

ZETETICK HOUSING

England & Wales · Charity number 1118922

Details

Status Registered

Legal form Charitable company

Company number [06082488](#)

Registered 2007-04-24

Register [View on the Charity Commission register](#)

Contact

Address Zetetick Housing Ltd
Innovation Centre
Highfield Drive
St. Leonards-on-Sea
TN38 9UH

Phone 08000308009

Email gscott@zhc.org.uk

Website www.zhc.org.uk

Activities

Objects: The objects of the Charity are the relief of financial hardship among disadvantaged people by providing services to, in particular but not exclusively, disabled people living and working in London Boroughs and Southeast Counties, including through: (i) the provision of supported Social Housing that enables disadvantaged people to live within the community;(ii) enabling them to financially meet housing costs;(iii) enabling fair access to private rental housing provision;(iv) access to interest free loans to fund housing deposits and home set-up costs;(v) the provision of additional housing management services;(vi) the provision of facilities for recreation and other leisure-time occupation in the interests of social inclusion & welfare with the object of improving their conditions of life all of which they could not otherwise afford thorough lack of means.

Activities: A not-for-profit provider of Support & Social Housing to people who have a learning disability and/or associated disability, which enables our beneficiaries to live within their local community. Furtherance of our general aim to provide benefits to our beneficiaries we aim to provide alternative social life experiences that would otherwise be unavailable due to financial hardship.

Classification

- **How:** Makes Grants To Individuals, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Other Charitable Activities
- **What:** Disability, Accommodation/housing, Amateur Sport
- **Who:** Children/young People, Elderly/old People, People With Disabilities

Geography

- **Area of benefit:** SOUTH LONDON BOROUGHES AND SOUTH EAST COUNTES.
- Brighton And Hove
- East Sussex
- Kent
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£5,977,243	£4,854,312	£4,415,077	22
2024-03-31	£4,538,300	£4,411,871	£3,292,146	20
2023-03-31	£5,204,935	£4,255,979	£3,165,717	18
2022-03-31	£4,468,311	£3,938,336	£2,216,761	13
2021-03-31	£3,788,734	£3,670,395	£1,686,786	12

Trustees

Name	Role	Appointed
Adam Clarke		2025-07-24
Andrew Chequers		2022-02-10
Bamike Sawyerr		2025-07-24
Claudia Linden		2022-02-10
Deborah Page		2023-11-09
Gary Malcolm Scott		2018-01-17
Hilary Clifford		2025-07-24
Jonathan Spencer		2024-07-25
Natasha Hussain		2022-02-10
Natasha Suzanne Pakeeree		2024-02-08

ZETETICK HOUSING

England & Wales - Charity number 1118922

Accounts

Charity Registration No. 1118922

Company Registration No. 06082488 (England and Wales)

ZETETICK HOUSING

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025



One Bell Lane
Lewes
East Sussex
BN7 1JU

ZETETICK HOUSING

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	G Scott	
	M Hurst	
	A Chequers	
	C Linden	
	N Hussain	
	D Page	
	N Pakeeree	
	J Spencer	(Appointed 1 August 2024)
Secretary	A Neill	
Charity number	1118922	
Company number	06082488	
Principal address	Innovation Centre Highfield Drive Churchfields Industrial Estate St Leonards on Sea East Sussex TN38 9UH	
Registered office	Innovation Centre Highfield Drive Churchfields Industrial Estate St Leonards on Sea East Sussex TN38 9UH	
Auditor	TC Group One Bell Lane Lewes East Sussex BN7 1JU	
Bankers	Lloyds Bank PLC 24 Broad Street Reading RG1 2BT	

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ZETETICK HOUSING

CHAIR'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

The financial year 24-25 has been a strong one for Zetetick. We have built on the strong foundations of previous years, with a carefully considered restructure. Our progress reflects our commitment to providing safe, secure, supported living environments for all those we serve, and our core values.

Before drawing out highlights, I would like to start by paying tribute to our long-serving Housing Director, Judith Chambers, who retired this year. Judith was instrumental in building Zetetick to where it is today, and her knowledge of and commitment the tenants in her 'patch' was exemplary.

In her place we have welcomed our new Housing Director, Lisa Purchase, whose fresh perspective and expertise has already made a substantial difference.

In 2024-25 we have balanced our unique service model with expanding our reach and deepening our impact on the communities we serve. We have built on ongoing collaborations with NHS bodies, local authorities, and care partners, have embedded enhanced safeguarding practices throughout our work, improved the quality of our core information, and taken meaningful steps to reduce our environmental footprint.

While the broader economic climate remains challenging - with competitive pressures in the private rental market and a tight labour market - our strategic initiatives have enabled us to maintain strong staffing levels and operational resilience. We now face, and indeed welcome, a range of new legislation before us and are confident that we can retain our focus on a first rate 'day job', while building our stock and tenant base.

Fundamentally we must and will remember why we are here. To produce targeted housing solutions for people who have a crying need for it, and reducing the stress on tenants, many of whom have high anxiety and all of whom have an impaired ability to cope with the world they find themselves in.

I extend my sincere gratitude to our dedicated staff, volunteers, partners, and the entire Zetetick community, led by Jonathan our CEO. We will ensure with them that every individual we serve will continue to experience the dignity and security of our promise of safer homes and empowered people.



Martin (Dec 12, 2025 21:11:44 GMT)

M Hurst

Chair

Date: 12/12/2025

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

The Trustees present their annual report and financial statements for the year ended 31 March 2025.

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

Objectives and activities

Charitable Objectives

The objectives of the charity are the relief of financial hardship among disadvantaged people by providing services, in particular but not exclusively, to disabled people living and working in London Boroughs and Southeast Counties, including through:

- i. the provision of supported Social Housing that enables disadvantaged people to live within the community;
- ii. enabling them to financially meet housing costs;
- iii. enabling fair access to private rental housing provision;
- iv. access to interest free loans to fund housing deposits and home set-up costs;
- v. the provision of additional housing management services;
- vi. the provision of facilities for recreation and other leisure-time occupation in the interests of social inclusion and welfare with the object of improving their conditions of life all of which they could not otherwise afford through lack of means.

The Trustees are pleased to report that we continue to support vulnerable adults with the provision of high-quality accommodation and housing support, who would otherwise not have a fair opportunity to secure their own homes during the continued high demand for social housing and the highly competitive private rental market. In many cases this will be the tenants' first home away from family and/or residential care, giving them true independence and opportunities to become valued members of the local community.

Our Vision

Empowering people with learning disabilities and autism to live as valued members of their community by finding them quality homes, not just housing; offering safety, security and opportunity where care, friendship and freedom can come first every day.

Our Mission

- To provide and maintain specialised quality homes, not just housing.
- To empower choice and deliver dignity to those people, primarily with learning disabilities and autism, who need our offer of quality housing for supported living.
- To align our values and activities to work with a range of partners across housing, commissioning, and care, in the fulfilment of our charitable aims.

Our Aspiration

Housing people with complex learning disabilities and autism is at the heart of what we do.

Our aspiration is to harness the passion that each of our members of staff have and use it to give some of the most marginalised people in our society a safe home and empower them.

Our focus is to continue to deliver a best practice approach, thought-leadership to the wider sector, and continuing with high quality services and unique provision to people in need of support. The aim is to develop our policy, procedures, processes, and resources so that they are always sensitive to the people we find homes for. By doing so, we reaffirm our commitment to doing our best for our tenants, their families and the wider community.

Our bottom line must be about delivering quality and honouring our promise to the people we support because from this we will be able to help more people in a sustainable way.

KEY ACHIEVEMENTS AND PERFORMANCE

During the year 2024-25 we achieved the following:

- Housed 179 tenants over a total of 115 properties
- Rehomed 9 existing tenants to more suitable properties
- Welcomed 24 new tenants to Zetetick homes
- Maintained a high level of repairs and inspections (96% on time)
- Carried out 'Homeliness Checks' in addition to our formal 6-monthly housing inspections
- Offered a Hardship Fund to our tenants who might be feeling cost of living pressures
- Held fun feedback event for our tenants 'How is Your Home?'
- Produced the Zetetick Magazine with collaboration from tenants
- Provided training for all staff in Adult Safeguarding, Communication, Challenging Behaviour, Data Protection and Suicide Awareness
- Made progress on Digital Transformation; increasing transparency, improving record keeping and linking data sources
- Developed relationships with 3 new care company partners
- Increased our Full Time Equivalent (FTE) headcount from 19 to 20 to ensure increased support to tenants (average FTE 20)
- Supported 2 volunteers to work on our social media and outreach work
- Built on our 2022 five-year plan to give additional focus and measurement.

VALUES AND WAYS OF WORKING



Our values are equally important in reviewing our progress and in setting future targets. They are literally the 'BEDROCK' of all we do. Our tenants are people we all know, yet they are often those with a learning disability, autistic and/or mental health challenges and have vulnerabilities that impact on the way we work.

We continue to gather feedback from our stakeholders to ensure we practice our values in all areas of the business.

STAFFING

We employ staff that share our values and with the necessary knowledge, experience and skills to be able to represent the charity at the highest levels. We pay staff salaries at or above the London Living Wage and at a competitive level they would receive if they were undertaking a similar role in NHS social care or a comparable organisation. Relevant salaries are disclosed in our financial statement.

All our staff are trained in Safeguarding Awareness, Communicating with Adults with Learning Disabilities, Suicide Awareness, Data Protection.

We undertake an annual Staff Survey and promote staff engagement. Following the results of the 2024 survey, we introduced a Health Care Plan for all staff.

OPERATING MODEL

We provide specified, exempt accommodation to our tenants. We fund our work through Government funding and good financial management to achieve operating surpluses to invest in our Objects. We operate a team of volunteers for some areas of our outreach, which provides an opportunity for our supporters to give their time in a way that benefits them, the charity and our beneficiaries, in addition it offers some valuable work experience that many have used to gain meaningful employment.

Whilst understanding the desire for people to donate to a good cause and the positive impact this could have on the charity, the founder wanted to ensure the charity could operate independently without full reliance on fundraising, ensuring business planning was central to the administration of the charity.

The charity also has a strong and regularly reviewed reserves policy that ensures our reserves are of the strength and depth necessary to cover all eventualities in order to protect our tenants, staff and partners. Trustees acknowledge there are risks in housing vulnerable individuals and ensure our risk assessment and risk management are reviewed annually and are up to date.

We continue with our plan to diversify following the purchase of 2 properties in Croydon in 2024. The down-payment was paid using charitable reserves, the remainder was a 25 year secured loan from CAF Bank.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Financial review

The charity's financial position remains very strong with sufficient reserves and liquidity to enable it to fulfil its objectives, meet its operational commitments and to allow for most foreseeable contingencies and operate on a going concern basis.

Local Authorities, under increased financial pressure, continue to scrutinise our provision of Specialised, Exempt Accommodation. The Supported Housing Regulatory Oversight Act was brought in in 2023, although detailed guidance has not yet been produced. Zetetick welcome this scrutiny; as specialist providers we are able to claim the full amount of Housing Benefit for our Tenants which enables them to live in their own homes. We will be participating in the government's consultation on the implementation of the Act in 2025. We are building strong relationships with Local Authorities so that, through mutual trust, we can offer homes to more vulnerable adults who otherwise would not be able to live outside of a hospital or care home environment.

We restructured our Engagement and Development department following a consultation, creating a New Business Development department and ensuring the Housing Department had the capacity to continue tenant and participation work to a high quality.

To support growth, staff headcount grew from a full time equivalent of 19.3 to 20.4 (actual headcount at March 2025 was 24).

The number of beneficiaries at 31 March 2025 was 179 (2024 – 162). We found new homes for 9 existing tenants whose current homes were no longer available and/or suitable for them. We welcomed 24 new tenants to Zetetick Homes.

Direct charitable activity (income & expenditure) increased year on year to £5.0m (2024 - £4.4m). The main reasons for this increase are as follows:

- Growth in tenant numbers, properties and staff
- Grant funding from NHS England to purchase a property
- Inflationary increases on property leases

We now have 3 NHS capital grant funded properties having taken on a third NHS property in 2024-25 and acquired 2 additional homes for our tenants funded through loans and our reserves.

The overall surplus (net movement of funds) on unrestricted funds before transfers was £236k (2024 - £111k) - representing a surplus ratio of 5% of income.

The health and safety of our tenants remained of paramount importance. The charity continued to provide essential maintenance support to all our tenants and resumed half-yearly inspections which increased the amount of non-urgent work as well as undertaking all landlord health and safety obligations.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Restricted Funds

As at 31 March 2025, our restricted fund balance was £2.2m (2024 - £1.4m). This is made up of 3 NHS Capital Grants which were used to purchase 3 properties for our tenants to live in. These properties will be revalued every 3 years, the next valuations will be at March 2026 (2 properties) and March 2028 (1 property).

Designated Funds

The Trustees have agreed on 3 designated funds, being:

- Hardship Fund - for tenants struggling to pay the Tenant Service Charge - balance at 31 March 2025 £70k.
- End of Tenancy Dilapidations Fund – to cover large repair bills at the end of a tenancy. At 31 March 2025 this was calculated at £263k.
- Regulatory Compliance Fund – to ensure we are prepared for any regulatory changes that may be necessary including the Supported Housing Regulatory Oversight Act (SHROA). Balance at 31 March 2025 £50k.

Reserves Policy

The purpose of the Reserves Policy is to ensure the Charity holds enough funds in general reserves for the stability of the mission, programmes, employment and ongoing operations of the organisation. The Reserves Policy is intended to give a clear indication of internal funds required to provide a cushion against unexpected events, losses of income, and large unbudgeted expenses. Above all else, it supports Zetetick's financial viability and serves as protection for those who we house, to ensure long term security of their homes.

Trustees are committed to maintaining balances in liquid funds (cash, plus debtors, less creditors) which cover the sum of the free reserves target, plus any designated and restricted funds. Compliance with the Statement of Recommended Practice (SORP) 2019 and providing a clear and positive explanation of the reasons why reserves are held, will reduce the risk. It is Zetetick Housing policy to meet the requirements of SORP 2019.

The Trustees regularly review the variance of actual general reserves against target and are committed to the deployment of excess reserves in support of the Charity's objects. This will include the provision of facilities for beneficiaries for their recreation and other activities in the interests of social inclusion & welfare with the object of improving their conditions of life, but may also include beneficiaries' financial subsidies, asset acquisitions or development, as appropriate.

The Board of Trustees will at times designate funds from free reserves for significant project costs or replacement of major assets.

Trustees have reviewed the major risks facing the charity and deem that a suitable Reserves Target is £1,089k. Free Reserves at 31 March 2025 are £1,121k. Any funds over the reserves target will be used for charitable purposes in line with Zetetick's objects.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

£000s	31 March 2025	31 March 2024
Total Funds	£4,415k	£3,292k
Less: Restricted Funds	(£2,247k)	(£1,352k)
Less: Designated Funds	(£383k)	(£277k)
Less: Value of Property Fixed Asset	(£1,282k)	-
Add: Value of Loan on Property Asset	£617k	-
General (Free) Reserves	£1,121k	£1,663k

The Trustees have reviewed this position and are committed to maintaining balances in liquid funds (cash, plus debtors, less creditors) which cover the sum of the free reserves target, plus any designated and restricted funds. At March 2025 liquid funds (cash and deposits) were £1,600k.

Going Concern

The Trustees are satisfied that the charity remains a going concern. In reaching this conclusion, they have reviewed the organisation's budgets and cash-flow forecasts through to 31 March 2026, which demonstrate adequate resources to meet liabilities as they fall due. The charity holds substantial cash and investment reserves, and many of its expenditures are directly tied to the delivery of our services - should any service be discontinued, the associated costs would likewise cease. Accordingly, the financial statements have been prepared on a going concern basis. Further information on the going concern accounting policy is set out in the Notes to the Financial Statements.

Investment policy

Zeteticks investment policy is reviewed by the Audit, Risk and finance Committee annually. To summarise the policy aims to maximise returns, minimise risks whilst ensuring investments are in line with the ethics of the organisation. The key components of the policy are:

- Flexibility in short term investments, allowing relatively easy access to working capital / cash flow when necessary.
- Spreading risk over several accounts means added Financial Services Compensation Scheme (FSCS) protection.
- Access to the highest return accounts for short term investments.

Principle Risks and uncertainties

The Board of Trustees remains extremely diligent in monitoring the changing situation within the sector with regularly reviews of our strategic aims and stress-testing of our financial viability.

The Board has adopted the National Council for Voluntary Organisations (NCVO) guidelines and proforma for its Risk Register. The result is a robust and thorough set of Risk Registers, covering the following areas:

- Governance
- Regulatory, Legal and Compliance
- Financial
- Housing
- Safeguarding
- Human Resources
- Digital – ICT
- Business Development

The resulting risks were mapped, and the highest strategic risks presented back to the Board. The Executive Directors regularly monitor individual risk registers, and any new or emerging risks are reviewed by the Audit, Risk and Finance Committee (ARFC) and highlighted to the Board quarterly. The (ARFC) also coordinates an annual thorough review of risks.

The key risks identified by the Board at March 2025 are:

1. Changes to Legislation; Increased Regulation through the Supported Housing Regulatory Oversight Act (SHROA)

As Zetetick is registered by the Charity Commission rather than the Register of Social Housing (RSH), we expect the Supported Housing Regulatory Oversight Act to provide further clarity on exempt provision. This in turn will enable us to better protect our tenants from the risk that we will not meet the criteria of Specified, Exempt Accommodation. It is, therefore, a risk only in that we may need to comply with new regulations such as local licensing which will impact costs.

Through the Act, the Department for Work & Pensions is undertaking a full consultation on the provision of exempt accommodation. Zetetick intends to respond to the consultation. We have already seen an increase in the scrutiny of our charges by Local Authorities. We welcome this scrutiny, as it will ensure our reputation as an exempt provider is upheld.

Mitigation

The Board of Trustees and the Executive Team are experienced and knowledgeable in this area and welcome any clarity the Act will bring to Exempt Accommodation. We will keep up to date with any developments and the Board will be appraised regularly. We will network with other Housing Associations and Exempt Providers that are facing the same changes. We will also work in partnership with Local Authorities to ensure our tenants continue to receive the benefits to which they are entitled and also have in place a fund for tenants in hardship.

In addition, the Board have designated a fund of £50k to be used for any changes to our model relating to the new compliance.

2. Converging gap between income and core costs.

Higher interest rates are pushing up the prices of mortgages and rents, and inflation remains at above target level. This means that the cost of providing our quality homes has increased. At the same time, the Local Authorities are cutting costs, and we are able to pass on some inflationary increases through uplifts in Housing Benefit once a year. This can leave us vulnerable to mid-year above inflationary increases.

As Local Authorities are under pressure to reduce costs, which in turn results in more scrutiny over the cost of our provision. We have also seen more head landlords coming forward to re-negotiate higher rents.

Mitigation

We continue to adopt a clear full cost recovery (allocation and apportionment) approach to the Housing Benefit Claims submitted on behalf of our tenants.

We carefully monitor voids so timely decisions can be made to minimise any losses. Mitigating action could see schemes merged, or, as a last resort, terminated. The Board makes careful informed decisions to subsidise some schemes as part of meeting its charitable objectives.

3. Government Net Zero Policies / De-Carbonisation

Although the responsibility for EPC rating falls with the owner-landlord, there is an inherent risk to us of not supporting them to achieve Minimum Energy Efficiency Standards (MEES).

Mitigation

Zetetick has commenced early conversations with property owners to work in partnership. The aim is to achieve compliance whilst securing appropriate leases for the security of our tenants. New acquisitions to Zetetick will be at least EPC "C" or above. A full review and action plan for properties below EPC will be undertaken in conjunction with repairs review in 2025/26.

4. Safeguarding

Safeguarding is an inherent risk, particularly when working with adults with learning disabled adults or those with autism.

Mitigation

Zetetick has a zero-tolerance safeguarding policy. Abuse or neglect in any form, of tenants, employees or anyone connected with the charity will be reported and acted upon. All staff are safeguarding trained and, where appropriate, DBS checked. Safeguarding is a standing item on weekly senior manager meetings and board meetings.

5. Succession Planning

The Trustees have recognised succession planning for key roles as a risk. This applies to both the Senior Management Team and the Trustees. With the retirement of Housing Director and recruitment of the new, we have seen the value in this planning.

Mitigation

Retaining a healthy number of Trustees is paramount, and the charity is planning ahead for any expected vacancies due to resignation / end of term and takes into account the individual skills of current and new members and the Board as a whole.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Development of the 5 Year Plan - Progress

In 2022 we developed a 5-year plan to take us to 2027. This plan is helping us to develop our service provision, maintain quality and reach more people, putting them at the heart of our organisation.

Performance against the 5 year plan shows strong growth in years 2 and 3, which we anticipate will continue into 4 and 5. This is supported by a strengthening of the staff team, an increased presence in the South East, developing stronger relationships with stakeholders and local authorities, and further developments of our high standards and quality of provision.

Zetetick Housing continues to meet the increasingly complex housing and housing management needs of people with learning disabilities, autism and mental health challenges, evidenced by:

Objective	Outcomes
Commitment to Values	We take pride in our core values and strive to integrate them into all facets of our decision-making and operations.
Well-resourced and fully trained Staff	Our staff team comprises 24 individuals (equivalent to 20 Full-Time staff). We have enhanced the training program for all employees, encompassing Communication, Safeguarding, Suicide Awareness, Handling Complaints Dealing with Challenging Behaviour and Neurodiversity in the Workplace. Our Housing Director and Managers are trained or studying towards the Chartered Institute of Housing qualification. The Finance Director is a qualified Chartered Management Accountant with a Diploma in Charity Finance.
Informed feedback from Stakeholders	We conduct and act upon surveys to gain feedback from all stakeholders. The Quality Committee maintains its focus on enhancing tenant experience. Tenant feedback has been collected through written surveys, as well as video booths, user-friendly forms, and stickers. Staff surveys conducted annually have led to the introduction of Cost-of-Living Support Payments and the introduction of a company wide Health Care Plan. Landlords have been contacted via phone and written correspondence.
Local authority connections	We are committed to establishing connections in challenging-to-reach areas. When necessary, we have advocated for meetings with our Local Authority partners to enhance their understanding of our operational model. It has been imperative that we continue to promote communication between Social Services and Housing teams to ensure adequate funding for the tenants under our care.
Digital Transformation	Substantial progress has been made in our digital transformation efforts. Our database is now more comprehensive and accurate than ever before, with all staff accessing a centralised data source. Additionally, all staff members receive training on privacy, data protection, and GDPR compliance.
De-Carbonisation	We are collaborating with Head Landlords to enhance the EPC ratings of their properties. Several pilot projects are underway, with Landlords expressing interest in accessing grants to improve the energy efficiency. We will review properties below EPC ratings and identify grant funding available.
Diversifying Housing Stock	We have been granted three properties with funds provided through the NHS Capital Grant Fund. In 2024, we purchased our first two properties, financed from the charity's unrestricted reserves, and a long-term loan from CAF Bank.
Growth	We continue to expand our support to tenants in the southeast. Three new Care Partners have been onboarded, and discussions are underway with other potential partners, in addition to strengthening our ties with existing partners.

Future Outcomes (1 year plan)

Zetetick Housing is moving confidently into the next stage of our five-year strategic plan. The Senior Management team is led by Jonathan Spencer, CEO. Supporting him are Anne Mari Barker-Davies - Finance Director, Lisa Purchase - Director of Housing, Suzie van der Westhuizen - Head of Business Development, and Gloria Henry - Head of Housing Operations. This structure places us in a strong position to deliver outstanding quality, growth, and impact for those we support now and future tenants. We are fully engaged with new laws and licencing covering Supported Housing Regulation, Renters Reform and Leasehold, using research, knowledge and experience to put ourselves forward as an organisation that puts ethics, governance and compliance as a foundation to support our tenants.

Listening to Our Tenants: Tenant voices guide our growth. Through tenant surveys, enhanced participation initiatives and appointment of a Tenant Participation Housing Officer, we ensure tenants' experiences shape our decisions and services. Tenant empowerment is central to our identity.

