

**Norwich Housing Society Limited**

**Company Number: IP11676R  
Registered Social Landlord number: L1405**

**Audited Financial Statements**

**For the year ended 31 October 2023**

# Norwich Housing Society Limited

Year ended 31 October 2023

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## Norwich Housing Society Limited

For the year ended 31 October 2023

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The Board of Management submit their annual Report and Financial Statements for the year ended 31 October 2023.

### Reference and Administrative Details

<b>Registered Social Landlord number:</b>	L1405
<b>Company Registration Number:</b>	IP11676R
<b>Board of Management:</b>	J Boon (resigned 20 March 2023) D Clarke (appointed 20 March 2023) D Driscoll (Chair, appointed 20 March 2023) C Hancock (appointed 20 March 2023) J Kidd (resigned 20 March 2023) S Mitchell (appointed 20 March 2023) K Russell (appointed 20 March 2023) G Sargent W Taylor (resigned 6 June 2023) G Tewson (Vice Chair) M Yaman (appointed 20 March 2023) M Starkings (co-opted 30 November 2023)
<b>Registered Office:</b>	13 Bracondale Norwich Norfolk NR1 2AL
<b>Chief Executive:</b>	J Newstead
<b>Property Services Manager:</b>	A Broom
<b>Bankers:</b>	HSBC 18 London Street Norwich NR2 1LG  Lloyds Plc 3 <sup>rd</sup> Floor 25 Gresham Street London EC2V 7HN  The Charity Bank Limited 182 High Street Tonbridge Kent TN9 1BE
<b>Solicitors:</b>	Spire Solicitors LLP 38 Prince of Wales Road Norwich NR1 1HZ
<b>Auditor:</b>	Larking Gowen LLP 1 <sup>st</sup> Floor, Prospect House Rouen Road Norwich NR1 1RE



## Report of the Chair

For the year ended 31 October 2023

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As a relative newcomer to the Board, it has been an honour to be asked to serve as Chair of the Society's Board. I must thank my predecessor, Jon Boon, for his sterling 9 years' service on the Board and for so ably leading the Board and Society as Chair. His dedicated work and appointment of our Chief Executive, John Newstead, certainly helped to ease my transition into the role.

As Jon Boon outlined last year, the Society has had a number of challenges over the last few years, and I am pleased to report that we have made further progress and indeed, in many cases, resolved some long outstanding matters. Amongst these are:

**1. Supporting our tenants:**

With the recruitment of David Ball, we now have a full complement of Scheme Managers who take part in the regular Operations Sub Committee and have, with Board members developed and refined many policies to ensure the Society is compliant with regulatory requirements. Senior Scheme Manager, Susie Alexander, with her colleagues have worked hard to ensure these fresh policies and procedures remain in line with our main purpose - providing good quality accommodation for those aged 60 years and above.

**2. Tenant Advisory Group**

As promised, we have established a Tenant Advisory Group, with a dozen tenants from virtually all the Society's sites. They meet regularly with our CEO to discuss the Society's policies, actions, and any concerns there might be. They have received training on our obligations as a Registered Social Landlord, so understand our regulatory responsibilities and propose ideas for improvement.

**3. Invigorated the Board**

As several directors had reached the end of their terms, our thanks must go to Bill Taylor, Jamie Kidd, and of course Jon Boon for their commitment and assistance over many years. Unfortunately, a work commitment meant that Kayleigh Lucas was unable to continue as a director, but we have recruited several new Board members. Many had just joined us after the last AGM: David Clarke, Chris Hancock, Steven Mitchell, Kate Russell and Mehmet Yaman and since then Melissa Starkings has joined us. With backgrounds in accounting, local authority housing, banking, social housing, and law respectively this has not only added fresh viewpoints but provided a wide band of experience to the Society.

With some sadness I have to announce that our Vice Chair, Gill Tewson, is retiring from the Board after many years' service, most recently as Vice Chair. The continuity that her long service provided has undoubtedly made it easier for the new Board members to settle in. We thank her most sincerely for the very valuable contribution she has made not least to the Operations Sub Committee over her 8 years. This does of course mean a new Vice Chair is required, and, I am delighted to confirm Kate Russell has agreed to take the baton in this role.

**4. Completion of the rent repayment process:**

One of the most concerning issues that confronted the Society was the matter of rent repayments. Following the identification by the Society that many rent assessments were incorrect, I am delighted to confirm we have this year completed the repayment process, ensuring current tenants have been refunded and those former tenants (or their estates) that we were able to trace, have also been reimbursed. This was a task of quite some complexity and toil, and whilst the whole team pulled together to resolve the matter, special thanks must go to Michelle Lambert who took on the lion's share of the work.

Furthermore, John Newstead took great efforts to keep the Regulator informed of our progress, with the constant threat of sanctions being imposed for our error. Shortly before Christmas John received the very welcome news that the Regulator will not be taking any action against the Society and consider the matter closed. This is excellent vindication of the Society's prompt and thorough action to correct the matter.



**5. Reviewing our estate**

For many years the Society has focussed on providing accommodation for the over 60s, but still has a handful of properties that serve General Needs. This combined with some ageing stock means it is incumbent upon us to regularly review the long-term future of each of our sites.

Our property at Nelson Street, provided General Needs accommodation and part of the building needed significant expenditure. We therefore took the decision to dispose of the property. With just 8 tenants on site, we held sensitive discussions with each which enabled us to rehouse 6 (who were over 60) in other Society properties. The remaining two tenants were fully briefed and offered help to move but chose to remain in their homes. The property was sold in October 2023, with the proceeds dedicated to a new development in the pipeline.

We recognise that it is a key part of our role to regularly review the quality and condition of our properties and to this end I am delighted to confirm that after some excellent efforts by the Property Services Team, led by Andy Broom, we have just about completed a full survey of the whole estate. John Newstead has instigated a Property Asset Strategy Group that will take this information to allow us to make sensible judgements on where we can economically improve the fabric and energy efficiency of our properties and where it may make more sense to replace with new build.

