



ANNUAL REPORT



**For the year ended
31 december 2023**

JOSEPH ROWNTREE FOUNDATION

OUR MISSION



The Joseph Rowntree Foundation (JRF) is an independent social change organisation, working to support and speed up the transition to a more equitable and just future, free from poverty, where people and planet can flourish. The Joseph Rowntree Housing Trust is a housing association that is sustainable and engaging, provides high-quality services, good affordable homes and well-managed neighbourhoods.

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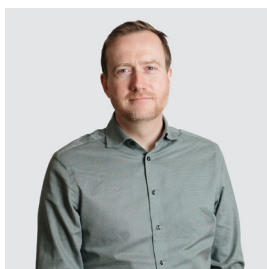
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Structure, governance and management

Executive Directors



Paul Kissack,
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Graeme Cooke,
Director of Insight
& Policy



Sophia Parker,
Director of Emerging
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Tracey Preece,
Director of Finance



Chris Simpson,
JRHT Executive
Director



Frank Soodeen,
Director of
Communications &
Public Engagement



Claire Townson,
Director of
Corporate Services
(until August 2023)



Stuart Coe,
Interim Director of
Corporate Services
(from September
2023)



Clare Aynsley,
Interim Director
of People
(from October 2023)

Trustees and Statutory Directors



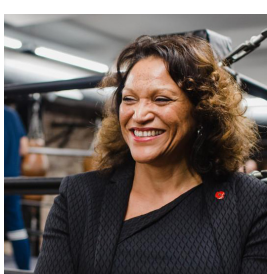
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Chair from April 2023



Saphié Ashtiany



Anita Bhatia



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Dr Hilary
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Introduction

Carol Tannahill, Chair of Trustees

I am delighted to introduce this Annual Report in my first year as Chair of Trustees at JRF. It has been an important year for embedding the Foundation's new strategic approach, diversifying and strengthening our partnerships, ensuring our staff and governance structures are fit for purpose, and growing our influence in a wide range of forums. Trustees feel positive about these achievements and aware of the complex challenges we face as we make progress towards our mission.

The prospects for people on the lowest incomes should be at the forefront of politicians' minds as we head towards a UK general election. Absolute poverty, the Government's preferred measure of poverty, has risen for the second year in a row. This is as big a rise as we have seen for 40 years. There is also little to celebrate in the slight fall in overall relative poverty levels as this is largely due to the incomes of middle-income households falling, rather than people on the lowest incomes being better off. It is vital that all political parties recognise the devastating consequences of this reality, the effects of poverty on people's lives and prospects, and the impacts on services and society as a whole. We need our politicians across the UK to treat rising levels of deep poverty and destitution with the seriousness they deserve and set out ambitious plans - going far beyond the short-term interventions recently favoured - to reverse them.

These are the main conclusions from JRF's research during 2023. The flagship publications such as *Destitution in the UK*, *UK Poverty* and our cost-of-living tracker have each in different ways shown the extent to which the incomes of poorer households are swallowed by the soaring prices for essentials. We were relieved to see some recognition of the increasingly desperate situation in the Autumn Statement, which confirmed that working age benefits will be uprated in line with the costs of living and that the Local Housing Allowance is to finally be unfrozen.

But a deeper reckoning is needed. Our social security system, like our NHS, should be there for us all, especially when we need it most. JRF's joint campaign with the Trussell Trust was launched this year to take us closer to this goal. The campaign has achieved a remarkable momentum in its first few months, attracting broad support in its efforts to socialise the idea that an 'Essentials Guarantee' must be hardwired into the design of the social security system. In addition to the campaign, our policy work aimed at the UK Government on statutory paid care leave, reforms to the childcare market, and proposals for shifting the balance of tenures within the housing market have all generated

high levels of engagement. And in October 2023 the Real Living Wage rates for 2024 were set, built on the Minimum Income Standards funded by JRF, just one of the ways we seek to provide useful infrastructure for the wider anti-poverty effort. Our work in Scotland highlighted many similar issues, not least in Poverty in Scotland where we focussed on the increasing prevalence of in-work poverty.

We also know that to truly make poverty a thing of the past more fundamental shifts will be required. 2023 was the first of a two-year learning journey for JRF and partners around the newer areas of JRF's work focussed on systemic change, most notably our Emerging Futures programme. This is in preparation of our plans to spend a greater proportion of our endowment from 2025 onwards in service of our mission. The teams have spent the first year refining their definitions of the kinds of work we should be resourcing and developing a set of propositions around governance, decision making and finance vehicles suited to the systemic changes being pursued. The ambition of this work and the creativity with which it is being approached is generating high levels of interest domestically and internationally.

For JRHT also, 2023 has been a significant year and we have been delighted to welcome Terrie Alafat as the new Chair of the JRHT Board. Since 2018 the Housing Trust has focussed on developing more sustainable care services, setting the foundations for its new development strategy that targets 1000 new homes, and responding to the Covid-19 pandemic. Governance arrangements were also strengthened during this period and the organisation now looks forward, having reestablished its G1 governance rating and with all care services rated 'good' by the CQC. But the pressures bearing down on JRHT are unrelenting. These include high inflation, increased borrowing costs and labour market disruption, which together could be said to comprise a perfect storm as JRHT seeks to meet the high expectations from the residents it serves and its regulators.

Following discussions with staff and residents during the summer and with its Board in the autumn, JRHT has redefined its core purpose as it seeks to become a best-in-class community housing association. Work is now underway to develop a set of simple, recognisable, and easily measurable objectives that are connected to the three elements of its core purpose - being sustainable and engaging, providing quality services, and good affordable homes in well managed neighbourhoods. To ensure the organisation is well led a new leadership team has been constructed, reflecting the priorities, and the central services teams have been restructured to embed more posts within JRHT and JRF respectively so that both organisations can develop the internal services that work best for them.

Sincere thanks are due to many people for what has been achieved over the year, building on the strong foundations of the past. I would like to pay tribute to Will Haire, the previous Chair of JRF Trustees, who stood down in March 2023 after 9 years as a dedicated and supportive Trustee, deeply committed to

the work of the Foundation; and to Angela Lockwood, who gave so generously of her time and expertise as Interim Chair of JRHT prior to Terrie Alafat's appointment. I would also like to thank the many people and organisations who worked with us during 2023. We greatly value these partnerships and the spirit of collaboration and joint learning: none of what we seek to achieve can be done by JRF alone. Finally, my thanks go to my fellow Trustees, members of the JRHT Board, our Independent Committee Members, and most importantly to all JRF and JRHT staff for their considerable efforts, care and achievements over the past year.

Governing document 2023

The Joseph Rowntree Foundation (JRF) was formed by a Deed of Foundation dated 13 December 1904, originally under the name of the Joseph Rowntree Village Trust. There have been a number of changes to the Deed since then, the most significant being effected under the Joseph Rowntree Memorial Trust Act 1959. The name was changed to the Joseph Rowntree Foundation in 1990.

Following a review of governance structures and an incorporation process in 2020, JRF is now constituted as a Company Limited by Guarantee and its governing document is the JRF Articles of Association.

As per the Articles of Association, JRF is the parent organisation of the Joseph Rowntree Housing Trust (JRHT).

Trustees set the strategy for JRF and the wider Group; day-to-day management functions are the responsibility of the Executive Directors.

Recruitment of Trustees

As per the Articles of Association, JRF Trustees are appointed by existing Trustees to serve three-year terms. There is a maximum of three terms for each Trustee, so they can serve for a total of nine years.

All recruitment drives are conducted in partnership with external specialists, with diversity, skills and continuous improvement pivotal to the brief. A skills matrix is maintained for all Trustees, which informs the recruitment of Trustees and nominations to other governance committees in the Group.

Trustee induction and personal development arrangements are regularly reviewed, and a specific budget has been established for this purpose.

Some individuals are both JRF Trustees and members of the Board of the JRHT.

Organisational Structure

JRF is governed according to its Articles of Association by JRF Trustees. JRHT, a Community Benefit Society and subsidiary of JRF, is governed by its Board in accordance with its rules.

JRF is responsible for setting strategy and Group operations and there is an Intra-Group Agreement that specifies the relationship between the two organisations.

There are three sub-committees that support both JRF and JRHT:

- The Audit and Risk Committee (ARC) is responsible for ensuring that there is a robust and independent control framework across JRF and JRHT. It ensures compliance with the risk-management strategy and that there is best practice

in the approach to internal audit. In 2021, the Committee consisted of 3 JRF Trustees, 3 JRHT Board members and 3 independent members (7 individuals). This is up from 2 JRF Trustees, one JRHT Board member and 3 independent members (5 individuals) at the start of the year, 2 members having joined in quarter 2.

- The Resources Committee has responsibility for oversight of JRF's finances and for all corporate activities that straddle both JRF and JRHT, such as the People team, Technology and Finance. In 2021, the Committee consisted of 4 JRF Trustees, 3 JRHT Board members and 4 independent members (9 individuals). This is up from 2 JRF Trustees, 2 JRHT Board members and 3 independent members (6 individuals) at the start of the year, two members having joined in Q2.
- The Nominations and Governance Committee is responsible for ensuring that best practice in governance is adopted across JRF and JRHT. It is also responsible for recommending the appointment of all governance committee members to Trustees. There are up to 5 members of this Committee, all of whom are JRF Trustees and JRHT Board members, including the JRF and JRHT Chairs.

In addition to the subcommittees that are shared with JRHT, there are two further committees that report directly to JRF Trustees alone:

- The Investment Committee oversees the management of the financial investments in line with any financial and non-financial objectives or ethical constraints in the endowment and investment strategy set by JRF Trustees. The Committee consists of a minimum of 3 JRF Trustees and a maximum 3 independent members. At the start of the year, there were 3 JRF Trustees and 3 independent members. In quarter 4, an additional Trustee joined as Chair and there were 2 independent members, one of whom joined in quarter 2.
- The Social Investment Committee oversees the implementation of the social investment strategy in line with any financial and non-financial objectives or ethical constraints in the endowment and investment strategy set by JRF Trustees. The membership consists of up to 4 JRF Trustees and up to 4 independent members. At the start of the year there were 2 JRF Trustees and 2 independent members. By quarter 4, there were 2 JRF Trustees and 4 independent members.

Trustees are committed to delivering best practice in the governance of the Group. Board effectiveness work was undertaken with an external partner, to review and enhance board performance. Trustee appraisals, including for the Chair of Trustees, and light-touch effectiveness reviews are conducted annually. The design of this process was developed in 2020 in conjunction with external experts.

JRF Trustees have adopted the Charity Commission Code of Governance and self-assess against this annually.

Pay and remuneration are set by JRF Trustees, on the recommendation of the Resources Committee and in consultation with the JRHT Board.



OBJECTIVES AND ACTIVITIES

JRF's charitable objectives, as set out in our incorporated memorandum and articles, are to:

- prevent and relieve poverty and other necessitous circumstances
- relieve those in need because of youth, age, ill-health (whether mental or physical), disability, financial hardship or other disadvantage
- undertake and carry on such activities as are calculated to ameliorate unsatisfactory living conditions, social unrest or disharmony among the public
- provide or assist in the provision of facilities for recreation or other leisure-time occupation in the interests of social welfare for the public at large.

Nothing in these articles shall authorise an application of the property of the charity for purposes which are not charitable in accordance with Section 7 of the Charities and Trustee Investment (Scotland) Act 2005 and/or Section 2 of the Charities Act (Northern Ireland) 2008.

Our analysis of the present overlapping crises afflicting the UK and the refreshed organisational strategy and mission statement for delivering our objectives that flowed from it, recommitted us to addressing the most urgent and pressing manifestation of poverty today, while sowing the seeds of a more equitable future. In 2023, we created a new 'Pathways' framework for assessing the contribution we are making to our mission:

- **directional change** – where we are taking a concrete stance and advancing an argument or a clear proposition for a particular direction of change; this could take the form of a specific action or change we want to see, or a directional shift in the way an issue is thought about or responded to
- **systemic change** – where we are looking to explore, define and support deeper, more foundational shifts needed for a more equitable and just future, based around values, principles and culture rather than defined or particular policy changes
- **infrastructure for change** – where we are not goal oriented, other than having an ultimate connection back to the mission, but are instead acting as an organisation to invest in and nurture the conditions and capabilities for others to shape change, with our support.

We will also deepen and broaden our approach to investing the rest of our endowment in socially responsible ways, supporting the transition we wish to see.

JRHT's objectives and activities in 2023 focused on the following key areas:

- response to the ongoing challenges of external factors such as the cost-of-living crisis

- structures to increase resident involvement and influence, such as a Residents' Assembly and the appointment of two JRHT tenants to the Board
- continuation of a home building and purchase programme
- modernisation of its approach to ways of working, including the development of a new housing and finance system
- new ways of working within the JRF-JRHT Group, which has included the realignment of the costs and delivery of core finance, people and other services
- a review of its core purpose
- strengthening senior leadership within the organisation with the recruitment of three new Directors: of Assets; Communities; and Finance, People and Technology.

During 2023, the JRHT Board embarked on the review of JRHT strategy and had conversations with the Residents' Assembly and JRHT managers and undertook a review of resident feedback. A number of factors, internal and external, drove this review:

- **the Better Social Housing Review** – a renewed focus within the wider housing sector on reviewing core purpose
- **housing sector 'headwinds'** – the global COVID-19 pandemic, high inflation, decarbonisation, high interest rates, war in Europe, exit from the European Union, political uncertainty and labour market disruption
- **significant challenges in the care sector and services** – especially around the financial losses caused by lower occupancy and the use of temporary staffing
- **JRHT financial sustainability** – driven by key loss-making areas including care
- **greater regulatory scrutiny and expectation** – around building quality and safety, and increased resident voice
- **tenant satisfaction** – with challenging results from JRHT's recent survey
- **equality, diversity and inclusion (EDI)** – with EDI progress and a drive towards being an anti-racist organisation.

Around the turn of the year (2024) the JRHT Board approved the following statement that represents an updated core purpose for JRHT and sets out the priorities that we will focus on over the next three years:

JRHT strives to be a housing association that is **sustainable** and **engaging**, and provides **high-quality and continuously improving services** and **decent affordable homes** in **well-managed communities**, prioritising **those in greatest need**.

Achievements and performance

JRF

In 2023 Trustees agreed to adopt a ‘Three Pathways’ approach to thinking about the contribution that the different types of work undertaken by JRF makes to fulfilling our overall mission. Table 1 sets out the characteristics of these pathways including how we think about and measure their respective impact.

	Directional Change	Systemic Change	Infrastructure for Change
Description	Where we are taking a concrete stance and advancing an argument or a clear proposition for a particular direction of change. This could take the form of a specific action or change we want to see, or a directional shift in the way an issue is thought about or responded to.	Where we are looking to explore, define and support deeper, more foundational shifts needed for a more equitable and just future, based around values, principles and culture rather than defined or particular policy changes.	Where we are not goal oriented, other than an ultimate connection back to the mission, but are instead acting as a Foundation to invest in and nurture the conditions and capabilities for others to shape change, with our support.
Key partners & audiences	Those with the power to act including central and local government, businesses	Those building alternative futures and countervailing sources of power	Those seeking both defined/directional and systemic change
JRF is...	Expert – generating insights, arguments & ideas to mobilise support & influence	Explorer – as a curious, values-driven field-builder and risk-taker	Builder – as a generous infrastructure builder and convener
How do we know we are making a difference?	Impact – are we persuading those with the power to act to make the specific changes or shifts we are advocating for?	Learning – are we deepening understanding about the necessary conditions of change and the more radical shifts needed?	Usage – are others using the infrastructure, tools and resources we build to create change?

In this section we elaborate on the different strands of work we have either delivered or set in train under the three headings in response to our operating environment.

External context

The gulf between the public's anxiety about the scale of poverty and economic insecurity in the UK and the willingness of political leaders to act is wider than at any point in recent memory. Research for JRF before the 2023 Autumn Statement found that 73% of the people surveyed across the UK reported being very or 'fairly worried' about the cost of essentials, second only to the state of public services as an area of concern. According to the British Social Attitudes survey, Britons also recognise the hardship befalling many households - the proportion of people who think there is quite a lot of real poverty in Britain has grown by nearly 20 percentage points since 2006. And more people now believe there needs to be action. In repeated surveys since 2017 more than half the public have agreed that the Government should increase tax and spending on health, education, and social benefits.

Yet public policy remains out of step with this shifting ground. Instead debates over what some strategists assume to be salient wedge issues dominated the political agenda in 2023: immigration controls, the pathway to net zero, and tax cuts for the working aged. (The latter ostensibly to be balanced by cuts to public spending at the next spending review.) Our response to this dissonance has taken several forms across the four nations. First, we have worked with others to draw attention to the signs of deepening poverty and destitution. Second, we have been developing and setting out a range of proposals to tackle hardship and expand the foundations of economic security for everyone. Thirdly, we have been backing individuals and collectives who, whether through their design work or real-world experiments, are confronting some of the fundamental questions that shape our lives: what we value and how we can live more equitably and sustainably. The next sections describe this work in more detail.



Directional change

Given the external context of acute cost of living pressures for low-income households it was unavoidable that in 2023 we would repeatedly return to the theme of intensifying hardship through primary research, original analysis, policy development and advocacy. Our central demand for an Essentials Guarantee in Universal Credit has clearly registered with the political class (as evidenced by the range of questions being asked in parliament about its merits) and become the consensus demand on social security adequacy across a wide range of voices and organisations. The publication of our Destitution in the UK study in the Autumn was a significant moment for our ongoing advocacy. Alongside others – especially Trussell Trust and Citizens Advice – these efforts contributed to keeping the issue of hardship on the media and political agenda.

Although the precise impact of this work is hard to measure, we take some satisfaction from the fact that for the second year in a row, the Government pulled back from not properly uprating benefits and JRF was name checked by the Chancellor when he announced a significant uplift in the Local Housing Allowance. We have also made high-quality, original analytical contributions as well as producing new policy thinking in relation to local and relational responses to hardship, through the concept of the neighbourhood safety net.

Additionally, as we look ahead to a General Election in 2024 or the start of 2025, we used 2023 to build out thinking, ideas, and advocacy around the concept of economic security. Before the summer we published an essay making the case for orientating a social justice strategy around the goal of expanding household's economic security, as a route to unlocking opportunity, freedom, and control. We have been elaborating on this theme through several policy areas, engaging both with the Government and opposition parties.

One of the newer areas for us was unpaid care and childcare services, as part of a well-organised coalition of organisation advocating for better childcare, of which we are now a leading member. Our proposal for statutory paid care leave, which would enable people to spend time looking after loved ones without losing connection to the world of work, has generated strong engagement. We also supported a series of interventions on challenges facing the childcare market, leading up to a major proposal for a system of 'social licensing' in childcare (backed by a ground-breaking data partnership with the Guardian on provider business and ownership models). Our proposal is aimed at ensuring

that increased public funding delivers a system with improved financial oversight, better worker standards and higher quality.

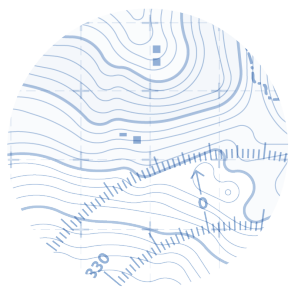
On housing, we continued to build our argument for a shift in the distribution and tenure mix of housing, through action on the supply and demand side, to advance economic security. At the start of the year, anticipating a slowing housing market we set out proposals for how Government could respond – especially on transactions and construction – in ways that would challenge, not reinforce, underlying structural problems. Later in the year, we published a proposal for a public sector master developer, as a crucial ingredient for kick starting large-scale, mixed-use development in the public interest. We also did the foundational work for a set of proposals that will be published in 2024 on the role of public/social housing acquisitions in tackling the rise in Temporary Accommodation and poor housing quality in more depressed local housing markets (along with ideas for reforming Right to Buy that would prevent the net loss of social or affordable homes while not denying social tenants the chance to own their home).

On employment, we continued our longstanding relationship with the Living Wage Foundation, buttressed by the Minimum Income Standard, to support the setting of the Real Living Wage (which drives higher pay for nearly half a million workers). We complemented this with an analytical intervention on the underexplored issue of outsourced employment, with a particular focus on Black and minority ethnic workers. This has involved commissioning new, primary data to better understand the extent of this part of the labour market (and the experiences of those working in it). In 2023, we also initiated or commissioned several connected projects on issues related to health, disability, and employment – a live issue and one with major poverty consequences – which will come to fruition in the months ahead.