Excellence in Supported Living: We remain dedicated to providing exceptional supported living housing and intensive housing management. Our unique model promotes independence, dignity, and genuine community connections, whilst following best practice in provision of direct social care to our partners.

Focused Geographic Approach: Our primary focus remains south of the Thames, through East towards West Sussex and Hampshire and now we have branched out into Kent. Yet we're agile enough to consider compelling opportunities outside these areas that align with our mission.

Specialised Housing Solutions: We specialise in tailored housing solutions for adults with learning disabilities, autism, or complex needs. Our expertise allows personalised support, reinforcing our leadership in this field.

Quality: Not compromising on High standards (Quality) remain core to our housing operations. Spontaneous homeliness checks, quarterly inspections, and sustainability measures ensure quality living conditions and responsible environmental stewardship.

Strategic Partnerships: Our Growth strategy is led by a strong business development team. We will diversify our charitable activities through strong partnerships with letting agents, property developers, landlords, and care providers. Flexible lease agreements and tenancies ensure adaptability, stability, and tenant security.

Responsive Housing Strategies: Rental and lease-based housing continues to be our primary approach, from single units to apartment blocks. Although we now own properties ourselves and with NHS Grant funds. So, we remain open to property acquisitions when beneficial, carefully balancing tenant welfare with prudent financial management.

Enhanced Tenant and Community Partnerships: Building strong relationships with tenants and communities is crucial. Transparent handling of feedback, regular surveys, and engaging community events—including our Zetetick Life magazine—ensure all feel valued and involved.

Addressing Growth Challenges: Growth depends on sourcing suitable properties to meet rising demand. Recent growth of nearly 40% in the south east shows our goals are realistic. We are open to small apartment developments that meet the needs of our tenants. We are mindful of associated risks and our Board maintains a balanced risk assessment for potential acquisitions.

Our vision blends thoughtful growth, sound financial management, and unwavering commitment to those we serve. Zetetick Housing confidently embraces future challenges and opportunities that our new government is driving with compassion, insight, and dedication.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

To ensure we deliver on quality, growth and engagement, progress will be tracked against a balanced scorecard of key performance indicators, including:

Occupancy and Growth: Achieving and maintaining an average occupancy rate of at least 95% across our portfolio, with a year-on-year target of 7.5% increase in units under management and at least one new service location secured annually.

Tenant Satisfaction & Empowerment: Gathering biannual tenant feedback via surveys and focus groups, aiming for 90%+ positive satisfaction ratings and demonstrable increases in participation in our decision-making forums.

Maintaining a High Quality in "All We Do": Conducting quarterly "homeliness" inspections and regulatory audits with a goal of 100% compliance, alongside tracking completion rates for support plans and incident response times.

Financial Sustainability: Monitoring income diversification - targeting 10% growth in fundraising revenue - and maintaining unrestricted reserves in line with our reserves policy, using stress testing in response to our risk register.

Environmental & Sustainability Metrics: Reducing energy consumption per property by 5% annually and increasing the proportion of EPC-rated C (or above) homes in our portfolio.

Marketing, Public Relations & Customer Service: Measuring web and social media engagement—targets include a 15% year-on-year increase in unique website visitors, a 10% uplift in social media engagement rate, and growth in followers across key platforms. We'll also track volume and sentiment of media coverage, and monitor customer-facing response metrics (e.g. 95% of enquiries responded to within 24 hours and an overall customer satisfaction score of 85%+).

These metrics populate a live management report, reviewed monthly by the Executive Team and reported to the Board each quarter. This drives data-led decisions that continually reinforce our commitment to our customers, excellence, engagement and sustainable expansion.

Structure, governance and management

The Charity is constituted as a limited company, limited by guarantee as defined by the Companies Act 2006. It is controlled by its Memorandum and Articles of Association dated 5th February 2007, amended March 2023.

Management Committee

The members of the Management Committee, who were also directors and trustees, during the year were:

G Scott

M Hurst

N Pendleton

(Resigned 5 September 2024)

A Chequers

C Linden

N Hussain

D Page

N Pakeeree

J Spencer

(Appointed 1 August 2024)

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Trustees

Trustees ensure that the charity maintains its public benefit. The full Board of Trustees meet four times a year, with further sub-committees for Audit, Risk & Finance, Remuneration & Nominations and Tenant/Quality Engagement. The Board schedules an away day with senior Executive staff annually. The Board review all charity policies on a rolling three-year cycle and request an annual report from the Chief Executive Officer on how policies are adhered to within the charity's values and risk appetite.

We currently meet the Charity Governance Code, but most recently the Board have confirmed that we will adopt and seek compliance with the National Housing Federation's (NHF) 2020 Governance code and are members of the NHF. Our website contains details of our staff team.

Committees

Zetetick has a comprehensive committee structure:

Audit, Risk and Finance Committee

An Audit, Risk and Finance Committee with two Trustees and two Executive Directors, meets a minimum of four times a year. A forward plan is in place to ensure these key areas are given appropriate scrutiny prior to each Board meeting.

Quality Committee

During the year, the Customer Committee became the Quality Committee to reflect the breadth of the committee's agendas. This committee is made up of minimum two Trustees and Two Executive Directors and meets four times a year to focus on quality housing, data and tenant voice and also has a forward plan.

Remunerations Committee

The Remunerations Committee, made up of the Chair of Trustees and one other Trustee, meet to discuss CEO salary and staff benefits, and recommend changes to the Board.

Recruitment and Induction of Trustees

Our recruitment principles for Trustees and best practice, is ensured through the appointment of an independent HR consultancy firm, who lead, shortlist against key skill mix criterion and present to the Board Selection Panel recommendation for short-list interviews. A selection panel of three (being a mix of Trustees and Executive Directors) interview and make a final recommendation to the remaining Board members. All appointed Trustees are formally confirmed at the following AGM and undertake full induction and training to reflect their needs to fully understand and participate in business decisions.

Management Team

The Charity is managed by a strong leadership team consisting of Chief Executive Officer (CEO), Director of Housing, Director of Finance, Head of Housing Operations and Head of Business Development.

Remuneration of Key Personnel

The Board undertake a full annual pay review of all staff including the CEO, and approve any increases as part of the annual budgeting process.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Office Location

Zetetick has four offices; Croydon, Uckfield, St Leonards and Lewes. This supports the regional model which is key to future growth strategy.

Affiliations with Umbrella Groups

Zetetick is a member of the National Housing Federation (NHF) and National Council for Voluntary Organisations.

Auditor

In accordance with the company's articles, a resolution proposing that TC Group be reappointed as auditor of the company will be put at a General Meeting.

Fundraising

During the year, the Board approved a comprehensive fundraising framework to diversify Zeteticks' income streams. Over the next three years, fundraising will be a core organisational priority, underpinning our efforts to expand and engage our supporter base, generate sustainable revenue, and elevate our profile. This framework will undergo regular review to ensure it continues to align with our goals, respond to changing circumstances, and deliver maximum impact.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.

C Linden

C Linden (Dec 12, 2025 09:40:37 GMT)

C Linden

Trustee

12/12/2025

Date:

ZETETICK HOUSING

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2025

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

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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.

ZETETICK HOUSING

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ZETETICK HOUSING

Opinion

We have audited the financial statements of Zetetick Housing (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its 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 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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ZETETICK HOUSING

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charitable company for the purpose 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 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ZETETICK HOUSING

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102, Charities SORP (FRS102), Companies Act 2006 and the Charities Act 2011) and the relevant tax compliance regulations in the UK;
- We considered the nature of the industry, the control environment and business performance, including the key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

ZETETICK HOUSING

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ZETETICK HOUSING

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.

David Martin FCA (Senior Statutory Auditor)

for and on behalf of TC Group

TC Group

TC Group (Dec 12, 2025 09:45:33 GMT)

Statutory Auditor

Office: Lewes

12/12/2025

Date:.....

ZETETICK HOUSING

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

Current financial year		Unrestricted funds general 2025 £	Unrestricted funds designated 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
	Notes					
Income and endowments from:						
Donations and legacies	2	567	-	894,626	895,193	127
Charitable activities	3	5,052,102	-	-	5,052,102	4,422,902
Investments	4	26,833	-	-	26,833	35,545
Other income	5	3,115	-	-	3,115	79,726
Total income		5,082,617	-	894,626	5,977,243	4,538,300
Expenditure on:						
Charitable activities	6	4,846,330	7,982	-	4,854,312	4,411,871
Total expenditure		4,846,330	7,982	-	4,854,312	4,411,871
Net income/(expenditure)		236,287	(7,982)	894,626	1,122,931	126,429
Transfers between funds		(114,173)	114,173	-	-	-
Net movement in funds	8	122,114	106,191	894,626	1,122,931	126,429
Reconciliation of funds:						
Fund balances at 1 April 2024		1,663,255	276,823	1,352,068	3,292,146	3,165,717
Fund balances at 31 March 2025		1,785,369	383,014	2,246,694	4,415,077	3,292,146

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

ZETETICK HOUSING

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

Prior financial year		Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes				
Income and endowments from:					
Donations and legacies	2	127	-	-	127
Charitable activities	3	4,422,902	-	-	4,422,902
Investments	4	35,545	-	-	35,545
Other income	5	18,225	61,501	-	79,726
Total income		4,476,799	61,501	-	4,538,300
Expenditure on:					
Charitable activities	6	4,365,542	46,329	-	4,411,871
Total expenditure		4,365,542	46,329	-	4,411,871
Net income		111,257	15,172	-	126,429
Transfers between funds		(20,122)	20,122	-	-
Net movement in funds	8	91,135	35,294	-	126,429
Reconciliation of funds:					
Fund balances at 1 April 2023		1,572,120	241,529	1,352,068	3,165,717
Fund balances at 31 March 2024		1,663,255	276,823	1,352,068	3,292,146

ZETETICK HOUSING

BALANCE SHEET

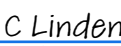
AS AT 31 MARCH 2025

		2025		2024	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		3,511,502		1,354,394
Current assets					
Debtors	14	483,447		400,135	
Investments	15	528,843		510,146	
Cash at bank and in hand		887,036		1,248,548	
		1,899,326		2,158,829	
Creditors: amounts falling due within one year	16	(299,435)		(135,037)	
Net current assets			1,599,891		2,023,792
Total assets less current liabilities			5,111,393		3,378,186
Creditors: amounts falling due after more than one year	17	(610,276)		-	
Provision for other liabilities	19	(86,040)		(86,040)	
Net assets			4,415,077		3,292,146
The funds of the charitable company					
Restricted income funds	21	2,246,694		1,352,068	
Unrestricted funds - general	23	1,785,369		1,663,255	
Unrestricted funds - designated	22	383,014		276,823	
		4,415,077		3,292,146	

12/12/2025

The financial statements were approved by the Trustees on


 Martin (Dec 12, 2025 21:11:44 GMT)
 M Hurst
 Trustee


 C Linden (Dec 12, 2025 09:40:37 GMT)
 C Linden
 Trustee

Company registration number 06082488 (England and Wales)

ZETETICK HOUSING

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	27		1,183,565		(132,503)
Investing activities					
Purchase of tangible fixed assets		(2,172,441)		(8,889)	
Proceeds from disposal of tangible fixed assets		2,000		-	
Proceeds from disposal of investments		(18,697)		(510,146)	
Investment income received		26,833		35,545	
Net cash used in investing activities			(2,162,305)		(483,490)
Financing activities					
Proceeds from new bank loans		617,228		-	
Net cash generated from/(used in) financing activities			617,228		-
Net decrease in cash and cash equivalents			(361,512)		(615,993)
Cash and cash equivalents at beginning of year			1,248,548		1,864,541
Cash and cash equivalents at end of year			887,036		1,248,548

1 Accounting policies

Charity information

Zetetick Housing is a private company limited by guarantee incorporated in England and Wales. The registered office is Innovation Centre Highfield Drive, Churchfields Industrial Estate, St Leonards on Sea, East Sussex, TN38 9UH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charitable company is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies**(Continued)****1.5 Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

1.6 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land	Not depreciated
Plant and equipment	25% on the reducing balance
Computers	25% straight line
Motor vehicles	25% on the reducing balance

Component accounting

Component	Useful life (years)
Land	Not depreciated
Building	100
Bathroom	30
Kitchen	20
Windows and doors	30
Roof	60
Boiler	15
Heating	30

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

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

1 Accounting policies

(Continued)

1.9 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Provisions

Provisions are recognised when the charitable company has a legal or constructive present obligation as a result of a past event, it is probable that the charitable company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.11 Employee benefits

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

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

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	567	-	567	127	-	127
NHS Grant	-	894,626	894,626	-	-	-
	<u>567</u>	<u>894,626</u>	<u>895,193</u>	<u>127</u>	<u>-</u>	<u>127</u>

3 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Rental activities		
Charitable rental income	<u>5,052,102</u>	<u>4,422,902</u>

4 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	<u>26,833</u>	<u>35,545</u>

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

5 Other income

	Unrestricted funds general 2025 £	Unrestricted funds designated 2025 £	Total 2025 £	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £
Net gain on disposal of tangible fixed assets	515	-	515	-	-	-
Other income	-	-	-	-	61,501	61,501
Recharged services	2,600	-	2,600	18,225	-	18,225
	<u>3,115</u>	<u>-</u>	<u>3,115</u>	<u>18,225</u>	<u>61,501</u>	<u>79,726</u>

6 Expenditure on charitable activities

	Rental activities 2025 £	Rental activities 2024 £
Direct costs		
Staff costs	820,775	709,044
Depreciation and impairment	13,848	2,308
Charitable expenditure	<u>3,789,865</u>	<u>3,529,378</u>
	4,624,488	4,240,730
Share of support and governance costs (see note 7)		
Support	180,379	159,880
Governance	<u>49,445</u>	<u>11,261</u>
	<u>4,854,312</u>	<u>4,411,871</u>
Analysis by fund		
Unrestricted funds - general	4,846,330	4,365,542
Unrestricted funds - designated	<u>7,982</u>	<u>46,329</u>
	<u>4,854,312</u>	<u>4,411,871</u>

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

7 Support costs allocated to activities

	2025 £	2024 £
Staff costs	144,842	124,589
Motor & travel	9,289	8,980
Printing, postage and stationery	3,008	4,049
IT costs	11,051	14,403
Communications	1,078	717
Insurance	7,454	2,420
General expenses	2,786	3,409
Bank charges	871	1,313
Governance costs	49,445	11,261
	<u>229,824</u>	<u>171,141</u>
Analysed between:		
Rental activities	<u>229,824</u>	<u>171,141</u>

	2025 £	2024 £
Governance costs comprise:		
Audit fees	2,908	8,086
Legal and professional	14,673	3,175
Mortgage - interest paid	31,864	-
	<u>49,445</u>	<u>11,261</u>

Governance costs includes payments to the auditors of £8,220 (2024 - £7,920). Audit fees of £6,720 and other fees of £1,500 were paid to the auditors and are included within the Governance figure of £2,908.

8 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	8,220	8,086
Depreciation of owned tangible fixed assets	13,848	2,308
Profit on disposal of tangible fixed assets	(515)	-
	<u></u>	<u></u>

9 Trustees

During the year, 4 trustees (2024 - 4) were reimbursed expenses totaling £809 (2024 - £924).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

9 Trustees

(Continued)

As permitted by the Memorandum and Articles of Association, a trustee, Mr G Scott, fulfilled the executive role of CEO up until August 2022 when he stepped down from this position to become a consultant to the charity. He was remunerated under normal employee terms in the amount of £nil (2024 - £10,904) plus pension contributions of £nil (2024 - £1,790). J Spencer, the current CEO, was appointed a trustee on 1 August 2024. He was remunerated under normal employee terms in the amount of £73,150 plus pension contributions of £7,980. No trustee is remunerated for their role as trustee.

10 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Office and administration	22	20

Employment costs

	2025 £	2024 £
Wages and salaries	829,215	715,250
Social security costs	85,715	73,805
Other pension costs	50,687	44,578
	965,617	833,633

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025 Number	2024 Number
£60,001 to £70,000	1	1
£90,001 to £100,000	-	1
£100,001 to £110,000	1	-

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2025 £	2024 £
Aggregate compensation	270,221	293,708

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12 Tangible fixed assets

	Freehold land	Plant and equipment	Computers	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2024	1,344,280	1,459	3,828	73,348	1,422,915
Additions	2,166,647	-	5,794	-	2,172,441
Disposals	-	-	-	(24,780)	(24,780)
At 31 March 2025	3,510,927	1,459	9,622	48,568	3,570,576
Depreciation and impairment					
At 1 April 2024	-	598	159	67,764	68,521
Depreciation charged in the year	10,482	215	1,824	1,327	13,848
Eliminated in respect of disposals	-	-	-	(23,295)	(23,295)
At 31 March 2025	10,482	813	1,983	45,796	59,074
Carrying amount					
At 31 March 2025	3,500,445	646	7,639	2,772	3,511,502
At 31 March 2024	1,344,280	861	3,669	5,584	1,354,394

13 Financial instruments

	2025	2024
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	528,843	510,146

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

14 Debtors

	2025	2024
	£	£
Amounts falling due within one year:		
Trade debtors	378,044	311,774
Other debtors	-	145
Prepayments and accrued income	105,403	88,216
	<u>483,447</u>	<u>400,135</u>

15 Current asset investments

	2025	2024
	£	£
Unlisted investments	528,843	510,146
	<u>528,843</u>	<u>510,146</u>

16 Creditors: amounts falling due within one year

	Notes	2025	2024
		£	£
Bank loans	18	6,952	-
Other taxation and social security		24,876	23,642
Trade creditors		56,867	25,661
Accruals and deferred income		210,740	85,734
		<u>299,435</u>	<u>135,037</u>

17 Creditors: amounts falling due after more than one year

	Notes	2025	2024
		£	£
Bank loans	18	610,276	-
		<u>610,276</u>	<u>-</u>

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

18 Loans and overdrafts

	2025 £	2024 £
Bank loans	617,228	-
Payable within one year	6,952	-
Payable after one year	610,276	-
Amounts included above which fall due after five years:		
Payable by instalments	579,993	-

The long-term loans are secured by fixed charges over its freehold properties.

The loan is for a term of 25 years repayable on a monthly basis. The interest rate is 5%.

19 Provisions for liabilities

	2025 £	2024 £
Concierge charges	86,040	86,040

Movements on provisions:

	Concierge charges £
At 1 April 2024 and 31 March 2025	86,040

The provision is relation to concierge charges that have not been paid but are still outstanding.

20 Retirement benefit schemes

	2025 £	2024 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	50,687	44,578

The charitable company operates two defined contribution pension schemes for qualifying employees. The assets of the schemes are held separately from those of the charitable company in independently administered funds.

ZETETICK HOUSING**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2025****21 Restricted funds**

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2024	Incoming resources	At 31 March 2025
	£	£	£
NHS Property fund	1,352,068	894,626	2,246,694
	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 April 2023	Incoming resources	At 31 March 2024
	£	£	£
NHS Property fund	1,352,068	-	1,352,068
	<u> </u>	<u> </u>	<u> </u>

Three capital grants have been received from the NHS to purchase three properties for tenants. The grants are to be repaid on sale of the property, or change of use.

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

22 Unrestricted funds - designated

These are unrestricted funds which are material to the charitable company's activities.

	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
End of lease liability fund	206,022	-	(6,855)	64,173	263,340
Hardship fund	70,801	-	(1,127)	-	69,674
Regulatory Compliance fund	-	-	-	50,000	50,000
	<u>276,823</u>	<u>-</u>	<u>(7,982)</u>	<u>114,173</u>	<u>383,014</u>
Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
End of lease liability fund	231,529	-	(45,629)	20,122	206,022
Hardship fund	10,000	61,501	(700)	-	70,801
	<u>241,529</u>	<u>61,501</u>	<u>(46,329)</u>	<u>20,122</u>	<u>276,823</u>

End of Lease Liability Fund

The Trustees recognise that there is potentially a need to spend large amounts on repairs and maintenance when handing back properties. The costs may exceed the standard 6-week amount calculated for the reserves target. This is especially true for some tenants who have highly complex needs, and where the property may have been adapted to meet the requirements of the tenant. At 31 March 2025, the Trustees calculated this amount to be £263,340.

Hardship Fund

The Trustees created a designated 'Hardship Fund' of £10,000 in the year ended 31 March 2023 to assist any tenants struggling to pay their Tenant Service Charge. In 2024, the trustees included a balance of £61,501 as part of the fund to assist with any tenants that are struggling to pay. The total Hardship fund at the year end is £69,674.

Regulatory Compliance Fund

The Trustees have set aside £50,000 for costs relating to regulatory changes including but not restricted to: the Supported Housing Regulatory Oversight Act (SHROA)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

23 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
General funds	1,663,255	5,082,617	(4,846,330)	(114,173)	1,785,369
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
General funds	1,572,120	4,476,799	(4,365,542)	(20,122)	1,663,255
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

24 Analysis of net assets between funds

	Unrestricted funds general 2025	Unrestricted funds designated 2025	Restricted funds 2025	Total 2025
	£	£	£	£
At 31 March 2025:				
Tangible assets	1,281,934	-	2,229,568	3,511,502
Current assets/(liabilities)	1,199,751	383,014	17,126	1,599,891
Long term liabilities	(610,276)	-	-	(610,276)
Provisions	(86,040)	-	-	(86,040)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	1,785,369	383,014	2,246,694	4,415,077
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

24 Analysis of net assets between funds

(Continued)

	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:				
Tangible assets	10,114	-	1,344,280	1,354,394
Current assets/(liabilities)	1,739,181	276,823	7,788	2,023,792
Provisions	(86,040)	-	-	(86,040)
	<u>1,663,255</u>	<u>276,823</u>	<u>1,352,068</u>	<u>3,292,146</u>

25 Operating lease commitments

Lessee

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

	2025 £	2024 £
Within one year	527,017	504,065
Between two and five years	366,260	629,937
	<u>893,277</u>	<u>1,134,002</u>

The Trustees recognise the need to enter into longer lease commitments in order to source properties for our tenants and give them the security of a home for several years.

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

26 Related party transactions

Transactions with related parties

G Scott, a trustee of Zetetick Housing, is a director and shareholder in Frontier Support Services Limited (FSS) which provides services to the charity. Included in these accounts under direct costs are concierge fees of £298,669 (2024 - £276,385) which were incurred on normal trading terms. Rents receivable includes book-keeping services of £2,600 (2024 - £18,225) were charged to FSS during the year. An amount of £22,997 (2024 - £22,843) was due to FSS at the year and is included in trade creditors.

27 Cash generated from operations	2025 £	2024 £
Surplus for the year	1,122,931	126,429
Adjustments for:		
Investment income recognised in statement of financial activities	(26,833)	(35,545)
Gain on disposal of tangible fixed assets	(515)	-
Depreciation and impairment of tangible fixed assets	13,848	2,308
Movements in working capital:		
(Increase) in debtors	(83,312)	(39,559)
Increase/(decrease) in creditors	157,446	(272,176)
(Decrease) in provisions	-	86,040
Cash generated from/(absorbed by) operations	1,183,565	(132,503)

28 Analysis of changes in net funds

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	1,248,548	(361,512)	887,036
Loans falling due within one year	-	(6,952)	(6,952)
Loans falling due after more than one year	-	(610,276)	(610,276)
	1,248,548	(978,740)	269,808

ZETETICK HOUSING

England & Wales - Charity number 1118922

Accounts

Charity Registration No. 1118922

Company Registration No. 06082488 (England and Wales)

ZETETICK HOUSING

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024



One Bell Lane
Lewes
East Sussex
BN7 1JU

ZETETICK HOUSING

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	G Scott	
	M Hurst	
	N Pendleton	
	A Chequers	
	C Linden	
	N Hussain	
	D I Page	(Appointed 7 November 2023)
	N S Pakeeree	(Appointed 8 February 2024)
Secretary	A Barker-Davies	
Charity number	1118922	
Company number	06082488	
Principal address	Innovation Centre Highfield Drive Churchfields Industrial Estate St Leonards on Sea East Sussex TN38 9UH	
Registered office	Innovation Centre Highfield Drive Churchfields Industrial Estate St Leonards on Sea East Sussex TN38 9UH	
Auditor	TC Group One Bell Lane Lewes East Sussex BN7 1JU	
Bankers	Lloyds Bank PLC 24 Broad Street Reading RG1 2BT	

ZETETICK HOUSING

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ZETETICK HOUSING

CHAIR'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2024

I am very happy to present this annual report, which reflects the profound impact Zetetick Housing (ZHC) has continued to make in the lives of those we serve. Prior to finding refuge under our roofs, many of our tenants faced years of inadequate housing provision, which severely compromised their quality of life and placed undue strain on the NHS. We are tremendously proud of the stability and support we have been able to provide them, which in turn has offered many the opportunity to remain within their communities, rather than endure the revolving doors of hospital care.

