

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.

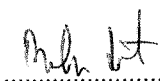
We continue to enjoy healthy reserves, and indeed the value of such reserves is demonstrated by the freedom it has given us to expand our housing ownership.

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.

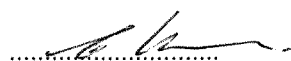
Auditor

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

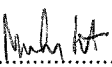
ZETETICK HOUSING

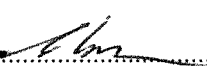
BALANCE SHEET

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>
	<u><u>241,529</u></u>	<u><u>61,501</u></u>	<u><u>(46,329)</u></u>	<u><u>20,122</u></u>	<u><u>276,823</u></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>
	<u><u>254,457</u></u>	<u><u>-</u></u>	<u><u>(3,777)</u></u>	<u><u>(9,151)</u></u>	<u><u>241,529</u></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	-
		<hr/>	<hr/>
	Cash (absorbed by)/generated from operations	(132,503)	1,249,198
		<hr/>	<hr/>

27 Analysis of changes in net funds

The charitable company had no material debt during the year.