There have however been challenges in making the case for more action around economic insecurity. We carried out detailed public attitudes research to test the importance of these issues with voters. It revealed that while there were high levels of support among subsets voters for action on these individual areas, none were highly salient across voting groups. We have had to adjust our strategies accordingly, dialling down the claims we make about the electoral dividends that might accrue to politicians from taking action in any one these individual areas.

In 2023 we also trialled a new piece of analysis – categorising the treasury ‘scorecard’ (the totality of tax and spending decisions) against policy categories for economic security. The near-term objective was to see whether this would prove a sufficiently interesting innovation around which to build a new space in the reactive debate. Our conclusion was that it didn’t have sufficient potential. Although the approach was novel and allowed us to read across findings to the accompanying polling work we had planned the findings did not have enough analytical depth to make it interesting enough for repeat use. It was also vulnerable to government ‘gaming’ the policy baseline for fiscal events.

In early January we designed an alternative exercise that involved converting macroeconomic forecasts into household level effects, and then analysing these by the same categories of economic security that allowed us to compare with polling. This work delivered greater immediate impact at the March Budget with of potential for future expansion and growth.



Systemic change

This area of work aims to wrestle with a set of questions that have no easy answers. What should we do to address the underlying drivers of poverty, as well as tackling its more immediate manifestations? What would it take to back the changemakers and visionaries shaping alternative futures? What characterises this future-building work, and how do we find it? What is philanthropy's role in supporting work that seeks to speed up the transition to a more equitable and just future?

To explore these questions, we've been in conversation with a huge number of organisations, individuals and movements also asking these questions across different issues including land, housing, governance design, youth justice; and spanning the worlds of movement building, cultural work, place-based change, research and policy, healing, and restorative work.

We undertake this work when the 'polycrisis' - the intersecting forces of ecological breakdown, social and political instability, and exponential technological development - is impossible to ignore. It is a time of sharp increases in extreme wealth and extreme poverty. It is also a time of great innovation and mind-bending possibilities - in fields as diverse as food, energy, biodiversity and company governance. This is a time of crisis and opportunity: will we be brave enough to face the multiple challenges upon us, and still act from a place of hope?

Our view is that part of our response to this moment we are in must be to nurture work that is seeding alternative futures, grounded in models where people and planet can thrive. In 2023, we launched the Pathfinders programme as part of our commitment to resourcing an emerging 'visionary ecosystem'. Through this programme we set out to support a network of pioneers and changemakers who are actively building alternatives to the current economic realities: rooting their efforts in building a post-industrial regenerative economy that centres human and ecological wellbeing. Our commitment to this ecosystem is not only to provide core funding, but also to deepen connections, bring more money into the field, and actively convene people and ideas around them, commissioning work to platform new thinking and practice. We see all this as an integral part of being an active funder: linking the emerging glimmers of a better future to each other, and to a bigger story of transition and change.

It remains the case that these pathfinder organisations are advancing their work within the context of an extractive economy that continues to yield deep poverty, and the concentration of wealth. Given our own history, and our endowment, we do not think we can advance this work without also engaging in questions about how different forms of wealth, including philanthropic wealth, can be mobilised through alternative funding and investment practices to better serve people and the planet. In July, we brought together more than 60 speakers and nearly 2000 attendees at our Next Frontiers conference to learn from one another, make new connections and discover ways we can influence greater change.

At the heart of this conference lay a question: what will it take to shift wealth so that it works in service of regenerative and reparative futures, rather than sustaining the status quo? What constitutes ‘enough’ and what would it take to change the way we think about these things? Can we shift from a scarcity mindset to one of abundance? Throughout the day we heard from progressive wealth holders about their own journeys, as well as from pioneers designing new investment vehicles that build economic democracy and grow community and ecological wealth. As part of these discussions, we explored the question of whether philanthropy will remain a byproduct of colonial capitalism, or whether it can play a role as a critical catalyst to support and speed up the transition to more equitable and regenerative futures.

Alongside the conference we have been exploring many of these themes in greater depth through a learning journey over 2023 looking at different models of community and ecological wealth building in the solidarity economy, working alongside a group of funders and organisations. This is a fast-evolving field, and we are committed to deepening our work in this area over the course of 2024.

In addition to resource flows, relationships, connections, and power dynamics are crucial determinants of the directions that wider systems take. Building on the work JRF has done to embrace participatory methods over several years in 2023 we leaned further into the theme of epistemic justice, which is focussed on equalising and bringing together different forms of knowledge to create more rigorous and democratic solutions to systemic injustices. We see this as a route to deeper social change and to more equitable and innovative solutions.

The stigma associated with living in poverty is an issue that is repeatedly flagged by people with experience of economic injustice. JRF allocated £120,000 to a small design team to explore the issue of poverty stigma and identify some priority areas for further action – working with ten people who collectively held a variety of experiential and professional knowledge of the issue to determine where to focus future investments on it. There are many definitions of co-production, co-design, and participatory approaches.

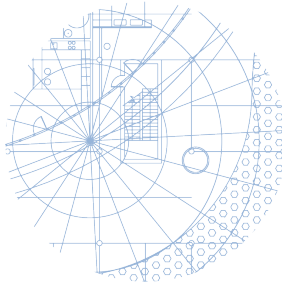
The approach we took was less about qualitative deliberative focus groups nor was it about developing solutions with people with experiential knowledge in a vacuum on their own. This process sought to bring different forms of expertise

and knowledge together – building a ‘collective intelligence’ from a diversity of thought and perspectives. Our goal was to avoid group think which often occurs when homogenous groups of people (people who think in a similar way) come together to solve problems. This approach has created a powerful group of experts with a diverse skill set who are deeply connected to one another, have a strong collective identity from building knowledge, power, and collective expertise through combining each of their diverse experiences and viewpoints. They have built collective expertise on poverty stigma that they are now drawing on to design up a process for different actors to utilise to design out stigma from policy and practice.

We have also been exploring over 2023 what more we can do to support power building in communities through the practice of grassroots community organising. We partnered with the Civic Power Fund (the first UK donor fund dedicated to community organising) to bring together Community Organisers and Funders at the St Thomas’ Centre in Manchester. Around 40 community organisers and changemakers came together with 12 funders in central Manchester. The conference has been a catalyst for two key areas of work in JRF’s movement building stream:

- Scoping a multi-year strategy to fund grassroots civic action, in conjunction with other social justice and like-minded funders.
- The exploration of how JRF can contribute to movement effectiveness with a particular focus on knitting together insight, wisdom, and ideas from multiple viewpoints, creating the conditions for greater fusion between people working for progressive social change.

In an adjacent vein, our collaboration with the UCL Policy Lab, Ordinary Hope, gained significant momentum in 2023. First, the project’s relational methodology has built a powerful alliance of individuals from different professional backgrounds and perspectives working together in a core group that drives, shapes and advocates for the work. This approach is time consuming, but has proved very fruitful, with members of the group working together to generate ideas and content. This has focused on how to bring about policy-orientated change, rather than advancing specific proposals. In particular, grounding arguments in everyday lives rather than grand, utopian visions; the role of place-based and people powered change, alongside the state and market; and the importance of relationships and connection to what makes life go well, alongside addressing material injustices.



Infrastructure for change

The intention behind thinking and acting as an infrastructure organisation is to create platforms for others to achieve change in a variety sometimes unplanned and unpredictable ways. After a period focused on understanding the existing landscape, assessing opportunities, and gauging potential user demands, 2023 saw an acceleration in product design and development.

For example, we believe that if we want to speed up the transition to a more just and equitable society, then we'll need to grow our collective capacity to imagine that future. There is a growing, diverse network of individuals and communities who are experimenting with alternative futures, illuminating pathways to a better world – a world in which our systems and structures are fit for purpose, and the way we live centres around joy and hope, offering us the freedom to dream.

In 2023 we hosted the second instalment of our annual Imagination Infrastructure event, bringing practitioners together from across the globe to share wisdom and discuss how we can better build and enable the development of imagination infrastructures. In recognition of the growing demand for this work JRF launched a £100,000 practitioners fund bolstered with an additional £50,000 of funding from Arising Quo. This funding has been made available through a new Collective Imagination Community of Practice, initiated by JRF and delivered in partnership with Canopy, Huddlecraft and the Centre for Public Impact. This community infrastructure has enabled the interchanging and developing of ideas and practice, growing people's capacity to imagine. The network has grown exponentially since inception and now boasts 500 members.

We also made significant progress during 2023 in clarifying the anchor studies we are committed to investing in, including as infrastructure contributions for others. These are: the Minimum Income Standard, Destitution in the UK, the new Economic Security survey and our own in-house annual UK Poverty report. Our flagship UK Poverty report – and its companion studies dedicated to Scotland, Wales and Northern Ireland – continued to develop and improve over the last year. Strong internal management has driven major efficiency gains in the production of the report, while efforts to drive greater creativity and originality in the analysis are paying dividends. UK Poverty remains the 'go to' study on the overall state of poverty in the country and its value and reach were illustrated by very strong media coverage and stakeholder interest for the most

recent publication (in January 2024).

Alongside our quantitative studies visible progress was made in building and testing tools capable of tapping into qualitative insight (which is hardest to capture via large scale household surveys). Grounded Voices, Social Media Listening and the Grassroots Poverty Action Group – all now in live running – provide routes to generating novel insights about the lived experience of poverty and disadvantage. We have also prototyped tools or models to produce original insight from underexplored sources of data, including: charity data, place-based data, banking data and administrative data. In addition, we have invested in work to shine a light on the un-representativeness of our major household surveys, to help those (including JRF) lobbying data controllers like the UK Government and the ONS to expand sample sizes.

Finally, building on a long track record of supporting more effective civil society strategic communications, in January 2023 we published a new framing strategy for homes to help campaigners and communicators make the most of their voice when talking to the public.

We are working with FrameWorks UK on the mobilisation phase, which is largely about building the confidence, capability, and desire of stakeholders to use the frames. The level of support that the project delivers to stakeholders takes a segmented approach with levels of support varying in relation to organisations' ability to reach the public with messaging about decent and affordable homes. Our online training workshops regularly attract more than 1000 registrants at a time.

To support the above we invested in a cost effective brand refresh and website redevelopment project, that moves us towards being a genuinely digital first publisher, enhancing the usability and accessibility of our outputs.

Our presence in our home city and region

Over the past year, we've been developing our work in York and the wider region as an anchor organisation committed to solving poverty, developing partnerships across philanthropic, business and community sectors. We are deepening our understanding of, and approach to, place-based work to define our model of working with communities to solve poverty across York and the wider region. We're using this learning to connect our regional presence to our wider agenda across the organisation – informing change and building a strong network of external relationships and partnerships around the work.

Within our home city of York we have worked with New Constellations in York to develop a bespoke journey for people from different walks of life in York to explore how they can contribute to the city's future through their own work and collective action. We've funded York's Two Ridings Community Foundation £120k to support civil society organisations who are helping communities at the sharp end of the economic crisis. And last Summer, we developed a consultation

with communities across York to understand their visions for the future of Homestead Park and Pavilion and what it would take to work towards these. We continue to support our long-term work in Hartlepool through the Hartlepool Action Lab and we're currently developing work which focuses on Hartlepool's 'story of place', focusing on communities' connections with the past, present and future and listening to their hopes and ambitions for a fair and flourishing future for Hartlepool.



JRHT

JRHT began 2023 with a mission to build strong and empowered communities without poverty or isolation. In addition, JRHT shares a vision with the Joseph Rowntree Foundation (JRF) for a prosperous UK without poverty – together we want to see change that will enable everyone to have a decent home in a good place, with a good living standard and prospects. During 2023, JRHT worked on a range of priorities and also commenced a review of its core purpose and strategic plan.

Priorities and progress in 2023

In 2023, JRHT's priorities focused on the following key areas:

- our response to the ongoing challenges of external factors, such as the cost-of-living crisis
- structures to increase resident involvement and influence, such as the Residents' Assembly and the appointment of two JRHT tenants to the Board
- continuation of a home building and purchase programme
- modernisation of our approach to ways of working, including the development of a new housing and finance system
- new ways of working within the JRF-JRHT Group, which has included the realignment of the costs and delivery of core finance, people and other services
- a review of our core purpose
- strengthening senior leadership within the organisation, with the recruitment of three new Directors: of Assets; Communities; and Finance, People and Technology.

Core purpose and strategic planning

JRHT's strategic plan has been in place since 2017 and set out a number of key outcomes that we wanted to see as an organisation, as follows:

- More people are independent and well – linked to our role as a care and extra-care provider.
- More people are shaping our communities – linked to our commitment to building resident involvement and influence within JRHT.
- More people can improve their prospects – linked to our approach to supporting residents in areas such money and benefits advice.
- More people live in a decent affordable home – linked to our target of



maintaining good repairs services and modernisation programmes and building 1,000 new homes within a 10-year period.

During 2023, the JRHT Board embarked on a review of JRHT strategy and had conversations with the Residents' Assembly and JRHT managers and undertook a review of resident feedback. A number of factors, internal and external, drove this review:

- **the Better Social Housing Review** – a renewed focus within the wider housing sector on reviewing core purpose
- **housing sector 'headwinds'** – the global COVID-19 pandemic, high inflation, decarbonisation, high interest rates, war in Europe, exit from the European Union, political uncertainty and labour market disruption
- **significant challenges in the care sector and services** – especially around the financial losses caused by lower occupancy and the use of temporary staffing
- **JRHT financial sustainability** – driven by key loss-making areas including care
- **greater regulatory scrutiny and expectation** – around building quality and safety, and increased resident voice
- **tenant satisfaction** – with challenging results from our recent survey
- **equality, diversity and inclusion** – progress on this and a drive towards being an anti-racist organisation.

Around the turn of the year (2024), the JRHT Board approved the following statement that represents an updated core purpose for JRHT and sets out the priorities that we will focus on over the next 3 years:

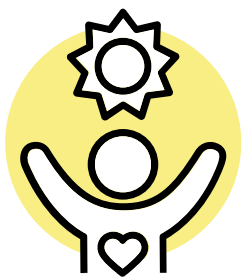
JRHT strives to be a housing association that is sustainable and engaging, provides high quality and continuously improving services and decent affordable homes in well managed communities prioritising those in greatest need.

Highlights of achievements in 2023 from across JRHT linking into our stated outcomes

JRHT's stated outcomes for 2023 were the following:

- More people are independent and well.
- More people are shaping our communities.
- More people can improve their prospects.
- More people live in a decent affordable home.

In this subsection we summarise our activities and outline case studies to offer insights into how some of our work has progressed these objectives.



MORE PEOPLE ARE INDEPENDENT AND WELL

Across JRHT we are engaged in promoting and supporting residents to live their best lives. This is particularly evident in JRHT’s services for older people and people with disabilities, which encompass nursing, residential and extra-care schemes in addition to sheltered and supported housing.

Type of scheme	Name of housing community and location
Nursing Care	<ul style="list-style-type: none">• The Oaks, New Earswick
Residential Care	<ul style="list-style-type: none">• Bedford Court, Leeds• The Oaks and New Lodge, New Earswick
Extra Care (with some homes for people with disabilities)	<ul style="list-style-type: none">• Hartfields Manor, Hartlepool• New Lodge, York• Plaxton Court and Quaker Close, Scarborough• St Helens, Beverley
Sheltered Housing	<ul style="list-style-type: none">• Beech Grove, Selby• Clemethorpe Court, Dower Court/William Plows Avenue, Heslington Court, Mistral Court/Sturdee Grove, Old School Court and Sandacre Court, York• Danes Dyke, Court Green Close and Keld Close, Scarborough• Roxby Gardens, Ryedale
Supported Housing	<ul style="list-style-type: none">• Independent living provided through third-party relationships with specialist providers at various locations in York and East Riding of York

CASE STUDY – PLAXTON COURT, SCARBOROUGH

At Plaxton Court we aim to create an inclusive environment, conducive to not only living independently and well, but also to reflecting the importance of ageing positively.

2023 was another busy year for our residents and team, but particularly as we were keen and excited to see the restaurant, coffee shop and bar refurbishment project come to fruition! Our residents were involved in various parts of the planning process, from consulting with the designer over the choice of colour scheme, furniture, carpets and layout, and the choice for the screen print used on our lovely new oak wooden room dividers, to a trip out to the local museum to choose some Scarborough-related artwork to finish the ‘look’.

The end result of all the planning has been the creation of a lovely, warm environment that residents and external visitors are able to enjoy, where they can have coffee and cake and lunches, attend various themed evenings and be entertained at our new regular 'Bar Nights'. The new lounge area is also host to our regular Garden Club meetings and Singing Club, and allows for residents to enjoy films and other events together as a community, for example the coronation of King Charles.

In addition to going to the museum, Plaxton Court residents enjoyed other excursions over the course of the year, including a trip to the Scarborough Fair Collection & Vintage Transport Museum and the local garden centre. We have a car for hire, and also utilise the local Dial A Ride to accommodate residents with restricted mobility and those with no available transport, ensuring that everyone who would like to, is able to attend. Residents really enjoyed seeing the old vintage fairground rides and spent time reminiscing about the various models of cars on show, and they also enjoyed listening to music and dancing in the Old Time Music Hall.

In 2023 we held a 1920s themed event. This was well attended by residents and their guests, who enjoyed canapes, cocktails and mocktails, a dancer performing the Charleston and an opera singer performing well-known classics from that era. The residents joined in the preparation for the event by making their 1920s-style beaded head dresses and other accessories, which all contributed to a real sense of 'occasion', and a fabulous night was had by all.

Our residents attend meetings and are regularly issued with newsletters, informing them of upcoming events, fundraising and other activities. We find we are growing in popularity with the wider community, and have been forging links with many community groups, including pupils at the local school, who our residents recently worked with in providing hampers for the Salvation Army.

As Plaxton Court facilities are open to non-residents, it has been lovely to see more and more people enjoying the benefits of our scheme, including the Healthy Living Suite (HLS). Our HLS manager is able to encourage exercise and build individual plans, increasing mobility and actively promoting health and wellbeing.

Many residents enjoy weekly chair classes and the chance to have a fitness walk around the scheme when good weather prevails. The HLS has been instrumental throughout 2023 in promoting social groups among the residents and external clients, who then enjoy a well-deserved coffee and cake after their fitness session!

We are always welcoming new ideas and look forward to planning more events and activities with our residents and guests in 2024!



MORE PEOPLE ARE SHAPING OUR COMMUNITIES

JRHT recognises the importance of resident involvement and is seeking to embed resident voice throughout all areas of work. In 2023, a focus was on continuing to build on the strategic-level **Residents' Assembly**, which meets quarterly, as well as increasing involvement in our neighbourhoods through our growing number of resident-led **place-based groups**. JRHT actively supports the development of resident voice in communities where we are active. The table below illustrates some of this.

JRHT also recognises the value in having a diverse Board, ensuring decisions are made following contributions from a wide range of skills and lived experience. During 2023, we held a recruitment exercise with the aim of recruiting **two JRHT tenants to join the JRHT Board**. Following a competitive process, Brenda Boyes and Steve Hutcheon were selected by the panel and formally joined the JRHT Board on 11 December 2023.





MORE PEOPLE CAN IMPROVE THEIR PROSPECTS

JRHT has actively supported residents in improving their prospects and this has been pursued through a number of activities, including those set out in the following table.

Community capacity-building and development

The Community Development Team have initiated a partnership with Multiply, offering maths courses to adults aged 19 and over, through engaging practical activities that boost numeracy skills in work and daily life. In December 2023, the Multiply ‘making mocktails’ session in the Folk Hall Discovery room was thoroughly enjoyed by those who attended. Participants shared ideas for future sessions and the team hope to expand the partnership to further neighbourhoods where JRHT provides homes in 2024.

Co-location of the library in the Folk Hall, alongside the Post Office and café, enables access to library facilities during all the hours the Folk Hall is open, 6 days a week. The library is the highest-performing library (in terms of books issued) for its size in York.

The Community Development Team delivered holiday activities for families with children aged 4–11 in each of the school holidays throughout 2023. Sessions in both New Earswick and Foxwood were well attended and enabled parents and carers to engage in peer-to-peer support while children benefited from high-quality, skill-based input from expert facilitators delivering activities such as kickboxing, drama, arts and crafts and music.

