> |
| Total assets less current liabilities | | 4,613,038 | 4,071,063 |
| Creditors: amounts falling due after more than one year | 14 | (2,854,962) | (2,335,307) |
| Net assets | | <u><u>1,758,076</u></u> | <u><u>1,735,756</u></u> |
| Charity funds | | | |
| Restricted funds | 17 | 280 | - |
| Unrestricted funds | 17 | 1,757,796 | 1,735,756 |
| | | <u><u>1,758,076</u></u> | <u><u>1,735,756</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.

29 Sep 2025

The financial statements were approved by the Trustees on

W T Holyński

W Holyński (Sep 29, 2025, 11:33am)

P Frost

P Frost (Sep 29, 2025, 11:43am)

.....
Mr W T Holyński
Trustee

.....
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 2025

| | Notes | 2025 £ | 2024 £ |
|--|-------|-----------------------|-----------------------|
| Cash flows from operating activities | | | |
| Cash generated from operations | 18 | 27,646 | 241,466 |
| Cash flow from investing activities | | | |
| Interest received | | 200 | 551 |
| Purchase of tangible fixed assets - housing properties | | (634,132) | (1,480,721) |
| Grants received | | 359,505 | 75,000 |
| Grants released | | (11,191) | - |
| Cash flow from financing activities | | | |
| New borrowings | | 243,770 | 669,230 |
| Repayment of borrowings | | (34,780) | (26,152) |
| Interest paid | | (123,507) | (79,478) |
| Net cash flow from financing activities | | <u>85,483</u> | <u>563,600</u> |
| Net decrease in cash and cash equivalents | | (172,489) | (600,104) |
| Cash and cash equivalents at beginning of the year | | 792,118 | 1,392,222 |
| Cash and cash equivalents at end of the year | | <u><u>619,629</u></u> | <u><u>792,118</u></u> |
| Cash and cash equivalents consists of: | | | |
| Cash at bank and in hand | | 619,629 | 792,118 |
| Cash and cash equivalents at end of the year | | <u><u>619,629</u></u> | <u><u>792,118</u></u> |

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

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 2025

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), support Costs 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 2025

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 or 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 2025

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 2025

3 Particulars of turnover, operating costs and operating surplus

| | 2025 | | |
|---|------------------|--|---|
| | Turnover £ | Operating & Fundraising costs £ | Operating surplus/ (deficit) £ |
| Social housing lettings (Note 3a) | 934,276 | (902,869) | 31,407 |
| Other social housing activities | | | |
| Support costs | 138,088 | (140,370) | (2,282) |
| Activities other than social housing | 83,505 | (90,510) | (7,005) |
| | <u>1,155,869</u> | <u>(1,133,749)</u> | <u>22,120</u> |
| | 2024 | | |
| | Turnover £ | Operating & Fundraising costs £ | Operating surplus/ (deficit) £ |
| Social housing lettings (Note 3a) | 803,265 | (806,451) | (3,186) |
| Other social housing activities | | | |
| Support costs | 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> |

3a Particulars of income and expenditure from social housing lettings

| | 2025 No. | 2024 No. |
|-----------------------------------|-------------|-------------|
| Social rent | | |
| Supported housing units - owned | 35 | 20 |
| Supported housing units - managed | 41 | 41 |
| | <u>76</u> | <u>61</u> |

All units represent supported housing. Overall, there was an increase of 15 units. This was due to 15 new units at Frost Court, Grove Road, Blaby, Leicester.

| | 2025 £ | 2024 £ |
|--------------------------------|---------------|----------------|
| Rent receivable | 1,030,037 | 866,209 |
| Social housing operating costs | (902,869) | (806,451) |
| Void losses | (95,761) | (62,944) |
| | <u>31,407</u> | <u>(3,186)</u> |

