

SPRING HOUSING ASSOCIATION LIMITED

England & Wales · Charity number 1163098

Details

Other names	SPRING HOUSING ASSOCIATION
Status	Registered
Legal form	Charitable company
Company number	09244172
Registered	2015-08-11
Register	View on the Charity Commission register

Contact

Address	Spring Housing Association 22 Old Walsall Road Birmingham B42 1DT
Phone	01216631443
Email	info@springhousing.org.uk
Website	www.springhousing.org.uk

Activities

Objects: THE CHARITY'S OBJECTS ('OBJECTS') ARE SPECIFICALLY RESTRICTED TO THE FOLLOWING: (A) TO CARRY ON FOR THE BENEFIT OF THE COMMUNITY THE BUSINESS OF PROVIDING AND MANAGING HOUSING, INCLUDING SOCIAL HOUSING, AND ANY ASSOCIATED FACILITIES, AMENITIES AND SERVICES FOR PERSONS IN NECESSITOUS CIRCUMSTANCES UPON TERMS APPROPRIATE TO THEIR MEANS; AND (B) PROVIDING FOR PERSONS IN NEED THEREOF HOUSING AND ANY ASSOCIATED AMENITIES ESPECIALLY DESIGNED OR ADAPTED TO MEET THE DISABILITIES AND REQUIREMENTS OF SUCH PERSONS.

Activities: We work to the following aims: To provide high quality accommodation for people in housing need. To prevent and reduce homelessness To assist people on a journey away from housing need towards a future of stability, happiness and independence. To create long term prosperity by investing to prevent homelessness, poverty and social isolation and to inspire and unlock peoples potential.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** General Charitable Purposes, Accommodation/housing
- **Who:** The General Public/mankind

Geography

- Birmingham City
- Sandwell
- Shropshire
- Solihull
- Staffordshire
- Warwickshire
- Wolverhampton
- Worcestershire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£21,364,135	£21,154,122	£3,561,761	130
2023-09-30	£13,754,119	£13,538,535	£3,351,748	127
2022-09-30	£11,770,588	£11,608,356	£3,136,164	117
2021-09-30	£10,722,476	£10,279,540	£3,348,304	105
2020-09-30	£9,505,492	£8,032,307	£2,905,368	89

Trustees

Name	Role	Appointed
Fady Ghobrial		2023-12-14
Hannah Floyd		2022-10-01
Jennifer Tennant Foster		2023-05-18
Louise Cannon		2021-09-28
Robert Ashley Wilson-Styles		2024-09-19
St Annes Hostel		2024-04-01
Sureya Gulzar		2025-07-09
Surrinder Bains		2025-12-16

SPRING HOUSING ASSOCIATION LIMITED

England & Wales - Charity number 1163098

Accounts

Registered number: 09244172
Charity number: 1163098

Spring Housing Association Limited

Trustees' Report and Financial Statements

For the Period Ended 31 March 2025



Spring Housing Association Limited
(A Company Limited by Guarantee)

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Spring Housing Association Limited
(A Company Limited by Guarantee)

Reference and Administrative Details of the Charity, its Trustees and Advisers
For the Period Ended 31 March 2025

Trustees	L Cannon, Chair H Floyd J Tenant Foster F Ghobrial A Wilson (appointed 19 September 2024) D R Bindert (resigned 14 December 2023) R Ikram (resigned 11 December 2024) M Baird (resigned 31 March 2024) B Taylor (resigned 31 March 2024) D Saunders (resigned 31 March 2024) V Hines (resigned 31 March 2024) N Owen (resigned 31 March 2024) A Duggan (resigned 31 March 2024)
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Company registered number	09244172
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Charity registered number	1163098
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Registered office	Hestia House 22 Old Walsall Road Birmingham B42 1DT
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Company secretary	S Billingham
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Group Chief Executive	J Beckett
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Independent auditors	Dains Audit Limited 2 Chamberlain Square Paradise Birmingham B3 3AX
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Solicitors	Anthony Collins Solicitors 134 Edmund Street Birmingham B3 2ES Devonshire Solicitors 3 Waterfront Business Park Brierley Hill Dudley DY5 1LX
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Spring Housing Association Limited
(A Company Limited by Guarantee)

Reference and Administrative Details of the Charity, its Trustees and Advisers (continued)
For the Period Ended 31 March 2025

Bankers

Barclays Bank Plc
66 Oxford Street
Kidderminster
DY10 1BL

Spring Housing Association Limited
(A Company Limited by Guarantee)

Trustees' Report
For the Period Ended 31 March 2025

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Spring Housing Association Limited (the charity) and Spring Community Homes Limited (the subsidiary) for the 18-month period ended 31 March 2025. The Trustees confirm that the Annual Report and Financial Statements of the charity and the subsidiary comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) (effective 1 January 2019).

Spring Housing Association Limited is a charitable company limited by guarantee and not having any share capital. It was incorporated on 1 October 2014 and registered as a charity on 11 August 2015. It commenced its activities on the 10 of November 2014.

The charitable company's policy and operations are governed by its Memorandum and Articles of Association.

On 1 April 2024 Spring Housing Association and its subsidiary, Spring Community Homes, formed a group structure with St Anne's Hostel where it became a wholly owned subsidiary of St Anne's Hostel.

Spring Community Homes Limited is a wholly owned subsidiary of Spring Housing Association Limited and was registered on 7 March 2018 under the Co-operative and Community Benefit Societies Act 2014.

Since the charity and the subsidiary qualify as small under Section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Structure, Governance and Management

● Constitution

The charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 1st October 2014 which were revised in July 2018. It is also a registered charity number 1163098.

The principal object of the charity is to carry on, for the benefit of the community, the business of providing housing and associated amenities for persons in necessitous circumstances upon terms appropriate to their means and providing for persons in need thereof housing and any associated amenities especially designed or adapted to meet the disabilities and requirements of such persons. Such business is to be run on a not-for-profit basis.

The subsidiary is registered under the Co-operative and Community Benefit Societies Act 2014 under the society's rules approved on 13 February 2018.

The society is formed for the benefit of the community in providing, directly or indirectly, and managing housing and accommodation, and any associated facilities, amenities and services for persons in necessitous circumstances and aged, disabled (whether physically or mentally) or chronically sick people upon terms appropriate to their means.

Structure, Governance and Management (continued)

● Methods of appointment or election of Trustees

The management of the charity are the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

The management of the subsidiary are the responsibility of its members who are elected under the society's rules.

The members of the Boards maintain a good range of skills and expertise in order to govern the group and are monitored annually by appraisal to form a skills matrix.

New trustees are appointed by placing advertisements with BVSC and through direct applications. The process requires potential Trustees to submit a CV detailing qualifications, skills and their motivation for joining. All CVs are reviewed by existing Trustees, and individuals with appropriate skills are invited for interview. If the applicant is considered to have skills that would enhance the operation of the Board, this is assessed against our annual review of governance where we identify where there are skill gaps. A perspective board member is invited to attend a Board meeting as an observer and if, after that, they still wish to become a Trustee they will be invited to join the Board.

● Policies adopted for the induction and training of Trustees

Each new trustee is inducted into the charity by meeting with other trustees and executive officers and being offered a shadow place on the board prior to joining.

Along with our regular board meetings we hold board away days which is an opportunity to invite consultants who have a good understanding of charity and housing governance to help guide the Trustees through the governance process.

Structure, Governance and Management (continued)

● Organisational structure and decision making

The Board of Trustees has overall responsibility for the management of the group, its strategic direction and decision making. However, day to day responsibility for running the affairs of the charity and its subsidiary is delegated to the charity's Chief Executive, Directors and the Senior Team.

The Board of Trustees for the charity meet at least once a quarter with a separate meeting being held for the subsidiary and its members. From March 2025 all trustees across the group will meet as a combined board with agenda set to match each entity.

Each board meeting is structured to have one or two main themes linked to a corporate calendar as well as considering specific business that has arisen since the previous meeting. Main themes include the business plan and strategic direction, performance of existing contracts, setting budgets, reviewing accounts and reviewing the corporate risk register.

During the reporting period the Company Secretary was also the Group Finance Director who was paid for his capacity as Finance Director and not for his role as company secretary.

The group has adopted the National Housing Federation Code of Governance to ensure a high level of conduct and integrity is in place. A self-assessment is carried out by the Board annually to ensure it continues to meet the requirements of the code.

● Risk management

There is a Risk Management Plan in place which focusses on the major risks to which the charity and its subsidiary are exposed. The plan focusses on the financial risks, operational risks, governance risks and compliance risks faced by the group.

The plan sets out the effects of each of the risks facing the charity including the controls and mitigations in place to minimise the risk and is reviewed by the board on a regular basis to monitor both the likelihood and severity of each identified risk. The plan is a regular agenda item at Trustee meetings and will focus on areas where likelihood and severity are seen to have changed.

The Trustees have also adopted a Risk Management Strategy which incorporates a Strategic Risk Register to focus on specific strategic risks affecting the group and the mitigations which are in place.

Trustees' Report (continued)
For the Period Ended 31 March 2025

Objectives and activities

● Policies and objectives

The Trustees consider they have had regard to the Charity Commission guidelines on public benefit and have established the following aims, objectives, vision and mission.

The objectives of the charity given in the Memorandum of Association are:

“to carry on for the benefit of the community the business of providing housing and any associated amenities for persons in necessitous circumstances upon terms appropriate to their means”

and

“providing for persons in need thereof housing and any associated amenities especially designed or adapted to meet the disabilities and requirements of such persons”

Our Aims:

- Preventing Homelessness: Delivering safe homes and tailored support for lasting stability and reducing the stigma of homelessness
- Encouraging Independence: Promoting the development of life skills and personal growth for brighter futures.
- Building Communities: Fostering connections and inclusivity to inspire positive change.

Mission Statement:

“To prevent homelessness by creating safe places to live, supporting strong futures by removing barriers and influencing change in the sector”

Objectives and activities (continued)

● **Strategies for achieving objectives**

Spring went into a group structure with St. Anne's last year. To ensure a smooth transition, a wide range of governance and strategic changes were made. Intergroup agreements, service level agreements were developed. The boards of both entities were reviewed and revised, the mission, values, aims and objectives of both organisations were revised and aligned to ensure clarity of future direction. The Group's strategic plan 2025 – 2030 has been developed and approved by the Board.

Historically Spring has leased all of its accommodation through a variety of local landlords and other charitable organisations. During the period the Charity was able to purchase its first property with help of the funding through the Social Investment Business. The property on Wellington Road has been managed by Spring for several years and is a 5-bedroom HMO so we have been able to secure the property for future years and been able to keep its residents in their home.

Spring continues to raise standards across Supported Exempt Accommodation, following the success of the Charter of Rights gained "Gold" accreditation with BVSC Quality Standards in 2023. This accolade was maintained in recent accreditation in April 2025.

We continue to support the Local Authority Strategies and actively provide housing solutions and pathways across the local authorities in which we work.

Spring has continued to strengthen its position in the West Midlands through the ongoing expansion of our services, particularly within the Coventry area.

The Birmingham Vulnerable Adults and Wellbeing contracts came to an end in December 2024 following a review and re-tender by Birmingham City Council. Out of this tender process Spring was successful in securing a new contract to continue to deliver its support to young people.

The Refugee Resettlement Service operates across four regions, providing support to families during their initial years in the UK. In addition to this we have been supporting a further 43 families as part of this service through the Find Your own Accommodation scheme most of which will continue to be supported through our main resettlement contract in April 2025.

The refugee support contract for those fleeing the conflict in Ukraine came to an end in February 2025 where over the 18-month contract we supported families and individuals to find a permanent place to live in the Birmingham area and provided housing advice and support to individuals and families in Solihull.

Spring has been partnering with Birmingham City Council to seek and repurpose accommodation for families who remain in temporary accommodation. This project will aim to provide 35 units of accommodation across the city with 14 units of dispersed family accommodation and has nearly completed the refurbishment of a former conference centre in Bournville to provide the other 21 units.

The Fred Winter Centre, a multi-agency hub, has been fully operational since June 2022 and stands as a flagship service for Spring and all involved partners. It continues to play a significant strategic role in Stratford, aiming to reduce homelessness and support individuals affected by or at risk of homelessness. The Fred Winter Centre remains a focal point due to its innovative approach, drawing interest from visitors across the UK.

Trustees' Report (continued)
For the Period Ended 31 March 2025

Objectives and activities (continued)

Our drive continues to be supporting families out of bed and breakfasts/hotels into more settled accommodation and reducing the pressure on local authorities of temporary accommodation. During the period we have secured a new contract to continue to deliver quality housing and support services in Stratford upon Avon to 42 families, formerly living in B & B/Hotels into temporary accommodation across the district.

We have continued to support and find accommodation for those sleeping on the streets in both Lichfield and Cannock through the period and have managed to place a number of customers in long term secure accommodation.

Radford Road continues to provide essential services to reduce rough sleeping across Coventry. Working in partnership with Coventry Rough Sleepers Outreach Team (RSOT) Radford Road provides first step accommodation to many individuals who have experienced rough sleeping in the city.

The Perry Barr NNS (Neighbourhood Network Scheme) continues to provide support to people under 50 with disabilities and Older Adults funded by Birmingham Adult Social Care with a primary goal to work with community assets to enhance the wellbeing of communities through upskilling. Community Champions/Groups were recognised and applauded for the difference they make in their communities at an Awards Event held in March.

IMPACT Networks are one of IMPACT's delivery models. The aims of IMPACT Networks are to:

1. To improve practice and outcomes in adult social care at the local level and solve common, yet complex, challenges
2. To collate practical solutions at the community level to create scalable solutions that inspire and inform change across the UK.

In 2024 Perry Barr NNS successfully applied for and were granted IMPACT Host Site status - Network Strand - using technology to promote independence / greater prevention.

We are still very much committed to reducing and supporting women experiencing homelessness. Funded via Public Health, an intensive review of period poverty within the Homeless sector has resulted in Spring developing a Period Poverty Toolkit. Period poverty is defined as a lack of access to menstrual products, hygiene facilities, waste management, and education.

Spring has worked with DWP, the West Midlands Combined Authority (WMCA), and other support providers explore opportunities to assist young people residing in supported housing to transition into work. Rent Simplification - Support Proof of Concept (PoC), a shared commitment between WMCA and the DWP, to provide streamlined financial assistance to young people living in commissioned supported housing who move into work or increase their working hours. Spring is evaluating the project and lessons learned.

Spring has adopted the Commitment to Collaborate (C2C) to Prevent and Relieve Homelessness Toolkit developed by the WMCA Homelessness Taskforce in partnership with Birmingham Voluntary Service Council (BVSC) to support organisations and partnerships across the region to prevent and relieve homelessness.

Objectives and activities (continued)

● Activities for achieving objectives

Accommodation

The accommodation has been sourced through a selection of private landlords and charitable organisations which meet the needs of its customers in terms of living standards and location. The property stock is split between Spring Housing Association and Spring Community Homes with the majority managed by the subsidiary.

The stock is a mixture of self-contained flats and individual rooms which is used for the homeless and young people services. Along with properties ranging from 1 bed flats to 5-bedroom family homes used for the resettlement programme, those moving out of temporary accommodation and for general needs.

The general needs affordable accommodation managed by the charity, where possible, is let to individuals who were formally in supported accommodation but are now able to sustain their own tenancy.

At the end of the period the charity was managing a total of 893 units of accommodation across 9 different local authorities.

Employee Matters

Staff numbers have decreased slightly since the previous period (131) with total staff at 125 covering a mix of full and part time posts. There have been a number of contracts which have come to their end either during the period or early into the next so we are seeing a reduction in overall staffing levels across the Charity.

Hestia House is the head office of the charity with many staff being based there, but there are other regional and satellite offices in Birmingham, Lichfield, Stratford and Coventry where staff are based to support the customers surrounding each location.

All staff are recruited through a safer recruitment programme and induction process to ensure they offer the highest levels of experience in their chosen area and are suitable to work with vulnerable adults and young people.

● Programme related investments

76% of the income received by the Charity is through rent and service charges with the majority coming via Housing Benefit or Universal Credit which is paid on a 28-day cycle.

22% of income comes through support contracts which are commission directly through the local authorities.

The remainder of income comes through a number of smaller grants which are used towards research and ancillary support work not covered by our existing contracts to further support our customers and the local community.

Achievements and performance

● Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policy note.

● Review of activities

Accommodation

All but one of the properties managed within Spring are leased, with the majority on short term agreements between 1 and 5 years. As of 31st March 2025, the total number of units in management were 893 which was a reduction of 8% on the previous year with a number of properties being handed back in the period that came to the end of their current lease. The handed back properties are a mix of both family homes and HMO properties that no longer meet the requirements for our customers.

69% of the stock is used for within our support services which is a mixture of shared and single accommodation to those at risk of homelessness in Birmingham, Coventry and Stratford. 5% of the stock is specifically held for those who are currently in temporary accommodation within the Stratford area. With the remaining 26% being family homes used for both general needs and also those families in our resettlement programme.

We continue to work with a core group of landlords, housing associations and charities who provide a large proportion of the accommodation used with the homeless services. The family homes are mostly leased from private sector landlords which have been selected to provide the most suitable locations for the families we support.

We will continue to increase our accommodation but only with targeted growth which is in line with our existing contracts working with the local authorities specifically in the regions of Coventry, Stratford upon Avon and Solihull. But to also replace any units that are due to be handed back to the landlords within Birmingham to ensure we can maintain our offer to the City.

All stock is reviewed in terms of viability, and quality on a regular basis and any property which fails to meet the requirements will be handed back to the landlords at the next available break in the lease.

Employment

The staffing structure has decreased over the period to 125 members of staff across all services which is made up of a mixture of full and part time posts. This is a reduction of 4.5% compared to the previous period.

Trustees' Report (continued)
For the Period Ended 31 March 2025

Financial review

● Reserves policy

The current reserves policy is to hold cash or near cash equivalents that are sufficient to cover 3 months of committed overhead expenditure for the charity. The Charity will be continuing to increase its cash reserve levels over the next 2 years.

● Principal funding

For the 18-month period ending 31 March 2025, Spring and its subsidiary had a turnover of £21.3m which when comparing pro-rate to the previous year was a slight increase of 2% on the previous year. There has been an increase in rental income despite a reduction in units but the levels of support contracts reduced from the previous period. There was an increase in grant funds with a large grant received from Birmingham to provide additional units of Temporary accommodation within the region.

Refugee services have remained at the same level as the previous year with some contracts reducing but does include the Ukraine service and the Find Your Own Accommodation service. Care Leavers concluded at the start of the period so only has a small income showing for the period.

Grants were significantly higher compared to the previous period with additional funds received in line with our work towards providing more accommodation for those families who are currently held within temporary accommodation.

The operating surplus for the period was £210k which is just below the surplus from the previous period which was £216k.

Central and overheads were at a cost of £1.3m which is just a small decrease on the previous period though there was a high level of legal spend incurred as we went through the merger process. This remains at 9% of turnover again this year which is below our maximum target of 10%.

Lease costs are the highest cost to the Charity which were at just over £8m in the period. This has remained at a similar level on the previous period with ongoing rising costs of leases but with also having a reduction in units.

The next highest cost to the Charity is its staff costs which totalled £5.3m in the period which pro rata is an increase of 10% compared to the last period which is largely down to cost of living increases paid to staff including the increase to the minimum wage.

Cash held at the end of the period was £545k which was a reduction on the previous period as this held the PRS grant which has been partly used up in the later part of the period.

Trustees' Report (continued)
For the Period Ended 31 March 2025

● **Plans for future periods**

We have been working with a large Housing provider in Birmingham to take over management of some of their Supported Housing stock which will increase the amount of self-contained units we have in Birmingham and Coventry. There are several units in the pipeline in which we plan to take on over the next 12 months and will continue to seek opportunities to replace some of the less favoured shared accommodation in our portfolio.

Making sure the work we do and the accommodation we provide is always aligned to the needs and requirements of our customers is vital and we will continue to align our mission and goals to meet the needs of our customers.

As some of our contracts meet their natural end we are also looking at opportunities in Birmingham and the surrounding areas to replace these so that we can diversify our funding mix and be less reliant on rent and service charge income going forward.

We also aim to increase our reserves levels which was largely used in order to fund the Fred Winter Centre refurbishment so we will be looking to rebuild these levels over the next couple of years in line with our reserves policy.

Spring purchased its first property during the period and we plan to increase the level units it owns outright going forward.

● **Funds held as custodian**

The charity does not hold any funds on behalf of others.

Trustees' responsibilities statement

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve financial statements unless they are satisfied that they 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 period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 are sufficient to show and explain the charitable company's transactions and 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.

Spring Housing Association Limited
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the Period Ended 31 March 2025

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved have confirmed that:

- so far as that Trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

The auditors, Dains Audit Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



L Cannon

Chair

Date: 10/09/25.

Independent Auditors' Report to the Members of Spring Housing Association Limited

Opinion

We have audited the financial statements of Spring Housing Association Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the period ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2025 and of the Group's incoming resources and application of resources, including its income and expenditure for the period 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Independent Auditors' Report to the Members of Spring Housing Association Limited (continued)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.
- 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 our 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 Trustees' Report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Independent Auditors' Report to the Members of Spring Housing Association Limited (continued)

Auditors' 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 Auditors' 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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3 were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

Independent Auditors' Report to the Members of Spring Housing Association Limited (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Morris FCA (Senior Statutory Auditor)

for and on behalf of
Dains Audit Limited

Statutory Auditor
Chartered Accountants

Birmingham

Date: 15/09/25

Spring Housing Association Limited
(A Company Limited by Guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
For the Period Ended 31 March 2025

		Unrestricted funds 18-months ended 31 March 2025 £	Restricted funds 18-months ended 31 March 2025 £	Total funds 18-months ended 31 March 2025 £	Total funds Year ended 30 September 2023 £
	Note				
Income from:					
Donations and legacies	4	109,992	585,242	695,234	295,175
Charitable activities	5	20,164,992	-	20,164,992	13,333,606
Other income	6	503,909	-	503,909	125,338
Total income		20,778,893	585,242	21,364,135	13,754,119
Expenditure on:					
Charitable activities	7	20,682,021	472,101	21,154,122	13,538,535
Total expenditure		20,682,021	472,101	21,154,122	13,538,535
Net movement in funds		96,872	113,141	210,013	215,584
Reconciliation of funds:					
Total funds brought forward	16	3,118,621	233,127	3,351,748	3,136,164
Net movement in funds		96,872	113,141	210,013	215,584
Total funds carried forward	16	3,215,493	346,268	3,561,761	3,351,748

The notes on pages 24 to 52 form part of these financial statements.

Spring Housing Association Limited
(A Company Limited by Guarantee)
Registered number: 09244172

Consolidated Balance Sheet
As at 31 March 2025

		31 March 2025 £	30 September 2023 £
	Note		
Fixed assets			
Tangible assets	11	3,004,205	2,638,583
Current assets			
Debtors	13	1,953,000	2,215,369
Cash at bank and in hand		544,563	838,156
		2,497,563	3,053,525
Current liabilities			
Creditors: amounts falling due within one year	14	(1,652,583)	(1,852,110)
Net current assets		844,980	1,201,415
Total assets less current liabilities		3,849,185	3,839,998
Creditors: amounts falling due after more than one year	15	(287,424)	(488,250)
Total net assets		3,561,761	3,351,748
Charity funds			
Restricted funds:			
Restricted income funds	16	99,041	169,990
Restricted capital funds	16	247,227	63,137
Total restricted funds	16	346,268	233,127
Unrestricted funds	16	3,215,493	3,118,621
Total funds		3,561,761	3,351,748

Spring Housing Association Limited

(A Company Limited by Guarantee)

Registered number: 09244172

Consolidated Balance Sheet (continued)

As at 31 March 2025

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



L Cannon

Chair

Date: 10/09/25.

The notes on pages 24 to 52 form part of these financial statements.

Spring Housing Association Limited
(A Company Limited by Guarantee)
Registered number: 09244172

Charity Balance Sheet
As at 31 March 2025

			31 March 2025 £	30 September 2023 £
	Note			
Fixed assets				
Tangible assets	11		3,004,205	2,638,583
Current assets				
Debtors	13	1,953,000		2,844,930
Cash at bank and in hand		543,964		208,051
			2,496,964	3,052,981
Current liabilities				
Creditors: amounts falling due within one year	14	(1,651,984)		(1,851,566)
Net current assets			844,980	1,201,415
Total assets less current liabilities			3,849,185	3,839,998
Creditors: amounts falling due after more than one year	15		(287,424)	(488,250)
Total net assets			3,561,761	3,351,748
Charity funds				
Restricted funds:				
Restricted funds	16	99,041		169,990
Restricted capital funds	16	247,227		63,137
Total restricted funds	16		346,268	233,127
Unrestricted funds	16		3,215,493	3,118,621
Total funds			3,561,761	3,351,748

Spring Housing Association Limited

(A Company Limited by Guarantee)

Registered number: 09244172

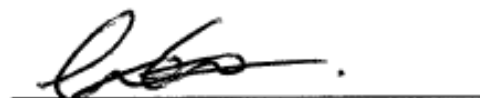
Charity Statement of financial position (continued)

As at 31 March 2025

The Charity's net movement in funds for the period was £210,013 (2023 - £215,584).

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



L Cannon

Chair

Date: 10/09/25.

The notes on pages 24 to 52 form part of these financial statements.

Spring Housing Association Limited
(A Company Limited by Guarantee)

Consolidated Statement of Cash Flows
For the Period Ended 31 March 2025

		18-months ended 31 March 2025 £	Year ended 30 September 2023 £
	Note		
Cash flows from operating activities			
Net cash used in operating activities	18	820,752	1,042,723
Cash flows from investing activities			
Purchase of tangible fixed assets		(835,885)	(132,686)
Net cash used in investing activities		(835,885)	(132,686)
Cash flows from financing activities			
New loans		143,000	12,653
Repayments of loans		(199,642)	(152,840)
New finance leases		29,000	33,588
Repayments of finance leases		(250,818)	(172,592)
Net cash used in financing activities		(278,460)	(279,191)
Change in cash and cash equivalents in the period		(293,593)	630,846
Cash and cash equivalents at the beginning of the period		838,156	207,310
Cash and cash equivalents at the end of the period	19	544,563	838,156

The notes on pages 24 to 52 form part of these financial statements

Notes to the Financial Statements
For the Period Ended 31 March 2025

1. General information

Spring Housing Association Limited is a charitable company limited by guarantee and not having share capital. It was incorporated on 1 October 2014 and registered as a charity on 11 August 2015. It commenced its activities on 10 November 2014.

Spring Community Homes Limited is a wholly owned subsidiary of Spring Housing Association Limited. It was registered on 7 March 2018 under the Co-operative and Community Benefit Societies Act 2014, and began its activities on 1 September 2018.

As of 1 April 2024, Spring Housing Association Limited entered into a strategic partnership with St Anne's Hostel to form a new group structure. Under this arrangement, St Anne's Hostel became the parent organisation of both Spring Housing Association Limited and Spring Community Homes, which now operate as its subsidiaries.

To align with the parent entity's reporting period, the financial year end of Spring Housing Association Limited has been changed to 31 March. As a result, the current year financial statements cover an extended 18-month reporting period from 1 October 2023 to 31 March 2025.

The principal object of the group is to carry on, for the benefit of the community, the business of providing, directly or indirectly, and managing housing and accommodation, and any associated facilities, amenities and services for persons in necessitous circumstances and aged, disabled (whether physically or mentally) or chronically sick people upon terms appropriate to their means; and any other charitable object that can be carried out from time to time by a registered society.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Spring Housing Association Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2. Accounting policies (continued)

2.2 Longer reporting period

During the period, the Board approved a change in the Charity's accounting reference date from 30 September to 31 March to align with the rest of the group.

As a result, these financial statements cover an extended 18-month period from 1 October 2023 to 31 March 2025. The comparative figures for the year ended 30 September 2023 are therefore not directly comparable.