Access to affordable homeownership

Through our strategy to deliver 1,000 new homes, we are offering 40% of these through shared ownership. This gives more people the opportunity to access homeownership. We have also broadened our operational area so that we are delivering more homes across a wider geographical area. In 2023 we delivered a ‘Staircasing Campaign’, which provided existing shared owners with more information on how they could purchase a greater proportion of their property.

Money and benefits advice

As the cost-of-living crisis started to have an impact during 2022 and continued to do so throughout 2023, our Money and Benefits Advice (MBA) service continued to provide free support to anyone who needed it. In the last year alone, the team helped people access over £750,000 in benefits and grants to

which they were entitled, £140,000 of which was in the form of backdated or one-off payments. As well as this, a pre-tenancy advice session with an MBA adviser has continued to be incorporated as part of the standardised housing-offer process for all residents – ensuring people are supported to maximise their incomes and only enter tenancies they will be able to sustain. The MBA advisers continue to offer out-of-hours appointments to enable people in work to access the service more easily.

The former Crisis Support Fund offered through and managed by the MBA team has been amended to better suit resident needs. Renamed the Resident Support Fund to assist not only during a period of crisis but also beforehand in the hope of avoiding one, residents can now apply for up to £1,000 over the course of 12 months. Residents no longer have to be in receipt of a particular benefit as the MBA team identified that working people are also struggling during the cost-of-living crisis. However, in every case, residents need to undergo an assessment with an MBA adviser to confirm financial hardship and identify if any other forms of support may be available (previously unclaimed benefits, for example). In 2023, around £5,000 was granted to residents in need. A large proportion of this was for the purpose of new flooring and household items upon moving into a JRHT property. There were also a large number of grant applications for help towards insolvency application fees, to discharge unaffordable debts.

Over 120 residents on district heating systems were supported by the MBA team to claim energy rebates in 2023. This equated to nearly £50,000 in additional income for those residents. As JRHT properties with district heating systems largely consist of extra-care and Independent Living Service (ILS) residents, MBA drop-in sessions were set up for this purpose at various sites, including Hartfields Manor and New Lodge. However, due to the popularity of those sessions, the MBA team continue to offer monthly advice drop-ins at Hartfields Manor along with undertaking regular site visits to New Lodge.



MORE PEOPLE LIVE IN A DECENT AFFORDABLE HOME

In 2023, we continued to pursue our target of delivering 1,000 new affordable homes by 2029.

We were able to deliver 33 new affordable homes across our broadened operational area, in Garforth (5 homes), Beverley (6 homes) and Northallerton (22 homes).

During the year we were also successful in gaining planning permission for 10 new homes at Sturdee Grove in Heworth and 16 new homes at Acacia Avenue in New Earswick.

We also submitted planning applications for a further 12 new homes at Hartfields Manor and five at Hawthorne Terrace in New Earswick.

The planning process again slowed our development plans as we awaited permission for a further 130 new homes in New Earswick. We expect to make significant progress in 2024, with further planning approvals and submissions along with construction starts across a number of sites.



How JRF'S activities deliver public benefit

JRF's main activities are described above. Our charitable activities focus on working with others to speed up and support the transition to a future free from poverty, in which people and planet can flourish.

JRHT's objectives and activities are all intended to provide a public benefit. This is achieved through services such as:

- the provision of affordable homes in local communities
- designing and building new affordable homes
- providing care services that are tailored to people's needs, offering residential and nursing care as well as care within people's homes.

Trustees have had due regard to guidance on public benefit produced by the Charity Commission and are of the opinion that undertaking these activities fully meets the requirements of Section 17 of the Charities Act 2011 to deliver public benefit.

The role of social investments

Since 2015, 5% (currently notionally set at £20 million) of JRF's endowment has been allocated to fund social investment.

Our social investments are a mix of direct and fund investments, supporting organisations that further JRF's overarching mission and strategy to support the transition to a more equitable and just future, free from poverty.

Our work in social investment spans across JRF's impact pathways of directional change, systemic change and infrastructure for change. In line with JRF's focus on specific directional change, we have advocated and promoted the Real Living Wage within the social investment sector, resulting in updating the Living Wage Funder accreditation to include social investors.

To contribute to systemic change, we have funded organisations creating the deeper, more foundational shifts needed for a more equitable and just future. This includes our investments in BelleVie (home care) and the Resolution Foundation's Workertech Partnership. We also recognise the need to build much-needed infrastructure for change in the social investment sector, and in 2023 we invested in the Pathway Fund via a repayable grant, expanding our range of funding vehicles.

Alongside meaningful social impact, social investments are also expected to deliver a modest financial return. However, the overriding purpose of the commitments is to contribute towards the achievement of JRF's vision and mission.



Our investments

From 2015 through 2023, JRF committed £14 million to 35 social investments. The following 33 investments were still active as of December 2023, with values shown reflecting the total original commitment made by JRF. Over the years we have made social investments aligned with JRF's current topics, from housing, deep poverty and destitution, to care and work.

Housing

Funding Affordable Homes (FAH) – £500,000

FAH is a fund of approximately £90 million, which was launched in 2015, investing in general needs and specialist affordable housing in the UK. The fund currently has deployed capital across several schemes.

Hartlepool Housing Heroes (HHH) – £75,000

The HHH project is run by Hartlepool NDC Trust with Let's Connect Hartlepool, in partnership with JRHT and the Hartlepool Action Lab. HHH purchases properties for young care leavers to refurbish and move in to, and supports the young people's transition to adulthood.

London Community Land Trust (London CLT) – £100,000

London CLT works with teams of local residents to create permanently affordable homes that are priced according to local income and are owned by local people.

London Rebuilding Society (LRS) – £250,000

LRS helps older homeowners, who are income poor, to manage and finance the refurbishment of their homes to a safer and greener standard so that they can live longer and better in their own homes.

Micro Rainbow International – £400,000

Micro Rainbow International provides safe temporary housing, move-on support and social inclusion activities for LGBTQI asylum seekers and refugees in the UK.

National Homelessness Property Fund I (NHPFI) – £500,000

NHPF provides move-on accommodation for people at risk of homelessness. The £44 million fund has purchased homes in Oxford, Bristol and Milton Keynes, and works with St Mungo's and Developing Health and Independence to support tenants so that they can transition into the private rented sector.

Social and Sustainable Housing (SASH) – £1,000,000

The £65 million SASH fund provides flexible loans to small- and medium-sized charities across the UK to finance the purchase of properties to house people experiencing poverty and hardship.

Women in Safe Homes (WISH) – £300,000

The £29 million WISH fund provides safe, secure and affordable homes to women and their children across the UK. It works with women's sector organisations that provide specialist support to women who are survivors of domestic abuse, are leaving prison or have complex mental health problems.

York Refugee Housing – £500,000

This investment is for the purchase of up to three homes for refugees in York. The properties aim to provide housing for those facing complex situations, such as those with disabilities, who would otherwise struggle to access suitable accommodation.

Social impact funds

Big Issue Invest Social Enterprise Investment Fund II (SEIF II) – £500,000

SEIF II is a £24 million fund that invests in social enterprises and charities with sustainable business models. The fund has invested in organisations operating in areas such as social care, early years education, financial inclusion, mental health and employment.

Bridges Evergreen Holdings – £500,000

Bridges Evergreen makes long-term investments in for-profit organisations with a clear social mission. The fund size is approximately £60 million. Bridges Evergreen has invested in organisations operating across impact areas including fuel poverty, affordable housing, healthcare for older people, education and care for young people with complex needs.

Fair by Design – £3,000,000

Fair by Design is a £15 million fund, which was set up by JRF and Big Society Capital in 2015 to invest in early-stage ventures that find fairer ways to serve low-income consumers, tackling the poverty premium in key sectors such as financial services, energy, insurance, household goods and food.

Growth Impact Fund (GIF) – £250,000 (committed but not yet drawn as at 31 December 2023)

GIF is a fund that invests in early-stage, growing organisations that tackle inequality in the UK and which have diverse representation at board and leadership level. The fund and an associated grant-funded technical assistance programme are jointly managed through a partnership between Big Issue Invest and UnLtd.

Key Fund, Northern Impact Fund II – £500,000 (committed but not yet drawn as at 31 December 2023)

Key Fund has a 20-year track record of investing in communities and social enterprises working in disadvantaged areas in the north and Midlands of

England. Northern Impact Fund II is a fund that supports organisations to develop or grow trading activity in the north and Midlands with blended grant and loan financing.

Mustard Seed – £500,000

JRF has invested in a managed account, run by Mustard Seed, which invests in for-profit social purpose enterprises.

North East Social Investment Fund (NESIF) – £500,000

NESIF is a £10 million fund that supports charities and social enterprises across the north-east of England. The fund has invested in approximately 30 organisations across impact areas including social care, education and mental health.

Pathway Fund – £120,000 (repayable grant)

Pathway Fund is a new initiative founded in 2022 to catalyse opportunities for black and minority ethnic communities, across England, through social investment. It aims to act as a wholesaler in the social investment sector.

Financial inclusion

Fair Finance – £180,000

Fair Finance provides microlending and financial advice to individuals excluded from mainstream banking. It is particularly focused on serving areas of need in London.

Fair For You – £500,000

Fair For You offers loans for the purchase of white goods and other essential household goods. This has enabled low-income consumers to benefit from the provision of flexible, low-cost credit.

Five Lamps – £500,000

Five Lamps is a microlender based in the north-east of England providing low-cost flexible loans.

Great Western Credit Union – £350,000

Great Western Credit Union (previously, Bristol Credit Union) is a community credit union committed to serving Bristol, Bath and the surrounding areas.

Leeds City Credit Union – £250,000

Leeds City Credit Union is one of the largest credit unions in the UK.

Lightning Reach – £100,000

Lightning Reach is a fintech-for-good start-up, which connects individuals in financially vulnerable situations to the personalised financial support (including benefits and discretionary support schemes in the UK) they need through its online platform.

Work and care

BelleVie – £400,000

BelleVie is a home-care provider applying a Buurtzorg (Netherlands)-inspired operating model in the UK. This approach facilitates home care workers to work in small self-managed teams, thereby increasing flexibility and autonomy. This in turn translates into improved employee wellbeing, satisfaction and patient care, as well as providing cost savings. BelleVie is also an accredited Living Wage employer in a low-paying industry.

Generation – £200,000

Generation offers practical training bootcamps and employment support to help people into life-changing careers that would otherwise be inaccessible. It focuses on supporting people who face multiple situational or demographic barriers to work and are disproportionately affected by un- or underemployment.

Glasgow Together – £250,000

Glasgow Together has created employment opportunities for ex-offenders in the construction sector by building new affordable homes and bringing empty properties back into use.

London Early Years Foundation (LEYF) – £187,010

LEYF operates a cross-subsidy model for children's early years education that makes it more accessible to children from lower-income households. Over half of LEYF's nurseries are rated 'outstanding' by Ofsted and over 70% operate in deprived areas.

RefuAid – £420,000 (2 investments)

RefuAid helps those with refugee status to access language tuition, education, finance and employment. Its Equal Access Loan scheme provides support by offering interest-free loans of up to £10,000 for refugees to pay for UK accreditation, requalification or training, thereby facilitating people to return to employment in their professional fields. We have made two investments to RefuAid.

Resolution Foundation (Workertech) – £150,000

The Resolution Foundation's Workertech Partnership aims to finance and support new social ventures that are seeking to use technology to improve the prospects of workers in the UK.

Timewise – £250,000

Timewise is a social consultancy working to unlock the flexible jobs market in the UK to enable those who need flexibility to find good-quality jobs. By tackling the lack of decent flexible work, Timewise aims to reduce in-work poverty and gender inequality.

Community

Shared Lives Investments – £350,000

Shared Lives Investments is a fund launched in 2015 as a proof of concept to help expand Shared Lives care in England, enabling a greater number and a more diverse group of vulnerable adults to access high-quality community care.

YMCA Robin Hood Group – £500,000

YMCA Robin Hood Group is the largest YMCA in the Midlands, with services including supported housing, residential care for children, health and fitness, and support programmes for children and families. JRF has committed funding to develop the Community and Activity Village in Newark and Sherwood. The project seeks to tackle root causes of underlying social and health problems to provide better opportunities for young people from deprived backgrounds, while also creating new jobs in an economically disadvantaged area.

Risk

Trustees are responsible for setting the risk appetite for JRF and for approving the appetite set for JRHT by the JRHT Board. All staff have a responsibility to identify and manage risk throughout the Group. A separate Risk Management Strategy is in place for JRHT and a similar strategy will be established for JRF in 2024. These replace the Group Risk Management Strategy previously agreed.

Each risk, whether in JRF or JRHT, is assessed for its likelihood and its impact both before and after controls ('inherent risk' and 'residual risk'). Controls are identified together with responsibility for the management of each risk. Where necessary, actions to improve the management of the risks are identified.

The following principal risks have been identified for the Group. These include the most significant risks within JRHT. JRF Trustees and the JRHT Board have considered the risks to which the two organisations are exposed and have taken appropriate steps to ensure controls reflect the level of risk appetite.

Principal risks for the JRF-JRHT Group

RISK	MITIGATION
REPUTATION	
Risk to the credibility of, and trust in, the organisation	<p>Risks arising from JRHT activity are reported to the JRHT Board by the Executive Director.</p> <p>There are strong internal quality assurance processes in place in JRF teams and a robust strategic communications planning process to structure the rollout of external-facing outputs and messages.</p>
COMPLIANCE AND REGULATION	
Failure to comply with any regulator's requirements	<p>As a charity, JRF is registered with and is regulated by the Charity Commission for England and Wales and the Scottish Charity Regulator. JRHT is regulated by the Regulator of Social Housing and Care Quality Commission. Regulatory requirements are tracked, and gap analyses undertaken on at least an annual basis and regulators are notified where needed. A standing report is presented to the Audit and Risk Committee each quarter, providing details of any regulation or inspection reports received and highlighting key risk areas communicated with the regulators.</p> <p>Dedicated compliance roles are established. Actions arising from inspections and audits are tracked and monitored, with progress regularly reported to the relevant leadership teams and the Audit and Risk Committee.</p>

RISK	MITIGATION
Safety and wellbeing of our residents, employees, visitors, contractors or members of the public	Information governance and security policies are in place. A dedicated Information Security Manager is supported by other sector-specific compliance managers. There is mandatory data protection training for all staff.
Failure to adequately comply with the General Data Protection Regulation (GDPR), other UK laws, sector-specific regulations and contracts relating to data and technology	Information governance and security policies are in place. A dedicated Information Security Manager is supported by other sector-specific compliance managers. Retention policies have been established. There is mandatory data protection training for all staff.
Business critical systems no longer being supported and/or technology platforms no longer being maintained, or with key gaps in functionality/coverage	There is a detailed understanding of systems that are at or close to end of life. Contingency plans are developed where necessary. A programme is underway to replace Housing, Finance and Asset Management systems with Housing, Finance and Purchasing, which went live successfully in April 2024, and the second phase to implement remaining modules will be completed by quarter 1 2025. Core elements of technology infrastructure have been upgraded and provide improved resilience.
OPERATIONAL/SERVICE DELIVERY	
Operations disrupted by external factors beyond our control. This includes disruption as a result of a cyber attack. Lack of readiness when outages or emergencies occur	A corporate emergency protocol is in place with local disaster recovery and business continuity plans developed at department and operational level. Suite of technology system controls in place to reduce the likelihood of a successful cyber-attack. Response plan maintained for a cyber-attack. Systems and processes were successfully tested and operational during the coronavirus crisis.
JRHT housing stock is not resilient to the effects of climate change and/or failure to plan effectively to meet government-set decarbonisation targets	An active improvement programme is underway to deliver greater energy efficiency. A condition survey of all of stock is in progress – including Energy Performance Certificate (EPC) and associated thermal performance data surveys. A Decarbonisation Programme Board is to be established to lead on the work to achieve 2030 and 2050 targets.
FINANCE	
Pension risks • Cost of defined benefits pension deficit payments increases materially • Current defined contributions pension scheme does not deliver desired and required benefits for staff	Our defined benefits scheme is now closed and we only have defined Contributions pension schemes available. Pension strategy ‘state of the nation’ is being commissioned alongside the release of a 2023 triennial valuation in mid-2024 to inform the next steps for both the defined benefits deficit and the future of defined contributions.

RISK	MITIGATION
PEOPLE AND CULTURE	
Failure to have diversity in our workforce	<p>Actions are in place around recruitment, retention and learning opportunities for our workforce.</p> <p>We have active BAME, LGBT+, Disability and Women's Staff Networks.</p>
Risk of being unable to recruit and retain skilled staff	Regular review and discussion take place of workforce data and recommendations in relation to strategies to mitigate risk areas and identify opportunities.
INVESTMENTS	
Investments fail to deliver the 'total return' that is required to meet JRF financial objectives, and deliver our strategy	<p>Our Investment Committee is informed by independent members and advisers.</p> <p>We have an Investment Policy with an emphasis on real assets, sustainability and responsible investment.</p> <p>A review of asset allocations is undertaken annually, with a more strategic review every four to five years. Decisions are taken outside of this if circumstances demand it.</p> <p>A financial planning mechanism ('available income') has been established to guide the level of drawdowns without eroding the real value of the overall endowment over time.</p> <p>Investments equivalent to three years' expenditure in liquid assets are held.</p> <p>Stress-testing of financial plans to extreme conditions is undertaken.</p>
SOCIAL INVESTMENTS	
Failure of a social investment risks loss of our investment in full or part, damage to our reputation with investees and/or partners and failure of the investment to deliver any impact	<p>A Social Investment policy is in place with the need to perform risk assessments being a key part of this. The policy is reviewed annually.</p> <p>An impact framework has been agreed by the Social Investment Committee.</p> <p>There is monitoring of investments both regular and intensive as needed.</p> <p>Suitably skilled individuals manage the portfolio – a Head of Social Investment supported by two Investment Portfolio Managers and retained external specialist expertise.</p>

Financial review

TRUSTEES' POWERS AND RESERVES POLICY

The Trustees have power to spend both income and capital. There are no restricted or designated reserves and all JRF's capital is regarded as free reserves.

OBJECTIVES

JRF's financial objectives are:

- to maintain the level of expenditure on achieving its mission and outcomes
- to ensure that the value of JRF capital is maintained in real terms over the long term.

The Trustees monitor the level of the endowment against the target on a quarterly basis. The endowment's performance against the long-term target is the key factor in determining the sustainable level of spending.

INVESTMENT POLICY AND STRATEGY

The majority of JRF's investments are held as financial investments, although Trustees have decided to allocate £20 million of the fund for social investments of which £14 million is committed.

The objective for JRF's financial investments is to maximise the 'total return' over the long term, subject to not taking undue risk. This 'total return' represents the combination of changes in capital values and income received. Thus, a neutral position is taken as to whether a return is received by way of capital growth or distribution of income; it is the total which is important.

We have determined that investment in real assets, principally equities, represents the most appropriate strategy for meeting JRF's financial and investment objectives. As the chart below shows, equities account for 90% of the investment portfolio.

Trustees appreciate that this approach will result in short-term volatility in the market value of the portfolio, but they consider that the organisation's financial strength and the absence of significant fixed liabilities mean that JRF is able to withstand such fluctuations. The Investment Committee reviews the asset allocation policy on at least an annual basis, taking appropriate professional advice.

Although the financial investments are designed to maximise returns, at JRF we believe strongly in investing our funds responsibly. We define 'responsible

investment’ as an investment approach that is based on the view that the effective management of environmental, social and governance (ESG) issues is not only the right thing to do but also fundamental to creating value. We believe that companies that are successful in avoiding ESG risks and/or capturing ESG opportunities will outperform over the longer term. This longer-term view is consistent with JRF’s investment time horizon.