**6. New Development**

Our new development at Bluebell Road was officially opened this year and is now fully occupied. There have been some snagging issues but as ever Andy Broom and his team, have been working with the contractor and other suppliers to get them resolved.

Following the success of this scheme, we were delighted when McCarthy Stone offered us the chance to buy the almost completed block of 14 apartments on their latest scheme. We hope to finalise the purchase agreement soon. We would like to thank Norwich City Council for supporting our new development with grant funding, and Charity Bank for a new loan agreement.

In addition, with the repayment of two long term loans in the next 18 months, the Society can look at further opportunities either repurposing our existing estate or other entirely new build sites. However, rest assured it is our intention to focus on replacing poorer quality buildings in our estate with perhaps some modest growth in tenant numbers so that we maintain our friendly local approach.

**7. Improving our systems:**

After some delays, we have upgraded to a new computer system, Omni Pyramid G2, which is used by many Housing Associations. John Newstead wisely delayed its introduction, to enable some initial bugs to be discovered by others and ironed out. It will enable better data management and we look forward to learning more on how to make best use.

Omni's introduction also means that the long-planned Property Database can be created, using the survey information collated by the Property Services Team to create a much better short/medium and long-term planning tool for repair and maintenance expenditure. It will also inform the Property Asset Strategy Group of any growing longer-term liabilities so we can focus new developments on replacing or improving lower quality buildings.

My predecessor, Jon Boon, will, I am sure, be delighted to hear this news as he was a long-standing advocate of this approach and got the survey under way.

**8. Achieve Board excellence:**

As promoted by previous Chairs of the Society and our CEO, we recognise that we must always seek to not only meet the standards required by the National Housing Federation, but where possible go beyond to ensure we operate to the highest standards of governance. Last year's Action Plan instigated several new or revised policies and procedures which the various Sub-Committees will review on a regular basis. In addition, with so many relatively new Board members it is important that we ensure we are working effectively.



## Norwich Housing Society Limited

### Report of the Chair (continued)

For the year ended 31 October 2023

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To this end we have engaged a specialist to take an independent view of how we are performing as a Board and reviewing our suite of policies. I look forward to hearing his views and recommendations so we can continue to improve the Society's governance.

#### 9. Look to the future:

As identified last year by Jon Boon, we will consider our wider responsibilities to the community looking at how we meet the environmental challenges that climate change brings. We must also recognise and act to ensure we serve the local community in the widest sense.

This brings me to the most important area of the Society's activities, our tenants. We recognise that we serve a local population, often people who have lived their whole lives in the city, but also increasingly newcomers that have settled here in later life. Norwich City Council has identified changes in the population with new communities with different backgrounds adding to the city's vibrancy. It would be remiss if the Society didn't also consider this, and we will strive to engage with more of the wider community to ensure the needs of all Norwich's older population continue to be met by Norwich Housing Society.

Norwich Housing Society has served the needs of the less fortunate of the City of Norwich for almost a hundred years, so the legacy and reputation of the Society should be cared for and enhanced. In the short time I have been privileged to be part of the Board, the whole team at the Society work diligently and creatively to support our tenants and ensure they have safe, warm, and comfortable homes. I, and my fellow directors, will strive to match their commitment to ensure the Society continues to flourish.



**David Driscoll**  
Chair of the Board



# **Norwich Housing Society Limited**

## **Report of the Board of Management**

**For the year ended 31 October 2023**

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### **Board of Management members**

The Board members who served during the year are shown on page 1.

No potential or actual conflicts of interest have been declared by members during this financial year. All members served during the year and up to the date of this report. Each member of the Board owns a £1 share in the Society.

### **Nature of the Society, Objectives and Strategies**

The Society exists in order to provide, within the city of Norwich, affordable good quality rented accommodation for those over 60 years of age currently without a self-contained home or living in other circumstances unsuitable to their needs.

The ongoing objective is to acquire by means of development or otherwise, sufficient self-contained residential units so as to accommodate all current and future applicants in genuine need of rehousing; whilst at the same time ensuring the proper maintenance, modernisation and management of all existing properties.

### **Financial Review and Position at Year-End including factors affecting that position**

The Society has completed another successful year.

Rent and Service Charge income has reduced to £1,789k (2022: £1,603k) after voids.

Operating costs are lower than the previous year amounting to £1,387k (2022: £1,464k).

Following a credit of £100k in respect of historic rent overpayments, a surplus of £892k (2022: deficit of £505k) has been added from reserves. During the year we invested £47k (2022: £465k) in capital expenditure.

The Society had net current assets of £564,950 at 31 October 2023 (2022: net current liabilities of £490,649).

### **Rent policy**

The Society is committed to providing decent homes and services at rent and service charge levels that are affordable whilst ensuring regulatory requirements and obligations to funders are met.

The Society currently applies a Social Rent structure when reviewing rent levels using a formula laid down by Government. The calculation of formula rent is included in the Rent Standard (Regulator of Social Housing) and the Policy Statement on Rents for Social Housing (Ministry of Housing, Communities and Local Government).

### **Reserves policy**

It is the policy of the Society to reinvest all surpluses in the maintenance and improvement of its properties and additional development. An amount is set aside to meet an unforeseen emergency or other unexpected need. The level of reserves are monitored throughout the year as part of the normal monitoring and budgetary reporting processes.

### **Future developments including factors and influences on future performance**

The Board of Management continues to review the Society's development future and the areas within the existing stock where improvements could be made.



## Norwich Housing Society Limited

### Report of the Board of Management (continued)

For the year ended 31 October 2023

#### Value for money

The Society embraces a value for money culture and demonstrating value for money is a key objective of the business. Through the careful use of resources, we continually strive to deliver efficiencies and improve the quality of our housing and support services by employing effective asset management, developing the skills of the staff, applying robust risk management, and streamlining procedures.