2.3 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

2.4 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected income and expenditure, together with projected cashflows, for a period of 12 months from the date of authorising these financial statements, and concluded that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

2.5 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Rental income is recognised from the point when properties are available for letting, net of any voids.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.6 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.

Charitable activities costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity.

All expenditure is inclusive of irrecoverable VAT.

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 2% straight line
Long-term leasehold property including Fred Winter Centre	- Over the life of the lease
Motor vehicles	- 20% straight line
Fixtures and fittings	- 20% straight line
Office equipment	- 20% straight line
Computer equipment	- 20% straight line

2.8 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.10 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

2. Accounting policies (continued)

2.11 Debtors

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

2.12 Cash at bank and in hand

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

2.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.14 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.15 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the period.

2. Accounting policies (continued)

2.16 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Critical accounting estimates and areas of judgement

In the application of the charity's accounting policies, which are described above, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on experience and other factors that are considered to be relevant.

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing the asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual values consider such things as future market conditions, the remaining life of the asset and projected disposal values.

Management is required to exercise significant judgement in estimating the bad and doubtful debt provision, which takes into account the ageing of debt and management's assessment of the likelihood of recovery.

Actual results may differ from those estimated. The estimates underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Spring Housing Association Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Period Ended 31 March 2025

4. Income from donations and legacies

	Unrestricted funds 18-months ended 31 March 2025 £	Restricted funds 18-months ended 31 March 2025 £	Restricted capital funds 18-months ended 31 March 2025 £	Total funds 18-months ended 31 March 2025 £
Donations	52,792	-	-	52,792
Grants	57,200	394,492	190,750	642,442
	<u>109,992</u>	<u>394,492</u>	<u>190,750</u>	<u>695,234</u>
	Unrestricted funds Year ended 30 September 2023 £	Restricted funds Year ended 30 September 2023 £	Restricted capital funds Year ended 30 September 2023 £	Total funds Year ended 30 September 2023 £
Donations	61,941	-	-	61,941
Grants	-	233,234	-	233,234
	<u>61,941</u>	<u>233,234</u>	<u>-</u>	<u>295,175</u>

Notes to the Financial Statements
For the Period Ended 31 March 2025

5. Income from charitable activities

	Unrestricted funds 18-months ended 31 March 2025 £	Total funds 18-months ended 31 March 2025 £
Rent, eligible service charges and property management	16,222,606	16,222,606
Support income, care leavers and refugee services	2,804,926	2,804,926
Other charitable projects	1,137,460	1,137,460
	<u>20,164,992</u>	<u>20,164,992</u>
	Unrestricted funds Year ended 30 September 2023 £	Total funds Year ended 30 September 2023 £
Rent, eligible service charges and property management	10,404,982	10,404,982
Support income, care leavers and refugee services	2,280,399	2,280,399
Other charitable projects	648,225	648,225
	<u>13,333,606</u>	<u>13,333,606</u>

Spring Housing Association Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Period Ended 31 March 2025

6. Other income

	Unrestricted funds 18-months ended 31 March 2025 £	Total funds 18-months ended 31 March 2025 £
Other miscellaneous income	503,909	503,909

	Unrestricted funds Year ended 30 September 2023 £	Total funds Year ended 30 September 2023 £
Other miscellaneous income	125,338	125,338

Spring Housing Association Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Period Ended 31 March 2025

7. Analysis of expenditure by activities

	Activities undertaken directly 18-months ended 31 March 2025 £	Support costs 18-months ended 31 March 2025 £	Total funds 18-months ended 31 March 2025 £
Housing provision	18,344,304	2,809,818	21,154,122

	Activities undertaken directly Year ended 30 September 2023 £	Support costs Year ended 30 September 2023 £	Total funds Year ended 30 September 2023 £
Housing provision	11,705,809	1,832,726	13,538,535

Spring Housing Association Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Period Ended 31 March 2025

7. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 18-months ended 31 March 2025 £	Total funds Year ended 30 September 2023 £
Staff costs	4,446,431	2,667,235
Depreciation on vehicles, leasehold property and fixtures and fittings	397,936	246,362
Staff training and expenses	116,942	74,791
Property lease costs and write-offs	8,852,454	5,720,356
Property costs	4,385,135	2,423,890
Managing agent's fees	387,378	261,279
Bad debt allowance	(241,972)	311,896
	18,344,304	11,705,809

Spring Housing Association Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Period Ended 31 March 2025

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 18-months ended 31 March 2025 £	Total funds Year ended 30 September 2023 £
Staff costs	811,174	539,152
Depreciation on office and computer equipment	65,768	47,820
Staff training and expenses	904,186	556,390
Office costs	405,308	260,868
Vehicle running costs and sundry support costs	94,143	57,008
Marketing costs	32,367	12,476
IT costs	224,860	135,483
Consultancy costs and bank charges	33,711	92,531
Audit and accountancy fees	64,662	30,760
Legal and professional fees	97,243	46,556
Interest payable	76,396	53,682
	2,809,818	1,832,726

Spring Housing Association Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Period Ended 31 March 2025

8. Net movement in funds

This is stated after charging:

	18-months ended 31 March 2025 £	Year ended 30 September 2023 £
Depreciation of tangible fixed assets owned by the charity	394,667	253,168
Depreciation of tangible fixed assets held under finance leases	69,035	41,014
Auditor's remuneration - audit of the group financial statements	18,800	17,500
Operating lease rentals	8,021,918	5,355,696
	<u>8,504,420</u>	<u>5,667,378</u>

9. Staff costs

	Group 18-months ended 31 March 2025 £	Group Year ended 30 September 2023 £	Charity 18-months ended 31 March 2025 £	Charity Year ended 30 September 2023 £
Wages and salaries	4,633,026	2,902,428	2,254,477	1,715,328
Social security costs	530,076	248,147	530,076	248,147
Pension contributions	94,503	55,812	94,503	55,812
	<u>5,257,605</u>	<u>3,206,387</u>	<u>2,879,056</u>	<u>2,019,287</u>

Notes to the Financial Statements
For the Period Ended 31 March 2025

9. Staff costs (continued)

The average number of persons employed by the Charity during the period was as follows:

	Group 18-months ended 31 March 2025 No.	Group Year ended 30 September 2023 No.
Management and administration	24	22
Housing	61	40
Maintenance	13	8
Support	32	57
	130	127

The number of employees whose annualised employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 18-months ended 31 March 2025 No.	Group Year ended 30 September 2023 No.
In the band £60,001 - £70,000	3	2

The total compensation received by the key management of the charity during the period, including employer pension costs, was £103,231 (2023 - £65,545).

10. Trustees' remuneration and expenses

During the period, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the period ended 31 March 2025, no Trustee expenses have been incurred (2023 - £NIL).

Notes to the Financial Statements
For the Period Ended 31 March 2025

11. Tangible fixed assets

Group and Charity

	Freehold property £	Long-term leasehold property £	Fred Winter Centre £	Motor vehicles £	Fixtures and fittings £	Computer and office equipment £	Total £
Cost							
At 1 October 2023	-	187,070	2,517,675	127,305	276,345	306,277	3,414,672
Additions	190,000	336,525	22,035	34,800	210,612	41,913	835,885
Disposals	-	-	-	(22,094)	-	-	(22,094)
At 31 March 2025	190,000	523,595	2,539,710	140,011	486,957	348,190	4,228,463
Depreciation							
At 1 October 2023	-	68,811	301,965	72,927	143,049	189,337	776,089
Charge for the period	1,279	35,915	253,628	32,848	74,265	65,767	463,702
On disposals	-	-	-	(15,533)	-	-	(15,533)
At 31 March 2025	1,279	104,726	555,593	90,242	217,314	255,104	1,224,258
Net book value							
At 31 March 2025	188,721	418,869	1,984,117	49,769	269,643	93,086	3,004,205
At 30 September 2023	-	118,259	2,215,710	54,378	133,296	116,940	2,638,583

The net book value of assets held under finance leases was £454,100 (2023 - £492,145).

Notes to the Financial Statements
For the Period Ended 31 March 2025

12. Fixed asset investments

Principal subsidiary:

Spring Community Homes Limited is a direct subsidiary undertaking of the Charity. The registered company number of Spring Community Homes is RS007733 and the registered office is 22 Old Walsall Road, Birmingham, B42 1DT. The principal activity of Spring Community Homes Limited is the provision and management of housing and accommodation for persons in necessitous circumstances, on a not for profit basis.

	Income 18-months ended 31 March 2025 £	Expenditure 18-months ended 31 March 2025 £	Surplus 18-months ended 31 March 2025 £
Spring Community Homes Limited	14,551,314	14,488,457	62,857

	Income Year ended 30 September 2023 £	Expenditure Year ended 30 September 2023 £	Surplus Year ended 30 September 2023 £
Spring Community Homes Limited	9,765,158	9,707,294	57,864

The subsidiary had net assets of £Nil as at 31 March 2025 following a gift aided donation of the surplus to the parent charity (2023 - £Nil).

Spring Housing Association Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Period Ended 31 March 2025

13. Debtors

	Group	Group	Charity	Charity
	31 March	30 September	31 March	30 September
	2025	2023	2025	2023
	£	£	£	£
Trade debtors	1,355,658	1,685,011	1,355,658	1,685,011
Amounts owed by group undertakings	194,982	-	194,982	629,561
Other debtors	80,523	78,724	80,523	78,724
Prepayments and accrued income	321,837	451,634	321,837	451,634
	1,953,000	2,215,369	1,953,000	2,844,930

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand. The consolidated group balance represents amounts owed by the parent entity which is not included in this consolidation.

14. Creditors: Amounts falling due within one year

	Group	Group	Charity	Charity
	31 March	30 September	31 March	30 September
	2025	2023	2025	2023
	£	£	£	£
Other loans	82,007	161,897	82,007	161,897
Trade creditors	303,835	278,101	303,835	278,101
Amounts owed to group undertakings	-	-	4,359	-
Other taxation and social security	60,179	67,366	60,179	67,366
Obligations under finance lease and hire purchase contracts	171,376	169,120	171,376	169,120
Other creditors	25,841	29,225	25,306	28,690
Accruals and deferred income	1,009,345	1,146,401	1,004,922	1,146,392
	1,652,583	1,852,110	1,651,984	1,851,566

Net obligations under finance leases and hire purchase contracts are secured on the related assets.

Spring Housing Association Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Period Ended 31 March 2025

Deferred income included in creditors was as follows:

	Group	Group	Charity	Charity
	31 March	30 September	31 March	30 September
	2025	2023	2025	2023
	£	£	£	£
Deferred income at 1 October 2023	878,528	38,644	213,528	38,644
Resources deferred during the period	339,668	878,528	339,668	213,528
Amounts released from previous periods	(447,661)	(38,644)	(213,528)	(38,644)
	770,535	878,528	339,668	213,528

Support and refugee services income remitted in advance has been deferred into the period in which the service is delivered. Unspent PRS Leasing Scheme funding has been deferred until such point as the leases are secured and units made available to prospective tenants.

Notes to the Financial Statements
For the Period Ended 31 March 2025

15. Creditors: Amounts falling due after more than one year

	Group 31 March 2025 £	Group 30 September 2023 £	Charity 31 March 2025 £	Charity 30 September 2023 £
Other loans	193,679	170,431	193,679	170,431
Net obligations under finance lease and hire purchase contracts	93,745	317,819	93,745	317,819
	287,424	488,250	287,424	488,250

Included within the above are amounts falling due as follows:

	Group 31 March 2025 £	Group 30 September 2023 £	Charity 31 March 2025 £	Charity 30 September 2023 £
Between one and two years				
Other loans	87,061	75,486	87,061	75,486
Between two and five years				
Other loans	106,618	94,945	106,618	94,945

Other loans includes an unsecured £250,000 Social Investment Business loan, being repaid over 5 years to December 2026, with a fixed interest rate of 7.9%.

Also included in other loans is an unsecured £185,000 loan from Stratford-on-Avon District Council repayable over 30 months at a fixed interest rate of 2.0%.

Also included in other loans is a £147,290 Social Investment Business Recovery loan, being repaid over 6 years to August 2030, with a fixed interest rate of 7.9%. The loan is secured by a standard fixed and floating charge over the relevant property.

Notes to the Financial Statements
For the Period Ended 31 March 2025

16. Statement of funds

Statement of funds - current period

	Balance at 1 October 2023 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 31 March 2025 £
Unrestricted funds					
Designated funds					
Fixed assets	359,736	57,200	(203,416)	559,341	772,861
Fred Winter Centre	2,215,710	-	(253,628)	22,035	1,984,117
	<u>2,575,446</u>	<u>57,200</u>	<u>(457,044)</u>	<u>581,376</u>	<u>2,756,978</u>
General funds					
General Funds	<u>543,175</u>	<u>20,721,693</u>	<u>(20,224,977)</u>	<u>(581,376)</u>	<u>458,515</u>
Total Unrestricted funds	<u>3,118,621</u>	<u>20,778,893</u>	<u>(20,682,021)</u>	<u>-</u>	<u>3,215,493</u>

Spring Housing Association Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Period Ended 31 March 2025

16. Statement of funds (continued)

	Balance at 1 October 2023 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 31 March 2025 £
Restricted income funds					
Children In Need Grant	(41)	-	-	-	(41)
BCC - Period Literacy	25,000	-	-	-	25,000
Nationwide	18,449	-	(18,449)	-	-
Police Crime Commissioner	6,065	10,625	(15,085)	-	1,605
Heart of England Community Garden	9,768	-	(9,768)	-	-
BCC NNS	50,573	181,687	(190,038)	-	42,222
BCC Misc	(134)	-	-	-	(134)
Reaching Communities - FWC	36,696	80,312	(96,874)	-	20,134
Stratford Town Trust	23,614	50,000	(63,359)	-	10,255
FWC - Shared Prosperity Fund	-	28,485	(28,485)	-	-
BCC PRS Leasing	-	43,383	(43,383)	-	-
	169,990	394,492	(465,441)	-	99,041
Restricted capital funds					
Midlands Together (Hestia House)	42,590	-	(4,493)	-	38,097
The Clothworker Foundation	20,547	-	(2,167)	-	18,380
BCC PRS Leasing - The Beeches	-	190,750	-	-	190,750
	63,137	190,750	(6,660)	-	247,227
Total Restricted funds	233,127	585,242	(472,101)	-	346,268
Total of funds	3,351,748	21,364,135	(21,154,122)	-	3,561,761

Notes to the Financial Statements
For the Period Ended 31 March 2025

16. Statement of funds (continued)

Statement of funds - prior period

	Balance at 1 October 2022 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 30 September 2023 £
Unrestricted funds					
Designated funds					
Fixed assets	374,582	-	(120,872)	106,026	359,736
Fred Winter Centre	2,357,923	-	(168,873)	26,660	2,215,710
	<u>2,732,505</u>	<u>-</u>	<u>(289,745)</u>	<u>132,686</u>	<u>2,575,446</u>
General funds					
General Funds	<u>48,657</u>	<u>13,520,885</u>	<u>(12,893,681)</u>	<u>(132,686)</u>	<u>543,175</u>
Total Unrestricted funds	<u>2,781,162</u>	<u>13,520,885</u>	<u>(13,183,426)</u>	<u>-</u>	<u>3,118,621</u>

Spring Housing Association Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Period Ended 31 March 2025

16. Statement of funds (continued)

	Balance at 1 October 2022 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 30 September 2023 £
Restricted income funds					
Refugee Action SVRPS	59,407	-	(59,407)	-	-
Big Lottery Fund Grant	11,817	-	(11,817)	-	-
Children In Need Grant	2,481	10,000	(12,522)	-	(41)
Children In Need Grant - Refugees	4,680	-	(4,680)	-	-
BCC - Period Literacy	-	25,000	-	-	25,000
Nationwide	27,520	7,500	(16,571)	-	18,449
WCC	8,620	-	(8,620)	-	-
Police Crime Commissioner	1,406	10,000	(5,341)	-	6,065
Heart of England Community Garden	10,496	-	(728)	-	9,768
BCC NNS	65,624	90,000	(105,051)	-	50,573
BCC Misc	(134)	500	(500)	-	(134)
Reaching Communities - FWC	35,601	56,234	(55,139)	-	36,696
Stratford Town Trust	40,053	25,000	(41,439)	-	23,614
RSI 2021	19,489	9,000	(28,489)	-	-
Other restricted funding	368	-	(368)	-	-
	<u>287,428</u>	<u>233,234</u>	<u>(350,672)</u>	<u>-</u>	<u>169,990</u>

Spring Housing Association Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Period Ended 31 March 2025

16. Statement of funds (continued)

	Balance at 1 October 2022 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 30 September 2023 £
Restricted capital funds					
Midlands Together (Hestia House)	45,583	-	(2,993)	-	42,590
The Clothworker Foundation	21,991	-	(1,444)	-	20,547
	<u>67,574</u>	<u>-</u>	<u>(4,437)</u>	<u>-</u>	<u>63,137</u>
Total Restricted funds	<u>355,002</u>	<u>233,234</u>	<u>(355,109)</u>	<u>-</u>	<u>233,127</u>
Total of funds	<u><u>3,136,164</u></u>	<u><u>13,754,119</u></u>	<u><u>(13,538,535)</u></u>	<u><u>-</u></u>	<u><u>3,351,748</u></u>

Purpose of restricted income funds:

Refugee Action SVPRS

This project supports Syrian refugees resettling within Birmingham by providing furnished accommodation and support to the families.

Big Lottery Fund Grant

Is helping Spring be a place shaper and IT hub for the local community.

Children in Need Grant (YPS)

This fund is being used to deliver our Life-Hacks project within our young people services. This project offers a range of activities to our young people and provides equipment and support throughout the 3-year project.

Children in Need - Refugees

This project provides a family worker to specifically work with the children in the Syrian resettlement project.

Birmingham City Council - Period Literacy

To create a toolkit and provide training to the homeless sector around period literacy.

Nationwide

This is to provide support and advice to those who are or who have suffered from modern day slavery.

Police Crime Commissioner

To fund activities for the community and a session worker provided at the Fred Winter Centre

Heart of England - Community Garden Fund

To fund the creation of a customer garden at the rear of the Fred Winter Centre

Birmingham City Council - Network Neighborhood Scheme (NNS)

To research and provide support to both individuals and communities in the Perry Barr area to promote living healthy independent lives.

Reaching Communities - Fred Winter Centre (FWC)

To support those in the local community who are at risk of homelessness by providing advice, support and group activities for those residing in or around the Fred Winter Centre.

Rough Sleepers Initiative (RSI)

To provide support, advice and move on routes to women who are either street homeless or at risk of becoming street homeless.

BCC PRS Leasing

Grant funding utilised on 5-year leases creating 9 units for council nominated tenants.

Purpose of restricted capital funds:

Midlands Together (Hestia House)

This funding was a capital contribution towards the works required to renovate the ground floor at Hestia House into an office space and community hub.

The Clothworkers Foundation

These funds were used towards the capital refurbishment project at Hestia House to create a community and ICT Hub.

BCC PRS Leasing - The Beeches

Capital element of grant funding utilised on the new Beeches development creating 21 units for council nominated tenants.

Spring Housing Association Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Period Ended 31 March 2025

17. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 31 March 2025 £	Restricted income funds 31 March 2025 £	Restricted capital funds 31 March 2025 £	Total funds 31 March 2025 £
Tangible fixed assets	2,756,978	-	247,227	3,004,205
Current assets	1,967,655	529,908	-	2,497,563
Creditors due within one year	(1,221,716)	(430,867)	-	(1,652,583)
Creditors due in more than one year	(287,424)	-	-	(287,424)
Total	3,215,493	99,041	247,227	3,561,761

Analysis of net assets between funds - prior period

	Unrestricted funds 30 September 2023 £	Restricted income funds 30 September 2023 £	Restricted capital funds 30 September 2023 £	Total funds 30 September 2023 £
Tangible fixed assets	2,575,446	-	63,137	2,638,583
Current assets	2,255,740	797,785	-	3,053,525
Creditors due within one year	(1,224,315)	(627,795)	-	(1,852,110)
Creditors due in more than one year	(488,250)	-	-	(488,250)
Total	3,118,621	169,990	63,137	3,351,748

Spring Housing Association Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Period Ended 31 March 2025

18. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 18-months ended 31 March 2025 £	Group Year ended 30 September 2023 £
Net income for the period (as per Statement of Financial Activities)	210,013	215,584
Adjustments for:		
Depreciation charges	463,702	294,182
Loss on the sale of fixed assets	6,561	-
Decrease/(increase) in debtors	262,369	(201,423)
(Decrease)/increase in creditors	(121,893)	734,380
Net cash provided by operating activities	820,752	1,042,723

19. Analysis of cash and cash equivalents

	Group 31 March 2025 £	Group 30 September 2023 £
Cash in hand	544,563	838,156

Notes to the Financial Statements
For the Period Ended 31 March 2025

20. Analysis of changes in net debt

	At 1 October 2023	Cash flows	New finance leases	At 31 March 2025
	£	£	£	£
Cash at bank and in hand	838,156	(293,593)	-	544,563
Debt due within 1 year	(161,897)	79,890	-	(82,007)
Debt due after 1 year	(170,431)	(23,248)	-	(193,679)
Finance leases	(486,939)	250,818	(29,000)	(265,121)
	18,889	13,867	(29,000)	3,756

21. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £94,503 (2023 - £55,812). Contributions of £11,497 (2023 - £11,753) were payable to the fund at the balance sheet date and are included in creditors.

22. Operating lease commitments

At 31 March 2025 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 31 March 2025 £	As restated Group 30 September 2023 £	Charity 31 March 2025 £	As restated Charity 30 September 2023 £
Not later than 1 year	898,419	1,995,570	846,994	223,625
Later than 1 year and not later than 5 years	1,502,207	2,714,503	1,477,287	651,500
Later than 5 years	1,850,740	2,262,818	1,850,608	1,414,050
	4,251,366	6,972,891	4,174,889	2,289,175

23. Related party transactions

On 31 March 2025, Spring Community Homes Limited donated its surplus for the year of £62,857 (2023 - £57,864), in accordance with a Deed of Covenant between the two entities.

During the period, the Charity recharged repairs costs and professional fees to its parent, St Anne's Hostel. At the balance sheet date, £194,982 was owing to the Charity in respect of these recharges.

24. Controlling party

With effect from 1 April 2024, St Anne's Hostel, a charity registered in England and Wales under the number 1037430, became the immediate parent and controlling party of Spring Housing Association Limited. Consolidated group financial statements can be obtained from Companies House, the Charity Commission or the parent's registered address: St Anne's Hostel, 112 Moseley St, Birmingham, B12 0RY.

SPRING HOUSING ASSOCIATION LIMITED

England & Wales - Charity number 1163098

Accounts

Spring Housing Association Limited

Trustees' Report and Financial Statements

For the Year Ended 30 September 2023

Spring Housing Association Limited
(A Company Limited by Guarantee)

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Spring Housing Association Limited
(A Company Limited by Guarantee)

Reference and Administrative Details of the Charity, its Trustees and Advisers
For the Year Ended 30 September 2023

Trustees

L Cannon, Co-Chair (appointed 18 May 2023)
M Baird, Co-Chair (appointed 1 October 2022)
K L Moore, Chair (resigned 15 December 2022)
R Ikram
N Sunder (resigned 15 December 2022)
D R Bindert (resigned 14 December 2023)
N V De-Costa (resigned 25 May 2023)
B Taylor (appointed 1 October 2022)
H Floyd (appointed 1 October 2022)
D J Saunders (appointed 1 October 2023)
V Hines (appointed 18 May 2023)
J T Foster (appointed 18 May 2023)
N Owen (appointed 18 May 2023)
A Duggan (appointed 22 September 2023)
F Ghobrial (appointed 14 December 2023)

Company registered number 094244172

Charity registered number 1163098

Registered office Hestia House
22 Old Walsall Road
Birmingham
B42 1DT

Company secretary D J Bradley (resigned 20 September 2023)
S Billingham (appointed 22 September 2023)

Group Chief Executive D J Bradley (resigned 20 September 2023)
J Beckett (appointed 1 October 2023)

Independent auditors Dains Audit Limited
15 Colmore Row
Birmingham
B3 2BH

Solicitors Anthony Collins Solicitors
134 Edmund Street
Birmingham
B3 2ES

Devonshire Solicitors
3 Waterfront Business Park
Brierley Hill
Dudley
DY5 1LX

Bankers Barclays Bank Plc
66 Oxford Street
Kidderminster
DY10 1BL

Spring Housing Association Limited
(A Company Limited by Guarantee)

Trustees' Report
For the Year Ended 30 September 2023

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Spring Housing Association Limited (the charity) and Spring Community Homes Limited (the subsidiary) for the year ended 30 September 2023. The Trustees confirm that the Annual Report and Financial Statements of the charity and the subsidiary comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) (effective 1 January 2019).

Spring Housing Association Limited is a charitable company limited by guarantee and not having any share capital. It was incorporated on 1st October 2014 and registered as a charity on 11th August 2015. It commenced its activities on the 10th of November 2014.

The charitable company's policy and operations are governed by its Memorandum and Articles of Association.

Spring Community Homes Limited is a wholly owned subsidiary of Spring Housing Association Limited and was registered on 7th March 2018 under the Co-operative and Community Benefit Societies Act 2014.

Since the charity and the subsidiary qualify as small under Section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Structure, Governance and Management

● **Constitution**

The charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 1st October 2014 which were revised in July 2018. It is also a registered charity number 1163098.

The principal object of the charity is to carry on, for the benefit of the community, the business of providing housing and associated amenities for persons in necessitous circumstances upon terms appropriate to their means and providing for persons in need thereof housing and any associated amenities especially designed or adapted to meet the disabilities and requirements of such persons. Such business is to be run on a not-for-profit basis.

The subsidiary is registered under the Co-operative and Community Benefit Societies Act 2014 under the society's rules approved on 13th February 2018.

The society is formed for the benefit of the community in providing, directly or indirectly, and managing housing and accommodation, and any associated facilities, amenities and services for persons in necessitous circumstances and aged, disabled (whether physically or mentally) or chronically sick people upon terms appropriate to their means.

Trustees' Report (continued)
For the Year Ended 30 September 2023

Structure, Governance and Management (continued)

• **Methods of appointment or election of Trustees**

The management of the charity are the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

The management of the subsidiary are the responsibility of its members who are elected under the society's rules.

The members of the Boards maintain a good range of skills and expertise in order to govern the group and are monitored annually by appraisal to form a skills matrix.

New trustees are appointed by placing advertisements with BVSC and through direct applications. The process requires potential Trustees to submit a CV detailing qualifications, skills and their motivation for joining. All CV's are reviewed by existing Trustees, and individuals with appropriate skills are invited for interview. If the applicant is considered to have skills that would enhance the operation of the Board, this is assessed against our annual review of governance where we identify where there are skill gaps. A perspective board member is invited to attend a Board meeting as an observer and if, after that, they still wish to become a Trustee they will be invited to join the Board.

• **Policies adopted for the induction and training of Trustees**

Each new trustee is inducted into the charity by meeting with other trustees and executive officers and being offered a shadow place on the board prior to joining.

Along with our regular board meetings we hold board away days which is an opportunity to invite consultants who have a good understanding of charity and housing governance to help guide the Trustees through the governance process.

• **Organisational structure and decision making**

The Board of Trustees has overall responsibility for the management of the group, its strategic direction and decision making. However, day to day responsibility for running the affairs of the charity and its subsidiary is delegated to the charity's Directors and the Senior Team.

The Board of Trustees for the charity meet at least once a quarter with a separate meeting being held for the subsidiary and its members.

Each board meeting is structured to have one or two main themes linked to a corporate calendar as well as considering specific business that has arisen since the previous meeting. Main themes include the business plan and strategic direction, performance of existing contracts, setting budgets, reviewing accounts and reviewing the corporate risk register.