A significant milestone was achieved in May 2022 when we expanded our portfolio with the purchase of a second property, made possible through NHS capital grants. These acquisitions have inspired us to begin to buy our own houses and we have two more at the point of completion. Buying property underscores our adaptability in meeting the housing needs of our tenants through ownership, alongside intensive housing management.

We have also improved the quality of our core information, (while noting that this remains the core responsibility of our care partners) have embedded safeguarding more fully throughout our work, and have started to deliver improvements in our environmental footprint.

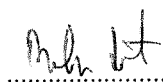
We continue to enjoy healthy reserves, and indeed the value of such reserves is demonstrated by the freedom it has given us to expand our housing ownership.

Our new CEO and revamped senior leadership team have very much got their feet under the table. This has been mirrored by the changes to our non-executive team. I would like to thank our two departing trustees – Ian and Gail - who leave after offering us real improvements in governance and Tenant engagement. In their place we have recruited new Trustees – Debbie and Tasha – who strengthen our experience of housing and senior leadership.

While the private rental market remains competitive and broader economic conditions are tight, our commitment to building relationships and navigating obstacles has been enhanced – and we have started to refocus the business towards the South coast, reducing our dependence on a few London local authorities, although the support of those authorities continues to be hugely appreciated. Despite a tight labour market, we have maintained strong staffing levels and capability.

Looking ahead, we remain focused on growth, particularly in the southeast, and on elevating the quality of our offerings. We recognise the imperative of fostering stronger communication and trust to unite the dispersed Zetetick community - tenants, staff, volunteers, Executive, and Trustees. Our compelling quality proposition remains our strongest asset, captivating both our tenants and their families and drawing in new properties.

As mentioned above, this year also heralds the inaugural year for Jonathan, as CEO, and his new team. Their development of and indeed 'living' our 'BEDROCK' values, has made Zetetick an exemplar of a value-based organisation.



M Hurst

Chair

Date: 22/11/24

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their annual report and financial statements for the year ended 31 March 2024.

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

Objectives and activities

Charitable Objectives

The objectives of the charity are the relief of financial hardship among disadvantaged people by providing services, in particular but not exclusively, to disabled people living and working in London Boroughs and Southeast Counties, including through:

- i. the provision of supported Social Housing that enables disadvantaged people to live within the community;
- ii. enabling them to financially meet housing costs;
- iii. enabling fair access to private rental housing provision;
- iv. access to interest free loans to fund housing deposits and home set-up costs;
- v. the provision of additional housing management services;
- vi. the provision of facilities for recreation and other leisure-time occupation in the interests of social inclusion & welfare with the object of improving their conditions of life all of which they could not otherwise afford through lack of means.

The Trustees are pleased to report that we continue to support vulnerable adults with the provision of high-quality accommodation and housing support, who would otherwise not have a fair opportunity to secure their own homes during the continued high demand for social housing and the highly competitive private rental market. In many cases this will be the tenants' first home away from family and/or residential care, giving them true independence and opportunities to become valued members of the local community.

Our Vision

Empowering people with learning disabilities and autism to live as valued members of their community by finding them quality homes, not just housing; offering safety security and opportunity where care, friendship and freedom can come first every day.

Our Mission

To provide and maintain specialised quality homes, not just housing.

To empower choice and deliver dignity to those people, primarily with learning disabilities and autism, who need our offer of quality housing for supported living.

To align our values and activities to work with a range of partners across housing, commissioning, and care, in the fulfilment of our charitable aims.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Our Aspiration

Our aspiration is to harness the passion that each of our members of staff have and use it to give some of the most marginalised people in our society a home.

To reach more families and give homes to more people with complex learning disabilities.

Whilst our focus is to continue to establish ourselves as best practice thought leaders to other housing organisations and people in need, by continuing with high quality services and unique provision, we want to develop our procedures, processes, and resources so that they are always sensitive to the people we give homes to. In addition to this, by doing so, we also reaffirm our commitment to doing our best for our tenants, their families and the wider community.

Our bottom line must be about delivering quality and honouring our promise to the people we support because from this will be able to help more people in a sustainable way.

KEY ACHIEVEMENTS AND PERFORMANCE

During the year 2023-24 we achieved the following:

- Housed 162 tenants over a total of 102 properties
- Rehomed 8 existing tenants to more suitable properties
- Welcomed 13 new tenants to Zetetick homes
- Secured agreement to purchase two properties in Croydon, providing long term security to 8 tenants
- Maintained a high level of repairs and inspections (94% on time)
- Carried out 'Homeliness Checks' in addition to our formal 6-monthly housing inspections
- Offered a Hardship Fund to our tenants who might be feeling cost of living pressures
- Held 2 regional fun feedback events for our tenants 'How is Your Home?'
- Produced the Zetetick Magazine with collaboration from tenants
- Worked in partnership with our Head Landlords to improve EPC ratings and provide warmer homes.
- Collected stakeholder feedback from Landlords & Care Partners
- Provided training for all staff in Adult Safeguarding, Communication, Challenging Behaviour, Data Protection and Suicide Awareness
- Made progress on Digital Transformation; increasing transparency, improving record keeping and linking data sources
- Developed relationships with 3 new care company partners
- Increased our FTE headcount to 19 to ensure increased support to tenants
- Offered all staff welfare payments over the winter months to help with cost of living
- Supported 6 volunteers to work on our social media and outreach work
- Built on our five-year plan to give additional focus and measurement

VALUES AND WAYS OF WORKING



Our values are equally important in reviewing our progress and in setting future targets. They are literally the 'BEDROCK' of all we do. Our tenants are people we all know, yet they are often those with a learning disability, autistic and/or mental health challenges and have vulnerabilities that impact on the way we work.

We continue to gather feedback from our stakeholders to ensure we practice our values in all areas of the business.

We employ staff that share our values and with the necessary knowledge, experience and skills to be able to represent the charity at the highest levels. We pay staff salaries at or above the London Living Wage and at a competitive level they would receive if they were undertaking a similar role in NHS social care or a comparable organisation. Relevant salaries are disclosed in our financial statement.

All our staff are trained in Safeguarding Awareness, Communicating with Adults with Learning Disabilities, Suicide Awareness, Data Protection. During the year managers received Insights Discovery training and bespoke Management Training courses.

We undertake an annual Staff Survey and in November 2023 we also included a Health & Wellbeing Survey. From this we found that 83% of staff would recommend Zetetick as a good place to work.

OPERATING MODEL

We provide specified, exempt accommodation to our tenants. We fund our work through Government funding and good financial management to achieve operating surpluses to invest in our Objects. We operate a team of volunteers for some areas of our outreach, which provides an opportunity for our supporters to give their time in a way that benefits the charity and our beneficiaries, in addition it offers some valuable work experience that many have used to gain meaningful employment.

Whilst understanding the desire for people to donate to a good cause and the positive impact this could have on the charity, the founder wanted to ensure the charity could operate independently without the need and reliance for constant fundraising, ensuring business planning was central to the administration of the charity.

The charity also has a strong and regularly reviewed reserves policy that ensures our reserves are of the strength and depth necessary to cover all eventualities in order to protect our tenants. Trustees acknowledge there are risks in housing vulnerable individuals and ensure our risk assessment and risk management are reviewed annually and are up to date.

This year we continued with our plan to diversify the model, by proceeding with the purchase of 2 properties in Croydon. The purchase was completed in June 2024. The downpayment has been paid using charitable reserves, the remainder was a secured loan from CAF Bank.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Financial review

The charity's financial position remains very strong with sufficient reserves and liquidity to enable it to fulfil its objectives, meet its operational commitments and to allow for most foreseeable contingencies.

Local Authorities continue to scrutinise our provision of Specialised, Exempt Accommodation. The Supported Housing Regulatory Oversight Act was brought in in 2023, although detailed guidance has not yet been produced. Zetetick welcome this scrutiny; as specialist providers we are able to claim the full amount of Housing Benefit for our Tenants which enables them to live in their own homes. We are building strong relationships with Local Authorities so that, through mutual trust, we can offer homes to more vulnerable adults who otherwise would not be able to live outside of a hospital or care home environment.

The number of beneficiaries at 31 March 2024 was 162 (2023 – 163). We found new homes for 8 existing tenants whose current homes were no longer available and/or suitable for them. We welcomed 13 new tenants to Zetetick Homes.

Direct charitable activity (income & expenditure) increased year on year to £4.4m (2023 - £4.3m). The main reasons for this increase are as follows:

- Inflationary increases on rental properties and staff costs

Although unrestricted income grew by £115k from £4.4m to £4.5m, total incoming resources for the year decreased from £5.2m in 2023 to £4.5m in 2024. This is because we retained our 2 NHS capital grants from previous years, but did not receive any additional funding. We are hopeful to take on a 3rd NHS capital grant funded property in 2024-25, when the next round of funding is released.

Support cost expenditure ratio was 3.5% of total income (2023 - 3.2%).

Staff headcount grew from a full time equivalent of 16.5 to 19.3 (actual headcount as at March 2024 was 21, with 2 vacancies). The charity committed to investing further in staff resources over 2023-24, in particular with the introduction of a Business Development Manager and a Digital Support Officer, as well as moving more staff resources over to Procurement.

The overall surplus (net movement of funds) on unrestricted funds before transfers was £111k (2023 - £112k) - representing a surplus ratio of 3% of income.

The health and safety of our tenants remained of paramount importance. The charity continued to provide essential maintenance support to all our tenants and resumed half-yearly inspections which increased the amount of non-urgent work.

Restricted Funds

As at 31 March 2024, our restricted fund balance was £1,352k. This is made up of 2 NHS Capital Grants which were used to purchase 2 properties for our tenants to live in. These properties will be revalued every 3 years, the next valuation will be at March 2026.

Designated Funds

The trustees have agreed on 2 designated funds, being:

- Hardship Fund - for tenants struggling to pay the Tenant Service Charge (balance at 31 March 2024 £9.3k)
 - A balance of £61k was transferred (balance as 31 March 2024 £61.5k) to assist with the hardships of the tenants.
 - End of Tenancy Dilapidations Fund – to cover large repair bills at the end of a tenancy. At 31 March 2024 this was calculated at £206k.
-

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Reserves Policy

The Purpose of the Reserves Policy is to ensure the Charity holds enough funds in general reserves for the stability of the mission, programmes, employment and ongoing operations of the organisation. The Reserves Policy is intended to give a clear indication of internal funds required to provide a cushion against unexpected events, losses of income, and large unbudgeted expenses. Above all else, it serves as protection for those who we house, to ensure long term security of their homes.

Actual Free Reserves are calculated as Total reserves, less Restricted and Designated Funds.

Trustees are committed to maintaining balances in liquid funds (cash, plus debtors, less creditors) which cover the sum of the free reserves target, plus any designated and restricted funds.

Compliance with SORP 2019 and providing a clear and positive explanation of the reasons why reserves are held will reduce the risk. It is Zetetick Housing policy to meet the requirements of SORP 2019 as set out at the end of this policy.

The Trustees regularly review the variance of actual general reserves against target and are committed to the deployment of excess reserves in support of the Charity's objects. This will include the provision of facilities for beneficiaries for their recreation and other leisure-time occupation in the interests of social inclusion & welfare with the object of improving their conditions of life, but may also include beneficiaries' financial subsidies, asset acquisitions or development, as appropriate.

The Board of Trustees will at times designate funds from free reserves for significant project costs or replacement of major assets.

Trustees have reviewed the major risks facing the charity and deem that a suitable Reserves Target is £936k. Free Reserves at 31 March 2024 were £1,663k. Any funds over the reserves target will be used for charitable purposes in line with Zetetick's objects.

£000s	31 March 2024	31 March 2023
Total Funds	3,292	3,166
Less: Restricted Funds	(1,352)	(1,352)
Less: Designated Funds	(277)	(242)
General (Free) Reserves	1,663	1,572

The Trustees have reviewed this position and are committed to maintaining balances in liquid funds (cash, plus debtors, less creditors) which cover the sum of the free reserves target, plus any designated and restricted funds. At March 2024 liquid funds were £2,024k.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Principle Risks

The Board of Trustees remains extremely diligent in monitoring the changing situation within the sector with regularly reviews of our strategic aims and stress-testing of our financial viability.

During 2023 the Board undertook a full review of the Risk Register, adopting the NCVO guidelines and proforma. The result is a robust and thorough set of Risk Registers, covering the following areas:

Governance

Regulatory, Legal and Compliance

Financial

Housing

Safeguarding

HR

Digital – ICT

Engagement

The resulting risks were mapped, and the highest strategic risks presented back to the Board. The Executive Directors regularly monitor the individual risk registers, and any new or emerging risks are highlighted to the Board quarterly. The ARFC will coordinate an annual thorough review of risks.

The key risks identified by the Board at March 2024 are:

- **Changes to Legislation; Increased Regulation through the Supported Housing Regulatory Oversight Act**

As Zetetick is registered by the Charity Commission rather than the Register of Social Housing, we expect the Supported Housing Regulatory Oversight Act to provide further clarity on exempt provision. This in turn will enable us to better protect our tenants from the risk that we will not meet the criteria of Specified, Exempt Accommodation. It is, therefore, a risk only in that we may need to comply with new regulations such as local licensing.

The Board of Trustees and the Executive Team are experienced and knowledgeable in this area, and welcome any clarity the Act will bring to Exempt Accommodation. We will keep up to date with any developments, and network with other Housing Associations and Exempt Providers that are facing the same changes. We will also work in partnership with Local Authorities to ensure our tenants continue to receive the benefits to which they are entitled.

Through the Act, the Department for Work & Pensions is clarifying the meaning of 'more than minimum support' which may impact on our status as an exempt provider. We have already seen an increase in the scrutiny of our charges by Local Authorities. We welcome this scrutiny, as it will ensure our reputation as an exempt provider is upheld.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

- **Converging gap between income and core costs.**

The recent period of high inflation (5%+) continues, and higher interest rates are pushing up the prices of mortgages and rents. This means that the cost of providing our quality homes has increased. We are able to pass on some inflationary increases through uplifts in Housing Benefit once a year. This can leave us vulnerable to mid-year above inflationary increases.

Local Authorities are under pressure to reduce costs, which in turn results in more scrutiny over the cost of our provision. We have also seen more head landlords coming forward to re-negotiate higher rents.

Of particular concern is over the cost of utility bills going forwards. We have, to date, protected our tenants from large increases in weekly Tenant Service Charge through subsidising the costs and securing a long term low fixed rate. However, this contract will end in October 2024, and the full effect of the utility price increases will start to be felt by both the charity and the tenants. The Trustees have committed to allocating an additional £70k as a designated Hardship Fund to help tenants who may find payments difficult.

We continue to adopt a clear full cost recovery (allocation and apportionment) approach to the Housing Benefit Claims submitted on behalf of our tenants.

We carefully monitor voids so timely decisions can be made to minimise any losses. Mitigating action could see schemes merged, or, as a last resort, terminated. The Board makes careful informed decisions to subsidise some schemes as part of meeting its charitable objectives.

- **Government Net Zero Policies / De-Carbonisation**

Although the responsibility for EPC rating falls with the owner-landlord, there is an inherent risk to us of not supporting them to achieve Minimum Energy Efficiency Standards (MEES).

Zetetick has commenced early conversations with property owners to work in partnership. The aim is to achieve compliance whilst securing appropriate leases for the security of our tenants.

- **Safeguarding**

Zetetick has a zero tolerance safeguarding policy. Abuse or neglect in any form, of tenants, employees or anyone connected with the charity will be reported and acted upon. All staff are safeguarding trained and, where appropriate, DBS checked. Safeguarding is a standing item on weekly senior manager meetings and board meetings.

- **Succession Planning**

The Trustees have recognised succession planning for key roles as a risk. This applies to both the Senior Management Team and the Trustees.

The use of digital technology such as Sharepoint, and a central database, will help to ensure the golden thread of information is transferable and useable by all.

Retaining a healthy number of Trustees is paramount, and the charity will plan ahead for any expected vacancies due to resignation / end of term.

- **Digital & Data Integrity**

Our increased reliance on Digital & Data means we are undergoing a digital transformation at present. All staff are receiving training on record keeping and the use of data.

- **Stress Testing**

The charity has undertaken multiple stress-testing that demonstrates that the organisation is financial resilient to the identified risks. Strong links with Local Authorities and a track record of excellent performance with all referrals contribute positively towards the mitigation of risks.

Development of the 5 Year Plan - Progress

In 2022 we developed a 5-year plan to take us to 2027. This plan is helping us to develop our service provision, maintain quality and reach more people, putting them at the heart of our organisation, Zetetick Housing has progressed over the last years to meet the increasingly complex housing and housing management needs of people with learning disabilities, autism and mental health challenges, evidenced by:

- Our tenant engagement has been enhanced through the organisation of regular 'How is Your Home?' feedback events. Our Customer Committee has evolved into the Quality Committee, maintaining its focus on enhancing the tenant experience.
- We take pride in our core values and strive to integrate them into all facets of our decision-making and operations.
- Our current staff team comprises 23 individuals (equivalent to 20 Full-Time staff), and we have enhanced the training program for all employees, encompassing Communication, Safeguarding, Suicide Awareness, Dealing with Challenging Behaviour, and Handling Complaints.
- We conduct and act upon surveys to gather feedback from all stakeholders. Staff surveys conducted annually have led to the introduction of Cost-of-Living Support Payments during the winter season. Tenant feedback has been collected through video booths, user-friendly forms, and stickers. Landlords have been contacted via phone and written correspondence.
- We are committed to establishing connections in challenging-to-reach areas. When necessary, we have advocated for meetings with our Local Authority partners to enhance their understanding of our operational model.
- It has been imperative that we continue to promote communication between Social Services and Housing teams to ensure adequate funding for the tenants under our care.
- Substantial progress has been made in our digital transformation efforts. Our database is now more comprehensive and accurate than ever before, with all staff accessing a centralized data source. Additionally, all staff members have received training on privacy, data protection, and GDPR compliance. In 2023, we initiated a significant project to collaborate with Head Landlords to enhance the EPC ratings of their properties. Several pilot projects are underway, with Landlords expressing interest in accessing grants to improve the energy efficiency of their properties. A comprehensive review of insulation and the implementation of energy-efficient measures such as Radflex and new showerheads have also been undertaken.
- We accommodate one tenant in a property provided by the NHS Capital Grant Fund, while another NHS property is currently vacant, awaiting a new occupant. We are optimistic about securing a third property through the Capital Grant Fund scheme in 2024-25.
- We are on the verge of purchasing our first two properties, with the initial payment sourced from the charity's unrestricted reserves.
- During 2023-24, we have expanded our support to tenants in the Southeast by 18%. Three new Care Partners have been onboarded, and discussions are underway with other potential partners, in addition to strengthening our ties with existing partners.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Future Outcomes

As we propel forward into the next phase of our five-year strategic plan, a cornerstone of our growth will be ensuring quality in all we do. By fostering the tenant voice we have already encouraged, we aim to integrate their insights and experiences at pivotal decision-making junctures ensuring that those we serve are heard and empowered within our organisation's governance.

- **Sustaining Supportive Living and Maintenance Excellence**

Our pledge to provide supported living housing paired with intensive housing management persists as a key element of our operations. Through the dual service offering of management and maintenance, we will continue to forge strong connections with residents, facilitating pathways for greater engagement and enhancing the quality of life in our homes. This service delivery model, which does not encompass social care provision, remains fundamental in nurturing our community's fabric.

- **Strategic Geographical Operations**

Zetetick's operational footprint will persist south of the river Thames, eastward into Kent, and west to the cusp of West Sussex and Hampshire. While these geographical bounds define our current focus, we remain agile, ready to evaluate and embrace exceptional opportunities that warrant investment beyond these borders, should they align with our organisational goals and demonstrate strong business rationale.

- **Targeted Supportive Services**

With a clear focus, we will continue dedicating our resources and expertise to cater to individuals with learning disabilities, autism, and those who challenge. By specializing, Zetetick can tailor its services, environment, and support systems to meet the nuanced needs of these communities, thus delivering a superior standard of housing and care.

- **Unwavering Commitment to Quality**

Quality assessment will remain a hallmark of our operational excellence. Through spontaneous homeliness checks, structured quarterly property inspections and a commitment to sustainable living we pledge to maintain and elevate the living standards of our properties. These measures will assure the continual upkeep and improvement of our housing stock, reflecting our dedication to providing exemplary living conditions, whilst limiting environmental impact through careful and controlled use of utilities.

- **Expansion and Diversification**

In anticipation of the future, Zetetick intends to diversify our charitable activities. This growth will be achieved through nurturing property partnerships with letting agents, developers, owners, care companies, and landlords. We are open to leases ranging from three to ten years, providing us with the flexibility to adapt to the dynamic property market while ensuring stability for our tenants.

- **Housing Strategy: Rental Focus with Openness to Acquisition**

Our primary method for housing individuals will continue through the rental and lease market, from single units to small apartment complexes. We remain open to all viable property acquisition opportunities that align with regulatory frameworks, including grant funding avenues, ensuring we are prepared to respond to housing needs as they arise. Direct purchases will be judiciously considered, prioritizing situations where our tenants face immediate risks or market dynamics necessitate such actions, and always contingent upon the stability of our reserves.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

- **Enhanced Tenant and Community Engagement**

We are dedicated to cultivating stronger bonds with our tenants and their networks through improved outreach and engagement initiatives. A more transparent approach to handling compliments and complaints, alongside regular surveys, and more personal community events, will ensure that tenants and their families feel valued and integral to Zetetick's community.

- **Addressing the Challenge of Growth**

Our growth plans are contingent upon the availability of suitable properties to meet referral demands. Whilst this has had its challenges, our near 20% growth in the southeast sector is demonstrable evidence that our growth plans are realistic and achievable. While individual home searches are resource-intensive, the development of small apartment blocks may be another efficient route to housing individuals at scale. We recognise that such developments come with inherent risks, including potential void costs, but our commitment to providing quality housing solutions compels ZHC to remain receptive to these opportunities. The Board maintains a medium appetite to risk and assesses each development on merit as well as potential overall impact.

Our strategic vision encompasses growth and expansion proportional to our size and working with prevailing economic and financial challenges. Most importantly it contains a deep commitment to the people we serve. Through enhanced engagement, specialised services, and an unwavering focus on quality, Zetetick is poised to embrace the opportunities and challenges of the coming years with diligence, compassion, and strategic foresight.

Structure, governance and management

The Charity is constituted as a limited company, limited by guarantee as defined by the Companies Act 2006. It is controlled by its Memorandum and Articles of Association dated 5th February 2007, amended March 2023.

Management Committee

The members of the Management Committee, who were also directors and trustees, during the year were:

I Moore	(Resigned 9 November 2023)
G Scott	
G Emerson	(Resigned 9 November 2023)
M Hurst	
N Pendleton	
A Chequers	
C Linden	
N Hussain	
D I Page	(Appointed 7 November 2023)
N S Pakeeree	(Appointed 8 February 2024)

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Trustees

Trustees ensure that the charity maintains its public benefit. The full Board of Trustees meet four times a year, with further sub-committees for Audit, Risk & Finance, Remuneration & Nominations and Tenant/Quality Engagement. The Board schedules an all-day or half day away day with senior executive staff each year. The Board will review all charity policies on a rolling three-year cycle and request an annual report from the Chief Executive Officer on how policies are adhered to within the charity's values and risk appetite.

