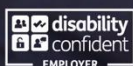




NORWOOD RAVENSWOOD

(A Charitable Company Limited by Guarantee)

**Trustees' Annual Report and
Financial Statements
For the year ended 31 March 2023**



Patron HM Queen Elizabeth
Registered Charity No. 1059050
Registered Company Number : 03263519

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Charity Information

Patron	Her Majesty Queen Elizabeth	
Patron of Children's Services	Cherie Blair CBE KC	
Patron of Adults' Services	Norma Brier OBE	
Patron of Volunteering	Chief Rabbi Sir Ephraim Mirvis	
Presidents	Lord Jon Mendelsohn, Lady Nicola Mendelsohn CBE	
Honorary Life Presidents	Sir Trevor Chinn CVO, David Ereira, Carol Sopher, Sir Evelyn de Rothschild (<i>deceased 7.11.22</i>), Clive Marks OBE	
Vice President	Ronnie Harris	
Trustees and Directors	Neville Kahn (<i>Chair</i>)	Justine Harris
	Ronnie Harris (<i>Vice chair</i>)	Philip Hertz (resigned 19.5.23)
	Angela Hodes	Rachael Davis-Stollar
	Ben Freeman (<i>Joint Treasurer</i>)	Tamara Finkelstein CB
	Gary Sacks	Tim Isaacs (<i>Joint Treasurer</i>)
	Glynnis Joffe	
Senior Leadership Team	Chief Executive Officer <ul style="list-style-type: none"> Beverley Jacobson to 11.11.22 Naomi Dickson from 16.1.23 Director of Finance and Corporate Services <ul style="list-style-type: none"> Patrick Murphy Director of Fundraising, Communications and Community Engagement <ul style="list-style-type: none"> Hazel Kaye to 20.8.22 Liz Jessel from 12.10.22 Director of Services and Development <ul style="list-style-type: none"> Caroline Taylor to 1.4.23 Hannah Barnett from 1.4.23 Director of Human Resources <ul style="list-style-type: none"> Steve Bennett Director of Change Management <ul style="list-style-type: none"> Johanna Day to 31.1.23 Director of Risk and Compliance <ul style="list-style-type: none"> Philippa Shirtcliffe from 1.4.23 Director of Major Projects <ul style="list-style-type: none"> Caroline Taylor from 1.4.23 	

Company Secretary	Patrick Murphy
Auditors	Grant Thornton UK LLP, 30 Finsbury Square, London EC2A 1AG
Investment Managers	CCLA Investment Management Ltd, 85 Queen Victoria Street, London EC4V 4ET Sarasin & Partners LLP, 100 St Paul’s Churchyard, London EC4M 8BU
Bankers	Barclays Bank plc, 126 Station Road, Edgware, HA8 7RY
Principal and Registered Office	Broadway House, 80-82 The Broadway, Stanmore, HA7 4HB

Chairman's Statement

I am happy to share with you the Norwood Ravenswood Annual Report for the financial year ending 31 March 2023. I am incredibly proud to be Chair of this organisation, as it goes through an exciting time in its ongoing development, to ensure that it continues to provide a lifeline of support for vulnerable members of the community, now and in the future. An important aspect of being a communal charity is working to embed that sense of community and Jewish culture into each of our services, as part of the day-to-day quality person-centred care we provide to each one of the people we support.

This past year has seen us undertake a review of our adult service structure to ensure that each individual is living in an environment that enables them to live a fulfilling life, one that empowers them to make their own choices, and use their voice to express preferences in their day-to-day activities. We continue to prioritise our engagement with families, staff and stakeholders across all our services.

I want to take this opportunity to thank Dr Beverley Jacobson, who stepped down from her role as CEO of Norwood in November 2022, for her passionate and energetic leadership and the significant contribution she made during her three years at the helm of our organisation.

In January 2023, we welcomed her successor Naomi Dickson to Norwood. Naomi is highly regarded as an established charity leader, both within and outside of the Jewish community. Since joining the organisation, she has prioritised engaging with our staff, the people we support and a range of stakeholders. Having listened hard to the feedback, Naomi is leading a new values and strategic review, focusing on developing a sustainable five-year business plan that expands on our commitment to deliver quality services, by focusing on collaborating with the people we support, staff, families and other stakeholders.

This report reflects what has been a very challenging year across the charity sector and beyond. The cost of living crisis has impacted every aspect of Norwood's operations, in common with other organisations and individuals. Our financial priority this year and for the year to come remains ensuring that we focus on recruiting permanent staff, which will allow us to reduce our reliance on more costly agency staff, whilst retaining continuity and quality of care. Our professional team has also been working to address the increasing gap between commissioned care packages and the cost of providing quality care, meaning that many of our statutory care packages are significantly underfunded. This position cannot continue. As a charity, we have traditionally relied too heavily on our fundraising activities and voluntary contributions to redress this disparity and to enhance our services. We are robustly reviewing those care packages and engaging with the relevant local authorities to ensure they reflect the care we provide for each individual we support.

I continue to be inspired by the commitment of our staff and volunteers, and the engagement of our families and supporters, all of which enable us to do what we do best at Norwood – helping the people we support across all our services to live their best lives.

With very best wishes,

Neville Kahn

Chair

Trustees' Annual Report (incorporating Strategic Report)

The trustees are pleased to present their annual report and audited financial statements for the year ended 31 March 2023. These statements comply with the Charities Act 2011 and the Charities (Protection and Social Investment) Act 2016, the Companies Act 2006, the Memorandum and Articles of Association, and the 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 – FRS102 (effective 1 January 2019).

About Norwood

Founded in 1795, Norwood is the oldest Jewish charity in the UK. We support people with learning disabilities and autism and offer support to vulnerable children and families. The ways we work continually evolve, but our motivation remains the same: to do everything we can to help people live their best possible lives.

Each year, Norwood supports the needs of more than 2,500 people, including some of the Jewish community's most vulnerable children, adults and families.

Our Services

Norwood's sector-leading services celebrate our Jewish culture and are run in accordance with Jewish values but are open to all who need our support. Our services fall into two main categories namely: children and families facing challenges and anyone with a learning disability or autism.

We offer a range of programmes for children and the whole family experiencing a range of social, educational and mental health challenges. These include family support, parenting programmes, support groups for siblings and parents of children with learning disabilities, short breaks for families who have children with complex needs, specialist therapy, counselling, and psychotherapy. Our adult services comprise registered care and supported living homes for those with a learning disability or autism, and other associated complex needs.

Children & Family Services

The Children and Family team has returned to delivering a range of 'in person' one-on-one and group support sessions during the past year (since the Covid-19 pandemic), whether based at the Kennedy Leigh Family Centre or in a school environment.

Our holistic offer provides practical, social and emotional support to families impacted by learning disability and autism. This includes:

- Support Groups for the individual affected and their family members
- Parenting Courses (Non-Violent Resistance and Exploring Autism)
- Key worker support to provide holistic support to ensure that the family and child receive cohesive and well-coordinated services
- Unity (our short breaks holiday provision)
- Inbetweeners (Sunday recreational transition group for young adults aged 16–25 years with learning disabilities)

We continue to offer advice, support and signposting to the community through our direct-to-user advice line. We also provide generic groups and courses, including:

- Rainbows (for the parents of children with a range of need)
- Rainbow Plus (for the parents of older children with a range of need)
- 2Gether Group (parenting drop in)
- Twins and More (multiple birth drop in)

Our Psychotherapy and Counselling service delivers:

- Individual and group psychotherapy for children/young people in schools
- Individual and group psychotherapy for children/young people in the community
- Individual psychotherapy for young adults (18-25) with learning disability and autism
- Psychotherapeutic parenting support
- Adult counselling
- A range of groups designed to build resilience and increased social and emotional competence
- Sessions to enable children with ongoing difficulties to explore their experiences in a safe and non-judgemental space

Our Schools & Education team provide a range of services to schools and the wider community.

- Specialist teaching, Occupational Therapy, Speech and Language Therapy and Educational Psychology to support children in Jewish schools with SEND / EHCP needs
- Training and consultancy to teachers/schools
- Support to parents through advice clinics, information sessions and courses/training

Adult Services

Our work with adults with learning disabilities and autism is core to our service. It is geared to providing the individual care and support that each person needs, both residential and supported living accommodation services, in London and in Berkshire. Our adult services include the provision of:

- Assistive Technology - Overcoming challenges, enhancing safety and promoting independence through the use of technology
- Complementary services – promoting good physical and mental wellbeing through education and ease of access to health services.
- Transition services – information, guidance, and advocacy
- Benefits and welfare advice
- Employment training and social enterprise

Compliance and Operational Risk Management

Risk is inherent in our operations and the decisions made in pursuit of our charitable goals. The Board is responsible for the nature and extent of the principal risks that we are willing to take. It reviews the principal risks to the organisation and ensures that risks are effectively managed through our governance structure.

We have a comprehensive risk management framework to identify and manage financial, strategic, operational, and regulatory risks that may impact our ability to meet Norwood's objectives. Our risk management procedures are benchmarked against best practice found within social care providers and other not-for-profit organisations.

We identify and manage risks in the following ways:

- Our principal strategic risks are identified and monitored by the Board via committees.
- We undertake regular reviews with the Senior Leadership Team, who are risk owners, to assess the likelihood and impact of risks, and the effectiveness of mitigation strategies.
- Our internal audit function is outsourced to RSM UK Group LLP. Our internal audit plan is informed by an analysis of the risks Norwood is exposed to.
- The Audit & Risk Committee monitors the progress of these plans.

Quality and Compliance

During 2022-23 Norwood, in preparation for CQC's changing approach to inspection, has changed the audit process to ensure it is focused on the experience of people using our services and working within our services. In preparation for the required digitalisation of care and support plans, the team has been working to standardise the paperwork used by managers within our services and to ensure our policies and procedures meet best practices and are accessible for all.

In 2022-23, as part of our Positive Behaviour Support (PBS) strategy, we re-established the Positive Behaviour Support Panel, conducted a review of the PBS Training and have an experienced core group of PROACT-SCIPr practitioners supporting our services and training our staff. We successfully recruited a Practice Improvement Manager and Positive Behaviour Support Manager to work with the people we support and our staff. In 2023, we commissioned an audit of our PBS approach and will be working with a board-certified behaviour analyst to provide clinical supervision to our PBS practitioners to ensure positive outcomes for the people we support.

Safeguarding

In 2022-23, following a comprehensive training programme, we re-introduced face-to-face safeguarding training at Levels 2 and 3. We provided managers with fact-finding training led by an external training specialist and the senior managers attended Level 4 designated lead training to enhance their knowledge and skills further.

In 2023 we commissioned the Ann Craft Trust to carry out a strategic review of our safeguarding processes. This will involve meeting with staff, volunteers, people we support and trustees. We will use the learning from the review to further strengthen our approach to safeguarding.

