

Charity registration number 1121825

Company registration number 06187822 (England and Wales)

INDEPENDENT HOUSING UK LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

INDEPENDENT HOUSING UK LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J E Hall P Shanks	(Appointed 7 February 2023)
Charity number	1121825	
Company number	06187822	
Registered office	Suite 1, Armcon Business Park London Road South Poynton Cheshire United Kingdom SK12 1LQ	
Auditor	Azets Audit Services Alpha House 4 Greek Street Stockport United Kingdom SK3 8AB	
Bankers	Barclays Bank PLC Leicester Leicestershire United Kingdom LE87 2BB	
Solicitors	Frettons Solicitors 2 Christchurch Road Ringwood Hampshire BH24 1DN	

INDEPENDENT HOUSING UK LIMITED

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INDEPENDENT HOUSING UK LIMITED

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 governing document, 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

Our charity's purposes as set out in the objects contained in the company's Memorandum of Association are to:

'To relieve the needs of people in vulnerable circumstances including those with learning difficulties, mental health problems and/or physical disabilities by ensuring that they have access to quality social housing which is suitable to their individual need and preference'.

Public benefit

Our main activities and who we try to help are described below. All our charitable activities focus on the provision of intensive housing management services to further our charitable purposes for the public benefit. We provide homes to help people remain in their community with the help and support they need to thrive.

Who used and benefited from our services?

Continuing with our objectives, the services we provide to people with learning disabilities, mental health problems and/or physical, homelessness and those restricted the entering the private rented sector with in England and Wales

IHL UK Ltd is proud to provide quality accommodation with Housing Management and/or support to over 500 tenants with the aim of continuing to grow in a robust manner.

We will continue to deliver our strategic plan by strengthening our geographic area of operation and customer base. This will continue to cement our relationships with commissioners, our customers and stakeholders alike.

We will ensure we listen to and strive to adapt properties and services that are shaped by our customers, taking into account market conditions and always delivering value for money.

During the period we have built on our existing services by introducing two new customer profiles.

The first is helping to address the rising amount of people who are homeless or have a real threat of becoming homeless. Our referrals for this service range from the Local Authority through to other community partners. IHL UK Ltd delivers bespoke support to individuals to help and empower to maximise independence. This is funded through HB and is piloted to work further with Local Authorities on helping them with their accommodation strategies.

The second one is to help again with the rising amount of people wanting accommodation but are priced out of the market with the current Private Rented Sector rents and deposits. This is a stepping stone so that they have a clean and safe environment to fulfil their personal aspirations.

Charitable Activities

Ensuring our work delivers our aims we are embracing our Health and Well Being programme to our customers. We are conducting a tenants survey to ensure we are delivering our promise. A newsletter is being proposed for a tenants voice and also to help promote peer support and activities.

INDEPENDENT HOUSING UK LIMITED

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

Achievements and performance

Ensuring our work delivers our aims

We undertook a comprehensive review of our aims, objectives and activities in the prior year and implemented a new five year strategy which we are now in the second year of. The review helped us to ensure our aim objectives and activities remained focused on our stated purposes. We referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. The trustees continue to consider how planned activities will contribute to the aims and objectives they have set.

The focus of our work

Our main objectives for the year continued to be the provision of intensive housing management services to the tenants which we serve and the promotion of their independence through personalised support.

- Providing a range of services which are reflective of relevant quality standards and maximise the potential of each individual tenant
- Focusing on meeting the changing needs of tenants and providing bespoke services to meet these needs
- Working in partnership with other agencies, including care provider partners, social workers, and various other stakeholders including families, to ensure the best possible outcomes for our tenants
- Enabling our tenants through collaborative working practices and seeking their input into making positive impacts upon their living standards and environments.

Financial review

Financial Position

The charity has made a deficit for the year of £272,876 (surplus in 2022 of £14,359).

The charity maintains a reserve figure of £407,372 (2022 - £680,248) and in the current financial year it has registered a surplus which should lead to a growth in reserves at the end of the current financial year.

The Management Committee has examined the charity's requirements for reserves in light of the main risks to the organisation. It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should equate to approximately 3 months expenditure. The reserves are needed to meet the working capital requirements of the charity and the Board of Trustees are confident that at the level they would be able to continue the current activities of the charity.

We confirm that current reserves more than meet these objectives.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Board has previously conducted a review of the major risks to which the charity is exposed and a risk register has been established and is updated monthly to be reviewed by the Senior Management Team and Chief Executive.

This is the regularly reviewed by the Trustees and corrective measures taken as and when required.

Plans for future periods

The charity will continue to develop new relationships with strategic partners and will look to develop new schemes that complement our existing services and that will not place stresses upon the current infrastructure of the business.