JRF seeks to incorporate ESG issues fully in its investment activities. We do this by:

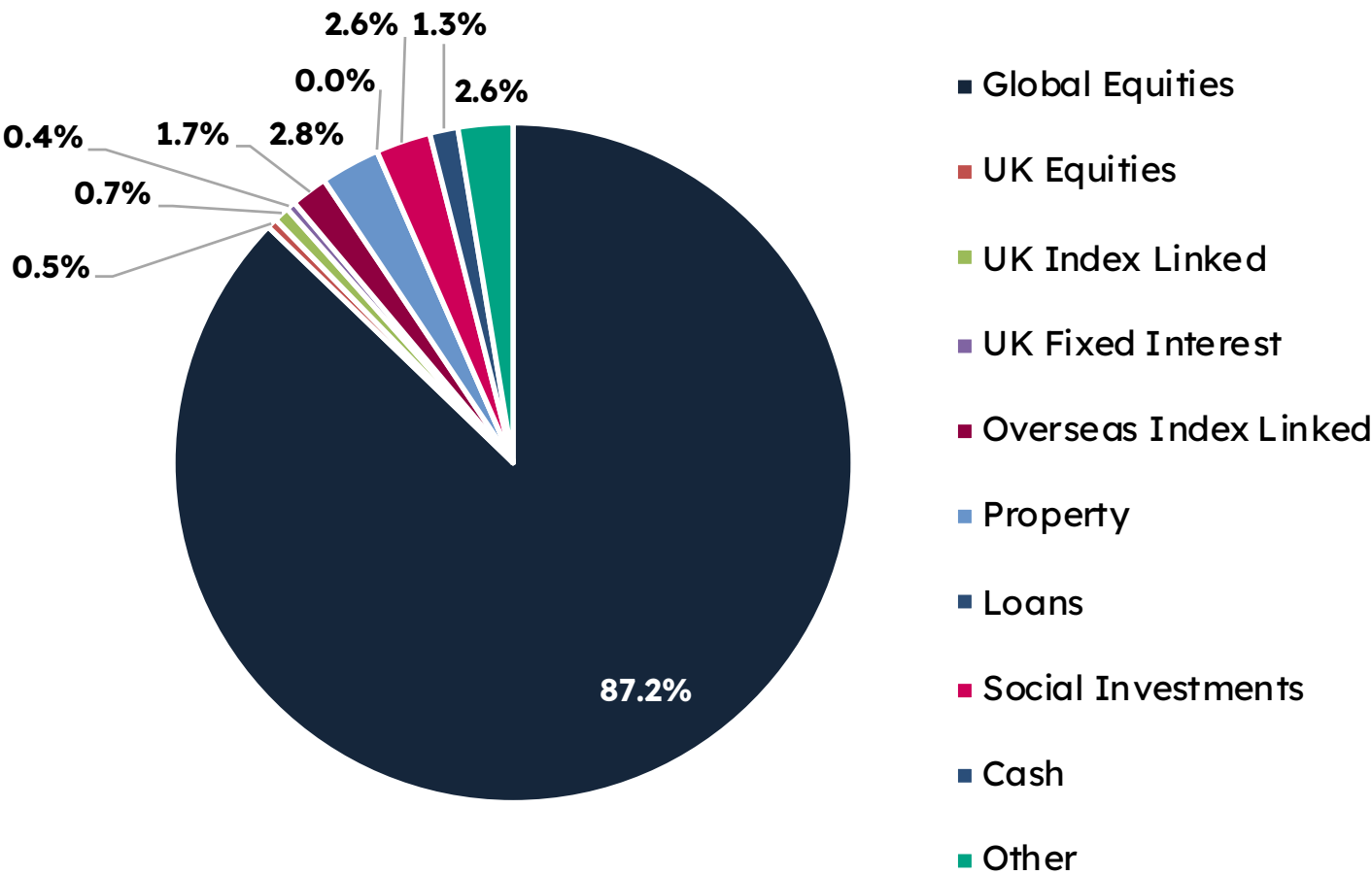
- including an assessment of the approach to responsible investment in the selection of Fund Managers and subsequent monitoring of their performance
- authorising Fund Managers to exercise the vote with JRF shares in accordance with agreed policies but subject to an over-ride by JRF in circumstances where there would be a conflict with JRF’s charitable objectives
- within available resources, engaging with companies on ESG issues and also those issues that are directly relevant to the strategic priorities and work of JRF,



which may be through the Fund Managers or in partnership with other investors – JRF is a member of the Charities Responsible Investment Network.

JRF also follows an ethical investment policy within the overarching theme of responsible investment. It does not invest in stocks and shares in companies that are significantly associated with the manufacture of armaments, tobacco, brewing or gambling. ‘Significant’ is defined as 10% of either profits or turnover.

The asset allocation at the end of 2023 was as follows:



2023 ACCOUNTS AND FINANCIAL PERFORMANCE

Balance sheet

The Group balance sheet brings together both JRF and JRHT assets and liabilities. The latter includes housing properties, care homes and other fixed assets.

As an endowed foundation, the majority of JRF's capital reserves are held as investments, which totalled £420m at the end of 2023. These unrestricted reserves are held in line with the foundations investment policy and to meet the financial obligations of its future activity. Reserves relating to JRHT, totalling £99m, are held as restricted reserves whereby funds can only be spent to further JRHT's specific objectives. Group long-term creditors include JRHT's loans (£38 million), which are expected to be fully repaid by 2047, and refundable fees (£30 million) associated with Hartrigg Oaks continuing-care retirement community. These fees are expected to be repaid within 30 years but is dependent upon life expectancy.

	GROUP		PARENT	
	2023	2022	2023	2022
	£M	£M	£M	£M
Fixed assets (tangible and intangible)	204.9	193.5	3.6	2.8
Investments (market value)	434.6	437.7	431.2	434.4
Home-buy loans (market value)	2.0	2.0	-	-
Net current (liabilities)/assets, excluding pension liabilities	(1.9)	0.4	(6.1)	(4.0)
Long-term creditors, excluding pension liabilities	(83.8)	(90.8)	(0.6)	(0.8)
Pension liability	(8.4)	(9.3)	(8.4)	(9.3)
Foundation capital	547.4	533.5	419.8	423.1

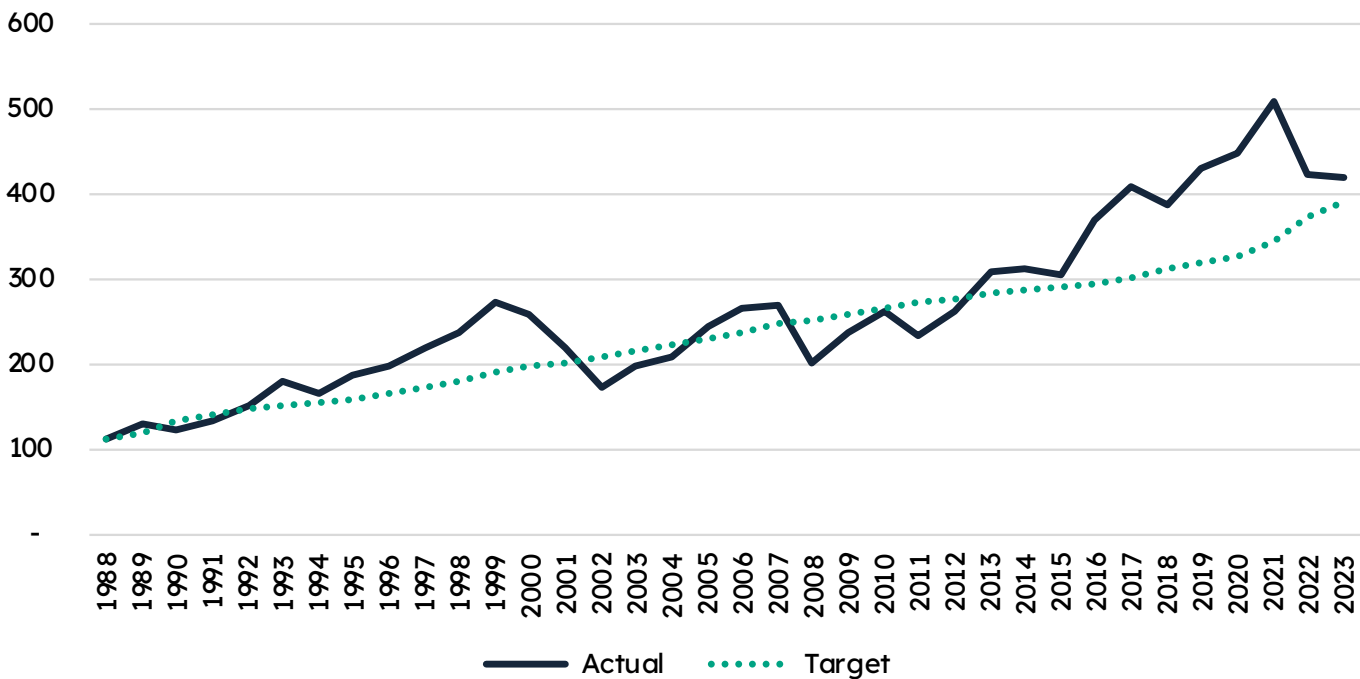
The value of JRF's investment portfolio remained relatively flat for the 12-month period. This was, however, after £40 million was drawn from the investment portfolio to fund JRF's charitable operations, provide revenue support to JRHT to resolve legacy-related issues and provide a capital grant to JRHT as part of its £50 million commitment to fund the affordable housing development programme. Of this, £29 million has been drawn, leaving £21 million ring-fenced in JRF's investment portfolio, which is expected to be fully drawn by the end of 2024.

Global markets performed strongly in 2023, driven predominately by resilient economic data in developed market economies, a slowdown and then fall in inflation, and increased investor optimism due to the emergent opportunities which artificial intelligence may provide.

JRF is a long-term investor and does not react to short-term market movements by making changes to its investment strategy. The year-end positions held in the balance sheet are after allowing for spending of capital as shown in the Statement of Financial Activities (see below).

The endowment, which is the value of the investment portfolio less outstanding liabilities, reduced from £423.1 million to £419.8 million between 31 December 2022 and 31 December 2023. This is a 1% decrease over the year but remains 7% ahead of JRF’s internal target. This is the primary key performance indicator for financial performance, although individual investment manager performance is tracked against agreed benchmarks. .

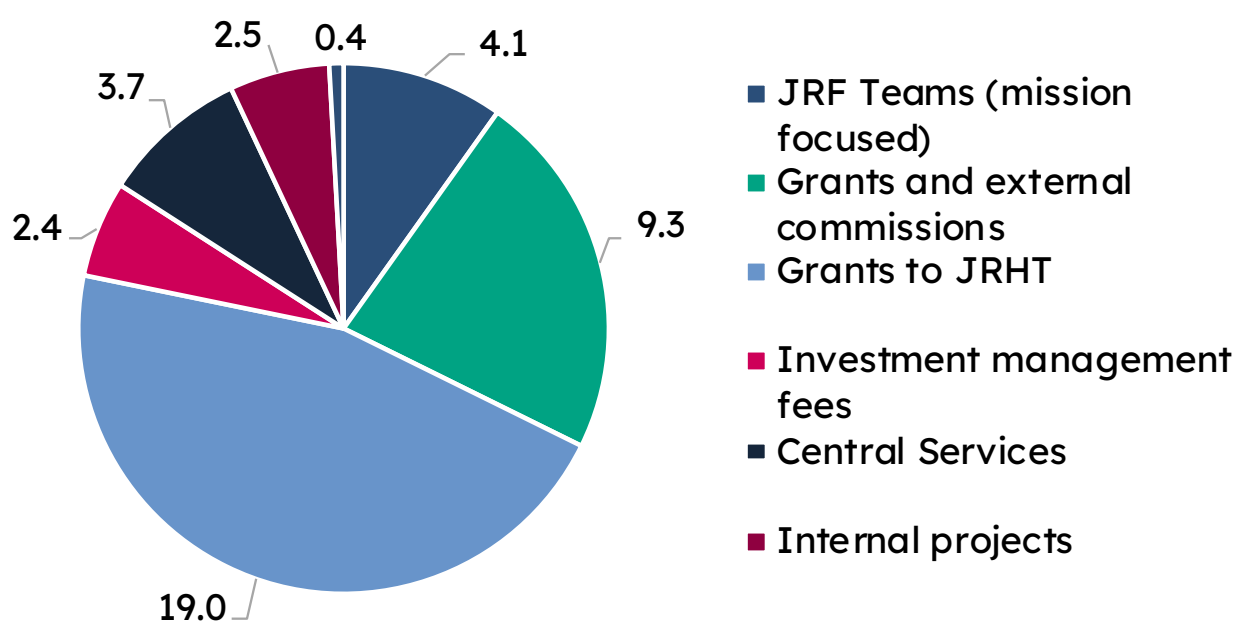
A chart showing the long-term performance of the endowment versus the target is provided below.



Statement of financial activities (JRF company only)

	2023	2022
	£M	£M
Total income	10.9	11.5
Grant commitments	(28.4)	(20.3)
Support and governance costs	(10.5)	(9.5)
Cost of raising funds	(2.4)	(1.5)
(Increase) / decrease in pension liability	-	-
Total expenditure	(41.3)	(31.3)
Net expenditure, funded from capital	(30.5)	(19.8)
Re-measurement of pension scheme obligations	(0.5)	(1.8)
Gains / (losses) on investments	27.6	(53.3)
Net movement in funds	(3.3)	(74.9)

Types of JRF expenditure (£ million)



There were notable increases to both grants to JRHT and grants and external commissions in 2023, compared to 2022. Grants to JRHT increased due to JRF's commitment to fund JRHT legacy-related issues and an increase in capital grant for JRHT's affordable housing programme, which was expected. In addition, JRF's external grant and commissioning commitments increased significantly in 2023, which was in line with JRF's current strategy.

The audited financial statements can be found on the JRF website at www.jrf.org.uk. The financial statements have also been filed with the Charity Commission. JRHT's financial statements can be found at www.jrht.org.uk. As a Community Benefit Society, these are filed with the Financial Conduct Authority.

PENSIONS

Since the end of 2019, JRF has been able to identify its share of assets and liabilities held within the defined benefit element of the industry-wide Social Housing Pension Scheme (SHPS). The defined benefit option has been withdrawn although there remain legacy members. With the availability of this data from SHPS, JRF has, since 2019, applied defined benefit accounting, which means that the scheme assets are measured at fair value and liabilities on an actuarial basis. At the end of 2023, the fair value of JRF's proportion of scheme assets had increased to £33.9 million from £32.2 million at the end of the previous year. Over the same period, the actuarial value of scheme liabilities increased from £41.5 million to £43.6 million. The overall impact of these changes resulted in a decrease of the pension liability from £9.3 million to £8.4 million.

CENTRAL SERVICES TEAMS

JRF and JRHT are both supported by a small number of central teams, including Technology and Change, People, Finance, Health and Safety and Facilities, Internal Communications and a Project Management Office. These central teams contribute to the delivery of JRF's and JRHT's objectives through:

- provision of operational services that are utilised by both JRF and JRHT – examples are payroll and invoice processing
- core IT systems provision
- specialist skills – for example, specialist procurement, health and safety, and technical finance support
- business partnering – Technology, Finance and People
- centralised data management and business insight
- risk management
- group-wide internal communications.

GOING CONCERN

The financial statements show that:

- At the end of 2023, the charity had investments of £431.2 million compared with its annual expenditure of £41.3 million.
- Unrestricted capital reserves remained relatively flat during the year, decreasing by £3.2 million, to £419.8 million. Investment gains offset expenditure.
- The vast majority of the investment portfolio (95%) is invested in easily tradeable assets. As such, these funds are relatively easy to access.
- The charity has no debt.

In December 2023, JRF's Trustees formally approved the charity's budget for 2024. Separately, the amount of cash required to fund activities over the year was calculated and arrangements were put in place to liquidate investments. Provisional calculations have also been prepared for 2025 to ensure there is sufficient liquidity within the portfolio. The arrangements with investment managers allow the amounts scheduled to be drawn down to be reduced or increased at short notice should cash requirements change.

Despite JRF's significant investment holdings, management has:

- produced a stressed cash-flow forecast to test that, in all situations, JRF will have access to sufficient liquid funds to meet its commitments
- satisfied itself that it will continue to be possible to draw funds down from its investment portfolio even in a stressed scenario.

JRHT undertook its own scenario analysis to understand the financial impacts of adverse changes to the external and internal environment. In addition, an assessment has been undertaken to understand how extreme scenarios would need to become before covenants were breached. This shows that there would need to be a very significant deterioration in performance to breach the interest covenant and a rapid and substantial increase in debt to risk a breach of the gearing covenant.

At the end of the financial year, JRHT had unused borrowing facilities of £50 million. All of the total unused facilities relates to a loan facility with JRF and this is detailed in the related party transactions note to the accounts.

Based on the above, Trustees are of the opinion that the Group has adequate resources to continue to operate without disruption for the foreseeable future, this being at least to 31 December 2025. As such, it is appropriate to adopt a going-concern basis for the 2023 financial statements.

Plans for the future

JRF

2023 was the first year of our new strategy. It was also the first year of a two-year learning cycle (2023–24) on new elements of work, most notably Emerging Futures. That two-year cycle will also take us through to the likely date of the next UK General Election. 2024 is therefore primarily a ‘continuation and build’ year, with no major changes to the direction and key lines of activity we agreed with Trustees for 2023. But building on our work in 2023 our questions are crisper, and the new work (for example in Emerging Futures, movement-building and our dominant policy themes) is more clearly defined.

Throughout 2024 we will be doing this work alongside work with Trustees towards a new Endowment Strategy, as well as a reinvigorated People and Culture programme within JRF Teams, ensuring our own actions fully align with our restated mission. By the end of 2024, therefore, we should have learnt a huge amount about how we can approach our ambition to ‘support and speed up the transition’ in the fullest possible way.

We also need to stay sharply focused on the terrain of policy and politics, especially in an election year. Our Insight & Policy work will continue to generate and deploy analysis and arguments aimed at shaping the public and political conversation – around hardship and economic security – as well as ideas and propositions that speak to the major challenges facing society, political leaders and policy-makers on our issues (blending insider influence and public-facing campaigns and advocacy). In sum, our ambition for 2024 is to secure progress in all three of our impact pathways – directional change, systemic change and infrastructure for change – as set out in the following sections.

Directional change

Success by the end of 2024 would be as follows:

- The issue of **hardship** would have been forced into the UK General Election debate, despite neither of the main parties wanting it to be (with JRF having made a major contribution to achieving this via our analysis, media interventions, policy arguments and campaigns and coalition-building work, centred around the call for an ‘Essentials Guarantee’).
- JRF would have generated and be advocating for a suite of **actionable policy arguments and propositions** – responding to the major issues of the day around hardship and economic security – that gained attention and traction from opinion formers, politicians and policy decision-makers to the point where they were in the mix for action in the next Parliament.



- JRF would have begun to establish **a distinctive voice on macro-economic issues**, which foregrounds household implications anchored around the economic security frame, to balance out the focus in media and political debate on more abstract and aggregate economic perspectives (such as growth and public finances), especially around major fiscal/economic events.
- JRF would have achieved **tangible influence on key lines of policy debate in Scotland** in respect of child poverty – such as around employment and housing – while also having deepened our partnership with the Bevan Foundation in Wales and taken a decision on how we can help develop public policy capability outside government in Northern Ireland.

Systemic change

This is where we are looking to explore, define and support deeper and more foundational shifts needed for a more equitable and just future, based around values, principles and cultures, rather than defined or particular policy changes. Here, we are deepening learning about the necessary conditions of change. During 2024 through our Emerging Futures work, as well as resourcing and supporting more of the work we believe is needed to achieve our mission, we will also be learning more about:

- how to describe characteristics, starting points and approaches of work that supports and speeds up the transition, to help us and others resource more of it
- the best ways we can support and nurture a fragile, emergent ecosystem of visionaries and pioneers
- the wealth infrastructures and financial vehicles that effectively move capital in service of people and planet
- the communication and narrative work that tackles fatalism and inspires hope that there are alternatives
- the conditions and capacities that are needed for pioneering work to emerge in communities
- what a plausible, multi-pronged strategy for reducing stigmatising attitudes and behaviours should look like and the partners willing to pool resources with us over the long term.

By the end of 2024 we want to be ready to act on the commitment to draw down a further £50 million to £100 million. So we will also have:

- a clearer articulation of the kind of work we think we should be resourcing with this increased spending, drawing on the work we have done in 2023 and 2024
- a well-developed set of propositions about governance, decision-making and finance vehicles to move the money, rooted in lessons from the experiments we have funded to date.

Infrastructure for change

During 2024 we will continue to develop three types of infrastructure: insight, movements and imagination.

