

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

Disclosure of information to auditors

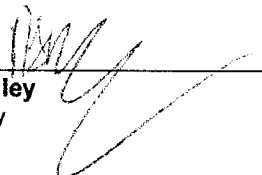
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- 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
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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

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	As restated Total funds 2021 £
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.

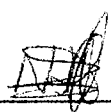
Spring Housing Association Limited
(A company limited by guarantee)
Registered number: 09244172

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>2,520,514</u>	<u>2,021,083</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	374,372	306,163

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>

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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 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

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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	-	-
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

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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)	-	-

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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
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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

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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

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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

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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.

