

Norwich Housing Society Limited

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

Audited Financial Statements

For the year ended 31 October 2020

Norwich Housing Society Limited

Year ended 31 October 2020

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Norwich Housing Society Limited

Year ended 31 October 2020

The Board of Management submit their annual Report and Financial Statements for the year ended 31 October 2020.

Reference and Administrative Details

Homes and Communities Agency

Registration Number: L1405

Company Registration Number: IP11676R

Board of Management:

- C Sangster - Chairman
- J Boon - Vice Chairman
- J Kidd
- M Land
- W Taylor
- G Tewson
- C Haystead
- G Sargent
- G Davis
- A Liddle

Registered Office: 13 Bracondale
Norwich
Norfolk
NR1 2AL

Chief Executive: M Allen

Property Services Manager: A Broom

Bankers:

HSBC	Lloyds Plc
18 London Street	3 rd Floor
Norwich	25 Gresham Street
NR2 1LG	London
	EC2V 7HN

The Charity Bank Limited
182 High Street
Tonbridge
Kent
TN9 1BE

Solicitors: Spire Solicitors LLP
38 Prince of Wales Road
Norwich
NR1 1HZ

Auditor: Lovewell Blake LLP
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

Norwich Housing Society Limited

Year ended 31 October 2020

Report of the Chairman

Board:

As 2020 opened we swiftly became aware of a new virus moving from China westwards, but little did we realise just how devastating its effect would become, before the end of March, in the UK. We only came together in the normal way for the first two board meetings, plus the AGM on the 17th March, held in the Common Room at Fiddys Yard. Thanks to the small band of people who did attend we achieved a quorum, and as all board members and Shareholders had been informed of the business before the meeting, including the election of Alice Liddle as a full board member, we were able to deal with all the required returns before the whole country went into, 'lockdown'. Over the year we have all adapted to meetings on line, in fact attendance at meetings has been greater due to this, but I miss the conversations which seem of little purport at the time, but which in fact can be vital. As a group we can draw on a vast amount of knowledge and experience, both within the group and from the many contacts we all have. This I believe helps us to achieve a great deal, but we should never take this for granted, or fail to seek new board members. The new Code of Governance will need scrutiny in the New Year leading to some changes in tenure of service and additional limits on re-election.

Sub-Committees:

The four sub-committees, Finance, Property, Operations and Governance remain unchanged this year, chaired by board members who are well qualified for the task, supported by a small number of their colleagues with the necessary skills to discern what actions the board needs to take. The chairman of each committee reports to the board on any matters which need ratifying, having actioned those aspects which have, or will be, undertaken during the weeks between board meetings. This year the Risk Matrix has been tried and tested due to the pandemic, and in the December review we all agreed that it had worked well, although at that meeting we did bring some categories together, and adjusted the liability rating of some others. Reviewing the Risk Matrix twice a year has proved invaluable in 2020 as it is a working document not 'just a tick box exercise'. The remunerations sub-committee continues to meet once a year to review the staff salaries using guide lines provided by the CEO. It is important to note here that the Board Chairman does not chair any of the above meetings, but is free to attend any or all of them as seems expedient. Board Leadership Meetings, attended by the Chairman, Vice-Chairman and Chairman of Finance, are convened once a quarter to assist with the smooth running of the board and to identify key issues which may require more or less emphasis during the following three months. In November all five Chairmen came together on Zoom to select a new CEO, due to Mike Allen's forthcoming retirement, from the twenty applications we had received. After much discussion five candidates were chosen to be interviewed on Zoom, by the Vice Chairman, the Chairman of Finance and I, before interviewing the final three in a venue following Covid 19 rules for everyone's safety. Prior to these interviews each candidate met three key members of staff, saw the office and two of our schemes, which assisted us all during the interview.

Norwich Housing Society Limited

Report of the Chairman (continued)

For the year ended 31 October 2020

Value for Money:

This is an essential approach for any organisation, and has never been more important for these two societies than it is now, as we have to work within the constraints of our current income, while endeavouring to fulfil our desire to provide good quality housing for the over 60s of limited means within the Norwich area. The need for affordable housing has never been greater, but the availability of such housing seems to be lacking, which adds encouragement to these societies to maximise what they can provide while seeking new ways to achieve this. I would like to thank the members of staff who have gained a grant from, 'The Safer Streets Fund', to use in areas which have been recorded as at higher risk from petty crime. This will be used to replace the front doors which open directly onto the street in the schemes in those areas and to create a stronger boundary fence at the scheme which is located next to a large problematic housing estate. The effect of the pandemic and the financial ramifications of that, plus Brexit, will surely impact on the societies for many months to come in many ways, accessing building supplies, probably at higher rates, is just one example of this. The positive side, however, may well be our ability to gain loans at a cheaper fixed rate interest than before, which will help us move our development programme forward. Another important aspect which will need to be addressed during the coming year are our IT services, for while the current system works there are better ways of achieving the same which are more reliable, accessible and economical in the long run than the system we currently have. IT is vital for us as we work to increase our profile and encourage our tenants to engage with this as a means of communication for services and information, while also helping us to move towards a cash free office. The fact that for three years we have had to accept a 1% drop in rent for the Norwich Housing Society, which continued until November this year, has meant a greater need for careful forward planning. Luckily Stuart Court Memorial Charity has avoided this thanks to the lobbying by the Almshouse Association for all Alms Houses. We are constantly appraising the age and quality of our property portfolio with a view to maintaining that which is viable and selling stock which is becoming too costly to maintain, or no longer convenient for the tenants we seek to serve. We also continue to review the quality of our contractors' performance regularly; ask for tenders when beginning a major development or refurbishment programme, or question whether we could be better served by other firms. Staffing is another area where this is relevant because we need to provide the correct level of staffing to maintain the work of these societies, while ensuring that the areas of responsibility are clear to the post holder and to the wider effectiveness of the team. The Office Manager, who acts as PA to the CEO, is proving invaluable due to her ability to adapt to new requests while maintaining an overview of all matters in the office. The Assistant Properties Services Manager has taken a greater interest in adding more aspects of their portfolio online, when due to the pandemic the difficulty in accessing information became truly apparent during lockdown. A paperless office is our ultimate goal for convenience, security of information and as way of fulfilling our aims in our environmental policy. Mark Finch, our part time accountant, retired in September and has been replaced by Nataliya Weston after a two week handover period. The open plan office structure, which our current CEO implemented when he took up his role in 2014, worked well and increased cooperation between all members of the team, but once again the pandemic caused us to rethink this in order to give everyone a safe space in which to work while in the office. Facilitating our staff to work from home during the initial lockdown incurred some expense, but it also helped us to consider the value of mixed working arrangements, and it was interesting to note how various individuals adapted to the change, although for some that was more complex due to their particular duties or responsibilities. The Board continues to provide services without remuneration, apart from occasional expenses for attending conferences or meetings with other service providers, which is financially beneficial to both societies.

Norwich Housing Society Limited

Report of the Chairman (continued)

For the year ended 31 October 2020

Tenants:

Tenants are the *raison d'être* for the existence of the societies and must therefore be at the centre of our choices and decisions. In the New Year a small group of board members and staff will meet to consider the Government White Paper, which seeks to increase the tenant voice within the housing sector. They will scrutinise what we currently offer, look to what has been tried in the past, asking why it failed, before making recommendations for further action where it is deemed necessary. We encourage a friendly response to telephone calls, which have become even more important over the last nine months, when so many people have felt isolated or fearful over the impact of this virus. Sadly, people can only visit the office these days by prior appointment, and our regular tenant meetings at each scheme, where we invite open discussion on all issues, have ceased due to the Covid restrictions, motivated by our desire to help our tenants stay safe during the pandemic. Our Scheme Managers have given sterling service during this time, and thanks to their help and awareness of their tenants' needs, and propensities, the schemes seem to be coping well. The volunteer service which arose from the initial lockdown also helped many of our residents with their shopping and collecting prescriptions etc.. 'The Elder', our quarterly publication, offers another means of staying in touch with tenants, shareholders and the wider public, sadly leaving copies in various waiting rooms etc., has been curtailed recently due to current restrictions. Please note that while I wrote the article about Mike's forthcoming retirement in the Autumn/Winter edition of this newsletter he chose the photograph! Over the past nine years that I have been involved with the societies I have noted an increased level of expectation from some of our tenants and their families. Obviously this is not true of the vast majority but it can impact on a whole scheme when a tenant fails to be sensitive to the wider community, or their families fail to assist us with either increasing their level of personal care or reviewing entirely the appropriateness of their placement. While we endeavour to resolve as many areas of concern as we can, and work with tenants before debt or their personal circumstance become a real issue, the ever changing levels of community service provision, benefits and financial support, can make it complicated for even the most organised households. On the whole we have a very good mix of tenants who welcome us whenever we meet with them, but sadly the lack of coffee mornings, quiz nights, fish-and-chip suppers and many other social occasions during this year is a concern for us all, and I am sure that once these activities can be resumed the happier many people will be. Just having the Common Rooms open once more will help many to feel better, even those who do not use them regularly.