We currently meet the Charity Governance Code, but most recently the Board have confirmed that we will adopt and seek compliance with the National Housing Federation's 2020 Governance code. Our website contains details of our Trustees and our staff team.

Committees

Zetetick has a comprehensive committee structure:

Audit, Risk and Finance Committee

An Audit, Risk and Finance Committee of minimum two Trustees and two Executive Directors, meet a minimum of four times a year to ensure these key areas are given appropriate scrutiny prior to each Board meeting.

Quality Committee

During the year, the Customer Committee became the Quality Committee. This committee is made up of a minimum two Trustees and two Executive Directors and meets four times a year to focus on quality housing, data and tenant voice.

Remunerations Committee

The Remunerations Committee, made up of the Chair of Trustees and one other Trustee, meet to discuss CEO salary and staff benefits.

Task & Finish Groups

During 2023-24 a Property Purchase Task and Finish Group met to further the purchase of 2 houses in Croydon. This was made up of 2 Executive Directors and 2 Trustees

In February 2024, the Trustees agreed to create a Task & Finish Group to review Tenant Service Charges for 24/25 and beyond. This is made up of 3 Trustees and 1 Executive Director.

Recruitment and Induction of Trustees

Our recruitment principles for Trustees and best practice, is ensured through the appointment of an independent HR consultancy firm, who lead, shortlist against key skill mix criterion and present to the Board Selection Panel recommendation for short-list interviews. A selection panel of three (being a mix of Trustees and Executive Directors) interview and make a final recommendation to the remaining Board members. All appointed Trustees are formally confirmed at the following AGM and undertake full induction and training to reflect their needs to fully understand and participate in business decisions.

Executive Team

The Charity is managed by a strong leadership team consisting of Chief Executive Officer (CEO), Director of Housing, Director of Finance and Head of Business Development.

Gary Scott stepped down from the role of part time Executive Consultant in June 2023, but remains a Trustee and active member of the Board of Trustees.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Remuneration of Key Personnel

The Board undertake a full annual pay review of all staff. The Chair of Trustees plus one other Trustee forms the Remuneration Committee and sets the remuneration for the Chief Executive Officer.

Office Location

Zetetick has three offices; Croydon, St Leonards and Lewes, and an additional depot in Uckfield. This supports the regional model which is key to future growth strategy.

Affiliations with Umbrella Groups

Zetetick is a member of the National Housing Federation.

Supplier payment policy

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

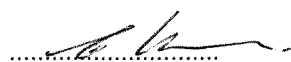
Auditor

The auditor, TC Group, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.



C Linden

Trustee

Date: 22/11/24

ZETETICK HOUSING

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2024

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

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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.

ZETETICK HOUSING

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ZETETICK HOUSING

Opinion

We have audited the financial statements of Zetetick Housing (the 'charitable company') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its 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 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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

ZETETICK HOUSING

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ZETETICK HOUSING

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charitable company for the purpose 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 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ZETETICK HOUSING

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102, Charities SORP (FRS102), Companies Act 2006 and the Charities Act 2011) and the relevant tax compliance regulations in the UK;
- We considered the nature of the industry, the control environment and business performance, including the key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

ZETETICK HOUSING

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ZETETICK HOUSING

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.

TC Group

David Martin FCA (Senior Statutory Auditor)
for and on behalf of TC Group

Statutory Auditor

Office: Lewes

Date: 16 December 2024

ZETETICK HOUSING

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

Current financial year		Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
	Notes					
Income and endowments from:						
Donations and legacies	2	127	-	-	127	842,209
Charitable activities	3	4,422,902	-	-	4,422,902	4,339,642
Investments	4	35,545	-	-	35,545	7,484
Other income	5	18,225	61,501	-	79,726	15,600
Total income		4,476,799	61,501	-	4,538,300	5,204,935
Expenditure on:						
Charitable activities	6	4,365,542	46,329	-	4,411,871	4,255,979
Total expenditure		4,365,542	46,329	-	4,411,871	4,255,979
Net income		111,257	15,172	-	126,429	948,956
Transfers between funds		(20,122)	20,122	-	-	-
Net movement in funds	8	91,135	35,294	-	126,429	948,956
Reconciliation of funds:						
Fund balances at 1 April 2023		1,572,120	241,529	1,352,068	3,165,717	2,216,761
Fund balances at 31 March 2024		1,663,255	276,823	1,352,068	3,292,146	3,165,717

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

ZETETICK HOUSING

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

Prior financial year		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes				
Income and endowments from:					
Donations and legacies	2	143	-	842,066	842,209
Charitable activities	3	4,339,642	-	-	4,339,642
Investments	4	7,484	-	-	7,484
Other income	5	15,600	-	-	15,600
Total income		4,362,869	-	842,066	5,204,935
Expenditure on:					
Charitable activities	6	4,251,478	3,777	724	4,255,979
Total expenditure		4,251,478	3,777	724	4,255,979
Net income/(expenditure)		111,391	(3,777)	841,342	948,956
Transfers between funds		9,151	(9,151)	-	-
Net movement in funds	8	120,542	(12,928)	841,342	948,956
Reconciliation of funds:					
Fund balances at 1 April 2022		1,451,578	254,457	510,726	2,216,761
Fund balances at 31 March 2023		1,572,120	241,529	1,352,068	3,165,717

ZETETICK HOUSING

BALANCE SHEET

AS AT 31 MARCH 2024

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		1,354,394		1,347,813
Current assets					
Debtors	14	400,135		360,576	
Investments	15	510,146		-	
Cash at bank and in hand		1,248,548		1,864,541	
		2,158,829		2,225,117	
Creditors: amounts falling due within one year	16	(135,037)		(407,213)	
Net current assets			2,023,792		1,817,904
Total assets less current liabilities			3,378,186		3,165,717
Provision for other liabilities	17		(86,040)		-
Net assets			3,292,146		3,165,717
The funds of the charitable company					
Restricted income funds	19	1,352,068		1,352,068	
Unrestricted funds - general	21	1,663,255		1,572,120	
Unrestricted funds - designated	20	276,823		241,529	
		3,292,146		3,165,717	

The financial statements were approved by the Trustees on 7/11/24


M Hurst
Trustee


C Linden
Trustee

Company registration number 06082488 (England and Wales)

ZETETICK HOUSING

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

		2024		2023	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	26		(132,503)		1,249,198
Investing activities					
Purchase of tangible fixed assets		(8,889)		(830,678)	
Proceeds from disposal of investments		(510,146)		-	
Investment income received		35,545		7,484	
Net cash used in investing activities			(483,490)		(823,194)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(615,993)		426,004
Cash and cash equivalents at beginning of year			1,864,541		1,438,537
Cash and cash equivalents at end of year			1,248,548		1,864,541

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Zetetick Housing is a private company limited by guarantee incorporated in England and Wales. The registered office is Innovation Centre Highfield Drive, Churchfields Industrial Estate, St Leonards on Sea, East Sussex, TN38 9UH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charitable company is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

1.6 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Not depreciated
Plant and equipment	25% on the reducing balance
Computers	25% straight line
Motor vehicles	25% on the reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

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

1.9 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

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

1 Accounting policies

(Continued)

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Provisions

Provisions are recognised when the charitable company has a legal or constructive present obligation as a result of a past event, it is probable that the charitable company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

1.11 Employee benefits

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

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

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

2 Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Donations and gifts	127	-	127	143	-	143
NHS Grant	-	-	-	-	842,066	842,066
	<u>127</u>	<u>-</u>	<u>127</u>	<u>143</u>	<u>842,066</u>	<u>842,209</u>

3 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Rental activities		
Charitable rental income	<u>4,422,902</u>	<u>4,339,642</u>

4 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	<u>35,545</u>	<u>7,484</u>

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

5 Other income

	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £
Other income	-	61,501	61,501	-	-	-
Recharged services	18,225	-	18,225	15,600	-	15,600
	<u>18,225</u>	<u>61,501</u>	<u>79,726</u>	<u>15,600</u>	<u>-</u>	<u>15,600</u>

6 Expenditure on charitable activities

	Rental activities 2024 £	Rental activities 2023 £
Direct costs		
Staff costs	709,044	656,237
Depreciation and impairment	2,308	2,793
Charitable expenditure	<u>3,529,378</u>	<u>3,425,659</u>
	<u>4,240,730</u>	<u>4,084,689</u>
Share of support and governance costs (see note 7)		
Support	159,880	154,456
Governance	<u>11,261</u>	<u>16,834</u>
	<u>4,411,871</u>	<u>4,255,979</u>
Analysis by fund		
Unrestricted funds - general	4,365,542	4,251,478
Unrestricted funds - designated	46,329	3,777
Restricted funds	<u>-</u>	<u>724</u>
	<u>4,411,871</u>	<u>4,255,979</u>

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

7 Support costs allocated to activities

	2024 £	2023 £
Staff costs	124,589	115,807
Motor & travel	8,980	6,837
Printing, postage and stationery	4,049	6,368
IT costs	14,403	16,983
Communications	717	812
Insurance	2,420	5,297
General expenses	3,409	1,513
Bank charges	1,313	839
Governance costs	11,261	16,834
	<u>171,141</u>	<u>171,290</u>
Analysed between:		
Rental activities	<u>171,141</u>	<u>171,290</u>

	2024 £	2023 £
Governance costs comprise:		
Audit fees	8,086	4,754
Legal and professional	3,175	12,080
	<u>11,261</u>	<u>16,834</u>

Governance costs includes payments to the auditors of £7,920 (2023 - £7,194) for audit fees.

8 Net movement in funds	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	8,086	4,754
Depreciation of owned tangible fixed assets	2,308	2,793
	<u></u>	<u></u>

9 Trustees

During the year, 4 trustees (2023 - 3) were reimbursed expenses totalling £924 (2023 - £427).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

9 Trustees

(Continued)

As permitted by the Memorandum and Articles of Association, a trustee, Mr G Scott, fulfilled the executive role of CEO up until August 2022 when he stepped down from this position to become a consultant to the charity. He was remunerated under normal employee terms in the amount of £10,904 (2023 - £89,637) plus pension contributions of £1,790 (2023 - £9,844). No trustee is remunerated for their role as trustee.

10 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Office and administration	20	18

Employment costs

	2024 £	2023 £
Wages and salaries	715,250	680,797
Social security costs	73,805	69,128
Other pension costs	44,578	22,119
	833,633	772,044

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024 Number	2023 Number
£60,001 to £70,000	1	1
£70,001 to £80,000	1	-
£90,001 to £100,000	-	1
£100,001 to £110,000	1	1

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024 £	2023 £
Aggregate compensation	293,708	321,814

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12 Tangible fixed assets

	Freehold land and buildings	Plant and equipment	Computers	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2023	1,339,219	1,459	-	73,348	1,414,026
Additions	5,061	-	3,828	-	8,889
At 31 March 2024	1,344,280	1,459	3,828	73,348	1,422,915
Depreciation and impairment					
At 1 April 2023	-	311	-	65,902	66,213
Depreciation charged in the year	-	287	159	1,862	2,308
At 31 March 2024	-	598	159	67,764	68,521
Carrying amount					
At 31 March 2024	1,344,280	861	3,669	5,584	1,354,394
At 31 March 2023	1,339,219	1,148	-	7,446	1,347,813

13 Financial instruments

	2024	2023
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	510,146	-

14 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	311,774	281,881
Other debtors	145	2,006
Prepayments and accrued income	88,216	76,689
	400,135	360,576

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

15 Current asset investments

	2024	2023
	£	£
Unlisted investments	510,146	-

16 Creditors: amounts falling due within one year

	2024	2023
	£	£
Other taxation and social security	23,642	16,322
Trade creditors	25,661	76,433
Other creditors	-	3,834
Accruals and deferred income	85,734	310,624
	135,037	407,213

17 Provisions for liabilities

	2024	2023
	£	£
Concierge charges	86,040	-

Movements on provisions:

	Concierge charges £
Additional provisions in the year	86,040

The provision is relation to concierge charges that have not been paid but are still outstanding.

18 Retirement benefit schemes

	2024	2023
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	44,578	22,119

The charitable company operates two defined contribution pension schemes for qualifying employees. The assets of the schemes are held separately from those of the charitable company in independently administered funds.

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

19 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2023	Incoming resources	Resources expended	At 31 March 2024
	£	£	£	£
NHS Property fund	1,352,068	-	-	1,352,068
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 April 2022	Incoming resources	Resources expended	At 31 March 2023
	£	£	£	£
Digital Inclusion fund	724	-	(724)	-
NHS Property fund	510,002	842,066	-	1,352,068
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	510,726	842,066	724	1,352,068
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

During the prior year, Zetetick completed with the Digital Inclusion project funded by Lambeth Borough Council.

Two capital grants have been received from the NHS to purchase two properties for tenants. The grants are to be repaid on sale of the property, or change of use.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

20 Unrestricted funds - designated

These are unrestricted funds which are material to the charitable company's activities.

	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
End of lease liability fund	231,529	-	(45,629)	20,122	206,022
Hardship fund	10,000	61,501	(700)	-	70,801
	<u>241,529</u>	<u>61,501</u>	<u>(46,329)</u>	<u>20,122</u>	<u>276,823</u>
Previous year:	At 1 April 2022	Incoming resources	Resources expended	Transfers	At 31 March 2023
	£	£	£	£	£
Grant giving	45,807	-	-	(45,807)	-
End of lease liability fund	208,650	-	(3,777)	26,656	231,529
Hardship fund	-	-	-	10,000	10,000
	<u>254,457</u>	<u>-</u>	<u>(3,777)</u>	<u>(9,151)</u>	<u>241,529</u>

Grant giving

During the prior year, the Trustees closed the designated fund for grant giving. This fund was created in response to the impact of Covid-19 on charities related to our aims, and it was felt that it was no longer needed.

End of Lease Liability Fund

The Trustees recognise that there is potentially a need to spend large amounts on repairs and maintenance when handing back properties. The costs may exceed the standard 6-week amount calculated for the reserves target. This is especially true for some tenants who have highly complex needs, and where the property may have been adapted to meet the requirements of the tenant. At 31 March 2024, the Trustees calculated this amount to be £206,022.

Hardship Fund

The Trustees created a designated 'Hardship Fund' of £10,000 in the year ended 31 March 2023 to assist any tenants struggling to pay their Tenant Service Charge. One tenant was awarded £700 in the year. The balance at the year end is £9,300.

In addition, the trustees has included a balance of £61,501 as part of the fund to assist with any tenants that are struggling to pay. The total Hardship fund at the year end is £70,801.

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

21 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
General funds	1,572,120	4,476,799	(4,365,542)	(20,122)	1,663,255
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 April 2022	Incoming resources	Resources expended	Transfers	At 31 March 2023
	£	£	£	£	£
General funds	1,451,578	4,362,869	(4,251,478)	9,151	1,572,120
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

22 Analysis of net assets between funds

	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:				
Tangible assets	10,114	-	1,344,280	1,354,394
Current assets/(liabilities)	1,739,181	276,823	7,788	2,023,792
Provisions	(86,040)	-	-	(86,040)
	<u>1,663,255</u>	<u>276,823</u>	<u>1,352,068</u>	<u>3,292,146</u>
	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 March 2023:				
Tangible assets	8,594	-	1,339,219	1,347,813
Current assets/(liabilities)	1,563,526	241,529	12,849	1,817,904
	<u>1,572,120</u>	<u>241,529</u>	<u>1,352,068</u>	<u>3,165,717</u>

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

23 Operating lease commitments

Lessee

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

	2024 £	2023 £
Within one year	504,065	449,321
Between two and five years	629,937	283,364
	<u>1,134,002</u>	<u>732,685</u>

The Trustees recognise the need to enter into longer lease commitments in order to source properties for our tenants and give them the security of a home for several years.

24 Events after the reporting date

In June 2024, Zetetick Housing acquired another two properties.

25 Related party transactions

Transactions with related parties

G Scott, a trustee of Zetetick Housing, is a director and shareholder in Frontier Support Services Limited (FSS) which provides services to the charity. Included in these accounts under direct costs are concierge fees of £276,385 (2023 - £296,575) which were incurred on normal trading terms. Rents receivable includes book-keeping services of £18,225 (2023 - £15,600) were charged to FSS during the year. An amount of £22,843 (2023 - £40,411) was due to FSS at the year end and is included in trade creditors.

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

26 Cash generated from operations	2024	2023
	£	£
Surplus for the year	126,429	948,956
Adjustments for:		
Investment income recognised in statement of financial activities	(35,545)	(7,484)
Depreciation and impairment of tangible fixed assets	2,308	2,793
Movements in working capital:		
(Increase)/decrease in debtors	(39,559)	177,023
(Decrease)/increase in creditors	(272,176)	127,910
(Decrease) in provisions	86,040	-
Cash (absorbed by)/generated from operations	(132,503)	1,249,198

27 Analysis of changes in net funds

The charitable company had no material debt during the year.

ZETETICK HOUSING

England & Wales - Charity number 1118922

Accounts

Charity registration number 1118922

Company registration number 06082488 (England and Wales)

ZETETICK HOUSING
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

ZETETICK HOUSING

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	I Moore G Scott G Emerson M Hurst N Pendleton A Chequers C Linden N Hussain
Secretary	Ms A Barker-Davies
Charity number	1118922
Company number	06082488
Principal address	Innovation Centre Highfield Drive Churchfields Industrial Estate St Leonards on Sea East Sussex TN38 9UH
Registered office	Innovation Centre Highfield Drive Churchfields Industrial Estate St Leonards on Sea East Sussex TN38 9UH
Auditor	Knill James LLP One Bell Lane Lewes East Sussex BN7 1JU
Bankers	Lloyds Bank PLC 24 Broad Street Reading RG1 2BT

ZETETICK HOUSING

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ZETETICK HOUSING

CHAIR'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

Over the past twelve months Zetetic Housing (ZHC) has continued to make a difference to the people we provide housing for. Many had years of inadequate provision before they came to us, with resulting detriment to their quality of life and inevitable pressure on the NHS. We are immensely proud of the value we give them and the ability they have as a result to experience the stability and support they deserve. In many cases this has enabled them to stay in the community, after years in and out of hospital.

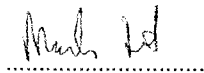
In May 2022, we purchased a second property, accessing funding through NHS capital grants. The two NHS funded properties mark a departure from our central model. For these two properties we own rather than rent as an intermediary (sub-letting them, with intensive housing management and housing support, to our tenants).

ZHC has also continued to grow in executive capacity. Building on the governance review and recruitment of 3 new trustees in 2022, combined with our strong reserves, ZHC is in an excellent position to take advantage of future opportunities to improve the quality and number of our homes. Our regular and insightful social media comment has enhanced our brand and has already brought new landlords into the ZHC family.

Nevertheless, 22-23 has remained a challenging year. The private rental market has been extremely competitive. Inflation is impacting both on our bottom line and on a number of our tenants. The finances in our partner councils are severely stretched. Supply chain and labour market issues continue to be a concern for property maintenance. And property access has remained a challenge.

Looking forward, our new vision emphasises the twin goals of improving our homes and building our portfolio. It is our quality offer which is our biggest strength, both for our customers and their families, and is the major attractor bringing in new properties. We have also committed to – and started to deliver - significant steps to improve the sustainability of our business and an improved approach to customer feedback.

Finally, this year saw the retirement of our CEO and founder Gary Scott, who remains as a trustee. Gary's vision in creating ZHC, and his personal relationship with and commitment to our tenants, has been inspirational. He has left a very sound base for his successor, Jonathan Spencer, who has stepped up from deputy CEO.


.....

Chair

Date: 7/11/23

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report and financial statements for the year ended 31 March 2023.

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

Objectives and activities

Charitable Objectives

The objectives of the charity are the relief of financial hardship among disadvantaged people by providing services, in particular but not exclusively, to disabled people living and working in London Boroughs and Southeast Counties, including through:

- i. the provision of supported Social Housing that enables disadvantaged people to live within the community;
- ii. enabling them to financially meet housing costs;
- iii. enabling fair access to private rental housing provision;
- iv. access to interest free loans to fund housing deposits and home set-up costs;
- v. the provision of additional housing management services;
- vi. the provision of facilities for recreation and other leisure-time occupation in the interests of social inclusion & welfare with the object of improving their conditions of life all of which they could not otherwise afford through lack of means.

The Trustees are pleased to report that we continue to support vulnerable adults with the provision of high-quality accommodation and housing support, who would otherwise not have a fair opportunity to secure their own homes during the continued high demand for social housing and the highly competitive private rental market. In many cases this will be the tenants' first home away from family and/or residential care, giving them true independence and opportunities to become valued members of the local community.

Our Vision

Empowering people with learning disabilities and autism to live as valued members of their community by finding them quality homes, not just housing; offering safety security and opportunity where care, friendship and freedom can come first every day.

Our Mission

To provide and maintain specialised quality homes, not just housing.

To empower choice and deliver dignity to those people, primarily with learning disabilities and autism, who need our offer of quality housing for supported living.

To align our values and activities to work with a range of partners across housing, commissioning, and care, in the fulfilment of our charitable aims.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2023**

Our Aspiration

Our aspiration is to harness the passion that each of our members of staff have and use it to give some of the most marginalised people in our society a home.

To reach more families and give homes to more people with complex learning disabilities.

Whilst our focus is to continue to establish ourselves as best practice thought leaders to other housing organisations and people in need, by continuing with high quality services and unique provision, we want to develop our procedures, processes and resources so that they are always sensitive to the people we give homes to. In addition to this, by doing so, we also reaffirm our commitment to doing our best for the people we give homes to, their families and the wider community.

Our bottom line must be about delivering quality and honouring our promise to the people we support because from this will be able to help more people in a sustainable way.

KEY ACHIEVEMENTS AND PERFORMANCE

During the year 2022-23 we achieved the following:

- Housed 163 tenants over a total of 103 properties
- Rehomed 9 existing tenants to more suitable properties
- Purchased our second property with an NHS grant to rehome one of our most vulnerable tenants in secure, long-term accommodation
- Maintained a high level of repairs and inspections (98% on time)
- Increased our ability to support tenants in the South East by opening a maintenance depot in Uckfield
- Carried out 'Homeliness Checks' in addition to our formal 6-monthly housing inspections
- Increased our level of tenant engagement, with a summer party, easy read versions of our magazine and complaints policies, tenant surveys and the creation of a formal Customer Committee
- Offered a Hardship Fund to our tenants who might be feeling cost of living pressures
- Fulfilled a long held succession plan, by transitioning to a new CEO
- Completed a full independent Digital Review to road map future organisational transformation
- Implemented a charity wide intranet based on Sharepoint and Office 365
- Implemented a shared platform for Board and Committee administration 'Board Papers'
- Further developed relationships with new and existing care company partners
- Increased our FTE headcount to 16.5 to ensure increased support to tenants
- Offered all staff welfare payments over the winter months to help with cost of living
- Supported 3 volunteers to work on our social media and outreach work
- Built on our five-year plan to give additional focus and measurement

We continue to work predominantly in South London Boroughs, with approximately 2/3 of our tenants being housed in properties in this area, but we are seeing increased interest in South East.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2023**

VALUES AND WAYS OF WORKING



Our values are equally important in reviewing our progress and in setting future targets. They are literally the 'BEDROCK' of all we do. Our tenants are people we all know, yet they are often those with a learning disability, autistic and/or mental health challenges and have vulnerabilities that impact on the way we work.

We continue to gather feedback from our stakeholders to ensure we practice our values in all areas of the business.

We employ staff that share our values and with the necessary knowledge, experience and skills to be able to represent the charity at the highest levels. We pay staff salaries at or above the London Living Wage and at a competitive level they would receive if they were undertaking a similar role in NHS social care or a comparable organisation. Relevant salaries are disclosed in our financial statement.

OPERATING MODEL

We provide specified, exempt accommodation to our tenants. We fund our work through Government funding and good financial management to achieve operating surpluses to invest in our Objects. We operate a team of volunteers for some areas of our outreach, which provides an opportunity for our supporters to give their time in a way that benefits the charity and our beneficiaries, in addition it offers some valuable work experience that many have used to gain meaningful employment.