During the reporting period the Company Secretary was also the Group Chief Executive who was paid for his capacity as Group Chief Executive and not for his role as company secretary. In September 2023 the role of Company Secretary was appointed to the Head of Finance who again was paid in his capacity as Head of Finance and not for the role of Company Secretary.

The group has adopted the National Housing Federation Code of Governance to ensure a high level of conduct and integrity is in place. A self-assessment is carried out by the Board annually to ensure it continues to meet the requirements of the code.

Structure, Governance and Management (continued)

• Risk management

There is a Risk Management Plan in place which focusses on the major risks to which the charity and its subsidiary are exposed. The plan focusses on the financial risks, operational risks, governance risks and compliance risks faced by the group.

The plan sets out the effects of each of the risks facing the charity including the controls and mitigations in place to minimise the risk and is reviewed by the board on a regular basis to monitor both the likelihood and severity of each identified risk. The plan is a regular agenda item at Trustee meetings and will focus on areas where likelihood and severity are seen to have changed.

The Trustees have also adopted a Risk Management Strategy which incorporates a Strategic Risk Register to focus on specific strategic risks affecting the group and the mitigations which are in place.

Objectives and activities

• Policies and objectives

The Trustees consider they have had regard to the Charity Commission guidelines on public benefit and have established the following aims, objectives, vision and mission.

The objectives of the charity given in the Memorandum of Association are:

“to carry on for the benefit of the community the business of providing housing and any associated amenities for persons in necessitous circumstances upon terms appropriate to their means”

and

“providing for persons in need thereof housing and any associated amenities especially designed or adapted to meet the disabilities and requirements of such persons”

Our Aims:

- To provide high quality accommodation for people in housing need.
- To prevent and reduce homelessness.
- To assist people on a journey away from housing need towards a future of stability, happiness and independence.

Mission Statement:

“To create long term prosperity by investing to prevent homelessness and social isolation”

Trustees' Report (continued)
For the Year Ended 30 September 2023

Objectives and activities (continued)

• **Strategies for achieving objectives**

Spring has continued to strengthen its position in the West Midlands through the ongoing expansion of our services, particularly within the Coventry area.

The Fred Winter Centre, a multi-agency hub, has been fully operational for over a year now and stands as a flagship project for Spring and all the involved partners. It continues to play a significant strategic role in Stratford, aiming to reduce homelessness and support individuals affected by or at risk of homelessness. The Fred Winter Centre remains a focal point due to its innovative approach, drawing interest from visitors across the UK. At the 2023 National Planning Awards, our colleagues at Pegasus Architects were honoured with a highly commended award for their exemplary consultation and co-design work with Spring and partners on the building and design services offered for the Fred Winters Centre.

The Birmingham Vulnerable Adults and Wellbeing contracts are now in their fourth year of operation and are consistently supporting a substantial number of customers within our accommodation provisions. These provisions cater to young people, offenders, and single adults over the age of 25.

Our commissioned Offenders Accommodation and Wellbeing Hub, remains dedicated to collaborating with various partners to address homelessness and reduce reoffending across the City. In the last period the service received 1002 referrals with 912 customers being supported in the year. In Spring 2023, we published a report covering the first three years of the Offenders Accommodation and Wellbeing Hub, the sole multi-agency hub in the Midlands devoted to supporting individuals leaving prison or on community orders. We are planning a learning event to showcase the impact and value of a coordinated approach in preventing homelessness and reoffending through this service model.

The Refugee Resettlement Service operates across four regions, providing support to families during their initial years in the UK. This year, the Afghan/UKRS contracts were amalgamated and retendered as the Integration Support Services for Sanctuary Seekers. We successfully retained our service provision, extending our work with Afghan/UKRS resettlement for an additional three years in Birmingham. In the last year we supported 228 families within this service.

As a response to the war in Ukraine last year, Spring remains dedicated to supporting Ukrainian Refugees in navigating the housing sector in Birmingham and Solihull. In August this year, we successfully re-tendered for the Birmingham Homes for Ukraine Tenancy and Family Support contract. This contract enables us to provide practical housing advice and support, outreach assistance, house inspections, and interpretation services to those fleeing the violence in Ukraine.

In Birmingham and Coventry, we actively participated in the Home Office Funded RTOF Scheme (Refugee Transitional Outcome Fund), collaborating with partners to facilitate the transition of refugees into accommodation, integration, training, and employment. Through our involvement in the RTOF initiative, Spring now offers over 40 homes exclusively designated for refugees in Coventry, supporting their accommodation needs.

We actively participate in the formulation of Local Authorities' strategies. This year, our involvement has extended to advising on addressing refugee homelessness in Solihull at various events. Additionally, we contributed to shaping the Housing Theme within the 'One Coventry Together' Integration Strategy, aimed at welcoming newly arrived communities to Coventry.

Our efforts in housing rough sleepers through a Housing First style initiative in Lichfield and Cannock persistently yield exceptional outcomes, resulting in an extension of the contract by an additional 2 years. To date, the team has successfully housed 251 individuals who were previously rough sleepers or at risk of rough sleeping, showcasing the team's positive approach to support.

Trustees' Report (continued)
For the Year Ended 30 September 2023

Objectives and activities (continued)

Radford Road has been offering rooms to alleviate the plight of rough sleepers in partnership with the Coventry Rough Sleepers Outreach Team (RSOT). This provision often serves as the primary accommodation option for many individuals in the city who have been experiencing rough sleeping.

Following our research and reports in 2019, 2021, and 2022 addressing the challenges faced by women rough sleepers, Birmingham City Council tendered for a women's rough sleeping service for the first time this year, a direct outcome of our work. As a result, we were commissioned for an additional 3 years, allowing us to expand our staff team to better cater to women's needs. During the last year the service has supported 71 customers.

Our commitment to supporting women includes addressing period poverty and stigma among the homeless community. Initial research highlighted staff's lack of awareness and training, drawn from insights by affected women and sector workers. Public Health acknowledged the need for action, leading to a service tender for a toolkit to enhance staff skills in supporting women and menstruating individuals. We secured the contract in January 2023.

We also maintain our efforts in Birmingham to assist individuals affected by modern-day slavery, a critical area where customers often remain unidentified or unsupported through conventional networks of support.

This year, Spring supported the increasing pressures on local authorities to provide temporary accommodation by offering housing and support to help families transition from temporary housing arrangements. We've completed a full year of operating the Temporary Accommodation service in Stratford for families and individuals. Additionally, Spring is actively engaged with both Coventry and Birmingham Councils in re purposing vacant buildings to alleviate the local housing demand, which has significantly risen due to the cost-of-living crisis and housing shortages.

The Charity has maintained its collaboration with Birmingham City Council concerning the publication of the Charter of Rights and research into living standards within supported exempt accommodation. Prior to seconding a staff member to BVSC, we successfully enlisted over 120 providers for this initiative.

We've received funding from The Oak Foundation and the Centre for the New Midlands to conduct research on people's lived experiences of securing employment while residing in exempt accommodation. Our reports on exempt accommodation highlighted the social injustice related to the high rents in these spaces, where individuals are dissuaded from seeking employment or face eviction by landlords due to reduced housing benefits or no longer qualifying for such benefits.

Our influential report, 'Exempt from Responsibility,' shed light on the challenges faced by customers in exempt supported accommodation. These efforts led to impactful policy changes, such as Birmingham City Council and other local authorities adopting Quality Standards for Landlords and the Charter of Rights. Our findings were incorporated into the National Statement of Expectations for Supported Housing issued by The Department for Levelling Up Homes and Communities, with the Charter of Rights being highlighted as a key case study. This year, our persistent advocacy efforts culminated in the Supported Housing (Regulation) Act 2023, a testament to our dedication in improving lives through collaborative advocacy and direct action.

This summer saw the introduction of the Neighbourhood Network Scheme (NNS) for individuals under 50 with disabilities, funded by Adult Social Care. The primary goal of this initiative is to identify and reinforce local voluntary groups within the Perry Barr District, aiming to enhance the wellbeing of community members. In collaboration with our colleagues overseeing the Older Adults NNS, we've developed a training directory encompassing vital skills such as Safeguarding, Grant Making, and Social Media Skills. The Spring 22 Hub at Hestia House, initially established as a lottery-funded community digital skills hub, has evolved significantly under NNS leadership, emerging as a crucial community resource. It stands as the most frequented location for drop-in sessions led by NHS Community Occupational Health. We have co-commissioned research to develop a Digital Inclusion Strategy for the Perry Barr District with community groups. This strategy aims to inform the needs of the local area and assist groups in providing evidence to acquire grant funding.

Objectives and activities (continued)

Our efforts have been acknowledged by industry professionals at the national Inside Housing Awards - Housing Heroes and Women in Housing Awards held in Manchester. Our Refugee Services team members were shortlisted for the Team of the Year award. Additionally, our Honorary Research Fellow Thea Raisbeck was recognized as a finalist for the Woman Professional of the Year award.

During September, the Birmingham Poverty Truth Commission conducted a three-week pilot program. This initiative brought together staff and residents from various Spring Housing locations to explore methods of establishing a culture of involvement throughout our services.

Spring's initiatives span various sectors, focusing on homelessness, refugee support, vulnerable individuals, and community wellbeing, demonstrating a commitment to addressing multifaceted housing and social issues within the West Midlands.

• Activities for achieving objectives

Accommodation

The accommodation has been sourced through a selection of private landlords and charitable organisations which meet the needs of its customers in terms of living standards and location. The property stock is split between Spring Housing Association and Spring Community Homes with the majority managed by the subsidiary.

The stock is a mixture of self-contained flats and individual rooms which is used for the homeless and young people services. Along with properties ranging from 1 bed flats to 5-bedroom family homes used for the resettlement programme, those moving out of temporary accommodation and for general needs.

The general needs affordable accommodation managed by the charity, where possible, is let to individuals who were formally in supported accommodation but are now able to sustain their own tenancy.

At the end of the period the charity was managing a total of 971 units of accommodation across 16 different local authorities.

Employee Matters

Staff numbers have increased in the year which include the staff required to operate new services within Coventry and refugee programmes. There have also been new posts added to our maintenance team as we continue to ensure our property standards are met.

As of the 30 September 2023 the Charity employed 131 staff with a mixture of full and part time posts.

Hestia House is the head office of the charity with many staff being based there, but there are other regional and satellite offices in Birmingham, Lichfield, Stratford and Coventry where staff are based to support the customers surrounding each location.

All staff are recruited through a safer recruitment programme and induction process to ensure they offer the highest levels of experience in their chosen area and are suitable to work with vulnerable adults and young people.

Objectives and activities (continued)

• Programme related investments

72% of the income received by the Charity is through rent and service charges with the majority coming via Housing Benefit or Universal Credit which is paid on a 28-day cycle.

22% of income comes through support contracts which are commission directly through the local authorities.

Grant levels are high this year with a significant grant fund received from Birmingham to provide accommodation to families currently in temporary accommodation. We also have several ongoing grants to support the work we do with our customers from grant makers such as Big Lottery, Reaching Communities, Children in Need and the Police Crime Commissioner. Total grants made up 6% of turnover in this period.

Achievements and performance

• Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policy note.

• Review of activities

Accommodation

All of the properties managed within the group are leased, with the majority on short term agreements between 1 and 5 years. As of 30th September 2023, the total number of units in management were 971 which was a reduction of 1.7% on the previous year with a number of properties being handed back in the period that came to the end of their current lease.

67% of the stock is used for within our support services which is a mixture of shared and single accommodation to those at risk of homelessness in Birmingham, Coventry and Stratford. 4% of the stock is specifically held for those who are currently in temporary accommodation within the Stratford area. With the remaining 28% being family homes used for both general needs and also those families in our resettlement programme.

We continue to work with a core group of landlords, housing associations and charities who provide a large proportion of the accommodation used with the homeless services. The family homes are mostly leased from private sector landlords which have been selected to provide the most suitable locations for the families we support.

We will continue to increase our accommodation but only with targeted growth which is in line with our existing contracts working with the local authorities specifically in the regions of Coventry, Stratford upon Avon and Solihull. But to also replace any units that are due to be handed back to the landlords within Birmingham to ensure we can maintain our offer to the City.

All stock is reviewed in terms of viability, and quality on a regular basis and any property which fails to meet the requirements will be handed back to the landlords at the next available break in the lease.

Employment

The staffing structure has increased over the period to 131 members of staff across all services which is made up of a mixture of full and part time posts. This is an increase of 4% compared to the previous period.

Trustees' Report (continued)
For the Year Ended 30 September 2023

Financial review

• **Reserves policy**

The current reserves policy is to hold cash or near cash equivalents that are sufficient to cover 3 months of committed overhead expenditure for the charity. Since the completion of the refurbishment of the Fred Winter Centre in the previous period the Charity has now started to rebuild its reserve levels with the aim to reach the required level within the next two years.

• **Principal funding**

For the period ending 30 September 2023, the group had a turnover of £13,754,119 which was an increase of 17% on the previous year. Increases in rents, support contracts and grants all contributed to the turnover increasing this period.

Refugee services has remained at the same level as the previous year with some contracts concluding but now includes a full year of the Ukraine contract. Care Leavers has reduced again in this period as we start to withdraw from this service for future years.

Grants were significantly higher compared to the previous period with additional funds received in line with our work towards providing more accommodation for those families who are currently held within temporary accommodation.

The operating surplus for the period was £215,584 which is higher than the previous period.

Central and overheads were at a cost of £1,322,152 which is an increase on the previous period due to increased costs associated with its IT infrastructure and increased legal and specialist consultants used within the period. This remains at 9.8% of turnover again this year which is below our maximum target of 10%.

Lease costs are the highest cost to the Charity which were at £5,355,696 in the period. This has increased on the previous period with ongoing rising costs of leasing properties as the market rates have increased significantly which is down to increased demand and also increased interest rates.

The next highest cost to the Charity is its staff costs which totalled £3,206,387 in the period which is an increase of 17% compared to the last period with increased levels of staffing but also largely down to cost of living increases paid to staff.

Cash held at the end of the period was £838,156 which has increased significantly from the last period but is holding a significant level of restricted funds within it.

Trustees' Report (continued)
For the Year Ended 30 September 2023

● **Plans for future periods**

There are no major plans of any major expansion of our existing services though we will continue to seek opportunities in both Stratford and Coventry as we look to firm up our position in these regions and will maintain our accommodation levels within Birmingham.

We will be looking to replace some of the older shared accommodation stock with self-contained units as this is a preference for both our customers and the local authorities we work with.

Making sure the work we do and the accommodation we provide is always aligned to the needs and requirements of our customers is vital and we will continue to align our mission and goals to meet the needs of our customers.

We also aim to increase our reserves levels which was largely used in order to fund the Fred Winter Centre refurbishment so we will be looking to rebuild these levels over the next couple of years in line with our reserves policy.

It is still an ambition of the charity to own its own properties and we will continue to seek opportunities where this may be an option by seeking various options of funding which could allow this to happen.

We are also having ongoing discussions with another like-minded Charity to bring them into the Spring Group which will increase our offer within Birmingham and would bring a registered housing provider within the Group.

● **Funds held as custodian**

The charity does not hold any funds on behalf of others.

Trustees' responsibilities statement

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve financial statements unless they are satisfied that they 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 period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 are sufficient to show and explain the charitable company's transactions and 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.

Spring Housing Association Limited
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the Year Ended 30 September 2023

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved have confirmed that:

- so far as that Trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

The auditors, Dains Audit Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



L Cannon
Co-Chair



M Baird
Co-Chair

Date: 29 February 2024

Independent Auditors' Report to the Members of Spring Housing Association Limited

Opinion

We have audited the financial statements of Spring Housing Association Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 30 September 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 30 September 2023 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Independent Auditors' Report to the Members of Spring Housing Association Limited (continued)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 our 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 Trustees' Report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Independent Auditors' Report to the Members of Spring Housing Association Limited (continued)

Auditors' 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 Auditors' 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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3 were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

Independent Auditors' Report to the Members of Spring Housing Association Limited (continued)

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Morris FCA (Senior statutory auditor)

for and on behalf of
Dains Audit Limited

Statutory Auditor
Chartered Accountants

Birmingham

29 February 2024

Spring Housing Association Limited
(A Company Limited by Guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 30 September 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	61,941	233,234	295,175	547,872
Charitable activities	5	13,333,606	-	13,333,606	10,969,710
Other income	6	125,338	-	125,338	253,006
Total income		13,520,885	233,234	13,754,119	11,770,588
Expenditure on:					
Charitable activities	7	13,183,426	355,109	13,538,535	11,608,356
Total expenditure		13,183,426	355,109	13,538,535	11,608,356
Net movement in funds before other recognised gains/(losses)		337,459	(121,875)	215,584	162,232
Other recognised gains/(losses):					
Fred Winter Centre capital grants	8	-	-	-	(374,372)
Net movement in funds		337,459	(121,875)	215,584	(212,140)
Reconciliation of funds:					
Total funds brought forward	16	2,781,162	355,002	3,136,164	3,348,304
Net movement in funds		337,459	(121,875)	215,584	(212,140)
Total funds carried forward	16	3,118,621	233,127	3,351,748	3,136,164

The notes on pages 20 to 42 form part of these financial statements.

Spring Housing Association Limited
(A Company Limited by Guarantee)
Registered number: 094244172

Consolidated Balance Sheet
As at 30 September 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	11	2,638,583	2,800,079
Current assets			
Debtors	13	2,215,369	2,013,946
Cash at bank and in hand		838,156	207,310
		<u>3,053,525</u>	<u>2,221,256</u>
Creditors: amounts falling due within one year	14	(1,852,110)	(1,089,811)
Net current assets		<u>1,201,415</u>	<u>1,131,445</u>
Total assets less current liabilities		<u>3,839,998</u>	<u>3,931,524</u>
Creditors: amounts falling due after more than one year	15	(488,250)	(795,360)
Total net assets		<u><u>3,351,748</u></u>	<u><u>3,136,164</u></u>
Charity funds			
Restricted funds:			
Restricted income funds	16	169,990	287,428
Restricted capital funds	16	63,137	67,574
		<u>233,127</u>	<u>355,002</u>
Total restricted funds	16	233,127	355,002
Unrestricted funds	16	3,118,621	2,781,162
Total funds		<u><u>3,351,748</u></u>	<u><u>3,136,164</u></u>

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



L Cannon
Co-Chair



M Baird
Co-Chair

Date: 29 February 2024

The notes on pages 20 to 42 form part of these financial statements.

Spring Housing Association Limited
(A Company Limited by Guarantee)
Registered number: 094244172

Charity Balance Sheet
As at 30 September 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	11	2,638,583	2,800,079
Current assets			
Debtors	13	2,844,930	2,034,900
Cash at bank and in hand		208,051	185,822
		<u>3,052,981</u>	<u>2,220,722</u>
Creditors: amounts falling due within one year	14	(1,851,566)	(1,089,277)
Net current assets		<u>1,201,415</u>	<u>1,131,445</u>
Total assets less current liabilities		<u>3,839,998</u>	<u>3,931,524</u>
Creditors: amounts falling due after more than one year	15	(488,250)	(795,360)
Total net assets		<u><u>3,351,748</u></u>	<u><u>3,136,164</u></u>
Charity funds			
Restricted funds:			
Restricted funds	16	169,990	287,428
Restricted capital funds	16	63,137	67,574
		<u>233,127</u>	<u>355,002</u>
Total restricted funds	16	233,127	355,002
Unrestricted funds	16	3,118,621	2,781,162
Total funds		<u><u>3,351,748</u></u>	<u><u>3,136,164</u></u>

The Charity's net movement in funds for the year was £215,584 (2022 - £(212,140)).

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



L Cannon
Co-Chair



M Baird
Co-Chair

Date: 29 February 2024

The notes on pages 20 to 42 form part of these financial statements.

Spring Housing Association Limited
(A Company Limited by Guarantee)

Consolidated Statement of Cash Flows
For the Year Ended 30 September 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	18	1,042,723	(122,625)
Cash flows from investing activities			
Proceeds from the sale of tangible fixed assets		-	17,201
Purchase of tangible fixed assets		(132,686)	(73,358)
Net cash used in investing activities		(132,686)	(56,157)
Cash flows from financing activities			
New loans		12,653	444,500
Repayments of loans		(152,840)	(126,042)
New finance leases		33,588	-
Repayments of finance leases		(172,592)	(151,838)
Net cash (used in)/provided by financing activities		(279,191)	166,620
Change in cash and cash equivalents in the year		630,846	(12,162)
Cash and cash equivalents at the beginning of the year		207,310	219,472
Cash and cash equivalents at the end of the year	19	838,156	207,310

The notes on pages 20 to 42 form part of these financial statements

Notes to the Financial Statements
For the Year Ended 30 September 2023

1. General information

Spring Housing Association Limited is a charitable company limited by guarantee and not having share capital. It was incorporated on 1 October 2014 and registered as a charity on 11 August 2015. It commenced its activities on 10 November 2014.

Spring Community Homes Limited is a wholly owned subsidiary of Spring Housing Association Limited. It was registered on 7 March 2018 under the Co-operative and Community Benefit Societies Act 2014, and began its activities on 1 September 2018.

The principal object of the group is to carry on, for the benefit of the community, the business of providing, directly or indirectly, and managing housing and accommodation, and any associated facilities, amenities and services for persons in necessitous circumstances and aged, disabled (whether physically or mentally) or chronically sick people upon terms appropriate to their means; and any other charitable object that can be carried out from time to time by a registered society.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Spring Housing Association Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.2 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

2.3 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected income and expenditure, together with projected cashflows, for a period of 12 months from the date of authorising these financial statements, and concluded that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

2. Accounting policies (continued)

2.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Rental income is recognised from the point when properties are available for letting, net of any voids.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.5 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.

Charitable activities costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity.

All expenditure is inclusive of irrecoverable VAT.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	- Over the life of the lease
Motor vehicles	- 20% straight line
Fixtures and fittings	- 20% straight line
Office equipment	- 20% straight line
Computer equipment	- 20% straight line

2.7 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

2. Accounting policies (continued)

2.8 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.9 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

2.10 Debtors

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

2.11 Cash at bank and in hand

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

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.13 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.14 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2. Accounting policies (continued)

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Critical accounting estimates and areas of judgement

In the application of the charity's accounting policies, which are described above, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on experience and other factors that are considered to be relevant.

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing the asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual values consider such things as future market conditions, the remaining life of the asset and projected disposal values.

Management is required to exercise significant judgement in estimating the bad and doubtful debt provision, which takes into account the ageing of debt and management's assessment of the likelihood of recovery.

Actual results may differ from those estimated. The estimates underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

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Notes to the Financial Statements
For the Year Ended 30 September 2023

4. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Donations	61,941	-	61,941
Grants	-	233,234	233,234
	<u>61,941</u>	<u>233,234</u>	<u>295,175</u>
	<u><u>61,941</u></u>	<u><u>233,234</u></u>	<u><u>295,175</u></u>
	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Donations	5,980	-	5,980
Grants	-	361,461	361,461
	<u>5,980</u>	<u>361,461</u>	<u>367,441</u>
	<u><u>5,980</u></u>	<u><u>361,461</u></u>	<u><u>367,441</u></u>

Notes to the Financial Statements
For the Year Ended 30 September 2023

5. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £
Rent, eligible service charges and property management	10,404,982	10,404,982
Support income, care leavers and refugee services	2,280,399	2,280,399
Other charitable projects	648,225	648,225
	<u>13,333,606</u>	<u>13,333,606</u>

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Rent, eligible service charges and property management	8,506,442	52,220	8,558,662
Support income, care leavers and refugee services	1,960,319	140,580	2,100,899
Other charitable projects	310,149	-	310,149
	<u>10,776,910</u>	<u>192,800</u>	<u>10,969,710</u>

6. Other income

	Unrestricted funds 2023 £	Total funds 2023 £
Other miscellaneous income	125,338	125,338

	Unrestricted funds 2022 £	Total funds 2022 £
Other miscellaneous income	253,006	253,006

Notes to the Financial Statements
For the Year Ended 30 September 2023

7. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Housing provision	11,705,809	1,832,726	13,538,535

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Housing provision	10,285,498	1,322,858	11,608,356

Analysis of direct costs

	Total funds 2023 £	Total funds 2022 £
Staff costs	2,667,235	2,306,092
Depreciation on vehicles, leasehold property and fixtures and fittings	246,362	202,157
Staff training and expenses	74,791	53,472
Property lease costs and write-offs	5,720,356	5,250,793
Property costs	2,423,890	2,124,832
Managing agent's fees	261,279	337,490
Bad debt allowance	311,896	10,662
	11,705,809	10,285,498

Notes to the Financial Statements
For the Year Ended 30 September 2023

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £	Total funds 2022 £
Staff costs	539,152	443,322
Depreciation on office and computer equipment	47,820	40,028
Staff training and expenses	556,390	300,617
Office costs	260,868	220,559
Vehicle running costs and sundry support costs	57,008	36,134
Marketing costs	12,476	1,057
IT costs	135,483	85,592
Consultancy costs and bank charges	92,531	70,124
Audit and accountancy fees	30,760	32,046
Legal and professional fees	46,556	42,229
Interest payable	53,682	48,533
Loss on disposal of fixed assets	-	2,617
	1,832,726	1,322,858

8. Net movement in funds

This is stated after charging:

	2023 £	2022 £
Depreciation of tangible fixed assets owned by the charity	253,168	206,534
Depreciation of tangible fixed assets held under finance leases	41,014	35,654
Auditor's remuneration - audit of the group financial statements	17,500	15,900
Operating lease rentals	5,355,696	4,850,531
Fred Winter Centre capital grants	-	374,372
	5,667,378	5,482,991

In 2022, a capital grant was provided to assist St Peter's (Saltley) Housing Association Ltd in funding their element of the renovation of the Fred Winter Centre. The grant included £269,263 of donated fixed assets.

Notes to the Financial Statements
For the Year Ended 30 September 2023

9. Staff costs

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Wages and salaries	2,902,428	2,487,419	1,715,328	1,889,380
Social security costs	248,147	214,524	248,147	214,524
Pension contributions	55,812	47,471	55,812	47,471
	3,206,387	2,749,414	2,019,287	2,151,375

The average number of persons employed by the Charity during the year was as follows:

	Group 2023 No.	Group 2022 No.
Management and administration	22	18
Housing	40	37
Maintenance	8	13
Support	57	49
	127	117

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2023 No.	Group 2022 No.
In the band £60,001 - £70,000	2	-
In the band £70,001 - £80,000	-	1

The total compensation received by the key management of the charity during the year, including employer pension costs, was £65,545 (2022 - £72,571).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 30 September 2023, no Trustee expenses have been incurred (2022 - £NIL).

Notes to the Financial Statements
For the Year Ended 30 September 2023

11. Tangible fixed assets

Group and Charity

	Long-term leasehold property £	Fred Winter Centre £	Motor vehicles £	Fixtures and fittings £	Computer and office equipment £	Total £
Cost						
At 1 October 2022	179,313	2,491,015	93,717	240,712	277,229	3,281,986
Additions	7,757	26,660	33,588	35,633	29,048	132,686
At 30 September 2023	187,070	2,517,675	127,305	276,345	306,277	3,414,672
Depreciation						
At 1 October 2022	55,256	133,092	53,598	98,444	141,517	481,907
Charge for the year	13,555	168,873	19,329	44,605	47,820	294,182
At 30 September 2023	68,811	301,965	72,927	143,049	189,337	776,089
Net book value						
At 30 September 2023	118,259	2,215,710	54,378	133,296	116,940	2,638,583
At 30 September 2022	124,057	2,357,923	40,119	142,268	135,712	2,800,079

The net book value of assets held under finance leases was £492,145 (2022 - £475,791).