Development:

We have been very proactive in this area over the past few years replacing twelve 1930s houses with twenty 'purpose' build flats at Eaton, which are now fully occupied without incurring any debt and our residents are content. The development of the adjacent property at 11 Bluebell Road Eaton, which Stuart Court Memorial Charity bought to refurbish into two self-contained flats, having accepted the requirement to accommodate bats in one of the eaves, plus replacing the additional annex with a new build which will provide another two flats on that land has not yet progressed. The delay was caused by the decision to detach the four bungalows, and a small common room from the original house as a result of a value-engineering exercise which also created clear boundaries for both societies, as the new builds will be owned by Norwich Housing Society. Norwich Housing Society has paid compensation to Stuart Memorial Charity for the extra expense incurred in Council Tax payments caused by the unforeseen issues and delays which we had not anticipated. We have sold two of our older general needs properties, which were less cost efficient and in need of some expensive repairs, to help fund this project, been given a grant by Norwich City Council, raised a loan assisted by the Charity Bank on very favourable terms, and are now negotiating a loan with Lloyds Bank for this development, which has proved costly due to many unforeseen issues and the effect of the Covid 19 restrictions as regards working on-site. The report on all this will make interesting reading which will hopefully help us, and others, to avoid some of the pitfalls we have had to face. Two helpful conclusions can be drawn from this, working in partnership with another company makes the cost and outcome more predictable, and if we record all this well those who follow us should gain from our experiences. Hopefully building will commence on site during the week beginning 25th January, Covid 19, and weather permitting.

Norwich Housing Society Limited

Report of the Chairman (continued)

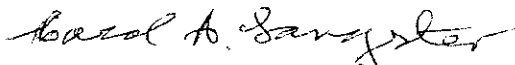
For the year ended 31 October 2020

Feed Back:

Although the results of our triannual Acuity Questionnaires have been very high to date we must always note the effect of what we do, challenge why we are doing it, and consider the way we approach our duties, while remaining diligent in our desire to improve all aspects of service provision and staffing levels, as there is no room for complacency in these stressful times. I believe I am not alone when I yearn for some stability in matters of international trading and the way the United Kingdom intends to conduct its business in the coming months and years. The lack of certainty in the rules and regulations governing us as regards development, charitable status and funding, as well as in matters of health provision for our tenants, all impact on the way we work, and the guidance we can give to those who rely on us each and every day.

Conclusion:

I would like to thank the Board Members, Staff and Ancillary workers who help make our tenants' daily lives more comfortable, while making sure both societies continue to provide their invaluable contribution to the over-sixties who seek our help in the Norwich area. I have not itemised the day to day work of the societies, as these are all recorded in the minutes of the meetings in question, and are not relevant to the wider community, but rest assured the new CEO and I will always be available to discuss any matter with those who ask, provided it is appropriate so to do. I would also like to thank the current CEO for the working relationship we have enjoyed over recent years and look forward to expressing our appreciation of his work before he leaves at the end of March next year. I love working for these societies and am motivated by the fact that they provide an essential resource to this sector of the population. I am very aware of the amazing contribution of all our board members, and the quality of the staff we now have who carry out our plans and expectations each and every day. The most satisfying aspect of all this is the way people take responsibility for their task, while also considering the broader picture which in turn means that we are more innovative and successful in the services we provide. To the shareholders I say thank you for your support as we value your feedback and are happy to hear from you at any time.



Carol A Sangster
Board Chairman

02/02/2021

Norwich Housing Society Limited

Report of the Chairman (continued)

For the year ended 31 October 2020

Board of Management members

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

M Land is a member of Real Consulting (Cost and Project Management) LLP, an advisor to the Society. C Haystead is an officer of Norwich City Council. J Boon provides architectural services to the Society. 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 decreased from £1,584k (2019) to £1,582k after voids.

Operating costs are higher than the previous year amounting to £1,409k (2019: £1,323k).

A surplus of £204,321 (2019: £339,338) has been added to reserves. During the year we invested £393,393 (2019: £230,830) in capital expenditure.

The Society had net current liabilities of £79,402 at 31 October 2020 (2019: net current assets of £60,526). This arises principally from loan repayments due within one year. The Society closely monitors its cash flow to ensure there are sufficient funds being generated to fund these commitments.