The charity will review all existing and new partnerships to ensure that the quality of the properties and management services delivered to tenants is not at any time compromised.

INDEPENDENT HOUSING UK LIMITED

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

Structure, governance and management

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 27 March 2007 and registered as a charity on 5 December 2007. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

In the event of the company being wound up members are required to contribute an amount not exceeding £10.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

N J Richmond	(Resigned 7 February 2023)
J E Hall	
J E Maylon	(Resigned 13 March 2023)
N J Thompson	(Appointed 24 August 2022 and resigned 11 October 2023)
D Spencer	(Appointed 7 February 2023 and resigned 2 June 2023)
P Shanks	(Appointed 7 February 2023)

Knowledge and experience of the sector, senior leadership experience and traditional business and financial skills are well represented on the Board. In an effort to maintain the broad skill mix, members of the Board are requested to provide a list of their skills (and update it each year).

We are currently restructuring the Board to provide a depth and breadth of skills, completely independent and on a voluntary basis that will be the backbone of the company.

At present this Board has two Trustees and recruiting is underway to bring in an additional three trustees to the team. We have a dedicated Board Secretary who is experienced in both governance and charities. He will deliver 'hit the ground running' company secretarial and corporate governance solutions. Helping the Trustees receive assurance that the charity is under control and meeting legal standards. He is a specialist who works with social housing providers but has experience of working in a variety of business sectors.

The Interim Chief Executive also sits on this committee.

A scheme of delegation is in place and day to day responsibility for the provision of the services rest with the Interim Chief Executive and the Senior Management Team.

The Trustees have complete overview of departments and each report provided to the Trustees is reviewed, challenged and questioned.

Ultimately the Trustee Board are responsible for ensuring that the charity delivers the services specified and that key performance indicators are met.

All trustees are already familiar with the practical work of the charity through their experiences within supported housing and care generally.

Additionally, new trustees will be invited to further enhance the experience and areas of expertise available to the charity.

All trustees are fully briefed in their role via information from the various Charity Commission publications signposted through the Commission's guide "the Essential Trustee". This is distributed to all new trustees along with the Memorandum and Articles and the latest financial statements.

Following engagement with the Charity Commission we are assessing all of our Governance and an implementation plan will be adopted to action during 2023-2024.

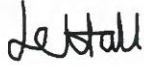
Auditor

The auditors, Azets Audit Services, will be proposed for re-appointment at the forthcoming Annual General Meeting.

INDEPENDENT HOUSING UK LIMITED

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

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



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J E Hall
Trustee

Date: 21 December 2023

INDEPENDENT HOUSING UK LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also the directors of Independent Housing UK Limited 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 charity 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 charity 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 charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT HOUSING UK LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF INDEPENDENT HOUSING UK LIMITED

Opinion

We have audited the financial statements of Independent Housing UK Limited (the 'charity') 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, 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 charity 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.

Emphasis of matter

We draw attention to Note 19 to the financial statements which highlights that, subsequent to the reporting date, the Charity has engaged with the Charity Commission with regard to governance matters.

Our opinion is not modified in respect of this matter.

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 charity'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 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 HOUSING UK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF INDEPENDENT HOUSING UK LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity 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 charity'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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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.

INDEPENDENT HOUSING UK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF INDEPENDENT HOUSING UK LIMITED

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Ward (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

21/12/2023
.....

Chartered Accountants
Statutory Auditor



Alpha House
4 Greek Street
Stockport
United Kingdom
SK3 8AB

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

INDEPENDENT HOUSING UK LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds 2023 £	Unrestricted funds 2022 £
	Notes		
<u>Income and endowments from:</u>			
Charitable activities	3	6,447,696	5,789,246
Investments	4	22	31
Other income	5	1,300,396	588,163
Total income		7,748,114	6,377,440
<u>Expenditure on:</u>			
Charitable activities	6	6,767,385	5,416,824
Other	11	1,253,605	946,257
Total expenditure		8,020,990	6,363,081
Net (expenditure)/income for the year/ Net movement in funds		(272,876)	14,359
Fund balances at 1 April 2022		680,248	665,889
Fund balances at 31 March 2023		407,372	680,248

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.