The Society's assets are managed to deliver the best possible service as efficiently, effectively, and economically as possible. If appropriate, any surplus cash funds more than the Reserves Rationale are prioritised and used to further maintain and improve the condition of our properties. The condition of the Society's properties is regularly reviewed by the Board and its Sub-Committees. The development of a Property Database this year will enable the Society to make more informed decisions on priorities for major works and will help us produce a long term planned maintenance programme.

We have been working with our Information Technology provider on upgrading our operational system. Efficiencies have been identified with the new system in managing rent accounts and monitoring repair orders. Full training has been delivered to all staff on the upgraded system.

We have recruited a new Board member this year with a legal background with skills and knowledge in housing law, risk management and construction which will strengthen governance at the Society to ensure performance management and scrutiny are effective to drive improved value for money.

Our Key Performance Indicators are benchmarked against other small housing providers for older people. Rent collection rates, levels of rent arrears, void losses and staff sickness absence are monitored and compared. Our performance compares favourably to other providers, and we have performed well against the Regulator of Social Housing's Value for Money Metrics.

VFM metric	2023	2022	2021
1. Reinvestment %	0.4%	3.9%	1.3%
2. New supply delivered (social housing units %)	0%	1.4%	0%
3. New supply delivered (non-social housing units %)	0%	0%	0%
4. Gearing %	7.8%	7.9%	5.8%
5. EBITA MRI interest cover %	592%	-164.8%	381.3%
6. Headline social housing cost per unit	£4,130	£5,688	£4,764
7. Operating margin (social housing) %	21.4%	7.4%	9.4%
8. Operating margin (overall) %	23.3%	8.6%	16.4%
9. ROCE %	3.2%	1.2%	1.4%

The Society's performance framework will be further developed to establish links between strategy, partnerships, and resources to achieve improved value for money. Our aim is to ensure that we have a comprehensive approach to value for money which ensures the effective delivery of the Society's vision and values, in a way that meets the needs of our regulators and stakeholders.

Both the Tenants' satisfaction and Value for Money reports are available within the "About Us" area of the Society's website <http://www.norwichhousingSociety.org>



# **Norwich Housing Society Limited**

## **Report of the Board of Management**

**For the year ended 31 October 2023**

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### **Statement of compliance**

In preparation of the financial statements, Norwich Housing Society has complied with all aspects of the HCA's Governance and Financial Viability Standard.

### **Code of governance**

The National Housing Federation Model Rules 2011 were adopted by the Society at the AGM in March 2014 and the National Housing Federation Code of Governance (amended in 2020) was adopted in April 2021.

### **Statement on the Registered Social Housing Provider's Internal Control Systems**

The Board of Management acknowledges its ultimate responsibility for ensuring that the Society has in place a system of controls that is appropriate to the business environment in which it operates and for the review of the effectiveness of that system during the year. These controls are designed to identify and manage rather than eliminate risks which may prevent the organisation from achieving its objectives. The system is designed to give reasonable rather than absolute assurance with respect to:

- the reliability of information used within the Society or for publication;
- maintenance or proper accounting and management records; and
- the safeguarding of assets against unauthorised use or disposal.

The Board of Management has identified the significant risks attached to the Society and has procedures in place to minimise the exposure. Such procedures are regularly reviewed during the year.

Key elements of the system of control include ensuring that:

- formal policies and procedures are in place, which allow the monitoring of controls and restrict the unauthorised use of the Society's assets;
- experienced and suitably qualified staff take responsibility for important business functions;
- forecasts and budgets are prepared which allow the Board, Sub-Committees and management to monitor the key business risks and financial objectives, and progress towards financial plans set for the year and the medium term; regular management accounts are prepared promptly, providing relevant reliable and up to date financial and other information and significant variances from budgets are investigated as appropriate;
- all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures;
- the Finance and Governance Sub-Committee reviews reports from management as and when required by the Board of Management and from the external auditors to provide reasonable assurance that control procedures are in place and are being followed. The Finance and Governance Sub-Committee makes reports to the Board of Management following each time it meets;
- the Board of Management adopts appropriate procedures or takes appropriate action to correct weaknesses identified from the above reports.

The Board of Management acknowledges that their responsibility applies to the complete range of risks and controls within the Society's activities.

### **Political donations and expenditure**

The Society has neither made nor received any donations during the course of this financial year.

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# Norwich Housing Society Limited

## Report of the Board of Management

For the year ended 31 October 2023

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### Equality, Diversity & Inclusion

The Society is committed to promoting equal opportunities both in the provision of services and in our employment practices. We value diversity and will help ensure fair treatment for our customers, staff, Board members and contractors regardless of race, ethnic origin or nationality, gender, disability, religion, marital or family status, sexuality or sexual orientation, HIV status, age or physical appearance.

### Board's responsibilities statement

The Board of Management is responsible for preparing the report and financial statements in accordance with applicable law and regulations.

The Co-operative and Community Benefit Societies Act 2014 and registered social housing legislation require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Society and of its income and expenditure for that period.

In preparing these financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 Society will continue in business.

The Board of Management is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008, and the Accounting Direction for private registered providers of social housing in England 2022. It has general responsibility for taking reasonable steps to safeguard the assets of the Society and to prevent and detect fraud and other irregularities.

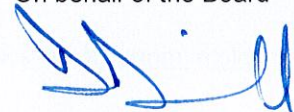
The Board of Management is also responsible for the maintenance and integrity of the corporate and financial information included on the Society's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Statement of Disclosure of Information to Auditor

We, the Board members of Norwich Housing Society Limited, who held office at the date of approval of these financial statements as set out above, confirm, so far as we are aware, that:

- there is no relevant audit information of which the Society's auditor is unaware; and
- we have taken all the steps that we ought to have taken as Board members to make ourselves aware of any relevant audit information and to establish that the Society's auditor is aware of that information.