Rent policy

The Society's rent policy is in accordance with the government's Rent Influencing Regime (Rent Restructuring).

Reserves policy

It is the policy of the Society to reinvest all surpluses in the maintenance and improvement of its properties and additional development.

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.

Value for money

The Society's assets are managed in order to deliver the best possible service as efficiently, effectively and economically as possible. The Board's sub-committees and the full Management Board all meet regularly throughout the year and review operational results against set objectives.

The condition of the Society's portfolio is regularly reviewed in order to maintain properties to a high standard. New schemes are developed to replace old properties, where appropriate and any grant funding available is maximised.

Norwich Housing Society Limited

Report of the Chairman (continued)

For the year ended 31 October 2020

Tenants' satisfaction with property repairs is regularly measured and monitored. 95% of tenants who had a repair carried out in the year to October 2019 were either satisfied or very satisfied with the work done and the way it was undertaken. 5% were either dissatisfied or had no opinion. Similar levels of satisfaction were attained for 2020.

Performance indicators are benchmarked against other small housing providers for older people.

In July 2019, a firm of consultants was commissioned to carry out the triennial tenants' satisfaction survey. A high response rate of 79% was obtained. Overall satisfaction with the services provided by the Society was at 96%, with very high ratings also awarded for the quality of the home (96%) and the neighbourhood (91%). The satisfaction ratings are evidence of strong performance at the Society and are a credit to staff, management and the Board.

Around nine out of ten tenants were satisfied with the value for money of the rent (94%) and with their service charges (88%). Satisfaction with the value for money of the rent was a little higher than the results from 2016 (93%) and 2013 (90%). This level of satisfaction is high and appears to be increasing and maybe a reflection of the obligatory reduction in rent, but also improved services.

The Net Promoter Score for the Society was 74, which compares very well with other social housing providers.

The overall level of satisfaction at Norwich Housing Society for Housing for Older People was 97% and was 8% above the HouseMark median (87%). This rating places Norwich Housing Society in the top quartile.

The Regulator of Social Housing (RSH) has published a value for money standard which must be adhered to by Registered Providers. This includes the need to publish nine measures in a standard form to enable comparison across the sector, accepting that there will be variances associated with each business's policies, strategy and focus. The Society continues to develop and improve its property stock and a small number of houses were sold in both 2019 and 2020 to help fund this.

VFM metric	2020	2019	2018
1. Reinvestment %	3.3%	2.0%	10.4%
2. New supply delivered (social housing units %)	0%	0%	6.8%
3. New supply delivered (non-social housing units %)	0%	0%	0%
4. Gearing %	10.8%	12.2%	13.4%
5. EBITA MRI interest cover %	508.3%	248.8%	7.5%
6. Headline social housing cost per unit	£3,962	£4,443	£5,011
7. Operating margin (social housing) %	9.8%	15.3%	13.3%
8. Operating margin (overall) %	10.9%	16.5%	14.5%
9. ROCE %	1.5%	2.2%	1.9%

The Society's development at Leander Court, contracted for in 2016, was completed during 2018, providing an additional 20 flats. It is the Society's policy to spend any surplus funds on maintaining the property stock and significant expenditure, both capital and revenue, was made in all years. The smaller value of improvement works capitalised in 2019 and 2020 gives rise to the variations in the Reinvestment % and Interest Cover % metrics. Less interest was also payable in 2020.

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>

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.

Norwich Housing Society Limited

Report of the Chairman (continued)

For the year ended 31 October 2020

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 attaching 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, 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 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 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.

Norwich Housing Society Limited

Report of the Board of Management

For the year ended 31 October 2020

Equal opportunities

The Society believes it has a "fair housing programme" which does not discriminate on the grounds of colour or race, sex or disability in each of the five following categories - Access to housing; Quality of housing; Security of tenure; Influence over management; and Redress when things go wrong.

It is also intended that this policy should extend to the Society's employees, consultants and contractors and to the composition of the Board of Management.

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 2015. 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

Carol Sangster
Chair



02/02/2021

Norwich Housing Society Limited

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

Year ended 31 October 2020

Opinion

We have audited the financial statements of Norwich Housing Society Limited for the year ended 31 October 2020 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 association's affairs as at 31 October 2020 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 2019.

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 association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the board's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the board has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the association's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Norwich Housing Society Limited

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

Year ended 31 October 2020

Other information

The board is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 association 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 association'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 9, 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 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 board is responsible for assessing the association'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 association 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.

Norwich Housing Society Limited

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

Year ended 31 October 2020

A further description of our responsibilities for the audit of financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the housing association'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 association'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 association and the association's members as a body, for our audit work, for this report, or for the opinions we have formed.