Whilst understanding the desire for people to donate to a good cause and the positive impact this could have on the charity, the founder wanted to ensure the charity could operate independently without the need and reliance for constant fundraising, ensuring business planning was central to the administration of the charity.

The charity also has a strong and regularly reviewed reserves policy that ensures our reserves are of the strength and depth necessary to cover all eventualities in order to protect our tenants. Trustees acknowledge there are risks in housing vulnerable individuals and ensure our risk assessment and risk management are reviewed annually and are up to date.

This year we built on the diversification plans that commenced in 2022/23, by purchasing a second property using NHS England grant funds.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Financial review

The charity's financial position remains very strong with sufficient reserves and liquidity to enable it to fulfil its objectives, meet its operational commitments and to allow for most foreseeable contingencies.

The financial year saw an increase in the amount of scrutiny given to exempt providers of supported housing; Local Authorities were given updated guidance in April 2022 to ensure that exempt providers meet the criteria for full Housing Benefit which they receive on behalf of their tenants. By building relationships with our Local Authority Partners in Housing Benefit and Adult Social Care, we have been able to continue to claim monies to provide housing and support for our tenants.

The number of beneficiaries at 31 March 2023 was 163 (2022 - 164), but the stability of this figure hides the range of work undertaken throughout the year. We found new homes for 9 existing tenants whose current homes were no longer available and/or suitable for them. We welcomed 10 new tenants to Zetetick Homes.

Total incoming resources increased from £4.5m in 2022 to £5.2m in 2023 due to the following:

- Incoming unrestricted resources, predominantly rentals received from beneficiaries, increased year on year by 13% to £4.3m
- Restricted income increased from £526k to £842k, as the charity took receipt of its second NHS grant in order to purchase a property outright, enabling another one of our most vulnerable tenants to move to a long term, safe home. This restricted fund will be held until the property is sold, at which point the funds from the sale will be returned to the NHS.

Direct charitable activity expenditure increased year on year to £4.3m (2022 - £3.9m). The main reasons for this increase are as follows:

- Inflationary increases on rental properties and staff costs
- With an increased focus on quality housing provision, we improved our welcome packs, fixtures and fittings for tenants.

Support cost expenditure ratio was 3.2% of total income (2022 – 4%).

Staff headcount grew from a full time equivalent of 14.1 to 16.5 (actual headcount as at March 2023 was 19). The charity committed to investing further in staff resources over 2022-23 as it moves towards a regional model, with an Area Housing Manager in both London and the Southeast.

The overall surplus (net movement of funds) on unrestricted funds before transfers was £111k (2022 - £32k) - representing a surplus ratio of 2.6% of income.

The health and safety of our tenants remained of paramount importance. The charity continued to provide essential maintenance support to all our tenants and resumed half-yearly inspections which increased the amount of non-urgent work.

The End of Tenancy Dilapidations Fund is calculated at £231k for the year 2022-23.

Reserves Policy

The Purpose of the Reserves Policy is to ensure the Charity holds enough funds in general reserves for the stability of the mission, programmes, employment and ongoing operations of the organisation. The Reserves Policy is intended to give a clear indication of internal funds required to provide a cushion against unexpected events, losses of income, and large unbudgeted expenses. Above all else, it serves as protection for those who we house, to ensure long term security of their homes.

The Reserves Policy is to hold a target of 3 month's operational costs in reserve, plus 6 week's rental costs and a provision for long leases. As of 31st March 2023, this was calculated as £731k (2022 – 617k). The General (Free) Reserves were calculated as £1,572k (2022 - £1,452k). This is £846k above target (2022 - £835k above target). The Trustees plan to use these excess reserves within the next 12 months to facilitate the purchase of two of our existing Houses in Multiple Occupation (HMO's) properties.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

£000s	31 March 2023	31 March 2022
Total Funds	3,166	2,217
Less: Restricted Funds	(1,352)	(511)
Less: Designated Funds	(242)	(254)
General (Free) Reserves	1,572	1,452

The Trustees have reviewed this position and are committed to maintaining balances in liquid funds (cash, plus debtors, less creditors) which cover the sum of the free reserves target, plus any designated and restricted funds. At March 2023 liquid funds were £1,818k.

Principle Risks

The Board of Trustees remains extremely diligent in monitoring the changing situation within the sector with regularly reviews of our strategic aims and stress-testing of our financial viability. The risk register is reviewed in summary form every 3 months, with a bi-annual detailed review of new and emerging risks.

The key risks identified by the Board at March 2023 are:

- **Loss of Exemption Status for Specified Supported Accommodation**

Changes to legislation may require that all social landlords providing exempt accommodation need to be licenced by Local Authorities, or registered with the Register of Social Housing.

In addition, the Department for Work & Pensions is clarifying the meaning of 'more than minimum support' which may impact on our status as an exempt provider. We have already seen an increase in the scrutiny of our charges by Local Authorities. We welcome this scrutiny, as it will ensure our reputation as an exempt provider is upheld.

The trustees believe that further clarification on existing rules by DWP should strengthen our position we will be able to prove we meet the criteria, whilst being aware we need to keep abreast of any changes that could impact on our model.

- **Converging gap between income and core costs**

After a year of high inflation (10%+), the cost of providing our quality homes has increased. We are able to pass on some inflationary increases through uplifts in Housing Benefit once a year. This can leave us vulnerable to mid-year above inflationary increases.

There has been increased scrutiny from local authorities, challenging uplifts as they themselves are struggling to meet costs. We have also seen more head landlords coming forward to re-negotiate higher rents.

This risk has so far been managed by adopting a clear full cost recovery (allocation and apportionment) approach to the Housing Benefit Claims submitted on behalf of our tenants.

We carefully monitor voids so timely decisions can be made to minimise any losses. Mitigating action could see schemes merged, or, as a last resort, terminated. The Board makes careful informed decisions to subsidise some schemes as part of meeting its charitable objectives.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2023**

• Government Net Zero Policies / De-Carbonisation

Although the responsibility for EPC rating falls with the owner-landlord, there is an inherent risk to us of not supporting them to achieve Minimum Energy Efficiency Standards (MEES). The new Government target to move to all rented properties reaching band C will be phased in by 2028.

Zetetick has commenced early conversations with property owners to work in partnership. The aim is achieve compliance whilst securing appropriate leases for the security of our tenants.

• Safeguarding

Zetetick has a no tolerance safeguarding policy. Abuse or neglect in any form, of tenants, employees or anyone connected with the charity will be reported and acted upon. All staff are safeguarding trained and, where appropriate, DBS checked. Safeguarding is a standing item on weekly senior manager meetings and board meetings.

• Succession Planning

The Trustees have recognised succession planning for key roles as a risk. This applies to both the Senior Management Team and the Trustees.

The use of digital technology such as Sharepoint, and a central database, will help to ensure the golden thread of information is transferable and useable by all.

• Digital & Data Integrity

Our increased reliance on Digital & Data means we are undergoing a digital transformation at present. All staff are receiving training on record keeping and the use of data.

• Stress Testing

The charity has undertaken multiple stress-testing that demonstrates that the organisation is financial resilient to the identified risks. Strong links with Local Authorities and a track record of excellent performance with all referrals contribute positively towards the mitigation of risks.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Future Developments

In 2022 we developed a 5 year plan to take us to 2027. This plan will help us to develop our service provision, maintain quality and reach more people, putting them at the heart of our organisation, Zetetick Housing plans to meet the increasingly complex housing and housing management needs of people with learning disabilities, autism and mental health challenges by:

- Putting the people we provide homes for at the centre of our charity, through working with an established Customer Committee in the deliverance of their objectives – tenant voice.
- Ensure that our mission and values are at the forefront of all we do and are widely recognised, locally, and across our geographic remit, so we are seen as a flexible person-centred housing innovator, renowned for our quality, expertise and knowledge.
- Continue the capacity development of the organisation, so that the quality and engagement in our service to meet the needs of more tenants are more meaningfully engage with the tenants we provide homes to.
- Development of our people, whether our tenants, staff, or volunteers, by putting equity, diversity and inclusion at the centre of all our practice.
- Develop partnership relationships with Adult Social Services, Property developers, CCG and Local Authorities, thus maintaining our financial resilience, with sufficient funds and resources to continue to offer quality housing for those seeking supported living accommodation.
- Putting record keeping at the centre of our activities; improving our ability to store, secure and collate information in our housing database. Securing, unifying and centralising our data and how we communicate and share this data via intranets, the cloud and single point of access rather than complex distribution.
- Working to improve environmental quality and sustainability through internal provisioning of materials and, tools and vehicles and externally by supporting Landlords in taking measures to improve EPC ratings by 2025/28.
- Continue working in partnership with NHS to secure grant funding to facilitate our aims to purchase quality and sustainable homes that offer long-term security for some of the most vulnerable people in our communities.
- To better consider using our free reserves for the furtherance of our Objects, in particular the potential opportunities to purchase existing homes within our lease portfolio.

Future Aims and Outcomes

- To seek a meaningful and active tenant voice at decision making points within the organisation, such as sub-committees and ultimately the Board of Trustees.
- We will continue to provide supported living housing and associated intensive housing management (not social care provision); offering our own management and maintenance services as one of the primary ways of connecting with the people in our homes and through this link offering a pathway to further engagement.
- Our operations will continue in the geographic area South of the river Thames, East into Kent, and West as far as the border between W. Sussex and Hampshire, unless there is a strong or exceptional business case to warrant investment.
- We will concentrate on providing services to learning disabled and autistic people, and people that challenge.
- Zetetick will continue assess quality through spot check homeliness visits as well as bi-annual property inspections.
- We are looking to grow our commercial activity from our present bases and diversify our geographic holdings. This means continuing to create more property partnerships with letting agents, developers, owners, care companies and Landlords. ZHC are open to leases longer than 3 years but limited to 10 years (with breaks).
- Zetetick will primarily house people through the rental/lease market. From single dwellings to small blocks of apartments. However, we are open to all opportunities (where appropriate with the regulator) where acquisition is via grant funding. Property acquisition by purchase through loans, mortgages and using our capital will only be undertaken where housing situations dictate. e.g. Vulnerable tenants being at risk, large reductions in the availability of suitable leases, and only if we have sufficient reserves.
- We are developing better outreach and engagement with tenants and their families through events, surveys and a more transparent complaints and compliments procedure.

Growth plans can only be achieved if we have access to properties to meet the referral demands. Seeking homes for each person separately is resource intensive, and apartment blocks such as Henderson House or Providence Place provide a faster route to reach out to and meeting the needs of more people. Developing such properties, is not predictable and does not come with an immediate promise of filling spaces and void costs are factored in, we will stay open to them.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2023**

Structure, governance and management

The Charity is constituted as a limited company, limited by guarantee as defined by the Companies Act 2006. It is controlled by its Memorandum and Articles of Association dated 5th February 2007.

Management Committee

The members of the Management Committee, who were also directors and trustees, during the year were:

I Moore

G Scott

G Emerson

M Hurst

L Worrall

(Resigned 22 December 2022)

N Pendleton

A Chequers

C Linden

N Hussain

Public Benefit

Trustees ensure that the charity maintains its public benefit. We do this daily through the services we provide, but also, more specifically; through subsidising rents where local authority rental caps fall short of our true costs; sourcing specialist properties for our tenant group; covering the cost of pre-let voids; holding reserves to cover end-of-tenancy repair costs unique to our tenant group.

Trustees

Trustees ensure that the charity maintains its public benefit. Trustees meet four times a year and will attempt to hold an all-day annual away day with staff, subject to pandemic restrictions. The Board will review all charity policies on a rolling three-year cycle and request an annual report from the Chief Executive Officer on how policies are adhered to within the charity's values and risk appetite.

We currently meet the Charity Governance Code, but most recently the Board have confirmed that we will adopt and seek compliance with the National Housing Federation's 2020 Governance code. Our website contains details of our Trustees and our staff team.

Committees

Zetetick has a comprehensive committee structure:

An Audit, Risk and Finance Committee of minimum two Trustees and two Executive Directors, meets a minimum of four times a year to ensure these key areas are given appropriate scrutiny prior to each Board meeting.

A Customer Committee of minimum two Trustees and Two Executive Directors meets four times a year to focus on tenant voice.

The Remunerations Committee, made up of the Chair of Trustees and one other Trustee, meet to discuss CEO salary and staff benefits.

During 2022-23 a Property Purchase Task and Finish Group met to discuss the potential purchase of 2 houses in Croydon.

Our recruitment principles for Trustees and best practice, is ensured through the appointment of an independent HR consultancy firm, who lead, shortlist against key skill mix criterion and present to the Board Selection Panel recommendation for short-list interviews. A selection panel of three Trustees interview and make a final recommendation to the remaining Board members. All appointed Trustees are formally confirmed at the following AGM and undertake full induction and training to reflect their needs to fully understand and participate in business decisions.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Management

team

The Charity is managed by a strong leadership team consisting of Chief Executive Officer (CEO), Director of Housing, Director of Finance and Executive Consultant.

During the year Jonathan Spencer was promoted from Deputy CEO to CEO. The previous CEO, Gary Scott, stepped into the role of part time Executive Consultant and fully retired in June 2023.

Zetetic has three offices; Croydon, St Leonards and Lewes, and an additional depot in Uckfield. This supports the regional model which is key to future growth strategy.

Remuneration of Key Personnel

The Board undertake a full annual pay review of all staff. The Chair of Trustees plus one other Trustee forms the Remuneration Committee and sets the remuneration for the Chief Executive Officer. In 2022 we commissioned an external report which benchmarked staff salaries against the sector, and this was fed into the proposed salaries for 2023-24.

Affiliations with Umbrella Groups

Zetetic is a member of the National Housing Federation.

Supplier payment policy

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

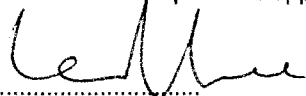
Auditor

Knill James LLP were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.



I Moore
Trustee

Date: 9/11/23

ZETETICK HOUSING

STATEMENT OF TRUSTEES' RESPONSIBILITIES **FOR THE YEAR ENDED 31 MARCH 2023**

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

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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.

ZETETICK HOUSING

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ZETETICK HOUSING

Opinion

We have audited the financial statements of Zetetick Housing (the 'charitable company') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its 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 conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

ZETETICK HOUSING

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ZETETICK HOUSING

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charitable company for the purpose 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 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.

In identifying and assessing the risk of material misstatement in respect of irregularities, including fraud, we:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company complies with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud; and
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

ZETETICK HOUSING

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ZETETICK HOUSING

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements, including the Trustees' report, remaining alert to new or unusual transactions which may not be in accordance with the governing document.

The most significant laws and regulations that have an indirect impact on the financial statements are employment law and the UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these laws and regulations and inspected correspondence with regulatory authorities.

We identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included, but were not limited to, testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/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.

Knill James LLP

Mark Filsell FCA (Senior Statutory Auditor)
for and on behalf of Knill James LLP

14 November 2023

Chartered Accountants
Statutory Auditor

One Bell Lane
Lewes
East Sussex
BN7 1JU

ZETETICK HOUSING

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023

Current financial year

		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
	Notes					
Income and endowments from:						
Donations and legacies	2	143	-	842,066	842,209	525,915
Charitable activities	3	4,339,642	-	-	4,339,642	3,907,257
Investments	4	7,484	-	-	7,484	467
Other income	5	15,600	-	-	15,600	34,672
Total income		4,362,869	-	842,066	5,204,935	4,468,311
Expenditure on:						
Charitable activities	6	4,251,478	3,777	724	4,255,979	3,938,336
Net incoming resources before transfers		111,391	(3,777)	841,342	948,956	529,975
Gross transfers between funds		9,151	(9,151)	-	-	-
Net income for the year/ Net movement in funds		120,542	(12,928)	841,342	948,956	529,975
Fund balances at 1 April 2022		1,451,578	254,457	510,726	2,216,761	1,686,786
Fund balances at 31 March 2023		1,572,120	241,529	1,352,068	3,165,717	2,216,761

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

All income and expenditure derive from continuing activities.

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

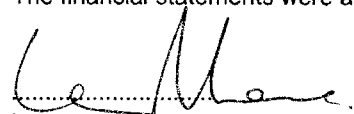
ZETETICK HOUSING

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	11		1,347,813		519,928
Current assets					
Debtors	12	360,576		537,599	
Cash at bank and in hand		1,864,541		1,438,537	
		2,225,117		1,976,136	
Creditors: amounts falling due within one year	13	(407,213)		(279,303)	
Net current assets			1,817,904		1,696,833
Total assets less current liabilities			3,165,717		2,216,761
Income funds					
Restricted funds	15		1,352,068		510,726
Unrestricted funds - designated			241,529		254,457
Unrestricted funds - general	16		1,572,120		1,451,578
			3,165,717		2,216,761

The financial statements were approved by the Trustees on 9/4/23



I Moore
Trustee

Company Registration No. 06082488

ZETETICK HOUSING

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

Prior financial year

		Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes				
<u>Income and endowments from:</u>					
Donations and legacies	2	159	-	525,756	525,915
Charitable activities	3	3,907,257	-	-	3,907,257
Investments	4	467	-	-	467
Other income	5	34,672	-	-	34,672
Total income		3,942,555	-	525,756	4,468,311
<u>Expenditure on:</u>					
Charitable activities	6	3,850,989	67,317	20,030	3,938,336
Net incoming resources before transfers		91,566	(67,317)	505,726	529,975
Gross transfers between funds		(59,045)	59,045	-	-
Net income for the year/ Net movement in funds		32,521	(8,272)	505,726	529,975
Fund balances at 1 April 2021		1,419,057	262,729	5,000	1,686,786
Fund balances at 31 March 2022		1,451,578	254,457	510,726	2,216,761

ZETETICK HOUSING

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	20		1,249,198		350,831
Investing activities					
Purchase of tangible fixed assets		(830,678)		(510,000)	
Proceeds from disposal of tangible fixed assets		-		19,600	
Investment income received		7,484		467	
Net cash used in investing activities			(823,194)		(489,933)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			426,004		(139,102)
Cash and cash equivalents at beginning of year			1,438,537		1,577,639
Cash and cash equivalents at end of year			1,864,541		1,438,537

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Zetetick Housing is a private company limited by guarantee incorporated in England and Wales. The registered office is Innovation Centre Highfield Drive, Churchfields Industrial Estate, St Leonards on Sea, East Sussex, TN38 9UH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charitable company is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Not depreciated
Plant and equipment	25% on the reducing balance
Motor vehicles	25% on the reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

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

1.9 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

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

Basic financial assets

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

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Employee benefits

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

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

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

3 Charitable activities

	Rental activities 2023 £	Rental activities 2022 £
Charitable rental income	<u>4,339,642</u>	<u>3,907,257</u>

4 Investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Interest receivable	<u>7,484</u>	<u>467</u>

5 Other income

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Net gain on disposal of tangible fixed assets	-	10,262
Rental of premises	-	5,895
Recharged services	15,600	18,515
	<u>15,600</u>	<u>34,672</u>

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

6 Charitable activities

	Rental Activities 2023 £	Rental Activities 2022 £
Staff costs	656,237	509,521
Depreciation and impairment	2,793	3,831
Charitable expenditure	3,425,659	3,245,487
	<u>4,084,689</u>	<u>3,758,839</u>
Share of support costs (see note 7)	154,456	125,893
Share of governance costs (see note 7)	16,834	53,604
	<u>4,255,979</u>	<u>3,938,336</u>
Analysis by fund		
Unrestricted funds - general	4,251,478	3,850,989
Unrestricted funds - designated	3,777	67,317
Restricted funds	724	20,030
	<u>4,255,979</u>	<u>3,938,336</u>

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	115,807	-	115,807	89,916	-	89,916
Motor & travel	6,837	-	6,837	9,379	-	9,379
General office costs	-	-	-	462	-	462
Printing, postage and stationery	6,368	-	6,368	3,130	-	3,130
IT costs	16,983	-	16,983	15,011	-	15,011
Communications	812	-	812	1,060	-	1,060
Insurance	5,297	-	5,297	5,037	-	5,037
General expenses	1,513	-	1,513	1,185	-	1,185
Bank charges	839	-	839	713	-	713
Audit fees	-	4,754	4,754	-	6,540	6,540
Accountancy	-	-	-	-	2,024	2,024
Legal and professional	-	12,080	12,080	-	27,218	27,218
Governance costs	-	-	-	-	17,822	17,822
	<u>154,456</u>	<u>16,834</u>	<u>171,290</u>	<u>125,893</u>	<u>53,604</u>	<u>179,497</u>
Analysed between						
Charitable activities	<u>154,456</u>	<u>16,834</u>	<u>171,290</u>	<u>125,893</u>	<u>53,604</u>	<u>179,497</u>

Governance costs includes payments to the auditors of £7,194 (2022 - £6,540) for audit fees.

8 Trustees

During the year, 3 trustees (2022 - 3) were reimbursed expenses totalling £427 (2022 - £324).

As permitted by the Memorandum and Articles of Association, a trustee, Mr G Scott, fulfilled the executive role of CEO up until August 2022 when he stepped down from this position to become a consultant to the charity. He was remunerated under normal employee terms in the amount of £89,637 (2022 - £103,676) plus pension contributions of £Nil (2022 - £Nil). No trustee is remunerated for their role as trustee.

9 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Office and administration	<u>18</u>	<u>14</u>

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

9 Employees

(Continued)

Employment costs	2023 £	2022 £
Wages and salaries	680,797	520,955
Social security costs	69,128	56,064
Other pension costs	22,119	22,418
	<u>772,044</u>	<u>599,437</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023 Number	2022 Number
£60,001 to £70,000	1	-
£70,001 to £80,000	-	2
£90,001 to £100,000	1	-
£100,001 to £110,000	1	1
	<u>1</u>	<u>1</u>

10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

11 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2022	510,000	-	73,348	583,348
Additions	829,219	1,459	-	830,678
At 31 March 2023	<u>1,339,219</u>	<u>1,459</u>	<u>73,348</u>	<u>1,414,026</u>
Depreciation and impairment				
At 1 April 2022	-	-	63,420	63,420
Depreciation charged in the year	-	311	2,482	2,793
At 31 March 2023	<u>-</u>	<u>311</u>	<u>65,902</u>	<u>66,213</u>
Carrying amount				
At 31 March 2023	<u>1,339,219</u>	<u>1,148</u>	<u>7,446</u>	<u>1,347,813</u>
At 31 March 2022	<u>510,000</u>	<u>-</u>	<u>9,928</u>	<u>519,928</u>

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

12 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	281,881	437,434
Other debtors	2,006	4,007
Prepayments and accrued income	76,689	96,158
	<u>360,576</u>	<u>537,599</u>

13 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	16,322	15,835
Trade creditors	76,433	48,702
Other creditors	3,834	3,834
Accruals and deferred income	310,624	210,932
	<u>407,213</u>	<u>279,303</u>

14 Retirement benefit schemes

Defined contribution schemes

The charitable company operates two defined contribution pension schemes for qualifying employees. The assets of the schemes are held separately from those of the charitable company in independently administered funds.

The charge to profit or loss in respect of defined contribution schemes was £22,119 (2022 - £22,418).

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 April 2021	Incoming resources	Resources expended	Balance at 1 April 2022	Incoming resources	Resources expended	Balance at 31 March 2023
	£	£	£	£	£	£	£
Digital Inclusion fund	5,000	-	(4,276)	724	-	(724)	-
NHS Property fund	-	525,756	(15,754)	510,002	842,066	-	1,352,068
	<u>5,000</u>	<u>525,756</u>	<u>(20,030)</u>	<u>510,726</u>	<u>842,066</u>	<u>(724)</u>	<u>1,352,068</u>

During the year Zetetick completed with the Digital Inclusion project funded by Lambeth Borough Council. In total we provided 5 tenants with digital equipment to reduce social isolation, along with a full training and connectivity support.

Two capital grants have been received from the NHS to purchase two properties for tenants. The grants are to be repaid on sale of the property, or change of use.