Insight. We will judge the success of our insight infrastructure pillars – data, anchor reports, tools, networks, resources and so on – by tracking: user profile (which people and organisations are using them?); engagement (what depth and frequency?); feedback (what is their experience?); and purpose (what are they using it for?). Success by the end of 2024 would be:

- having at least five infrastructure pillars running and operating as ‘always on’ sources of insight for a range of key audiences and users (with a further five in development)
- over a hundred organisations regularly using our infrastructure to generate insights that help them to pursue positive social change (as part of a growing data and insight movement that JRF is facilitating and supporting)

insights generated from the infrastructure pillars being regularly used to shape the national conversation about issues of social and economic justice (in media interventions, political debate, used to inform policy thinking and so on).

Movements. In our narrative-change work, which aims to mobilise organisations around a set of common messages, we will continue to grow the user base around the intersectional narrative-change initiatives that we funded in 2023 and which aim to tackle deep cultural currents, alongside work on specific issues/policy agendas such as social security, housing and the need for greater public investment.

Imagination. ‘Infrastructures’ in this context means the practices, capabilities, spaces and networks that support imagination work designed to foster hope and expand our collective sense of what is possible. In 2024 we will:

- learn more through experimentation about how to support networks and physical spaces to build community imagination, with a particular focus on working in ‘left behind’ and high-poverty communities
- build the academic evidence base for the methods and practices that are most effective
- share learning on our experiments in narrative approaches that grow hope and create longing for better futures.

Organisational development

2023 was a year of change and evolution, as we learnt about what it will take to put our new strategy into action. Despite this, it felt like a more settled year in the organisation, with teams finding their grooves, and a greater buy-in to and understanding of the strategy. We stalled somewhat on elements of our People and Culture work, due to restructures and the loss of our Corporate Services Director, and we need to pick up the pace again in 2024. Key organisational priorities for 2024 for JRF Teams are:

- agreeing and delivering a clearer People and Culture work plan under the new interim Director of People – including learning and development and pay and reward
- agreeing and delivering a clearer EDI work plan under the new Head of EDI, including ongoing work to support our commitment to be an anti-racist organisation
- building our relationship with the Union and learning to work in new ways together
- embedding and deepening our approach to impact and learning in line with the new ‘Three Pathways’ framework
- refining our practices around risk management, as well as governance and decision-making particularly around how we move money
- completing final elements of the Central Service Review and embedded support for JRF Teams
- implementing various new governance arrangements – including subcommittees and task and finish groups
- supporting Trustee work on the Endowment strategy and what it means to be a steward of wealth in current times
- refining our channel and media strategies to reflect our desire to work across horizons.

JRHT

In 2024 JRHT will still face the challenging economic and other headwinds and associated risks that many housing and care providers are also currently facing. Within this context, however, JRHT will launch its new strategy and in doing so will aim to be a housing association that is sustainable and engaging, provides high quality and continuously improving services and decent affordable homes in well managed communities prioritising those in greatest need.

JRHT will focus on establishing the four core objectives that sit within this strategy and on the aims that underpin each of these objectives (see below). In progressing this, JRHT will work collaboratively with residents and colleagues on an updated set of service and other standards and policies that will drive improvement in service delivery and resident satisfaction.

OBJECTIVE 1

Decent affordable homes and well managed communities

A safety-first approach for people, places and homes

Investment in our communities and neighbourhoods to deliver improvement and ensure sustainability

Grow our housing stock

Prioritising social rent, with affordable rents options where that's not possible

OBJECTIVE 2

High quality, continuously improving services

High performing and accessible core services for all residents

Services that reflect the needs of all our residents

Diverse, inclusive and open to all

An excellent resident experience

OBJECTIVE 3

A sustainable and engaging organisation

Well-run, financially sustainable housing trust

A voice and influence for residents, staff and stakeholders

Clear, honest, transparent and timely communication

Spend on the right things, in the right way, at the right cost, at the right time

OBJECTIVE 4

New Directions for JRHT Care Services

All services rated good by the CQC

A clear understanding of the opportunities and challenges facing JRHT care services

A sustainable future for all care services that meets the needs of local communities

Carbon emissions

Disclosures required under the Streamlined Energy and Carbon Reporting (SECR) legislation are set out below. These include all subsidiaries.

MEASURE	2023	PRIOR YEAR
Total UK energy use	10,220 MWh	11,394 MWh
Total carbon emissions	1,950.66 tonnes	2,111.31 tonnes
Intensity ratio 2020 1 (property)	0.80 tonnes per property	0.87 tonnes per property
Intensity ratio 2020 2 (communal)	3.12 tonnes per member of staff	3.37 tonnes per member of staff

The breakdown of carbon emissions is as follows:

	ACTIVITY	ANNUAL kWh	ANNUAL CO ² e	PRIOR YEAR ANNUAL CO ² e
Scope 1 (sources that are owned and controlled by JRF and JRHT)				
	Gas (CNG)	7,435,830.56	1,360.23	1,507.26
	Vehicles	343,738.22	86.29	77.08
	Renewable generation	87,220	0	0
	Total	7,866,788.78	1,446.52	1,584.34
Scope 2 (indirect emissions associated with the purchase of energy)				
	Electricity	2,311,605.77	513.49	535.70
	Electricity from PV	42,060	0	0
	Total	2,353,665.77	513.49	535.70
Gross emissions		10,220,454.55	1,960.01	2,120.04
Scope 3 (indirect emissions within the value chain)				
	Transmission and distribution	2,311,605.77	40.89	45.82
	Total	2,311,605.77	40.89	45.82
Exported	Renewables	45,160	9.35	8.73
	Total	45,160	9.35	8.73

Key environmental impacts

The primary factor in relation to environmental impact is the combustion of gas for heating purposes across the estate. The vehicle fleet was responsible for less than 5% of the total annual emissions for the Group.

In 2024 we will focus on:

- continuing to develop our Environmental Strategy for the organisation
- further improvements to data to support SECR disclosures
- the decarbonisation of JRHT's properties to meet the target of all homes having an Energy Performance Certificate rating of C by 2030 and net zero by 2050.

Quantification and reporting methodology

In preparing this SECR report, the Group has followed the 2019 UK Government Environmental Reporting Guidelines to include Streamlined Energy and Carbon Reporting Guidance.

The information used was gathered from energy bills from the current supplier for the fuel type specified. Where only unaligned estimated meter readings were available, the consumption for the period was determined by dividing the number of units by the billing period and multiplying by period for the data collection. This figure was checked for accuracy to consider additional seasonal use where data was not available and ensure the estimates were an accurate reflection of actual consumption.

Some aspects of the GHG Protocol Value Chain (Scope 3) have also reported although we are not yet able to report on all categories that may be relevant. UK Government GHG Conversion Factors for Company Reporting (2020) have been used.

Organisational boundary

The Group has reported on all sources of environmental impact over which it has financial control. An organisation has financial control over an operation if it has the ability to direct the financial and operating policies of the operation with a view to gaining economic benefits from its activities.

Section 172(1) statement

As directors of a large company limited by guarantee, registered as a charity, the Trustees are required to report how they have performed their duty under Section 172(1) ('s172(1)') of the Companies Act 2006. This provides that (for charitable companies where the purpose of the company is something other than the benefit of its members), the Trustees must act in the way they consider, in good faith, would be most likely to achieve its charitable purposes and, specifically, they must have regard (among other matters) to the factors (contained in s172(1) (a) to (f)) set out in the table below.

FACTOR	HOW THIS IS CONSIDERED
a) The likely consequences of any decision in the long term	With direct involvement of the Trustees, the Group develops long-term plans that focus on the charitable objectives of the organisation. These are translated into shorter-term strategic and operational plans. Decisions are anchored to these plans to ensure that they contribute to the overall charitable objectives.
b) The interests of the Trust's employees	The Trustees have due regard to the interests of employees, underpinned by a set of values and expected behaviours. Regular staff surveys are undertaken and the results are cascaded across the organisation. Colleagues are directly involved in developing action plans. Investment is made in colleague learning and development as well as supporting colleague support groups. Pay awards are benchmarked externally each year and Trustees are directly involved in this decision-making.
c) The need to foster the organisation's business relationships with suppliers, customers and others	A key focus of JRF is delivering its work in collaboration with partners with similar objectives. For JRHT, its 'customers' are primarily service users including tenants and residents of its homes. Feedback from tenants and residents is captured and acted upon. Relationships are held with key suppliers through the Group's approach to contract management.
d) The impact of the organisation's operations on the community and the environment	The Group seeks to achieve a prosperous UK without poverty. JRF delivers this through its programmes of focused initiatives and JRHT through delivery of housing and care services. The Group is cognisant of its impact on the environment as set out in its carbon emissions statement.
e) The desirability of the organisation maintaining a reputation for high standards of business conduct	The Group adopts the highest corporate governance standards, complying with relevant legislation and codes that are applicable at the time. JRHT is also subject to the Regulator of Social Housing's standards. In April 2021, the regulator advised that it had rated JRHT's governance as G1 – the highest rating possible.
f) The need to act fairly as between members of the organisation	As a company limited by guarantee, JRF has no members. In JRHT, the Directors are the only members. Notwithstanding this, the governance structure and associated strategy ensure there is fairness across the Group and those that benefit from the charitable activities of both material legal entities.

Trustees' statement of responsibility

The Trustees (who are also Directors of JRF for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. 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 charitable company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 (FRS 102)
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the charitable group will continue in business.

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 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.

The Trustees confirm that:

- So far as each Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- The Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approval

This report and, specifically, the strategic report were approved by the Board of Trustees and are signed on behalf of the Trustees.

Carol Tannahill



16/8/2024

Independent auditor's report to members and Trustees of the Joseph Rowntree Foundation

Opinion

We have audited the financial statements of the Joseph Rowntree Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2023, which comprise the Consolidated Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, 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 parent charitable company's affairs as at 31 December 2023 and of the group's and the parent charitable company's incoming resources and application of resources, including the group's and the parent income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Statement of Recommended Practice: Accounting and Reporting by Charities, 2019 Edition; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and Charities Act 2011.

Basis for opinion

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group and the parent charitable company in accordance with the ethical requirements

that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.

In our evaluation of the trustees' conclusions, we considered the inherent risks associated with the group's and parent charitable company's business model including effects arising from macro-economic uncertainties such as the current cost of living crisis, high inflation, and high interest rates; we assessed and challenged the reasonableness of estimates made by the trustees and the related disclosures and analysed how those risks might affect the group's and parent charitable company's financial resources or ability to continue operations over the going concern period.

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

Other information

The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' 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 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 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 Strategic Report and the Directors' Report, prepared for the purpose of company law, included in the Trustees' Annual Report for the financial year for which the financial statements are prepared, is consistent with the financial statements
- the Strategic Report and the Directors' Report included in the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included in the Trustees' Annual Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and Charities Act 2011 require us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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 the trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page pages 63-64, 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 misstatements, 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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity, and the sector in which it operates. We determined that the following laws and regulations were most significant; financial reporting legislation (Charities SORP (FRS102), United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102), and the Charity Commission Code of Governance. The engagement team remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- We understood how the Charity is complying with these legal and regulatory requirements by making inquiries of management, internal audit and those charged with governance. We enquired of management and those charged with governance whether there were any instances of non-compliance with laws and regulations, or whether they had knowledge of actual or suspected fraud. We

corroborated the results of our inquiries through our review of board meeting minutes and trustee meeting minutes, papers provided to the Audit and Risk Committee and through our review of Legal and Professional Expenditure.

- To assess the potential risks of material misstatement, including how a fraud might occur, we obtained an understanding of:
 - o The Charity's operations, including the nature of its sources of income, expected financial statement disclosures and risks that may result in risk of material misstatement; and
 - o The Charity's control environment, including the adequacy of procedures for authorisation of transactions.
- Audit procedures performed by the engagement team included:
 - o Evaluating the process and controls established to address the risks related to irregularities and fraud;
 - o Testing manual journal entries, in particular journal entries relating to management estimates and entries determined to be unusual;
 - o Challenging assumptions and judgements made by management in its significant accounting estimates;
 - o Identifying and testing related party transactions; and
 - o Completion of audit procedures to conclude on the compliance of disclosures in the financial statements with applicable financial reporting requirements.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud, or non-compliance with laws and regulations, throughout the audit.
- We assessed the appropriateness of the collective competence and capabilities of the engagement team, including consideration of the engagement team's knowledge and understanding of the sector in which the Charity operates, and their practical experience through training and participation on audits of a similar nature. All team members are qualified accountants, or working towards their qualifications, and are considered to have sufficient knowledge and experience of companies of a similar size and complexity, relative to their role within the team.

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 auditor's report.

Use of our report

This report is made solely to the charitable company's members and trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen Dean

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

London

16/8/2024

Grant Thornton UK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 December 2023

	Note	Restricted £'000	Unrestricted £'000	2023 Total £'000	2022 Total £'000
INCOME AND ENDOWMENTS FROM:					
Investments	1	265	11,058	11,323	11,699
Charitable Activities					
Housing Trust turnover	9	24,644	-	24,644	25,544
Other income	2	-	14	14	120
TOTAL		24,909	11,072	35,981	37,363
EXPENDITURE ON:					
Raising funds - investment management	3	(41)	(2,427)	(2,468)	(1,552)
Charitable activities					
Grant commitments	4	-	(9,400)	(9,400)	(5,191)
Support and governance costs	5	-	(12,903)	(12,903)	(11,715)
Housing Trust operating costs	9	(24,408)	-	(24,408)	(27,009)
TOTAL		(24,449)	(24,730)	(49,179)	(45,467)
NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS/(LOSSES)		460	(13,658)	(13,198)	(8,104)
Other Comprehensive income					
Actuarial Loss in respect of Social Housing Pension Scheme	8	-	(455)	(455)	(1,782)
TOTAL OTHER COMPREHENSIVE INCOME		-	(455)	(455)	(1,782)
Net Gains/(Losses) on Investments					
Gain/(Loss) on Quoted Investments	13	-	27,517	27,517	(52,553)
(Loss)/Gain on Other Investments	13	-	75	75	447
Loss on Directly Managed Investment Properties	13	-	-	-	(1,048)
TOTAL INVESTMENT MOVEMENTS		-	27,592	27,592	(53,154)
NET MOVEMENT IN FUNDS		460	13,479	13,939	(63,040)
Total Funds brought forward at 1 January		98,638	434,839	533,477	596,517
TOTAL FUNDS CARRIED FORWARD AT 31 DECEMBER		99,098	448,318	547,416	533,477

The Statement of Financial Activities includes all gains and losses recognised in the period. All income and expenditure derives from continuing activities.

BALANCE SHEET
as at 31 December 2023

		Group		Parent	
		2023	2022	2023	2022
			Restated		Restated
	Note	£'000	£'000	£'000	£'000
Fixed Assets					
Tangible Assets	10	203,655	194,966	2,430	2,454
Intangible Assets	11	1,198	406	1,192	399
Homebuy Loans	12	1,962	2,022	-	-
Investments	13a	423,469	437,711	420,069	434,363
Programme Related Investments	13b	11,140	-	11,140	-
		<u>641,424</u>	<u>635,105</u>	<u>434,831</u>	<u>437,216</u>
Current Assets					
Properties held for sale	14	2,263	338	-	-
Stock		85	86	-	-
Debtors	15	2,657	2,471	725	605
Cash and Cash Equivalents		<u>5,339</u>	<u>6,480</u>	<u>-</u>	<u>316</u>
		<u>10,344</u>	<u>9,375</u>	<u>725</u>	<u>921</u>
Current Liabilities					
Creditors: Amounts falling due within one year	16	<u>(12,130)</u>	<u>(10,949)</u>	<u>(6,821)</u>	<u>(4,956)</u>
Net Current Assets/(Liabilities)		<u>(1,786)</u>	<u>(1,574)</u>	<u>(6,096)</u>	<u>(4,035)</u>
Total Assets Less Current Liabilities		<u>639,638</u>	<u>633,531</u>	<u>428,735</u>	<u>433,181</u>
Creditors: Amounts falling due after more than one year					
Net Pensions Liability	17	(83,848)	(90,769)	(565)	(760)
	8	(8,374)	(9,285)	(8,374)	(9,285)
		<u>547,416</u>	<u>533,477</u>	<u>419,796</u>	<u>423,136</u>
Funds					
Restricted Funds		99,098	98,638	-	-
Unrestricted Foundation Capital		448,318	434,839	419,796	423,136
Total Funds		<u>547,416</u>	<u>533,477</u>	<u>419,796</u>	<u>423,136</u>

The Financial Statements were approved by the Board of Trustees. They were signed on its behalf by :

Trustee


Carol Tannahill

16/8/2024

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 December 2023

		2023		2022	
	Note	£'000	£'000	Restated £'000	£'000
Net cash outflow from operating activities	19		(14,810)		(5,484)
Cash flows from investing activities					
Interest received		112		138	
Purchase of other fixed assets		(12,759)		(2,686)	
Proceeds from disposal of other fixed assets		2,373		2,970	
Homebuy Loans redeemed		60		205	
Purchase of quoted investments		(79,504)		(48,760)	
Sale of quoted investments		112,267		62,720	
Purchase of other investments		(45,427)		(16,685)	
Sale of other investments		46,684		22,288	
Social housing grant received		1,460		-	
			25,266		20,190
Cash flows from Financing activities					
Interest paid		(2,456)		(2,616)	
Taxation		23		(118)	
Increase in Capitalised community fees		309		168	
Increase in Hartrigg Oaks residence fees		2,899		1,398	
Decrease in bank loans		(9,021)		(12,520)	
Bonds and loan stock repaid		(25)		(120)	
			(8,271)		(13,808)
Management of liquid resources					
Increase cash held for investment			(3,326)		(754)
Net change in cash and cash equivalents			(1,141)		144
Cash and cash equivalents at 1 January			6,480		6,336
Cash and cash equivalents at 31 December			5,339		6,480
Analysis of changes in net debt					
		At 1.1.23 £'000	Cash Flows	Other non cash changes	At 31.12.23 £'000
Cash		6,480	(1,141)	-	5,339
Bank Loans due within one year		(1,021)	1,021	(24)	(24)
Bank Loans due greater than one year		(45,664)	8,000	24	(37,640)
Net debt		(40,205)	7,880	-	(32,325)

STATEMENT OF ACCOUNTING POLICIES

1 Legal status

Joseph Rowntree Foundation (JRF) is a charity registered with the Charity Commission.

JRF is the parent of a Group comprising the following:

Joseph Rowntree Housing Trust (JRHT) is a charity registered with the Regulator for Social Housing (registration number 5079) and the Charity Commission. JRHT is a Community Benefit Society (registration number 8209) and its registered office is The Homestead, 40 Water End, York, YO30 6WP.

Clifton Estate Limited (CEL) is a private company limited by share capital, registered under the Companies Act 2006 and incorporated in England. Its registered office is The Homestead, 40 Water End, York, YO30 6WP. JRF owns 100% of the share capital of CEL.

2 Basis of accounting

The Financial Statements of JRF meet the requirements of its Articles of Association and have been prepared under the historic cost convention modified to include the valuation of investments in accordance with applicable accounting standards, the Charities Statement of Recommended Practice effective 1 January 2019, Financial Reporting Standard 102 (FRS 102) and comply with the Charities Act 2011.

JRF is a public benefit entity in accordance with FRS 102.

CEL has not been consolidated into these financial statements on the basis that its results are immaterial to the Group.

JRF has taken advantage of the exemption under section 408 of the Companies Act 2006 from presenting its own statement of financial activities. JRF's net expenditure before investment movements was £30.9m (2022: £21.6m).

The Financial Statements are presented in Sterling (£).

3 Fund Accounting

The JRF endowment is an expendable endowment fund, with no restricted or designated reserves. Trustees have power to spend both income and capital, but have set a financial objective that the level of spending and the value of the endowment should be maintained in real terms. A sustainable level of annual spending is determined to meet this objective by reference to projected total return from the investments and future inflation. The distribution rate for 2023 was 4.6% per annum.

The JRHT fund is a restricted fund whereby funds can only be spent to further the specific objectives of the Community Benefit Society.

4 Going Concern

The financial statements show that:

- at the end of 2023, the charity had investments of £431.2 million compared with its annual expenditure of £41.3 million.
- unrestricted capital reserves remained relatively flat during the year, decreasing by £3.3 million to £419.8 million, investment gains offset expenditure.
- the vast majority of the investment portfolio (95%) is invested in easily tradeable assets. As such these funds are relatively easy to access.
- the charity has no debt.