On behalf of the Board



**David Driscoll**  
Chair of the Board



# Norwich Housing Society Limited

## Independent auditors' report to the members of Norwich Housing Society Limited

Year ended 31 October 2023

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### Opinion

We have audited the financial statements of Norwich Housing Society Limited for the year ended 31 October 2023 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Society's affairs as at 31 October 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, 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 responsibilities for the audit of the financial statements section of our report. We are independent of the Society 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 Society'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 Board 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 conclusions 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 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.



## Norwich Housing Society Limited

### Independent auditors' report to the members of Norwich Housing Society Limited (continued)

Year ended 31 October 2023

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

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- The Society has not kept proper books of account, and not maintained a satisfactory system of control over its transactions, in accordance with the requirements of the legislation; or
- The revenue account, any other accounts to which our report relates, and the balance sheet are not in agreement with the Society's books of account; or
- We have not obtained all the information and explanations necessary for the purposes of our audit.

#### Responsibilities of the Board

As explained more fully in the Board's responsibilities statement, set out on page 8, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as it determines 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 Board is responsible for assessing the Society'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 Society or to cease operations, or have no realistic alternative but to do so.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Due to the field in which the Society operates, we identified the areas most likely to have a direct material impact on the financial statements as compliance with accounting standards and requirements, including the Housing SORP 2018. In addition, we considered the provisions of other laws and regulations which whilst not having a direct impact on the financial statements, are fundamental to the Society's ability to operate, including safeguarding requirements, health and safety, employment law, data protection and compliance with various other regulations relevant to the conduct of the Society's operations.

- Enquiry of management and those charged with governance;
- Enquiry of entity staff compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing legal and professional fees to confirm matters where the Society engaged lawyers during the year;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of any significant transactions outside the normal course of business.



## Norwich Housing Society Limited

### Independent auditors' report to the members of Norwich Housing Society Limited (continued)

Year ended 31 October 2023

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Because of the inherent limitations on 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 FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the Society's members, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Society's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Larking Gowen LLP**  
Chartered Accountants  
Statutory Auditors  
1<sup>st</sup> Floor, Prospect House  
Rouen Road  
Norwich  
NR1 1RE

Date:



**Norwich Housing Society Limited**

**Statement of Comprehensive Income**

**For the year ended 31 October 2023**

	<b>Note</b>	<b>2023 £</b>	<b>2022 £</b>
<b>Turnover</b>	2	1,788,767	1,602,738
Operating expenditure	2	(1,386,874)	(1,464,292)
<b>Operating surplus</b>		<u>401,893</u>	<u>138,446</u>
Exceptional item – overpayment refund	23	99,692	(574,119)
Gain on disposal of tangible fixed assets	5	474,698	-
Interest receivable	3	2,819	414
Interest and financing costs	4	(86,986)	(69,267)
<b>Total comprehensive income for the year</b>		<u><u>892,116</u></u>	<u><u>(504,526)</u></u>

The only recognised gain is the surplus for the year of £892,116.

There is no difference between the reported deficit for the year and historical cost surpluses or deficits.

The results relate wholly to continuing activities.

The financial statements were approved by the board on \_\_\_\_\_ and are signed on its behalf by -

D Driscoll  
(Chair of the Board)



G Tewson  
(Vice Chair of the Board)



The accompanying accounting policies and notes form an integral part of these financial statements.



# Norwich Housing Society Limited

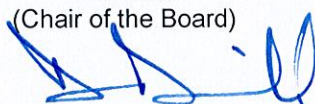
## Balance Sheet

31 October 2023

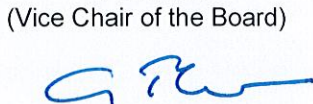
	Note	2023		As restated 2022	
		£	£	£	£
<b>Fixed assets</b>					
Tangible fixed assets	10, 11		11,876,015		12,161,831
<b>Current assets</b>					
Trade and other debtors	12	669,715		106,696	
Cash and cash equivalents		413,851		504,657	
		1,083,566		611,353	
<b>Creditors: amounts falling due within one year</b>	13	(518,617)		(1,102,002)	
<b>Net current assets / (liabilities)</b>			564,949		(490,649)
<b>Total assets less current liabilities</b>			12,440,965		11,671,182
<b>Creditors: amounts falling due after more than one year</b>	14		(3,137,524)		(3,259,863)
<b>Total net assets</b>			9,303,440		8,411,319
<b>Capital and reserves</b>					
Called up share capital	15	32		27	
Income and expenditure reserve		9,303,408		8,411,292	
<b>Total reserves</b>			9,303,440		8,411,319

The financial statements were approved and authorised for issue by the Board on March 2024 and are signed on its behalf by:-

D Driscoll  
(Chair of the Board)



G Tewson  
(Vice Chair of the Board)



The accompanying accounting policies and notes form an integral part of these financial statements.