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

16 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2021 £	Resources expended £	Transfers £	Balance at 1 April 2022 £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Grant Giving	52,022	(6,215)	-	45,807	-	(45,807)	-
End of Lease Liability Fund	210,707	(61,102)	59,045	208,650	(3,777)	26,386	231,259
Hardship fund	-	-	-	-	-	10,000	10,000
	<u>262,729</u>	<u>(67,317)</u>	<u>59,045</u>	<u>254,457</u>	<u>(3,777)</u>	<u>(9,421)</u>	<u>241,259</u>

Grant giving

During the year, the Trustees closed the designated fund for grant giving. This fund was created in response to the impact of Covid-19 on charities related to our aims, and it was felt that it was no longer needed.

End of Lease Liability Fund

The Trustees recognise that there is potentially a need to spend large amounts on repairs and maintenance when handing back properties. The costs may exceed the standard 6-week amount calculated for the reserves target. This is especially true for some tenants who have highly complex needs, and where the property may have been adapted to meet the requirements of the tenant. At 31 March 2023, the Trustees calculated this amount to be £231,259.

Hardship Fund

The Trustees created a designated 'Hardship Fund' of £10,000 to assist any tenants struggling to pay their Tenant Service Charge. No tenants have applied to this fund to date.

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

17	Analysis of net assets between funds	Unrestricted funds		Designated funds		Restricted funds		Total Unrestricted funds		Designated funds		Restricted funds		Total	
		2023	£	2023	£	2023	£	2023	£	2022	£	2022	£	2022	£
	Fund balances at 31 March 2023 are represented by:														
	Tangible assets	-		-		1,347,813		1,347,813		9,928		510,000		519,928	
	Current assets/(liabilities)	1,572,120		241,529		4,255		1,817,904		254,457		726		1,696,833	
		<u>1,572,120</u>		<u>241,529</u>		<u>1,352,068</u>		<u>3,165,717</u>		<u>254,457</u>		<u>510,726</u>		<u>2,216,761</u>	

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

18 Operating lease commitments

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

	2023 £	2022 £
Within one year	449,321	390,322
Between two and five years	283,364	524,979
	<u>732,685</u>	<u>915,301</u>

The Trustees recognise the need to enter into longer lease commitments in order to source properties for our tenants and give them the security of a home for several years.

19 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	<u>321,814</u>	<u>306,418</u>

Transactions with related parties

G Scott, a trustee of Zetetic Housing, is a director and shareholder in Frontier Support Services Limited (FSS) which provides services to the charity. Included in these accounts under direct costs are concierge fees of £296,575 (2022 - £294,654) which were incurred on normal trading terms. Rents receivable includes £nil (2022 - £5,000) for office space sublet to FSS by the charity and book-keeping services of £15,600 (2022 - £15,600) were charged to FSS during the year. An amount of £40,411 (2022 - £26,179) was due to FSS at the year end and is included in trade creditors.

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

20	Cash generated from operations	2023 £	2022 £
	Surplus for the year	948,956	529,975
	Adjustments for:		
	Investment income recognised in statement of financial activities	(7,484)	(467)
	Gain on disposal of tangible fixed assets	-	(10,262)
	Depreciation and impairment of tangible fixed assets	2,793	3,831
	Movements in working capital:		
	Decrease/(increase) in debtors	177,023	(185,689)
	Increase in creditors	127,910	13,443
	Cash generated from operations	1,249,198	350,831
21	Analysis of changes in net funds		
	The charitable company had no debt during the year.		

ZETETICK HOUSING

England & Wales - Charity number 1118922

Accounts

Charity registration number 1118922

Company registration number 06082488 (England and Wales)

ZETETICK HOUSING
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

ZETETICK HOUSING

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	I Moore G Scott CEO G Emerson M Hurst L Worrall N Pendleton A Chequers C Linden N Hussain	(Appointed 4 November 2021) (Appointed 10 February 2022) (Appointed 10 February 2022) (Appointed 10 February 2022)
Charity number	1118922	
Company number	06082488	
Principal address	Innovation Centre Highfield Drive Churchfields Industrial Estate St Leonards on Sea East Sussex TN38 9UH	
Registered office	Innovation Centre Highfield Drive Churchfields Industrial Estate St Leonards on Sea East Sussex TN38 9UH	
Auditor	Knill James LLP One Bell Lane Lewes East Sussex BN7 1JU	
Bankers	Lloyds Bank PLC 24 Broad Street Reading RG1 2BT	

ZETETICK HOUSING

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ZETETICK HOUSING

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

Over the past twelve months, our charity, Zetetic Housing (ZHC) has continued to make a difference to the people we provide housing for. Many had years of inadequate provision, before they came to us, with resulting detriment to their quality of life and inevitable pressure on the NHS. We are immensely proud of the value we give them and the ability they have as a result to experience the stability and support they deserve and which a civilised society should deliver as a matter of course.

The last year saw a major new departure for our ZHC, as we became for the first time a property owner, rather than simply an intermediary (renting properties from the market and sub-letting them, with maintenance, to our tenants at below market rents). With thanks to a grant from the NHS we bought a property in Croydon for one of our tenants with particular needs, and in May 22, completed on a second property.

ZHC has also continued to grow in capacity. We now have executive support, and our new part time Finance Director will soon be increasing her hours. Combined with our governance review, the recruitment of 3 new trustees, and our strong reserves, this places ZHC in an excellent position to take advantage of future opportunities to improve the quality and number of our homes. Our regular and insightful social media comment has enhanced our brand and has already brought new landlords into the ZHC family.

No organisation working through 21-22 has been without its challenges, and ZHC is no exception. The private rental market has been extremely competitive. Inflation is impacting both on our bottom line and on a number of our tenants. The finances in our partner councils are severely stretched. Supply chain and labour market issues continue to be a concern for property maintenance. And property access during Covid has remained a challenge, along with keeping our customers safe.

Looking forward, our new vision emphasises the twin goals of improving our homes and building our portfolio. It is our quality offer which is our biggest strength, both for our customers and their families, and is the major attractor bringing in new properties.



Chairman: Martin Hurst

Dated: 3rd November 2022...

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report and financial statements for the year ended 31 March 2022.

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

Objectives and activities

Charitable Objectives

The objectives of the charity are the relief of financial hardship among disadvantaged people by providing services, in particular but not exclusively, to disabled people living and working in London Boroughs and Southeast Counties, including through:

- i. the provision of supported Social Housing that enables disadvantaged people to live within the community;
- ii. enabling them to financially meet housing costs;
- iii. enabling fair access to private rental housing provision;
- iv. access to interest free loans to fund housing deposits and home set-up costs;
- v. the provision of additional housing management services;
- vi. the provision of facilities for recreation and other leisure-time occupation in the interests of social inclusion & welfare with the object of improving their conditions of life all of which they could not otherwise afford through lack of means.

The Trustees are pleased to report that we continue to support vulnerable adults with the provision of high quality accommodation and housing support, who would otherwise not have a fair opportunity to secure their own homes during the continued high demand for social housing and the highly competitive private rental market. In many cases this will be the tenants' first home away from family and/or residential care, giving them true independence and opportunities to become valued members of the local community.

Our Vision

Empowering people with learning disabilities and autism to live as valued members of their community by finding them quality homes, not just housing; offering safety security and opportunity where care, friendship and freedom can come first every day

Our Mission

To provide and maintain specialised quality homes, not just housing.

To empower choice and deliver dignity to those people, primarily with learning disabilities and autism, who need our offer of quality housing for supported living.

To align our values and activities to work with a range of partners across housing, commissioning, and care, in the fulfilment of our charitable aims.

Our Aspiration

Our aspiration is to harness the passion that each of our members of staff have and use it to give some of the most marginalised people in our society a home.

To reach more families and give homes to more people with complex learning disabilities.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

KEY ACHIEVEMENTS AND PERFORMANCE

Whilst our focus is to continue to establish ourselves as best practice thought leaders to other housing organisations and people in need, by continuing with high quality services and unique provision, we want to develop our procedures, processes and resources so that they are always sensitive to the people we give homes to. In addition to this, by doing so, we also reaffirm our commitment to doing our best for the people we give homes to, their families and the wider community.

Our bottom line must be about delivering quality and honouring our promise to the people we support because from this will be able to help more people in a sustainable way.

During the year 2021-22 we achieved the following:

- Increased the number of people we house from 160 to 164 over a total of 91 properties
- Rehomed 5 existing tenants to more suitable properties
- Purchased our first property with an NHS grant to rehome one of our most vulnerable tenants in secure, long-term accommodation
- Maintained a high level of repairs and inspections despite the restrictions due to Covid-19
- Developed a 'Homeliness Check' to be rolled out alongside our formal housing inspections
- Increased our level of tenant engagement, with easy read versions of our magazine and complaints policies, tenant surveys and the creation of a formal Customer Satisfaction Committee
- Continued to offer a grant-making fund to support learning disability groups and charities impacted by COVID-19 working within the localities in which we house our tenants
- Completed a full independent Governance review to support organisational compliance with the potential adoption of the National Housing Federation 2021 Code of Governance.
- Completed a post-Covid Digital Inclusion Project with tenants, in partnership with Lambeth Borough Council.
- Further developed relationships with new and existing care company partners, including signing agreements with two new care organisations
- Increased our FTE headcount to 14.1 to ensure increased support to tenants
- Supported 6 volunteers to work on our social media and outreach work
- Developed a five-year plan to give additional focus and measurement

We continue to work predominantly in Croydon, with approximately 2/3 of our tenants being housed in properties in this area, but we are seeing an increase in the numbers in South East.

Grant-making

The Trustees have designated a fund to be granted to charities that help deliver social inclusion and welfare of learning-disabled adults, working in the locations where we provide housing. This fund will help us to deliver objective (vi) above. During the year, a grant was given to Club Soda. At 31 March 2022 the balance on the fund was £45,807 (2021- £52,022)

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

VALUES AND WAYS OF WORKING

Zetetick **BEDROCK Values**



Our values are equally important in reviewing our progress and in setting future targets. They are literally the 'BEDROCK' of all we do. Our tenants are people we all know, yet they are often those with a learning disability, autistic and/or mental health challenges and have vulnerabilities that impact on the way we work.

We continue to gather feedback from our stakeholders to ensure we practice our values in all areas of the business.

We employ staff that share our values and with the necessary knowledge, experience and skills to be able to represent the charity at the highest levels. We pay staff salaries at or above the London Living Wage and at a competitive level they would receive if they were undertaking a similar role in NHS social care or a comparable organisation. Relevant salaries are disclosed in our financial statements.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

OPERATING MODEL

We fund our work through Government funding and good financial management to achieve operating surpluses to invest in our Objects. We operate a team of volunteers for some areas of our outreach, which provides an opportunity for our supporters to give their time in a way that benefits the charity and our beneficiaries, in addition it offers some valuable work experience that many have used to gain meaningful employment.

Whilst understanding the desire for people to donate to a good cause and the positive impact this could have on the charity, the founder wanted to ensure the charity could operate independently without the need and reliance for constant fundraising, ensuring business planning was central to the administration of the charity.

The charity also has a strong and regularly reviewed reserves policy that ensures our reserves are of the strength and depth necessary to cover all eventualities in order to protect our tenants. Trustees acknowledge there are risks in housing vulnerable individuals and ensure our risk assessment and risk management are reviewed annually and are up to date.

This year was the beginning of diversification plans, with the first property asset acquisition using NHS England grant funding. Further acquisitions are planned for 2022/23.

Financial review

The charity's financial position remains very strong with sufficient reserves and liquidity to enable it to fulfil its objectives, meet its operational commitments and to allow for most foreseeable contingencies. The charity has an aspirational target to increase the number of people we house by 50% in the next five years and will use excess reserves (general reserves above reserves target) to support this goal.

The number of beneficiaries served increased marginally from 160 to 164, up 2.5%, and in addition to this we found new homes for 5 existing tenants whose current homes were no longer available and/or suitable for them.

Total incoming resources increased from £3.7m in 2021 to £4.5m in 2022 due to the following:

- Incoming unrestricted resources, predominantly rentals received from beneficiaries, increased year on year by 4% to £3.9 million.
- Restricted resources increased from £5k to £511k as the charity took receipt of its first NHS grant in order to purchase a property outright, enabling one of our most vulnerable tenants to move to a long term, safe home. This restricted fund will be held until the property is sold, at which point the funds from the sale will be returned to the NHS.

Direct charitable activity expenditure increased year on year to £3.9m (2021 - £3.67m). The main reasons for this increase are as follows:

- Increase in direct charitable expenditure £177k
- Increase in staffing costs £55k.

Support and governance cost expenditure ratio was 4.02% of total income (2021 - 3.43%).

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Staff costs accounted for 13.4% of total income (2021 – 14.4%) as headcount grew from a full time equivalent of 12.1 to 14.1 (actual headcount as at March 2022 was 16). The charity was committed to investing further in staff resources over 2021-22 and is moving towards a regional model, with an Area Housing Manager planned for both London and the Southeast. The charity has also increased its back office administrative support and employed a Marketing and Engagement Manager.

The overall surplus (net movement of funds) on unrestricted funds was £33k (2021 - £138k) - representing a surplus ratio of 0.8% of income.

As the restrictions surrounding the Covid-19 pandemic were gradually relaxed throughout the year, the health and safety of our tenants remained of paramount importance. The charity continued to provide essential maintenance support to all our tenants and resumed half-yearly inspections which increased the amount of non- urgent work. We had no serious cases of COVID-19 amongst tenants or staff

The first few months of 2021-22 continued with a noticeable low level of activity regarding new referrals, properties and maintenance costs. Quarter 1 saw very little activity, with no new tenants or properties, and no transfers. From June 2021 – March 2022, however, we took on 11 new tenants largely in the Northcote Road development which we had taken on at the end of the previous financial year, and 5 new properties. We transferred 5 tenants to more suitable properties that were already in Zetetick management, and 6 tenants left the charity. In total we handed back 11 properties, spending £61k from the Designated Fund for End of Tenancy Dilapidations fund.

The End of Tenancy Dilapidations Fund is calculated to need £208,650 for the year 2022-23, which means we will need to transfer £59,045 from unrestricted funds.

Reserves Policy

The purpose of the Reserves Policy is to ensure the Charity holds enough funds in general reserves for the stability of the mission, programmes, employment and ongoing operations of the organisation. Holding an acceptable level of reserves will protect our tenants from unforeseen future events. The Reserves Policy is intended to give a clear indication of internal funds required to provide a cushion against unexpected events, losses of income, and large unbudgeted expenses.

The Reserves Target is calculated as:

- 6 times the weekly commitment for property rentals; plus
- Liabilities to landlords in respect of long leases; plus
- 3 months' operational running costs (other than rental and concierge costs)

Total amount calculated as at March 2022 is £616,526.

Actual Free Reserves are calculated as Total reserves, less Restricted and Designated Funds.

The Actual Free Reserves of the charity are calculated as £1,451,578.

The excess general reserves of are £835,052. The charity is planning on purchasing two properties for charitable use during the financial year 22-23, and will use excess funds to leverage the loan required.

Trustees are committed to maintaining balances in liquid funds (cash, plus debtors, less creditors) which cover the sum of the free reserves target, plus any designated and restricted funds.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

£	31 March 2022	31 March 2021
Total Funds	2,216,762	1,686,786
Less: Restricted Funds	510,726	5,000
Less: Designated Funds	254,457	262,729
General (Free) Reserves	1,451,579	1,419,057

The Trustees have reviewed this position and are committed to maintaining balances in liquid funds (cash, plus debtors, less creditors) which cover the sum of the free reserves target, plus any designated and restricted funds. At March 2022 liquid funds were £1,697k.

Post-balance sheet events

In May 2022, we completed the second purchase of a property with NHS grant funding for £510k.

Principle Risks

The Board of Trustees remains extremely diligent in monitoring the changing situation within the sector with regularly reviews of our strategic aims and stress-testing of our financial viability. The risk register is reviewed in summary form every 3 months, with a bi-annual detailed review of new and emerging risks.

The key risks identified by the Board at March 2022 are:

- **Loss of Exemption Status for Specified Supported Accommodation**

Changes to legislation may require that all social landlords providing exempt accommodation need to be registered with the Register of Social Housing. In addition, the Department for Work & Pensions is clarifying the meaning of 'more than minimum support' which may impact on our status as an exempt provider.

The trustees believe that any clarification by DWP would further our claim as we will be able to prove we meet the criteria. The trustees are moving forward with registration with the RSH.

- **Converging gap between income and core costs.**

As inflation increases, the cost of providing our quality homes does also. We are able to pass on inflationary increases through uplifts in Housing Benefit once a year, but this leaves us vulnerable to mid-year above inflationary increases. This is of particular concern regarding utility bills (which we manage on behalf of our tenants and fall outside of Housing Benefit claims) and maintenance costs. There is also a risk that local authorities may challenge uplifts as they themselves are struggling to meet costs.

This risk is managed by carefully monitoring surpluses and voids so timely decisions can be made to minimise any losses. Mitigating action could see schemes merged, or, as a last resort, terminated. The Board makes careful informed decisions to subsidise some schemes as part of meeting its charitable objectives.

- **Lack of rental property available to meet existing tenant's needs and to fulfil our growth strategy.**

The rental market continues to provide challenging conditions for securing new properties. The Executive are using new approaches and developments, based on Zetetick's reputational standing, to acquire longer leases (5-10 years) for small blocks of properties where a larger number of tenants can be housed. The exploring of property acquisitions remains under constant review.

The Board recognises the need for substantial investment to expand the service model beyond its current localities. Expansion across the Southeast is a managed decision by the Board. Local arrangements with care provider partners will minimise initial step-costs prior to formal investment in local infrastructure.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

- **De-Carbonisation**

Although the responsibility for EPC rating falls with the owner-landlord, there is an inherent risk to our tenants of them not achieving Minimum Energy Efficiency Standards (MEES). The new Government target to move to all rented properties reaching band C will be phased in and only new leases from 2025 will need to meet this target and existing lease will have until 2028 to comply.

Zetetick intends to work in partnership with property owners to achieve compliance whilst securing long term leases for the security of our tenants.

- **Safeguarding**

Zetetick has a no tolerance safeguarding policy. Abuse or neglect in any form, of tenants, employees or anyone connected with the charity will be reported and acted upon. All staff are safeguarding trained and, where appropriate, DBS checked. Safeguarding is a standing item on weekly senior manager meetings and all board meetings.

- **Stress Testing**

The charity has undertaken multiple stress-testing that demonstrates that the organisation is financial resilient to the identified risks. Strong links with Local Authorities and a track record of excellent performance with all referrals contribute positively towards the mitigation of risks.

Future Developments

In order to develop our service provision, maintain quality and reach more people, putting them at the heart of our organisation, Zetetick Housing plans to meet the increasingly complex housing and housing management needs of people with learning disabilities, autism and mental health challenges by:

- Putting the people we provide homes for at the centre of our charity, through strengthening and supporting our Customer Committee in the deliverance of their objectives – tenant voice.
- Ensure that our mission and values are at the forefront of all we do and are widely recognised, locally, and across our geographic remit, so we are seen as a flexible person-centred housing innovator, renowned for our quality, expertise and knowledge.
- Continue to develop the capacity of the organisation, so the quality of our service meets the needs of more tenants, and we more meaningfully engage with the tenants we provide homes to..
- Development of our people, whether our staff, volunteers or those we provide homes for, by putting inclusion, diversity and welfare at the centre of all our practice.
- Develop partnership relationships with Adult Social Services, Property developers, CCG and Local Authorities, thus maintaining our financially resilient with sufficient funds and resources to continue to offer quality housing for those seeking supported living accommodation.
- Continuing to develop 21st century digital strategies, improving our ability to store, secure and collate information in our housing database.
- Securing, unifying and centralising our data and how we communicate and share this data via intranets, the cloud and single point of access rather than complex distribution.
- Working to improve environmental quality and sustainability, in our internal operations through how and what we buy in terms of materials, tools and vehicles; and externally by supporting Landlords in taking measures to improve EPC ratings by 2025/28.
- Continue seeking grant funding to facilitate our aims to purchase quality and sustainable homes that offer long-term security for some of the most vulnerable people in our communities.
- To better consider using our free reserves for the furtherance of our Objects, in particular the potential opportunities to purchase existing homes within our lease portfolio.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Future Aims and Outcomes

- To seek meaningful and active tenant representation at decision making points within the organisation, such as sub-committees and ultimately the Board of Trustees.
- We will continue to provide supported living housing and associated intensive housing management (not social care provision); offering our own management and maintenance services as one of the primary ways of connecting with the people in our homes and through this link offering a pathway to further engagement.
- Our operations will continue in the geographic area South of the river Thames, East into Kent, and West as far as the border between W. Sussex and Hampshire, unless there is a strong or exceptional business case to warrant investment.
- We will concentrate on providing services to learning disabled and autistic people, and people that challenge.
- Zetetick will continue assess quality through spot check homeliness visits as well as bi-annual property inspections.
- We are looking to grow our commercial activity from our present bases and diversify our geographic holdings. This means continuing to create more property partnerships with letting agents, developers, owners, care companies and Landlords. ZHC are open to leases longer than 3 years but limited to 10 years (with breaks).
- Zetetick will primarily house people through the rental/lease market. From single dwellings to small blocks of apartments. However, we are open to all opportunities (where appropriate with the regulator) where acquisition is via grant funding. Property acquisition by purchase through loans, mortgages and using our capital will only be undertaken where housing situations dictate. e.g. Vulnerable tenants being at risk, large reductions in the availability of suitable leases, and only if we have sufficient reserves.
- We are developing better outreach and engagement with tenants and their families through a plan for events, surveys and a more transparent complaints and compliments procedure.

Growth plans can only be achieved if we have access to properties to meet the referral demands. Seeking homes for each person separately is resource intensive, and apartment blocks such as Henderson House or Providence Place provide a faster route to reach out to and meeting the needs of more people. Developing such properties, is not predictable and does not come with an immediate promise of filling spaces and void costs are factored in, we will stay open to them.

Structure, governance and management

The Charity is constituted as a limited company, limited by guarantee as defined by the Companies Act 2006. It is controlled by its Memorandum and Articles of Association dated 5th February 2007.

Management Committee

The members of the Management Committee, who were also directors and trustees, during the year were:

I Moore	
G Scott CEO	
G Emerson	
M Hurst	
R Wilkinson	(Resigned 4 November 2021)
L Worrall	
N Pendleton	(Appointed 4 November 2021)
A Chequers	(Appointed 10 February 2022)
C Linden	(Appointed 10 February 2022)
N Hussain	(Appointed 10 February 2022)

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Public Benefit

Trustees ensure that the charity maintains its public benefit. We do this daily through the services we provide, but also, more specifically; through subsidising rents where local authority rental caps fall short of our true costs; sourcing specialist properties for our tenant group; covering the cost of pre-let voids; holding reserves to cover end-of-tenancy repair costs unique to our tenant group.

Trustees

Trustees meet four times a year and also held an away-day with senior staff this year. The Board will review all charity policies on a rolling three-year cycle and request an annual report from the Chief Executive Officer on how policies are adhered to within the charity's values and risk appetite. An Audit, Risk and Finance Committee of two Trustees meets a minimum of four times a year to ensure these key areas are given appropriate scrutiny prior to each Board meeting. A Customer Committee has been recently established, with 3 Trustees, formalising the voice of tenants at Board level and looking to develop and strengthen this area further. A Governance, Nomination and Remuneration Committee has also been formally established, to continue to drive governance standards as well as provide a forum for senior recruitment and pay issues.

We currently meet the Charity Governance Code, but most recently the Board have confirmed that we will adopt and seek compliance with the National Housing Federation's 2020 Governance code. Our website contains details of our Trustees and our staff team.

Our recruitment principles for Trustees and best practice, is ensured through the appointment of an independent HR consultancy firm, who lead, shortlist against key skill mix criterion and present to the Board Selection Panel recommendation for short-list interviews. A selection panel of three Trustees interview and make a final recommendation to the remaining Board members. All appointed Trustees are formally confirmed at the following AGM and undertake full induction and training to reflect their needs to fully understand and participate in business decisions.

The Charity is managed by a strong leadership team consisting of Chief Executive Officer (CEO), Deputy CEO, Director of Housing. The Director of Finance was appointed in May 2021.