Health and Safety

In 2023, we ran an awareness campaign with operational staff to develop their understanding of accidents, incidents and near-miss reporting and ran a series of workshops to improve practice. This has been supported by managers undertaking the Institute of Occupational Safety & Health training to deepen the registered manager and locality manager's knowledge. In addition, every incident is reviewed and reported upon weekly with monthly themes and trends shared.

Data Security and Data Protection

In 2022 Norwood successfully completed the Data Security and Protection Toolkit and submitted as 'standards met'. We have fulfilled our legal responsibility throughout 2022/3 in terms of data protection and security in line with the Information Commissioners Code of Practice.

Our Goals, Challenges and Achievements

1. Overview and Adults Services Restructuring

Our new Chief Executive Naomi Dickson assumed the role in January 2023 and began the process of reviewing the organisation.

- We undertook a review of our Adult Services structure in London and restructured the management of those services and model of care to bring them in line with the CQC's revised strategy around ensuring that social care settings prioritise maximising people's choice, control and independence.
- We embarked on a dialogue with families of adults supported in some of our services, with a view to changing the registration of some of our registered care homes to supported living, which the CQC advocates in an effort to provide care that empowers adults to live independent lives.
- We reviewed the care packages for some of the residents in supported living services, in light of their changing care needs, and supported them and their families with a transfer to more appropriate care provision in a registered care home.
- We successfully completed the deregistration of Edgeworth Crescent in order for it to become a supported living service.
- We participated in an industry-wide staff survey to help us to establish what our staff think we do well at Norwood and to understand where we can improve, as well as benchmarking our performance against other organisations in the sector.

2. Pay Review and Financial Sustainability

The Board of Trustees approved a recommendation by the Senior Leadership Team to significantly increase Support Worker pay rates. On 1st February 2023 the hourly rate for all permanent and bank Support Workers was increased to £11.50 per hour, which represented an average 12.7% increase for all frontline care staff. This uplift in Support Worker pay represents an increase in operating costs of £1.4 million a year for Norwood, at a very challenging time for charities and for fundraising. The move was made ahead of the National Living Wage increase to £10.42 per hour, which became mandatory on 1st April 2023. In the interim, and before introducing the new salary scale, Norwood made a series of one-off Cost of Living Relief

payments as a short-term solution to help support front-line care staff through this latest crisis.

We simultaneously embarked on a comprehensive and systematic review of all current care packages for the adults Norwood supports. We have been working to redress the discrepancy between the cost of the statutory services we provide and the funding that we receive from the Local Authority, in line with their obligations to provide the care and support required by the individual in the most appropriate environment. We have embarked on a systematic process of working to resolve the funding issues identified, to help ensure that the required funding from Local Authorities is in place to support the level of care we are committed to providing. This renegotiation has already borne fruit, as we continue to work with all relevant agencies and residents' families. This work will continue into 2023-24.

3. Fundraising

There were some key successes throughout the year. The London Marathon saw our biggest team compete with 26 runners and £78,000 raised and we launched a new cycle Challenge in Botswana. We hosted our first in-person Property Lunch since the start of the Covid-19 pandemic, and ran a second matched funding campaign, which reached its budgeted target of £2,100,000. Other successful corporate and community events included YN Property Awards, the Distressed Investing Dinner, the first ever Norwood Carnival, and our Golf Day.

However, we also experienced some real challenges, largely impacted by the cost of living crisis. Total trust income for the 22/23 financial year was approximately two thirds of a budgeted £1.4m. The shortfall was due to a shift in many Trusts' focus to support smaller grassroots charities. Our Philanthropy Team continued to focus on improving the stewardship of our donors, maximising all our fundraising opportunities, and our Young Norwood fundraiser joined their team to ensure the pipeline of future mid-level and major donors is well-stewarded.

4. Recruitment and Retention

Despite well documented care sector-wide staffing challenges, Support Worker recruitment and retention performance in the year ended 31st March 2023 was significantly improved on prior year. Retention in particular was markedly better, with permanent Support Worker turnover 41% lower than in 2021/22.

As mentioned above, in February 2023, a 12.7% increase was applied to Support Worker pay rates across the charity to a base rate of £11.50 per hour, and early indications are that this has materially increased the volume of employment applications.

In March of the same year, Norwood participated in a national staff wellbeing and engagement survey operated by an independent charity consultancy. In total, 40% of the workforce responded and the management team have developed an action plan to address key findings, which in turn should further enhance recruitment and retention performance in 2023/24 and beyond.

5. Ravenswood Village

In October 2022, we announced an in-principle decision to transfer operations at Ravenswood Village from Norwood to an alternative provider. Members of Norwood's Board of Trustees and Senior Leadership Team offered staff and family members the opportunity to scrutinise the plans for the transfer and the future operations objectives at the Village. Subsequent to this, due to the worsening economic climate, the previously-communicated process of due diligence that is required in order to complete the transfer of operations was delayed, and we

updated stakeholders to inform them that the process of transfer was taking longer than previously anticipated. We are continuing to keep both staff and families of people supported at the Village updated as to the latest timing of the intended transfer.

In the meantime, Norwood remains fully committed to providing high standards of care for the residents at Ravenswood Village. We welcomed five new residents into the Village in 2022-23 and continue to explore appropriate referrals to fill voids across the Village. We have also reviewed the needs and care plans of existing residents, facilitating a transfer to other homes that more appropriately meet their needs, where necessary, which included transferring residents of Kadimah to other provision in the Village to facilitate extensive planned refurbishment of that home, to maximise capacity in the future.

Our Strategic Priorities and Focus for 2023/2024

Children and Family Services Review

Following an extensive review on our future Children & Family service provision, a decision was taken not to renew the current statutory and private educational services that Norwood provides beyond the end of this academic year. This forms part of Norwood's commitment to ensuring we focus our resources to meet the needs of the community's children and families as possible, specialising in holistic support for families of children and young people with learning disabilities and autism.

We are conducting a review of our short-breaks provision, which will see us pause overnight short-breaks services over the Summer 2023 period, though day services will remain. This will allow us to continue conversations with Local Authority Commissioners to identify where the need for short-breaks lies. We will also conduct surveys of existing users of short-breaks services, as well as our broader children and family service users to determine what they would like to see from our provision to ensure it meets the needs of the community.

We have appointed a new Head of Children & Family Services, who will take up the role in Summer 2023 and who will lead on a review of our children and family operations structure and planning.

Adult Services Review

We plan to embed the adult services staffing restructure across the organisation. We will continue to work to review, update and ensure care packages accurately reflect each individual's care needs discussing the costs with the relevant local authorities, as well as upgrading properties.

We are working to develop consistent staff retention, particularly across our operational services, to ensure we are able to create sustained relationships between staff and service users.

Our Chief Executive, supported by the Senior Leadership Team is planning to undertake a review of Norwood's vision, mission, values and strategy review in the second quarter of the financial year, which will be partly informed by an organisation-wide series of conversations reflecting on what Norwood does well and what can be improved, comprising staff, service users, families and volunteers.

Ravenswood Village

The Board of Trustees is committed to continuing to engage with the third-party provider who is interested in taking over the operation of services at the Village. In the meantime, supporting the residents who live there alongside their dedicated staff continues to remain a priority, with new residents settling in well.

Section 172(1) Statement Of The Companies Act 2006

During the course of their duties, the trustees have had full regard for their obligations in promoting the success of the organisation. Norwood's detailed charitable objects are contained within its memorandum and articles and in keeping with these, the Trustees set strategic priorities ensure that the charity's activities are carried out for the public benefit. This has been further clarified in the following sections of this report:

- Our Services (Page 6)
- Our Goals, Challenges and Achievements (Page 9)
- Employee Engagement (Page 12)
- Our volunteers (Page 12)
- Business Relationships (Page 13)
- Energy Efficiency Measures Undertaken (Page 17)

Employee Engagement

The ongoing challenges presented by the Coronavirus pandemic necessitated that we consider new ways of promoting engagement with staff throughout the organisation. In front line services, operations managers have been supported to improve communications through the introduction of a monthly Staff Bulletin, issued by the Director of Services & Development, with the objective of improving the quality and consistency of engagement with and amongst staff, and as a means of creating a formal channel for upward communication.

The Senior Leadership Team has developed an organisation-wide leadership development initiative called, '*Lead to Succeed*' to support managers in improving their performance with respect to staff engagement and motivation.

Within the central functions, as most organisations, we have now adopted hybrid (office and home based) working practices, which means less face-to-face Interaction, as a consequence of which we have sought ways to better use technology and online systems of working. Significant investment in our IT infrastructure has significantly improved engagement, knowledge sharing, and problem resolution, and in many instances the increased use of Microsoft Teams meetings has enhanced the quality and effectiveness of cross-functional interactions.

Our Volunteers

During 2022/23, our regular volunteering activities in homes across London and Ravenswood and at the Kennedy Leigh Centre were able to resume, following the lifting of lockdown restrictions and infection control measures.

Much of our calendar of volunteer-led activity were able to recommence in-person, including extensive Mitzvah Day activities to deliver daily and seasonal volunteer-led activities direct to our residents.

Our two Charity shops (Stanmore & Southgate) are both well-staffed with volunteers six days a week, two shifts per day and both shops are running a full Duke of Edinburgh volunteers programme to students over 14 years.

Volunteers played an integral part in Norwood's Matched Giving Campaign both for the telethon and as team leaders. We have been able to invite our volunteers back into Broadway House in Stanmore this year and have seen a growth in the number of placements and new recruits who support Head Office staff.

We are delivering training to new staff starters monthly on the importance of volunteering to Norwood and the people we support, the process of requesting new volunteers for their service and volunteer management within the organisation.

Business Relationships

Norwood works closely with its customers and donors, of which some relationships span several decades to ensure we are providing a high level of care. Norwood values its suppliers and has multi-year contracts with key suppliers. Norwood reports its performance and practices in line with reporting requirements.

Our Fundraising Approach

We are committed to achieving the highest standards of professional fundraising. We are corporate members of the Institute of Fundraising, and we are registered with the Fundraising Regulator, to whom we pay the Fundraising Levy. Through the systems and processes we have put in place, we aim to achieve the standards set out in the Fundraising Code of Practice. We are signed up to the Fundraising Preference Service.

The Fundraising department works closely with Norwood's Information Governance Department to ensure our fundraising data protection practices are compliant with the General Data Protection Regulations. A manager within the Fundraising team also has a specific remit for compliance and governance issues. The Audit and Risk Committee of our Board of Trustees has oversight for compliance.