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For the Year Ended 30 September 2023

12. Fixed asset investments

Principal subsidiary:

Spring Community Homes Limited is a direct subsidiary undertaking of the Charity. The registered company number of Spring Community Homes is RS007733 and the registered office is 22 Old Walsall Road, Birmingham, B42 1DT. The principal activity of Spring Community Homes Limited is the provision and management of housing and accommodation for persons in necessitous circumstances, on a not for profit basis.

	Income 2023 £	Expenditure 2023 £	Surplus 2023 £
Spring Community Homes Limited	9,765,158	9,707,294	57,864
	Income 2022 £	Expenditure 2022 £	Surplus 2022 £
Spring Community Homes Limited	7,806,253	7,803,766	2,487

The subsidiary had net assets of £Nil as at 30 September 2023 following a gift aided donation of the surplus to the parent charity (2022 - £Nil).

13. Debtors

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade debtors	1,685,011	1,473,024	1,685,011	1,473,024
Amounts owed by group undertakings	-	-	629,561	20,954
Other debtors	78,724	110,213	78,724	110,213
Prepayments and accrued income	451,634	430,709	451,634	430,709
	2,215,369	2,013,946	2,844,930	2,034,900

Notes to the Financial Statements
For the Year Ended 30 September 2023

14. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Other loans	161,897	152,840	161,897	152,840
Trade creditors	278,101	313,435	278,101	313,435
Other taxation and social security	67,366	59,732	67,366	59,732
Obligations under finance lease and hire purchase contracts	169,120	150,258	169,120	150,258
Other creditors	29,225	15,382	28,690	14,848
Accruals and deferred income	1,146,401	398,164	1,146,392	398,164
	1,852,110	1,089,811	1,851,566	1,089,277

Net obligations under finance leases and hire purchase contracts are secured on the related assets.

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Deferred income	38,644	28,129	38,644	28,129
Resources deferred during the year	878,528	38,644	213,528	38,644
Amounts released from previous periods	(38,644)	(28,129)	(38,644)	(38,644)
	878,528	38,644	213,528	49,159

Support and refugee services income remitted in advance has been deferred into the period in which the service is delivered. PRS Leasing Scheme funding has been deferred until such point as the leases are secured and units made available to prospective tenants.

Notes to the Financial Statements
For the Year Ended 30 September 2023

15. Creditors: Amounts falling due after more than one year

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Other loans	170,431	319,675	170,431	319,675
Net obligations under finance lease and hire purchase contracts	317,819	475,685	317,819	475,685
	<u>488,250</u>	<u>795,360</u>	<u>488,250</u>	<u>795,360</u>

Included within the above are amounts falling due as follows:

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Between one and two years				
Other loans	<u>75,486</u>	<u>60,047</u>	<u>75,486</u>	<u>60,047</u>
Between two and five years				
Other loans	<u>94,945</u>	<u>259,628</u>	<u>94,945</u>	<u>259,628</u>

Other loans includes an unsecured £250,000 Social Investment Business loan, being repaid over 5 years to December 2026, with a fixed interest rate of 7.9%.

Also included in other loans is an unsecured £185,000 loan from Stratford-on-Avon District Council repayable over 30 months at a fixed interest rate of 2.0%.

Notes to the Financial Statements
For the Year Ended 30 September 2023

16. Statement of funds

Statement of funds - current year

	Balance at 1 October 2022 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 30 September 2023 £
Unrestricted funds					
Designated funds					
Fixed assets	374,582	-	(120,872)	106,026	359,736
Fred Winter Centre	2,357,923	-	(168,873)	26,660	2,215,710
	<u>2,732,505</u>	<u>-</u>	<u>(289,745)</u>	<u>132,686</u>	<u>2,575,446</u>
General funds					
General Funds	<u>48,657</u>	<u>13,520,885</u>	<u>(12,893,681)</u>	<u>(132,686)</u>	<u>543,175</u>
Total Unrestricted funds	<u>2,781,162</u>	<u>13,520,885</u>	<u>(13,183,426)</u>	<u>-</u>	<u>3,118,621</u>

Notes to the Financial Statements
For the Year Ended 30 September 2023

16. Statement of funds (continued)

	Balance at 1 October 2022 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 30 September 2023 £
Restricted income funds					
Refugee Action SVRPS	59,407	-	(59,407)	-	-
Big Lottery Fund Grant	11,817	-	(11,817)	-	-
Children In Need Grant	2,481	10,000	(12,522)	-	(41)
Children In Need Grant - Refugees	4,680	-	(4,680)	-	-
BCC - Period Literacy	-	25,000	-	-	25,000
Nationwide	27,520	7,500	(16,571)	-	18,449
WCC	8,620	-	(8,620)	-	-
Police Crime Commissioner	1,406	10,000	(5,341)	-	6,065
Heart of England Community Garden	10,496	-	(728)	-	9,768
BCC NNS	65,624	90,000	(105,051)	-	50,573
BCC Misc	(134)	500	(500)	-	(134)
Reaching Communities - FWC	35,601	56,234	(55,139)	-	36,696
Stratford Town Trust	40,053	25,000	(41,439)	-	23,614
RSI 2021	19,489	9,000	(28,489)	-	-
Other restricted funding	368	-	(368)	-	-
	287,428	233,234	(350,672)	-	169,990
Restricted capital funds					
Midlands Together (Hestia House)	45,583	-	(2,993)	-	42,590
The Clothworker Foundation	21,991	-	(1,444)	-	20,547
	67,574	-	(4,437)	-	63,137
Total Restricted funds	355,002	233,234	(355,109)	-	233,127
Total of funds	3,136,164	13,754,119	(13,538,535)	-	3,351,748

Notes to the Financial Statements
For the Year Ended 30 September 2023

16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 October 2021 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 30 September 2022 £
Unrestricted funds						
Designated funds						
Fixed assets	1,616,334	-	(170,685)	(1,071,067)	-	374,582
Fred Winter Centre	-	-	-	2,357,923	-	2,357,923
	<u>1,616,334</u>	<u>-</u>	<u>(170,685)</u>	<u>1,286,856</u>	<u>-</u>	<u>2,732,505</u>
General funds						
General Funds	<u>699,587</u>	<u>11,035,896</u>	<u>(10,933,966)</u>	<u>(378,488)</u>	<u>(374,372)</u>	<u>48,657</u>
Total Unrestricted funds	<u>2,315,921</u>	<u>11,035,896</u>	<u>(11,104,651)</u>	<u>908,368</u>	<u>(374,372)</u>	<u>2,781,162</u>

Spring Housing Association Limited
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16. Statement of funds (continued)

	Balance at 1 October 2021 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 30 September 2022 £
Restricted income funds						
Refugee Action SVRPS	20,291	140,580	(101,464)	-	-	59,407
Big Lottery Fund Grant	118,445	-	(106,628)	-	-	11,817
Children In Need Grant	1,533	10,000	(9,052)	-	-	2,481
Children In Need Grant - Refugees	-	40,192	(35,512)	-	-	4,680
Nationwide	-	50,000	(22,480)	-	-	27,520
WCC	-	9,800	(1,180)	-	-	8,620
Police Crime Commissioner	-	5,000	(3,594)	-	-	1,406
Heart of England Community Garden	-	11,220	(724)	-	-	10,496
BCC NNS	4,456	74,982	(13,814)	-	-	65,624
BCC Misc	3,366	12,400	(15,900)	-	-	(134)
Reaching Communities - FWC	15,000	50,367	(29,766)	-	-	35,601
Stratford Town Trust	-	72,500	(32,447)	-	-	40,053
RSI 2021	1,679	52,220	(34,410)	-	-	19,489
Stratford Town Council	-	25,000	(25,000)	-	-	-
Other restricted funding	602	-	(234)	-	-	368
	<u>165,372</u>	<u>554,261</u>	<u>(432,205)</u>	<u>-</u>	<u>-</u>	<u>287,428</u>

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Notes to the Financial Statements
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16. Statement of funds (continued)

	Balance at 1 October 2021 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 30 September 2022 £
Restricted capital funds						
Midlands Together (Hestia House)	48,576	-	(2,993)	-	-	45,583
The Clothworker Foundation	23,435	-	(1,444)	-	-	21,991
Garfield Weston	200,000	-	(13,551)	(186,449)	-	-
Stratford District Council	310,000	90,000	(27,102)	(372,898)	-	-
26th May Charity Trust	25,000	-	(1,694)	(23,306)	-	-
Stratford Town Trust	60,000	25,000	(3,388)	(81,612)	-	-
Warwickshire County Council	200,000	-	(13,551)	(186,449)	-	-
HSBC	-	40,431	(3,712)	(36,719)	-	-
Bernard Sunley Foundation	-	25,000	(1,694)	(23,306)	-	-
Stratford Town Council	-	-	(2,371)	2,371	-	-
	<u>867,011</u>	<u>180,431</u>	<u>(71,500)</u>	<u>(908,368)</u>	<u>-</u>	<u>67,574</u>
Total Restricted funds	<u>1,032,383</u>	<u>734,692</u>	<u>(503,705)</u>	<u>(908,368)</u>	<u>-</u>	<u>355,002</u>
Total of funds	<u><u>3,348,304</u></u>	<u><u>11,770,588</u></u>	<u><u>(11,608,356)</u></u>	<u><u>-</u></u>	<u><u>(374,372)</u></u>	<u><u>3,136,164</u></u>

Purpose of restricted income funds:

Refugee Action SVPRS

This project supports Syrian refugees resettling within Birmingham by providing furnished accommodation and support to the families.

Big Lottery Fund Grant

Is helping Spring be a place shaper and IT hub for the local community.

Children in Need Grant (YPS)

This fund is being used to deliver our Life-Hacks project within our young people services. This project offers a range of activities to our young people and provides equipment and support throughout the 3-year project.

Children in Need - Refugees

This project provides a family worker to specifically work with the children in the Syrian resettlement project.

Birmingham City Council - Period Literacy

To create a toolkit and provide training to the homeless sector around period literacy.

Nationwide

This is to provide support and advice to those who are or who have suffered from modern day slavery.

Police Crime Commissioner

To fund activities for the community and a session worker provided at the Fred Winter Centre

Heart of England – Community Garden Fund

To fund the creation of a customer garden at the rear of the Fred Winter Centre

Birmingham City Council – Network Neighborhood Scheme (NNS)

To research and provide support to both individuals and communities in the Perry Barr area to promote living healthy independent lives.

Reaching Communities – Fred Winter Centre (FWC)

To support those in the local community who are at risk of homelessness by providing advice, support and group activities for those residing in or around the Fred Winter Centre.

Rough Sleepers Initiative (RSI)

To provide support, advice and move on routes to women who are either street homeless or at risk of becoming street homeless.

Purpose of restricted capital funds:

Midlands Together (Hestia House)

This funding was a capital contribution towards the works required to renovate the ground floor at Hestia House into an office space and community hub.

The Clothworkers Foundation

These funds were used towards the capital refurbishment project at Hestia House to create a community and ICT Hub.

Garfield Weston / Stratford District Council / 26th May Charity Trust / Stratford Town Trust / Warwickshire County Council / HSBC / Bernard Sunley Foundation / Stratford Town Council

Capital grant funding received towards the development of the Fred Winter Centre, a new community hub supporting local people in Stratford-upon-Avon, with a focus on providing housing plus a range of services which address homelessness and hardship.

These funds have been transferred out of restricted capital funds after the satisfaction of the restrictions attached to the funding, following completion of the Fred Winter Centre development in the 2022 year.

Notes to the Financial Statements
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17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted income funds 2023 £	Restricted capital funds 2023 £	Total funds 2023 £
Tangible fixed assets	2,575,446	-	63,137	2,638,583
Current assets	2,255,740	797,785	-	3,053,525
Creditors due within one year	(1,224,315)	(627,795)	-	(1,852,110)
Creditors due in more than one year	(488,250)	-	-	(488,250)
Total	3,118,621	169,990	63,137	3,351,748

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted income funds 2022 £	Restricted capital funds 2022 £	Total funds 2022 £
Tangible fixed assets	2,732,505	-	67,574	2,800,079
Current assets	1,933,828	287,428	-	2,221,256
Creditors due within one year	(1,089,811)	-	-	(1,089,811)
Creditors due in more than one year	(795,360)	-	-	(795,360)
Total	2,781,162	287,428	67,574	3,136,164

Notes to the Financial Statements
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18. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2023 £	Group 2022 £
Net income for the year (as per Statement of Financial Activities)	215,584	162,232
Adjustments for:		
Depreciation charges	294,182	242,185
Fred Winter Centre capital grants	-	(374,372)
Donated fixed assets	-	269,693
Loss on the sale of fixed assets	-	2,617
Increase in debtors	(201,423)	(149,970)
Increase/(decrease) in creditors	734,380	(275,010)
Net cash provided by/(used in) operating activities	1,042,723	(122,625)

19. Analysis of cash and cash equivalents

	Group 2023 £	Group 2022 £
Cash in hand	838,156	207,310

20. Analysis of changes in net debt

	At 1 October 2022 £	Cash flows £	New debt £	At 30 September 2023 £
Cash at bank and in hand	207,310	630,846	-	838,156
Debt due within 1 year	(152,840)	(568)	(8,489)	(161,897)
Debt due after 1 year	(319,675)	153,408	(4,164)	(170,431)
Finance leases	(625,943)	172,592	(33,588)	(486,939)
	(891,148)	956,278	(46,241)	18,889

Notes to the Financial Statements
For the Year Ended 30 September 2023

21. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £55,812 (2022 - £47,471). Contributions of £11,753 (2022 - £9,988) were payable to the fund at the balance sheet date and are included in creditors.

22. Operating lease commitments

At 30 September 2023 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £	As restated Group 2022 £	Charity 2023 £	As restated Charity 2022 £
Not later than 1 year	1,995,570	1,996,862	223,625	271,100
Later than 1 year and not later than 5 years	2,714,503	3,196,330	651,500	676,750
Later than 5 years	2,262,818	2,759,985	1,414,050	1,350,000
	<u>6,972,891</u>	<u>7,953,177</u>	<u>2,289,175</u>	<u>2,297,850</u>

23. Related party transactions

On 30 September 2023, Spring Community Homes Limited donated its surplus for the year of £57,864 (2022 - £2,487).

in the prior year, Spring Housing Association received an advance from the Group Chief Executive of £2,000. This was repaid within the year leaving a £Nil balance owing at the 2022 balance sheet date. There were no further advances in the year ended 30 September 2023.

24. Controlling party

The group is controlled by the Board of Trustees.

SPRING HOUSING ASSOCIATION LIMITED

England & Wales - Charity number 1163098

Accounts

Registered number: 09244172
Charity number: 1163098

Spring Housing Association Limited

Trustees' Report and Financial Statements

For the Year Ended 30 September 2022



Spring Housing Association Limited
(A company limited by guarantee)

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Spring Housing Association Limited
(A company limited by guarantee)

Reference and Administrative Details of the Charity, its Trustees and Advisers
For the Year Ended 30 September 2022

Trustees	K L Moore, appointed Chair 30 November 2021 (resigned 15 December 2022) D R Bindert N V De-Costa R Ikram N Owen (resigned 10 March 2022) D J Saunders (resigned 30 September 2022) N Sunder (resigned 15 December 2022) L Cannon Nina Warrington (appointed 1 October 2022, resigned 31 October 2022) M Baird (appointed 1 October 2022) B Taylor (appointed 1 October 2022) H Floyd (appointed 1 October 2022)
Company registered number	09244172
Charity registered number	1163098
Registered office	Hestia House 22 Old Walsall Road Birmingham B42 1DT
Company secretary	D J Bradley
Group Chief Executive	D J Bradley
Independent auditors	Dains Audit Limited 15 Colmore Row Birmingham B3 2BH
Solicitors	Anthony Collins Solicitors 134 Edmund Street Birmingham B3 2ES Higgs & Sons 3 Waterfront Business Park Brierley Hill Dudley DY5 1LX
Bankers	Barclays Bank Plc 66 Oxford Street Kidderminster DY10 1BL

Spring Housing Association Limited
(A company limited by guarantee)

Trustees' Report
For the Year Ended 30 September 2022

The Trustees (who are also directors of the Charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Spring Housing Association (the Charity) and Spring Community Homes Limited (the subsidiary) for the 1 October 2021 to 30 September 2022. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Spring Housing Association Limited is a charitable company limited by guarantee and not having any share capital. It was incorporated on 1 October 2014 and registered as a charity on 11 August 2015. It commenced its activities on the 10 November 2014.

Spring Community Homes Limited is a wholly owned subsidiary of Spring Housing Association Limited and was registered on 7 March 2018 under the Co-operative and Community Benefit Societies Act 2014.

Since the charity and the subsidiary qualify as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and activities

• **Constitution**

The charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 1 October 2014 which were revised in July 2018. It is also a registered charity number 1163098.

The principal object of the charity is to carry on, for the benefit of the community, the business of providing housing and associated amenities for persons in necessitous circumstances upon terms appropriate to their means and providing for persons in need thereof housing and any associated amenities especially designed or adapted to meet the disabilities and requirements of such persons. Such business is to be run on a not for profit basis.

The subsidiary is registered under the Co-operative and Community Benefit Societies Act 2014 under the society's rules approved on 13 February 2018.

The society is formed for the benefit of the community in providing, directly or indirectly, and managing housing and accommodation, and any associated facilities, amenities and services for persons in necessitous circumstances and aged, disabled (whether physically or mentally) or chronically sick people upon terms appropriate to their means.

Objectives and activities (continued)

• **Methods of appointment or election of Trustees**

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

The management of the subsidiary is the responsibility of its members who are elected under the society's rules.

The members of the Boards maintain a good range of skills and expertise in order to govern the group and are monitored annually by appraisal to form a skills matrix.

New trustees are appointed by placing advertisements with BVSC and through direct applications. The process requires potential Trustees to submit a CV detailing qualifications, skills and their motivation for joining. All CVs are reviewed by existing Trustees, and individuals with appropriate skills are invited for interview. If the applicant is considered to have skills that would enhance the operation of the Board, this is assessed against our annual review of governance where we identify where there are skills gaps. A perspective board member is invited to attend a Board meeting as an observer and if, after that, they still wish to become a Trustee they will be invited to join the Board.

• **Policies adopted for the induction and training of Trustees**

Each new Trustee is inducted into the charity by meeting with other Trustees and executive officers and being offered a shadow place on the Board prior to joining.

Along with our regular Board meetings, we hold Board away days which is an opportunity to invite consultants who have a good understanding of charity and housing governance to help guide the Trustees through the governance process.

• **Organisational structure and decision making**

The Board of Trustees has overall responsibility for the management of the group, its strategic direction and decision making. However, day to day responsibility for running the affairs of the charity and its subsidiary is delegated to the charity's Directors and the Senior Team.

The Board of Trustees for the charity meet at least once a quarter with a separate meeting being held for the subsidiary and its members.

Each board meeting is structured to have one or two main themes linked to a corporate calendar as well as considering specific business that has arisen since the previous meeting. Main themes include the business plan and strategic direction, performance of existing contracts, setting budgets, reviewing accounts and reviewing the corporate risk register.

The Company Secretary is also the Group Chief Executive who is paid for his capacity as Group Chief Executive and not for his role as company secretary.

The group has adopted the National Housing Federation code of governance to ensure a high level of conduct and integrity is in place. A self-assessment is carried out by the board annually to ensure it continues to meet the requirements of the code.

Objectives and activities (continued)

• **Risk management**

There is a risk management plan in place which focusses on the major risks to which the charity and its subsidiary are exposed. The plan focusses on the financial risks, operational risks, governance risks and compliance risks faced by the group.

The plan sets out the effects of each of the risks facing the charity including the controls and mitigations in place to minimise the risk and is reviewed by the board on a regular basis to monitor both the likelihood and severity of each identified risk. The plan is a regular agenda item at Trustee meetings and will focus on areas where likelihood and severity are seen to have changed.

The Trustees have also adopted a risk management strategy which incorporates a strategic risk register to focus on specific strategic risks affecting the group and the mitigations which are in place.

• **Policies and objectives**

The Trustees consider they have had regard to the Charity Commission guidelines on public benefit and have established the following aims, objectives, vision and mission.

The objectives of the charity given in the Memorandum of Association are:

“to carry on for the benefit of the community the business of providing housing and any associated amenities for persons in necessitous circumstances upon terms appropriate to their means”,

and

“providing for persons in need thereof housing and any associated amenities especially designed or adapted to meet the disabilities and requirements of such persons”

Our Aims:

- To provide high quality accommodation for people in housing need.
- To prevent and reduce homelessness.
- To assist people on a journey away from housing need towards a future of stability, happiness and independence.

In addition to the above we aim to remain an independent organisation.

Mission Statement:

“To create long term prosperity by investing to prevent homelessness and social isolation”

Objectives and activities (continued)

• **Strategies for achieving objectives**

The Charity has continued to grow and has expanded the number of services we operate in the West Midlands.

We continue to deliver our Vulnerable Adults Housing and Wellbeing support contracts in Birmingham which are now fully embedded into the charity following 3 years of operation. All four contracts which support homeless, young adults and ex-offenders have recently been extended for a further two years. In 2022 we supported and resettled over 460 people exiting the criminal justice through our work within the JQ ex-offenders hub.

The Resettlement Service UKRS and ARAP (Syrian and Afgan) has reached its current target in terms of new arrivals following several delays over the past two years due to the ongoing pandemic. All expected families have now arrived and are settling into their new homes provided by Spring. The UKRS service started in 2015 and we have reached a point now where many of the original cohorts of arrivals have now gone beyond the 5 years commissioned support and are no longer supported via the Resettlement Service and have now transferred to general needs tenants which is part of the added value that Spring provides on these contracts. The Arap Service which started in 2021 as a direct result of the Afghanistan war. Both contracts have been extended to March 2023 and are currently being tendered. To date we have housed 257 people (over 50% of which are children) as part of the Afghan Resettlement Programme and over 880 people (over 55% are children) on the Syrian Resettlement Programme. Since the start of the programme in 2015 – 100% of refugees have retained their home (i.e. not been evicted due to rent arrears or tenancy breaches).

Due to the ongoing rises in private sector rents, it was decided earlier in the year that Spring would cease to accept any further new arrivals in Birmingham other than those already scheduled. We will however continue to support those who are already part of the programme until they reach their final year of support and transfer to permanent general needs tenants within their existing properties.

Whilst we continue to support the resettlement of both Afghanistan and Syrians – last year we also started additional services to support refugees into work via the Home Office funded Refugee Transitions Outcomes Fund (RTOF) to support qualifying refugees into accommodation, training and employment across Birmingham and Coventry.

Due to the recent war in Ukraine, there has been a large influx of refugees seeking sanctuary in the UK. Spring has been working with refugees under the "Homes for Ukraine" scheme who have arrived in both Birmingham and Solihull to provide support in finding long term accommodation and support to settle and integrate into the local community since August 2022. To date we have undertaken over 140 house inspections assessing hosts homes for safety and suitability and have provided over 150 individuals with housing advice and support.

During the year we were commissioned to offer housing advice to Hong Kong Nationals in Solihull who have come to settle in the area due to the ongoing political tensions with the Chinese government.

Spring continues to expand its accommodation and services within Coventry with the largest site being Hampton Hall which is a 32-bed property aimed to accommodate and support refugee's in particular customers involved in the RTOF programme. Based on our positive reputation in Coventry we have been appointed by Coventry City Council to deliver repairs and maintenance service for people with Physical and Sensory disabilities.

The Charity has continued to work with Birmingham City Council with the Charter of Rights publication and research into living standards within supported exempt accommodation - we are currently working with 103 housing providers (providing over 10,000 bedspaces to people who are homeless/at risk of homelessness across the City) who have agreed to adopt the Charter. In addition to this we were the first provider in Birmingham to achieve the "Gold" star rating as part of the Quality standards for Supported Exempt Accommodation' by Birmingham Voluntary Service Council and Birmingham City Council.

Objectives and activities (continued)

In 2022 we released our second research and best practice report into women and rough sleeping, '*The Small Victories*'. This report, along with the earlier *Violence under Quiet Conditions (2021)* continues to have local and national impact. Several local authorities and women's charities have been in touch with us to discuss the issues and how they can evidence the need for better practice in their local areas. In 2022 we were invited to give the keynote speech on women and homelessness at the Luton Homeless Partnership conference and were invited to sit on Homeless Link's new women and Homelessness National System's Change Network. Our research on this topic has been quoted numerous times by a recent Homeless Link publication, 'Myth Busting Women's Homelessness' and we have been invited to speak on this topic at Centrepoin's national conference in March 2023.

Our work with people experiencing continues and we are the lead provider for women who are street homeless in Birmingham – we have successfully housed over 100% of our projected target. As a result of our ongoing work on women experiencing homelessness, we have been working with Birmingham City Council around issues within, and solutions to, period poverty and period stigma within homeless communities and homelessness services. Our research on this topic and our proposal for change was picked up by Birmingham City Council Public Health, and we have recently won a tender to begin a pioneering training and development programme from February 2023, our first funding from statutory health agency.

Throughout 2022 we have been working on a research report to mark the first three years of our Offenders Housing and Wellbeing Support Service. This has garnered a great deal of support and interest from the criminal justice sector, and we will be releasing this report early in 2023.

The influence of our pathbreaking research and good practice work around exempt accommodation has continued throughout 2022. We have spoken at several high-profile events on exempt, such as Commonweal's 'Experts on Exempt' series and Birmingham City Council's national exempt conference. We submitted an evidence report to the parliamentary inquiry on exempt accommodation in January 2022, and our submission was quoted several times in their final evidence report. Similarly, our report, *Exempt from Responsibility?* was quoted numerous times in a House of Commons Library research briefing on this topic in June 2022. This is alongside the same research being referenced in the Kerslake Commission on homelessness and rough sleeping and the Charter of Rights being cited as good practice in National Statement of Expectations for Supported Housing. Finally, our research and recommendations have formed the backbone of government commitments for change, and are strongly reflected in a Private Members' Bill, Supported Housing (Regulatory Oversight) that was introduced into parliament in 2022. We have also been working with domestic abuse charities and women's homelessness services about the potential to adapt our Charter of Rights to women-only service environments.

We are also currently supporting six victims of modern-day slavery and have just been awarded a grant to continue this crucial work

Earlier in the year The Fred Winter Centre opened its doors to both customers and support services as a multi-agency support hub for those at risk of homelessness with a focus on alleviating homelessness, poverty and creating employment. The Centre is the first of its kind to be opened in Stratford Upon Avon. The Centre has been supported by many partners including Homes England, Stratford District Council, Warwickshire County Council, Garfield Weston, Stratford Town Trust & Stratford Town Council plus several other charities and trusts, all whom have contributed towards the refurbishment of the former department store into a support centre which includes 15 units of accommodation. The centre has already received two awards around planning and design and best new social enterprise.

The partnership with Stratford District Council has also earned Spring an additional contract working with people in temporary accommodation which includes managing 41 units of accommodation ranging from shared houses up to 3 bed family houses and supporting those customers to move into permanent accommodation. This sits alongside the NSAP contract where we support and house rough sleepers in independent affordable accommodation.

Objectives and activities (continued)

Our work in housing rough sleepers through a housing first style initiative in Litchfield and Cannock continues to deliver excellent outcomes we co-hosted a visit from Government officials from DLUHC and our contract was extended in June 2022 for a further year before a retendering process.

The Community Digital Hub continues to grow, providing a range of digital opportunities and events for customers and local communities – membership of the Hub has grown greatly especially in response to isolation felt during Covid 19 with over 500 members now registered. To compliment this work, we have been awarded two grants from the NNS (Neighbourhood Network Scheme) to further support over 50's and under 50's (in particular those with a learning disability) to reduce the impact on and support Adult Social Care in the local area, (Perry Barr Ward).

● **Activities undertaken to achieve objectives**

Accommodation

The accommodation has been sourced through a selection of private landlords and charitable organisations which meet the needs of its customers in terms of living standards and location. The property stock is split between Spring Housing Association and Spring Community Homes with the majority managed by the subsidiary.