**Norwich Housing Society Limited**

**Statement of Changes in Equity/Reserves**

**For the year ended 31 October 2023**

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	Called up Share capital £	Income and expenditure reserve £	Total £
<b>Balance as reported at 1 November 2021</b>	27	8,741,643	8,741,670
Prior year adjustments	-	174,175	174,175
Deficit from statement of comprehensive income	-	(504,526)	(504,526)
Share capital cancelled	-	-	-
<b>Balance as restated at 1 November 2022</b>	27	8,411,292	8,411,319
Surplus from statement of comprehensive income	-	892,116	892,116
Share capital issued	<u>5</u>	<u>-</u>	<u>5</u>
<b>Balance at 31 October 2023</b>	<u>32</u>	<u>9,303,408</u>	<u>9,303,440</u>



**Norwich Housing Society Limited**

**Statement of Cash Flows**

**For the year ended 31 October 2023**

	<b>Note</b>	<b>2023 £</b>	<b>2022 £</b>
<b>Net cash generated from operating activities</b>	<b>17</b>	<b><u>(445,557)</u></b>	<b><u>261,703</u></b>
<b>Cash flow from investing activities</b>			
Purchase of tangible fixed assets		(46,942)	(464,545)
Proceeds from sale of tangible fixed assets		598,292	-
Interest received		<u>2,819</u>	<u>414</u>
<b>Net cash flow from investing activities</b>		<b><u>554,169</u></b>	<b><u>(464,131)</u></b>
<b>Cash flow from financing activities</b>			
Shares issued		5	-
Repurchase of shares		-	-
Cash inflows from new borrowing		200,000	500,000
Repayments of borrowings		(312,437)	(291,618)
Interest paid		<u>(86,986)</u>	<u>(69,267)</u>
<b>Net cash flow from financing activities</b>		<b><u>(199,418)</u></b>	<b><u>139,115</u></b>
<b>Net change in cash and cash equivalents</b>		<b>(90,806)</b>	<b>(63,313)</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b><u>504,657</u></b>	<b><u>567,970</u></b>
<b>Cash and cash equivalents at end of the year</b>		<b><u>413,851</u></b>	<b><u>504,657</u></b>
<b>Cash and cash equivalents consists of:</b>			
Cash at bank and in hand		166,533	120,158
Short term deposits		<u>247,318</u>	<u>384,499</u>
<b>Cash and cash equivalents at 31 October 2023</b>		<b><u>413,851</u></b>	<b><u>504,657</u></b>



# Norwich Housing Society Limited

## Notes to the Financial Statements

For the year ended 31 October 2023

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### 1. Accounting policies

The significant accounting policies used in the preparation of these financial statements are: -

#### a. Introduction and accounting basis

Norwich Housing Society Limited is governed under the Cooperative and Community Benefit Societies Act 2014 and is a Registered Provider of Social Housing in the United Kingdom. The address of the registered office is given in the reference and administrative information on page 1 of these financial statements. The nature of the Society's operations and principal activities are to provide (by means of development or otherwise), sufficient self-contained residential units to accommodate all current and future applicants in genuine need of rehousing.

The Society constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* (FRS 102), the Statement of Recommended Practice for Social Housing Providers 2018, and with the Accounting Direction for private registered providers of social housing in England 2022. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008 and the Cooperative and Community Benefit Societies Act 2014. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the Society, and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### b. Turnover

Turnover is measured at the fair value of the consideration received or receivable. The policies adopted for the recognition of turnover are as follows:

Turnover represents rental income and service charges income receivable in the year net of rent and service charge losses from voids, revenue grants from the government (local authorities) and the Homes England (previously known as the Homes and Communities Agency).

#### c. Tangible Fixed Assets

Tangible fixed assets, except freehold land, are stated at cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended such as the cost of acquiring land and buildings, development costs, interest charges on loans during the development period and expenditure on improvements. Expenditure on improvements will only be capitalised when it results in incremental future benefits such as increasing rental income, reducing maintenance costs or resulting in a significant extension of the useful economic life of the property.



# Norwich Housing Society Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 October 2023

### 1. Accounting policies (continued)

Depreciation is charged on a straight line basis at rates anticipated to write off the cost of each asset over the expected useful economic lives of the assets at the following annual rates:

Boilers/Fires	6.66%
Kitchen	5.00%
Lift	5.00%
Plumbing	3.33%
Bathroom	3.33%
Windows/Doors	3.33%
Electrics	2.50%
Roof	1.43%
Walls	1.00%

The useful economic lives of all tangible fixed assets are reviewed annually.

#### d. Housing Properties

Housing properties are properties held for the provision of social housing or to otherwise provide social benefit. Housing properties are principally properties available for rent and are stated at cost less accumulated depreciation and impairment loss (representing a diminution in the recoverable service potential of the asset below its carrying value in the balance sheet). Cost includes the cost of acquiring land and buildings, development costs, interest charges incurred during the development period.

Improvements are works to existing properties which result in an increase in the net rental income, including a reduction in maintenance costs or result in a significant extension of the useful economic life of the property.

Housing properties in the course of construction are stated at cost and are not depreciated.

Major components of housing properties, such as lifts and warden call alarm systems, have been accounted for and depreciated separately from the connected housing property, over their expected useful economic lives.

#### e. Other tangible fixed assets

Other tangible fixed assets (other than housing properties), are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided evenly on the cost of other tangible fixed assets to write them down to their estimated residual values over their expected useful lives. The principal annual rates used for other assets are:

Fixtures, fittings and equipment	20.00%
Computer equipment	33.33%

#### f. Government grants

Government grants from Homes England (previously known as the Homes and Communities Agency (the HCA)), are received in respect of housing properties. These grants are recognised at the fair value of the asset received or receivable. Where the assets are accounted for using the cost model then the government grant is accounted for using the accruals model. The difference between the fair value of the asset and the consideration is recognised as a liability and amortised over the useful economic life of the asset. This amortisation is recognised within turnover.



# Norwich Housing Society Limited

## Notes to the Financial Statements

For the year ended 31 October 2023

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### 1. Accounting policies (continued)

#### g. Cyclical repairs and maintenance

The Society has established regular programmes of repair and maintenance covering each scheme. The Society does not make provision for future works but charges actual costs incurred to the income and expenditure account.

#### h. VAT

The Society is not VAT registered. Income and expenditure, where applicable, is therefore shown inclusive of VAT in the financial statements.

#### i. Interest

Interest is charged to the income and expenditure account as it is incurred. Interest in relation to development projects is not capitalised.

#### j. Current assets

Debtors are recognised and carried forward at invoiced amounts less provisions for any doubtful debts. Bad debts are written off when identified.