Norwood raises most of its voluntary income from individuals and companies via sporting challenges, community fundraising, dinner events, a philanthropy programme Includes postal appeals, payroll giving, and from bid applications to trusts and foundations. We do not employ third-party professional fundraisers or commercial organisations to fundraise on our behalf, but we do engage third parties to manage the logistics of some events and challenges. Some of our fundraising activities are delivered in partnership with committees consisting of staff, Trustees and volunteers.

We do not take part in any intrusive or high-pressure fundraising activities, such as street fundraising, door-to-door fundraising or cold-calling by telephone. We respect all requests to stop giving or to stop receiving our fundraising communications and provide guidance to our fundraising staff in these areas. We didn't receive any complaints arising from our fundraising activities in 2022/23.

Remuneration Policy

Our Senior Leadership Team is responsible for the charity's affairs on a day-to-day basis. In view of the nature of the charity, the salaries of our senior staff are benchmarked against pay levels in similar sized charitable organisations.

Trustees And Lay Leaders' Recruitment and Remuneration Policy

We adopt a transparent and objective approach when recruiting our trustees and lay leaders. Arrangements are made for new members to meet the Board of Trustees, the Chief Executive and the Senior Leadership Team, visit some of our homes and meet with some of the service users. Our trustees are also pleased with key sector updates. All are invited to attend relevant training, some of which is mandatory, to ensure they are kept abreast of prevailing changes that may affect the charity and the social care sector.

None of our trustees or lay leaders receive remuneration, expense claims or benefits in kind for their work with the charity. They are, however, entitled to receive reimbursements of travel expenses.

Any connection between a trustee and the charity's stakeholders is declared to the Board of Trustees in the same way as any contractual relationship with a related party. Such disclosures are dealt with by the board and committee meetings in the form of Declaration of Interests. No allegation of fraud was raised against any trustee or lay leaders in the year. Details of related party transactions and trustees' expenses are disclosed in Note 21 of the financial statements.

Financial Review

In the 2022/23 financial year, the charity - like others in the sector - has experienced significant headwinds where recruitment and retention of frontline staff and insufficient local authority funding continued to present significant financial pressures. These significant challenges are most acute in our registered care services and are experienced across the sector. Although our London supported living services returned a contribution of £0.1m, a turnaround of £0.7m compared to the prior year, we still incurred an operating deficit of £3.6m (2022: deficit £2.0m). Norwood's underlying operating performance worsened by £1.6m compared to the prior year. In 2022/23, there were unrealised losses on investment property revaluation of £0.6m (2022: gain £3.2m) and unrealised investment portfolio losses of £0.8m (2022: gains £0.8m).

The growing funding gap for adult social care from local authorities continues to be a significant challenge for Norwood as it is across the sector. The uplift in fees offered by the local authorities does not cover the increased costs being incurred. The funding gap is expected to continue to grow, although we continue to work closely with commissioning authorities to access additional support and rectify this. Norwood will continue to pursue operational efficiencies and maximise limited resources.

Income

The total income we generated was £27.7m (2022: £28.6m). £18.6m, 67% (2022: £18.9m, 66%) of this was generated from providing paid-for services in line with our charitable purpose. £8.0m, 29% (2022: £8.5m, 30%) was generated from voluntary donations while the remainder was realised from trading and investment income.

We saw a decrease in income received from local authorities of 2.6% reflecting attrition in our services and continued challenges within the sector. While we were successful at securing some annual increases from some local authorities, the majority we work with were not forthcoming with increases that kept pace with inflation, and some did not increase at all. We

will continue to liaise with local authorities to ensure the level of fees we receive is commensurate with the level of care being provided. During the year work was undertaken to perform an hours and pricing review for each service user, on top of annual uplifts to address cost of living increases. With this data we have begun to take a robust approach around unsustainable contracts.

We raised £8.0m from our fundraising activities and legacies which was a 6.2% reduction on the prior year performance. Legacy income was £0.7m (42%) below the prior year reflecting the uncertain nature of this income stream whilst our donation income rose to £7.1m (2022: £6.9m).

Norwood took the decision in 2021, due to the challenges faced by the high street, to commence the phased closure of its retail operations. Trading from the two remaining shops generated income of £0.2m (2022: £0.3m).

Expenditure

Our total expenditure was £31.3m. This was £0.5m (1.6%) higher than the previous year mainly due to increased fundraising activities following the opening up of events and challenges post-Covid. Marketing and the fundraising costs of generating voluntary income were £3.0m, £0.8m more than the previous year. Our expenditure on charitable activities was £28.0m, being £0.4m (1.4%) lower than the prior year. This relates to the direct and support costs of providing care and support services to the people we support. Despite achieving efficiencies in some areas of our operations, agency staff were used to meet staffing requirements not met due to the recruitment and retention crisis in social care. Agency staff costs were £3.6m (2022: £2.7m).

Going Concern

In addition to the risks outlined below, further work has been carried out to assess the going concern of the charity, factoring in additional assessments and financial forecast scenarios concluding that it is appropriate for the financial statements to continue to be prepared on a going concern basis. The Board of Trustees do not consider there to be uncertainty over the charity and group's ability to continue as a going concern for the next 12 months. The majority of Norwood's income is secure as it arises from statutory sources. However, we have modelled a 4% and 6% reduction in statutory income due to attrition rates, with 6% being an extreme case. Fundraising and investment income has been modelled to fall by 25%. Under these models Norwood has sufficient reserves to continue operating for more than the next 12 months. Investments were valued at £15.7m, as at 31 March 2023 (2022: £16.6m). In addition, deposit funds with CCLA totalled £0.9m. Free reserves were £4.8m (2022: £8.0m). The analysis supports the accounts being prepared on a going concern basis.

Reserves Policy

An important role for trustees is to manage the long-term sustainability of the charity. Norwood's reserves policy sets out the basic principles that should:

- give confidence to funders by demonstrating good stewardship and active financial management,
- demonstrate to beneficiaries, funders and the public, Norwood's resilience, and capacity to manage unforeseen financial difficulties,

- give voluntary funders an understanding of why funding is needed to undertake projects,
- give assurance to lenders and creditors that Norwood can meet its financial commitments, and
- manage the risk to Norwood's reputation from holding substantial unspent funds at the year-end without an explanation.

The trustees calculate the free reserves as that part of the charity's unrestricted income funds that is freely available after taking account of the restricted and endowment funds that have been earmarked for specific projects. Norwood's restricted / endowment funds are subject to specific conditions which have been declared by the donor, or with their authority but still within the objects of the charity. They may be restricted income funds, which are expendable at the discretion of the trustees in furtherance of some particular aspect of the objects of the charity, or they may be capital funds, where the assets are required to be invested, or retained for actual use, rather than expended. Furthermore, endowment funds may be permanent endowments which trustees cannot expend without seeking consent from the Charity Commission.

Understanding the nature of the funds allows trustees to identify unrestricted funds which can be spent on any purposes of the charity i.e. freely available to it. As at 31 March 2023, unrestricted reserves were £34.5m whilst the free reserves of the charity was £4.8m. This is calculated as follows:

	31-Mar-23 £'000	Restated 31-Mar-22 £'000
Group net assets (Total reserves)	42,447	47,472
Less endowment funds	(1,888)	(1,982)
Less restricted funds	(6,040)	(6,622)
Less unrestricted fixed assets	(19,728)	(20,325)
Less Investment property	(9,970)	(10,580)
Free Reserves	4,821	7,963

Our minimum reserves level incorporates liquid cash, ensuring we have sufficient cash holdings to meet our immediate organisational needs, and investment balances. The trustees have set a target range of free reserves of 3 months or more, being £7.8m of gross expenditure. Whilst free reserves are under the target set, two thirds of the charity's income is from statutory sources and Norwood has sufficient liquidity within its investment portfolio of £15.7m to meet its working capital requirements for the foreseeable future.

Investment Policy and Performance

Norwood holds investments to generate income for the furtherance of its charitable activities. As part of the trustees' diversification strategy, two fund managers are appointed to manage its investment portfolio (Sarasin and Partners and CCLA).

The Board of Trustees has delegated the regular monitoring of investment performance against the objectives to the Investment Committee. The trustees understand that to generate returns, in the longer term, in excess of inflation and net of the total costs associated with managing and operating an investment fund, it will be necessary to expose the portfolio to a degree of risk. The trustees' risk appetite for all its funds is medium risk. At the end of the financial year, Norwood reported a portfolio value of £15.7m (2022: £16.6m). There were net losses on the investment portfolio of £0.8m (2022: gains of £0.8m). Investment losses for the year follow a continued period of elevated levels of inflation with central banks raising interest rates. The investment fund managers' performance was in line with their peers in the ARC Charity Indices.

Ethical Investments

Norwood takes all reasonable steps to ensure that any decisions taken by its investment managers in respect of its corporate investments are consistent with its social care policies. Regular review of the investment managers' Ethical Investment Policy is undertaken by the Investment Committee.

Section 17 of The Charities Act 2011

The trustees confirm that in the course of their duties they have had full regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit". Norwood's detailed charitable objects are contained within its memorandum and articles and in keeping with these, the trustees' strategic priorities ensure that the charity's activities are carried out for the public benefit.

Energy Efficiency Measures undertaken by the charity

Work to upgrade our energy efficiency during the year has included:

- LED lighting was installed across the estate where previous lighting failed, or additional lighting was required.
- There have been upgrades to the thermostatic controls at sites and lagging on hot water pipes has been replaced.
- Where boilers have been replaced, these have been replaced with new more efficient systems: using A-rated systems (Energy-Related Products Directive) for both hot water and heating efficiency.

We anticipate that further improvements will take place during the coming year, which will include new LED lighting, insulation improvements and boiler upgrades.