INDEPENDENT HOUSING UK LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	13		-		3,426
Current assets					
Debtors	14	543,510		699,175	
Cash at bank and in hand		467,437		285,893	
		1,010,947		985,068	
Creditors: amounts falling due within one year	15	(603,575)		(308,246)	
Net current assets			407,372		676,822
Total assets less current liabilities			407,372		680,248
Income funds					
Unrestricted funds			407,372		680,248
			407,372		680,248

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 21 December 2023



J E Hall
Trustee

Company registration number 06187822

INDEPENDENT HOUSING UK LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	21		179,067		(482,702)
Interest element of hire purchase payments paid			(92)		(977)
Net cash (used in)/provided by operating activities			178,975		(483,679)
Investing activities					
Proceeds from disposal of tangible fixed assets		4,932		6,610	
Investment income received		22		31	
Net cash generated from investing activities			4,954		6,641
Financing activities					
Capital repayments in the year		(2,385)		(5,230)	
Net cash used in financing activities			(2,385)		(5,230)
Net increase/(decrease) in cash and cash equivalents			181,544		(482,268)
Cash and cash equivalents at beginning of year			285,893		768,161
Cash and cash equivalents at end of year			467,437		285,893

INDEPENDENT HOUSING UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Independent Housing UK Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Suite 1, Armcon Business Park, London Road South, Poynton, Cheshire, SK12 1LQ, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. 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 charity 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.

1.4 Income

Income is recognised when the charity 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.

Fees from the services the charity provides are credited to the Statement of Financial Activities in the year to which they relate.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

INDEPENDENT HOUSING UK LIMITED

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:

Fixtures and fittings	25% on cost
Computers	25% on cost
Motor vehicles	25% 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 charity 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 charity 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 charity's balance sheet when the charity 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.

INDEPENDENT HOUSING UK LIMITED

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 charity'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 charity 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.

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

2 Critical accounting estimates and judgements

In the application of the charity'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.

There are no critical accounting estimates and judgements.

INDEPENDENT HOUSING UK LIMITED

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

3 Charitable activities

	Core rent	Maintenance, management and service charges	Tenants personal charges	Total 2023	Core rent	Maintenance, management and service charges	Tenants personal charges	Total 2022
	2023	2023	2023	£	2022	2022	2022	£
	£	£	£		£	£	£	
Sales within charitable activities	6,369,316	61,378	17,002	6,447,696	5,726,507	46,756	15,983	5,789,246

INDEPENDENT HOUSING UK LIMITED

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

4 Investments

	Total Unrestricted funds	
	2023 £	2022 £
Bank interest received	22	31

5 Other income

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Development Income	754,468	221,411
Office recharges	15,923	23,357
Cornwall Refurbishment Income	530,005	343,395
	<u>1,300,396</u>	<u>588,163</u>

6 Charitable activities

	Charitable Expenditure	Charitable Expenditure
	2023 £	2022 £
Staff costs	656,160	463,951
Travel costs	46,331	31,678
Maintenance charges	316	-
Rent and rates	4,287,954	3,904,433
Other direct costs	1,425,193	752,860
Legal and professional fees	164,663	114,819
	<u>6,580,617</u>	<u>5,267,741</u>
Share of support costs (see note 7)	161,784	133,813
Share of governance costs (see note 7)	24,984	15,270
	<u>6,767,385</u>	<u>5,416,824</u>

INDEPENDENT HOUSING UK LIMITED

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 £
Office costs	80,224	-	80,224	68,412	-	68,412
Sundry expenses	3,949	-	3,949	4,279	-	4,279
IT costs	35,915	-	35,915	11,085	-	11,085
Staff welfare, recruitment and training	12,739	-	12,739	27,474	-	27,474
Subscriptions	-	-	-	705	-	705
Bank charges	177	-	177	169	-	169
Motor expenses	1,197	-	1,197	1,382	-	1,382
Bad debts	27,491	-	27,491	19,330	-	19,330
Hire purchase interest	92	-	92	977	-	977
Audit fees	-	12,000	12,000	-	9,270	9,270
Accountancy, legal and professional	-	12,984	12,984	-	6,000	6,000
	<u>161,784</u>	<u>24,984</u>	<u>186,768</u>	<u>133,813</u>	<u>15,270</u>	<u>149,083</u>
Analysed between Charitable activities	<u>161,784</u>	<u>24,984</u>	<u>186,768</u>	<u>133,813</u>	<u>15,270</u>	<u>149,083</u>

Governance costs includes payments to the auditors of £12,000 (2022- £9,270) for audit fees.

8 Net movement in funds

	2023 £	2022 £
Net movement in funds is stated after charging/(crediting)		
Fees payable to the company's auditor for the audit of the company's financial statements	12,000	9,270
Depreciation of owned tangible fixed assets	1,069	4,359
Hire of plant and machinery	-	1,848
Profit on disposal of tangible fixed assets	(2,574)	-

9 Trustees

The Trustees did not receive any remuneration or expenses (2022 £nil) for their role as a trustee.

The company paid Nigel Richmond £13,656 (2022: £16,387) for accountancy services.

The company paid Judith Hall £6,000 (2022: £6,000) for marketing services.