Zetetick has three offices; Croydon, St Leonards and Lewes. This supports the regional model which is key to future growth strategy.

Remuneration of Key Personnel

The Board undertake a full annual pay review of all staff. The Chair of Trustees plus one other Trustee forms the Remuneration Committee and sets the remuneration for the Chief Executive Officer.

Affiliations with Umbrella Groups

Zetetick is a member of the National Housing Federation.

Auditor

Knill James LLP were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2022*

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.



.....
I Moore

Trustee

Date: 03.11.22

ZETETICK HOUSING

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

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

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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.

ZETETICK HOUSING

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ZETETICK HOUSING

Opinion

We have audited the financial statements of Zetetick Housing (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, 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 conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

ZETETICK HOUSING

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF ZETETICK HOUSING

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charitable company for the purpose 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 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

ZETETICK HOUSING

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF ZETETICK HOUSING

In identifying and assessing the risk of material misstatement in respect of irregularities, including fraud, we:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company complies with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud; and
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements, including the Trustees' report, remaining alert to new or unusual transactions which may not be in accordance with the governing document.

The most significant laws and regulations that have an indirect impact on the financial statements are employment law and the UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these laws and regulations and inspected correspondence with regulatory authorities.

We identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included, but were not limited to, testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

ZETETICK HOUSING

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF ZETETICK HOUSING

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Filsell FCA (Senior Statutory Auditor)
for and on behalf of Knill James LLP

03.11.22

Chartered Accountants
Statutory Auditor

One Bell Lane
Lewes
East Sussex
BN7 1JU

ZETETICK HOUSING

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

Current financial year

		Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
	Notes					
<u>Income and endowments from:</u>						
Donations and legacies	2	159	-	525,756	525,915	5,000
Charitable activities	3	3,907,257	-	-	3,907,257	3,737,107
Investments	4	467	-	-	467	1,027
Other income	5	34,672	-	-	34,672	45,600
Total income		3,942,555	-	525,756	4,468,311	3,788,734
<u>Expenditure on:</u>						
Charitable activities	6	3,850,989	67,317	20,030	3,938,336	3,670,395
Net incoming resources before transfers		91,566	(67,317)	505,726	529,975	118,339
Gross transfers between funds		(59,045)	59,045	-	-	-
Net income for the year/ Net movement in funds		32,521	(8,272)	505,726	529,975	118,339
Fund balances at 1 April 2021		1,419,057	262,729	5,000	1,686,786	1,568,447
Fund balances at 31 March 2022		1,451,578	254,457	510,726	2,216,761	1,686,786

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

All income and expenditure derive from continuing activities.

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

ZETETICK HOUSING

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

Prior financial year

		Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes				
<u>Income and endowments from:</u>					
Donations and legacies	2	-	-	5,000	5,000
Charitable activities	3	3,737,107	-	-	3,737,107
Investments	4	1,005	22	-	1,027
Other income	5	45,600	-	-	45,600
Total income		3,783,712	22	5,000	3,788,734
<u>Expenditure on:</u>					
Charitable activities	6	3,662,395	8,000	-	3,670,395
Net incoming resources before transfers		121,317	(7,978)	5,000	118,339
Gross transfers between funds		17,117	(17,117)	-	-
Net income for the year/ Net movement in funds		138,434	(25,095)	5,000	118,339
Fund balances at 1 April 2020		1,280,623	287,824	-	1,568,447
Fund balances at 31 March 2021		1,419,057	262,729	5,000	1,686,786

ZETETICK HOUSING

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10		519,928		23,097
Current assets					
Debtors	11	537,599		351,910	
Cash at bank and in hand		1,438,537		1,577,639	
		<u>1,976,136</u>		<u>1,929,549</u>	
Creditors: amounts falling due within one year	12	<u>(279,303)</u>		<u>(265,860)</u>	
Net current assets			1,696,833		1,663,689
Total assets less current liabilities			<u>2,216,761</u>		<u>1,686,786</u>
Income funds					
Restricted funds	14	510,726		5,000	
Unrestricted funds - designated		254,457		262,729	
Unrestricted funds - general	15	1,451,578		1,419,057	
		<u>2,216,761</u>		<u>1,686,786</u>	

The financial statements were approved by the Trustees on 03/11/22


.....

I Moore
Trustee

Company Registration No. 06082488

ZETETICK HOUSING

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	20		350,831		187,275
Investing activities					
Purchase of tangible fixed assets		(510,000)		-	
Proceeds on disposal of tangible fixed assets		19,600		-	
Investment income received		467		1,027	
Net cash (used in)/generated from investing activities			(489,933)		1,027
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(139,102)		188,302
Cash and cash equivalents at beginning of year			1,577,639		1,389,337
Cash and cash equivalents at end of year			1,438,537		1,577,639

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Zetetic Housing is a private company limited by guarantee incorporated in England and Wales. The registered office is Innovation Centre Highfield Drive, Churchfields Industrial Estate, St Leonards on Sea, East Sussex, TN38 9UH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charitable company is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Not depreciated
Motor vehicles	25% on the reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

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

1.9 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

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

Basic financial assets

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

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Employee benefits

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

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

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Donations and legacies

	Unrestricted funds general	Restricted funds	Total	Restricted funds
	2022	2022	2022	2021
	£	£	£	£
Donations and gifts	159	-	159	5,000
NHS Grant	-	525,756	525,756	-
	159	525,756	525,915	5,000

3 Charitable activities

	Rental activities 2022	Rental activities 2021
	£	£
Charitable rental income	3,907,257	3,737,107

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Investments

	Unre stricted funds general 2022 £	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £
Interest receivable	467	1,005	22	1,027

5 Other income

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Net gain on disposal of tangible fixed assets	10,262	-
Rental of premises	5,895	30,000
Recharged services	18,515	15,600
	34,672	45,600

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

6 Charitable activities

	Rental Activities 2022 £	Rental Activities 2021 £
Staff costs	509,521	464,013
Depreciation and impairment	3,831	7,849
Charitable expenditure	3,245,487	3,068,636
	<u>3,758,839</u>	<u>3,540,498</u>
Share of support costs (see note 7)	125,893	107,486
Share of governance costs (see note 7)	53,604	22,411
	<u>3,938,336</u>	<u>3,670,395</u>
Analysis by fund		
Unrestricted funds - general	3,850,989	3,662,395
Unrestricted funds - designated	67,317	8,000
Restricted funds	20,030	-
	<u>3,938,336</u>	<u>3,670,395</u>

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

7 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff costs	89,916	-	89,916	81,885	-	81,885
Motor & travel	9,379	-	9,379	3,642	-	3,642
General office costs	462	-	462	1,893	-	1,893
Printing, postage and stationery	3,130	-	3,130	3,264	-	3,264
IT costs	15,011	-	15,011	9,642	-	9,642
Communications	1,060	-	1,060	1,228	-	1,228
Insurance	5,037	-	5,037	3,966	-	3,966
General expenses	1,185	-	1,185	1,319	-	1,319
Bank charges	713	-	713	647	-	647
Audit fees	-	6,540	6,540	-	6,240	6,240
Accountancy	-	2,024	2,024	-	1,268	1,268
Legal and professional	-	27,218	27,218	-	14,903	14,903
Governance costs heading 1	-	17,822	17,822	-	-	-
	<u>125,893</u>	<u>53,604</u>	<u>179,497</u>	<u>107,486</u>	<u>22,411</u>	<u>129,897</u>
Analysed between Charitable activities	<u>125,893</u>	<u>53,604</u>	<u>179,497</u>	<u>107,486</u>	<u>22,411</u>	<u>129,897</u>

Governance costs includes payments to the auditors of £6,540 (2021 - £6,240) for audit fees.

8 Trustees

During the year, three trustees (2021 - none) were reimbursed expenses totalling £324 (2021 - £nil).

As permitted by the Memorandum and Articles of Association, a trustee, Mr G Scott, fulfils the executive role of CEO. He was remunerated under normal employee terms in the amount of £103,676 (2021 - £111,187) plus pension contributions of £Nil (2021 - £13,424). No trustee is remunerated for their role as trustee.

9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Office and administration	<u>14</u>	<u>12</u>

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

9 Employees

(Continued)

Employment costs	2022 £	2021 £
Wages and salaries	520,955	477,074
Social security costs	56,064	48,032
Other pension costs	22,418	20,792
	<u>599,437</u>	<u>545,898</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2022 Number	2021 Number
£60,001 to £70,000	-	1
£70,001 to £80,000	2	1
£100,001 to £110,000	1	-
£110,001 to £120,000	-	1
	<u>-</u>	<u>1</u>

10 Tangible fixed assets

	Freehold land and buildings £	Motor vehicles £	Total £
Cost			
At 1 April 2021	-	105,633	105,633
Additions	510,000	-	510,000
Disposals	-	(32,285)	(32,285)
At 31 March 2022	<u>510,000</u>	<u>73,348</u>	<u>583,348</u>
Depreciation and impairment			
At 1 April 2021	-	82,536	82,536
Depreciation charged in the year	-	3,831	3,831
Eliminated in respect of disposals	-	(22,947)	(22,947)
At 31 March 2022	<u>-</u>	<u>63,420</u>	<u>63,420</u>
Carrying amount			
At 31 March 2022	<u>510,000</u>	<u>9,928</u>	<u>519,928</u>
At 31 March 2021	<u>-</u>	<u>23,097</u>	<u>23,097</u>

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

11 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	437,434	230,645
Other debtors	4,007	-
Prepayments and accrued income	96,158	121,265
	<u>537,599</u>	<u>351,910</u>

12 Creditors: amounts falling due within one year

	2022	2021
	£	£
Other taxation and social security	15,835	13,220
Trade creditors	48,702	19,297
Other creditors	3,834	3,834
Accruals and deferred income	210,932	229,509
	<u>279,303</u>	<u>265,860</u>

13 Retirement benefit schemes

Defined contribution schemes

The charitable company operates two defined contribution pension schemes for qualifying employees. The assets of the schemes are held separately from those of the charitable company in independently administered funds.

The charge to profit or loss in respect of defined contribution schemes was £22,418 (2021 - £20,792).

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds		
	Incoming resources £	Balance at 1 April 2021 £	Incoming resources £	Resources expended 31 March 2022 £	Balance at 31 March 2022 £
Digital Inclusion fund	5,000	5,000	-	(4,276)	724
NHS Property fund	-	-	525,756	(15,754)	510,002
	<u>5,000</u>	<u>5,000</u>	<u>525,756</u>	<u>(20,030)</u>	<u>510,726</u>

During the year Zetetick continued with the Digital Inclusion project funded by Lambeth Borough Council. In total we provided 5 tenants with digital equipment to reduce social isolation, along with a full training and connectivity support.

A capital grant was also received from the NHS to purchase a property for a tenant. The grant is to be repaid on sale of the property, or change of use.

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds						
	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Balance at 1 April 2021	Resources expended	Transfers
	£	£	£	£	£	£	£
Grant Giving	60,000	22	(8,000)	-	52,022	(6,215)	-
End of Lease Liability Fund	227,824	-	-	(17,117)	210,707	(61,102)	59,045
	287,824	22	(8,000)	(17,117)	262,729	(67,317)	59,045

Grant giving

Funds have been set aside for future grant giving. Interest earned on the funds is allocated to the fund.

End of Lease Liability Fund

The Trustees recognise that there is potentially a need to spend large amounts on repairs and maintenance when handing back properties. The costs may exceed the standard 6-week amount calculated for the reserves target. This is especially true for some tenants who have highly complex needs, and where the property may have been adapted to meet the requirements of the tenant. At 31 March 2022 The Trustees calculated this amount to be £208,650.

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

16 Analysis of net assets between funds

	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:								
Tangible assets	9,928	-	510,000	519,928	23,097	-	-	23,097
Current assets/(liabilities)	1,441,650	254,457	726	1,696,833	1,395,960	262,729	5,000	1,663,689
	<u>1,451,578</u>	<u>254,457</u>	<u>510,726</u>	<u>2,216,761</u>	<u>1,419,057</u>	<u>262,729</u>	<u>5,000</u>	<u>1,686,786</u>

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

17 Operating lease commitments

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

	2022 £	2021 £
Within one year	390,322	394,523
Between two and five years	524,979	582,500
	<u>915,301</u>	<u>977,023</u>

The Trustees recognise the need to enter into longer lease commitments in order to source properties for our tenants and give them the security of a home for several years.

18 Events after the reporting date

In May 2022, Zetetick Housing completed the second purchase of a property with NHS grant funding for £510k.

19 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	<u>306,418</u>	<u>284,900</u>

Transactions with related parties

G Scott is a director and shareholder in Frontier Support Services Limited (FSS) which provides services to the charity. Included in these accounts under direct costs are concierge fees of £294,654 (2021 - £278,143) which were incurred on normal trading terms. Rents receivable includes £5,000 (2021 - £30,000) for office space sublet to FSS by the charity and book-keeping services of £15,600 (2021 - £15,600) were charged to FSS during the year. An amount of £26,179 (2021 - £18,493) was due to FSS at the year end and is included in trade creditors.

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

20 Cash generated from operations	2022 £	2021 £
Surplus for the year	529,975	118,339
Adjustments for:		
Investment income recognised in statement of financial activities	(467)	(1,027)
Gain on disposal of tangible fixed assets	(10,262)	-
Depreciation and impairment of tangible fixed assets	3,831	7,849
Movements in working capital:		
(Increase) in debtors	(185,689)	(14,492)
Increase in creditors	13,443	76,606
Cash generated from operations	350,831	187,275
21 Analysis of changes in net funds		
The charitable company had no debt during the year.		

Signature:

Email: adavies@zhc.org.uk

Accounts

Charity Registration No. 1118922

Company Registration No. 06082488 (England and Wales)

ZETETICK HOUSING
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

ZETETICK HOUSING

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	I Moore	
	G Scott CEO	
	G Emerson	(Appointed 7 May 2020)
	M Hurst	(Appointed 7 May 2020)
	R Wilkinson	
	L Worrall	
	N Pendleton	(Appointed 25 February 2021)
Charity number	1118922	
Company number	06082488	
Principal address	Innovation Centre Highfield Drive Churchfields Industrial Estate St Leonards on Sea East Sussex TN38 9UH	
Registered office	Innovation Centre Highfield Drive Churchfields Industrial Estate St Leonards on Sea East Sussex TN38 9UH	
Auditor	Knill James LLP One Bell Lane Lewes East Sussex BN7 1JU	
Bankers	Lloyds Bank PLC 24 Broad Street Reading RG1 2BT	

ZETETICK HOUSING

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ZETETICK HOUSING

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

My first year as Chair of ZHC has been dominated by the Covid 19 pandemic. I am very proud of the way ZHC adapted rapidly to the new ways of working and has sought throughout to mitigate the effect on our tenants, many of whom have underlying health conditions. We have been able to use our strong financial position to help local related charities.

We have also had to work with the consequences of Croydon council, our major local authority partner, issuing a Section 114 notice (under the LGA 1988).

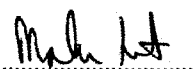
The main focus of the board, other than these pressures, has been in three areas.

First, we have refined our forward strategy, recognising that there is significant unmet need for our services. We have set an aspiration to double in size over 5-7 years. We have clarified the level of our reserves which we need to hold for prudential reasons and therefore the amount above this which can in principle be used to promote tenant wellbeing and be invested in growth.

Second, we have, through the hard work of the Audit, Risk and Finance Committee, as well as an external governance review, continued to build our assurance processes and to transition from a small organisation to one which can be 'scalable' to our aspiration to double in size. A key part of this was the successful recruitment of our first dedicated Finance Director and the move to new auditors.

Third, we have sought to build on the very strong relationship between the executive and our tenants to ensure Board discussions and decisions are nested in understanding of the 'customer lived experience', and to ensure we further develop our tenant voice – recognising the particular challenges this presents with our customer base, nearly all of whom have significant learning disabilities. We have been fortunate also to recruit to the board a social care professional with specific experience in working with these issues.

It would be remiss to sign off this report without paying tribute to the input of Delia Beddis, the previous Chair; Ray Wilkinson who ably stood into the role of acting Chair; Ian Moore, the Chair of the Audit, Risk and Finance Committee; my fellow Trustees for their commitment and the whole Executive Team for delivering our promise.



Chairman

Dated: 11.11.21

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their report and financial statements for the year ended 31 March 2021.

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

Purpose and Impact

Zetetick Housing was set up as a registered charity 14 years ago by our current CEO Gary Scott, to ensure people with a learning disability did not have to be held within semi-secure hospitals, but could be supported to live independent lives with their own tenancies and local community. His experience convinced him and others that the lives of those with learning disabilities could be significantly improved by having their own home.

Zetetick Housing does not just supply bricks and mortar, we are passionate about ensuring everyone can live independently and get the necessary support where needed. We are proud of our achievements and services we offer.

Public Benefit

In shaping our objectives and planning our activities for the year, the Trustees have given consideration to the duties set out in section 17(5) of the Charities Act 2011 to have due regard to public benefit. In particular, the Trustees have considered how the planned activities will contribute to the overall aims and objectives that they have set.

The aim for public benefit is to enable adults with disabilities, learning difficulties and mental health issues to lead full and rewarding lives, by offering independent supported living accommodation where housing, care and support are of the highest quality. Our mission is to ensure each person we support has real choice and control over their housing, to achieve their goals to live a fulfilling independent life, stay in contact with their family and their local community.

Charitable activities throughout the year focused on the ongoing commitments to our beneficiaries who have an enduring complex and challenging housing need. For these individuals, the true cost of providing their accommodation is, and will always remain, higher than our average rents achieved. The costs are also significantly above the tenants' Local Housing Allowance entitlement. In accordance with our Objects, the charity provides additional subsidies to around 16.1% of all tenants through our surpluses meaning these beneficiaries have fair access and support for their housing costs.

Beneficiaries will, at times, seek to move on. These moves are extremely sensitive and difficult to execute due to the nature of support needs that our beneficiaries require during these stressful times. Facilitating these moves is a key activity for the charity and demands appropriate resources (human and financial) to enable our beneficiaries to find alternative homes now and in the future. The Zetetick Housing model seeks to provide flexibility in sourcing new accommodation for beneficiaries that meets their specific needs.

The demands placed upon the charity's management support is significantly higher than with general needs housing. Income and surpluses achieved through exemption status provides the financial resources to enable a management structure to be funded that will grow with the ever-changing demands of our beneficiaries.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2021**

Charitable Objectives

The objectives of the charity are the relief of financial hardship among disadvantaged people by providing services, in particular but not exclusively, to disabled people living and working in London Boroughs and Southeast Counties, including through:

- i. the provision of supported Social Housing that enables disadvantaged people to live within the community;
- ii. enabling them to financially meet housing costs;
- iii. enabling fair access to private rental housing provision;
- iv. access to interest free loans to fund housing deposits and home set-up costs;
- v. the provision of additional housing management services;
- vi. the provision of facilities for recreation and other leisure-time occupation in the interests of social inclusion & welfare with the object of improving their conditions of life

all of which they could not otherwise afford through lack of means.

The Trustees are pleased to report that we continue to support vulnerable adults with the provision of high quality accommodation and housing support, who would otherwise not have a fair opportunity to secure their own homes during the continued high demand for social housing and the highly competitive private rental market. In many cases this will be the tenants' first home away from family and/or residential care, giving them true independence and opportunities to become valued members of the local community.

Grant-making

The Trustees have designated a fund of £60,000 to be granted to charities that help deliver social inclusion and welfare of learning disabled adults, working in the locations where we provide housing. This fund will help us to deliver objective (vi). During the year, grants were given to Possability People and Croydon People First. At 31 March 2021 the balance on the fund was £52,022.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

KEY ACHIEVEMENTS AND PERFORMANCE

During 2020-21 the charity achieved a number of positive benefits, including:

- Maintaining our levels of housing and supporting 160 tenants
- Continuing to offer an uninterrupted service during the COVID-19 outbreak, whilst maintaining full compliance with government guidelines surrounding Covid-19. By adhering to strict health and safety measures, except for minor illness, keeping our staff and tenants safe.
- Working with a landlord on the development of the Northcote Road project; that offers 5 units within a secluded cul-de-sac in the Croydon Borough, with the potential to house 9 beneficiaries.
- Providing additional emergency accommodation to Croydon Council to assist them during the COVID-19 crisis.
- Creating a grant-making fund to support learning disability groups and charities impacted by COVID-19 working within the localities in which we house our beneficiaries.
- Creating new working relationships with other related charities, that deliver care and support to our beneficiaries and potential new beneficiaries.
- Expanding outreach and engagement through active social media and web development, delivered by our dedicated volunteer team.
- Commissioning a full independent Governance review to support organisational compliance with the potential adoption of the National Housing Federation 2021 Code of Governance.
- Establishing a new Southern counties office in a prominent position in Lewes, facilitating organisational awareness in the locality.
- Piloting a post-Covid Digital Inclusion Project with tenants, in partnership with Lambeth Borough Council
- Committing to a sustainability strategy including focussing on environmentally friendly procurement, with a view to becoming carbon neutral by 2035.

Like many organisations, progress towards delivering our growth strategy over the last year has been restricted by limitations resulting from COVID-19 regulation. In particular, the ability to source new properties for the referrals we continue to receive.

Key to our work for the next five to seven years is the aspirational desire to double the number of beneficiaries and fully understand how this can be achieved sustainably. We recognise that this will bring about changes needing further investment in resources.

VALUES AND WAYS OF WORKING

Our values are equally important in reviewing our progress and in setting future targets. They are literally the 'BEDROCK' of all we do. Our tenants are people we all know yet they are often those with a learning disability, autistic and/or mental health challenges and have vulnerabilities that impact the way we work.

Belonging because inclusion is something we believe in whole heartedly, **Empathy and courtesy** because we if we can put ourselves in the place of another we can be better at working with others. **Determination** we must do right by our tenants. **Respect** for everyone and being **Open and honest** so we are fair in all we do.

We offer **Care and support** so we can be their Landlords for life and uphold our duty of **Kindness and social responsibility** because we are here to make a better world. We continue to gather feedback from our stakeholders to ensure we practice our values in all areas of the business.

We employ staff that share our values and with the necessary knowledge, experience and skills to be able to represent the charity at the highest levels. We pay staff salaries at or above the London Living Wage and at a competitive level they would receive if they were undertaking a similar role in NHS social care or a comparable organisation. Relevant salaries are disclosed in our financial statement.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

OPERATING MODEL

We fund our work through Government funding and good financial management to achieve operating surpluses to invest in our Objects. We operate a team of volunteers for some areas of our outreach, which provides valuable work experience that many have used to gain meaningful employment.

Whilst understanding the desire for people to donate to a good cause and the positive impact this could have on the charity, the founder wanted to ensure the charity could operate independently without the need and reliance for constant fundraising, ensuring business planning was central to the administration of the charity.

The charity also has a strong and regularly reviewed reserves policy that ensures our reserves are of the strength and depth necessary to cover all eventualities in order to protect our tenants. Trustees acknowledge there are risks in housing vulnerable individuals and ensure our risk assessment and risk management are reviewed annually and are up to date.

FINANCIAL REVIEW

The charity's financial position remains very strong with sufficient reserves and liquidity to enable it to fulfil its objectives, meet its operational commitments and to allow for most foreseeable contingencies. The Trustees have set an ambitious target to double the number of beneficiaries in the next five to seven years, and will use excess reserves (general reserves above reserves target) to support this goal.

Incoming resources, predominantly rentals received from beneficiaries, increased year on year by 5% to £3.79 million. This increase is due in part to the restatement of the 2020 accounts, which include a number of prior year adjustments. The number of beneficiaries served increased marginally from 159 to 160, up 0.6%, as the growth strategy was impacted by the restrictions implemented during the pandemic. We did not implement inflationary rent increases to the local authorities, recognising the impact COVID-19 was having on their budgets.

Direct charitable activity expenditure reduced year on year to £3.67m (2020 - £3.68m), again due in part to the restated accounts, but also reflecting the reduced activity impacted by COVID restrictions. In particular, maintenance costs were lower than usual, as requests for non-essential work understandably reduced. Support cost expenditure ratio was 2.84% of total income (2020 – 2.74%)

Staff costs accounted for 14.4% of total income (2020-13.5%). The charity was committed to investing further in staff resources over 2021-22, including the appointment of a part-time Finance Director in May 2021.