Principal Risks

Risk Title	Existing Treatment and Mitigating Actions
The future of Ravenswood Village	<p>Continue to manage the project professionally and diligently; being transparent with our information sharing (including timely updates regarding our financial position)</p> <p>- Maintaining close engagement with potential partners and working collaboratively where appropriate</p> <p>Continue with a 'business as usual' approach across the site to ensure safe, high-quality services.</p>
Losses continue due to significant underfunding of care hours, lack of historical fee increases and rising costs, including staff salaries and regulatory requirements	<p>A proactive targeted approach to fee management and increases. Engagement with Access Care to support fee negotiations.</p>
Pay rates and recruitment and retention continue to present staffing challenges for the organisation	<p>A 12.7% increase was applied to Support Worker pay rates across the charity to a base rate of £11.50 per hour, and early indications are that this has materially increased the volume of employment applications.</p> <p>Norwood participated in a national staff wellbeing and engagement survey operated by an independent charity consultancy. 40% of the workforce responded and management developed an action plan to address key findings, which should further enhance recruitment and retention performance in 2023/24 and beyond.</p>
Lack of regulatory compliance with CQC and Ofsted result in services being closed, registration being suspended, harm to people we support and staff, and reputational damage	<p>Quality Audit Framework in place with Key Audits, follow up and Thematic audits taking place, with resulting action plans developed to drive continuous improvement.</p> <p>Weekly reporting on safeguarding and incident analysis is carried out, with monthly internal reviews and trustee committee meetings.</p> <p>Face to Face Induction training is now delivered over 4 days in the classroom, with a work-based competency assessment required before full induction is signed off.</p> <p>Governance Meetings in place for both regulated services in which lessons are shared and risks highlighted.</p>

Risk Title	Existing Treatment and Mitigating Actions
<p>Risk of underreporting in services, contrary to regulatory requirements</p>	<p>Several external audits, recent surveys upon the changes in service provider and the change of recent internal personnel suggest all regulatory compliance is in place.</p> <p>To mitigate the risk of under-reporting within services, a new programme of Health and Safety support visits have commenced by the Health & Safety Manager, as well as monitoring via the Health and Safety Operational meetings.</p> <p>A Risk, Health & Safety Committee has now been established of senior leaders and stakeholders (including an external industry representative) to provide additional oversight that Norwood remains compliant with its regulatory obligations.</p>
<p>Historic underinvestment in IT solutions including care management system, intranet and CRM has created inefficient paper-based working methods, contrary to best practice for adult social care provision.</p>	<p>Pilots completed on care planning software and strategy developed following competitive tendering process with project commenced to implement digital care planning.</p> <p>Phase 1 of a new website has been rolled out with phase at planning stage. The development of a new intranet platform has commenced with completion anticipated by Autumn 2023.</p> <p>Work to improve the CRM applications has commenced to improve user experience and functionality.</p>

Our Trustees and Committee Members

The trustees who were in office during the year are highlighted in bold. Lay leaders are co-opted members who provide invaluable support to Norwood's committees and contribute to the overall governance of the charity.

Please refer to our website at Norwood.org.uk for further details of our trustees.

Angela Hodes – ARC, OSC Alfred Garfield – CSC, FRC (appointed 17.3.23) Andrew Viner – IC Ben Freeman – CSC, ARC*, IC* Carol Sopher - FRC Dan Adler – IC David Ereira – OSC, FRC David Freedman – IC (resigned 11.11.22) Gary Sacks – PSG, FRC Glynnis Joffe – OSC* Isabel Geerlings – ARC Jon Mendelsohn - FRC Jourdan Rajwan – PSG Justine Harris Lisa Goldstone – ARC Mark Lee – CSC (resigned 9.3.23) Mark Pollack - FRC	Michael Hart – OSC (resigned 22.8.22) Michael Rosehill – IC (resigned 11.11.22) Mike Myers – IC Neville Kahn - FRC Nicky Sugarman – CSC Paul Huberman – PSG Paul Moser – OSC Philip Hertz - CSC (resigned 19.5.23) Richard Estrop – PSG Rachael Davis-Stollar Roger Filer – OCS Ron Raye – PSG Ronnie Harris – PSG, FRC Simon Shelley – PSG Tamara Finkelstein Tim Isaacs CSC*, ARC, IC Tracy Murrell - OSC
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ARC – Audit and Risk Committee CSC – Corporate Services Committee OSC – Operational Services Committee

IC – Investment Committee PSG – Property Strategy Group FRC – Fund Raising Committee

** = Committee Chair*

Streamlined Energy and Carbon Report (SECR)

Norwood is required to report under the Streamlined Energy and Carbon Reporting (SECR) framework. The trustees are committed to complying with the new mandatory UK-wide energy and carbon reporting framework which seeks to improve transparency and help reduce UK carbon emissions associated with large business and charities.

Methodology

Norwood's footprint is calculated in accordance with the Greenhouse Gas (GHG) Protocol and Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance. 2022 Department for Environment, Food and Rural Affairs (DEFRA) emission factors have been used for all emission sources as this provides the most comprehensive list of factors available. They allow an activity to be converted into carbon dioxide equivalent (CO₂e). Market based emissions factors have been sourced from each relevant supplier.

Scope

The scope of emission included natural gas, diesel (gas oil), electricity, Bio Diesel and petrol. For ease of reporting and comparison, the emission types were categorised as:

- Scope 1: comprises emissions associated with the combustion of fuels as well as additional emissions sources such as transport fuels.
- Scope 2: comprises primarily the emissions associated with electricity consumption as well as emissions associated with any other generated electricity.
- Scope 3: relates to indirect emissions occurring as a consequence of activities not owned or controlled by the company e.g. business travel.

SECR Dashboard

Energy Consumption		2022/23	2021/22	2020/21	2019/20	2018/19	Variance
Scope 1: Combustion of fuel and operation of facilities.	Natural Gas (kWh)	3,995,206	4,682,688	4,947,534	4,564,859	5,667,946	-30%
	Direct Transport Company Cars (kWh)	135,959	107,016	82,938	290,998	304,871	-55%
	Red Diesel (kWh)	0	859	1,934	1,934	68,480	-100%
	Refrigerants (kg)	0	2	0	0	0	
	Total Scope 1 Energy (kWh) excl Refrigerants	4,131,164	4,790,563	5,032,406	4,857,791	6,041,297	-32%
Scope 2: Electricity purchased.	Total Electricity (kWh)	1,439,330	1,543,584	1,972,074	1,989,474	2,159,306	-33%
Scope 3 : Indirect Transport	Employee owned Vehicles (kwh)	0	18,027	0	0	0	
Total Scope 1,2 and 3 Energy Consumption (kWh)		5,570,494	6,352,174	7,004,479	6,847,265	8,200,603	-32%

Emissions Assessment		2022/23	2021/22	2020/21	2019/20	2018/19	Variance
Scope 1: Combustion of fuel and operation of facilities.	Natural Gas (tCO ₂ e)	729.3	857.7	909.7	839.2	1,042.1	-30%
	Direct Transport (tCO ₂ e)	32.5	25.3	19.8	70.8	74.6	-56%
	Red Diesel (tCO ₂ e)	0.0	0.2	0.5	0.5	18.9	-100%
	Refrigerants (tCO ₂ e)	0.0	3.5	0	0	0.0	
	Total Scope 1 - tCO₂e	762	887	930	911	1,136	-33%
Scope 2: Electricity purchased and heat and steam generated.	Location Based (LB) (tCO ₂ e)	278.3	327.7	459.8	508.5	611.2	-54%
	Market Based (MB) (tCO ₂ e)	375.7	290.2	351.0	575.0	624.0	-40%
Scope 3 : Indirect transport	Employee owned Vehicles (tCO ₂ e)	0.0	4.2	0.0	0.0	0.0	
Location Based	Total Scope 1, 2 and 3 Emissions (tCO₂e)	1,040	1,219	1,390	1,419	1,747	-40%
Market Based	Total Scope 1, 2 and 3 Emissions (tCO₂e)	1,137	1,181	1,281	1,486	1,760	-35%

Intensity Metric Assessment		2022/23	2021/22	2020/21	2019/20	2018/19	Variance
Intensity Ratio	Total scope 1-3 (LB) (tCO₂e/headcount)	1.7	2.0	2.4	2.3	2.7	-39%

Trustees Responsibilities Statement

The trustees (who are also directors of Norwood Ravenswood for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statement in according with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the Incoming resources, including the income and expenditure, of the group for that period. In preparing these 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 (FRS 102),
- Make judgements and accounting 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.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.

The trustees confirm that:

- So far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Neville Kahn

Neville Kahn
Director/Chair
04 August 2023

Ben Freeman

Ben Freeman
Director/Joint Treasurer

Independent auditor's report to the members of Norwood Ravenswood

Opinion

We have audited the financial statements of Norwood Ravenswood (the 'parent charitable company') and its subsidiaries ('the group') for the year ended 31 March 2023, which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Balance Sheet, the Consolidated Cash Flow Statement 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 group's and parent charitable company's affairs as at 31 March 2023 and of the group's incoming resources and application of resources including, 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 prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements section' of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the trustees' conclusions, we considered the inherent risks associated with the charitable company's business model including effects arising from macro-economic uncertainties such as Brexit, Covid-19 and cost of living crisis, we assessed and challenged the reasonableness of estimates made by the trustees and the related disclosures and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the trustees' use of the going

concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report, prepared for the purposes of company law, included in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Directors' Report included in the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included in the Trustees' Annual Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the

Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or
- returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement set out on page 24, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We understood how Norwood Ravenswood is complying with those legal and regulatory frameworks by making enquiries of management, those responsible for legal and compliance procedures and the audit committee. We corroborated our enquiries through our review of board minutes, papers provided to the Audit Committee and correspondence received from regulatory bodies.
- The Group is subject to many laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. We identified the following laws and regulations as the most likely to have a material effect if non-compliance were to occur; the 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 (effective 1 January 2019) ('Charities SORP (FRS 102)'), Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), Charities Act 2011, Companies Act 2006 and tax legislation.
- We assessed the susceptibility of the group's financial statements to material misstatement, including how fraud might occur and the risk of material override of controls. Audit procedures performed by the engagement team included:
- Identifying and assessing the design effectiveness of certain controls management has in place to prevent and detect fraud

- Challenging assumptions and judgments made by management in its significant accounting policies
- Identifying and testing journal entries
- Identifying and testing related party transactions
- Inspecting the board minutes
- Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- The assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - Understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation
 - Knowledge of the industry in which the group operates, and
 - Understanding of the legal and regulatory requirements specific to the group including the provisions of the applicable legislation.
- The team communications in respect of potential non-compliance with laws and regulations and fraud included the potential for fraud in revenue recognition through manipulation of donation, legacies and grants income, income from charitable activities, trading income and investment income.
- We did not identify any matters relating to non-compliance with laws and regulation and fraud.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - The group's operations, including the nature of its revenue sources, to understand the classes of transactions, accounts balances, expected financial statement disclosures and business risks that may result in risks of material misstatement, and
 - The group's control environment, including
 - Management's knowledge of relevant laws and regulations and how the group is complying with those laws and regulations
 - The adequacy of procedures for authorisation of transactions and review of management accounts, and
 - Procedures to ensure that possible breaches of laws and regulations are appropriately resolved.

A further description of our responsibilities for the audit of the 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law,

we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads "Stephen Dean". The signature is written in a cursive, slightly slanted style.