The stock is a mixture of self-contained flats and individual rooms which is used for the homeless and young people services. Along with properties ranging from 1 bed flats to 5-bedroom family homes used for the resettlement programme.

The general needs affordable accommodation managed by the charity, where possible, is let to individuals who were formally in supported accommodation but are now able to sustain their own tenancy.

At the end of the period the charity was managing a total of 990 units of accommodation across 19 different local authorities.

Employee Matters

Staff numbers have increased in the year which include the staff required to operate new services within Coventry, Stratford, and the resettlement schemes. There have also been new posts added to our back-office functions which provide support to enable our front-line teams and ensure our property standards are met.

As of the 30th September 2022 the Charity employed 126 staff with a mixture of full and part time posts.

Hestia House is the head office of the charity with many staff being based there, but there are other regional and satellite offices in Birmingham, Lichfield, Stratford and Coventry where staff are based to support the customers surrounding each location.

All staff are recruited through a safer recruitment programme and induction process to ensure they offer the highest levels of experience in their chosen area and are suitable to work with vulnerable adults and young people.

Spring Housing Association Limited
(A company limited by guarantee)

Trustees' Report (continued)
For the Year Ended 30 September 2022

Objectives and activities (continued)

• **Principal funding**

71% of the income received by the Charity is through rent and service charges with the majority coming via Housing Benefit or Universal Credit which is paid on a 28-day cycle.

24% of income comes through support contracts which has increased again this year with new commissioned services within Stratford upon Avon and through the Ukraine resettlement contract.

There has been large levels of grant managed by the charity this year with the largest portion received to fund the refurbishment works at the Fred Winter Centre within Stratford upon Avon. In addition to this there is the continuation of grants received for support services from both Reaching Communities through the Big Lottery and also Children in Need. Total grants made up 5% of turnover in this period.

Achievements and performance

• Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policy note.

• Review of activities

Accommodation

All of the properties managed within the group are leased, with the majority on short term agreements between 1 and 5 years. As of 30th September 2022, the total number of units in management were 990 which was a 17% increase on the previous year.

70% of the stock is used by the homeless service to provide shared and single accommodation within Birmingham, Stratford & Coventry homeless services. 21% of the stock is used as family homes for the customers in our resettlement services. 9% is general needs stock.

We continue to work with a core group of landlords who provide a large proportion of the accommodation used with the homeless services. However, we have a much more varied approach to procurement in the refugee services in order to obtain the right accommodation in the right areas for the incoming families. This can lead to a high number of different private landlords and letting agents being used.

We will continue to increase our accommodation but only with targeted growth which is in line with our existing contracts working with the local authorities specifically in the regions of Coventry, Stratford upon Avon and Solihull.

All stock is reviewed in terms of viability, and quality on a regular basis and any property which fails to meet the requirements will be handed back to the landlords at the next available break in the lease.

The Fred Winter Centre was refurbished in partnership with St Peters Housing Association and ownership of the asset has been split between the two organisations with the accommodation element being passed to St Peters and the rest of the building falling under Spring. The reason for this was so that St Peters could access a large portion of grant funding from Homes England which was to be used to fund the apartments element of the building. The actual cost to build the apartments was greater than the grant received by St Peters so the difference was then gifted to St Peters from Spring and is shown in the accounts as an outgoing grant.

Employment

The staffing structure has increased over the period to 126 members of staff across all services which is made up of a mixture of full and part time posts. This is an increase of 9% compared to the previous period.

The increase in posts has come from additional services and contracts starting in the year in the Coventry and Stratford areas which have seen the largest growth in the period.

Financial review

• Reserves policy

The current reserves policy is to hold cash or near cash equivalents that are sufficient to cover 3 months of committed expenditure for the charity. The levels of reserves have reduced in the last period with the additional funding required to complete the refurbishment of the Fred Winter Centre in Stratford upon Avon, so the aim is to rebuild this back to previous levels over the coming years.

• Review of the year

For the period ending 30 September 2022 the group had a turnover of £11,770,588 which was an increase of 10% compared to the previous year. The growth has come from an increase in the rental income generated by the additional units acquired in the year, additional support contracts started during the period and also several grants received in the year to complete the refurbishment works at the Fred Winter Centre and to fund some of its operations.

Refugee services has increases significantly with additional arrivals coming through Birmingham via its Afghan resettlement programme. There was also the delivery of the service through the Refugee Transitions outcomes fund and also the start of the Ukraine housing support contract.

The operating surplus for the period was £162,232 which is lower than the previous period where higher than expected levels of voids have reduced the level of rental income achievable. In addition to this the overall costs of running our properties has increased significantly with increases in fuel costs and material costs required to heat and maintain our properties.

Central and overheads were at a cost of £996,536 which is an increase on the previous period of 7% due to increased back office support costs and office running costs. This remains at 8.5% of turnover again this year which is below our maximum target of 10%.

Lease costs are the highest cost to the Charity which were at £4,850,531 in the period. This has increased on the previous period due to an increase in units managed within the homeless services in both Coventry and Stratford.

The next highest cost to the Charity is its staff costs which totalled £2,749,414 in the period, an increase of 14% compared to the last period with increased levels of staffing both in the resettlement teams to cover the new contracts and our new supported sites in Coventry and Stratford.

In order to complete the refurbishment of the Fred Winter Centre additional asset funding was acquired from 5 different lenders who were each able to secure a loan against the works completed to date at the centre. The total of this funding was £775,072 and was used exclusively to pay the builders for the refurbishment works which is repayable between 3 and 5 years. On top of the there was a loan agreed with Stratford District Council which again was used to pay the final build elements of the refurbishment and was agreed to be repaid over a 30 month period.

Cash held at the end of the period was £185,822 which has reduced compared to the previous period due to the investments made into the Fred Winter Centre.

● **Plans for future periods**

The Charity has taken the strategic decision to withdraw from any future arrivals through the resettlement process on the basis of the difficulty in sourcing viable homes that will be suitable for the families on a long term basis. We remain committed to support existing customers within throughout the agreed term of their support contract and will actively pursue further contracts within resettlement where the accommodation element does not fall on to Spring.

There are no major plans of any major expansion of services through we will continue to seek opportunities in both Stratford and Coventry as we look to firm up our position in these regions.

We are also aiming to increase the levels of accommodation in the Solihull region though this has proven difficult with ongoing price rises in what is already an expensive area.

One key aim is to increase our own reserves which was largely used in order to fund the Fred Winter Centre so we will be looking to start to rebuild this over the next couple of years.

It is still an ambition of the charity to own its own properties and we will continue to seek opportunities where this may be an option and by seeking various options of funding which could allow this to happen.

● **Funds held as custodian**

The charity does not hold any funds on behalf of others.

● **Financial risk management**

The Trustees have assessed the major risks to which the Group and the Charity are exposed, in particular those related to the operations and finances of the Group and the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Spring Housing Association Limited
(A company limited by guarantee)

Trustees' Report (continued)
For the Year Ended 30 September 2022

Disclosure of information to auditors

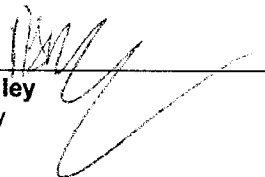
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The Trustees, having been notified of the cessation of the partnership known as Dains LLP, resolved that Dains Audit Limited be appointed as successor auditor with effect from 1 April 2022. The auditors, Dains Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Approved by order of the members of the board of Trustees on 2 March 2023 and signed on their behalf by:


D J Bradley
Secretary

Spring Housing Association Limited
(A company limited by guarantee)

Independent Auditors' Report to the Members of Spring Housing Association Limited

Opinion

We have audited the financial statements of Spring Housing Association Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 30 September 2022 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 30 September 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Independent Auditors' Report to the Members of Spring Housing Association Limited (continued)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 our 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 Trustees' Report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Independent Auditors' Report to the Members of Spring Housing Association Limited (continued)

Auditors' 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 Auditors' 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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3 were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

Spring Housing Association Limited
(A company limited by guarantee)

Independent Auditors' Report to the Members of Spring Housing Association Limited (continued)

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Dains Audit Limited

Andrew Morris FCA (Senior statutory auditor)

for and on behalf of
Dains Audit Limited

Statutory Auditor
Chartered Accountants

Birmingham

2 March 2023

Spring Housing Association Limited
(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 30 September 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	As restated Total funds 2021 £
	Note				
Income from:					
Donations and legacies	4	5,980	541,892	547,872	1,090,091
Charitable activities	5	10,776,910	192,800	10,969,710	9,359,400
Other income	6	253,006	-	253,006	272,985
Total income		11,035,896	734,692	11,770,588	10,722,476
Expenditure on:					
Charitable activities	7	11,104,651	503,705	11,608,356	9,973,377
Total expenditure		11,104,651	503,705	11,608,356	9,973,377
Net income/(expenditure)		(68,755)	230,987	162,232	749,099
Transfers between funds	16	908,368	(908,368)	-	-
Net movement in funds before other recognised losses		839,613	(677,381)	162,232	749,099
Other recognised gains/(losses):					
Fred Winter Centre capital grants	8	(374,372)	-	(374,372)	(306,163)
Net movement in funds		465,241	(677,381)	(212,140)	442,936
Reconciliation of funds:					
Total funds brought forward		2,315,921	1,032,383	3,348,304	2,905,368
Net movement in funds		465,241	(677,381)	(212,140)	442,936
Total funds carried forward		2,781,162	355,002	3,136,164	3,348,304

The notes on pages 21 to 43 form part of these financial statements.

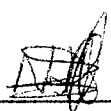
Spring Housing Association Limited
(A company limited by guarantee)
Registered number: 09244172

Consolidated Balance Sheet
As at 30 September 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	2,800,079	2,483,345
Current assets			
Debtors	13	2,013,946	1,863,976
Cash at bank and in hand		207,310	219,472
		<u>2,221,256</u>	<u>2,083,448</u>
Creditors: amounts falling due within one year	14	(1,089,811)	(1,158,279)
Net current assets		<u>1,131,445</u>	<u>925,169</u>
Total assets less current liabilities		<u>3,931,524</u>	<u>3,408,514</u>
Creditors: amounts falling due after more than one year	15	(795,360)	(60,210)
Total net assets		<u><u>3,136,164</u></u>	<u><u>3,348,304</u></u>
Charity funds			
Restricted funds:			
Restricted income funds	16	287,428	165,372
Restricted capital funds	16	67,574	867,011
		<u>355,002</u>	<u>1,032,383</u>
Total restricted funds	16	355,002	1,032,383
Unrestricted funds	16	2,781,162	2,315,921
Total funds		<u><u>3,136,164</u></u>	<u><u>3,348,304</u></u>

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

The financial statements were approved and authorised for issue by the Trustees on 2 March 2023 and signed on their behalf by:


N V De-Costa
Trustee

The notes on pages 21 to 43 form part of these financial statements.

Spring Housing Association Limited
(A company limited by guarantee)
Registered number: 09244172

Charity Balance Sheet
As at 30 September 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	2,800,079	2,483,345
Investments	12	-	-
		<u>2,800,079</u>	<u>2,483,345</u>
Current assets			
Debtors	13	2,034,900	1,863,941
Cash at bank and in hand		185,822	219,332
		<u>2,220,722</u>	<u>2,083,273</u>
Creditors: amounts falling due within one year	14	(1,089,277)	(1,158,104)
Net current assets		<u>1,131,445</u>	<u>925,169</u>
Total assets less current liabilities		<u>3,931,524</u>	<u>3,408,514</u>
Creditors: amounts falling due after more than one year	15	(795,360)	(60,210)
Total net assets		<u><u>3,136,164</u></u>	<u><u>3,348,304</u></u>
Charity funds			
Restricted funds:			
Restricted income funds	16	287,428	165,372
Restricted capital funds	16	67,574	867,011
Total restricted funds	16	<u>355,002</u>	<u>1,032,383</u>
Unrestricted funds	16	<u>2,781,162</u>	<u>2,315,921</u>
Total funds		<u><u>3,136,164</u></u>	<u><u>3,348,304</u></u>

The Charity's net movement in funds for the year was £(212,140) (2021 - £442,936).

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

The financial statements were approved and authorised for issue by the Trustees on 2 March 2023 and signed on their behalf by:


N V De-Costa
Trustee

The notes on pages 21 to 43 form part of these financial statements.

Spring Housing Association Limited
(A company limited by guarantee)

Consolidated Statement of Cash Flows
For the Year Ended 30 September 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	18	(122,625)	647,981
Cash flows from investing activities			
Proceeds from the sale of tangible fixed assets		17,201	15,344
Purchase of tangible fixed assets		(73,358)	(1,939,217)
Net cash used in investing activities		(56,157)	(1,923,873)
Cash flows from financing activities			
Cash inflows from new borrowing		444,500	55,000
Repayments of borrowing		(126,042)	(20,943)
Repayments of finance leases		(151,838)	-
Net cash provided by financing activities		166,620	34,057
Change in cash and cash equivalents in the year		(12,162)	(1,241,835)
Cash and cash equivalents at the beginning of the year		219,472	1,461,307
Cash and cash equivalents at the end of the year	19	207,310	219,472

The notes on pages 21 to 43 form part of these financial statements

Spring Housing Association Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 30 September 2022

1. General information

Spring Housing Association Limited is a charitable company limited by guarantee and not having share capital. It was incorporated on 1 October 2014 and registered as a charity on 11 August 2015. It commenced its activities on 10 November 2014.

Spring Community Homes Limited is a wholly owned subsidiary of Spring Housing Association Limited. It was registered on 7 March 2018 under the Co-operative and Community Benefit Societies Act 2014, and began its activities on 1 September 2018.

The principal object of the group is to carry on, for the benefit of the community, the business of providing, directly or indirectly, and managing housing and accommodation, and any associated facilities, amenities and services for persons in necessitous circumstances and aged, disabled (whether physically or mentally) or chronically sick people upon terms appropriate to their means; and any other charitable object that can be carried out from time to time by a registered society.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Spring Housing Association Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

2.3 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected income and expenditure, together with projected cashflows, for a period of 12 months from the date of authorising these financial statements, and concluded that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

2. Accounting policies (continued)

2.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Rental income is recognised from the point when properties are available for letting, net of any voids.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.5 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.

Charitable activities costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity.

All expenditure is inclusive of irrecoverable VAT.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	- Over the life of the lease
Motor vehicles	- 20% straight line
Fixtures and fittings	- 20% straight line
Office equipment	- 20% straight line
Computer equipment	- 20% straight line

2.7 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

2. Accounting policies (continued)

2.8 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.9 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

2.10 Debtors

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

2.11 Cash at bank and in hand

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

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.13 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2. Accounting policies (continued)

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Critical accounting estimates and areas of judgement

In the application of the charity's accounting policies, which are described above, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on experience and other factors that are considered to be relevant.

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing the asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual values consider such things as future market conditions, the remaining life of the asset and projected disposal values.

Management is required to exercise significant judgement in estimating the bad and doubtful debt provision, which takes into account the ageing of debt and management's assessment of the likelihood of recovery.

Actual results may differ from those estimated. The estimates underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Spring Housing Association Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 30 September 2022

4. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted income funds 2022 £	Restricted capital funds 2022 £	Total funds 2022 £
Donations	5,980	-	-	5,980
Grants	-	361,461	180,431	541,892
	<u>5,980</u>	<u>361,461</u>	<u>180,431</u>	<u>547,872</u>

The Group furloughed certain staff under the Government's Coronavirus Job Retention Scheme (CJRS). The funding received of £Nil (2021 - £39,233) relates to claims made in respect of the year.

	Unrestricted funds 2021 £	Restricted income funds 2021 £	Restricted capital funds 2021 £	Total funds 2021 £
Donations	481	-	-	481
Grants	-	255,377	795,000	1,050,377
Government grants	39,233	-	-	39,233
	<u>39,714</u>	<u>255,377</u>	<u>795,000</u>	<u>1,090,091</u>

Spring Housing Association Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 30 September 2022

5. Income from charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Rent, eligible service charges and property management income	8,506,442	52,220	8,558,662
Support income, care leavers and refugee services	1,960,319	140,580	2,100,899
Other charitable projects	310,149	-	310,149
	<u>10,776,910</u>	<u>192,800</u>	<u>10,969,710</u>

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Rent, eligible service charges and property management income	7,674,744	18,000	7,692,744
Support income, care leavers and refugee services	1,611,138	55,518	1,666,656
	<u>9,285,882</u>	<u>73,518</u>	<u>9,359,400</u>

6. Other income

	Unrestricted funds 2022 £	Total funds 2022 £
Other miscellaneous income	253,006	253,006

	Unrestricted funds 2021 £	Total funds 2021 £
Other miscellaneous income	272,985	272,985

Spring Housing Association Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 30 September 2022

7. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Housing provision	9,087,842	2,520,514	11,608,356

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Housing provision	7,952,294	2,021,083	9,973,377

Analysis of direct costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	1,108,436	1,085,701
Depreciation on vehicles, leasehold property and fixtures and fittings	202,157	55,305
Staff training and expenses	53,472	58,078
Property lease costs and write-offs	5,250,793	4,460,621
Property costs	2,124,832	1,680,672
Managing Agent's fees	337,490	312,063
Bad debt allowance	10,662	299,854
	9,087,842	7,952,294

Spring Housing Association Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 30 September 2022

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	1,640,978	1,329,529
Depreciation on office and computer equipment	40,028	36,849
Staff training and expenses	300,617	201,139
Office costs	220,559	204,430
Vehicle running costs and sundry support costs	36,134	29,559
Marketing costs	1,057	4,153
IT costs	85,592	76,966
Consultancy costs and bank charges	70,124	59,806
Audit and accountancy fees	32,046	37,754
Legal and professional fees	42,229	31,494
Interest payable	48,533	9,404
Loss on disposal of fixed assets	2,617	-
	<u><u>2,520,514</u></u>	<u><u>2,021,083</u></u>

8. Net movement in funds

This is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets owned by the charity	206,534	89,754
Depreciation of tangible fixed assets held under finance leases	35,654	2,400
Auditor's remuneration - audit of the group financial statements	15,900	15,150
Operating lease rentals	4,850,531	4,276,900
Fred Winter Centre capital grants	<u><u>374,372</u></u>	<u><u>306,163</u></u>

A capital grant was provided to assist St Peter's (Saltley) Housing Association Ltd in funding their element of the renovation of the Fred Winter Centre. The grant includes £269,263 (2021 - £Nil) of donated fixed assets.

Spring Housing Association Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 30 September 2022

9. Staff costs

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Wages and salaries	2,487,419	2,187,958	1,889,380	1,369,736
Social security costs	214,524	186,224	214,524	186,224
Pension contributions	47,471	41,048	47,471	41,048
	<u>2,749,414</u>	<u>2,415,230</u>	<u>2,151,375</u>	<u>1,597,008</u>

The average number of persons employed by the Charity during the year was as follows:

	Group 2022 No.	Group 2021 No.
Management and admin	18	11
Housing	37	47
Maintenance	13	8
Support	49	39
	<u>117</u>	<u>105</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022 No.	Group 2021 No.
In the band £70,001 - £80,000	1	1

The total compensation received by the key management of the charity during the year, including employer pension costs, was £72,571 (2021 - £76,317).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 30 September 2022, no Trustee expenses have been incurred (2021 - £NIL).

Spring Housing Association Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 30 September 2022

11. Tangible fixed assets

Group and Charity

	Long-term leasehold property £	Fred Winter Centre £	Motor vehicles £	Fixtures and fittings £	Computer and office equipment £	Assets under construction £	Total £
Cost							
At 1 October 2021	251,333	-	101,517	179,670	208,219	1,996,926	2,737,665
Additions	3,400	-	10,194	74,727	71,747	418,669	578,737
Disposals	-	-	(17,994)	(13,685)	(2,737)	-	(34,416)
Transfers	(75,420)	2,491,015	-	-	-	(2,415,595)	-
At 30 September 2022	179,313	2,491,015	93,717	240,712	277,229	-	3,281,986
Depreciation							
At 1 October 2021	42,156	-	43,517	65,745	102,902	-	254,320
Charge for the year	13,100	133,092	16,679	39,286	40,028	-	242,185
On disposals	-	-	(6,598)	(6,587)	(1,413)	-	(14,598)
At 30 September 2022	55,256	133,092	53,598	98,444	141,517	-	481,907
Net book value							
At 30 September 2022	124,057	2,357,923	40,119	142,268	135,712	-	2,800,079
At 30 September 2021	209,177	-	58,000	113,925	105,317	1,996,926	2,483,345

The net book value of assets held under finance leases was £475,791 (2021 - £4,800)

Spring Housing Association Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 30 September 2022

12. Fixed asset investments

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Principal activity
Spring Community Homes Limited	RS007733	Hestia House, Old Walsall Road, Birmingham, B42 1DT	Providing and managing housing and accommodation for persons in necessitous circumstances, on a not for profit basis.

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Surplus for the year £
Spring Community Homes Limited	7,806,253	7,803,766	2,487

The subsidiary had net assets of £Nil as at 30 September 2022 following a gift aided donation of the surplus to the parent charity (2021 - £Nil).

Spring Housing Association Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 30 September 2022

13. Debtors

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade debtors	1,473,024	1,310,461	1,473,024	1,310,461
Amounts owed by group undertakings	-	-	20,954	-
Other debtors	110,213	100,880	110,213	100,845
Prepayments and accrued income	430,709	452,635	430,709	452,635
	2,013,946	1,863,976	2,034,900	1,863,941

14. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Other loans	152,840	93,847	152,840	93,847
Trade creditors	313,435	714,252	313,435	714,252
Amounts owed to group undertakings	-	-	-	25
Other taxation and social security	59,732	49,367	59,732	49,367
Obligations under finance lease and hire purchase contracts	150,258	2,708	150,258	2,708
Other creditors	15,382	58,832	14,848	58,632
Accruals and deferred income	398,164	239,273	398,164	239,273
	1,089,811	1,158,279	1,089,277	1,158,104

Net obligations under finance leases and hire purchase contracts are secured on the related assets.

15. Creditors: Amounts falling due after more than one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Other loans	319,675	60,210	319,675	60,210
Net obligations under finance lease and hire purchase contracts	475,685	-	475,685	-
	795,360	60,210	795,360	60,210

Spring Housing Association Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 30 September 2022

Included within the above are amounts falling due as follows:

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Between one and two years				
Other loans	60,047	-	60,047	-
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>
Between two and five years				
Other loans	259,628	60,210	259,628	60,210
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>

Other loans includes an unsecured £250,000 Social Investment Business loan, being repaid over 5 years to December 2026, with a fixed interest rate of 7.9%.

Also included in other loans is an unsecured £185,000 loan from Stratford-on-Avon District Council repayable over 30 months at a fixed interest rate of 2.0%.

Spring Housing Association Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 30 September 2022

16. Statement of funds

Statement of funds - current year

	Balance at 1 October 2021 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 30 September 2022 £
Unrestricted funds						
Designated funds						
Fixed assets	1,616,334	-	(170,685)	(1,071,067)	-	374,582
Fred Winter Centre	-	-	-	2,357,923	-	2,357,923
	<u>1,616,334</u>	<u>-</u>	<u>(170,685)</u>	<u>1,286,856</u>	<u>-</u>	<u>2,732,505</u>
General funds						
General Funds	<u>699,587</u>	<u>11,035,896</u>	<u>(10,933,966)</u>	<u>(378,488)</u>	<u>(374,372)</u>	<u>48,657</u>
Total unrestricted funds	<u>2,315,921</u>	<u>11,035,896</u>	<u>(11,104,651)</u>	<u>908,368</u>	<u>(374,372)</u>	<u>2,781,162</u>

Spring Housing Association Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 30 September 2022

16. Statement of funds (continued)

	Balance at 1 October 2021 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 30 September 2022 £
Restricted income funds						
Refugee Action SVRPS	20,291	140,580	(101,464)	-	-	59,407
Big Lottery Fund Grant	118,445	-	(106,628)	-	-	11,817
Children In Need Grant	1,533	10,000	(9,052)	-	-	2,481
Children In Need Grant - Refugees	-	40,192	(35,512)	-	-	4,680
Nationwide	-	50,000	(22,480)	-	-	27,520
WCC	-	9,800	(1,180)	-	-	8,620
Police Crime Commissioner	-	5,000	(3,594)	-	-	1,406
Heart of England Community Garden	-	11,220	(724)	-	-	10,496
BCC NNS	4,456	74,982	(13,814)	-	-	65,624
BCC Misc	3,366	12,400	(15,900)	-	-	(134)
Reaching Communities - FWC	15,000	50,367	(29,766)	-	-	35,601
Stratford Town Trust	-	72,500	(32,447)	-	-	40,053
RSI 2021	1,679	52,220	(34,410)	-	-	19,489
Stratford Town Council	-	25,000	(25,000)	-	-	-
Other restricted funding	602	-	(234)	-	-	368
Total restricted income funds	165,372	554,261	(432,205)	-	-	287,428

Spring Housing Association Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 30 September 2022

16. Statement of funds (continued)

	Balance at 1 October 2021 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 30 September 2022 £
Restricted capital funds						
Midlands Together (Hestia House)	48,576	-	(2,993)	-	-	45,583
The Clothworker Foundation	23,435	-	(1,444)	-	-	21,991
Garfield Weston	200,000	-	(13,551)	(186,449)	-	-
Stratford District Council	310,000	90,000	(27,102)	(372,898)	-	-
26th May Charity Trust	25,000	-	(1,694)	(23,306)	-	-
Stratford Town Trust	60,000	25,000	(3,388)	(81,612)	-	-
Warwickshire County Council	200,000	-	(13,551)	(186,449)	-	-
HSBC	-	40,431	(3,712)	(36,719)	-	-
Bernard Sunley Foundation	-	25,000	(1,694)	(23,306)	-	-
Stratford Town Council	-	-	(2,371)	2,371	-	-
Total restricted capital funds	867,011	180,431	(71,500)	(908,368)	-	67,574
Total restricted funds	1,032,383	734,692	(503,705)	(908,368)	-	355,002
Total of funds	3,348,304	11,770,588	(11,608,356)	-	(374,372)	3,136,164

Spring Housing Association Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 30 September 2022

16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 October 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 September 2021 £
Unrestricted funds					
Designated funds					
Fixed assets	-	-	-	1,616,334	1,616,334
General funds					
General Funds	2,554,519	9,598,581	(9,837,179)	(1,616,334)	699,587
Total Unrestricted funds	2,554,519	9,598,581	(9,837,179)	-	2,315,921
Restricted income funds					
Refugee Action SVRPS	5,326	55,518	(40,553)	-	20,291
Big Lottery Fund Grant	156,602	97,497	(135,654)	-	118,445
Children In Need Grant	16,594	4,849	(19,910)	-	1,533
W M Strategic Migration Partnership	1,287	13,750	(15,037)	-	-
BCC - Production of the Charter of Rights	-	20,000	(20,000)	-	-
Children In Need Grant - Refugees	14,793	9,933	(24,726)	-	-
Nationwide	15,828	-	(15,828)	-	-
Postcode Lottery	17,270	-	(17,270)	-	-
Lotter Community Fund	32,525	-	(32,525)	-	-
Landaid	3,065	-	(3,065)	-	-
Landaid - kitchen fund	-	7,500	(7,500)	-	-
BCC - miscellaneous	9,293	15,542	(17,013)	-	7,822
Reaching Communities - FWC	-	15,000	-	-	15,000
Protect	-	52,039	(52,039)	-	-
RSI 2021	-	18,000	(16,321)	-	1,679
Other restricted funding	-	6,767	(6,165)	-	602
Fred Winter Centre - operations	-	12,500	(12,500)	-	-

Spring Housing Association Limited
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Notes to the Financial Statements
For the Year Ended 30 September 2022

16. Statement of funds (continued)

	Balance at 1 October 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 September 2021 £
Restricted capital funds					
Midlands Together (Hestia House)	53,387	-	(4,811)	-	48,576
The Clothworker Foundation	24,879	-	(1,444)	-	23,435
Garfield Weston	-	200,000	-	-	200,000
Stratford District Council	-	310,000	-	-	310,000
26th May Charity Trust	-	25,000	-	-	25,000
Stratford Town Trust	-	60,000	-	-	60,000
Warwickshire County Council	-	200,000	-	-	200,000
Total Restricted funds	350,849	1,123,895	(442,361)	-	1,032,383
Total of funds	2,905,368	10,722,476	(10,279,540)	-	3,348,304

Purpose of restricted funds

Refugee Action SVPRS

This project supports Syrian refugees resettling within Birmingham by providing furnished accommodation and support to the families.