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

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

| | 2025 £ | 2024 £ |
|----------------------------|----------------|-----------------|
| Other Income | 23,197 | 9,312 |
| Grove Road insurance claim | 46,201 | - |
| Donations and gifts | 2,917 | 8,058 |
| Other grants | 11,191 | - |
| Operating costs | (89,440) | (52,321) |
| Fundraising expenses | (1,071) | (2,643) |
| | <u>(7,005)</u> | <u>(37,594)</u> |

4 Interest receivable and similar income

| | Unrestricted funds 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|---------------------|------------------------------------|--------------------------|--------------------------|
| Interest receivable | 200 | 200 | 551 |
| <i>Total 2024</i> | <u>551</u> | <u>551</u> | |

5 Expenditure on raising funds

| | Unrestricted funds 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|----------------------|------------------------------------|--------------------------|--------------------------|
| Fundraising expenses | 1,071 | 1,071 | 2,643 |
| <i>Total 2024</i> | <u>2,643</u> | <u>2,643</u> | |

6 Interest and financing costs

| | Unrestricted funds 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|------------------------|------------------------------------|--------------------------|--------------------------|
| Interest on bank loans | 123,507 | 123,507 | 79,478 |
| <i>Total 2024</i> | <u>79,478</u> | <u>79,478</u> | |

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

7 Analysis of Operating Costs

| | Direct costs 2025 £ | Support costs 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|----------------------------------|---------------------------|-------------------------------|--------------------------|--------------------------|
| Social housing lettings | 499,857 | 401,941 | 901,798 | 804,515 |
| Support costs | 132,138 | 8,232 | 140,370 | 168,480 |
| Additional charitable activities | 27,087 | 63,423 | 90,510 | 54,257 |
| Total 2025 | <u>659,082</u> | <u>473,596</u> | <u>1,132,678</u> | <u>1,027,252</u> |
| Total 2024 | <u>629,841</u> | <u>397,411</u> | <u>1,027,252</u> | <u>-</u> |

Analysis of direct costs

| | Support costs 2025 £ | Social housing lettings 2025 £ | Additional charitable activities 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|-------------------|----------------------------|--|---|--------------------------|--------------------------|
| Staff costs | 128,032 | 96,437 | 24,112 | 248,581 | 226,806 |
| Premises expenses | 2,691 | 376,525 | 2,975 | 382,191 | 381,086 |
| Professional fees | 1,415 | 26,895 | - | 28,310 | 21,949 |
| Total 2025 | <u>132,138</u> | <u>499,857</u> | <u>27,087</u> | <u>659,082</u> | <u>629,841</u> |
| Total 2024 | <u>139,490</u> | <u>452,395</u> | <u>37,956</u> | <u>629,841</u> | <u>-</u> |

Analysis of support costs

| | Support costs 2025 £ | Social housing lettings 2025 £ | Additional charitable activities 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|---------------------|----------------------------|--|---|--------------------------|--------------------------|
| Staff costs | 5,696 | 217,145 | - | 222,841 | 231,752 |
| Depreciation | - | 76,828 | - | 76,828 | 48,351 |
| Loan interest | - | 62,047 | 61,460 | 123,507 | 79,478 |
| Other support costs | 2,460 | 44,316 | 1,963 | 48,739 | 37,375 |
| Governance | 76 | 1,605 | - | 1,681 | 455 |
| Total 2025 | <u>8,232</u> | <u>401,941</u> | <u>63,423</u> | <u>473,596</u> | <u>397,411</u> |
| Total 2024 | <u>28,990</u> | <u>352,120</u> | <u>16,301</u> | <u>397,411</u> | <u>-</u> |

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

8 Auditors' remuneration

| | 2025 £ | 2024 £ |
|--|---------------|--------------|
| Fees payable to the charitable company's auditor for the audit of the charitable company's annual accounts | <u>10,800</u> | <u>7,200</u> |

9 Staff costs

| | 2025 £ | 2024 £ |
|-----------------------|----------------|----------------|
| Wages and salaries | 425,998 | 421,181 |
| Social security costs | 28,501 | 22,244 |
| Pension costs | 16,924 | 15,132 |
| | <u>471,423</u> | <u>458,557</u> |

