

Charity Registration No: 1055759
Company Registration No: 03199738
(England & Wales)



NEW ROOTS LIMITED

**Annual Report & Unaudited Financial Statements
for the year ended 29 February 2024**

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LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 29 FEBRUARY 2024

Trustees	Raymond Goodwin Dominic Bennett Bentley Cunningham Kate Foley Martin Levermore	Appointed 18/10/2023 Appointed 25/10/2023 Resigned 16/08/2023
Chief Executive Officer	Derek Douglas	
Charity number	1055759	
Company number	3199738	
Principal address	Quayside Tower 252-260 Broad Street Birmingham B1 2HF	
Registered office	Quayside Tower 252-260 Broad Street Birmingham B1 2HF	
Independent examiner	Stephanie J Beeston-Clarke FCCA Beeston-Clarke Accountants Ltd 242 Leicester Rd Markfield Leicester LE67 9RG	
Bankers	HSBC 148 High Street Harborne Birmingham B17 9PN	
Solicitors	Anthony Collins Solicitors 134 Edmund Street Birmingham B3 2ES Shakespeare Martineau Waterfront House Waterfront Plaza 35 Station Street Nottingham NG2 3DQ	

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (continued) FOR THE YEAR ENDED 29 FEBRUARY 2024

The Trustees present their report and financial statements for the year ended 29 February 2024.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (published in October 2019).

OBJECTIVES AND ACTIVITIES

Principal objectives and activities

The Charitable objectives of New Roots Ltd

- Provide and facilitate the provision of temporary accommodation; social housing; supported housing and specialised supported housing to vulnerable members of society.
- To do any other lawful activities connected with or incidental to the provision and management of housing, social housing and accommodation.
- The advancement of education amongst such persons by the provision of training courses as will enable them to acquire and develop vocational skills which will enhance their employment prospects.
- The company shall not trade for profit and nothing shall be paid or transferred by way of profit to members of the company

Structure, governance and management

The charity is a company limited by guarantee incorporated on 16 May 1996 and governed by its Articles of Association. Operations commenced on 16 May 1996. It was registered as a charity under the Charities Act 2011 on 31 May 1996.

None of the Trustees have any beneficial interest in the charitable company. All of the Trustees are volunteers. Trustees are assisted to fulfil their duties by the chief executives and by other advisors, who offer information and assistance in undertaking all their governance tasks. It is the responsibility of the Trustees to meet to make balanced, proportionate and clear decisions about the future of the charitable company, and make all disclosures about the organisation.

Through consideration of reports on financial management, income, expenditure, liquidity, investments and of forecasts for the next twelve months, Trustees have analysed any risks to the charity, and have identified no material uncertainties that cast doubt about the ability of the company to continue as a going concern.

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Raymond Goodwin	
Dominic Bennett	
Bentley Cunningham	Appointed 18/10/2023
Kate Foley	Appointed 25/10/2023
Martin Levermore	Resigned 16/08/2023

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (continued) FOR THE YEAR ENDED 29 FEBRUARY 2024

Structure, governance and management (continued)

Trustee Recruitment and Appointment

Trustees' appointments are governed by section 28 & 34 of their Articles of Association which states the following;

28 The minimum number of directors shall be 3 but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum."

34 Appointment of directors

The charity may by ordinary resolution:

- (1) appoint a person who is willing to act to be a director; and
- (2) determine the rotation in which any additional directors are to retire.

Trustee Inductions and Training

All Trustees are given an induction by the Chair in terms of the history of the Trust and the CEO as regards to the operation. Trustees are advised of online training and updates relating to their roles and responsibility. We are also members of National Council of Voluntary Organisations (NCVO) who sends us updates and online training sessions regarding Trustees.

Organisational Structure

The Board of Trustees are responsible for governance, making strategic and policy decisions, approval of budgets, the sale or purchase of major assets such as land and buildings, and the starting/ending of services under local authority contracts or others.

The board of Trustees meet every two months to manage and monitor the strategic direction and operations of the Charity.

The operational and day-to-day decisions delegated to the Chief Executive Officer. No board member receives remuneration for their role.

Risk Management

The Trustees review the major risks which the charity faces at each board meeting.