Birmingham LIF Fund

This grant is from Birmingham City Council's Local Innovation Fund and is towards our Together We Can Make A Difference project. This project aims to engage the local community in business and enterprise and starting off your own business ideas.

Big Lottery Fund Grant

Is helping Spring be a place shaper and IT hub for the local community.

Children in Need Grant (YPS)

This fund is being used to deliver our Life-Hacks project within our young people services. This project offers a range of activities to our young people and provides equipment and support throughout the 3-year project.

WM Strategic Migration Partnership

This fund is being used to gain Open College Network accreditation for our Life-Hacks training programme, which is offered to unaccompanied asylum seeking children.

Birmingham City Council - Production of the Charter of Rights

This fund is being used to commission the production of a Charter of Rights with residents and former residents of supported 'exempt' accommodation to produce a voluntary code of practice.

Children in Need - Refugees

This project provides a family worker to specifically work with the children in the Syrian resettlement project.

Nationwide

This is to provide support and advice to those who are or who have suffered from modern day slavery.

Postcode Lottery

This grant is to be used towards creating and improving the green spaces on a number of Springs properties.

Lottery Community Fund

This fund is being used to support and accommodate those who have no recourse to public funds during the recent pandemic.

Homeless Link

This fund has been used specifically around our homeless services to provide support and accommodation services to those who are at risk of homelessness.

Notes to the Financial Statements
For the Year Ended 30 September 2022

Commonwealth Funding

This fund was used to support the research into exempt accommodation.

Landaid

This fund is being used to provide equipment and communications to those living alone to help reduce isolation during the recent pandemic.

Midlands Together (Hestia House)

This funding was a capital contribution towards the works required to renovate the ground floor at Hestia House into an office space and community hub.

The Clothworkers Foundation

These funds were used towards the capital refurbishment project at Hestia House to create a community and ICT Hub.

Garfield Weston / Stratford District Council / 26th May Charity Trust / Stratford Town Trust / Warwickshire County Council / HSBC / Bernard Sunley Foundation / Stratford Town Council

Capital grant funding received towards the development of the Fred Winter Centre, a new community hub supporting local people in Stratford-upon-Avon, with a focus on providing housing plus a range of services which address homelessness and hardship.

These funds have been transferred out of restricted capital funds after the satisfaction of the restrictions attached to the funding, following completion of the Fred Winter Centre development in the year.

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted income funds 2022 £	Restricted capital funds 2022 £	Total funds 2022 £
Tangible fixed assets	2,732,505	-	67,574	2,800,079
Current assets	1,933,828	287,428	-	2,221,256
Creditors due within one year	(1,089,811)	-	-	(1,089,811)
Creditors due in more than one year	(795,360)	-	-	(795,360)
Total	2,781,162	287,428	67,574	3,136,164

Spring Housing Association Limited
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Notes to the Financial Statements
For the Year Ended 30 September 2022

17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted income funds 2021 £	Restricted capital funds 2021 £	Total funds 2021 £
Tangible fixed assets	1,616,334	-	867,011	2,483,345
Current assets	1,918,076	165,372	-	2,083,448
Creditors due within one year	(1,158,279)	-	-	(1,158,279)
Creditors due in more than one year	(60,210)	-	-	(60,210)
Total	2,315,921	165,372	867,011	3,348,304

18. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2022 £	Group 2021 £
Net income for the year (as per Statement of Financial Activities)	162,232	749,099
Adjustments for:		
Depreciation charges	242,185	92,154
Fred Winter Centre capital grants	(374,372)	(306,163)
Donated fixed assets	269,693	-
Loss on the sale of fixed assets	2,617	250
Increase in debtors	(149,970)	(411,417)
(Decrease)/increase in creditors	(275,010)	524,058
Net cash provided by/(used in) operating activities	(122,625)	647,981

19. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash at bank and in hand	207,310	219,472

Spring Housing Association Limited
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Notes to the Financial Statements
For the Year Ended 30 September 2022

20. Analysis of changes in net debt

	At 1 October 2021 £	Cash flows £	New finance leases £	At 30 September 2022 £
Cash at bank and in hand	219,472	(12,162)	-	207,310
Debt due within 1 year	(93,847)	(58,993)	-	(152,840)
Debt due after 1 year	(60,210)	(259,465)	-	(319,675)
Finance leases	(2,708)	151,838	(775,073)	(625,943)
	<u>62,707</u>	<u>(178,782)</u>	<u>(775,073)</u>	<u>(891,148)</u>

21. Capital commitments

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Contracted for but not provided in these financial statements				
Construction of tangible fixed assets	-	362,899	-	362,899

Spring Housing Association Limited
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Notes to the Financial Statements
For the Year Ended 30 September 2022

22. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £47,471 (2021 - £41,048). Contributions of £9,988 (2021 - £9,135) were payable to the fund at the balance sheet date and are included in creditors.

23. Operating lease commitments

At 30 September 2022 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Not later than 1 year	1,059,471	842,887	473,553	304,540
Later than 1 year and not later than 5 years	1,945,518	1,346,948	1,118,883	792,677
Later than 5 years	2,759,985	1,525,918	2,598,333	1,500,000
	<u>5,764,974</u>	<u>3,715,753</u>	<u>4,190,769</u>	<u>2,597,217</u>

24. Related party transactions

On 30 September 2022, Spring Community Homes Limited donated its surplus for the year of £2,487 (2021 - £2,803).

During the year, Spring Housing Association received an advance from the Group Chief Executive of £2,000. This was repaid within the year leaving a £Nil balance owing at the balance sheet date.

25. Controlling party

The group is controlled by the Board of Trustees.

SPRING HOUSING ASSOCIATION LIMITED

England & Wales - Charity number 1163098

Accounts

Registered number: 09244172
Charity number: 1163098

Spring Housing Association Limited

Trustees' report and financial statements

For the Year Ended 30 September 2021



Spring Housing Association Limited
(A company limited by guarantee)

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Spring Housing Association Limited
(A company limited by guarantee)

Reference and administrative details of the Charity, its Trustees and advisers
For the Year Ended 30 September 2021

Trustees T J M Clark, Chair (resigned 28 September 2021)
K L Moore, appointed Chair 30 November 2021
D R Bindert
N V De-Costa
P B Hibbert (resigned 8 December 2020)
R Ikram
N Owen
D J Saunders
N Sunder
L Cannon (appointed 28 September 2021)

Company registered number 09244172

Charity registered number 1163098

Registered office Hestia House
22 Old Walsall Road
Birmingham
B42 1DT

Company secretary D J Bradley

Group Chief Executive D J Bradley

Independent auditors Dains LLP
15 Colmore Row
Birmingham
B3 2BH

Solicitors Anthony Collins Solicitors
134 Edmund Street
Birmingham
B3 2ES

Higgs & Sons
3 Waterfront Business Park
Brierley Hill
Dudley
DY5 1LX

Bankers Barclays Bank Plc
66 Oxford Street
Kidderminster
DY10 1BL

Spring Housing Association Limited
(A company limited by guarantee)

Trustees' Report
For the Year Ended 30 September 2021

The Trustees (who are also directors of the Charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Spring Housing Association (the Charity) and Spring Community Homes Limited (the subsidiary) for the year 1 October 2020 to 30 September 2021. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Spring Housing Association Limited is a charitable company limited by guarantee and not having share capital. It was incorporated on 1 October 2014 and registered as a charity on 11 August 2015. It commenced its activities on 10 November 2014.

The charitable company's policy and operations are governed by its Memorandum and Articles of Association.

Spring Community Homes Limited is a wholly owned subsidiary of Spring Housing Association Limited. It was registered on 7 March 2018 under the Co-operative and Community Benefit Societies Act 2014.

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and activities

a. Constitution

The charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 1 October 2014 which were revised in July 2018. It is also a registered charity number 1163098.

The principal object of the charity is to carry on, for the benefit of the community, the business of providing housing and associated amenities for persons in necessitous circumstances upon terms appropriate to their means and providing for persons in need thereof housing and any associated amenities especially designed or adapted to meet the disabilities and requirements of such persons. Such business is to be run on a not for profit basis.

The subsidiary is registered under the Co-operative and Community Benefit Societies Act 2014 under the society's rules approved on 13 February 2018.

The society is formed for the benefit of the community in providing, directly or indirectly, and managing housing and accommodation, and any associated facilities, amenities and services for persons in necessitous circumstances and aged, disabled (whether physically or mentally) or chronically sick people upon terms appropriate to their means.

Objectives and activities (continued)

b. Methods of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

The management of the subsidiary is the responsibility of its members who are elected under the society's rules.

The members of the Boards maintain a good range of skills and expertise in order to govern the group and are monitored annually by appraisal to form a skills matrix.

New trustees are appointed by placing advertisements with BVSC and through direct applications. The process requires potential Trustees to submit a CV detailing qualifications, skills and their motivation for joining. All CVs are reviewed by existing Trustees, and individuals with appropriate skills are invited for interview. If the applicant is considered to have skills that would enhance the operation of the Board, this is assessed against our annual review of governance where we identify where there are skills gaps. A prospective board member is invited to attend a Board meeting as an observer and if, after that, they still wish to become a Trustee they will be invited to join the Board.

c. Policies adopted for the induction and training of Trustees

Each new Trustee is inducted into the charity by meeting with other Trustees and executive officers and being offered a shadow place on the Board prior to joining.

Along with our regular Board meetings, we hold Board away days which is an opportunity to invite consultants who have a good understanding of charity and housing governance to help guide the Trustees through the governance process.

d. Organisational structure and decision making

The Board of Trustees has overall responsibility for the management of the group, its strategic direction and decision making. However, day to day responsibility for running the affairs of the charity and its subsidiary is delegated to the charity's Directors and the Senior Team.

The Board of Trustees for the charity meet at least once a quarter with a separate meeting being held for the subsidiary and its members.

Each board meeting is structured to have one or two main themes linked to a corporate calendar as well as considering specific business that has arisen since the previous meeting. Main themes include the business plan and strategic direction, performance of existing contracts, setting budgets, reviewing accounts and reviewing the corporate risk register.

The Company Secretary is also the Group Chief Executive who is paid for his capacity as Group Chief Executive and not for his role as company secretary.

The group has adopted the National Housing Federation code of governance to ensure a high level of conduct and integrity is in place. A self-assessment is carried out by the board annually to ensure it continues to meet the requirements of the code.

Objectives and activities (continued)

e. Risk management

There is a risk management plan in place which focusses on the major risks to which the charity and its subsidiary are exposed. The plan focusses on the financial risks, operational risks, governance risks and compliance risks faced by the group.

The plan sets out the effects of each of the risks facing the charity including the controls and mitigations in place to minimise the risk and is reviewed by the board on a regular basis to monitor both the likelihood and severity of each identified risk. The plan is a regular agenda item at Trustee meetings and will focus on areas where likelihood and severity are seen to have changed.

The Trustees have also adopted a risk management strategy which incorporates a strategic risk register to focus on specific strategic risks affecting the group and the mitigations which are in place.

f. Policies and objectives

The Trustees consider they have had regard to the Charity Commission guidelines on public benefit and have established the following aims, objectives, vision and mission.

The objectives of the charity given in the Memorandum of Association are:

"to carry on for the benefit of the community the business of providing housing and any associated amenities for persons in necessitous circumstances upon terms appropriate to their means",

and

"providing for persons in need thereof housing and any associated amenities especially designed or adapted to meet the disabilities and requirements of such persons"

Our Aims:

- To provide high quality accommodation for people in housing need.
- To prevent and reduce homelessness.
- To assist people on a journey away from housing need towards a future of stability, happiness and independence.

In addition to the above we aim to remain an independent organisation.

Mission Statement:

"To create long term prosperity by investing to prevent homelessness and social isolation"

Objectives and activities (continued)

g. Strategies for achieving objectives

The Charity has continued to grow and has expanded the number of services it is operating and also the regions it is now operating within.

It continues to operate its Vulnerable Adults Housing and Wellbeing support contracts which have now been fully embedded successfully into the charity and are now approaching the end of year 2 in delivering this support across the four contracts which support homeless, young adults and ex-offenders.

Due to the ongoing pandemic, there has been increasing delays to new arrivals within the Birmingham resettlement service however the Charity has welcomed a further 9 families to the service this year and there are also several families who started on this project who are now in their year 5 of the project.

In addition to our general refugee resettlement programme, we have also been able to widen our offer due the emergency in Afghanistan where we have been commissioned in both Birmingham and Staffordshire to house and support 120 people who are connected to the UK through their work with the British Military.

Spring has expanded its services into Coventry with a 24-hour supported homeless project in Radford Road which opened in January 2021 and houses up to 24 vulnerable adults this has been commissioned as a complex needs service by Coventry City Council.

Spring has also opened its first 10 supported units of accommodation in Solihull in partnership with Solihull MBC which welcomed its first customers in January 2021 with the aim to expand the accommodation available within this region in the coming years.

The Charity has continued to work with Birmingham City Council with the Charter of Rights publication and research into living standards within exempt accommodation. 66 organisations have now signed up to the charter with the publication referenced in both the National Statement of Expectations for Supported Housing and the recently published Kerslake Report.

Spring has continued into its ground breaking research into women who are rough sleeping. Throughout 2020, our best practice lead carried out a research and learning project in Birmingham around a 'women-specific' funding stream that formed part of Year 3 of the Rough Sleepers' Initiative. This report, published in March 2021 as Violence Under Quiet Conditions, looked in depth at the experiences of women who were deemed to be rough sleeping, or at risk of doing so, and the experiences of the practitioners and stakeholders who worked alongside them. This work, continuing into 2022, seeks to understand and highlight how women's experiences of 'rough sleeping' do not always, or often, align with those of men, and how women's backgrounds, needs, and structural and systemic position as women need to be taken into account at funding, policy and practice levels. It seeks to continue to explore and put forward alternative ways to conceive of women's experiences of 'rough sleeping'; evidence the structural and systemic problems that compound women's experiences, and make recommendations around future funding, strategy, and practice. Spring held awareness and information event on our Birthday on 10th November which had 167 professionals, practitioners and experts by experience who attended the online the event, with a follow planned this year.

Services have continued to be affected by the pandemic and the Charity has adapted its working practices to protect its customers and its workforce. It also continues to support those customers with no recourse to public funds to ensure they have a place to live while pursuing their right to remain.

Spring has also led on the refurbishment of the Fred Winter Centre in Stratford Upon Avon which will become 15 units of accommodation to be made available to those at risk of homelessness in the district and also home a multi-agency support office offering support, training and employment. The refurbishment works are nearing the end with the centre due to open early 2022.

Objectives and activities (continued)

h. Activities undertaken to achieve objectives

Accommodation

The accommodation has been sourced through a selection of private landlords and charitable organisations which meet the needs of its customers in terms of living standards and location. The property stock is split between Spring Housing Association and Spring Community Homes with the majority managed by the subsidiary.

The stock is a mixture of self-contained flats and individual rooms which is used for the homeless and young people services. Along with properties ranging from 1 bed flats to 5-bedroom family homes used for the Syrian and Afghan family resettlement programme.

The general needs affordable accommodation managed by the charity, where possible, is let to individuals who were formally in supported accommodation but are now able to sustain their own tenancy.

At the end of the period the charity was managing a total of 848 units of accommodation across 21 different local authorities.

Employee Matters

Staff numbers have increased in the year which include the staff required to operate new services within Coventry, Solihull, and the Afghan schemes. Staffing numbers have also been increased across our housing support services with increase in staff within our Housing, Maintenance, and cleaning teams. There have also been new posts added to our back-office functions which provide support to enable our front-line teams and ensure our property standards are met.

As of the 30th September 2021 the Charity employed 115 staff with a mixture of full and part time posts and remains a living wage employer and accredited through Living wage Foundation.

Hestia House is the head office of the charity with many staff being based there, but there are other regional and satellite offices in Birmingham, Lichfield, and Coventry where staff are based to support the customers surrounding each location.

Significant investment has been made to our ICT infrastructure within the year which has helped to support the workforce through remote and hybrid working patterns becoming more normal.

All staff are recruited through a safer recruitment programme and induction process to ensure they offer the highest levels of experience in their chosen area and are suitable to work with vulnerable adults and young people.

Spring Housing Association Limited
(A company limited by guarantee)

Trustees' Report (continued)
For the Year Ended 30 September 2021

Objectives and activities (continued)

i. Programme related investments

Most of the income received by the Charity is in the form of Housing Benefit which is paid on a 28-day cycle. In addition to this, there has been a steady increase in the levels of Universal Credit received as the numbers of customers receiving this benefit increases.

Support contracts have continued to increase with extension to the rough sleeper support contract within Lichfield and Cannock and new commissioned services within Coventry and Stratford upon Avon.

There has been a significant increase in the levels of grant managed by the charity this year with the largest portion received to fund the refurbishment works at the Fred Winter Centre within Stratford upon Avon. In addition to this there is the continuation of grants received for support services from both Reaching Communities through the Big Lottery and also Children in Need.

Achievements and performance

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policy note.

b. Review of activities

Accommodation

All of the properties managed within the group are leased, with the majority on short term agreements between 1 and 5 years. As of 30th September 2021, the total number of units in management were 848 which was a 7% increase on the previous year.

65% of the stock is used by the homeless service to provide shared and single accommodation within the Birmingham homeless service with a further 4% offering the same service in other regions. 27% of the stock is used as family homes for the customers in our resettlement services. 4% is general needs stock.

12% of the stock is managed by Spring Housing Association and the remaining 88% is managed by Spring Community Homes.

We continue to work with a core group of landlords who provide a large proportion of the accommodation used with the homeless services. However, we have a much more varied approach to procurement in the refugee services in order to obtain the right accommodation in the right areas for the incoming families. This can lead to a high number of different private landlords and letting agents being used.

We will continue to increase our accommodation but only with targeted growth which is in line with our existing contracts working with the local authorities specifically in the regions of Coventry, Stratford upon Avon and Solihull.

All stock is reviewed in terms of viability, and quality on a regular basis and any property which fails to meet the requirements will be handed back to the landlords at the next available break in the lease.

Employment

The staffing structure has increased over the period to 115 members of staff across all services which is made up of a mixture of full and part time posts. This is an increase of 17% compared to the previous period.

The increase in posts has come from additional services and contracts starting in the year but also an increase in the housing support services and back-office posts required to strengthen the infrastructure of the workforce. Despite this investment our central costs were at 8.5% this insured, we met our target of never being more than 10% of turnover since Springs formation in 2014.

Trustees' Report (continued)
For the Year Ended 30 September 2021

Financial review

a. Reserves policy

The current reserves policy is to hold cash or near cash equivalents that are sufficient to cover 3 months of committed expenditure for the charity. The levels of reserves have reduced in the last period with the additional funding required to complete the refurbishment of the Fred Winter Centre in Stratford upon Avon, so the aim is to rebuild this back to previous levels over the coming years.

b. Principal funding

For the period ending 30th September 2021 the group had a turnover of £10,722,476 which was an increase of 13% compared to the previous year. The growth has come from an increase in the rental income generated by the additional units acquired in the year and also an increase in the grants received in the year due to the funding received to complete the refurbishment works at the Fred Winter Centre.

Refugee services income has dropped slightly on the previous year which was partly down to the postponement of several arrivals planned in the year and also reaching the end of the contracts in some areas. Care leavers support income has also dropped due to the planned reduction in numbers of customers supported through this agreement.

The surplus for the period was £442,936 which is lower than the previous period where higher than expected levels of voids have reduced the level of rental income achievable. In addition to this the level of maintenance spend increased by 57% caused by an investment in property standards but also to ensure the regulatory guidelines were met across all sites.

Central and overheads were at a cost of £933,141 which is an increase on the previous period of 32% due to increased back office support costs and also increased compliance inspections. This is 8.5% of turnover which is below our maximum target of 10%.

Lease costs are the highest cost to the Charity which were at £4,276,900 in the period. This has increased on the previous period due to an increase in units managed within the homeless services.

The next highest cost to the Charity is its staff costs which totalled £2,415,230 in the period which is an increase of 28% compared to the last period with increased levels of staffing both in the back-office support and also the within our housing and maintenance teams.

The largest area of investment is towards the redevelopment of the Fred Winter Centre which as at the end of the period had an increase in £1.7m worth of assets to cover the build works and professional fees associated with the refurbishment. In addition to this there was further investment in IT to support the expanding workforce and also in additional vans required for the maintenance team.

Cash held at the end of the period was £219,472 which has reduced compared to the previous period due to the investments made into the Fred Winter Centre.

c. Plans for future periods

The Charity plans to open an additional 24 hour site in Earlsdon, Coventry which will be a step down service and able to accommodate an additional 27 people who have experienced Homelessness in the region to complement the existing Radford Road scheme.

The Charity is due to commence a service in both Birmingham and Coventry for the Refugee Transitions Outcome Fund which aims to support in both accommodation and employment to newly arrived refugees.

There is still a commitment to provide family homes in both Birmingham, Staffordshire, Wolverhampton and Herefordshire for the resettlement services so will continue to source suitable accommodation and provide the support needed to those families up until the end of March 2022.

Additional units of accommodation will be sought in the regions of Coventry, Stratford and Solihull and will aim to seek separate commissioned services for support of people experiencing homelessness within these regions.

The Fred Winter Centre will be opening early 2022 with the first services starting to operate and customers moving into the accommodation within this multi-agency hub which will be the first of its kind to operate within the region.

The research and work around women rough sleepers and the Charter of Rights will continue with the aim to increase the number of organisations signed up and engaging.

The Charity also has its ambition to own its own properties and has several opportunities on offer which will be reviewed during the year which should bring the first assets onto the books.

d. Funds held as custodian

The charity does not hold any funds on behalf of others.

Spring Housing Association Limited
(A company limited by guarantee)

Trustees' Report (continued)
For the Year Ended 30 September 2021

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Dains LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 3 March 2022 and signed on their behalf by:


D J Bradley
Secretary

Spring Housing Association Limited
(A company limited by guarantee)

Independent auditors' report to the Members of Spring Housing Association Limited

Opinion

We have audited the financial statements of Spring Housing Association Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 30 September 2021 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 30 September 2021 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Spring Housing Association Limited
(A company limited by guarantee)

Independent auditors' report to the Members of Spring Housing Association Limited (continued)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 our 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 Trustees' Report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.

Independent auditors' report to the Members of Spring Housing Association Limited (continued)

Responsibilities of trustees

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

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

Auditors' 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 Auditors' 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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Spring Housing Association Limited
(A company limited by guarantee)

Independent auditors' report to the Members of Spring Housing Association Limited (continued)

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3 were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

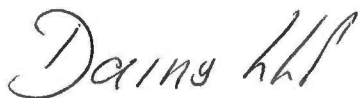
- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Morris FCA (Senior statutory auditor)

for and on behalf of
Dains LLP

Statutory Auditor
Chartered Accountants

Birmingham

3 March 2022

Spring Housing Association Limited
(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 30 September 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	4	39,714	1,050,377	1,090,091	470,706
Charitable activities	5	9,285,882	73,518	9,359,400	8,796,901
Other income	6	272,985	-	272,985	237,885
Total income		9,598,581	1,123,895	10,722,476	9,505,492
Expenditure on:					
Charitable activities	7	9,837,179	442,361	10,279,540	8,032,307
Total expenditure		9,837,179	442,361	10,279,540	8,032,307
Net movement in funds		(238,598)	681,534	442,936	1,473,185
Reconciliation of funds:					
Total funds brought forward	16	2,554,519	350,849	2,905,368	1,432,183
Net movement in funds		(238,598)	681,534	442,936	1,473,185
Total funds carried forward	16	2,315,921	1,032,383	3,348,304	2,905,368

The notes on pages 21 to 41 form part of these financial statements.

Spring Housing Association Limited
(A company limited by guarantee)
Registered number: 09244172

Consolidated Balance Sheet
As at 30 September 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	2,483,345	651,876
Current assets			
Debtors	13	1,863,976	1,452,559
Cash at bank and in hand		219,472	1,461,307
		<u>2,083,448</u>	<u>2,913,866</u>
Creditors: amounts falling due within one year	14	(1,158,279)	(558,963)
Net current assets		<u>925,169</u>	<u>2,354,903</u>
Total assets less current liabilities		<u>3,408,514</u>	<u>3,006,779</u>
Creditors: amounts falling due after more than one year	15	(60,210)	(101,411)
Total net assets		<u><u>3,348,304</u></u>	<u><u>2,905,368</u></u>
Charity funds			
Restricted funds:			
Restricted income funds	16	165,372	272,583
Restricted capital funds	16	867,011	78,266
Total restricted funds	16	<u>1,032,383</u>	<u>350,849</u>
Unrestricted funds	16	<u>2,315,921</u>	<u>2,554,519</u>
Total funds		<u><u>3,348,304</u></u>	<u><u>2,905,368</u></u>

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

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

The financial statements were approved and authorised for issue by the Trustees on 3 March 2022 and signed on their behalf by:


K L Moore
Chair

The notes on pages 21 to 41 form part of these financial statements.

Spring Housing Association Limited
(A company limited by guarantee)
Registered number: 09244172

Charity Balance Sheet
For the Year Ended 30 September 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	2,483,345	651,876
Investments	12	-	-
		<u>2,483,345</u>	<u>651,876</u>
Current assets			
Debtors	13	1,863,941	1,452,658
Cash at bank and in hand		219,332	1,461,208
		<u>2,083,273</u>	<u>2,913,866</u>
Creditors: amounts falling due within one year	14	(1,158,104)	(558,963)
Net current assets		<u>925,169</u>	<u>2,354,903</u>
Total assets less current liabilities		<u>3,408,514</u>	<u>3,006,779</u>
Creditors: amounts falling due after more than one year	15	(60,210)	(101,411)
Total net assets		<u><u>3,348,304</u></u>	<u><u>2,905,368</u></u>
Charity funds			
Restricted funds:			
Restricted income funds	16	165,372	272,583
Restricted capital funds	16	867,011	78,266
		<u>1,032,383</u>	<u>350,849</u>
Total restricted funds	16	1,032,383	350,849
Unrestricted funds	16	2,315,921	2,554,519
Total funds		<u><u>3,348,304</u></u>	<u><u>2,905,368</u></u>

Spring Housing Association Limited
(A company limited by guarantee)
Registered number: 09244172

Charity Statement of financial position (continued)
30 September 2021

The Charity's net movement in funds for the year was £442,936 (2020 - £1,473,185).

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

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

The financial statements were approved and authorised for issue by the Trustees on 3 March 2022 and signed on their behalf by:



K L Moore
Chair

The notes on pages 21 to 41 form part of these financial statements.

Spring Housing Association Limited
(A company limited by guarantee)

Consolidated Statement of Cash Flows
For the Year Ended 30 September 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	18	647,981	1,257,017
Cash flows from investing activities			
Proceeds from the sale of tangible fixed assets		15,344	-
Purchase of tangible fixed assets		(1,939,217)	(338,800)
Net cash used in investing activities		(1,923,873)	(338,800)
Cash flows from financing activities			
Cash inflows from new borrowing		55,000	120,000
Repayments of borrowing		(20,943)	-
Net cash provided by financing activities		34,057	120,000
Change in cash and cash equivalents in the year		(1,241,835)	1,038,217
Cash and cash equivalents at the beginning of the year		1,461,307	423,090
Cash and cash equivalents at the end of the year	19	219,472	1,461,307

The notes on pages 21 to 41 form part of these financial statements

Spring Housing Association Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 30 September 2021

1. General information

Spring Housing Association Limited is a charitable company limited by guarantee and not having share capital. It was incorporated on 1 October 2014 and registered as a charity on 11 August 2015. It commenced its activities on 10 November 2014.