Stephen Dean

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

London

04 August 2023

Consolidated Statement of Financial Activities
For the year ended 31 March 2023
(Incorporating the Income and Expenditure Account)

	Notes	Continuing Operations				Discontinued Operations			
		Unrestricted	Endowment	Restricted	Total	Unrestricted	Total	Total	Total
		Funds	Funds	Funds	Funds	Funds	Funds	2023	2022
		2023	2023	2023	2023	2023	2023	2023	2022
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income from:									
Donations and legacies	2	7,492	-	499	7,991	-	-	7,991	8,522
Charitable activities	3	18,555	-	18	18,573	-	-	18,573	19,038
Trading activities	4	-	-	-	-	231	231	231	321
Investments	5	918	-	-	918	-	-	918	875
Total income		26,965	-	517	27,482	231	231	27,713	28,756
Expenditure on:									
Raising voluntary income and marketing	6a	2,964	-	-	2,964	-	-	2,964	2,164
Charitable activities	6a	26,927	-	1,099	28,026	-	-	28,026	28,378
Trading activities	6a	-	-	-	-	213	213	213	151
Investments	6a	13	-	-	13	-	-	13	15
Other	6a	99	-	-	99	-	-	99	68
Total cost		30,003	-	1,099	31,102	213	213	31,315	30,776
Operating (deficit)/surplus		(3,038)	-	(582)	(3,620)	18	18	(3,602)	(2,022)
Net (losses)/gains on investments	10	(743)	(94)	-	(837)	-	-	(837)	800
Net (expenditure)/income		(3,781)	(94)	(582)	(4,457)	18	18	(4,439)	(1,222)
Other recognised gains and losses									
Net (losses)/gains on financial instrument		(5)	-	-	(5)	-	-	(5)	5
Net (losses)/gains on revaluation of fixed assets	10	(580)	-	-	(580)	-	-	(580)	2,905
Net movement in funds		(4,366)	(94)	(582)	(5,042)	18	18	(5,024)	1,688
Reconciliation of funds:									
Total funds brought forward	22	38,698	1,982	6,622	47,302	169	169	47,472	45,784
Total funds carried forward	16	34,332	1,888	6,040	42,260	187	187	42,447	47,472

All income and expenditure derived from continuing operations is shown separately from discontinued trading operations. The comparative figures for each fund are shown in the notes to the financial statements (Note 22). The accompanying notes on pages 31 to 53 of this report form an integral part of these accounts.

There were no gains and losses other than those included in the Statement of Financial Activities

Consolidated and Parent Balance sheet**as at 31 March 2023**

		GROUP		PARENT CHARITY	
		2023	2022	2023	2022
Fixed Assets	Note	£'000	£'000	£'000	£'000
Intangible fixed assets	8	155	168	3	4
Tangible fixed assets	9	21,294	21,956	806	869
Investments: Managed investment portfolio	10a	15,730	16,580	14,285	15,078
Directly managed property	10b	9,970	10,580	-	-
Total fixed assets		47,149	49,285	15,094	15,950
Current Assets					
Debtors	12	1,691	2,341	210	747
Cash at bank and in hand		1,784	4,599	1,193	3,796
Total current assets		3,475	6,940	1,403	4,543
Liabilities					
Creditors: amounts falling due within one year	13	(4,782)	(4,947)	(8,888)	(8,252)
Net current (liabilities)/assets		(1,307)	1,993	(7,485)	(3,709)
Total assets less current liabilities		45,842	51,278	7,609	12,241
Creditors: amount falling due after one year	14	(3,395)	(3,806)	-	-
Total net assets		42,447	47,472	7,609	12,241
Funds					
Including cumulative revaluation gains of £7.1m (2022: £8.5m)					
Restricted funds	15	6,040	6,622	64	64
Endowment funds	15	1,888	1,982	1,888	1,982
Unrestricted funds	15	34,519	38,867	5,657	10,195
Total Funds		42,447	47,472	7,609	12,241

The accompanying notes on pages 31 to 53 of this report form an integral part of these accounts.

Approved by the Board of Trustees on 04 August 2023



Neville Kahn

Director/Chair



Ben Freeman

Director/Joint Treasurer

Norwood Ravenswood

Registered Company Number: 03263519

Consolidated Cash Flow Statement
For the Year Ended 31 March 2023

		2023	2022
	Note	£'000	£'000
Cash flows from operating activities:			
Net cash (used in) operating activities	20	(2,189)	(1,852)
Cash flows from investing activities:			
Dividends, interest and rent from investments	5	918	875
Purchase of tangible fixed assets	9	(1,014)	(1,196)
Purchase of intangible fixed assets	8	(56)	(152)
Proceeds on sale of tangible fixed assets		34	5
Net Cash (used in) investing activities		(118)	(468)
Cash flows from financing activities:			
Interest paid on bank loan	6c	(122)	(50)
Bank loan repaid		(386)	(322)
Net Cash (used in) financing activities		(508)	(372)
Change in cash and cash equivalents in the reporting period		(2,815)	(2,694)
Cash and cash equivalents at the beginning of the period		4,599	7,293
Cash and cash equivalents at the end of the reporting period	20	1,784	4,599

Notes to the Financial Statements for the year ended 31 March 2023

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The consolidated financial statements have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the 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) - effective 1 January 2019. Norwood Ravenswood was incorporated in the United Kingdom and the financial statements are presented in Sterling (£), rounded to thousands.

Norwood meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared consolidating the results of the charity – Norwood Ravenswood - and its wholly owned subsidiaries – Norwood Schools Limited and The Hope Charity – which are also registered charitable companies limited by guarantee. The charities within the Norwood group are separately registered and governed by their own memorandum and Articles of Association.

The financial statements also consolidate the activities of the Charity's linked charity – Norwood Home for Jewish Children. As at 31 March 2022, Norwood Home for Jewish Children is the only charity that is linked with the parent charity. There were no financial activities undertaken by the linked charity (under the Charities Act 2011) during the year and no funds were held for it.

The results of the parent charity relate to the activities, assets and liabilities undertaken by the company in its own name. The Companies Act exemption from preparing a charity-only Statement of Financial Activities has been used.

b) Preparation of the accounts on a going concern basis

The trustees have considered the appropriateness of preparing the accounts of Norwood Ravenswood on a going concern basis. The majority of Norwood Ravenswood's income is secure as it arises from statutory sources. However, we have modelled a 4% and 6% reduction in statutory income due to attrition rates, with 6% being an extreme case. Fundraising and investment income has been modelled to fall by 25%. Under these models Norwood has sufficient reserves to continue operating for more than the next 12 months. The forecasting performed endorses the accounts being prepared on a going concern basis. The trustees consider this uncertainty not to be material.

Further, if necessary, the group could undertake certain actions to protect against any negative impacts. Such mitigating actions could include, but are not limited to, reducing the planned capital expenditure programme, accessing government support grants, schemes and

business reliefs, divestment from our investment portfolio, reducing revenue related costs, extending overdraft facilities, streamlining services and property disposals. At present, none of these actions are thought to be necessary and the business continues to monitor the uncertainty closely.

The trustees do not consider there to be material uncertainty over the charity and group's ability to continue as a going concern for at least 12 months from the signing of the accounts and accordingly they believe it is appropriate to prepare these financial statements on a going concern basis.

c) Estimates

The preparation of financial statements requires management to make estimates, judgements and assumptions that affect reported assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arms' length transaction. The financial instruments are initially recognised at fair value, which is normally the transaction price. In certain circumstances, the initial fair values may be based on a valuation technique, which may lead to the recognition of profits or losses at the time of initial recognition. However, these profits or losses can only be recognised when the valuation technique used is based solely on observable market inputs. Norwood has a cap to hedge the interest rate risks of its long-term loan. Subsequent to initial recognition, the cap was carried at fair value, with changes in fair value either reported within the income statement or within equity until the instrument is sold or becomes impaired.

Fair value of investment properties

Directly managed investment properties are periodically valued on the basis of fair value in accordance with the RICS valuation and relevant accounting standards, with desktop valuations conducted in the interim (where there has been no significant change to the underlying asset), with any change recognised in the Statement of Financial Activities. A special assumption was used in the valuation of Broadway House, being that the office element of the property, occupied by Norwood, has been sold on a long leasehold basis for a term of 999 years, at a peppercorn. The purpose of this special assumption is so that we can provide an opinion of Fair Value of the Supermarket element of the property, in isolation. A key assumption used by the valuer for The Hope Centre is that the Heads of Terms agreed complete into a lease.

Other significant estimates and assumptions

Significant estimates and assumptions in these financial statements require the exercise of judgment and are used for, but not limited to, allowance for doubtful clients' and local authorities' debtors, estimates of future cash flows and other assumptions associated with asset impairment tests, including the reversal of previous impairments, useful lives for depreciation, determination of discount and other rate assumptions for contingencies. Due to

the inherent uncertainty involved in making estimates, actual results reported in future periods may be different from these estimates. There are no significant judgements.

d) Income recognition

All income is accounted for when Norwood has entitlement, there is probability of receipt and the amount is measurable.

If income relates to a future period or event and the purpose of that income is to support the costs and activities in the future, the income is deferred and recognised in the appropriate period.

Legacies

Legacies are accounted for when notified, providing the amount can be reliably measured and that ultimate receipt is probable.

A receipt is deemed probable when:

- there has been a grant of probate;
- the executors have established that there is sufficient assets in the estate after settling any liabilities to pay the legacy or confirmation of a fixed sum has been confirmed as receivable by the executor where Norwood's interest in the legacy is not residuary; and
- any condition attached to the legacy is either within the control of the charity or has been met.

Where the legacy is measurable but the criteria for income recognition have not been fully met, then the legacy is treated as a contingent asset and disclosed if material.

Where a payment is received from an estate after the reporting date but before the accounts are signed and it is clear that the payment had been agreed by the executors prior to the end of the reporting period, the payment is treated as an adjusting event and accrued in the reporting year as income.

Gifts in kind

Donated goods and services are included as income within the Statement of Financial Activities (with an equivalent amount in expenditure) at the estimated value to Norwood, where this is reasonably quantifiable, measurable and material.

Volunteers

The charity benefits from the involvement and enthusiastic support of its volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

Grants

Grant income is recognised in the Statement of Financial Activities when received or when Norwood becomes entitled to receipt. Grants that have been received will be treated as deferred income where there are specific requirements in the terms of the grant that the income recognition is dependent on certain activities being completed in a future accounting period.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by Norwood which is usually upon notification of the interest paid or payable by the Bank.

e) Fund Accounting

Restricted, endowment, designated and unrestricted funds are separately disclosed, as set out in Note 15. Restricted funds are resources donated, the uses of which are subject to specific restrictions imposed by the donors or by the nature of the appeal. Designated funds are unrestricted fund set aside at the discretion of the Board for specific purposes. Endowment funds are funds where capital is retained and has been invested to provide income that is subject to specific restriction by the donor. All other types of funds which are not endowments, restricted or designated funds form part of general funds. General funds are available to spend at the discretion of the Board in furtherance of the charitable objectives of the charity. Transfers to and from designated funds are recognised as and when the Board designates or un- designates funds.

f) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured.