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

| | 2025 No. | 2024 No. |
|-------------------------------|-------------|-------------|
| Support workers | 10 | 9 |
| Management and administrative | 9 | 7 |
| Domestic staff | 1 | 1 |
| | <u>20</u> | <u>17</u> |

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

| | 2025 £ | 2024 £ |
|--|---------------|---------------|
| Key management personnel remuneration: | | |
| Salary | 57,333 | 28,656 |
| Employers NIC | 3,157 | 2,536 |
| Pension contributions | 2,304 | 743 |
| | <u>62,794</u> | <u>31,935</u> |

The highest paid Director's emoluments excluding pension costs in the year ended 31 March 2025 were £60,490 (2024: £20,769)

During the year, no non-executive board members received any remuneration or other benefits (2024 - none).

The Chief Executive 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 (2024 - £Nil).

During the year ended 31 March 2025, no Trustee expenses have been incurred (2024 - £Nil).

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

11 Tangible fixed assets including housing properties

| | Freehold property | Social housing properties | Social housing properties under construction | Fixtures and fittings | Office equipment | Total |
|------------------------------------|-------------------|---------------------------|--|-----------------------|------------------|-----------|
| | £ | £ | £ | £ | £ | £ |
| Cost or valuation | | | | | | |
| At 1 April 2024 | 132,287 | 1,965,642 | 1,901,909 | 32,394 | 14,261 | 4,046,493 |
| Additions | - | - | 601,823 | 30,830 | 1,479 | 634,132 |
| Transfers | - | 2,503,732 | (2,503,732) | - | - | - |
| Disposals | - | - | - | - | (6,341) | (6,341) |
| At 31 March 2025 | 132,287 | 4,469,374 | - | 63,224 | 9,399 | 4,674,284 |
| Depreciation | | | | | | |
| At 1 April 2024 | 95,654 | 520,331 | - | 21,894 | 12,415 | 650,294 |
| Charge for the year | 4,692 | 66,690 | - | 3,951 | 1,495 | 76,828 |
| Eliminated in respect of disposals | - | - | - | - | (6,341) | (6,341) |
| At 31 March 2025 | 100,346 | 587,021 | - | 25,845 | 7,569 | 720,781 |
| Net book value | | | | | | |
| At 31 March 2025 | 31,941 | 3,882,353 | - | 37,379 | 1,830 | 3,953,503 |
| At 31 March 2024 | 36,633 | 1,445,311 | 1,901,909 | 10,500 | 1,846 | 3,396,199 |

Included in freehold property is freehold land at cost of £15,000 (2024 - £15,000) which is not depreciated.

Included in social housing properties is freehold land at cost of £717,042 (2024 - £463,359) which is not depreciated.

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

12 Debtors

| | 2025 £ | 2024 £ |
|-----------------------------------|----------------|---------------|
| Other debtors | 1,364 | 575 |
| Prepayments and accrued income | 57,835 | 1,547 |
| Rental and service charge debtors | 75,792 | 52,229 |
| | <u>134,991</u> | <u>54,351</u> |

13 Creditors: Amounts falling due within one year

| | 2025 £ | 2024 £ |
|--|---------------|----------------|
| Bank loans - secured | 45,530 | 30,040 |
| Trade creditors | - | 18,552 |
| Pension contributions | 1,273 | 437 |
| Other creditors | 9,798 | 44,113 |
| Accruals | 17,598 | 78,900 |
| Deferred income - government grant (Note 16) | 22,159 | - |
| | <u>95,085</u> | <u>171,605</u> |

14 Creditors: Amounts falling due after more than one year

| | 2025 £ | 2024 £ |
|--|------------------|------------------|
| Bank loans - secured | 1,711,357 | 1,517,857 |
| Deferred income - government grant (Note 16) | 1,143,605 | 817,450 |
| | <u>2,854,962</u> | <u>2,335,307</u> |

Included within the above are amounts falling due as follows:

Between one and two years

| | | |
|----------------------|---------------|---------------|
| Bank loans - secured | <u>45,530</u> | <u>30,040</u> |
|----------------------|---------------|---------------|

Between two and five years

| | | |
|----------------------|----------------|----------------|
| Bank loans - secured | <u>182,120</u> | <u>120,160</u> |
|----------------------|----------------|----------------|

Over five years

| | | |
|----------------------|------------------|------------------|
| Bank loans - secured | <u>1,529,237</u> | <u>1,397,697</u> |
|----------------------|------------------|------------------|

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

| | 2025 £ | 2024 £ |
|--------------------------|------------------|------------------|
| Repayable by instalments | 1,756,887 | 1,397,697 |
| | <u>1,756,887</u> | <u>1,397,697</u> |

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

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 2.1% 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 2.1% 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

| | 2025 £ | 2024 £ |
|--|------------------|------------------|
| Financial assets | | |
| Financial assets measured at amortised cost | <u>1,364</u> | <u>575</u> |
| Financial liabilities | | |
| Other financial liabilities measured at amortised cost | <u>1,766,685</u> | <u>1,610,562</u> |

Financial assets measured at amortised cost comprise of other debtors.

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

| | 2025 £ | 2024 £ |
|-------------------------------------|------------------|----------------|
| At 1 April 2024 | 817,450 | 742,450 |
| Grant received in the year | 359,505 | 75,000 |
| Released to income in the year | <u>(11,191)</u> | <u>-</u> |
| At 31 March 2025 | <u>1,165,764</u> | <u>817,450</u> |
| Deferred income due within one year | 22,159 | - |
| Deferred income due after one year | <u>1,143,605</u> | <u>817,450</u> |
| | <u>1,165,764</u> | <u>817,450</u> |

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

17 Statement of reserves

| | Balance at 1 April 2024 £ | Income £ | Expenditure £ | Transfers in/(out) £ | Balance at 31 March 2025 £ |
|------------------------------|---------------------------------|-------------|------------------|----------------------------|-------------------------------------|
| Unrestricted reserves | | | | | |
| Designated reserves | | | | | |
| Information technology | 232 | - | - | (232) | - |
| Training | 4,093 | - | - | (4,093) | - |
| Marketing | 756 | - | - | (756) | - |
| Fundraising | 10,000 | - | - | (10,000) | - |
| Development | 96,571 | - | - | - | 96,571 |
| Contingency | 34,989 | - | (279) | (34,710) | - |
| | 146,641 | - | (279) | (49,791) | 96,571 |
| General reserves | | | | | |
| Unrestricted reserves | 1,589,115 | 1,155,789 | (1,133,470) | 49,791 | 1,661,225 |
| Total unrestricted reserves | 1,735,756 | 1,155,789 | (1,133,749) | - | 1,757,796 |
| Restricted reserves | | | | | |
| Neighbourly Toys | - | 280 | - | - | 280 |
| | - | 280 | - | - | 280 |
| Total of reserves | 1,735,756 | 1,156,069 | (1,133,749) | - | 1,758,076 |

Designated reserves

Fund balances relating to Information Technology, Training, Marketing, Fundraising and Contingency have been transferred to Unrestricted funds during the year.

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.

General reserves

The carried forward balance of general funds of £1,758,076 includes £3,988,654 in relation to fixed assets net of £1,711,357 of associated property loans equating to £2,280,014.

Restricted reserves

Restricted funds comprise £280 funding from Neighbourly Toys to purchase toys for the children living within our Women's Scheme.