In December 2023, JRF's Trustees formally approved the charity's budget for 2024. Separately, the amount of cash required to fund activities over the year was calculated and arrangements were put in place to liquidate investments. Provisional calculations have also been prepared for 2025 to ensure there is sufficient liquidity within the portfolio. The arrangements with investment managers allow the amounts scheduled to be drawn down to be reduced or increased at short notice should cash requirements change.

Despite JRF's significant investment holdings, management has:

- produced a stressed cash-flow forecast to test that, in all situations, JRF will have access to sufficient liquid funds to meet its commitments.
- satisfied itself that it will continue to be possible to draw funds down from its investment portfolio even in a stressed scenario.

JRHT undertook its own scenario analysis to understand the financial impacts of adverse changes to the external and internal environment. In addition, an assessment has been undertaken to understand how extreme scenarios would need to become before covenants were breached. This shows that there would need to be a very significant deterioration in performance to breach the interest covenant and a rapid and substantial increase in debt to risk a breach of the gearing covenant.

At the end of the financial year, JRHT has unused borrowing facilities of £50 million. All of the total unused facilities relates to a loan facility with JRF and this has been disclosed in the related party transactions to the accounts.

Based on the above, Trustees are of the opinion that the Group has adequate resources to continue to operate without disruption for the foreseeable future, at least until to 31 December 2025. As such, it is appropriate to adopt the going concern basis for the 2023 financial statements.

STATEMENT OF ACCOUNTING POLICIES (continued)**5 Significant Management Judgements**

The following are the significant management judgements made in applying the accounting policies of JRF that have the most significant effect on the financial statements:

Judgements**(i) Timing of grant commitments**

Management estimates the value of grant commitments payable within one year by looking at the average expenditure over previous years and applying this as a percentage to the year end creditor. Since expenditure varies from year to year this represents an estimate of sums due. The liability at 31 December 2023 due within one year was £5,250,000 and more than one year was £565,000.

(ii) Impairment

As part of JRHT's continuous review of the performance of assets, management identify any properties or schemes that have increasing void losses, are impacted by policy changes or where the decision has been made to dispose of these properties. These factors are considered to be an indication of impairment.

Where there is an indication of impairment, the assets are written down to the recoverable amount and any impairment losses are charged to operating surpluses. Management consider there to be no indicators of impairment in either 2023 or 2022.

(iii) Merger Accounting

Management, having reviewed the true and fair override implicit in the Charities SORP, considered it appropriate to prepare the financial statements on a merger accounting basis when the Group began operating on 1 January 2020.

Estimation Uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenditure is provided below. Actually results may be different.

(i) Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based upon the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment and housing property assets are split into different components that are depreciated using different useful economic lives which requires estimation. Group accumulated depreciation at 31 December 2023 was £42,105,000 (2022: £39,200,000). Parent accumulated depreciation at 31 December 2023 was £2,054,000 (2022: £2,065,000).

(ii) Retirement Benefits

Scheme assets are measured at fair value. Scheme liabilities are measured on an actuarial basis using the projected unit credit method and are discounted at appropriate high quality corporate bond rates.

As at the year ended 31 December 2023, the net defined benefit liability in respect of SHPS-DB was £8,374,000 which has been recognised in full in the balance sheet. The movement in the Scheme deficit is charged or credited to the actuarial gain or loss reported on the face of the statement of financial activities.

Management review the assumptions applied to the actuarial valuation each year and consider the sensitivity of the valuation to the variables thereon. The independent actuary appointed to value the schemes assets and liabilities estimates that a 0.3% shift in the discount rate could result in an increase in the overall deficit, amounting to £1.70m. Similarly, a 1% increase in pay inflation above actuarial assumptions would increase the overall deficit by £0.08m and a rise in general inflation of 0.3% more than that assumed results in an increased deficit of £1.0m. Management is comfortable that the assumptions it has used are appropriate for use in calculating the scheme's deficit.

(iii) Recovery of Social Investment

Management have included social investments at their book cost or market value (where there is a reliable source) less any provisions and revaluations. Social Investments that are loans are accounted for at the outstanding amount of the loan less any provision for unrecoverable amounts. Unquoted equity or bonds, social investment funds and partnerships, and similar social investments are held at cost, less any provision for diminution in value, unless JRF is able to obtain a reliable estimate of fair value. Judgements on reliable estimate takes on a range of factors including availability of independent verification of the underlying holdings, recent entrants to and exists from funds.

For the year ended 31 December 2023, the value of social investments net of new provisions of £552,000 and revaluations in the year of £1,060,000, was £11,140,000. Management has assumed that social investments will be fully recoverable unless, through routine monitoring, there is evidence of impairment.

STATEMENT OF ACCOUNTING POLICIES (continued)**5 Significant Management Judgements (continued)****Estimation Uncertainty (continued)****(iv) Fair value measurement**

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets including investment properties. This involves developing estimates and assumptions consistent with how market participants would price the instrument or asset. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from actual prices. Fair value measurements have been applied to bonds and loan stock and investment properties. The total values of these at 31 December 2023 were £837,000 (2022: £794,000) and £3,400,000 (2022 £3,400,000) respectively.

(v) Shared ownership sales percentages

Future shared ownership sales are estimated at 45% reflecting the percentage of each property expected to be sold at completion. This percentage is assumed when projects are appraised. This estimate influences the value of work in progress properties held for sale within debtors and shared ownership assets under development in housing land and buildings. The total value of both these at 31 December 2023 was £847,000.

6 Turnover and revenue recognition

Income from UK and Overseas Equities is brought into account on the date that the stock is declared ex-dividend. Income from overseas equities are stated in sterling at the prevailing exchange rate. All other income is accounted for on an accruals basis. Income which is received directly into managed funds is accounted for within the Statement of Financial Activities with a corresponding amendment being made to the movement on the market value of the investment.

Housing Association turnover comprises rental and fee income receivable in the year, income receivable from shared ownership first tranche sales, other goods and services supplied in the year (excluding VAT) and grants receivable in the year.

Rental income is recognised at the point when properties under development reach practical completion or otherwise become available for letting, net of any voids. Rental income is then recognised in line with the tenancy agreement and for the period this is in existence.

Service charge income is recognised in the period to which it relates, net of any voids.

Charges for care and support services funded under supporting people and local authority care contracts are recognised as they fall due under the contractual arrangements with the Administering Authorities.

Government grant income received for the acquisition or development of properties is credited to restricted funds when receivable providing any conditions attaching to the grants are fulfilled. Where, at the balance sheet date, conditions remain unfulfilled, the grants are deferred pending satisfaction of these conditions.

Sales of Housing Land and Buildings are recognised on the date of the legal completion of the sale. The proceeds of sale of the first tranche of shared ownership properties are stated net of any contribution required to cross subsidise other elements of the scheme concerned and are included in turnover.

Surpluses on subsequent tranches and from other sales are recognised in their entirety in the Statement of Financial Activities on the date of the legal completion of the sale. At JRHT's Extra Care schemes the Trust is committed to buying back property on the termination of the lease. The price paid to the outgoing resident is the original price paid plus a percentage of the equity appreciation and is included in surpluses on sale. The remaining equity appreciation is retained by JRHT.

7 Investments**(i) Quoted Investments, Property Unit Trusts and Other Investments**

Quoted Investments, Property Unit Trusts and other investments are included in the Balance Sheet at market value on the Balance Sheet date. Overseas investments are included at market value at the prevailing exchange rate at the Balance Sheet date. Income from overseas investments is shown at the prevailing exchange rate at the time of receipt.

STATEMENT OF ACCOUNTING POLICIES (continued)**7 Investments (continued)****(ii) Properties Held for Investment**

Properties held for investment are held at fair value within the Statement of Financial Position with gains and losses recognised in the Statement of Financial Activities. A formal independent valuation of directly managed investment properties in accordance with the RICS Valuation Standards guidelines is obtained every three to five years. The historic cost of properties includes directly attributable finance costs which were capitalised until the property reached practical completion.

(iii) Social Investments

Social Investments are programme related investments, as defined by the Charity Commission and represent funding to organisations in order to further JRF's charitable objects. The primary purpose of Social Investments is to provide a social return rather than a financial return. Social Investments that are loans are accounted for at the outstanding amount of the loan less any provision for unrecoverable amounts. Unquoted equity or bonds, social investment funds and partnerships, and similar social investments are held at cost, less any provision for diminution in value, unless JRF is able to obtain a reliable estimate of fair value.

8 Fixed Assets**(i) Housing Land and Buildings**

Housing Land and Buildings, which includes properties for letting, residential care homes and extra care schemes, are stated at cost and includes properties in the course of construction which are being developed with a view to JRHT retaining a long-term interest. Cost of Housing Land and Buildings includes directly attributable management expenses and directly attributable finance costs which are capitalised until the property reaches practical completion.

The cost of pre-1990 rented property in New Earswick was re-stated at the Existing Use Value - Social Housing as at 31 December 2013, in accordance with the SORP at that time. The increase in cost is reflected through a Revaluation Reserve.

Costs of modernisation and improvements to existing properties are capitalised if they result in the replacement of a component or the enhancement of the economic benefit of the structure.

(ii) Shared Ownership Properties

Included within Housing Land and Buildings is JRHT's retained interest in dwellings developed on Shared Ownership terms. Under Shared Ownership arrangements the purchaser acquires a portion of the equity of the property and has an option to acquire at any time further portions up to a limit determined by JRHT. The price payable is a corresponding portion of the market value of the property at the date of the initial purchase or the exercise of the option. A rent is payable on any portion of the equity which is retained in the JRHT's ownership.

At the discretion of JRHT, the terms of tenure between rent, shared ownership and outright ownership can be varied over time.

The book value of JRHT's retained interest in Shared Ownership properties is stated at cost, plus cost of equity subsequently repurchased by JRHT.

The book value of the equity in Shared Ownership Properties held for resale is included within Current Assets as Housing Stock Held for Resale.

STATEMENT OF ACCOUNTING POLICIES (continued)**8 Fixed Assets (continued)****(iii) Deferred Land**

JRHT has a number of housing schemes where land has been purchased on deferred consideration terms. Where the terms allow for final payment of the land value to be made by a specified date, the liability has been recognised at the net present value of estimated future cash flows and the value of land within Housing Land and Buildings has been increased accordingly. Where no date for the purchase of the land exists, the liability is shown within contingent liabilities.

(iv) Hartrigg Oaks

Hartrigg Oaks represents the cost of construction of 152 bungalows, 43 rooms in the Care Centre, and communal facilities, together with apportioned management expenses, start-up costs, and directly attributable finance costs incurred up to completion.

On subsequent sales, when a new lease for the occupation of a bungalow at Hartrigg Oaks is entered into, the cost of the bungalow is restated at the Fully Refundable Residence Fee, or equivalent sum, included in the lease for that bungalow.

(v) Other Land and Buildings

Other Land and Buildings, which are held to support the wider social housing community or which are let at sub-market rents, are treated as 'property, plant and equipment' and are stated at cost. Cost of Other Land and Buildings includes directly attributable management expenses and directly attributable finance costs which are capitalised until the property reaches practical completion.

9 Homebuy

Under the Homebuy loan arrangements JRHT has made loans to individuals to enable them to purchase a property. The loan is equivalent to a specified percentage, ranging from 12½% to 30% of the market value of the property. No interest is charged on the loan but JRHT is entitled to receive the specified percentage of the market value of the property which is credited in full to interest receivable in the Statement of Financial Activities when it is sold. The loans are secured on the properties to which they relate. This scheme is supported by Homes England through the provision of Social Housing Grant which has been recognised as a revenue grant when received.

10 Depreciation and Amortisation**(i) Housing Land and Buildings**

No depreciation is provided on freehold land.

Housing Properties are categorised into their main components and these components are depreciated over their estimated useful economic lives to their estimated residual value. Depreciation of Housing Properties and their components are calculated at the following rates:

Structure of Housing Properties built since 1 January 2000: over 100 years

Structure of Housing Properties built prior to 1 January 2000:-

Housing Properties built before 1950: over 50 years from 1 January 2000

Housing Properties built since 1950: over the balance of 100 years from 1 January 2000

Roofs: over 45 years

Windows: over 35 years

Boilers : over 15 years

Kitchens: over 25 years

Mechanical Systems: over 20 to 40 years

Bathrooms: over 30 years

Lifts: over 30 years

Fire Protection: over 20 years

Resident Safety and Security Equipment: over 20 years

STATEMENT OF ACCOUNTING POLICIES (continued)**10 Depreciation and Amortisation (continued)****(ii) Shared Ownership Properties**

No depreciation is provided on freehold land.

Shared Ownership properties are depreciated over their estimated useful economic lives to their estimated residual value. Under shared ownership, residents may acquire additional shares in the property and ultimately own the property outright, known as 'staircasing out'. The useful economic life is therefore dependent upon choices made by residents. Based on past experience of 'staircasing out', an estimated useful economic life of 70 years has been applied to the structure of shared ownership properties.

(iii) Hartrigg Oaks

The buildings at Hartrigg Oaks are depreciated on a straight line basis, so as to write down the net book value of the buildings to their estimated residual value over their estimated useful economic lives. Depreciation is calculated over the balance of 100 years from 1 January 2000.

(iv) Other Land and Buildings

Other Buildings are depreciated on a straight line basis, so as to write down the net book value of the buildings to their estimated residual value over their estimated useful economic lives at rates ranging from fifteen to fifty years.

Other Buildings more than 50 years old at 1 January 2000 and those from which no financial benefit is received have been fully depreciated.

The Group's freehold offices at The Homestead, 40 Water End, York are maintained to a high standard by carrying out a continuing and planned programme of refurbishment and maintenance. As a consequence, the buildings are estimated to have an outstanding economic life of a minimum of 100 years: the charge for depreciation is, therefore, immaterial so no provision has been included in the Accounts.

(v) Vehicles, Furniture and Equipment

Vehicles, Furniture and Equipment are written off over five years by a straight line method. Computer Equipment is written off over three years by a straight line method. Kitchen fittings and equipment at the newly refurbished Folk Hall New Earswick are written off at various rates ranging between 8 and 40 years by a straight line method.

(vi) Intangible Fixed Assets

Computer software is written off over five years by a straight line method.

11 Government Grants

Government grants includes grant receivable from Homes England, local authorities and other government agencies. All government grants received are credited to restricted funds providing any performance conditions have been met. Government grants released on sale of a property may be repayable but are normally available to be recycled and are credited to a Recycled Capital Grant Fund and included in the Balance Sheet in creditors. Where properties are under construction at the reporting date, associated government grant is shown in the Balance Sheet as deferred government grant.

STATEMENT OF ACCOUNTING POLICIES (continued)**12 Other Grants**

Other Grants, which includes legacies and other donations, are recognised as revenue when the grant is receivable

13 Deferred Income- Amounts Received in Advance

JRHT has entered into Leases in which it is required to defer income to match against future expenditure on maintenance and repairs and equipment from sums collected via the service charge. Interest is added to the sums set aside at JRHT's marginal cost of borrowing.

14 Hartrigg Oaks Capitalised Community Fees

Hartrigg Oaks Capitalised Community Fees represent sums paid in advance by residents at Hartrigg Oaks towards the Community Fee. Capitalised Community Fees are not refundable when a resident leaves Hartrigg Oaks on a permanent basis. If they leave within the first 56 months of residence, a partial repayment is made. Capitalised Community Fees are amortised in the Accounts over the anticipated lives of the residents at a rate based on advice from JRHT's actuaries.

15 Recycled Capital Grant Fund

Following the full sale of a rented property (other than under the Voluntary Purchase Grant or Social Homebuy programmes), the demolition of a property, the partial sale of a shared ownership property or upon a Homebuy redemption, the Social Housing Grant attributable to that property is transferred to the Recycled Capital Grant Fund. Sums in that Fund must be applied in accordance with criteria established by Homes England.

16 Hartrigg Oaks Residence Fees

Hartrigg Oaks Residence Fees represents sums received from residents under the Lease and Care Agreements at Hartrigg Oaks. Fully Refundable Residence Fees are refundable in the original sum within 14 days of a resident leaving Hartrigg Oaks on a permanent basis. No interest is payable by JRHT on the sums received. Non-refundable Residence Fees are not refundable when a resident leaves Hartrigg Oaks on a permanent basis. If they leave within the first 56 months of residence, a partial repayment is made. Non-refundable Residence Fees are amortised in the Accounts over the anticipated lives of the residents at a rate based on advice from JRHT's actuaries.

17 Bonds and Loan Stock

JRHT has issued Bonds and Loan Stock at its Residential Care Homes. Residents who take up Bonds or Loan Stock are entitled to a rebate on their fee. Any interest which is earned on the Bonds or Stock in excess of the rebates given is available to provide Bursary Support to those residents in the Homes who are unable to meet the full fee. Repayments are made when a resident ceases to be in occupation or following a re-assessment of a resident's financial position.

Bonds and Loan Stock are recognised in the Statement of Financial Position at the Net Present Value of the estimated future cash flows. The timing of future payments, which will be triggered when a resident ceases occupation, are uncertain and it has been assumed that one in eight residents will cease occupation in any one year based on past experience

18 Cost of raising funds - Investment Management Costs

Investment management costs consist of fees paid to investment managers, for investment advice, costs incurred in managing JRF's portfolio and costs of direct property investments.

Certain fees are performance related and are payable if an investment manager delivers an out-performance versus the relevant benchmark. An accrual has been raised for amounts which relate to past performance and which fall due for payment within the following accounting year.

Where fees paid or due to investment managers have been deducted from either distributions or the asset value and are available from asset managers, these are all adjusted to ensure that the financial statements reflect the gross amounts.

STATEMENT OF ACCOUNTING POLICIES (continued)**19 Charitable activities - Grant Commitments**

Grant commitments are recognised in full in the year where there is a legal or unconditional obligation to the third party. Grant commitments for which expenditure was outstanding at the year-end are shown as liabilities in the Balance Sheet.

20 Charitable activities - Support and Governance Costs

Support costs comprise staff costs and associated overheads incurred on staff directly engaged in the management, dissemination, influencing and demonstration of the results of work funded by JRF, together with staff costs and associated overheads incurred by teams providing central services.

21 Employee costs

Employee costs include liabilities for the cost of all benefits which employees are entitled to but which were unpaid at the Balance Sheet date.

22 Retirement, Redundancy and Exit payments

Retirement, redundancy and exit payments are recognised as an expense in the Statement of Financial Activities and a liability on the balance sheet immediately at the point the Group is demonstrably committed to either: terminate the employment of an employee or group of employees before normal retirement date; or provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. The Group is considered to be formally committed only when it has a demonstrable formal plan for the termination and is without realistic possibility of formal withdrawal from the plan. In 2023 group redundancy and termination costs totalled £97,000 (2022: £537,000)

23 Retirement Benefits

JRF participates in the Social Housing Pension Scheme (SHPS) which is a multi-employer defined benefit scheme which is in actuarial deficit and JRF is committed to meeting the cost of past service deficits at a pre-determined rate until March 2028. These contributions are accounted on a defined benefits basis. (see 5 ii above)

The defined benefit scheme was closed on 1 April 2017. Employer contributions to direct contribution schemes are charged to the Statement of Financial Activities in the year they are incurred.

24 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs and are measured subsequently at amortised cost using the effective interest method, less any impairment.

25 Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest rate method.

26 Cash and cash equivalents

Cash and cash equivalents comprise cash balances with banks and any funds held as cash with investment managers.

NOTES TO THE ACCOUNTS

1 Investment Income

	Restricted	Unrestricted	2023	2022
	£'000	£'000	Total £'000	Total £'000
Quoted Investments				
UK Fixed Interest and Index Linked	-	57	57	44
UK Equities	-	53	53	84
Overseas Fixed Interest and Index Linked	-	218	218	21
Overseas Equities	-	9,777	9,777	10,460
Other Investments				
Other Investments	-	235	235	98
Property Unit Trusts	-	775	775	574
Social Investments	-	211	211	214
Directly Managed Investment Properties				
Rents and other income net of voids and bad debts	153	63	216	198
Other income				
Interest receivable/(payable) (net)	112	(331)	(219)	6
	265	11,058	11,323	11,699

Interest payable/(receivable) represents sums received on Hartrigg Oaks loans and cash held for investment net of overdraft interest.