Spring Community Homes Limited is a wholly owned subsidiary of Spring Housing Association Limited. It was registered on 7 March 2018 under the Co-operative and Community Benefit Societies Act 2014, and began its activities on 1 September 2018.

The principal object of the group is to carry on, for the benefit of the community, the business of providing, directly or indirectly, and managing housing and accommodation, and any associated facilities, amenities and services for persons in necessitous circumstances and aged, disabled (whether physically or mentally) or chronically sick people upon terms appropriate to their means; and any other charitable object that can be carried out from time to time by a registered society.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Spring Housing Association Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

2.3 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for a period of 12 months from the date of authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. Accounting policies (continued)

2.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.5 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.

Charitable activities costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	- 5% straight line
Motor vehicles	- 20% straight line
Fixtures and fittings	- 20% straight line
Office equipment	- 20% straight line
Computer equipment	- 20% straight line

2. Accounting policies (continued)

2.7 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

2.8 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.9 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

2.10 Debtors

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

2.11 Cash at bank and in hand

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

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.13 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2. Accounting policies (continued)

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Critical accounting estimates and areas of judgement

In the application of the charity's accounting policies, which are described above, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on experience and other factors that are considered to be relevant.

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing the asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual values consider such things as future market conditions, the remaining life of the asset and projected disposal values.

Management is required to exercise significant judgement in estimating the bad and doubtful debt provision, which takes into account the ageing of debt and management's assessment of the likelihood of recovery.

Actual results may differ from those estimated. The estimates underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Spring Housing Association Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 30 September 2021

4. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted income funds 2021 £	Restricted capital funds 2021 £	Total funds 2021 £
Donations	481	-	-	481
Grants	-	255,377	795,000	1,050,377
Government grants	39,233	-	-	39,233
	<u>39,714</u>	<u>255,377</u>	<u>795,000</u>	<u>1,090,091</u>

The Group furloughed certain staff under the Government's Coronavirus Job Retention Scheme (CJRS). The funding received of £39,233 (2020 - £39,794) relates to claims made in respect of the year.

	Unrestricted funds 2020 £	Restricted income funds 2020 £	Restricted capital funds 2020 £	Total funds 2020 £
Donations	3,450	-	-	3,450
Grants	-	352,927	-	352,927
Government grants	114,329	-	-	114,329
	<u>117,779</u>	<u>352,927</u>	<u>-</u>	<u>470,706</u>

Spring Housing Association Limited
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Notes to the Financial Statements
For the Year Ended 30 September 2021

5. Income from charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Rent, eligible service charges and property management income	9,285,882	73,518	9,359,400

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Rent, eligible service charges and property management income	8,744,305	52,596	8,796,901

6. Other income

	Unrestricted funds 2021 £	Total funds 2021 £
Other miscellaneous income	272,985	272,985

	Unrestricted funds 2020 £	Total funds 2020 £
Modern day slavery funding	17,996	17,996
Other miscellaneous income	219,889	219,889
	237,885	237,885

Spring Housing Association Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 30 September 2021

7. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Grant funding of activities 2021 £	Support costs 2021 £	Total funds 2021 £
Housing provision	7,952,294	306,163	2,021,083	10,279,540

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Housing provision	6,632,534	1,399,773	8,032,307

Analysis of direct costs

	Total funds 2021 £	Total funds 2020 £
Staff costs	1,085,701	913,529
Depreciation on vehicles, leasehold property and fixtures and fittings	55,305	40,587
Staff training and expenses	58,078	38,693
Property lease costs and write-offs	4,460,621	4,244,713
Property costs	1,680,672	1,186,074
Managing Agent's fees	312,063	255,612
Bad debt allowance	299,854	(46,674)
	<u>7,952,294</u>	<u>6,632,534</u>

Spring Housing Association Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 30 September 2021

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Staff costs	1,329,529	978,788
Depreciation on office and computer equipment	36,849	29,337
Staff training and expenses	201,139	62,343
Office costs	204,430	183,896
Vehicle running costs and sundry support costs	29,559	19,509
Marketing costs	4,153	7,474
IT costs	76,966	57,177
Consultancy costs and bank charges	59,806	31,681
Audit and accountancy fees	37,754	16,620
Legal and professional fees	31,494	6,925
Interest payable	9,404	6,023
	<u>2,021,083</u>	<u>1,399,773</u>

Analysis of grants

	Grants to Institutions 2021 £	Total funds 2021 £	Total funds 2020 £
Grant paid to St Peter's (Saltley) Housing Association Ltd	306,163	306,163	-

The above was a capital grant paid to assist St Peter's (Saltley) Housing Association Ltd in funding their element of the renovation of the Fred Winter Centre, a new community hub supporting local people in Stratford-upon-Avon, with a focus on providing housing plus a range of services which address homelessness and hardship.

Spring Housing Association Limited
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Notes to the Financial Statements
For the Year Ended 30 September 2021

8. Net income/(expenditure)

This is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets owned by the charity	89,754	62,480
Depreciation of tangible fixed assets held under finance leases	2,400	7,444
Auditor's remuneration - audit of the group financial statements	15,150	14,700
Operating lease rentals	4,276,900	3,953,810
	4,384,204	4,038,434

9. Staff costs

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Wages and salaries	2,187,958	1,719,536	1,369,736	833,784
Social security costs	186,224	139,009	186,224	139,009
Pension contributions	41,048	33,772	41,048	33,772
	2,415,230	1,892,317	1,597,008	1,006,565

The average number of persons employed by the Charity during the year was as follows:

	Group 2021 No.	Group 2020 No.
Management and admin	11	11
Housing	47	45
Maintenance	8	6
Support	39	27
	105	89

Spring Housing Association Limited
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Notes to the Financial Statements
For the Year Ended 30 September 2021

9. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2021 No.	Group 2020 No.
In the band £60,001 - £70,000	1	1

The total compensation received by the key management of the charity during the year, including employer pension costs, was £76,317 (2020 - £66,314).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 30 September 2021, no Trustee expenses have been incurred (2020 - £NIL).

Spring Housing Association Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 30 September 2021

11. Tangible fixed assets

Group and Charity

	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer and office equipment £	Assets under construction £	Total £
Cost						
At 1 October 2020	251,333	47,920	104,912	160,538	249,339	814,042
Additions	-	69,191	74,758	47,681	1,747,587	1,939,217
Disposals	-	(15,594)	-	-	-	(15,594)
At 30 September 2021	251,333	101,517	179,670	208,219	1,996,926	2,737,665
Depreciation						
At 1 October 2020	29,128	26,721	40,263	66,054	-	162,166
Charge for the year	13,028	16,796	25,482	36,848	-	92,154
At 30 September 2021	42,156	43,517	65,745	102,902	-	254,320
Net book value						
At 30 September 2021	209,177	58,000	113,925	105,317	1,996,926	2,483,345
At 30 September 2020	222,205	21,199	64,649	94,484	249,339	651,876

Spring Housing Association Limited
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Notes to the Financial Statements
For the Year Ended 30 September 2021

12. Fixed asset investments

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Principal activity
Spring Community Homes	RS007733	Hestia House, Old Walsall Road, Birmingham, B42 1DT	To carry on, for the benefit of the community, the business of providing and managing housing and accommodation for persons in necessitous circumstances, on a not for profit basis.

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Surplus for the year £
Spring Community Homes	6,504,725	6,501,922	2,803

The subsidiary had net assets of £Nil as at 30 September 2021 following a gift aided donation of the surplus to the parent charity (2020 - £Nil).

Spring Housing Association Limited
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Notes to the Financial Statements
For the Year Ended 30 September 2021

13. Debtors

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade debtors	1,310,461	1,044,325	1,310,461	1,044,325
Amounts owed by group undertakings	-	-	-	99
Other debtors	100,880	76,875	100,845	76,875
Prepayments and accrued income	452,635	331,359	452,635	331,359
	1,863,976	1,452,559	1,863,941	1,452,658

14. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Other loans	93,847	21,172	93,847	21,172
Trade creditors	714,252	239,489	714,252	239,489
Amounts owed to group undertakings	-	-	25	-
Other taxation and social security	49,367	40,122	49,367	40,122
Obligations under finance lease and hire purchase contracts	2,708	3,442	2,708	3,442
Other creditors	58,832	26,963	58,632	26,963
Accruals and deferred income	239,273	227,775	239,273	227,775
	1,158,279	558,963	1,158,104	558,963

Net obligations under finance leases and hire purchase contracts are secured on the related assets.

15. Creditors: Amounts falling due after more than one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Other loans	60,210	98,828	60,210	98,828
Net obligations under finance lease and hire purchase contracts	-	2,583	-	2,583
	60,210	101,411	60,210	101,411

Spring Housing Association Limited
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Notes to the Financial Statements
For the Year Ended 30 September 2021

16. Statement of funds

Statement of funds - current year

	Balance at 1 October 2020 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 30 September 2021 £
Unrestricted funds					
Designated funds					
Fixed assets	-	-	-	1,616,334	1,616,334
General funds					
General Funds	2,554,519	9,598,581	(9,837,179)	(1,616,334)	699,587
Total Unrestricted funds	2,554,519	9,598,581	(9,837,179)	-	2,315,921
Restricted income funds					
Refugee Action SVRPS	5,326	55,518	(40,553)	-	20,291
Big Lottery Fund Grant	156,602	97,497	(135,654)	-	118,445
Children In Need Grant	16,594	4,849	(19,910)	-	1,533
W M Strategic Migration Partnership	1,287	13,750	(15,037)	-	-
BCC - Production of the Charter of Rights	-	20,000	(20,000)	-	-
Children In Need Grant - Refugees	14,793	9,933	(24,726)	-	-
Nationwide	15,828	-	(15,828)	-	-
Postcode Lottery	17,270	-	(17,270)	-	-
Lottery Community Fund	32,525	-	(32,525)	-	-
Landaidd	3,065	-	(3,065)	-	-
Landaidd - kitchen fund	-	7,500	(7,500)	-	-
BCC - miscellaneous	9,293	15,542	(17,013)	-	7,822
Reaching Communities - FWC	-	15,000	-	-	15,000
Protect	-	52,039	(52,039)	-	-
RSI 2021	-	18,000	(16,321)	-	1,679
Other restricted funding	-	6,767	(6,165)	-	602
Fred Winter Centre - operations	-	12,500	(12,500)	-	-

Spring Housing Association Limited
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Notes to the Financial Statements
For the Year Ended 30 September 2021

16. Statement of funds (continued)

	Balance at 1 October 2020 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 30 September 2021 £
Restricted capital funds					
Midlands Together (Hestia House)	53,387	-	(4,811)	-	48,576
The Clothworker Foundation	24,879	-	(1,444)	-	23,435
Garfield Weston	-	200,000	-	-	200,000
Stratford District Council	-	310,000	-	-	310,000
26th May Charity Trust	-	25,000	-	-	25,000
Stratford Town Trust	-	60,000	-	-	60,000
Warwickshire County Council	-	200,000	-	-	200,000
Total Restricted funds	350,849	1,123,895	(442,361)	-	1,032,383
Total of funds	2,905,368	10,722,476	(10,279,540)	-	3,348,304

Spring Housing Association Limited
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Notes to the Financial Statements
For the Year Ended 30 September 2021

16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 October 2019 £	Income £	Expenditure £	Balance at 30 September 2020 £
Unrestricted funds				
General Funds	1,049,093	9,099,969	(7,594,543)	2,554,519
Restricted income funds				
Refugee Action SVPRS	75,532	52,596	(122,802)	5,326
Birmingham LIF Fund	1,650	-	(1,650)	-
Big Lottery Fund Grant	184,911	94,106	(122,415)	156,602
Children In Need Grant	17,819	4,849	(6,074)	16,594
W M Strategic Migration Partnership	494	27,500	(26,707)	1,287
Worcester Council - Refugee Services	3,807	-	(3,807)	-
Birmingham City Council - Production of the Charter of Rights	17,450	10,000	(27,450)	-
Children In Need Grant - Refugees	25,543	29,799	(40,549)	14,793
Nationwide	-	50,000	(34,172)	15,828
Postcode Lottery	-	18,600	(1,330)	17,270
Lottery Community Fund	-	39,860	(7,335)	32,525
Homeless Link	-	30,000	(30,000)	-
Commonweal Funding	-	4,000	(4,000)	-
Landaid	-	9,260	(6,195)	3,065
BCC - Mapping	-	9,953	(660)	9,293
Restricted capital funds				
Midlands Together (Hestia House)	55,884	-	(2,497)	53,387
The Clothworker Foundation	-	25,000	(121)	24,879
Total Restricted funds	383,090	405,523	(437,764)	350,849
Total of funds	1,432,183	9,505,492	(8,032,307)	2,905,368

Purpose of restricted funds

Refugee Action SVPRS

This project supports Syrian refugees resettling within Birmingham by providing furnished accommodation and support to the families.

Birmingham LIF Fund

This grant is from Birmingham City Council's Local Innovation Fund and is towards our Together We Can Make A Difference project. This project aims to engage the local community in business and enterprise and starting off your own business ideas.

Big Lottery Fund Grant

Is helping Spring be a place shaper and IT hub for the local community.

Children in Need Grant (YPS)

This fund is being used to deliver our Life-Hacks project within our young people services. This project offers a range of activities to our young people and provides equipment and support throughout the 3-year project.

WM Strategic Migration Partnership

This fund is being used to gain Open College Network accreditation for our Life-Hacks training programme, which is offered to unaccompanied asylum seeking children.

Birmingham City Council - Production of the Charter of Rights

This fund is being used to commission the production of a Charter of Rights with residents and former residents of supported 'exempt' accommodation to produce a voluntary code of practice.

Children in Need - Refugees

This project provides a family worker to specifically work with the children in the Syrian resettlement project.

Nationwide

This is to provide support and advice to those who are or who have suffered from modern day slavery.

Postcode Lottery

This grant is to be used towards creating and improving the green spaces on a number of Springs properties.

Lottery Community Fund

This fund is being used to support and accommodate those who have no recourse to public funds during the recent pandemic.

Homeless Link

This fund has been used specifically around our homeless services to provide support and accommodation services to those who are at risk of homelessness.

Spring Housing Association Limited
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Notes to the Financial Statements
For the Year Ended 30 September 2021

Commonweal Funding

This fund was used to support the research into exempt accommodation.

Landaid

This fund is being used to provide equipment and communications to those living alone to help reduce isolation during the recent pandemic.

Midlands Together (Hestia House)

This funding was a capital contribution towards the works required to renovate the ground floor at Hestia House into an office space and community hub.

The Clothworkers Foundation

These funds were used towards the capital refurbishment project at Hestia House to create a community and ICT Hub.

Garfield Weston / Stratford District Council / 26th May Charity Trust / Stratford Town Trust / Warwickshire County Council

Capital grant funding received towards the development of the Fred Winter Centre, a new community hub supporting local people in Stratford-upon-Avon, with a focus on providing housing plus a range of services which address homelessness and hardship.

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted income funds 2021 £	Restricted capital funds 2021 £	Total funds 2021 £
Tangible fixed assets	1,616,334	-	867,011	2,483,345
Current assets	1,918,076	165,372	-	2,083,448
Creditors due within one year	(1,158,279)	-	-	(1,158,279)
Creditors due in more than one year	(60,210)	-	-	(60,210)
Total	2,315,921	165,372	867,011	3,348,304

Spring Housing Association Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 30 September 2021

17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted income funds 2020 £	Restricted capital funds 2020 £	Total funds 2020 £
Tangible fixed assets	573,610	-	78,266	651,876
Current assets	2,627,533	286,333	-	2,913,866
Creditors due within one year	(545,213)	(13,750)	-	(558,963)
Creditors due in more than one year	(101,411)	-	-	(101,411)
Total	2,554,519	272,583	78,266	2,905,368

18. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2021 £	Group 2020 £
Net income for the year (as per Statement of Financial Activities)	442,936	1,473,185
Adjustments for:		
Depreciation charges	92,154	69,924
Loss on the sale of fixed assets	250	-
Increase in debtors	(411,417)	(182,017)
Increase/(decrease) in creditors	524,058	(104,075)
Net cash provided by operating activities	647,981	1,257,017

19. Analysis of cash and cash equivalents

	Group 2021 £	Group 2020 £
Cash at bank and in hand	219,472	1,461,307

Spring Housing Association Limited
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Notes to the Financial Statements
For the Year Ended 30 September 2021

20. Analysis of changes in net debt

	At 1 October 2020 £	Cash flows £	New loans £	At 30 September 2021 £
Cash at bank and in hand	1,461,307	(1,296,835)	55,000	219,472
Debt due within 1 year	(21,172)	(17,675)	(55,000)	(93,847)
Debt due after 1 year	(98,828)	38,618	-	(60,210)
Finance leases	(6,025)	3,317	-	(2,708)
	<u>1,335,282</u>	<u>(1,272,575)</u>	<u>-</u>	<u>62,707</u>

21. Capital commitments

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Contracted for but not provided in these financial statements				
Construction of tangible fixed assets	<u>362,899</u>	<u>-</u>	<u>362,899</u>	<u>-</u>

Spring Housing Association Limited
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Notes to the Financial Statements
For the Year Ended 30 September 2021

22. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £41,048 (2020 - £33,772). Contributions of £9,135 (2020 - £7,435) were payable to the fund at the balance sheet date and are included in creditors.

23. Operating lease commitments

At 30 September 2021 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Land and buildings:				
Not later than 1 year	842,887	1,277,112	304,540	203,669
Later than 1 year and not later than 5 years	1,346,948	1,614,232	792,677	942,228
Later than 5 years	1,525,918	1,833,068	1,500,000	1,800,000
	<u>3,715,753</u>	<u>4,724,412</u>	<u>2,597,217</u>	<u>2,945,897</u>

24. Related party transactions

On 30 September 2021, Spring Community Homes Limited donated its surplus for the year of £2,803 (2020 - £783,165).

25. Controlling party

The group is controlled by the Board of Trustees.

SPRING HOUSING ASSOCIATION LIMITED

England & Wales - Charity number 1163098

Accounts

Registered number: 09244172
Charity number: 1163098

Spring Housing Association Limited

Trustees' Report and financial statements

For the Year Ended 30 September 2020



Spring Housing Association Limited
(A company limited by guarantee)

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Spring Housing Association Limited
(A company limited by guarantee)

Reference and administrative details of the Charity, its Trustees and advisers
For the Year Ended 30 September 2020

Trustees	T J M Clark, Chair D R Bindert N V De-Costa P K Gill (resigned 29 September 2020) P B Hibbert (resigned 8 December 2020) R Ikram (appointed 12 December 2019) K L Moore N Owen D J Saunders N Sunder
Company registered number	09244172
Charity registered number	1163098
Registered office	Hestia House 22 Old Walsall Road Birmingham B42 1DT
Company secretary	D J Bradley
Group Chief Executive	D J Bradley
Independent auditors	Dains LLP 15 Colmore Row Birmingham B3 2BH
Solicitors	Anthony Collins Solicitors 134 Edmund Street Birmingham B3 2ES Higgs & Sons 3 Waterfront Business Park Brierley Hill Dudley DY5 1LX
Bankers	Barclays Bank Plc 66 Oxford Street Kidderminster DY10 1BL

Spring Housing Association Limited
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Trustees' Report
For the Year Ended 30 September 2020

The Trustees (who are also directors of the Charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Spring Housing Association Limited (the Charity) and Spring Community Homes Limited (the subsidiary) for the year 1 October 2019 to 30 September 2020. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Spring Housing Association Limited is a charitable company limited by guarantee and not having share capital. It was incorporated on 1 October 2014 and registered as a charity on 11 August 2015. It commenced its activities on 10 November 2014.

The charitable company's policy and operations are governed by its Memorandum and Articles of Association.

Spring Community Homes Limited is a wholly owned subsidiary of Spring Housing Association Limited. It was registered on 7 March 2018 under the Co-operative and Community Benefit Societies Act 2014.

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Structure, governance and management

a. Constitution

The charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 1 October 2014 which were revised in July 2018. It is also a registered charity number 1163098.

The principal object of the charity is to carry on, for the benefit of the community, the business of providing housing and associated amenities for persons in necessitous circumstances upon terms appropriate to their means and providing for persons in need thereof housing and any associated amenities especially designed or adapted to meet the disabilities and requirements of such persons. Such business is to be run on a not for profit basis.

The subsidiary is registered under the Co-operative and Community Benefit Societies Act 2014 under the society's rules approved on 13 February 2018.

The society is formed for the benefit of the community in providing, directly or indirectly, and managing housing and accommodation, and any associated facilities, amenities and services for persons in necessitous circumstances and aged, disabled (whether physically or mentally) or chronically sick people upon terms appropriate to their means.

Spring Housing Association Limited
(A company limited by guarantee)

Trustees' Report (continued)
For the Year Ended 30 September 2020

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

The management of the subsidiary is the responsibility of its members who are elected under the society's rules.

The members of the Boards maintain a good range of skills and expertise in order to govern the group and are monitored annually by appraisal to form a skills matrix.

New trustees are appointed by placing advertisements with BVSC and through direct applications. The process requires potential Trustees to submit a CV detailing qualifications, skills and their motivation for joining. All CVs are reviewed by existing Trustees, and individuals with appropriate skills are invited for interview. If the applicant is considered to have skills that would enhance the operation of the Board, this is assessed against our annual review of governance where we identify where there are skills gaps. A prospective board member is invited to attend a Board meeting as an observer and if, after that, they still wish to become a Trustee they will be invited to join the Board.

c. Policies adopted for the induction and training of Trustees

Each new Trustee is inducted into the charity by meeting with other Trustees and executive officers and being offered a shadow place on the Board prior to joining.

Along with our regular Board meetings, we hold Board away days which is an opportunity to invite consultants who have a good understanding of charity and housing governance to help guide the Trustees through the governance process.

d. Organisational structure and decision making

The Board of Trustees has overall responsibility for the management of the charity, its strategic direction and decision making. However, day to day responsibility for running the affairs of the charity is delegated to the charity's Directors and the Senior Team.

The Board of Trustees for the charity meet at least once a quarter followed by a separate meeting held for the subsidiary.

Each board meeting is structured to have one or two main themes linked to a corporate calendar as well as considering specific business that has arisen since the previous meeting. Main themes include the business plan and strategic direction, performance of existing contracts, setting budgets, reviewing accounts and reviewing the corporate risk register.

The Company Secretary is also the Group Chief Executive who is paid for his capacity as Group Chief Executive and not for his role as company secretary.

The group has adopted the National Housing Federation code of governance to ensure a high level of conduct and integrity is in place. A self-assessment is carried out by the board annually to ensure it continues to meet the requirements of the code.

Spring Housing Association Limited
(A company limited by guarantee)

Trustees' Report (continued)
For the Year Ended 30 September 2020

Structure, governance and management (continued)

e. Risk management

There is a risk management plan in place which focusses on the major risks to which the charity and its subsidiary are exposed. The plan is focussed around the financial risks, operational risks, governance risks and compliance risks faced by the group.

The plan sets out the control and effects of each of the risks facing the charity and is reviewed by the board on a regular basis to monitor both the likelihood and severity of each risk. The plan will become a regular agenda item at Trustee meetings and will focus on areas where likelihood and severity are seen to have changed.

The Trustees have also adopted a risk management strategy which incorporates a strategic risk register to focus on specific strategic risks affecting the group and the mitigations which are in place.

Objectives and activities

f. Policies and objectives

The Trustees consider they have had regard to the Charity Commission guidelines on public benefit and have established the following aims, objectives, vision and mission.

The objectives of the charity given in the Memorandum of Association are:

"to carry on for the benefit of the community the business of providing housing and any associated amenities for persons in necessitous circumstances upon terms appropriate to their means",

and

"providing for persons in need thereof housing and any associated amenities especially designed or adapted to meet the disabilities and requirements of such persons"

Our Aims:

- To provide high quality accommodation for people in housing need.
- To prevent and reduce homelessness.
- To assist people on a journey away from housing need towards a future of stability, happiness and independence.

In addition to the above we aim to remain an independent organisation.

Mission Statement:

"To create long term prosperity by investing to prevent homelessness and social isolation"

Spring Housing Association Limited
(A company limited by guarantee)

Trustees' Report (continued)
For the Year Ended 30 September 2020

Objectives and activities (continued)

g. Strategies for achieving objectives

The Charity has continued to grow this year and has also further diversified its income streams by increasing the work funded by grants and other support contracts. The largest being with Birmingham City Council's Vulnerable Adults Housing and Wellbeing support services where four new contracts were awarded which commenced in December 2019.

These contracts enable Spring to further support the customer group of homeless, young adults, and ex-offenders within their home. One of the contracts is also specifically to operate a multi-agency hub for ex-offenders.

The levels of housing stock have also increased in particular to the Homeless service in Birmingham where an additional 86 units of accommodation are now being managed.

There has been growth in the Syrian Resettlement programme where 13 new families arrived in November 2019 across the Birmingham and Wolverhampton regions. There had been plans for another three cohorts to arrive during the year but due to the pandemic and the ongoing travel restrictions these are currently on hold but hope to resume in the new calendar year. The support offered to the existing customers has been ongoing with some of our original families now into their fifth year with Spring.

The Charity has published its charter of rights which was developed and codesigned with over 50 people who have experienced homelessness alongside Birmingham City Council and aims to consolidate, clarify and build on existing practices to ensure support providers respond to their residents and tenants safely, effectively and consistently and identify clear linkages between management practices and support.

Spring has continued its initial pilot programme to support those affected by modern day slavery which has been supported by funding from Nationwide to enable continued work specifically with this client group.

When the Covid pandemic hit back in March, Spring promptly made changes to the way it delivered many of its services by limiting face to face contact unless necessary to help protect its customers and its workforce. The Charity recognised the vital work delivered to many of its vulnerable customers was needed more than ever during this period and so ensured it continued to deliver the support across all of its services.

In addition to this, working with Birmingham City Council, Spring offered accommodation to those with no recourse to public funds with over 30 additional customers supported during the lockdown period.

In order to support social inclusion across its supported accommodation, Spring installed WIFI across the majority of its shared accommodation and with a grant from Landaid was able to provide equipment to its young people customers including TV's & laptop computers.

During the year as part of the rough sleeper's initiative Spring started to work with Women who are street homeless with the aim to support them into permanent and safe accommodation.

Spring has led a consortium of charities and local authorities within Stratford-Upon-Avon to develop a building into housing first model which will offer 15 units of accommodation to those who are homeless within the district. In addition to this, the centre aims to offer a multi-agency support hub offering advice and services to those customers who are at risk of homelessness offering support, housing training and employment. Refurbishment works started in September 2020 with the aim to open in Spring 2021.

Spring Housing Association Limited
(A company limited by guarantee)

Trustees' Report (continued)
For the Year Ended 30 September 2020

Objectives and activities (continued)

h. Activities undertaken to achieve objectives

Accommodation

The accommodation has been sourced through a selection of private landlords and charitable organisations which meet the needs of its customers in terms of living standards and location. The property stock is split between Spring Housing Association and Spring Community Homes with the majority managed by the subsidiary.

The stock is a mixture of self-contained flats and individual rooms which is used for the homeless and young people services. Along with properties ranging from 1 bed flats to 5-bedroom family homes used for the Syrian family resettlement programme in 5 different regions.

The general needs affordable accommodation managed by the charity, where possible, is let to individuals who were formally in supported accommodation but are now able to sustain their own tenancy.

At the end of the period the charity was managing a total of 796 units of accommodation across 18 different local authorities.