Governance and Internal Control

The charity's system of internal controls is designed to provide reasonable but not absolute assurance against material misstatement or loss. The Trustees are satisfied that the systems in place reduce their exposure to major issues to an acceptable level.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (continued) FOR THE YEAR ENDED 29 FEBRUARY 2024

Achievements and Performance

This year has presented significant challenges as we transitioned from a Housing Association, wound down operations with a small team, and established a new strategic direction.

New Roots is advancing with a new strategy, focusing on providing housing and accommodation for vulnerable people and supporting communities. We have been actively working to develop partnerships with grassroots organisations, anchor institutions, and national funders.

Birmingham is currently transforming with the development of new offices and accommodation blocks. While these changes may suggest growth, the benefits often do not necessarily reach poorer communities. Birmingham, which has the largest local authority in the UK, is under financial strain, leading to a shift in service delivery. In many cases, the third sector has stepped in to fill the gaps where possible. As we move forward, we are committed to building opportunities with the City Council and funders to ensure vulnerable populations are supported, and empowered, and to promote active citizenship.

Engaging with potential Partners

Charities Aid Foundation (CAF): We have engaged with representatives from CAF, the largest charity in the UK, who are re-evaluating their work with community organisations and the impact of their funding on communities and vulnerable people. We aim to collaborate with CAF as we refine our strategy by exploring how best to align resources with our objectives.

Barrow Cadbury Trust: We have participated in several meetings hosted by Barrow Cadbury Trust, aimed at addressing the root causes of economic injustice. These gatherings brought together individuals from affected communities, community and campaign groups, and civil society organisations to focus on economic systems that perpetuate and exacerbate inequality in the city. By highlighting the connection between the economy and justice, we aim to work more effectively to find solutions that reduce economic injustice in hard-hit communities.

Stockland Green: We are collaborating with a task force to co-create an action plan addressing community safety concerns, particularly around anti-social behaviour (ASB) and the proliferation of Houses in Multiple Occupation (HMOs). Our goal is to empower the community to address these issues effectively and build capacity for residents to play an active role in improving community safety.

Housing Associations: The lack of affordable housing is not only placing economic strain on the city but also deeply affecting residents' lives and morale. We have engaged with several housing associations to explore the possibility of purchasing surplus stock destined for auction, creating a second life of affordable accommodation for families and individuals. We believe this approach could help alleviate the economic and social pressures associated with shared accommodation and Exempt Housing, which often impact low-income residents who face various social conflicts.

Locality: As members of Locality, our core aim is to support local organisations to become stronger and more successful by providing specialist advice, peer-learning opportunities, resources, and campaigns that help communities thrive. Many grassroots organisations lack the resources to participate fully, and our goal is to act as an anchor, bringing these services closer to where they are needed most.

Programmes we will be looking into over the next period

Research and Development: There is a significant need for more research at a local level, particularly regarding the overspill of temporary accommodation involving individuals with mental health issues, such as autism, and the disproportionate challenges faced by BAME communities transitioning to independent or supported housing. We will seek to collaborate with a local university to conduct research that could provide a roadmap for creating fundable support services, especially around temporary housing solutions like Exempt Accommodation.

Achievements and Performance (continued)

Programmes we will be looking into over the next period (continued)

Criminal Justice: Many individuals who find themselves homeless after leaving the penal system end up in temporary housing that may not be suitable for their needs. Opportunities are emerging from the Ministry of Justice, including tenders for Emotional Resilience Training and peer support in prisons. We aim to explore these opportunities to better support individuals in finding stable housing and employment post-release.

Innovation: We are committed to challenging existing approaches to poverty and developing new ways of thinking about the landscape. Many communities lack a voice but aspire to live in decent homes and safe environments. Current structural programmes often remain inaccessible to vulnerable people, leaving them at the starting line. We believe that tackling social injustices requires bold new service delivery models and partnerships across sectors to co-produce programmes that create momentum and lift communities from the margins.

Conclusion

Social justice will be the guiding principle for New Roots moving forward. To ensure the "bank of social justice" is not bankrupt, we must forge partnerships with organisations and individuals committed to equality and opportunity for vulnerable people. While dialogue is important, action is essential. Our goal is to work with vulnerable citizens to provide the support they need to achieve self-reliance and fulfil their potential.