Lovewell Blake LLP

**Lovewell Blake LLP
Statutory Auditor
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB**

08/02/2021
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Norwich Housing Society Limited
Statement of Comprehensive Income
For the year ended 31 October 2020

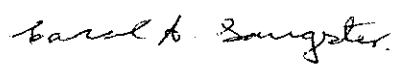
	Note	2020 £	2019 £
Turnover	2	1,582,058	1,584,089
Operating expenditure	2	(1,409,075)	(1,323,102)
Operating surplus		172,983	260,987
Gain on disposal of tangible fixed assets	5	106,021	174,800
Interest receivable	3	1,162	1,197
Interest and financing costs	4	(75,845)	(97,646)
Total comprehensive income for the year		<u>204,321</u>	<u>339,338</u>


The only recognised gain is the surplus for the year of £204,321.

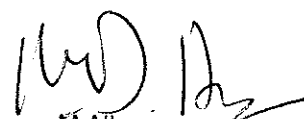
There is no difference between the reported surplus for the year and historical cost surpluses or deficits.

The results relate wholly to continuing activities.

The financial statements were approved by the board on 2nd Feb 2021


C Sangster
(Chairman)


J Booth
(Vice Chairman)


M Allen
(Secretary)

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

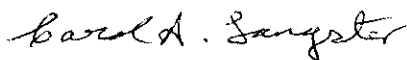
Norwich Housing Society Limited

Balance Sheet

31 October 2020

	Note	2020		2019
		£	£	£
Fixed assets				
Tangible fixed assets	10, 11		11,819,263	11,682,430
Current assets				
Trade and other debtors	12	156,309	174,629	
Cash and cash equivalents		242,333	339,731	
		<u>398,642</u>	<u>514,360</u>	
Creditors: amounts falling due within one year	13	<u>(478,044)</u>	<u>(453,834)</u>	
Net current assets / (liabilities)			<u>(79,402)</u>	<u>60,526</u>
Total assets less current liabilities			11,739,861	11,742,956
Creditors: amounts falling due after more than one year	14		<u>(3,331,063)</u>	<u>(3,538,480)</u>
Total net assets			<u>8,408,798</u>	<u>8,204,476</u>
Capital and reserves				
Called up share capital	15	29	28	
Income and expenditure reserve		<u>8,408,769</u>	<u>8,204,448</u>	
Total reserves			<u>8,408,798</u>	<u>8,204,476</u>

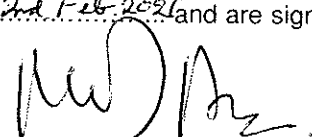
The financial statements were approved and authorised for issue by the Board on ~~2nd Feb 2021~~ and are signed on its behalf by:-



C Sangster
(Chairman)



J Bogn
(Vice Chairman)



M Allen
(Secretary)

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 2020

	Called up Share capital £	Income and expenditure reserve £	Total £
Balance at 1 November 2018	30	7,865,110	7,865,110
Surplus from statement of comprehensive income	-	330,338	330,338
Share capital cancelled	<u>(2)</u>	-	<u>(2)</u>
Balance at 1 November 2019	28	8,204,448	8,204,476
Surplus from statement of comprehensive income	-	204,321	204,321
Share capital issued	<u>1</u>	-	<u>1</u>
Balance at 31 October 2020	<u>29</u>	<u>8,408,769</u>	<u>8,408,798</u>

Norwich Housing Society Limited

Statement of Cash Flows

For the year ended 31 October 2020

	Note	2020 £	2019 £
Net cash generated from operating activities	17	<u>510,337</u>	<u>204,327</u>
Cash flow from investing activities			
Purchase of tangible fixed assets		(393,393)	(230,830)
Proceeds from sale of tangible fixed assets		106,587	276,488
Interest received		<u>1,162</u>	<u>1,197</u>
Net cash flow from investing activities		<u>(285,644)</u>	<u>46,855</u>
Cash flow from financing activities			
Shares issued		1	-
Repayments of borrowings		(246,247)	(234,988)
Interest paid		<u>(75,845)</u>	<u>(97,646)</u>
Net cash flow from financing activities		<u>(322,091)</u>	<u>(332,634)</u>
Net change in cash and cash equivalents		(97,398)	(81,452)
Cash and cash equivalents at beginning of the year		<u>339,731</u>	<u>421,183</u>
Cash and cash equivalents at end of the year		<u>242,333</u>	<u>339,731</u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		61,518	71,874
Short term deposits		<u>180,815</u>	<u>267,857</u>
Cash and cash equivalents at 31 October 2020		<u>242,333</u>	<u>339,731</u>

Norwich Housing Society Limited

Notes to the Financial Statements

For the year ended 31 October 2020

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 2019. 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 2020

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 alarm systems, have been accounted for and depreciated separately from the connected housing property, over their expected useful economic lives.