Cost of raising funds

The costs of raising funds comprise of costs associated with charitable expenditure including fundraising, trading costs and publicity.

Irrecoverable VAT

Irrecoverable VAT is charged as a cost to the Statement of Financial Activities, being allocated on the same basis as the underlying expenditure to which it relates.

Support costs

Support costs are allocated to the different categories of activities. This is based on different apportionment bases as detailed in Note 6 of the financial statements. Support costs include financial management, information systems, central management, human resources, property and facilities management, Jewish culture, volunteering and risk and assurance.

Governance Costs

Governance costs, other than those disclosed specifically in the notes to these accounts, are included within support costs and allocated on the same basis across services, as detailed in Note 6. Governance costs relate to costs associated with the governance arrangements of Norwood. These costs will normally include internal and external audit fees, legal advice for trustees and costs associated with constitutional and statutory requirements, for example the cost of trustee meetings and preparing statutory accounts. Also included within governance costs are any costs associated with the strategic, as opposed to day-to-day, management of the charity's activities. An appropriate proportion of the central management support costs

have also been attributed as governance costs to reflect the cost of Norwood's employees involved in meetings with the trustees and the cost of all administrative support provided to the trustees.

Grants payable:

Grants to individuals are recognised on payment and grants to institutions are recognised when there is a constructive obligation to make the payment.

g) Intangible and tangible fixed assets

Intangible fixed assets:

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses (if applicable). Software development costs are recognised as an intangible asset when all of the following criteria are demonstrated:

- The technical feasibility of completing the software so that it will be available for use.
- The intention to complete the software and use.
- The ability to use the software.
- The software will generate probable future economic benefits.
- The availability of adequate technical, financial and other resources to complete the development and to use the software.
- The ability to measure reliably the expenditure attributable to the software during its development.

Amortisation is charged so as to allocate the cost of intangible assets less their residual values over their estimated useful lives, using the straight-line method. The intangible assets are amortised over the following useful economic lives:

Software costs - 4 to 7 years

Tangible fixed assets:

Expenditure relating to tangible fixed assets is expected to be used over several years and where the combined value of the asset or group of assets exceeds £1,000. They are capitalised at cost and depreciated over their estimated useful economic lives on a straight-line basis.

Depreciation is provided on tangible fixed assets in order to write off their cost to their estimated realisable values by annual instalments over the following expected useful lives:

Freehold land	- not depreciated
Freehold buildings	- 50 years
Long leasehold land and buildings	- 50 years or length of lease if shorter
Freehold and leasehold improvements	- 10 years
Motor vehicles	- 10 years
Furniture, fixtures, fittings and equipment	- 10 years

Where there are indications that assets are or may be impaired in value or use, an impairment review is undertaken to establish the net realisable value and the value in use. The carrying amount of the assets is reduced by any excess over the higher of these valuations.

In the course of capital projects where costs are incurred for payments on account and assets under construction or installation of equipment, they are not subject to depreciation until they are reclassified after their completion and available for use.

h) Basic Financial instruments

Norwood operates basic financial instruments in terms of its assets and liabilities.

Financial assets:

Financial assets represent financial resources available to the charity and include financial investments in equities, debtors, intercompany debtors, cash and accrued income. Financial assets are carried at fair value and changes in fair value are recognised in the Statement of Financial Activities.

Financial Liabilities:

Financial liabilities are recognised on the date on which Norwood becomes a party to the contractual provisions of the instrument giving rise to the liability. These include trade creditors, other creditors, loan, accruals and intercompany creditors. Financial liabilities are initially recognised at fair value plus transaction costs and are no longer recognised when the contractual obligations are discharged, cancelled or expire. The bank loan is recognised at its principal amount advanced less capital repayments.

i) Investments

Investment properties:

Investment properties are revalued annually by the trustees and periodically by independent Chartered Surveyors on a fair value basis. Gains and losses are recognised in the Statement of Financial Activities account for the period. Therefore no depreciation is provided on investment properties.

Equity Investments:

Equity investments are stated at fair value. Changes in fair value are recorded in the Statement of Financial Activities. Unrealised gains and losses are calculated based on the carrying value of the investments in the Balance Sheet.

Investment management fees:

Norwood investments are held within collective investment schemes and managed by fund managers. The investment income is reported net of investment management costs. The investment management fees are disclosed in the Statements of Financial Activities. There are no 'investment management costs' to report in respect of the COIF Fund holdings because all costs are borne by the underlying Fund.

j) Debtors

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

k) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

l) Creditors and provisions

Creditors and provisions are recognised when Norwood 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. Most amounts provided for are expected to be settled within 12 months and are therefore recognised at the estimated settlement amount.

m) Employee benefits

Short-term employee benefits are those expected to be settled wholly before twelve months after the end of the annual reporting period during which employee services are rendered, but do not include termination benefits. These include wages, salaries and any other benefits paid to current employees. All short-term employee benefits are recognised as expenses in the period in which they are incurred. Post-employment benefits, representing contributions into defined contribution plans for current employees are equally recognised as expenses in the period in which the contribution payable is exchanged for services rendered by employees. The assets of the scheme are held separately from the charity.

A termination benefit liability is recognised at the earlier of the following dates:

- when the entity can no longer withdraw the offer of those benefits or;
- when the entity recognises costs for the restructuring which involves the payment of termination benefits.

n) Leases

Operating lease rentals are charged to the Statement of Financial Activities as they are incurred.

o) Tax Accounting Policy

The entity is exempt from corporation tax as the net income is for charitable purposes.

2: Incoming resources from donations, legacies and grants

	Unrestricted Funds	Restricted Income Funds	Total 2023	Total 2022
	£'000	£'000	£'000	£'000
Donations	6,566	495	7,061	6,919
Legacies	922	-	922	1,599
Grants	4	4	8	4
Total	7,492	499	7,991	8,522

3a: Incoming resources from charitable activities by income type

	Unrestricted Funds	Restricted Income Funds	Total 2023	Total 2022
	£'000	£'000	£'000	£'000
Statutory income from Local Authorities	17,155	-	17,155	16,842
Gross fee income	233	-	233	286
Rental income	1,146	-	1,146	1,208
Other income	21	-	21	47
Government Grant	-	18	18	655
Total	18,555	18	18,573	19,038

Included within Government Grants - Furlough Grants is £nil (2022: £121,000) relating to the Coronavirus Job Retention Scheme (CJRS), Infection Control Fund (ICF) Grants £18,000 (2022: £535,000).

3b: Incoming resources from charitable activities by service area

	Unrestricted Funds	Restricted Income Funds	Total 2023	Total 2022
	£'000	£'000	£'000	£'000
Adults services	17,679	18	17,697	17,522
Family services	46	-	46	76
Children services	691	-	691	1,323
Support services	139	-	139	117
Total	18,555	18	18,573	19,038

4: Trading activities - discontinued

	Unrestricted Funds	Total 2023	Total 2022
	£'000	£'000	£'000
Trading income	231	231	294
Governments Grants	-	-	27
Total	231	231	321

As a result of the challenges faced by the high street, Norwood took the decision to commence the phased closure of its retail operations. Included within Government Grants - Unrestricted Fund shop grants is £nil (2022: £22,000). Furlough Grants is £nil (2022: £5,000) relating to the Coronavirus Job Retention Scheme (CJRS).

5: Incoming resources from investments

	Unrestricted Funds	Total 2023	Total 2022
	£'000	£'000	£'000
Bank deposit interest	292	292	229
Investment Income / dividend	227	227	238
Rental income from investment properties	399	399	408
Total	918	918	875

6a: Resources expended

	Direct Staff Costs	Other Direct Costs	Reallocated Support Cost	Total 2023	Total 2022
	£'000	£'000	£'000	£'000	£'000
Cost of generating voluntary income	1,018	1,141	221	2,380	1,610
Cost of marketing	306	279	-	585	554
Cost of trading	74	100	39	213	151
Cost of generating investment income	-	13	-	13	15
Other	-	99	-	99	68
Total cost of raising funds	1,398	1,632	260	3,290	2,398
Charitable expenditure:					
Adults services	15,396	5,372	3,644	24,412	25,109
Family services	918	(124)	335	1,129	1,049
Children & educational services	946	1,041	498	2,485	2,221
Total cost of charitable expenditure	17,260	6,289	4,477	28,026	28,378
Total resources expended	18,658	7,921	4,737	31,315	30,776

6b: Analysis of reallocated support costs with bases of apportionment

Support costs (basis of apportionment)	Adults services	Family services	Children services	Fundraising	Trading	Total 2023	Total 2022
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Financial Management <i>(percentage of staff)</i>	616	32	85	26	6	765	879
Information Systems <i>(number of PCs)</i>	692	143	91	100	13	1,039	1,153
Assistive Technology <i>(equipment and time spent)</i>	48	10	10	-	-	68	101
Human Resources <i>(percentage of staff)</i>	779	40	107	33	7	966	951
Property and Facilities <i>(percentage of staff)</i>	575	30	79	24	5	713	536
Central Management <i>(percentage of staff)</i>	545	28	75	23	5	676	557
Jewish culture <i>(percentage of staff)</i>	50	3	7	2	-	62	58
Risk and Assurance <i>(percentage of staff)</i>	59	3	8	2	1	73	32
Volunteering <i>(number of volunteers)</i>	30	33	2	-	-	65	158
Governance <i>(percentage of staff)</i>	250	13	34	11	2	310	385
Total	3,644	335	498	221	39	4,737	4,810

6c: Resources expended also include:

		Total 2023	Total 2022
		£'000	£'000
External audit and related costs:	Fees payable to the charitable company's auditor for the audit of the charitable company's annual accounts	44	44
	Fees payable to the charitable company's auditor and its associates for other services: Audit of accounts of subsidiaries	49	39
	Tax compliance services	(2)	3
Depreciation:	Intangible fixed assets	70	41
	Tangible fixed assets	1,551	1,492
Interest payable		122	50
Operating lease rentals:	Plant & machinery	183	183
	Properties	146	251
Trustees' indemnity insurance premiums		7	6
(Losses)/gains on disposal of fixed assets		(93)	(19)

6d: Subsidiaries and parent charities

Norwood Ravenswood has six dormant subsidiary undertakings. Details of each subsidiary undertaking are listed in Note 11 as well as details of linked charities. The summary results for the active subsidiaries with the assets and liabilities of each subsidiary undertakings and the parent charity are as shown below.