NORTON HOUSING AND SUPPORT LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

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

| | 2025 £ | 2024 £ |
|--|---------------|----------------|
| Net expenditure for the year (as per SOFA) | 22,320 | (40,916) |
| Adjustments for: | | |
| Dividends, interests and rents from investments | (200) | (551) |
| Loss on disposal of tangible fixed assets | - | 504 |
| Depreciation charges | 76,828 | 48,351 |
| (Increase)/decrease in debtors | (80,640) | 25,941 |
| (Decrease)/increase in creditors | (114,169) | 128,659 |
| Interest paid | 123,507 | 79,478 |
| Net cash provided by operating activities | <u>27,646</u> | <u>241,466</u> |

19 Analysis of cash and cash equivalents

| | 2025 £ | 2024 £ |
|--------------------------|----------------|----------------|
| Cash at bank and in hand | 619,629 | 792,118 |
| | <u>619,629</u> | <u>792,118</u> |

20 Analysis of changes in net debt

| | At 1 April 2024 £ | Cash flows £ | At 31 March 2025 £ |
|--------------------------|-------------------------|------------------|--------------------------|
| Cash at bank and in hand | 792,118 | (172,489) | 619,629 |
| Debt due within 1 year | (30,040) | (15,490) | (45,530) |
| Debt due after 1 year | (1,547,897) | (208,990) | (1,756,887) |
| | <u>(785,819)</u> | <u>(396,969)</u> | <u>(1,182,788)</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 2025

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 £17,622 (2024 - £15,132) with £1,273 being included within creditors (2024 - £437).

23 Operating lease commitments

At 31 March 2025 the charitable company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 2025 £ | 2024 £ |
|--|----------------|----------------|
| Not later than 1 year | 153,929 | 149,744 |
| Later than 1 year and not later than 5 years | 857 | 1,325 |
| | <u>154,786</u> | <u>151,069</u> |

24 Capital commitments

At 31 March 2025 the charitable company had capital commitments as follows:

| | 2025 £ | 2024 £ |
|--|-----------|----------------|
| Contracted for but not provided for in the financial statements: | | |
| Acquisition of social housing property | - | 346,630 |
| | <u>-</u> | <u>346,630</u> |

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 disposed of one of its housing properties at Westcotes Drive containing three social housing units. This is expected to result in a profit on disposal of housing properties of £133,460, reported in the financial year ended 31 March 2026. At 31 March 2025 the net book value of this property, classified within fixed assets (housing properties), was £158,338.



Norton Housing and Support Ltd

Management letter to directors
following our audit for the year ended
31 March 2025

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Introduction

Introduction and approach

This report has been prepared for the Directors of Norton Housing and Support Ltd and summarises the results of the audit carried out for the year ended 31 March 2025.

The scope of our work has already been communicated both within our engagement letter, dated 06 September 2024 and also within our audit planning report, which was sent to you prior to the commencement of the audit.

Our audit procedures have been designed to enable us to express an opinion on the financial statements in accordance with International Standards on Auditing (UK).

We have complied with the Financial Reporting Council's Ethical Standard and all threats to our independence, as identified to you in our planning communication letter dated 21 July 2025, have been properly addressed through appropriate safeguards. No additional facts or matters have arisen during the course of the audit that we wish to draw to your attention and we confirm that we are independent and able to express an objective opinion on the financial statements.

Executive summary

We anticipate that we will issue an unmodified audit report for the year, subject to the satisfactory clearance of any outstanding/unresolved matters outlined in this report.

Significant outstanding matters at the date of this report

At the time of issuing this report, we can confirm that there remain no outstanding matters that require your attention

Audit approach

We adopted a risk based approach to the audit and our planning identified the following key risks to be addressed. Our detailed findings are noted as follows:

| Risk identified | Planned approach | Findings |
|----------------------------|--|---|
| <p>Revenue recognition</p> | <p>We will perform detailed testing of all material income streams.</p> <p>For each streams we will adapt our audit testing to ensure that income is complete and has been recorded accurately.</p> <p>For Housing benefit income, we will perform a proof in total using the rent statements and build an expectation of the level of income.</p> <p>We will also perform substantive testing of support charge income agreeing a sample to sales invoices.</p> | <p>We noted an immaterial difference in our proof in total of Housing benefit income.</p> <p>We noted no issues with our sample of housing benefit and support charge income.</p> |
| <p>Management override</p> | <p>We will perform a review of manual journals posted during the period. We will determine their reasonableness and rationale and ensure they are appropriate and posted by authorised personnel.</p> | <p>From our review of manual journals, we identified no instances of management override.</p> |

Our findings

Deficiencies to be brought to the attention of the Directors

We are required to report to you in writing, significant deficiencies in the company's internal control environment that we have identified during the course of our audit. These matters are limited to those which we have concluded are of sufficient importance to be reported to you.