The disposal proceeds from properties owned outright are included in turnover and the surplus or deficit is accounted for in the income and expenditure account of the period in which the disposal occurs as the difference between the net sale proceeds and the net carrying value.

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 2020

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 Association 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 2020

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. 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. The Board of Management have taken into account the impact of COVID-19 in making this assessment.

Norwich Housing Society Limited

Notes to the Financial Statements

For the year ended 31 October 2020

2. Particulars of turnover, costs of sales, operating expenditure and operating surplus						
	Turnover	Operating Costs	2020 Operating Surplus	Turnover	Operating Costs	2019 Operating Surplus
	£	£	£	£	£	£
Social housing lettings (note 7)	1,561,789	(1,409,075)	152,714	1,562,941	(1,323,102)	239,839
Activities other than social housing activities	20,269	-	20,269	21,148	-	21,148
	<u>1,582,058</u>	<u>(1,409,075)</u>	<u>172,983</u>	<u>1,584,089</u>	<u>(1,323,102)</u>	<u>260,987</u>
3. Interest and other finance income and charges						
				2020		2019
				£		£
Bank interest receivable				<u>1,162</u>		<u>1,197</u>
4. Interest payable and similar charges						
				2020		2019
				£		£
Bank loans and overdrafts				75,845		86,904
Other financing charges				-		10,742
				<u>75,845</u>		<u>97,646</u>
5. Disposals of housing properties held as tangible fixed assets						
				2020		2019
				£		£
Proceeds from the disposal of housing properties				106,587		276,488
Carrying value of housing properties				(566)		(101,688)
				<u>106,021</u>		<u>174,800</u>
6. Operating surplus						
The operating surplus is stated after charging/(crediting):						
				2020		2019
				£		£
Depreciation of tangible fixed assets				255,994		256,433
Key management personnel remuneration (see note 8)				117,155		107,504
Auditor's remuneration for audit				8,124		7,968
Auditor's remuneration for non-audit				135		889
Rent losses from bad debts				(342)		(3,184)
Government grants				(44,641)		(44,806)

Norwich Housing Society Limited
Notes to the Financial Statements (Continued)

For the year ended 31 October 2020

7. Particulars of turnover and operating expenditure

	2020 General needs housing £	2020 Supported housing (including housing for older people) £	2020 Total £	2019 General needs housing £	2019 Supported housing (including housing for older people) £	2019 Total £
Income						
Rents receivable net of identifiable service charges	65,467	1,181,041	1,246,508	82,962	1,169,094	1,252,056
Service charge income	2,355	238,218	240,573	5,836	230,152	235,988
Government grants taken to income	-	44,641	44,641	-	44,806	44,806
Turnover from social housing lettings	<u>67,822</u>	<u>1,463,900</u>	<u>1,531,722</u>	<u>88,798</u>	<u>1,444,052</u>	<u>1,532,850</u>
Other income	-	30,067	30,067	-	30,091	30,091
Total income	<u>67,822</u>	<u>1,493,967</u>	<u>1,561,789</u>	<u>88,798</u>	<u>1,474,143</u>	<u>1,562,941</u>
Operating expenditure						
Management	(16,871)	(389,438)	(406,309)	(15,657)	(333,620)	(349,277)
Service charge costs	(3,410)	(212,768)	(216,178)	(3,125)	(202,232)	(205,357)
Routine maintenance	(3,802)	(149,668)	(153,470)	(8,597)	(186,752)	(195,349)
Planned maintenance	(40)	(226,021)	(226,061)	(200)	(234,825)	(235,025)
Major repairs expenditure	-	(150,721)	(150,721)	-	(78,477)	(78,477)
Bad debts	-	(342)	(342)	-	(3,184)	(3,184)
Depreciation	-	(255,994)	(255,994)	-	(256,433)	(256,433)
Total operating expenditure costs on social housing lettings	<u>(24,123)</u>	<u>(1,384,952)</u>	<u>(1,409,075)</u>	<u>(27,579)</u>	<u>(1,295,523)</u>	<u>(1,323,102)</u>
Operating surplus on social housing lettings	<u>43,699</u>	<u>109,015</u>	<u>152,714</u>	<u>61,219</u>	<u>178,620</u>	<u>239,839</u>
Void losses (being rental income lost as a result of property not being let, although it is available for letting)	(7,005)	(49,157)	(56,162)	(7,087)	(65,138)	(72,225)