Financial review

The charitable company's income totalled £71,308 (2023: £26,279).

The charity generated a deficit in the year of £181,670 (2022: deficit £294,488).

As at the year ending 29 February 2024, the Charity had unrestricted reserves of £3,124,027 (2023: £3,305,697) and free reserves of £2,770,395 (2023: £2,944,697).

Reserves Policy

The Trustees maintain reserves to enable the charity to provide a stable and quality service to its beneficiaries. The policy aims to provide working capital where funding is paid in arrears, its ability to meet contractual liabilities and unexpected costs, including legal costs defending the charity's interest.

The Trustees review the level of reserves regularly and set a prudent level depending on the current situation. Where considered necessary, the Trustees will allocate funds into a designated fund where the future material expenditure is planned. At 29 February 2024 there were no funds designated for future material expenditure.

The current level of reserves is to hold a minimum of 3 months operating costs (after exceptional items) at all times. Due to the restructure of the charity in 2021/2022 and previous activities, the reserves level is now significantly above the reserves policy level. The Trustees will continue to review the level of reserves as the charity evolves.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (continued)
FOR THE YEAR ENDED 29 FEBRUARY 2024

TRUSTEES RESPONSIBILITY STATEMENT

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

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources of the charitable company for the year.

In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities 2019 (FRS 102) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Trustees/Directors on 27 September 2024 and signed on its behalf by:


[raymond Goodwin \(Oct 3, 2024 12:51 GMT+1\)](#)

Raymond Goodwin
Chair of Trustees

INDEPENDENT EXAMINERS REPORT FOR THE YEAR ENDED 29 FEBRUARY 2024

I report to the Trustees on my examination of the financial statements of New Roots Limited (the charitable company) for the year ended 29 February 2024, which are set out on pages 9 to 17.

Respective responsibilities of trustees and examiner

As the charity trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charitable company's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Direction given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed by examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- (i) accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- (ii) the financial statements do not accord with those records; or
- (iii) the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- (iv) the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

I have no other concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Stephanie J Beeston-Clarke FCCA
Beeston-Clarke Accountants Limited
242 Leicester Road
Markfield
Leicester
LE67 9RG

Dated: 3 October 2024

New Roots Limited

STATEMENT OF FINANCIAL ACTIVITIES (including Income & Expenditure Account) FOR THE YEAR ENDED 29 FEBRUARY 2024

	Notes	2024 £	2023 £
<u>Income and endowments from:</u>			
Donations & legacies	3	-	-
Charitable activities	4	-	-
Other trading activities	5	21,599	14,246
Investments	6	49,709	12,033
Other income		-	-
Total income		71,308	26,279
<u>Expenditure:</u>			
Charitable Activities	7	252,978	320,767
Total resources expended		252,978	320,767
Net incoming/(outgoing) resources before transfers		(181,670)	(294,488)
Exceptional items	12	-	931,870
Net income/(expenditure) for the year / net movement in funds		(181,670)	637,382
Fund balances at 28 February 2023		3,305,697	2,668,315
Fund balances at 29 February 2024		3,124,027	3,305,697

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

The statement of financial activities also complies with the requirement for an income and expenditure account under the Companies Act 2006.

New Roots Limited
BALANCE SHEET
AS AT 29 FEBRUARY 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible fixed assets	13		353,632		361,000
Current assets					
Debtors	14	448,842		446,300	
Cash at bank and in hand		<u>2,837,481</u>		<u>3,043,187</u>	
		3,286,323		3,489,487	
Creditors: amounts falling due within 1 year	15	<u>515,928</u>		<u>544,790</u>	
Net current assets			2,770,395		2,944,697
Total assets less current liabilities			<u>3,124,027</u>		<u>3,305,697</u>
Funds					
Unrestricted funds			<u>3,124,027</u>		<u>3,305,697</u>
			<u>3,124,027</u>		<u>3,305,697</u>

The charitable company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 29 February 2024. No member of the charitable company has deposited a notice, pursuant to section 476, requiring an audit of those accounts.