Cash and cash equivalents are included in the balance sheet at cost. Cash and cash equivalents comprise cash at bank and in hand.

#### k. Creditors and provisions

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

#### l. Financial instruments

The Society 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.

#### m. Subsidiary undertaking

The Society is corporate trustee of Stuart Court Memorial Charity, a Registered Social Landlord. It is the opinion of the Board of Management of the Society that it would be of no real value to the members of the Society to produce group financial statements because of the amounts involved. This opinion has been formally approved by the Registrar of Friendly Societies in accordance with Section 99 of the Co-operative and Community Benefit Societies Act 2014. Consequently, these financial statements present information about the Society as an individual undertaking and not about its group.

#### n. Employee benefits

When employees have rendered service to the Society, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The Society operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.



# Norwich Housing Society Limited

## Notes to the Financial Statements

For the year ended 31 October 2023

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### 1. Accounting policies (continued)

#### o. Going concern

The Society's activities, its current financial position and factors likely to affect its future development are set out in the Report of the Board of Management. The Society has in place long-term debt facilities which provide adequate resources to finance committed reinvestment and development programmes, along with the Society's day to day operations and the repayment of historic rent overpayments to tenants. The Society also has a long-term business plan which shows that it is able to service these debt facilities while continuing to comply with lenders' covenants.

On this basis, the Board has a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.



**Norwich Housing Society Limited**

**Notes to the Financial Statements**

**For the year ended 31 October 2023**

**2. Particulars of turnover, costs of sales, operating expenditure and operating surplus**

	Turnover	Operating Costs	2023 Operating Surplus	Turnover	Operating Costs	2022 Operating Surplus
	£	£	£	£	£	£
Social housing lettings (note 7)	1,764,884	(1,386,874)	378,010	1,581,588	(1,464,292)	117,296
Activities other than social housing activities	23,883	-	23,883	21,150	-	21,150
	<u>1,788,767</u>	<u>(1,386,874)</u>	<u>401,893</u>	<u>1,602,738</u>	<u>(1,464,292)</u>	<u>138,446</u>

**3. Interest and other finance income and charges**

	2023 £	2022 £
Bank interest receivable	<u>2,819</u>	<u>414</u>

**4. Interest payable and similar charges**

	2023 £	2022 £
Bank loans and overdrafts	<u>86,986</u>	<u>69,267</u>

**5. Disposals of housing properties held as tangible fixed assets**

	2023 £	2022 £
Proceeds from the disposal of housing properties	598,292	-
Carrying value of housing properties	(123,594)	-
	<u>474,698</u>	<u>-</u>

**6. Operating surplus**

The operating surplus is stated after charging/(crediting):

	2023 £	2022 £
Depreciation of tangible fixed assets	209,164	256,531
Key management personnel remuneration (see note 8)	122,562	99,919
Auditor's remuneration for audit	8,950	11,340
Auditor's remuneration for non-audit	1,900	1,334
Rent losses from bad debts	2,441	411
Government grants	(52,344)	(45,011)



**Norwich Housing Society Limited**

**Notes to the Financial Statements (Continued)**

**For the year ended 31 October 2023**

**7. Particulars of turnover and operating expenditure**

	2023 General needs housing £	2023 Supported housing (including housing for older people) £	2023 Total £	2022 General needs housing £	2022 Supported housing (including housing for older people) £	2022 Total £
<b>Income</b>						
Rents receivable net of identifiable service charges	41,567	1,269,421	1,310,988	49,836	1,152,342	1,202,178
Service charge income	2,750	343,946	346,696	2,318	291,117	293,435
Government grants taken to income	-	52,344	52,344	-	45,011	45,011
<b>Turnover from social housing lettings</b>	<b>44,317</b>	<b>1,665,711</b>	<b>1,710,028</b>	<b>52,154</b>	<b>1,488,470</b>	<b>1,540,624</b>
Other income	-	54,856	54,856	-	40,964	40,964
<b>Total income</b>	<b>44,317</b>	<b>1,720,567</b>	<b>1,764,884</b>	<b>52,154</b>	<b>1,529,434</b>	<b>1,581,588</b>
<b>Operating expenditure</b>						
Management	(17,386)	(437,816)	(455,202)	(18,567)	(467,549)	(486,116)
Service charge costs	(3,856)	(294,422)	(298,278)	(3,458)	(238,565)	(242,023)
Routine maintenance	(28,069)	(209,954)	(238,023)	(3,886)	(180,486)	(184,372)
Planned maintenance	-	(67,011)	(67,011)	(65)	(269,550)	(269,615)
Major repairs expenditure	-	(116,755)	(116,755)	-	(26,046)	(26,046)
Bad debts	-	(2,441)	(2,441)	-	411	411
Depreciation	-	(209,164)	(209,164)	-	(256,531)	(256,531)
<b>Total operating expenditure costs on social housing lettings</b>	<b>(49,311)</b>	<b>(1,337,563)</b>	<b>(1,386,874)</b>	<b>(25,976)</b>	<b>(1,438,316)</b>	<b>(1,464,292)</b>
<b>Operating surplus/(deficit) on social housing lettings</b>	<b>(4,994)</b>	<b>383,004</b>	<b>378,010</b>	<b>26,178</b>	<b>91,118</b>	<b>117,296</b>
Void losses (being rental income lost as a result of property not being let, although it is available for letting)	(7,610)	(23,151)	(30,761)	(6,253)	(33,901)	(40,154)

The Government grants taken to income relate to Housing Association grants and Local Authority Right To Buy (RTB) grants, which are released over the expected useful life of the properties to which they relate.



# Norwich Housing Society Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 October 2023

### 7. Particulars of turnover and administrative expenditure (continued)

*Turnover from non-social housing lettings:*

	2023 £	2022 £
Commercial lettings	<u>23,883</u>	<u>21,150</u>

### 8. Board and key management personnel remuneration

None of the Board members received emoluments.