2 Other Income

	Restricted	Unrestricted	2023	2022
	£'000	£'000	Total £'000	Total £'000
Other	-	14	14	120
	-	14	14	120

3 Raising funds - investment management

	Restricted	Unrestricted	2023	2022
	£'000	£'000	Total £'000	Total £'000
Investment management fees	-	2,373	2,373	1,475
Expenditure on directly managed investment properties	41	21	62	59
Expenditure on Social Investments	-	33	33	18
	41	2,427	2,468	1,552

4 Grant Commitments

The Group funds external activity to support its outcomes, details of which are included in the Trustees' Annual Report. All grant commitments relate to unrestricted funds and individual projects committed during the year within the Group's programmes, in excess of £25,000, are set out below.

Project	Organisation	£'000
Bevan Foundation Partnership 2024-2026	Bevan Foundation	541
Pathway Fund	Voice4Change England	530
JRF NPIRC Economic Insecurity Panel Study	Nuffield Politics Research Centre	370
Enabling a movement to end 'no recourse to public funds'	Global Dialogue	242
Collective Imagination Community of Practice - Open Collective	Huddescraft	190
Enabling a movement to end 'no recourse to public funds'	Global Dialogue	188
Participation, Policy, Possibilities: Poverty2Solutions 2023-2026	Thrive Teeside	186
A Writing Chance	New Writing North	144
Poverty and Stigma Programme	JRF	144
UK Mindset Project	Frameworks UK	125
Cost of Living Crisis Fund	Two Ridings Community Foundation	120
Smart Data Foundry - banking data	Smart Data Foundry	108
Next Frontiers Conference	JRF	107
Finance for Systemic Change - core funding	University of Cambridge	100
Black Designers Guild		100
Funding the Calculation of the Real Living Wage Rates	Hello Brave	92
Report on living standards, poverty and inequality	Living Wage Foundation	90
Demonstrating the Transformational Capabilities of Cities in Sheffield	Institute for Fiscal Studies	90
Challenge Poverty Week	Opus Independents Ltd	84
Scaling Living Hours	The Poverty Alliance	75
The Social Media Listening Project	Living Wage Foundation	70
Northern Regional Mapping Project	DEMOS	70
	JRF	70
Hosting Imagination Community in Practice	Huddescraft	68
Talking About Poverty	Heard Organisation Ltd	67
Pre-election Public Attitudes Project (deep listening) Phase 1	Focaldata	67
Volatility in earnings and incomes	Policy in Practice	65
Reforming conditionality	New Economics Foundation	62
Warm Welcome Listening Campaign	Civic Power Fund	60
Youth Imagination	Peoples Economy	60
Participatory worldbuilding through music	EachPercent	60
A Platform for Progressive Landowners	The Real Farming Trust	60
Volatility in earnings and incomes	Resolution Foundation	60
Enhancing the tax-benefit modelling functionality	Manchester Metropolitan	59
Gingerbread - Making the case for reform	Gingerbread	58
Visual Frames and Wealth Inequality	London School of Economics	57
Pathfinders Programme	Onion Collective CIC	56
Pathfinders Programme	Civic Square Birmingham	52
Pathfinders Programme	Dark Matter Labs	52
Pathfinders Programme	Dusley CVS	52
Pathfinders Programme	MAIA Creatives	52
Pathfinders Programme	Watershed Arts Trust	52
Pathfinders Programme	Centre for Alternative Technology	51
Pathfinders Programme	Healing Justice London	51
Pathfinders Programme	Knowle West Media Centre	51
Pathfinders Programme	Open Systems Lab	51
Pathfinders Programme	Participatory City Trading	51
Laddering to gain insight into Security	Labour Together Ltd	50
Economic Change	Invest In Britain	50
Phoenix Riddels	Belfast Photo Festival	50
Garys Economics Youtube Channel	Climate 2025	50
Where next for UK welfare policy?	IPPR	50
Designing and testing approaches and tools with the UK's charity sector to build an insight infrastructure to tackle social and economic inequalities	Data for Action	50
North Insight Finder	Open Innovations	50
Imagination practice with communities	Project Takawah	50
Good Ancestor Movement - Reimagining Funding, Philanthropy and Investments	Good Ancestors Movement	50
Pathfinders Programme	Doughnut Economics Action	50
Admin Data	Policy in Practice	49
Outsourced Workers	Opium Research	48
Re-imagining the Homestead Park, York	Social Vision Communications Ltd	47
Comparing International Early Childhood Education and Care (ECEC) systems	The Fawcett Society	46
Cost of Living Survey Autumn 2023/Spring 2024	Savanta	44
Black, Queer and Done	Weusi Ltd	43
Quantifying the short and medium term effect on demands on NHS services from poverty and/or the cost of living	The Kings Fund	43
Round our way	Round our Way	42
Social Finance - Building a care sector that delivers for users and workers	Social Finance	41

4 Grant Commitments (continued)

Social Media Review Implementation	Empower Agency	40
Debt Justice - Together against Debt - Core Funding	Debt Justice	40
Social Change Nest CIC - Help Desk	Social Change Nest CIC	40
Core funding for Healing Justice London Rehearsing Freedoms festival	Healing Justice London	40
Growing and Improving the effectiveness of impact investing	Impact Investing Institute	40
Advancing JRF's thinking on Re-imagining Wealth, Funding & Investment	Purpose Foundation	40
Emerging Futures Continued Support	Shared Infrastructure Ltd	40
Talking About Housing - Learning & Evaluation	JRF & Nationwide	36
Communication & advocacy work to simplify the impact of the PSC	Centre for Social Policy Studies	36
Where are the Third Horizon grants?	Onion Collective CIC	36
Strategic Roadmap for the UK (in partnership with UKRI and others)	Design Museum	36
Hidden wiring - wealth and law	ClientEarth	36
Stanford Social Innovation Review	Stanford Social	35
Pathfinders Programme - extension	JRF	33
Pre-election public attitudes project (deep listening) Phase 2 & 3	Public First	33
Focus groups to test attitudes to hardship for the Essentials Guarantee campaign	Public First	32
Pathfinders Programme	East Marsh United	32
Pathfinders Programme	Multitudes Co-Operative	32
Pathfinders Programme	Black Farmers Market CIC	31
Pathfinders Programme	Freedom and Blance	31
Pathfinders Programme	Kin Structures	31
Pathfinders Programme	Kiondo CIC	31
Bradford Storytelling	The Bureau of Investigative Journalism	30
Epistemic Justice	Greater Manchester CVO	30
IFS Retirement Saving Consortium 2023-25	Institute for Fiscal Studies	30
Making Sense of Data Gaps	Insightano	30
Imaginations of the Forest	University of Victoria	30
Black Imagination Exploration	Free Black Uni	30
Building the research base: Infrastructure of the imagination	University of Bristol	30
Fieldbuilding for the ecological imagination	Black Mountains College	30
Systems Leadership for Transitions	Living Wholeness Institute	30
Leadership for hospicing	Wolf Willow Institute for Systems Learning	30
An alternative stewardship and funding model	Library of Things	30
Creating an Extreme Wealth Line	Patriotic Millionaires International	30
Pathfinders Programme	Gentle Radical	30
Pathfinders Programme	Land in Our Names	30
Pathfinders Programme	Noble Research	30
A Fairer kind of housing in York	YorSpace CLT Limited	30
Core funding for Thrive Outside CIC	Thrive Outside CIC	30
She could fly	Wowbagger Productions	30
Childcare 2023 - Scotland	Fraser of Allander Institute	29
Lived Experience in Scotland	Adam Bennett	29
Emerging Futures Learning with Kerry McCarthy	Kerry McCarthy	28
Public attitudes towards child poverty in Scotland	Save the Children Scotland	27
User Testing and technical learning partnership	Social Finance	26
How to Accelerate depth learning for systemic transitions	Living Wholeness Institute	25
The Poverty Truth Community	Faith in Community Scotland	25
Grants under £25,000		998
Total grants linked to JRF objectives		8,531
Other Non Research and Development Grants made were:		
Strategic Support		539
The Homestead Park		359
Regional Grants (Note i)		133
Write-back projects approved in previous years no longer required		(162)
		9,400
Note (i)		
Regional Grants comprised:-		£'000
York		121
Hartlepool		12
		133

Further information on the grant commitments in the year is available in the Trustees' Annual Report and on the JRF website.
Where JRF is identified as the organisation it is holding funds on behalf of others to distribute.

Individual projects committed during 2022 within programmes, in excess of £25,000 all of which relate to unrestricted funds, are set out below.		
Project	Organisation	£'000
Inclusive Growth Network	Centre for Progressive Policy	735
Poverty Strategy Commission: Influencing and shaping anti-poverty debate and action	Legatum Institute	300
Capturing insights from people in poverty – the prototype	Humankind Research	199
Rowntree Society	Rowntree Society	135
Bevan Foundation	Bevan Foundation	129
Good Ancestors Movement	Good Ancestor Movement	126
APPLE Collective	JRF	123
Stigma co-design programme	JRF	116
Collaborative working on place based journey in York	New Constellations	106
Resolve collective	Resolve	101

4 Grant Commitments (continued)

Articulating economic alternatives	UCL Policy Lab	95
Bureau of Investigative Journalism to run a year-long investigation into the exploitation of ethnic minority women in the gig economy, largely in cleaning and care work	JRF	91
Talking about housing: mobilisation phase with Frameworks UK		83
design the inquiry question for the larger partnership	New Constellations	80
Support for tackling low wage and insecure work and facilitation of 'Three Horizons' framework discussions on the role of finance in tackling poverty	ShareAction	76
Next Steps to a Just & Sustainable Housing System in Scotland	University of Glasgow	75
Extension of MIS to account for Covid volatility	Loughborough University	66
Building a social movement to tackle poverty	Church Action on Poverty	66
Emerging Futures Fund Co-Design Group	JRF	65
Bring Energy Home	Britain ReMade Futures Ltd	60
Core funding for Breakthrough Impact	Breakthrough Impact	60
Designing Out Destitution and Deep Poverty	New Local	58
Housing Subsidies and Affordability	Tony Blair Institute for Global Change	52
Unlocking the Flexibility Trap: 10 years on	Timewise Foundation	52
A Minimum Income Guarantee for Scotland	IPPR Scotland and Robertson Trust	50
Developing models & tools to provide timely insight on poverty issues (Data & Digital)	Social Finance	50
Supporting the development of the funder collaborative	Centre for Knowledge Equity	50
Scotland Insights Project	Savanta	49
Community Voices Programme - Somali Welfare Trust	Somalia Welfare Trust	47
Growing the Grassroots project	Civic Power Fund	47
Lessons learnt from the Talking About Poverty project	Rights Evaluation Studio	45
Ethnicity and the labour market in Glasgow	The Collective	42
Dundee fighting for fairness	Faith in Community Dundee	41
Ecosystem Mapping & External Engagement	Connected by Data	35
focussed on the potential for a housing market downturn and the policy interventions needed to respond to it	OnPlace	31
PhD Studentships	York St John University	30
York Big Tent of Ideas	The Big Tent	30
We're right here funding	Locality	30
Women in Journalism	Women In Journalism Scotland	30
Destitute Britain	JRF	30
National Listening Campaign	Community Organisers Limited	30
Funders for Race Alliance	Equally Ours	27
How the pandemic has impacted on public attitudes to poverty	Britain Thinks	26
End Poverty Edinburgh	The Poverty Alliance	26
Capturing the insights of people living in poverty: a feasibility study	Humankind Research	25
Grants under £25,000		419
Total Research and Development Grants		4,239
Other Non Research and Development Grants made were:		
Strategic Support		428
The Homestead Park		336
Regional Grants (Note i)		246
Write-back projects approved in previous years no longer required		(58)
		5,191
Note (i)		
Regional Grants comprised:-		£'000
York		125
Hartlepool		121
		246

5 Support and Governance Costs

Group support and governance costs, all of which relate to unrestricted funds, are set out below:

	2023 £'000	2022 £'000
Staff costs, including welfare, training and temporary staff	8,320	8,299
Office costs	3,143	2,347
Travel and subsistence	216	113
Consultancy and professional fees	1,054	792
Governance (Note i)	170	164
	12,903	11,715
(i) Governance		
	2023 £'000	2022 £'000
Trustees' travel and subsistence	6	3
Trustees' meeting expenses and training	14	3
Trustees' appointment	-	-
External Auditors' remuneration	58	47
External Auditors' - Non Audit Fees	-	4
Internal audit	92	107
	170	164

All the above costs are inclusive of applicable VAT. Non audit fees comprised tax compliance and advisory work £4,578. (2022: Tax compliance and advisory services £4,392). Fees charged for the audit of subsidiaries, not included in the table above and inclusive of vat were JRHT £47,880 (2022: £42,429) and CEL £5,484 (2022: £4,293). Non-audit fees in relation to subsidiaries not included in the above table and inclusive of vat were JRHT £4,578 (2022: £10,920) and CEL £3,618 (2022: £3,498).

6 Trustees' Emoluments

No Trustee received any emoluments or benefits in kind in respect of their services. Trustees are reimbursed for travel and subsistence costs incurred in carrying out their duties. The total sum reimbursed in the year was £6,226 (2022: £2,792) and is included within Governance (Note 5). The number of Trustees reimbursed during the year was 9 (2022: 6).

7 Employee Information
(a) Staff Costs

Total staff costs incurred between the parent (JRF) and the subsidiary (JRHT) were:-

	2023			2022		
	Parent £'000	JRHT £'000	Group £'000	Parent £'000	JRHT £'000	Group £'000
Wages and salaries	6,831	10,990	17,821	5,823	11,663	17,486
Retirement, redundancy and exit payments	54	43	97	276	261	537
National insurance contributions	711	903	1,614	643	1,013	1,656
Other pension costs (Note 8)	409	582	991	346	549	895
	8,005	12,518	20,523	7,088	13,486	20,574

Staff costs in 2022 included a cost of living support payment to all staff, including directors, of £1,500 per employee.

The average weekly number of Executive Directors and employees and full time equivalent (FTE) Officers and employees was:

	2023		2022	
	Headcount No.	FTE No.	Headcount No.	FTE No.
Parent				
Number of Executive Directors	8	8	6	6
Employees, including those on joint contracts with the subsidiary	151	140	142	134
	159	148	148	140
Subsidiary	446	364	474	388
	605	512	622	528

(b) Higher Paid Employees

The number of employees, including directors, whose full year, full time equivalent emoluments, including pension contributions and benefits in kind, employed by the Group in the following ranges were:-

	2023	2022
£60,001 - £70,000	27	6
£70,001 - £80,000	11	12
£80,001 - £90,000	2	-
£90,001 - £100,000	1	1
£100,001 - £110,000	4	5
£160,001 - £170,000	1	1

The above bandings includes two employees who left during the year. Equivalent annual remuneration places these employees in the banding £70,001 to £80,000. In addition five employees who joined during the year are included within in the equivalent annual remuneration band £60,001 to £70,000, one employee who joined during the year is included in the equivalent annual remuneration band £70,001 to £80,000 and one employee who joined during the year is included in the equivalent annual remuneration band £80,001 to £90,000. There was a further employee who joined the executive team during the year who is included in the equivalent annual band £60,001 to £70,000.

(c) Executive Directors and Key Management Personnel

	2023				2022			
	Basic Salary £'000	Benefits in kind £'000	Pension contributions £'000	Total Benefits £'000	Basic Salary £'000	Benefits in kind £'000	Pension contributions £'000	Total Benefits £'000
Group Chief Executive	156	-	9	165	152	-	9	161
Director of Communication and Public Engagement	103	-	6	109	100	-	6	106
Director of Evidence and Policy	103	-	6	109	100	-	6	106
Director of Emerging Futures	93	-	5	98	87	-	5	92
JRHT Executive Director	103	-	6	109	100	-	6	106
Director of Finance	103	-	6	109	100	-	6	106
Director of Corporate Services to August 2023	60	-	4	64	100	-	6	106
Interim Director of Corporate Services from August 2023	35	-	2	37	-	-	-	-
Interim Director of People from October 2023	31	-	2	33	-	-	-	-
Interim Director of People from August 2023 to September 2023	12	-	-	12	-	-	-	-
	799	-	46	845	739	-	44	783

The aggregate remuneration of Key Management personnel was as follows:-

	2023 £'000	2022 £'000
Basic Salary	799	739
Compensation for loss of office	-	-
Benefits in Kind	-	-
Pension Contributions	46	44
Employer's NIC	100	97
	945	880

The emoluments of the highest paid director, the Group Chief Executive, excluding pension contributions were £156,000. (2022: the Group Chief Executive £152,000)

Joseph Rowntree Foundation
Registered Charity

8 Social Housing Pension Scheme

JRF participated in the Social housing Pension Scheme (SHPS), a multi-employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK. The SHPS scheme was closed to staff from 1 April 2017.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the pensions regulator and Technical Actuarial Standards issued by the Financial reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK. The last triennial valuation of the scheme for funding purposes was carried out as at 30 September 2020. This valuation revealed a deficit of £1,560m. A recovery plan has been put in place with the aim of removing this deficit by 31 March 2028.

The scheme is classified as a "last-man standing arrangement". Therefore JRF is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the Scheme deficit following withdrawal from the Scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the Scheme.

JRF is meeting the past service deficit contribution which has arisen from the 2008 , 2011 , 2014 , 2017 and 2020 actuarial valuations.

a Deficit contributions schedule

	2023	2022
	£'000	£'000
Year 1	1,878	1,788
Year 2	1,971	1,878
Year 3	2,069	1,971
Year 4	2,172	2,069
Year 5	549	2,172
Year 6	-	549
Year 7	-	-

b Key financial assumptions

	2023	2022
	% pa	% pa
Discount rate	4.80	5.00
Inflation (RPI)	3.06	3.14
Inflation (CPI)	2.69	2.78
Salary Growth	3.69	3.78

The allowance for commutation of pension for cash at retirement was 75% in both 2023 and 2022.

c Average life expectations

	2023	2022
	Years	Years
The mortality assumptions adopted at 31 December 2023 imply the following life expectancies at the age of 65:		
Male retiring in 2023	21.00	21.10
Female retiring in 2023	23.40	23.70
Male retiring in 2043	22.20	22.40
Female retiring in 2043	24.90	25.20

d Amounts recognised in the statement of financial activities

	2023	2022
	£'000	£'000
Expenses (note 5)	47	47
Interest cost (note 2)	420	150
Total charged to statement of financial activities	<u>467</u>	<u>197</u>

e Reconciliation of defined benefit obligation

	2023	2022
	£'000	£'000
Defined benefit obligation at beginning of year	41,528	67,062
Expenses	47	47
Interest cost	2,025	1,206
Actuarial losses due to Scheme experience	179	7,520
Actuarial gains due to change in demographic assumptions	(113)	(707)
Actuarial gains/(losses) due to change in financial assumptions	724	(31,313)
Benefits paid	(2,078)	(2,287)
Total charged to statement of financial activities	<u>42,312</u>	<u>41,528</u>

**Joseph Rowntree Foundation
Registered Charity**

8 Social Housing Pension Scheme (continued)

f Reconciliation of fair value of Scheme assets

	2023	2022
	£'000	£'000
Fair value of Scheme assets at beginning of year	32,243	58,025
Interest income on Scheme assets	1,605	1,056
Experience gains/(losses) on plan assets (excluding amounts included in interest income)	335	(26,282)
Contributions by JRF	1,833	1,731
Benefits paid	(2,078)	(2,287)
Fair value of Scheme assets at end of year	<u>33,938</u>	<u>32,243</u>

g Amounts recognised in the balance sheet

	2023	2023
	£'000	£'000
Fair value of Scheme assets	33,938	32,243
Actuarial value of scheme liabilities	(42,312)	(41,528)
Deficit in the scheme	<u>(8,374)</u>	<u>(9,285)</u>

h Analysis of assets

	2023	2022
	£'000	£'000
Global Equity	2,765	305
Absolute Return	633	319
Distressed Opportunities	1,111	1,490
Credit Relative Value	1,082	1,420
Alternative Risk Premia	493	54
Emerging Markets Debt	544	41
Risk Sharing	2,008	2,332
Insurance-Linked Securities	165	1,212
Property	1,343	1,483
Infrastructure	3,171	4,592
Private debt	1,299	1,532
Opportunistic Illiquid Credit	1,502	1,939
High Yield	5	16
Cash	478	392
Corporate Bond Fund	-	4
Long Lease Property	954	1,121
Secured Income	854	1,496
Liability Driven Investment	15,330	13,280
Currency Hedging	119	236
Net Current assets	82	(1,021)
Total Assets	<u>33,938</u>	<u>32,243</u>

i Analysis of return on assets

	2023	2022
	£'000	£'000
Interest on scheme assets	1,605	1,056
Actuarial gains/(losses)	335	(26,282)
Actual return on assets	<u>1,940</u>	<u>(25,226)</u>

i Analysis of return on assets recognised in other comprehensive income

	2023	2022
	£'000	£'000
Gains on scheme assets	335	(26,282)
Experience losses on scheme liabilities	(179)	(7,520)
Losses/(gains) on change in assumptions (financial and demographic)	(611)	32,020
Actual return on assets	<u>(455)</u>	<u>(1,782)</u>