	The Hope Charity	Norwood Schools Limited	Parent Charity
	£'000	£'000	£'000
2023			
Incoming resources/ turnover	62	28,770	7,943
Resources expended	(104)	(28,404)	(11,795)
Net (losses) / gains on revaluation & investments	(200)	(442)	(780)
Net income for the year	(242)	(76)	(4,632)
Total assets	3,107	40,972	1,402
Total liabilities	(1,072)	(7,707)	(8,888)
Net assets	2,035	33,265	(7,486)
2022			
Incoming resources/ turnover	35	29,137	8,079
Resources expended	(68)	(28,699)	(10,509)
Net gains on revaluation & investments	2,150	1,204	681
Net income for the year	2,117	1,642	(1,749)
Total assets	1,413	40,272	19,886
Total liabilities	(928)	(8,573)	(5,896)
Net assets	486	31,699	13,990

Income of £62k has been recognised in the Hope Charity single entity accounts in accounting for a rent-free period for the letting of 228 Walm Lane. This has not been recognised in the group accounts as it is not material at a group level.

7a: Staff costs

	2023	2022
	£'000	£'000
Direct staff expenditure:		
Wages and salaries	15,542	16,430
Social security costs	1,498	1,513
Pension costs	469	528
Total direct staff costs	17,509	18,472
Other Staff expenditure:		
Agency costs	3,568	2,663
Other staff costs	526	564
Total staff expenditure	21,603	21,699

No amount was included within staff costs relating to amounts re-imbursed under the coronavirus Job Retention Scheme (2022 : £126,000).

7b: Redundancy and Termination costs:

	2023	2022
	£'000	£'000
Statutory redundancy payments	7	104
Payments in Lieu of notice period	45	137
Compensation for loss of office	88	3
Total payments on termination included above	140	244

7c: Average number of staff employed and the full-time equivalent

	Staff employed		Full-time equivalent	
	2023	2022	2023	2022
	Number	Number	Number	Number
Fundraising and trading activities	26	28	26	24
Adults' Services	517	598	351	407
Children and Family Services	82	28	29	21
Education and Support	15	18	6	10
Support Services	65	65	61	58
	705	737	473	520

7d: Earnings above £60,000

The number of employees who earned more than £60,000 during the year was:
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	2023 Number	2022 Number
£60,001 - £70,000	3	3
£70,001 - £80,000	4	4
£80,001 - £90,000	1	-
£90,001 - £100,000	2	1
£100,001 - £110,000	2	-
£110,001 - £120,000	-	1
£120,001 - £130,000	-	1

Contributions made to the pension scheme for the twelve (2022: ten) employees who earned more than £60,000 amounted to £54,854 (2022: £49,133).

The trustees and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis.

Trustees received no remuneration and were not reimbursed any expenses in either year.

The total employee benefits of Key Management Personnel of the group were £884,154 (2022: £693,549)

7e: Pension

Norwood operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the charity. Contributions payable in respect of the year were £431,000 (2022: £528,000) of which £122,000 was outstanding at 31 March 2023.

8: Intangible fixed assets

	Group Computer Software	Parent Computer Software
	£'000	£'000
Cost		
At 1 April 2022	2,842	27
Additions	56	-
At 31 March 2023	2,898	27
Depreciation		
At 1 April 2022	2,673	23
Charge for the year	70	1
At 31 March 2023	2,743	24
Net Book Values:		
At 31 March 2023	155	3
At 31 March 2022	168	4

9a: Group Tangible fixed assets

	Freehold properties	Leasehold properties	Motor vehicles	Fixtures, Furniture & Equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 April 2022	32,527	2,795	849	10,131	46,302
Additions	431	10	-	573	1,014
Disposals	(42)	(233)	(176)	(128)	(579)
At 31 March 2023	32,916	2,572	673	10,576	46,737
Depreciation					
At 1 April 2022	15,412	1,583	594	6,757	24,346
Charge for the year	871	122	57	501	1,551
Disposals	(27)	(184)	(170)	(73)	(454)
At 31 March 2023	16,256	1,521	481	7,185	25,443
Net Book Values:					
At 31 March 2023	16,660	1,051	192	3,391	21,294

At 31 March 2022	17,115	1,212	255	3,374	21,956
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9b: Parent Tangible fixed assets

	Freehold properties	Leasehold properties	Motor vehicles	Fixtures, Furniture & Equipment	Total
	£'000	£'000		£'000	£'000
Cost					
At 1 April 2022	949	1,235	-	342	2,526
Additions	-	-	-	7	7
Disposals	-	(58)	-	-	(58)
At 31 March 2023	949	1,177	-	349	2,475
Depreciation					
At 1 April 2022	598	727	-	331	1,656
Charge for the year	8	22	-	3	33
Disposals	-	(20)	-	-	(20)
At 31 March 2023	606	729	-	334	1,669
Net Book Values:					
At 31 March 2023	343	448	-	15	806

At 31 March 2022	351	508	-	11	870
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10a: Investments - Managed Investment Portfolio

	GROUP		PARENT CHARITY	
Market Value	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Market values at 1 April	16,580	15,793	15,078	14,411
Disposals in the year	-	-	-	-
Net investment (losses) / gains	(850)	787	(793)	667
Market value at 31 March	15,730	16,580	14,285	15,078

	GROUP		PARENT CHARITY	
Historical Cost for comparison	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Historical cost at 31 March	13,734	13,663	12,446	12,375

Cumulative revaluation gains (investment portfolio)	1,996	2,917	1,839	2,703
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The proportions of non-property investments by market value invested by fund manager was:

Sarasin and Partners LLP	49%	50%	54%	55%
CCLA	51%	50%	46%	45%

The underlying investments may also be analysed as follows:

	GROUP		PARENT CHARITY	
Equity Investments by type	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Multi-asset Investment Funds	15,730	16,580	14,285	15,078
Cash	-	-	-	-
Market Value at 31 March	15,730	16,580	14,285	15,078

10b: Investments - Directly Managed Properties

	GROUP		PARENT CHARITY	
Market Value	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Valuation at 1 April	10,580	7,675	-	-
Net investment (losses)/gains - unrealised	(580)	2,905	-	-
Provision for Capital expenditure	(30)	-	-	-
Carrying values at 31 March	9,970	10,580	-	-
Cumulative revaluation gains (directly managed properties)	4,826	5,406	-	-

The investment properties relate to the group's long leasehold interest in 228 Walm Lane, London and freehold interest in the ground floor of the building at 80-82 The Broadway, Stanmore, leased to a third party. The freeholder for 228 Walm Lane is the London Borough of Brent and a long leasehold has been granted for a term of 125 years from 24 June 1997.

In April 2023, an independent valuer, Cluttons LLP, undertook a valuation of the investment property.

10c: Investments

	GROUP		PARENT CHARITY	
Market Value	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Net gains on investments: managed portfolio	(837)	800	-	-
Net gains on current asset investments	-	-	-	-
Net gains on financial instruments: interest rate cap	(5)	5	-	-
Net gains on fixed asset: property revaluation	(580)	2,905	-	-
Net gains/(losses) on investments	(1,422)	3,710	-	-

11a: Interests in Subsidiary Undertakings

Subsidiary Undertaking	Activity / Status	Company Registration Number	Charity Registration Number
Norwood Schools Limited	Charitable activities	00516901	307992
The Hope Charity	Active company but with discontinued operations	03171884	1056674
Norwood Ravenswood Services Limited	Dormant company	02260648	n/a
Sussex Tikvah	Dormant	01699597	286802
Norwood Child Care Foundation	Dormant	02291681	Removed
Ravenswood Foundation	Dormant	02617972	Removed
The Parry Charitable Foundation	Dormant	02790100	Removed
Norwood Home for Jewish Children	Dormant company with linked charities	n/a	312359

The parent company is Norwood Ravenswood. All subsidiary undertakings are 100% owned or controlled and incorporated in England. All are consolidated in the group accounts.

11b: Linked Charities

According to Section 12 of the Charities Act 2011, the following charities are linked to Norwood Home for Jewish Children for registration and accounting purposes. Norwood Ravenswood, the parent company, remains the sole trustee for these charities. There were no activities during the year or any fund balances in these charities. In line with section 21 of the Charity SORP FRS 102, names of the linked charities are disclosed below:

Norwood General Endowment Fund

The Norwood Fund for Advancement of Religion

Norwood Music Fund

Mrs Behrend's Library Endowment

Norwood Educational Fund

Norwood Fund for Advancement in Life

Norwood Recreational Fund

Doctor Henry Behrend's Memorial Library

12: Debtors	GROUP		PARENT CHARITY	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Trade debtors and Local Authorities' debts	874	1,066	-	-
Accrued legacies	138	548	138	548
Other debtors	250	229	38	42
Prepayments	381	489	34	156
Accrued income	48	9	-	-
Total debtors	1,691	2,341	210	747

13: Creditors: amount falling due within one year	GROUP		PARENT CHARITY	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Accruals and deferred income	2,169	2,878	327	327
Amount due to group undertakings	-	-	8,490	7,909
Bank loan repayable within one year	346	363	-	-
Other creditors	253	141	-	-
Other taxes and social security costs	489	456	-	-
Trade creditors	1,525	1,109	71	17
Total creditors due in less than one year	4,782	4,947	8,888	8,252

13a: Deferred income	GROUP		PARENT CHARITY	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Opening balance at 1 April	982	906	280	320
Amounts released in year	(911)	(734)	(280)	(148)
Amounts deferred in year	845	810	96	108
Closing balance at 31 March	916	982	96	280

Deferred income relates to fee income invoices raised at the year-end which pertain to future periods and money received for future events.

14: Creditors: amount falling due after one year	GROUP		PARENT CHARITY	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Bank loan repayable within two to five years	1,421	1,495	-	-
Bank loan repayable after five years	1,924	2,219	-	-
	3,345	3,714	-	-
Provision for Dilapidation	50	50	-	-
Rental Deposit	-	42	-	-
Total creditors due in more than one year	3,395	3,806	-	-

Loan: In October 2007 Norwood purchased Broadway House in Stanmore with a 25 year loan taken from RBS of £6.68m. Capital repayments commenced after 60 months of loan issue (first 5 years was interest only). The bank loan is secured by a charge over the payments and is repayable in 240 monthly instalments from November 2012. The final payment will be in October 2032.