Our audit cannot necessarily be expected to disclose all matters that may be of interest to you and, as a result, the matters reported may not be the only ones which exist. As part of our work, we considered internal controls relevant to the preparation of the financial statements such that we were able to design appropriate audit procedures. This work was not for the purpose of expressing an opinion on the effectiveness of internal control.

We have categorised the internal deficiencies noted via a colour-scale rating system. The key to which follows:

Key



This is important. The Directors must ensure this recommendation is addressed as a matter of priority.



Internal controls should be strengthened to enhance operational efficiency but this action is not time critical.






Controls could be strengthened but there is little risk of material loss. For future consideration as risks faced by the business evolve.






This is either for information only or relates to a recommendation made last year where action has been taken and is no longer of concern

Findings from prior year's work

| Prior year findings | Priority | Implication | Recommendation | Updated status |
|--|---|--|---|--|
| <p>Treatment of grants received Blaby DC grant was received in the year as a contribution towards the cost of Grove Road. Government grants should be accounted for under the accruals basis. The grant should have been deferred to creditors and released to income over the life of the asset.</p> |  | Capital grants should be released to income over the life of the asset, in line with the depreciation policy. Potential under/overstatement if income as a result of incorrect accounting treatment. | As the build of Grove Road property is not yet complete and therefore not depreciated until the property is brought into use, the grant should be deferred in full. | Grove Road now complete and grant released over the life of structure. Recommendation cleared. |
| <p>Grove Road Sum Insured It was noted in a review of the insurance policies, that the sum insured for Grove Road was £1.4m, however the cost of the asset under construction in relation to Grove road per the fixed asset register was £1.7m.</p> |  | This could mean the building would not be fully covered in the event of an insurance claim. | Ensure all building have sufficient insurance cover, and that the sum insured exceeds the building cost. | Now insured for £2.5m. Recommendation cleared |
| <p>Cyber Insurance It was noted in our review of the insurance policies that there did not appear to be any cyber security insurance in place.</p> |  | This could mean the company is less protected against cyber attacks which could result in data loss or loss of personal details. | Consider whether a cyber insurance policy would be beneficial, considering the risks and cost | No policy is currently in place. To be considered in current year |

Findings from this year's work

| Current year findings | Priority | Implication | Recommendation | Client comments |
|---|---|---|--|---|
| <p><u>Accruals</u> It was found that expenditure relating to the year ended 31 March 2025 but invoiced or paid after the year end was not accrued into the 2024/25 financial year</p> |  | Expenditure may be misstated, management accounts may not report the correct surplus for decision making purposes | Month end process to include accruals review and adjustment | Items not accrued were not material, internal training has been provided to ensure that relevant items are flagged at the time of input and accrued as relevant. |
| <p><u>Purchase ledger</u> It was found that the purchase ledger system is not used to record all purchase invoices. Some expenditure is recorded at the time of payment as a bank payment</p> |  | There may be an issue with cut-off of expenditure if the payment date is different to the invoice date | We recommend that the purchase ledger system is used in full for all invoices. | Most expenditure is recorded using the purchase ledger and training has been provided internally to ensure that there are no cut-off issues relating to items recorded as bank payments |
| <p><u>Fixed assets</u> From our review of repairs and renewals code, we identified an invoice for CCTV cameras that was not capitalised in the year.</p> |  | This could lead to expenses being overstated and assets understated. | Ensure that assets are capitalised according to the charity's capitalisation policy. | Considered low risk as higher value expenditure is considered for capitalisation. This item was considered to be a one-off |

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Our services