The Trustees acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

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

The accounts were approved by the Board of Trustees on 27 September 2024

raymond Goodwin
[raymond Goodwin \(Oct 3, 2024 12:51 GMT+1\)](#)

Raymond Goodwin
Chair of Trustees

Company Number 03199738

New Roots Limited

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 29 FEBRUARY 2024

1 Accounting policies

Charity information

New Roots Limited is a charitable company limited by guarantee, incorporated in England and Wales and was an English registered social housing provider up until de-registration on 21 January 2022.

The registered office is Quayside Tower, 15th Floor, 252-260 Broad Street, Birmingham, B1 2HF

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's memorandum and articles of association, the Companies Act 2006, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, UK Generally Accepted Accounting Practice and applicable charity and company law. The charitable company is a Public Benefit Entity as defined by FRS102. The charitable company has taken advantage of the provisions in the SORP for charities applying FRS102 Update Bulletin 2 not to prepare a Statement of Cash Flows.

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

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

1.2 Going concern

The charity's activities, its current financial position, and factors likely to affect its future development are set out within the Trustees Annual Report.

On this basis, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operation for the foreseeable future, being a period of at least 12 months after the date on which the report and Financial Statements are signed. For this reason, the Charity has continued to adopt the going concern basis for the preparation of the Financial Statements.

1.3 Charitable funds

Unrestricted funds are available for use at discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Transfers are made between funds when adequate justification and supporting evidence is provided.

1.4 Incoming resources

Grants are accounted for under the terms of the grant agreement, and allocated between funds according to the basis of the grant being provided. Grant income is recognised when the charity is entitled to it after performance conditions have been met, the amounts can be measured reliably and it is probable that the income will be received. Where the charitable company is required to repay any part of the grant a provision is made for the amount due to be repaid.

Grants from local authorities and similar organisations have been included as contracts for services where applicable or as donations where the money is given with greater freedom of use.

Donations and legacies receivable are accounted for where there is entitlement, sufficient certainty of receipt and the amount can be measured reliably. In the case of unsolicited donations this is usually only when received. All other income is accounted for under the accruals concept. No amounts are included in the financial statements for services donated by volunteers. Donated capital items are included within the financial statements at their current value at the time of donation. Donations and legacy income received specifically for future periods is deferred until those periods.

New Roots Limited

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 29 FEBRUARY 2024

1 Accounting policies (continued)

1.5 Resources expended

All expenses are accounted for on an accruals basis. Expenditure incurred in connection with the specific objects of the charitable company is included under the heading of direct charitable expenditure, overheads are allocated to activities in proportion to their use of facilities. The irrecoverable element of VAT is included with the item of expense to which it relates.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets costing £1,000 or more are capitalised and are stated at cost less depreciation. Donated assets are included at their current value at the time of donation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land & Buildings	50 years straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

New Roots Limited

NOTES TO THE ACCOUNTS (continued) FOR THE YEAR ENDED 29 FEBRUARY 2024

1 Accounting policies (continued)

1.9 Financial instruments (continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

The charitable company operated a defined contribution scheme under auto-enrolment. Contributions payable are charged to the statement of financial activities in the year in which they are payable.

1.12 Leases

Rentals payable under operating leases, including lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.13 Creditors and provisions

Creditors and provisions are recognised where the charitable company 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 value.

1.14 Debtors

Debtors are recognised at the settlement amount due.

2 Critical accounting estimates and judgements

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

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

New Roots Limited

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 29 FEBRUARY 2024

3 Donations and legacies			Total 2024 £	Total 2023 £
Donations and gifts			-	-
4 Charitable activities			Total 2024 £	Total 2023 £
Social Housing lettings			-	-
			-	-
5 Other trading activities			2024 £	2023 £
Rental income			21,599	14,246
6 Investments			2024 £	2023 £
Interest receivable and other similar income			49,709	12,033
All investment income for the current and prior year was unrestricted.				
7 Charitable activity expenditure			Total 2024 £	Total 2023 £
Social Housing lettings			252,978	320,767
			252,978	320,767
8 Summary			2024	2023
	Direct Managed	Total	Direct Managed	Total
Rent Receivable	-	-	-	-
Service Charges	-	-	-	-
Income from social housing lettings	-	-	-	-
Expenditure				
Management	-	-	-	-
Head office costs	60,094	-	105,014	105,014
Corporate Overheads	49,233	-	52,667	52,667
Salary and related costs	113,729	-	144,027	144,027
Rent, rates & utilities	26,598	-	(11,037)	(11,037)
Maintenance	3,324	-	15,096	15,096
Major repairs	-	-	15,000	15,000
Resident initiatives	-	-	-	-
	252,978	-	320,767	320,767
Operating surplus/(deficit) on social housing	(252,978)	-	(320,767)	(320,767)