15a: Group Restricted Funds

		1 April 2022	Incoming resources	Outgoing resources	31 March 2023
	note:	£'000	£'000	£'000	£'000
JCoSS PSRP Fund	i	976	-	(275)	701
JAPH	ii	25	-	-	25
Somers Court & Residential Fund	iii	194	-	(17)	177
Somers Court (ex Daniel Ct.)		308	-	-	308
Supported Living Properties Fund:	iv	21	-	(14)	7
11 Highview Gardens		617	-	(15)	602
Holmbury Avenue		337	-	(17)	320
Greenwood Road		169	-	(6)	163
The Grange Fund	v	154	-	(11)	143
Phyllis Somers Capital & Service Fund	vi	2,466	-	-	2,466
Assistive Technology Fund	vii	177	115	(41)	251
Lyonsdown Road Rear Garden	viii	35	-	(5)	30
Heads Up Kids	ix	87	13	(73)	27
Rochelle & Alan Bernard Fund	x	59	-	-	59
Capital Projects	xi	502	164	(164)	502
Binoh SEND Fund	xii	11	38	(14)	35
Lyonsdown minibus operational costs	xiii	28	14	(14)	28
Braude Trust for Staff Training	xiv	217	-	(184)	33
Lira Abivela (Novi Dom)	xv	53	-	-	53
Autism Services	xvi	23	-	-	23
Other funds valued under £20k		163	173	(249)	87
		6,622	517	(1,099)	6,040

15b: Group Endowment Funds

		1 April 2022	Incoming resources	Outgoing resources	Investment gains and losses	31 March 2023
	note:	£'000	£'000	£'000	£'000	£'000
Ernst & Dola Fischer fund	xvii	451	-	-	(21)	430
Endowment fund for Jewish Children	xviii	269	-	-	(13)	256
Somers fund	xix	1,262	-	-	(60)	1,202
		1,982	-	-	(94)	1,888

15c: Group Unrestricted fund - General Fund

		1 April 2022	Incoming resources	Outgoing resources	Investment gains and losses	31 March 2023
		£'000	£'000	£'000	£'000	£'000
General funds		38,867	27,196	(30,216)	(1,328)	34,519
		38,867	27,196	(30,216)	(1,328)	34,519
Total funds		47,472	27,713	(31,315)	(1,421)	42,447

15d: Parent Charity Funds

	1 April 2022	Incoming resources	Outgoing resources	Transfer between funds	Investment gains and losses	31 March 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted Fund:						
General fund	10,195	7,943	(11,795)	-	(686)	5,657
	10,195	7,943	(11,795)	-	(686)	5,657
Endowment funds:						
Ernst & Dola Fischer fund	451	-	-	-	(21)	430
Endowment fund for Jewish Children	269	-	-	-	(13)	256
Somers fund	1,262	-	-	-	(60)	1,202
	1,982	-	-	-	(94)	1,888
Restricted Funds:						
Lira Abeleva (Novi Dom)	53	-	-	-	-	53
Other funds valued under £20k	11	-	-	-	-	11
	64	-	-	-	-	64
Total	12,241	7,943	(11,795)	-	(780)	7,609

Restricted funds

- i Fund supporting the Pear's Special Resource Provision at JCoSS.
- ii JAPH Fund to assist Jewish people with physical and/or learning disabilities (LD).
- iii Somers Court & Residential Accommodation Fund to provide accommodation for young adults with LD.
- iv Supported Living Properties Fund including capital investments.
- v The Grange Fund represents the donation of a flat.
- vi Phyllis Somers Service Delivery Fund: Towards construction, refurbishment and associated costs of family centres and accommodation for adults with disability, plus the operating cost of such services.
- vii Assistive Technology (AT) Fund: Grants from KC Shasha Charitable Foundation and other Trusts to provide AT and associated support to people with LD and complex needs.
- viii Lyonsdown Road Rear Garden supporting the landscaping of rear garden.
- ix Heads Up Kids - supports our work in partnership with Heads Up Kids and PaJes.
- x Memorial fund set up in memory of Rochelle and Alan Bernard to support children dealing with trauma.
- xi Capital Projects provided by the Leo Baeck Housing Association, the Locker Foundation and the Gerald and Gail Ronson Family Foundation to support building improvements.
- xii Binoh Send Fund : supports Binoh's Special Educational Needs and Disabilities Programme.
- xiii A fund to support the Lyonsdown minibus operational costs: Driver, fuel and fleet charges.
- xiv Braude Trust funding for staff training and inductions.
- xv Novi Dom aimed to provide an educational & respite care facility for disabled children.
- xvi Autism Services funding
- xvii The Ernst and Dola Fischer endowment was given to fund some of Norwood's services. The original grant given was £350k.
- xviii
- The Endowment Fund for Jewish Children is a permanent endowment for Norwood Homes of Jewish Children and represents the original endowment made to it at inception. Income arising from the fund is restricted and can only be used for the provision of services for children.
- xix The Somers endowment was given to fund Norwood's family centre at Hackney. The original grant received was £1m.

16: Analysis of Net Assets Between Funds**Group**

	Unrestricted Fund	Designated Fund	Endowment funds	Restricted Fund	Total Fund
	£'000	£'000	£'000	£'000	£'000
2023					
Fixed assets	19,728	-	-	1,720	21,448
Investments	23,084	-	2,553	64	25,701
Net current assets/(liabilities)	(5,563)	-	-	4,256	(1,307)
Liability due after one year	(3,395)	-	-	-	(3,395)
Total net assets	33,854	-	2,553	6,040	42,447

2022

Fixed assets	20,325	-	-	1,800	22,125
Investments	24,869	-	2,227	64	27,160
Net current assets/(liabilities)	(2,765)	-	-	4,758	1,993
Liability due after one year	(3,806)	-	-	-	(3,806)
Total net assets	38,623	-	2,227	6,622	47,472

Parent Charity

	Unrestricted Fund	Designated Fund	Endowment funds	Restricted Fund	Total Fund
	£'000	£'000	£'000	£'000	£'000
2023					
Fixed assets	809	-	-	-	809
Investments	11,669	-	2,553	64	14,286
Net current (liabilities)	(7,486)	-	-	-	(7,486)
Total net assets	4,992	-	2,553	64	7,609

2022

Fixed assets	872	-	-	-	872
Investments	12,787	-	2,227	64	15,078
Net current liabilities	(3,709)	-	-	-	(3,709)
Total net assets	9,950	-	2,227	64	12,240

17: Contingent Liability

A contribution of £250,000 in respect of the registered care home at 1 Woodcock Dell Avenue in Harrow, is repayable to the Secretary of State for Health should the property cease to be used as a residential care home.

18: Commitments under operating leases

The future minimum payments under non-cancellable operating leases are:

	Leased Properties 2023	Other 2023	Leased Properties 2022	Other 2022
	£'000	£'000	£'000	£'000
Within one year	302	101	317	154
Between one and five years	961	-	895	37
Over five years	2,776	-	2,711	-
	4,039	101	3,924	191

The future minimum payments receivable under non-cancellable operating leases are:

	Leased Properties 2023	Leased Properties 2022
	£'000	£'000
Within one year	548	390
Between one and five years	2,322	1,562
Over five years	9,193	3,883
	12,063	5,835

Future minimum lease payments due from letting of 228 Walm Lane and retail space at Broadway House.

19: Analysis of changes in net debt	GROUP			
	1 April 2022	Cash flows	Other changes	31 March 2023
	£'000	£'000	£'000	£'000
Cash	4,599	(2,815)	-	1,784
Loans falling due within one year	(742)	(386)	(34)	(1,162)
Loans falling due after more than one year	(4,036)	-	34	(4,002)
	(179)	(3,201)	-	(3,380)

20: Notes to the cash flow statement

	2023	2022
	£'000	£'000
Reconciliation of net income / (expenditure) to Net Cash (used in) / provided by operating activities:		
Net (expenditure)/income	(5,024)	1,688
Depreciation	1,621	1,534
Losses on disposal of fixed assets	96	19
Losses / (Gains) on revaluations of assets	1,422	(3,697)
Increase in Provision for capital expenditure	30	-
Decrease / (increase) in debtors	651	(533)
(Decrease) in creditors falling due within one year excluding bank loan	(147)	78
Decrease in creditors falling due after more than one year excluding bank loan	(42)	(115)
Investment income	(918)	(875)
Loan interest & other interest payable	122	50
Net Cash (used in) operating activities	(2,189)	(1,852)

Movement in cash funds

	2023	2022
	£'000	£'000
Opening cash and cash equivalents	4,599	7,293
Cash at bank and in hand as at 31 March	1,784	4,599
Movement in cash funds	(2,815)	(2,695)

21: Related Parties

Donations received from related parties totalled £269,220 (2022: £241,660).

Related party transactions between the charity and The Radlett Centre Trust for the provision of theatre hire amounted to £nil (2022: £2,338). One of the trustees is a director in The Radlett Centre Trust.

Group companies:

In the year, there were related party transactions between the parent charity and a member of the group. Norwood Ravenswood provided income of £9,470,000 (2022: £9,350,000) to Norwood Schools Limited. Norwood Schools Limited incurred expenditure of £1,210,000 (2022: £589,000) on behalf of Norwood Ravenswood. At the year-end Norwood Ravenswood owed £8,486,000 (2022: £7,907,000) to Norwood Schools Limited.

Key management personnel compensation:

In line with paragraph 33.6 of FRS102 Related Party Disclosures, compensation paid to key management personnel in respect of services provided to the reporting entity is disclosed in Note 7.

22: Comparative Statement of Financial Activities

	Continuing Operations				Discontinued Operations			Total 2022	Total 2021
	Unrestricted Funds 2022	Endowment Funds 2022	Restricted Funds 2022	Total Funds 2022	Unrestricted Funds 2022	Restricted Funds 2022	Total Funds 2022		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income from:									
Donations and legacies	7,653	-	869	8,522			-	8,522	9,124
Charitable activities	18,383	-	656	19,038			-	19,038	19,381
Trading activities	-	-	-	-	316	5	321	321	472
Investments	875	-	-	875			-	875	953
Other income				-					
Profit on disposal of property	-	-	-	-			-	-	3,136
Total income	26,911	-	1,525	28,435	316	5	321	28,756	33,066
Expenditure on:									
Raising voluntary income and marketing	2,164	-		2,164			-	2,164	2,280
Charitable activities	26,619	-	1,759	28,378			-	28,378	29,023
Trading activities	-	-	-	-	146	5	151	151	863
Investments	15	-	-	15			-	15	-
Other	68	-	-	68			-	68	21
Total cost	28,866	-	1,759	30,625	146	5	151	30,776	32,187
Operating surplus / (deficit)	(1,955)	-	(236)	(2,191)	169	-	169	(2,022)	879
Net gains / (losses) on investments	718	82	-	800			-	800	2,679
Net income / (expenditure)	(1,238)	82	(236)	(1,391)	169	0	169	(1,222)	3,558
Transfers between funds	157	-	(157)	-			-	-	-
Other recognised gains and losses				-					
Net gains on financial instrument	5	-	-	5			-	5	(35)
Net gains on revaluation of fixed assets	2,905	-	-	2,905			-	2,905	-
Net movement in funds	1,829	82	(393)	1,518	169	0	169	1,688	3,523
Reconciliation of funds:									
Total funds brought forward	36,869	1,900	7,015	45,784			-	45,784	42,262
Total funds carried forward	38,698	1,982	6,622	47,302	169	-	169	47,472	45,785