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 2020

7. Particulars of turnover and administrative expenditure (continued)

Turnover from non-social housing lettings:

	2020 £	2019 £
Commercial lettings	<u>20,269</u>	<u>21,148</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:

	2020 £	2019 £
Basic salary	105,545	97,210
Pension contributions	<u>11,610</u>	<u>10,294</u>
	<u>117,155</u>	<u>107,504</u>

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. During the period the total amount contributed to his individual pension arrangement was £6,663 (2019: £5,853).

£894 travel expenses were reimbursed to the senior management team (2019: £1,087).

No travel expenses were reimbursed to the Board of Management (2019: £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	
	2020	2019
Management and administration	9	8
Housing, support and care	4	4
	—	—
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 (2019: 10). For part-time workers, full-time equivalent numbers are calculated based upon the basic hours worked.

The aggregate remuneration of such employees was as follows:

	2020 £	2019 £
Wages and salaries	308,404	266,087
Social security costs	23,886	20,089
Pension costs	30,465	25,491
	<u>362,755</u>	<u>311,667</u>

Norwich Housing Society Limited

Notes to the Financial Statements (Continued)

For the year ended 31 October 2020

9. Staff costs (continued)

The number of employees with employee benefits (excluding employer pension costs) in excess of £60,000 was:

	2020	2019
	No.	No.
£60,001 - £70,000	1	-
	-	-
	<u>1</u>	<u>-</u>

10. Tangible fixed assets - housing properties

	Social housing properties held for letting £	Housing properties for letting under construction £	Total housing properties £
Cost			
At 1 November 2019	14,944,795	-	14,944,795
Additions	-	393,393	393,393
Disposals	(566)	-	(566)
At 31 October 2020	<u>14,944,229</u>	<u>393,393</u>	<u>15,337,622</u>
Depreciation			
At 1 November 2019	3,267,523	-	3,267,523
Charge for the year	252,702	-	252,702
Eliminated on disposals	-	-	-
At 31 October 2020	<u>3,520,225</u>	<u>-</u>	<u>3,520,225</u>
Net book value at 31 October 2020	<u>11,424,004</u>	<u>393,393</u>	<u>11,817,397</u>
Net book value at 31 October 2019	<u>11,677,272</u>	<u>-</u>	<u>11,677,272</u>

All properties are freehold and available for let. Land is not depreciated. The land element totals £2,095,446 (2019: £2,095,446).

Expenditure on works to existing properties

	2020	2019
	£	£
Improvement works capitalised	393,393	230,830
Amounts charged to income and expenditure (note 7)	530,252	508,851
	<u>923,645</u>	<u>739,681</u>

Norwich Housing Society Limited

Notes to the Financial Statements (Continued)

For the year ended 31 October 2020

10. Tangible fixed assets - housing properties (continued)

Social housing assistance

	2020	2019
	£	£
Total accumulated social housing grant received or receivable at 31 October 2020	<u>2,863,257</u>	<u>2,754,357</u>
Recognised to date in the Statement of Comprehensive Income Held as deferred income (notes 13 and 14)	736,230 2,127,027	691,589 2,062,768
	<u>2,863,257</u>	<u>2,754,357</u>

11. Tangible fixed assets - fixtures, fittings and equipment

	Total
	£
Cost	
At 1 November 2019	89,703
Additions	-
	<u>89,703</u>
Depreciation	
At 1 November 2019	84,545
Charge for year	3,292
	<u>87,837</u>
At 31 October 2020	<u>87,837</u>
Net book value at 31 October 2020	<u>1,866</u>
Net book value at 31 October 2019	<u>5,158</u>

12. Trade and other debtors

	2020	2019
	£	£
Trade debtors (gross social housing rent arrears)	32,091	30,808
Less provision for bad and doubtful debts	(4,200)	(4,200)
Other debtors	113,068	134,613
Prepayments and accrued income	15,350	13,408
	<u>156,309</u>	<u>174,629</u>

Norwich Housing Society Limited

Notes to the Financial Statements (Continued)

For the year ended 31 October 2020

13. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	271,359	245,765
Trade creditors	78,579	68,482
Rents paid in advance	37,802	40,895
Other creditors	11,606	9,165
Accruals and deferred income	27,444	38,830
Other tax and social security	6,613	5,891
Government grants	44,641	44,806
	<u>478,044</u>	<u>453,834</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