The aggregate remuneration for key management personnel charged in the year is:

	2023 £	2022 £
Basic salary	111,268	90,430
Pension contributions	<u>11,294</u>	<u>9,489</u>
	<u>122,562</u>	<u>99,919</u>

The emoluments of the highest paid director (being the Chief Executive) included above was:

	2023 £	2022 £
Aggregate emoluments (excluding pension contributions)	62,450	35,000
Pension contributions	<u>5,924</u>	<u>3,500</u>
	<u>68,374</u>	<u>38,500</u>

The Chief Executive was appointed from 21 March 2022 and therefore the comparative only related to remuneration for the 7 months ended 31 October 2022.

The Chief Executive is a member of the Society's defined contribution pension scheme. He is an ordinary member of the pension scheme and no enhanced or special terms apply.

Travel expenses of £149 were reimbursed to the Board of Management (2022: £Nil).

### 9. Staff costs

The average number of persons, including the Chief Executive, employed by the Society during the year was as follows:

	Number of employees	
	2023	2022
Management and administration	10	9
Housing, support and care	3	3
	—	—
Total	<u>13</u>	<u>12</u>

The average number of employees, including the Chief Executive, calculated on a full-time equivalent basis was 11 employees (2022: 10). For part-time workers, full-time equivalent numbers are calculated based upon the basic hours worked.



# Norwich Housing Society Limited

## Notes to the Financial Statements (Continued)

### For the year ended 31 October 2023

The aggregate remuneration of such employees was as follows:

	2023 £	2022 £
Wages and salaries	347,372	309,710
Social security costs	29,900	24,673
Pension costs	34,661	30,252
	<u>411,933</u>	<u>364,635</u>

The number of employees who received more than £60,000 as their employee package (excluding pensions costs) are as follows:

	2023 Number	2022 Number
£60,001 - £70,000	1	-

#### 10. Tangible fixed assets - housing properties

	Social housing properties held for letting £	Housing properties for letting under construction £	Total housing properties £
<b>Cost</b>			
At 1 November 2022	16,075,304	-	16,075,304
Additions	46,942	-	46,942
Disposals	(208,629)	-	(208,629)
Transfer	-	-	-
At 31 October 2023	<u>15,913,617</u>	<u>-</u>	<u>15,913,617</u>
<b>Depreciation</b>			
At 1 November 2022	4,032,234	-	4,032,234
Prior year adjustment	(118,761)	-	(118,761)
At 1 November 2022 (as restated)	<u>3,913,473</u>	<u>-</u>	<u>3,913,473</u>
Charge for the year	209,164	-	209,164
Eliminated on disposals	(85,035)	-	(85,035)
At 31 October 2023	<u>4,037,602</u>	<u>-</u>	<u>4,037,602</u>
Net book value at 31 October 2023	<u>11,876,015</u>	<u>-</u>	<u>11,876,015</u>
Net book value at 31 October 2022 (as restated)	<u>12,161,831</u>	<u>-</u>	<u>12,161,831</u>

All properties are freehold and available for let. Land is not depreciated. The land element totals £2,194,674 (2022: £2,194,674).

	2023 £	2022 £
<b>Expenditure on works to existing properties</b>		
Improvement works capitalised	46,942	464,545
Amounts charged to income and expenditure (note 7)	421,789	480,033
	<u>468,731</u>	<u>944,578</u>



**Norwich Housing Society Limited**

**Notes to the Financial Statements (Continued)**

**For the year ended 31 October 2023**

**10. Tangible fixed assets - housing properties (continued)**

**Social housing assistance**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Total accumulated social housing grant received or receivable at 31 October 2023	<u>3,057,753</u>	<u>2,998,845</u>
Recognised to date in the Statement of Comprehensive Income	888,775	836,431
Held as deferred income (notes 13 and 14)	<u>2,168,978</u>	<u>2,162,414</u>
	<u>3,057,753</u>	<u>2,998,845</u>

**11. Tangible fixed assets - fixtures, fittings and equipment**

	<b>Total</b>
	<b>£</b>
<b>Cost</b>	
At 1 November 2022	89,703
	<u>          </u>
<b>At 31 October 2023</b>	89,703
	<u>          </u>
<b>Depreciation</b>	
At 1 November 2022	89,703
Charge for year	-
	<u>          </u>
<b>At 31 October 2023</b>	89,703
	<u>          </u>
<b>Net book value at 31 October 2023</b>	-
	<u>          </u>
<b>Net book value at 31 October 2022</b>	-
	<u>          </u>

**12. Trade and other debtors**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade debtors (gross social housing rent arrears)	42,388	35,729
Less provision for bad and doubtful debts	(2,000)	(2,000)
Other debtors	603,098	51,218
Prepayments and accrued income	<u>26,229</u>	<u>21,749</u>
	<u>669,715</u>	<u>106,696</u>



# Norwich Housing Society Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 October 2023

### 13. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank loans and overdrafts	321,567	310,968
Trade creditors	72,670	67,410
Rents paid in advance	24,252	107,864
Other creditors	2,550	461,850
Accruals and deferred income	35,637	96,204
Other tax and social security	8,206	9,837
Government grants	53,735	47,869
	<u>518,617</u>	<u>1,102,002</u>

Bank loan terms of repayment and interest rates are as detailed in note 14.

### 14. Creditors: Amounts falling due after more than one year

	2023 £	As restated 2022 £
Bank loans and overdrafts	1,022,281	1,145,318
Government grants	2,115,243	2,114,545
	<u>3,137,524</u>	<u>3,259,863</u>

The bank loans include aggregate amounts of £593,707 (2022: £348,854) which fall due after five years and which are payable by instalments.