Employee Matters

Staff numbers have grown significantly in the year with additional grant funded services being operated during the year and also the increase in units in management has increased so additional posts have been created to help manage those additional units. The Vulnerable Adults contract with Birmingham City Council also increased our staff numbers with 27 new posts being created.

As at 30 September 2020 the Charity employed 98 staff with a mixture of full and part time posts and remains a living wage employer and accredited through Living wage Foundation.

Hestia House is the head office of the charity with many staff being based there, but there are several other regional and satellite offices in Birmingham, Lichfield, Worcester and Stafford where staff are based to support the customers surrounding each location.

All staff are recruited through a safer recruitment programme and induction process to ensure they offer the highest levels of experience in their chosen area and are suitable to work with vulnerable adults and young people.

i. Programme related investments

Most of the income received by the Charity is in the form of Housing Benefit which is paid on a 28-day cycle. There has also been an increase in funds received through Universal Credit as this new benefit is rolled out across our customers.

There has also been a significant increase in funding from our support services through contracts gained and also through grants operated by the Charity which have helped fund both revenue and capital projects.

With the rise in activity, in particular with the new contracts, the Charity took out a loan with Homeless Link which is there to support the cashflow through the initial transition period of the new contracts.

Spring Housing Association Limited
(A company limited by guarantee)

Trustees' Report (continued)
For the Year Ended 30 September 2020

Achievements and performance

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policy note.

b. Review of activities

Accommodation

All of the properties managed within the group are leased, with the majority on short term agreements between 1 and 5 years. As at 30 September 2020 the total number of units in management were 798 which was a 13% increase on the previous year.

70% of the stock is used by the homeless service to provide shared and single accommodation within the Birmingham homeless service. 25% of the stock is used as family homes for the customers in our refugee services. 5% is general needs stock.

10% of the stock is managed by Spring Housing Association and the remaining 90% is managed by Spring Community Homes.

We continue to work with a core group of landlords who provide a large proportion of the accommodation used with the homeless services. However, we have a much more varied approach to procurement in the refugee services in order to obtain the right accommodation in the right areas for the incoming families. This can lead to a high number of different private landlords and letting agents being used.

We will continue to increase our accommodation but only with targeted growth which is in line with our existing contracts working with the local authorities. Over the coming periods we aim for a target stock level of around 850 units.

All stock is reviewed in terms of viability, and quality on a regular basis and any property which fails to meet the requirements will be handed back to the landlords at the next available break in the lease.

Employment

The staffing structure has increased over the period to 98 members of staff across all services which is made up of a mixture of full and part time posts. This is an increase of 24% compared to the previous period.

The range of posts has increased due to the increase in properties being managed, an increase in the grant funded services being operated and the new Birmingham Vulnerable Adults contract which started in December 2019.

During the year we undertook an employee engagement survey using Best Companies which involved all staff employed within Spring. The response from the employees earned Spring a place in The Sunday Times Best 100 Companies Not for Profit awards and was awarded 31st place and also placed 7th in the top 25 Best Housing Associations to work for.

Spring Housing Association Limited
(A company limited by guarantee)

Trustees' Report (continued)
For the Year Ended 30 September 2020

Financial review

a. Reserves policy

The current reserves policy is to hold cash or near cash equivalents that are sufficient to cover 3 months of committed expenditure for the charity. The charity is steadily progressing to this level and will continue to operate with a surplus in order to reach its reserve level.

b. Principal funding

For the period ending 30 September 2020 the group had a turnover of £9,505,492 which was an increase of 30% compared to the previous year. The growth has come from an increase in the rental income generated by the additional units acquired in the year and also an increase in the support income in the year which totalled £890,844 which was generated by the Birmingham Vulnerable Adults contract.

Refugee services income has dropped slightly on the previous year which was down to the postponement of several arrivals planned in the year. Care leavers support income has also dropped due to the planned reduction in numbers of customers supported through this agreement.

Grant income has increased from £307,128 in 2018/19 up to £352,927 for this period.

The surplus for the period was £1,473,185 which is an increase of £966,794 on the previous period which is largely down to an increase in the units in management, an increase in the support contracts operated and also where some of the grants were paused during the lockdown periods of the pandemic.

Central and overheads were at a cost of £803,745 which is an increase on the previous period due to increased services now being operated by the charity. This is 8.5% of turnover which is below our maximum target of 10%.

Lease costs are the highest cost to the Charity which were at £3,953,810 in the period. This has increased on the previous period due to an increase in units managed within the homeless services.

The next highest cost to the Charity is its staff costs which totalled £1,892,317 in the period which is an increase of 39% compared to the last period.

I.T. had a large capital investment in the year being £32,008 which was used to obtain new laptops and equipment for the increasing numbers of staff and we also carried out a replacement of a number of machines running on the unsupported Windows 7 operating system.

The largest area of investment is towards the redevelopment project in Stratford-Upon-Avon where the Charity has capitalised £249,339 of its costs which are mainly made up of the planning, design, consultants and legal fees incurred.

Cash held at the end of the period was £1,461,307 which includes the loan with Homeless link which has a balance outstanding of £120,000 as at 30 September 2020.

Funds held as custodian

The charity does not hold any funds on behalf of others.

Spring Housing Association Limited
(A company limited by guarantee)

Trustees' Report (continued)
For the Year Ended 30 September 2020

Plans for future periods

The Charity continues to work with the housing regulator to complete its application to become a registered provider and hopes to get a final decision early in the new year.

There are plans to resume the arrivals within the Syrian Resettlement Project as soon as travel restrictions are lifted across several of the regions. We also plan to extend this service into the Warwickshire area. This will increase the number of family homes we manage so that we can support the families into our services.

Units will also be increased within the Homeless services where we are planning to open 2 new schemes in Coventry during the year and also look to start delivering homeless housing accommodation and support within Solihull.

The refurbishment works in Stratford-Upon-Avon are due for completion towards the end of Spring 2021 and will be opening the new centre up to 15 residents and all of the support services which will be offered to the region.

The Charity is currently pursuing its first property purchase which will be a 3 bed family home. This property had previously been used as a HMO within Birmingham and Spring are looking to convert it back to its original use as a family property.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Spring Housing Association Limited
(A company limited by guarantee)

Trustees' Report (continued)
For the Year Ended 30 September 2020

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Approved by order of the members of the board of Trustees on
23 February 2021 and signed on their behalf by:


D J Bradley
Company Secretary

Spring Housing Association Limited
(A company limited by guarantee)

Independent auditors' report to the Members of Spring Housing Association Limited

Opinion

We have audited the financial statements of Spring Housing Association Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 30 September 2020 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 30 September 2020 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent 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.

Spring Housing Association Limited
(A company limited by guarantee)

Independent auditors' report to the Members of Spring Housing Association Limited (continued)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 our 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 Trustees' Report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.

Spring Housing Association Limited
(A company limited by guarantee)

Independent auditors' report to the Members of Spring Housing Association Limited (continued)

Responsibilities of trustees

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

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

Auditors' 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 Auditors' 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 for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Morris FCA (Senior statutory auditor)

for and on behalf of
Dains LLP

Statutory Auditor
Chartered Accountants

Birmingham

Date: 23 February 2021

Spring Housing Association Limited
(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 30 September 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and legacies	4	117,779	352,927	470,706	315,070
Charitable activities	5	8,744,305	52,596	8,796,901	6,916,851
Other income	6	237,885	-	237,885	77,806
Total income		9,099,969	405,523	9,505,492	7,309,727
Expenditure on:					
Charitable activities		7,594,543	437,764	8,032,307	6,803,336
Total expenditure		7,594,543	437,764	8,032,307	6,803,336
Net movement in funds		1,505,426	(32,241)	1,473,185	506,391
Reconciliation of funds:					
Total funds brought forward		1,049,093	383,090	1,432,183	925,792
Net movement in funds		1,505,426	(32,241)	1,473,185	506,391
Total funds carried forward		2,554,519	350,849	2,905,368	1,432,183

Spring Housing Association Limited
(A company limited by guarantee)

Consolidated Balance Sheet
For the Year Ended 30 September 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	651,876	385,355
		<u>651,876</u>	<u>385,355</u>
Current assets			
Debtors	16	1,452,559	1,270,530
Cash at bank and in hand		1,461,307	423,090
		<u>2,913,866</u>	<u>1,693,620</u>
Creditors: amounts falling due within one year	17	(558,963)	(640,044)
Net current assets		<u>2,354,903</u>	<u>1,053,576</u>
Total assets less current liabilities		<u>3,006,779</u>	<u>1,438,931</u>
Creditors: amounts falling due after more than one year	18	(101,411)	(6,748)
Total net assets		<u><u>2,905,368</u></u>	<u><u>1,432,183</u></u>
Charity funds			
Restricted funds	20	350,849	383,090
Unrestricted funds	20	2,554,519	1,049,093
Total funds		<u><u>2,905,368</u></u>	<u><u>1,432,183</u></u>

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

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

The financial statements were approved and authorised for issue by the Trustees on 23 February 2021 and signed on their behalf by:



T J M Clark
Chair

The notes on pages 18 to 36 form part of these financial statements.

Spring Housing Association Limited
(A company limited by guarantee)

Charity Statement of financial position
For the Year Ended 30 September 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	651,876	385,355
Investments	15	-	-
		<u>651,876</u>	<u>385,355</u>
Current assets			
Debtors	16	1,452,658	1,270,586
Cash at bank and in hand		1,461,208	423,034
		<u>2,913,866</u>	<u>1,693,620</u>
Creditors: amounts falling due within one year	17	(558,963)	(640,044)
Net current assets		<u>2,354,903</u>	<u>1,053,576</u>
Total assets less current liabilities		<u>3,006,779</u>	<u>1,438,931</u>
Creditors: amounts falling due after more than one year	18	(101,411)	(6,748)
Total net assets		<u><u>2,905,368</u></u>	<u><u>1,432,183</u></u>
Charity funds			
Restricted funds	20	350,849	383,090
Unrestricted funds	20	2,554,519	1,049,093
Total funds		<u><u>2,905,368</u></u>	<u><u>1,432,183</u></u>

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

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

The financial statements were approved and authorised for issue by the Trustees on 23 February 2021 and signed on their behalf by:



T J M Clark
Chair

The notes on pages 18 to 36 form part of these financial statements.

Spring Housing Association Limited
(A company limited by guarantee)

Consolidated Statement of Cash Flows
For the Year Ended 30 September 2020

	2020 £	2019 £
Cash flows from operating activities		
Net cash provided by operating activities	1,257,017	579,234
Cash flows from investing activities		
Purchase of tangible fixed assets	(338,800)	(214,836)
Net cash used in investing activities	(338,800)	(214,836)
Cash flows from financing activities		
Cash inflows from new borrowing	120,000	-
Repayments of borrowing	-	(90,000)
Net cash provided by/(used in) financing activities	120,000	(90,000)
Change in cash and cash equivalents in the year	1,038,217	274,398
Cash and cash equivalents at the beginning of the year	423,090	148,692
Cash and cash equivalents at the end of the year	1,461,307	423,090

The notes on pages 18 to 36 form part of these financial statements

Spring Housing Association Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 30 September 2020

1. General information

Spring Housing Association Limited is a charitable company limited by guarantee and not having share capital. It was incorporated on 1 October 2014 and registered as a charity on 11 August 2015. It commenced its activities on 10 November 2014.

Spring Community Homes Limited is a wholly owned subsidiary of Spring Housing Association Limited. It was registered on 7 March 2018 under the Co-operative and Community Benefit Societies Act 2014, and began its activities on 1 September 2018.

The principal object of the group is to carry on, for the benefit of the community, the business of providing, directly or indirectly, and managing housing and accommodation, and any associated facilities, amenities and services for persons in necessitous circumstances and aged, disabled (whether physically or mentally) or chronically sick people upon terms appropriate to their means; and any other charitable object that can be carried out from time to time by a registered society.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view.

Spring Housing Association Limited meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

2.2 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

2.3 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for a period of 12 months from the date of authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Spring Housing Association Limited
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 30 September 2020

2. Accounting policies (continued)

2.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.5 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 and the amount of the obligation can be measured reliably.

Charitable activities costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity.

All expenditure is inclusive of irrecoverable VAT.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	- 5% straight line
Motor vehicles	- 20% straight line
Fixtures and fittings	- 20% straight line
Office equipment	- 20% straight line
Computer equipment	- 20% straight line

2.7 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

2. Accounting policies (continued)

2.8 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.9 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.10 Debtors

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

2.11 Cash at bank and in hand

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

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

2.13 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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Notes to the Financial Statements
For the Year Ended 30 September 2020

2. Accounting policies (continued)

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Critical accounting estimates and areas of judgement

In the application of the charity's accounting policies, which are described above, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on experience and other factors that are considered to be relevant.

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing the asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual values consider such things as future market conditions, the remaining life of the asset and projected disposal values.

Management is required to exercise significant judgement in estimating the bad and doubtful debt provision, which takes into account the ageing of debt and management's assessment of the likelihood of recovery.

Actual results may differ from those estimated. The estimates underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

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Notes to the Financial Statements
For the Year Ended 30 September 2020

4. Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Donations	3,450	-	3,450
Grants	-	352,927	352,927
Government grants	114,329	-	114,329
Total donations and legacies 2020	117,779	352,927	470,706

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Donations	7,942	-	7,942
Grants	-	307,128	307,128
Total donations and legacies 2019	7,942	307,128	315,070

5. Income from charitable activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Rent, eligible service charges and property management income	8,744,305	52,596	8,796,901

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Rent, eligible service charges and property management income	6,672,168	244,683	6,916,851

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Notes to the Financial Statements
For the Year Ended 30 September 2020

6. Other income

	Unrestricted funds 2020 £	Total funds 2020 £
Modern day slavery funding	17,996	17,996
Other miscellaneous income	219,889	219,889
	<u>237,885</u>	<u>237,885</u>
	Unrestricted funds 2019 £	Total funds 2019 £
Modern day slavery funding	41,554	41,554
Other miscellaneous income	36,252	36,252
	<u>77,806</u>	<u>77,806</u>

7. Analysis of expenditure by expenditure type

	Staff costs 2020	Depreciation 2020	Other costs 2020	Total 2020	Total 2019
Housing provision	913,529	40,587	5,678,418	6,632,534	5,709,474
Support costs	<u>978,788</u>	<u>29,337</u>	<u>391,648</u>	<u>1,399,773</u>	<u>1,093,862</u>
	<u>1,892,317</u>	<u>69,924</u>	<u>6,070,066</u>	<u>8,032,307</u>	<u>6,803,336</u>
Total 2019	<u>1,362,923</u>	<u>45,057</u>	<u>5,395,346</u>	<u>6,803,336</u>	<u>-</u>

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Notes to the Financial Statements
For the Year Ended 30 September 2020

8. Direct costs

	2020 £	2019 £
Staff training and expenses	38,693	33,083
Property lease costs and write-offs	4,244,713	3,339,988
Property costs	1,186,074	1,154,589
Managing Agents' fees	255,612	221,988
Bad debt allowance	(46,674)	317,029
Wages and salaries	829,323	558,763
National Insurance	84,206	56,274
Depreciation on vehicles, leasehold property, fixtures and fittings	40,587	27,760
	<u>6,632,534</u>	<u>5,709,474</u>

9. Support costs

	2020 £	2019 £
Administrative staff expenses	62,343	62,869
Office costs	183,896	134,961
Vehicle running costs and sundry support costs	19,509	15,993
Marketing costs	7,474	2,642
Consultancy costs and bank charges	31,681	29,565
IT costs	57,177	35,730
Audit and accountancy fees	16,620	24,140
Legal and professional fees	6,925	20,069
Interest payable	6,023	2,710
Wages and salaries	890,213	685,001
National Insurance	88,575	62,885
Depreciation on office and computer equipment	29,337	17,297
	<u>1,399,773</u>	<u>1,093,862</u>

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Notes to the Financial Statements
For the Year Ended 30 September 2020

10. Net income/(expenditure)

	2020 £	2019 £
Depreciation of tangible fixed assets owned by the charity	62,480	40,423
Depreciation of tangible fixed assets held under finance leases	7,444	4,632
Operating lease rentals	3,953,810	3,293,370
	<u>4,023,734</u>	<u>3,338,425</u>

11. Auditors' remuneration

The Auditor's remuneration amounts to an Audit fee of £13,500 (2019 - £11,950).

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For the Year Ended 30 September 2020

12. Staff costs

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Wages and salaries	1,719,536	1,243,764	833,784	548,525
Social security costs	172,781	119,159	172,781	119,159
	<u>1,892,317</u>	<u>1,362,923</u>	<u>1,006,565</u>	<u>667,684</u>

The average number of persons employed by the Charity during the year was as follows:

	Group 2020 No.	Group 2019 No.
Management and admin	11	10
Housing	45	42
Maintenance	6	4
Support	27	12
	<u>89</u>	<u>68</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2020 No.	Group 2019 No.
In the band £60,001 - £70,000	1	-

The total compensation received by the key management of the charity during the year, including employer pension costs, was £66,314 (2019 - £59,061).

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £Nil).

During the year ended 30 September 2020, no Trustee expenses have been incurred (2019 - £Nil).

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Notes to the Financial Statements
For the Year Ended 30 September 2020

14. Tangible fixed assets

Group and Charity

	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer and office equipment £	Assets under construction £	Total £
Cost or valuation						
At 1 October 2019	236,463	35,160	88,463	118,228	-	478,314
Additions	14,870	12,760	19,521	42,310	249,339	338,800
Disposals	-	-	(3,072)	-	-	(3,072)
At 30 September 2020	251,333	47,920	104,912	160,538	249,339	814,042
Depreciation						
At 1 October 2019	16,485	18,368	21,389	36,717	-	92,959
Charge for the year	12,643	8,353	19,591	29,337	-	69,924
On disposals	-	-	(717)	-	-	(717)
At 30 September 2020	29,128	26,721	40,263	66,054	-	162,166
Net book value						
At 30 September 2020	222,205	21,199	64,649	94,484	249,339	651,876
At 30 September 2019	219,978	16,792	67,074	81,511	-	385,355

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Notes to the Financial Statements
For the Year Ended 30 September 2020

15. Fixed asset investments

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office	Principal activity
Spring Community Homes Limited	RS007733	Hestia House, Old Walsall Road, Birmingham, B42 1DT	To carry on, for the benefit of the community, the business of providing and managing housing and accommodation for persons in necessitous circumstances, on a not for profit basis.

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Surplus donated to parent charity £
Spring Community Homes Limited	7,359,654	(6,576,489)	783,165

The subsidiary had net assets of £Nil as at 30 September 2020 (2019 - £Nil).

16. Debtors

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Due within one year				
Trade debtors	1,044,325	908,609	1,044,325	908,609
Amounts owed by group undertakings	-	-	99	56
Other debtors	76,875	68,776	76,875	68,776
Prepayments and accrued income	331,359	293,145	331,359	293,145
	<u>1,452,559</u>	<u>1,270,530</u>	<u>1,452,658</u>	<u>1,270,586</u>

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17. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Other loans	21,172	-	21,172	-
Trade creditors	239,489	182,807	239,489	182,807
Other taxation and social security	40,122	27,492	40,122	27,492
Obligations under finance lease and hire purchase contracts	3,442	6,207	3,442	6,207
Other creditors	26,963	23,542	26,963	23,542
Accruals and deferred income	227,775	399,996	227,775	399,996
	<u>558,963</u>	<u>640,044</u>	<u>558,963</u>	<u>640,044</u>

Net obligations under finance leases and hire purchase contracts are secured on the related assets.

18. Creditors: Amounts falling due after more than one year

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Other loans	98,828	-	98,828	-
Net obligations under finance lease and hire purchase contracts	2,583	6,748	2,583	6,748
	<u>101,411</u>	<u>6,748</u>	<u>101,411</u>	<u>6,748</u>

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19. Financial Instruments

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Financial assets				
Financial assets measured at undiscounted amounts receivable	2,582,507	1,400,475	2,582,507	1,400,531
	<u>Group 2020 £</u>	<u>Group 2019 £</u>	<u>Charity 2020 £</u>	<u>Charity 2019 £</u>
Financial liabilities				
Financial liabilities measured at undiscounted amounts payable	(500,252)	(578,050)	(500,252)	(578,050)
Financial liabilities measured at amortised cost	(120,000)	-	(120,000)	-
	<u>(620,252)</u>	<u>(578,050)</u>	<u>(620,252)</u>	<u>(578,050)</u>

Financial assets measured at undiscounted amounts receivable comprise cash at bank and in hand, trade debtors, other debtors and amounts owed to group undertakings.

Financial liabilities measured at undiscounted amounts payable comprise net obligations under finance leases and hire purchase contracts, trade creditors, other creditors and accruals.

Financial liabilities measured at amortised cost comprise other loans.

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Notes to the Financial Statements
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20. Statement of funds

Statement of funds - current year

	Balance at 1 October 2019 £	Income £	Expenditure £	Balance at 30 September 2020 £
Unrestricted funds				
General Funds	1,049,093	9,099,969	(7,594,543)	2,554,519
Restricted funds				
Midlands Together (Hestia House)	55,884	-	(2,497)	53,387
Refugee Action SVPRS	75,532	52,596	(122,802)	5,326
Birmingham LIF Fund	1,650	-	(1,650)	-
Big Lottery Fund Grant	184,911	94,106	(122,415)	156,602
Children In Need Grant	17,819	4,849	(6,074)	16,594
WM Strategic Migration Partnership	494	27,500	(26,707)	1,287
Worcester Council - Refugee Services	3,807	-	(3,807)	-
Birmingham City Council - Production of the Charter of Rights	17,450	10,000	(27,450)	-
Children In Need Grant - Refugees	25,543	29,799	(40,549)	14,793
Nationwide	-	50,000	(34,172)	15,828
Postcode Lottery	-	18,600	(1,330)	17,270
Lottery Community Fund	-	39,860	(7,335)	32,525
Homeless Link	-	30,000	(30,000)	-
Commonweal Funding	-	4,000	(4,000)	-
The Clothworkers Foundation	-	25,000	(121)	24,879
Landaid	-	9,260	(6,195)	3,065
BCC - Mapping	-	9,953	(660)	9,293
	383,090	405,523	(437,764)	350,849
Total of funds	1,432,183	9,505,492	(8,032,307)	2,905,368

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Notes to the Financial Statements
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20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 October 2018 £	Income £	Expenditure £	Balance at 30 September 2019 £
Unrestricted funds				
General Funds	800,961	6,757,916	(6,509,784)	1,049,093
Restricted funds				
Midlands Together (Hestia House)	58,381	-	(2,497)	55,884
Refugee Action SVPRS	47,802	228,715	(200,985)	75,532
Birmingham LIF Fund	1,650	800	(800)	1,650
Big Lottery Fund Grant	7,538	207,969	(30,596)	184,911
Children In Need Grant	9,460	13,947	(5,588)	17,819
WM Strategic Migration Partnership	-	13,750	(13,256)	494
Worcester Council - Refugee Services	-	16,000	(12,193)	3,807
Birmingham City Council - Production of the Charter of Rights	-	17,450	-	17,450
Children In Need Grant - Refugees	-	40,180	(14,637)	25,543
Prospect Housing - Exempt Accommodation	-	7,000	(7,000)	-
Birmingham & Solihull Women's Aid	-	6,000	(6,000)	-
	124,831	551,811	(293,552)	383,090
Total of funds	925,792	7,309,727	(6,803,336)	1,432,183

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Notes to the Financial Statements
For the Year Ended 30 September 2020

20. Statement of funds (continued)

Midlands Together (Hestia House)

This funding was a capital contribution towards the works required to renovate the ground floor at Hestia House into an office space and community hub.

Refugee Action SVPRS

This project supports Syrian refugees resettling within Birmingham by providing furnished accommodation and support to the families.

Birmingham LIF Fund

This grant is from Birmingham City Council's Local Innovation Fund and is towards our Together We Can Make A Difference project. This project aims to engage the local community in business and enterprise and starting off your own business ideas.

Big Lottery Fund Grant

Is helping Spring be a place shaper and IT hub for the local community.

Children In Need Grant (YPS)

This fund is being used to deliver our Life-Hacks project within our young people services. This project offers a range of activities to our young people and provides equipment and support throughout the 3-year project.

WM Strategic Migration Partnership

This fund is being used to gain Open College Network accreditation for our Life-Hacks training programme, which is offered to unaccompanied asylum seeking children.

Birmingham City Council - Production of the Charter of Rights

This fund is being used to commission the production of a Charter of Rights with residents and former residents of supported 'exempt' accommodation to produce a voluntary code of practice.

Children in Need - Refugees

This project provides a family worker to specifically work with the children in the Syrian resettlement project.

Nationwide

This is to provide support and advice to those who are or who have suffered from modern day slavery.

Postcode Lottery

This grant is to be used towards creating and improving the green spaces on a number of Springs properties

Lottery Community Fund

This fund is being used to support and accommodate those who have no recourse to public funds during the recent pandemic.

Spring Housing Association Limited
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Notes to the Financial Statements
For the Year Ended 30 September 2020

20. Statement of funds (continued)

Homeless Link

This fund has been used specifically around our homeless services to provide support and accommodation services to those who are at risk of homelessness.

Commonweal Funding

This fund was used to support the research into exempt accommodation.

The Clothworkers Foundation

These funds were used towards the capital refurbishment project at Hestia House to create a community and ICT Hub.

Landaid

This fund is being used to provide equipment and communications to those living alone to help reduce isolation during the recent pandemic.

21. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	573,610	78,266	651,876
Current assets	2,627,533	286,333	2,913,866
Creditors due within one year	(545,213)	(13,750)	(558,963)
Creditors due in more than one year	(101,411)	-	(101,411)
Total	2,554,519	350,849	2,905,368

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Notes to the Financial Statements
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21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	329,471	55,884	385,355
Current assets	1,325,164	368,456	1,693,620
Creditors due within one year	(598,794)	(41,250)	(640,044)
Creditors due in more than one year	(6,748)	-	(6,748)
Total	1,049,093	383,090	1,432,183

22. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2020 £	Group 2019 £
Net income for the period (as per Statement of Financial Activities)	1,473,185	506,391
Adjustments for:		
Depreciation charges	69,924	45,057
Increase in debtors	(182,017)	(272,478)
Increase/(decrease) in creditors	(104,075)	300,264
Net cash provided by operating activities	1,257,017	579,234

23. Analysis of cash and cash equivalents

	Group 2020 £	Group 2019 £
Cash in hand	1,461,307	423,090
Total cash and cash equivalents	1,461,307	423,090

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24. Analysis of changes in net debt

	At 1 October 2019	Cash flows	New borrowings	Repayment of finance leases	At 30 September 2020
	£	£	£	£	£
Cash at bank and in hand	423,090	925,147	120,000	(6,930)	1,461,307
Debt due within 1 year	(20)	-	(21,172)	-	(21,192)
Debt due after 1 year	-	-	(98,828)	-	(98,828)
Finance leases	(12,955)	-	-	6,930	(6,025)
	<u>410,115</u>	<u>925,147</u>	<u>-</u>	<u>-</u>	<u>1,335,262</u>

25. Operating lease commitments

At 30 September 2020 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Land and buildings:				
Not later than 1 year	1,277,112	1,277,112	203,669	203,669
Later than 1 year and not later than 5 years	1,614,232	1,614,232	942,228	942,228
Later than 5 years	1,833,068	1,833,068	1,800,000	1,800,000
	<u>4,724,412</u>	<u>4,724,412</u>	<u>2,945,897</u>	<u>2,945,897</u>

26. Related party transactions

On 30 September 2020, Spring Community Homes Limited donated its surplus for the year of £783,165 (2019 - £401,747) to the parent charity.

This donation was made in accordance with a Deed of Covenant between the two entities, and is reflected in the consolidated Statement of Financial Activities.

27. Controlling party

The group is controlled by the Board of Trustees.