	2020 £	2019 £
Bank loans and overdrafts	1,248,677	1,520,518
Government grants	2,082,386	2,017,962
	<u>3,331,063</u>	<u>3,538,480</u>

The bank loans include aggregate amounts of £115,645 (2019: £392,703) 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, £410,000 (2019: £480,000) was subject to a floating rate of 0.65% over the Bank of England base rate, £410,000 (2019: £480,000) was subject to fixed rates of interest at 5.315%, £235,342 (2019: £270,518) at 6.175% and £228,945 (2019: £264,718) at 6.185%. The remainder is at various fixed rates of interest, ranging from 9.125% to 10.75%.

15. Share capital and reserves

	2020 £	2019 £
Share capital		
Allotted, called up and fully paid:		
At 1 November 2019	28	30
Shares issued during the year	1	-
Shares cancelled during the year	-	(2)
	<u>29</u>	<u>28</u>
At 31 October 2020	<u>29</u>	<u>28</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.

On 15 September 2020 shares which had an aggregate nominal value of £1 were allotted for aggregate consideration of £1.

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 2020

16. Accommodation owned, managed and in development

	Number of units	
	31 Oct 20	31 Oct 19
<i>Social housing</i>		
General needs housing:		
Let at social rent	12	13
Housing for older people	277	277
<i>Non-social housing</i>		
Commercial lettings	2	2
	—	—
Total owned and managed	<u>291</u>	<u>292</u>
Accommodation in development	<u>4</u>	=

Norwich Housing Society also manages 25 properties for Stuart Court Memorial Charity, for whom it is the sole trustee. See note 19.

17. Cash flow from operating activities

	2020	2019
	£	£
Surplus for the year	172,983	260,987
Depreciation of tangible fixed assets	255,994	256,433
Decrease / (Increase) in trade and other debtors	18,320	(130,020)
Increase / (Decrease) in trade and other creditors	63,040	(183,073)
	—	—
	<u>510,337</u>	<u>204,327</u>

18. Analysis of changes in net debt

	At 1 Nov	Cash	Other	At 31 Oct
	2019	Flows	Non-	2020
	£	£	Cash	£
			Changes	
			£	
Cash	339,731	(97,398)	-	242,333
Cash equivalents	-	-	-	-
	<u>339,731</u>	<u>(97,398)</u>	<u>-</u>	<u>242,333</u>
Loans falling due within one year	(245,765)	246,247	(271,841)	(271,359)
Loans falling due after more than one year	(1,520,518)	-	271,841	(1,248,677)
	—	—	—	—
Total	<u>(1,426,552)</u>	<u>148,849</u>	<u>-</u>	<u>(1,277,703)</u>

Norwich Housing Society Limited

Notes to the Financial Statements (Continued)

For the year ended 31 October 2020

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 19). Transactions between the two entities can be summarised as follows:

	2020 £	2019 £
Management charge receivable from Stuart Court Memorial Charity	<u>20,640</u>	<u>19,800</u>

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

	2020 £	2019 £
Amounts owed by/(to) Stuart Court Memorial Charity at 31 October 2020	<u>3,253</u>	<u>(601)</u>

During the year consultancy services to the value of £Nil (2019: £1,403) were provided to the Society by Real Consulting (Cost and Project Management) LLP, in which M Land is a member. M Land is also a member of the Board of Management of Norwich Housing Society. At the year-end the Society owed £Nil (2019: £Nil) to the partnership.

During the year architectural services to the value of £3,766 (2019: £8,711) were provided to the charity by Jon Boon who is a member of the Board of Management of Norwich Housing Society Limited. At the year end the charity owed £Nil (2019: £Nil) to Mr Boon.

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 set out 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 2020 is provided below:

	2020 £	2019 £
Turnover	145,696	135,407
Operating costs	<u>(122,941)</u>	<u>(89,801)</u>
Operating surplus	<u>22,755</u>	<u>45,606</u>
Surplus/(Deficit) for the year	<u>11,242</u>	<u>27,925</u>
Accumulated reserve at the year-end	<u>957,068</u>	<u>945,826</u>

Norwich Housing Society Limited

Notes to the Financial Statements (Continued)

For the year ended 31 October 2020

21. 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 £30,465 (2019: £25,491). Contributions totalling £169 (2019: £Nil) were payable to the fund at the year-end and are included in creditors.