The loans are all secured by fixed charges on the Society's housing properties. Of the loans at the year end, £170,030 (2022: £250,030) was subject to a floating rate of 0.65% over the Bank of England base rate, £170,000 (2022: £250,000) was subject to fixed rates of interest at 5.315%, £115,928 (2022: £158,482) at 6.175% and £106,460 (2022: £149,660) at 6.185%. The remainder is at various fixed rates of interest, ranging from 9.125% to 10.75%.

### 15. Share capital and reserves

	2023 £	2022 £
<b>Share capital</b>		
Allotted, called up and fully paid:		
At 1 November 2022	27	27
Shares issued during the year	5	-
Shares cancelled during the year	-	-
	<u>32</u>	<u>27</u>
At 31 October 2023	<u>32</u>	<u>27</u>

Each member of the Board of Management holds a share of £1 in the Society. There are limited rights regarding receipt of dividends, redemption, distribution and winding up attached to the shares. On a ballot every shareholder present in person or by proxy shall have one vote. In the case of an equality of votes the Chair of the meeting shall have a second or casting vote.

#### Income and expenditure reserve

The income and expenditure reserve represents cumulative surpluses and deficits net of other adjustments.



# Norwich Housing Society Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 October 2023

### 16. Accommodation owned, managed and in development

	Number of units	
	31 Oct 23	31 Oct 22
<i>Social housing</i>		
General needs housing:		
Let at social rent	3	11
Housing for older people	281	281
<i>Non-social housing</i>		
Commercial lettings	2	2
	—	—
Total owned and managed	<u>286</u>	<u>294</u>
Accommodation in development	—	—

Norwich Housing Society also manages 29 properties for Stuart Court Memorial Charity, for whom it is the sole trustee. See note 19.

### 17. Cash flow from operating activities

	2023 £	2022 £
Surplus for the year	401,893	138,446
Depreciation of tangible fixed assets	209,164	256,531
Exceptional item – rent overcharge	99,692	(574,119)
(Increase) / decrease in trade and other debtors	(563,019)	(63,214)
Increase / (decrease) in trade and other creditors	(593,287)	504,059
	<u>(445,557)</u>	<u>261,703</u>

### 18. Analysis of changes in net debt

	At 1 Nov 2022 £	Cash Flows £	Other Non- Cash Changes £	At 31 Oct 2023 £
Cash	504,657	(90,806)	-	413,851
Cash equivalents	-	-	-	-
	<u>504,657</u>	<u>(90,806)</u>	<u>-</u>	<u>413,851</u>
Loans falling due within one year	(310,968)	112,438	(123,037)	(321,567)
Loans falling due after more than one year	(1,145,318)	-	123,037	(1,022,281)
	<u>(951,629)</u>	<u>21,632</u>	<u>-</u>	<u>(929,997)</u>



# Norwich Housing Society Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 October 2023

### 19. Related party transactions

Under the definitions of FRS 102, Stuart Court Memorial Charity is considered a related party of Norwich Housing Society Limited (see note 20). Transactions between the two entities can be summarised as follows:

	2023 £	2022 £
Management charge receivable from Stuart Court Memorial Charity	<u>41,112</u>	<u>37,398</u>

The position at the balance sheet date can be summarised as follows:

	2023 £	2022 £
Amounts owed by/(to) Stuart Court Memorial Charity at 31 October 2023	<u>4,805</u>	<u>4,207</u>

### 20. Subsidiary undertaking

The Society is the corporate trustee of Stuart Court Memorial Charity, a registered social landlord. The principal place of business of Stuart Court Memorial Charity is 13 Bracondale, Norwich, Norfolk, NR1 2AL.

Details of transactions entered into with Stuart Court Memorial Charity are summarised in note 19.

The Board of Management have relied upon the exemption provided by S99 of the Co-operative and Community Benefit Societies Act 2014 because of the insignificant amounts involved and have not consolidated the results of the subsidiary in the Society's financial statements. A summary of the subsidiary results for the year ended 31 October 2023 is provided below:

	2023 £	2022 £
Turnover	167,415	145,979
Operating costs	<u>(146,639)</u>	<u>(144,576)</u>
Operating surplus	<u>20,776</u>	<u>1,403</u>
Surplus/(Deficit) for the year	<u>13,439</u>	<u>(77,235)</u>
Accumulated reserve at the year-end	<u>941,474</u>	<u>928,035</u>

### 21. Capital commitments

	2023 £	2022 £
Capital expenditure that has been contracted for but has not been provided for in the financial statements.	<u>72,208</u>	<u>10,347</u>



## Norwich Housing Society Limited

### Notes to the Financial Statements (Continued)

For the year ended 31 October 2023

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#### 22. Pension costs

The Society operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Society in an independently administered fund. The pension cost charge represents contributions payable by the Society to the fund and amounted to £34,661 (2022: £30,252). Contributions totalling £nil were payable by the Society at the year-end and included in creditors (2022: £39).

#### 23. Exceptional item

During the previous financial year, following changes to the Board and Senior Management Team, Norwich Housing Society identified that the historic basis for the initial calculation and subsequent increases applied to rents did not comply with the Regulator of Social Housing (RSH) Rent Standard and the detailed regulations set out in the Ministry of Housing, Communities and Local Government (MHCLG) Policy statement on rents for social housing (The Policy Statement). The amount of the overpayment provided in the previous accounts was £574,119. Following completion of the repayment process, £99,962 has been released to the income and expenditure account.

#### 24. Prior year restatements

There were two prior year adjustments as follows:

Freehold land was depreciated in previous accounts. An adjustment to reserves of £118,761 removes the accumulated depreciation.

An adjustment to reserves of £55,414 adjusts recognition of capital grants from previous accounts.

The total adjustment of £174,175 increases the income and expenditure account brought forward from £8,237,117 to £8,411,292. The prior period net result is not affected.