New Roots Limited

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 29 FEBRUARY 2024

9 Operating surplus/(deficit)	Total 2024 £	Total 2023 £
The operating surplus/(deficit) is stated after charging/(crediting):		
Exceptional costs (note 11)	-	(931,870)
Depreciation of Tangible Fixed Assets	7,368	7,370
Operating lease rentals:		
- Land & Buildings	-	-
- Vehicles and equipment	-	-
Auditors remuneration (28/02/2022 accounts)	-	8,300
Independent Examination	2,800	1,440
10 Employees	2024	2023
Number of employees	Number	Number
The average monthly number of employees during the year was:		
Management	2	3
Other	-	-
	2	3
Employment costs	2024	2023
	£	£
Wages and salaries	104,000	120,858
Social security costs	11,609	14,496
Pension costs	3,120	2,543
Other staff costs	-	297
Fees/Agency staff	-	5,833
	118,729	144,027

There were no employees whose annual remuneration was £60,000 or more.

The aggregate remuneration of Key management personnel during the year was £49,500 (2023: £49,500)

11 Trustees

During the period, no expenses were reimbursed to Trustees (2023: NIL). No Trustee received remuneration during the year to 29 February 2024 or to 28 February 2023.

New Roots Limited

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 29 FEBRUARY 2024

12 Exceptional costs	2024	2023
	£	£
Staff loan balances written off/(repaid)	-	-
Brightside debtor adjustment	-	-
Dilapidation provisions	-	161,501
Redundancy payments	-	-
Housing benefit creditor not due	-	55,317
Pension creditor adjustment	-	5,733
Trade creditors written off not due	-	(1,157,240)
Other smaller items adjusted	-	2,819
	-	(931,870)

Exceptional items in the year to 28/02/2023 relate to items included on the Balance Sheet at 28/02/2022 and were not corroborated as being due/owed during the audit. The Balance Sheet at 28/02/2023 has been confirmed by the Trustees, including provisions for future dilapidations and legal costs based on updated information and the passage of time.

13 Tangible Fixed Assets	Land & Buildings
Cost	£
At 1 March 2023	368,370
Additions	-
Disposals	-
At 28 February 2024	368,370
Depreciation	£
At 1 March 2023	7,370
Depreciation charge during the year	7,368
Eliminated on disposal	-
At 1 March 2023	14,738
Net Book Value	£
At 1 March 2023	361,000
At 28 February 2024	353,632

14 Debtors: amounts falling due within one year:	2024	2023
	£	£
Trade debtors	2,371	2,371
Long Arm providers - overpaid Housing Benefit	423,701	423,701
Prepayments	5,882	8,330
Accrued income	16,340	8,472
Other debtors	548	3,426
	448,842	446,300

New Roots Limited

NOTES TO THE ACCOUNTS (continued) FOR THE YEAR ENDED 29 FEBRUARY 2024

15 Creditors : amounts falling due within one year:

	2024	2023
	£	£
Trade creditors	8,841	4,237
Long Arm providers - Housing benefit due	191,767	191,767
Other taxation and social security	2,542	6,838
Accruals & deferred income	11,563	39,849
Other creditors	11,215	12,099
Provisions for liabilities	290,000	290,000
	515,928	544,790

16 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024	2023
	£	£
Within one year	-	-
Between two and five years	-	-
	-	-

17 Related Party Transactions

There were no related party transactions during the year, and no balances owed from/to related parties.

18 Contingent Liability

At the time of approving the accounts, the charity is aware of specific legal action being taken against the charity, for which a financial claim has been issued for an amount of approximately £1,300,000 including legal costs. The charity is disputing all elements of this claim with the exception of £77,486. Based on the charity's interpretation of the legal basis on which the claim has been made, they are satisfied that the claim does not satisfy the conditions to be recognised as a provision and has been assessed to be a contingent liability instead.