The company paid Joy Malyon £18,095 (2022: £20,000) for services relating to governance, strategy and risk control.

Joy Malyon resigned as trustee on 13 March 2023. Following this, Joy has been appointed as Interim CEO and invoices the charity through Joy Malyon Consultancy Limited.

INDEPENDENT HOUSING UK LIMITED

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

10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	16	12

Employment costs

	2023 £	2022 £
Wages and salaries	593,595	416,736
Social security costs	52,970	40,403
Other pension costs	9,595	6,812
	656,160	463,951

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

	2023 Number	2022 Number
£60,000 - £70,000	1	1

11 Other

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Net profit on disposal of tangible fixed assets	(2,574)	-
Maintenance charges	1,255,110	941,898
Depreciation	1,069	4,359
	1,253,605	946,257

12 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.

INDEPENDENT HOUSING UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

13 Tangible fixed assets

	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2022	9,287	4,845	8,050	22,182
Disposals	-	-	(8,050)	(8,050)
At 31 March 2023	9,287	4,845	-	14,132
Depreciation and impairment				
At 1 April 2022	8,851	4,756	5,149	18,756
Depreciation charged in the year	436	89	544	1,069
Eliminated in respect of disposals	-	-	(5,693)	(5,693)
At 31 March 2023	9,287	4,845	-	14,132
Carrying amount				
At 31 March 2023	-	-	-	-
At 31 March 2022	436	89	2,901	3,426

14 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	118,153	209,238
Other debtors	6,752	58,281
Prepayments and accrued income	418,605	322,154
	543,510	589,673
Amounts falling due after more than one year:		
Other debtors	-	109,502
Total debtors	543,510	699,175

INDEPENDENT HOUSING UK LIMITED

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

15 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Obligations under finance leases	16	-	2,385
Other taxation and social security		13,933	9,049
Trade creditors		103,484	24,478
Other creditors		119,851	-
Accruals and deferred income		366,307	272,334
		<u>603,575</u>	<u>308,246</u>

16 Finance lease commitments

Future minimum lease payments due under finance leases:

	2023 £	2022 £
Within one year	-	(2,385)

Finance charges of £92 (2022 - £977) were incurred for the year ended 31 March 2023 in relation to hire-purchase agreements.

17 Operating lease commitments

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

	2023 £	2022 £
Within one year	4,578,999	3,262,854
Between two and five years	13,074,993	8,299,667
In over five years	30,682,514	12,555,506
	<u>48,336,506</u>	<u>24,118,027</u>

Lease payments recognised as an expense in the year ended 31 March 2023 was £4,316,700 (2022 - £3,900,321).

INDEPENDENT HOUSING UK LIMITED

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

18 Analysis of net assets between funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Fund balances at 31 March 2023 are represented by:		
Tangible assets	-	3,426
Current assets/(liabilities)	407,372	676,822
	<u>407,372</u>	<u>680,248</u>

19 Events after the reporting date

Subsequent to the reporting date, the Charity has engaged with the Charity Commission with regard to governance matters.

20 Related party transactions

Paradigm Property Solutions Ltd.

(A company in which certain trustees and key management are directors and/or shareholders)

During the year Miss J Bosanko was a director of Paradigm Property Solutions Ltd and resigned from this position on 14 July 2022. Miss J Bosanko was part of the key management of Independent Housing UK Ltd until 28 February 2023.

Mr N Richmond, a trustee of Independent Housing UK Ltd until his resignation on 7 February 2023, is also a shareholder in Paradigm Property Solutions Ltd.

During the related period, service charges were made of £1,673,343 (2022 - £934,336) and office service recharges were made of £15,923 (2022- £23,357).

At 31 March 2023, the charity was owed £3,857 (2022 - £164,253).

All related party balances outstanding at 31 March 2023 are unsecured and repayable on demand.

21 Cash generated from operations	2023 £	2022 £
(Deficit)/surplus for the year	(272,876)	14,359
Adjustments for:		
Investment income recognised in statement of financial activities	(22)	(31)
Gain on disposal of tangible fixed assets	(2,574)	-
Depreciation and impairment of tangible fixed assets	1,069	4,359
Interest element of hire purchase and finance lease rental payments	92	977
Movements in working capital:		
Decrease/(increase) in debtors	155,665	(161,966)
Increase/(decrease) in creditors	297,713	(340,400)
Cash generated from/(absorbed by) operations	<u>179,067</u>	<u>(482,702)</u>

INDEPENDENT HOUSING UK LIMITED

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

22 Analysis of changes in net funds

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	285,893	181,544	467,437
Obligations under finance leases	(2,385)	2,385	-
	<u>283,508</u>	<u>183,929</u>	<u>467,437</u>