During the year the charity put out a tender for the appointment of auditors, and appointed Knill James LLP. Following the audit inspections, a number of prior year adjustments were agreed (see note 22, p30-31).

The following new funds are also accounted for:

- A designated fund for Charity Grant Giving
- A restricted fund in respect of a Digital Inclusion Grant from Lambeth BC

The surplus (net movement of funds) in unrestricted funds increased to £138k (2020 as restated - £77k loss), - representing a surplus ratio of 3.7% of total income compared with a target (before change in accounting policy) of 3.3%. Again, this increase year on year is largely due in part to the prior year adjustments listed in note 22 of the accounts.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2021**

COVID-19

Throughout the pandemic, the health of our tenants was a priority. We continued to provide essential maintenance support to all our tenants, although understandably the requests for routine, non-urgent work reduced significantly. Our management also took the decision to deliberately defer some non-essential maintenance (eg decorating) to protect the more clinically vulnerable tenants from potential exposure risks, and also out of duty of care to our employees. Fortunately, we had no serious cases of COVID-19 amongst the staff or tenant group.

The COVID-19 pandemic did not have a significant impact on the charity's finances, although there was a noticeable slow down in activity regarding new properties and on maintenance costs. The Charity opted to support local authorities and the financial pressures they faced due to COVID-19, by freezing the rents for a year.

As the Charity is publicly funded, we did not make use of the Coronavirus Job Retention Scheme. Therefore, no staff were furloughed or were at risk of, or made, redundant.

Reserves Policy

The Purpose of the Reserves Policy is to ensure the Charity holds enough funds in general reserves for the stability of the mission, programmes, employment and ongoing operations of the organisation. The Reserves Policy is intended to give a clear indication of internal funds required to provide a cushion against unexpected events, losses of income, and large unbudgeted expenses.

The Audit, Risk & Finance Committee reviewed the Charity's Reserves Policy during the year and completed a change in accounting practice that amended the policy and how the reserves target is calculated. There were three key amendments:

1. Reinstating the Designated Fund and removing the P&L provision for end of tenancy lease liabilities
2. The creation of a new Designated Fund for Grant Giving
3. An addition of a new component within the reserves target calculation, in respect of operating costs, to include 3 month's staff costs

The policy continues the previous components of: 6 times the weekly commitment for property rentals; three months' operational running costs (other than rental and concierge costs); and an amount in respect of liabilities to landlords on long leases. On the basis of the new reserves calculation, the minimum reserve requirement based on the figures for the year 2020-21 is £780k.

Trustees have reviewed this position and are committed to maintaining balances in liquid funds (cash, plus debtors, less creditors) which cover the sum of the free reserves target, plus any designated and restricted funds.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Liquid funds at 31 March 2021 totalled £1,664k against a target of £1,048k

The general (free) reserves at 31 March 2021 are calculated as:

	£000s
Total Funds	1,687
(Less) Restricted Funds	(5)
(Less) Designated Funds	(263)
Total General (Free) Reserves at 31 March 2021	1,419

The Trustees have reviewed the variance of actual general reserves against target, and are committed to the deployment of excess reserves in support of the Charity's objects. This includes the provision of facilities for beneficiaries for their recreation and other leisure-time occupation in the interests of social inclusion & welfare with the object of improving their conditions of life, but may also include beneficiaries' financial subsidies, asset acquisitions or development, as appropriate.

Principal Risks

The Board of Trustees remains extremely diligent in monitoring the changing situation within the sector with regularly reviews of our strategic aims and stress-testing of our financial viability.

The key risks identified by the Board are:

- Converging gap between income and core costs. This is managed by carefully monitoring surpluses and voids so timely decisions can be made to minimise any losses. Mitigating action could see schemes merged, or, as a last resort, terminated. The Board makes careful informed decisions to subsidise some schemes as part of meeting its charitable objectives.
- Lack of rental property available to meet growth strategy. It is becoming increasingly difficult to find suitable properties at a level that meets the ambitious growth strategy of doubling in size. The Executive are using new approaches and developments, based on Zetetick's reputational standing, to acquire 10 year leases for small blocks of properties where a larger number of tenants can be housed. The exploring of property acquisitions remains under constant review
- The Board recognises the need for substantial investment to expand the service model beyond its current localities. Expansion across the South East was a managed decision by the Board. Local arrangements with care provider partners will minimise initial step-costs prior to formal investment in local infrastructure.

Zetetick remains well-led and well-managed with excellent quality service delivery. To further enhance the quality of our services and expand our offering, we have implemented an improved marketing strategy for our services to ensure we can reach as wide an audience as possible across our potential beneficiaries.

The charity has undertaken multiple stress-testing that demonstrates that the organisation is financial resilient to the identified risks. Strong links with Local Authorities and a track record of excellent performance with all referrals contribute positively towards the mitigation of risks.

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Future Developments

We remain in the depths of the pandemic, with a third peak increasingly likely, creating more uncertainty as to when things will return to normal. Therefore we need to plan with some assurance that we can reasonably deliver on these future developments.

The charity's strategy of leasing properties from the open private rental market remains our primary method of sourcing housing accommodation for our beneficiaries. This methodology fulfils our objective, which is to offer a client-led service approach rather than one that is purely led by the drive to fill voids within owned stock. However, the pandemic has changed the way people and businesses work, possibly for good. This shift has had a significant impact on the housing sector, with house prices rising rapidly (with associated Government economic stimulus's) and some landlords seeking to sell their rental property. Demand for rental accommodation has reached new highs as the working population shifts to the new ways of working and the general movement within the housing markets.

Growth plans can only be achieved if we have access to properties to meet the referral demands. COVID-19 has impacted on development opportunities over the last 12 months. The planned opening of a smaller scheme of five independent properties within a secure communal area was achieved in January 2021. However, the pandemic effectively stopped all planned referrals in the effort to protect this vulnerable beneficiary group. With the pressures on our core source of new properties, these types of small blocks of properties remain a valuable strategy for growth, even with the risks associated with voids and phased occupation.

Future developments in the short-term will be difficult in the conditions outlined above. Therefore, the Executive and the Board are looking at alternative methods of securing new properties. A review of our funds to establish availability of general free reserves to invest in property acquisition, including the level of borrowing leverage that can be achieved, will support this approach.

We continued the year with our four key strategic aims: Tenant Engagement; Market Engagement; Geographical Diversification ; Charitable Giving.

Two of these key strategies (Geographical Diversification and Market Engagement) were aimed to facilitate and support our ambitious Growth Strategy. Our highly successful Market engagement work, through social media, presented many opportunities for development, even during this difficult year and operating environment. Plans to work both in partnership and possible joint ventures with other organisations continue to be developed as a result. This will, in part, overcome the current barriers to growth.

The key development focus for 2021/22 will be in our Governance and our tenant engagement & involvement plans. An independent review of Governance arrangements has been completed and post lock-down plans to fully engage in the compliance actions are underway. A new Tenant Involvement Group has been set-up to drive our commitment to achieving greater participation of beneficiaries.

Finally, the organisation is aiming to strengthen our Equality & Diversity commitments and commence delivery of our sustainability and decarbonisation policy.

Management Committee

The members of the Management Committee, who were also directors and trustees, during the year were:

M Hurst – Chair (Appointed Trustee on 7th May 2020, Appointed Chair on 21st July 2020)

R Wilkinson – Vice Chair

D Beddis - resigned 28th January 2021

G M Scott - CEO

I Moore

L Worrall

G Emerson – Appointed 7th May 2020

N Pendleton – Appointed 25th February 2021

ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2021**

STRUCTURE, GOVERNANCE AND DECISION-MAKING

Governing document

The Charity is constituted as a limited company, limited by guarantee as defined by the Companies Act 2006. It is controlled by its Memorandum and Articles of Association dated 5th February 2007.

Trustees

Trustees ensure that the charity maintains its public benefit. Trustees meet four times a year and will attempt to hold an all-day annual away day with staff, subject to pandemic restrictions. The Board will review all charity policies on a rolling three-year cycle and request an annual report from the Chief Executive Officer on how policies are adhered to within the charity's values and risk appetite. An Audit, Risk and Finance Committee of two Trustees, meets a minimum of four times a year to ensure these key areas are given appropriate scrutiny prior to each Board meeting.

We currently meet the Charity Governance Code, but most recently the Board have confirmed that we will adopt and seek compliance with the National Housing Federation's 2020 Governance code. Our website contains details of our Trustees and our staff team.

Our recruitment principles for Trustees and best practice, are ensured through the appointment of an independent HR consultancy firm, who lead, shortlist against key skill mix criterion and present to the Board Selection Panel recommendation for short-list interviews. A selection panel of three Trustees interview and make a final recommendation to the remaining Board members. All appointed Trustees are formally confirmed at the following AGM and undertake full induction and training to reflect their needs to fully understand and participate in business decisions.

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Trade creditors of the company at the year end were equivalent to 2.3 day's purchases, based on the average daily amount invoiced by suppliers during the year.

The Charity is managed by a strong leadership team consisting of Chief Operating Officer, Deputy CEO and Director of Housing. A Director of Finance was appointed in May 2021.

Zetetick has three offices; Croydon, St Leonards and Lewes. This supports the regional model which is key to the growth strategy.

Remuneration of Key Personnel

The Board undertake a full annual pay review of all staff. The Chair of Trustees plus one other Trustee sets the remuneration of the Chief Executive Officer.

Affiliations with Umbrella Groups

Zetetick is a member of the National Housing Federation

Auditor

Knill James LLP were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

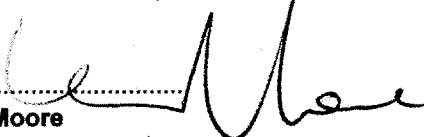
ZETETICK HOUSING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.


.....

I Moore

Trustee

Dated:

4th November 2021

ZETETICK HOUSING

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2021

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

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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.

ZETETICK HOUSING

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ZETETICK HOUSING

Opinion

We have audited the financial statements of Zetetick Housing (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, 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 conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

ZETETICK HOUSING

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF ZETETICK HOUSING

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charitable company for the purpose 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 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.

ZETETICK HOUSING

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF ZETETICK HOUSING

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

- Enquiry of management those charged with governance around actual and potential legal issues;
- Enquiry of both trustees and management to identify any instances of non-compliance with laws and regulations
- Reviewing minutes of meetings
- Performing audit procedures on the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness
- Evaluating the business rationale of significant transactions and reviewing accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Knill James LLP

Mark Filsell FCA (Senior Statutory Auditor)
for and on behalf of Knill James LLP

1 December 2021

Chartered Accountants
Statutory Auditor

One Bell Lane
Lewes
East Sussex
BN7 1JU

ZETETICK HOUSING

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

Current financial year

		Unrestricted funds general 2021	Unrestricted funds designated 2021	Restricted funds 2021	Total 2021	Total 2020 as restated
	Notes	£	£	£	£	£
<u>Income and endowments from:</u>						
Donations and legacies	3	-	-	5,000	5,000	-
Charitable activities	4	3,737,107	-	-	3,737,107	3,598,431
Investments	5	1,005	22	-	1,027	6,665
Other income	6	45,600	-	-	45,600	-
Total income		3,783,712	22	5,000	3,788,734	3,605,096
<u>Expenditure on:</u>						
Charitable activities	7	3,662,395	8,000	-	3,670,395	3,682,324
Net incoming/(outgoing) resources before transfers		121,317	(7,978)	5,000	118,339	(77,228)
Gross transfers between funds		17,117	(17,117)	-	-	-
Net income/(expenditure) for the year/ Net movement in funds		138,434	(25,095)	5,000	118,339	(77,228)
Fund balances at 1 April 2020		1,280,623	287,824	-	1,568,447	1,645,675
Fund balances at 31 March 2021		1,419,057	262,729	5,000	1,686,786	1,568,447

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

All income and expenditure derive from continuing activities.

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

ZETETICK HOUSING

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

Prior financial year

		Unrestricted funds general 2020	Unrestricted funds designated 2020	Total 2020 as restated £
	Notes	£	£	£
<u>Income and endowments from:</u>				
Charitable activities	4	3,598,431	-	3,598,431
Investments	5	6,665	-	6,665
Total income		3,605,096	-	3,605,096
<u>Expenditure on:</u>				
Charitable activities	7	3,682,324	-	3,682,324
Net incoming/(outgoing) resources before transfers		(77,228)	-	(77,228)
Gross transfers between funds		(60,000)	60,000	-
Net income/(expenditure) for the year/ Net movement in funds		(137,228)	60,000	(77,228)
Fund balances at 1 April 2019		1,417,851	227,824	1,645,675
Fund balances at 31 March 2020		1,280,623	287,824	1,568,447

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

All income and expenditure derive from continuing activities.

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

ZETETICK HOUSING

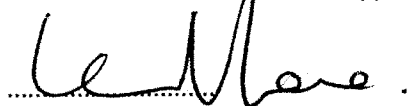
BALANCE SHEET

AS AT 31 MARCH 2021

		2021		2020 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	11		23,097		30,946
Current assets					
Debtors	12	351,910		337,418	
Cash at bank and in hand		1,577,639		1,389,337	
		<u>1,929,549</u>		<u>1,726,755</u>	
Creditors: amounts falling due within one year	13	<u>(265,860)</u>		<u>(189,254)</u>	
Net current assets			1,663,689		1,537,501
Total assets less current liabilities			<u>1,686,786</u>		<u>1,568,447</u>
Income funds					
Restricted funds	15		5,000		-
Unrestricted funds - designated			262,729		287,824
Unrestricted funds - general			1,419,057		1,280,623
			<u>1,686,786</u>		<u>1,568,447</u>

The financial statements were approved by the Trustees on

4th November 2021



I Moore
Trustee

Company Registration No. 06082488

ZETETICK HOUSING

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	20		187,275		(34,848)
Investing activities					
Purchase of tangible fixed assets		-		(8,000)	
Investment income received		1,027		6,665	
Net cash generated from/(used in) investing activities			1,027		(1,335)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			188,302		(36,183)
Cash and cash equivalents at beginning of year			1,389,337		1,425,520
Cash and cash equivalents at end of year			1,577,639		1,389,337

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Zetetick Housing is a private company limited by guarantee incorporated in England and Wales. The registered office is Innovation Centre Highfield Drive, Churchfields Industrial Estate, St Leonards on Sea, East Sussex, TN38 9UH. Innovation Centre, Highfield Drive, Churchfields Industrial Estate, St Leonards on Sea, East Sussex, TN38 9UH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements. In arriving at this decision, the Trustees have considered the impact of Covid19 on the charity's finances and activities and reviewed a period of at least 12 months from the date of signing of these accounts.

1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

1.6 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Motor vehicles	25% on the reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

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

1.9 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

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

Basic financial assets

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

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Employee benefits

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

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

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Restricted funds	Total
	2021	2020
	£	£
Donations and gifts	5,000	-

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

4 Charitable activities

	Rental activities 2021 £	Rental activities 2020 £
Charitable rental income	3,737,107	3,598,431

5 Investments

	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £	Unrestricted funds general 2020 £
Interest receivable	1,005	22	1,027	6,665

6 Other income

	Unrestricted funds general 2021 £	Total 2020 £
Rental of premises	30,000	-
Recharged services	15,600	-
	45,600	-

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

7 Charitable activities

	Rental Activities 2021 £	Rental Activities 2020 £
Staff costs	464,013	414,512
Depreciation and impairment	7,849	7,948
Charitable expenditure	3,068,636	3,132,803
	<u>3,540,498</u>	<u>3,555,263</u>
Share of support costs (see note 8)	107,486	98,689
Share of governance costs (see note 8)	22,411	28,372
	<u>3,670,395</u>	<u>3,682,324</u>
Analysis by fund		
Unrestricted funds - general	3,662,395	3,682,324
Unrestricted funds - designated	8,000	-
	<u>3,670,395</u>	<u>3,682,324</u>

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

8 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Staff costs	81,885	-	81,885	73,290	-	73,290
Motor & travel	3,642	-	3,642	1,723	-	1,723
General office costs	1,893	-	1,893	6,587	-	6,587
Printing, postage and stationery	3,264	-	3,264	3,128	-	3,128
IT costs	9,642	-	9,642	8,891	-	8,891
Communications	1,228	-	1,228	1,976	-	1,976
Insurance	3,966	-	3,966	470	-	470
General expenses	1,319	-	1,319	2,463	-	2,463
Bank charges	647	-	647	161	-	161
Audit fees	-	6,240	6,240	-	3,780	3,780
Accountancy	-	1,268	1,268	-	1,680	1,680
Legal and professional	-	14,903	14,903	-	22,912	22,912
	<u>107,486</u>	<u>22,411</u>	<u>129,897</u>	<u>98,689</u>	<u>28,372</u>	<u>127,061</u>
Analysed between						
Charitable activities	<u>107,486</u>	<u>22,411</u>	<u>129,897</u>	<u>98,689</u>	<u>28,372</u>	<u>127,061</u>

Governance costs includes payments to the auditors of £6,240 (2020 - £3,780) for audit fees.

9 Trustees

None of the Trustees (or any persons connected with them) received any reimbursement of expenses in the year (2020 - £186).

As permitted by the Memorandum and Articles of Association, a trustee, Mr G Scott, fulfils the executive role of CEO. He was remunerated under normal employee terms in the amount of £111,187 (2020 - £109,182) plus pension contributions of £13,424 (2020 - £13,369). No trustee is remunerated for their role as trustee.

10 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Office and administration	<u>12</u>	<u>11</u>

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

10 Employees

(Continued)

Employment costs	2021 £	2020 £
Wages and salaries	477,074	428,490
Social security costs	48,032	39,978
Other pension costs	20,792	19,334
	<u>545,898</u>	<u>487,802</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2021 Number	2020 Number
£60,001 to £70,000	1	1
£70,001 to £80,000	1	-
£100,001 to £110,000	-	1
£110,001 to £120,000	1	-
	<u>1</u>	<u>1</u>

11 Tangible fixed assets

	Motor vehicles £
Cost	
At 1 April 2020	105,633
At 31 March 2021	<u>105,633</u>
Depreciation and impairment	
At 1 April 2020	74,687
Depreciation charged in the year	7,849
At 31 March 2021	<u>82,536</u>
Carrying amount	
At 31 March 2021	<u>23,097</u>
At 31 March 2020	<u>30,946</u>

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

12 Debtors

	2021	2020 as restated
	£	£
Amounts falling due within one year:		
Trade debtors	230,645	247,847
Prepayments and accrued income	121,265	89,571
	<u>351,910</u>	<u>337,418</u>

13 Creditors: amounts falling due within one year

	2021	2020 as restated
	£	£
Other taxation and social security	13,220	12,054
Trade creditors	19,297	25,144
Other creditors	3,834	3,834
Accruals and deferred income	229,509	148,222
	<u>265,860</u>	<u>189,254</u>

14 Retirement benefit schemes

Defined contribution schemes

The charitable company operates two defined contribution pension schemes for qualifying employees. The assets of the schemes are held separately from those of the charitable company in independently administered funds.

The charge to profit or loss in respect of defined contribution schemes was £20,792 (2020 - £19,334).

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds		
	Balance at 1 April 2019	Incoming resources	Balance at 1 April 2020	Incoming resources	Balance at 31 March 2021
	£	£	£	£	£
Digital Inclusion fund	-	-	-	5,000	5,000

During the year a grant was received for the Digital Inclusion Fund from Lambeth Borough Council. It is expected to be fully expended during 2021/22.

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

16 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Movement in funds			
	Incoming resources	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Balance at 31 March 2021
	£	£	£	£	£	£
Grant Giving	-	60,000	22	(8,000)	-	52,022
End of Lease Liability Fund	-	227,824	-	-	(17,117)	210,707
	-	287,824	22	(8,000)	(17,117)	262,729

Grant giving

Funds have been set aside for future grant giving. Interest earned on the funds is allocated to the fund.

End of Lease Liability Fund

The Trustees recognise that there is potentially a need to spend large amounts on repairs and maintenance when handing back properties. The costs may exceed the standard 6-week amount calculated for the reserves target. This is especially true for some tenants who have highly complex needs, and where the property may have been adapted to meet the requirements of the tenant. At 30 March 2021 The Trustees calculated this amount to be £210,707.

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

17 Analysis of net assets between funds

Fund balances at 31 March 2021 are represented by:

	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Designated funds 2020 £	Total 2020 £
Tangible assets	23,097	-	-	23,097	30,946	-	30,946
Current assets/(liabilities)	1,395,960	262,729	5,000	1,663,689	1,249,677	287,824	1,537,501
	<u>1,419,057</u>	<u>262,729</u>	<u>5,000</u>	<u>1,686,786</u>	<u>1,280,623</u>	<u>287,824</u>	<u>1,568,447</u>

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

18 Operating lease commitments

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

	2021 £	2020 £
Within one year	394,523	332,206
Between two and five years	582,500	399,000
	<u>977,023</u>	<u>731,206</u>

The Trustees recognise the need to enter into longer lease commitments in order to source properties for our tenants and give them the security of a home for several years.

19 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	<u>284,900</u>	<u>250,364</u>

Transactions with related parties

G Scott is a director and shareholder in Frontier Support Services Limited (FSS) which provides services to the charity. Included in these accounts under direct costs are concierge fees of £278,143 (2020: £181,464) which were incurred on normal trading terms. Rents receivable includes £30,000 (2020: £30,000) for office space sublet to FSS by the charity and book-keeping services of £15,600 (2020: £15,600) were charged to FSS during the year. An amount of £18,493 (2020: £2,747) was due to FSS at the year end and is included in trade creditors.

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

20 Cash generated from operations	2021 £	2020 £
Surplus/(deficit) for the year	118,339	(77,228)
Adjustments for:		
Investment income recognised in statement of financial activities	(1,027)	(6,665)
Depreciation and impairment of tangible fixed assets	7,849	7,948
Movements in working capital:		
(Increase) in debtors	(14,492)	(53,393)
Increase in creditors	76,606	92,432
(Decrease) in provisions	-	2,058
Cash generated from/(absorbed by) operations	187,275	(34,848)
21 Analysis of changes in net funds		
The charitable company had no debt during the year.		

ZETETICK HOUSING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

22 Prior period adjustment

Changes to the balance sheet

	At 31 March 2020		
	As previously reported	Adjustment	As restated
	£	£	£
Current assets			
Debtors due within one year	344,462	(7,044)	337,418
Creditors due within one year			
Other creditors	(89,980)	(87,220)	(177,200)
Provisions for liabilities			
Other provisions	(227,824)	227,824	-
	<u>1,434,887</u>	<u>133,560</u>	<u>1,568,447</u>
Net assets	<u>1,434,887</u>	<u>133,560</u>	<u>1,568,447</u>
Income funds			
designated	-	287,824	287,824
General unrestricted funds	1,434,887	(154,264)	1,280,623
	<u>1,434,887</u>	<u>133,560</u>	<u>1,568,447</u>

Changes to the profit and loss account

	Period ended 31 March 2020		
	As previously reported	Adjustment	As restated
	£	£	£
Income from:			
Charitable activities	3,581,255	17,176	3,598,431
Expenditure on:			
Charitable activities	3,570,884	111,440	3,682,324
	<u>17,036</u>	<u>(94,264)</u>	<u>(77,228)</u>
Net movement in funds	<u>17,036</u>	<u>(94,264)</u>	<u>(77,228)</u>

A number of prior period adjustments have been accounted for within these financial statements:-

- 1) An amount of £24,220 was entered as a prepayment but should have been an accrual.
- 2) Income should have been accrued at 31 March 2020 amounting to £17,176.
- 3) The clawback of concierge charges amounting to £63,000 was not accrued at 31 March 2020.
- 4) The designated fund for future refurbishment costs was incorrectly restated as a provision. This adjustment has been reversed.
- 5) A designated fund for future grant giving was not correctly allocated at 31 March 2020.
- 6) Some non charitable income i.e premises rentals and services recharges, has been shown separately