Joseph Rowntree Foundation
Registered Charity

9 Joseph Rowntree Housing Trust Turnover and Operating Costs

The results of JRHT, available on its website, prepared under the Housing SORP 2018 but modified to the Charities SORP, and by the removal of intercompany transactions, for the purpose of consolidation are :-

	2023		2022	
	£'000	£'000	£'000	£'000
Turnover		23,184		25,544
Grants Received		<u>1,460</u>		<u>-</u>
		24,644		25,544
Operating Costs				
Staff Costs	(14,020)		(14,829)	
Other Costs	(5,284)		(7,377)	
Interest Payable	(2,231)		(2,484)	
Gain on Disposal of Fixed Assets	404		1,155	
Property Depreciation	(3,170)		(3,008)	
Taxation	23		(118)	
Recycled grant repaid	<u>(130)</u>		<u>(348)</u>	
		(24,408)		(27,009)
Gain on revaluation of investment properties		-		202
Income from investment properties		153		135
Expenditure on investment properties		(41)		(10)
Interest Receivable		112		138
		<u>460</u>		<u>(1,000)</u>

10 Tangible Fixed Assets**Group**

	Properties £'000	Properties Held For sale £'000	Properties under construction £'000	Furniture and Equip-ment £'000	Total £'000
Cost					
At 1 January per financial statements	227,584	-	1,344	1,818	230,746
Transfer of Housing Land and Buildings for sale from Current Assets (note 14)	-	2,728	-	-	2,728
At 1 January 2023 (restated)	227,584	2,728	1,344	1,818	233,474
Additions	8,154	-	6,215	6	14,375
Disposals	(2,728)	-	-	(30)	(2,758)
Completions	5,743	-	(5,743)	-	-
Transfer to Assets held for sale	(84)	84	-	-	-
At 31 December 2023	- 238,669	2,812	1,816	1,794	245,091
Depreciation					
At 1 January per financial statements	36,251	-	-	1,444	37,695
Transfer of Housing Land and Buildings for sale from Current Assets (note 14)	-	813	-	-	813
At 1 January 2023 (restated)	36,251	813	-	1,444	38,508
Charge in the year	3,604	-	-	114	3,718
Disposals	(765)	-	-	(25)	(790)
Transfer to Assets held for sale	(23)	23	-	-	-
At 31 December 2023	39,067	836	-	1,533	41,436
Net Book Value					
At 1 January 2023 (restated)	- 191,333	1,915	1,344	374	194,966
At 31 December 2023	- 199,602	1,976	1,816	261	203,655
Properties are represented by:					
Freehold Land and Buildings	192,047				
Long Leasehold Land and Buildings	7,555				
	<u>199,602</u>				

Balances at 1 January have been restated in respect of properties held for sale previously classified as current assets (note 14). This adjustment only affects asset categories within the balance sheet so retained reserves have not been restated.

Properties consists of Social Housing Properties held for letting, business and office premises including solar panels, communal areas at extra care schemes, non- housing property in New Earswick and Derwenthorpe and the continuing care retirement community at Hartrigg Oaks, New Earswick.

Parent

	Properties £'000	Furniture and Equipment £'000	Total £'000
Cost			
At 1 January 2023	2,342	673	3,015
At 31 December 2023	- 2,342	673	3,015
Depreciation			
At 1 January 2023	-	561	561
Charge in the year	-	24	24
At 31 December 2023	-	585	585
Net Book Value			
At 1 January 2023	- 2,342	112	2,454
At 31 December 2023	- 2,342	88	2,430

Properties consists of JRF's freehold offices at The Homestead, York.

JRF has a reversionary interest in the property known as Ouse Lea which will mature in the year 2119. No value has been placed upon the reversion in these Financial Statements due to the low level of ground rent received annually at £5 (2022: £5).

11 Intangible Fixed Assets**Group****IT Software
£'000****Cost**

At 1 January 2023	1,911
Additions	878
Disposals	(120)
At 31 December 2023	- 2,669

Amortisation

At 1 January 2023	1,505
Charge in the year	86
Disposals	(120)
At 31 December 2023	1,471

Net Book Value

At 1 January 2023	- 406
At 31 December 2023	- 1,198

Parent**IT Software
£'000****Cost**

At 1 January 2023	1,903
Additions	878
Disposals	(120)
At 31 December 2023	- 2,661

Amortisation

At 1 January 2023	1,504
Charge in the year	85
Disposals	(120)
At 31 December 2023	1,469

Net Book Value

At 1 January 2023	- 399
At 31 December 2023	- 1,192

12 Homebuy Loans**Group****2023
£'000****2022
£'000**

At 1 January	2,022	2,227
Repayments	(60)	(205)
At 31 December	1,962	2,022

There are no Homebuy Loans in the Parent.

13a Investments

Group

	Market Transfer to Value Programme 1.1.23 Related (restated) Investments		Market Value 1.1.23 (restated)		Sales/ Repay- ments	Gains/ (Losses)	Market Value 31.12.23	Cost 31.12.23
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Quoted Investments								
UK Index Linked	6,424	-	6,424	9,694	(12,393)	(543)	3,182	3,935
UK Fixed Interest	239	-	239	5,638	(3,948)	(26)	1,903	1,896
UK Equities	1,323	-	1,323	3,239	(2,603)	144	2,103	2,013
Overseas Index Linked	3,754	-	3,754	16,251	(22,104)	2,099	-	-
Overseas Fixed Interest	3,276	-	3,276	25,407	(18,509)	(2,644)	7,530	7,669
Overseas Equities	381,083	-	381,083	19,275	(52,710)	28,487	376,135	210,304
	<u>396,099</u>	<u>-</u>	<u>396,099</u>	<u>79,504</u>	<u>(112,267)</u>	<u>27,517</u>	<u>390,853</u>	<u>225,817</u>
Other Investments								
Other	12,775	-	12,775	44,355	(46,324)	411	11,217	22,406
Property Unit Trusts	13,106	-	13,106	-	(56)	(844)	12,206	14,990
	<u>25,881</u>	<u>-</u>	<u>25,881</u>	<u>44,355</u>	<u>(46,380)</u>	<u>(433)</u>	<u>23,423</u>	<u>37,396</u>
Investment Properties								
Directly Managed	3,400	-	3,400	-	-	-	3,400	2,238
			-					
Social Investments								
	9,864	(9,864)	-	-	-	-	-	-
Unquoted Investments								
Clifton Estate Limited	-	-	-	-	-	-	-	17
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17</u>
Cash held for Investment								
	<u>2,467</u>	<u>-</u>	<u>2,467</u>	<u>3,326</u>	<u>-</u>	<u>-</u>	<u>5,793</u>	<u>5,793</u>
	<u>437,711</u>	<u>(9,864)</u>	<u>427,847</u>	<u>127,185</u>	<u>(158,647)</u>	<u>27,084</u>	<u>423,469</u>	<u>271,261</u>

Other Investments represents holdings in unit trusts in gold and precious metals, credit and illiquid strategies and money market funds at the year end.

A formal revaluation of JRF's one investment property was carried out in December 2020 by an independent, qualified, chartered surveyor. The carrying value in the balance sheet reflects this valuation less a provision given that the current lease expired in 2023 and has only been renewed on a monthly rolling basis. The site is expected to be re-purposed.

Parent

	Market Value 1.1.23 statements £'000	Transfer to Programme Related Investments £'000	Market Value 1.1.23 (restated) £'000	Purchase s/ Additions £'000	Sales/ Repay- ments £'000	Gains/ (Losses) £'000	Market Value 31.12.23 £'000	Cost 31.12.23 £'000
Quoted Investments								
UK Index Linked	6,424	-	6,424	9,694	(12,393)	(543)	3,182	3,935
UK Fixed Interest	239	-	239	5,638	(3,948)	(26)	1,903	1,896
UK Equities	1,323	-	1,323	3,239	(2,603)	144	2,103	2,013
Overseas Index Linked	3,754	-	3,754	16,251	(22,104)	2,099	-	-
Overseas Fixed Interest	3,276	-	3,276	25,407	(18,509)	(2,644)	7,530	7,669
Overseas Equities	381,083	-	381,083	19,275	(52,710)	28,487	376,135	210,304
	396,099	-	396,099	79,504	(112,267)	27,517	390,853	225,817
Other Investments								
Other	12,775	-	12,775	44,355	(46,324)	411	11,217	22,406
Property Unit Trusts	13,106	-	13,106	-	(56)	(844)	12,206	14,990
	25,881	-	25,881	44,355	(46,380)	(433)	23,423	37,396
Investment Properties								
Directly Managed	-	-	-	-	-	-	-	1,464
Social Investments	9,864	(9,864)	-	-	-	-	-	-
Unquoted Investments								
Clifton Estate Limited	-	-	-	-	-	-	-	17
	-	-	-	-	-	-	-	17
Amounts owed by Group undertakings								
Hartrigg Oaks Loans- Fixed	52	-	52	-	(52)	-	-	-
	52	-	52	-	(52)	-	-	-
Cash held for Investment	2,467	-	2,467	3,326	-	-	5,793	5,793
	434,363	(9,864)	424,499	127,185	(158,699)	27,084	420,069	270,487

13b

Group and Parent

	Market Value 1.1.23 (restated) £'000	Transfer to Programme Related Investments £'000	Market Value 1.1.23 (restated) £'000		Sales/ Repay- ments £'000	Gains/ (Losses) £'000	Market Value 31.12.23 £'000	Cost 31.12.23 £'000
Programme Related Investments	-	9,864	9,864	1,072	(304)	508	11,140	10,681

The restatement relates to the separate disclosure of Social Investments as Programme related Investments as required under the Charities SORP 2019. This restatement only affects the Investment categories within the Statement of Financial Activities so total funds have not been restated. There is no impact on the brought forward reserves or net asset position of the group and parent company as a result of the restatement.

JRF owns 100% of the Ordinary Share Capital of Clifton Estate Limited. No value has been placed on this shareholdings in the Accounts: in the opinion of the Trustees, any sum would be immaterial in the context of the JRF's total investment portfolio.

A parcel of land has been retained following the sale of the investment property known as Beverley House in 2019 but no value has been placed upon this in these financial statements as it is considered as not material.

14 Properties held for sale

	Group	
	2023	2022
	£'000	Restated £'000
Shared ownership properties		
Completed properties	1,846	46
Work in progress	417	292
	<u>2,263</u>	<u>338</u>
Housing Land and Buildings	-	1,915
	<u>-</u>	<u>2,253</u>
Balance at 31 December 2022 per Financial Statements	-	(1,915)
Resatement of Housing Land and Buildings as Fixed Asset	-	
	<u>2,263</u>	<u>338</u>

Balances at 31 December 2022 have been restated in respect of housing properties held for sale with a value of £1,915,000 being reclassified as fixed assets (note 10). This is a reclassification adjustment only and has no impact on the brought forward reserves.

There are no properties held for sale in the parent undertaking.

15 Debtors

	Group		Parent	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Rent arrears	285	315	-	-
Prepayments	357	380	283	365
Sundry debtors and accrued income	<u>2,015</u>	<u>1,776</u>	<u>442</u>	<u>240</u>
	<u>2,657</u>	<u>2,471</u>	<u>725</u>	<u>605</u>

16 Creditors: Amounts falling due within one year

	Group		Parent	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Outstanding Grant Commitments (Note 17)	5,250	3,700	5,250	3,700
Amount due to JRHT	-	-	576	-
Recycled Capital Grant	1,615	524	-	-
Rents in advance	361	341	-	-
Accruals	1,575	2,023	260	342
Other Creditors	3,305	3,340	735	914
Debt (note 18)	<u>24</u>	<u>1,021</u>	<u>-</u>	<u>-</u>
	<u>12,130</u>	<u>10,949</u>	<u>6,821</u>	<u>4,956</u>

17 Creditors: Amounts falling due after more than one year

	Group		Parent	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Outstanding Grant Commitments:				
At 1 January	4,460	3,573	4,460	3,573
New grant commitments during year (Note 4)	9,400	5,191	28,385	20,258
Grants paid during year	<u>(8,045)</u>	<u>(4,304)</u>	<u>(27,030)</u>	<u>(19,371)</u>
	5,815	4,460	5,815	4,460
Less: Amounts falling due within one year (Note 16)	<u>(5,250)</u>	<u>(3,700)</u>	<u>(5,250)</u>	<u>(3,700)</u>
At 31 December	565	760	565	760
Recycled Capital Grant	767	1,622	-	-
Deferred income- amounts received in advance	3,891	3,798	-	-
Deferred Land	3,090	3,933	-	-
Capitalised Community Fees	2,504	2,398	-	-
Residence Fees at Hartrigg Oaks	34,554	31,800	-	-
Bonds and Loan Stock	837	794	-	-
Debt (Note 18)	<u>37,640</u>	<u>45,664</u>	<u>-</u>	<u>-</u>
	<u>83,848</u>	<u>90,769</u>	<u>565</u>	<u>760</u>

The timing of grant payments is largely dependent upon the submission of claims from the receiving institution. The classification of outstanding grant commitments between those payable within one year and those payable after more than one year is, therefore, not certain. The classification between those payable within one year and those payable after more than one year is based on an estimate.

18 Debt Analysis**Group Borrowings are represented by :**

	2023	2022
	£'000	£'000
Housing Loans (Note i)	22,664	31,685
THFC Bond (Note ii)	15,000	15,000
	<u>37,664</u>	<u>46,685</u>

Note i

The Housing Loans comprise:-

	2023	2022
	£'000	£'000
Orchardbrook Ltd	664	685
Lloyds Banking Group plc Facility A	10,000	10,000
Lloyds Banking Group plc Facility B (Tranche 1)	8,000	8,000
Lloyds Banking Group plc Facility B (Tranche 2)	4,000	5,000
Handelsbanken Loan 1	-	8,000
	<u>22,664</u>	<u>31,685</u>

- (a) The loans from Orchardbrook Ltd are settled by equal half-yearly instalments of capital and interest over the estimated life of the scheme for which the loan was provided. The final instalments fall to be repaid in the period 2024 to 2047. The rates of interest are fixed and range from 9.25% to 15.875%. The loans are secured against 65 of JRHT's properties.
- (b) Facility A from Lloyds Banking Group plc is for a 30 year term with a bullet repayment at a fixed rate of interest. The average rate charged during the year was 4.79%. The margins increase over the life of the loan so that from September 2030 the rate, including margins, is 4.83%. The loan is secured against 123 of JRHT's properties and is fully repayable on 9 December 2036.
- (c) Facility B (Tranche 1) from Lloyds Banking Group plc is for a 28 year term with a bullet repayment at a fixed rate of interest. The interest rate charged during the year was 4.38%. The margins increase over the life of the loan, so that from 24 March 2036 the rate, including margins, is 4.38%. The loan is secured against 119 of JRHT's properties and with a final repayment due on 24 December 2037.
- (d) Facility B (Tranche 2) from Lloyds Banking Group plc is for a 20 year term with repayments at 3 yearly intervals and a final repayment on 28 December 2034. Interest charged during the year was 3.57%. The margins increase over the life of the loan, so that from 28 March 2028 the rate, including margins, is 3.62%. The loan is secured against 86 of JRHT's properties.
- (e) Handelsbanken Loan 1 represents a revolving credit facility of £8m . Interest was charged at a variable rate linked to SONIA: charges during the year represented non utilisation fees. The Facility, which was available until June 2023, was secured against 128 of JRHT's properties.
- (f) Handelsbanken Loan 2 represented a revolving credit facility of £15m . Interest was charged at a variable rate linked to SONIA: charges during the year represented non-utilisation fees. The Facility, which was repaid in full in November 2022 remained available until June 2023, and was secured against 213 of JRHT's properties.

The Housing Loans are repayable in the following periods:-

	2023		2022	
	£'000	£'000	£'000	£'000
In one year or less (Note 16)		24		1,021
Between one and two years	26		24	
Between two and five years	1,068		1,074	
In five years or more	<u>21,546</u>		<u>29,566</u>	
		<u>22,640</u>		<u>30,664</u>
		<u>22,664</u>		<u>31,685</u>

Note ii

A bond of £15m from THFC was taken out in 2013. Interest is charged at a fixed rate of 5.2%. The bond is secured against 240 of the JRHT's properties and is repayable in 2043.

The THFC Bond is repayable in the following periods:-

	2023		2022	
	£'000	£'000	£'000	£'000
In one year or less		-		-
Between one and two years	-		-	
Between two and five years	-		-	
In five years or more	<u>15,000</u>		<u>15,000</u>	
		<u>15,000</u>		<u>15,000</u>
		<u>15,000</u>		<u>15,000</u>

19 Cash Flow from Operating Activities

	2023		2022	
	£'000	£'000	£'000	£'000
Net expenditure before investment movements in the year		(13,653)		(9,886)
Depreciation of tangible fixed assets	3,718		3,609	
Amortisation of intangible fixed assets	86		134	
Amortisation of Non-refundable Residence Fees	(326)		(305)	
Amortisation of Capitalised Community Fees	(203)		(199)	
Increase/(Decrease) in Net Present Value of Loan Stock	12		(12)	
Increase in outstanding grant commitments	1,355		887	
Decrease/(Increase) in Stock of Materials	1		(14)	
Surplus on sale of properties	(3,547)		(2,446)	
(Increase)/Decrease in housing stock held for sale	(1,925)		803	
Increase in debtors	(130)		(563)	
Increase in creditors	713		2,260	
(Decrease)/Increase in Net Pension Liability	(911)		248	
		(1,157)		4,402
Net cash outflow from operating activities		(14,810)		(5,484)

20 Leasing Commitments

Total future minimum operating lease payments are set out below:

	Group		Parent	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Within one year	119	112	19	11
Between two and five years	204	301	7	-
	323	413	26	11

Leases relate to shared office space in one location, vehicles and photocopiers.

The annual charge for rental of office space under operating leases was £Nil (2022: £97,025)

	Group		Parent	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
21 Financial Assets and Liabilities				
Financial assets that are debt instruments measured at amortised cost	9,972	8,995	427	556
Financial liabilities measured at amortised cost	(95,040)	(100,173)	(7,285)	(5,610)
Financial liabilities that are measured at fair value through the surplus or deficit	(9,211)	(10,079)	(8,374)	(9,285)
	(94,279)	(101,257)	(15,232)	(14,339)

Financial assets measured at amortised cost are represented by current assets excluding prepayments and accrued income.

Financial liabilities measured at amortised cost are represented by all short and long term liabilities excluding those measured at fair value and liabilities to HMRC.

Financial liabilities measured at fair value are represented by the deferred pension liability and deferred bonds and loan stock. The difference between the carrying amount and contractually obliged payments is:-

	Group		Parent	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Carrying amount	9,211	10,079	8,374	9,285
Contractual Obligations	9,248	10,122	8,374	9,285
	(37)	(43)	-	-

22 Restricted Funds

Group

	Income and Expenditure Reserve	Sales Reinvestment Reserve	Revaluation Reserve	Total
	£'000	£'000	£'000	£'000
Balance at 1 January 2023	88,144	1,100	9,394	98,638
Income and movement in market value of investments	24,909	-	-	24,909
Expenditure	(24,449)	-	-	(24,449)
Transfer	(52)	52	-	-
Transfer of revaluation reserve to unrestricted reserve	70	-	(70)	-
Balance at 31 December 2023	88,622	1,152	9,324	99,098

	Income and Expenditure Reserve	Sales Reinvestment Reserve	Revaluation Reserve	Total
	£'000	£'000	£'000	£'000
Balance at 1 January 2022	89,090	1,084	9,464	99,638
Income and movement in market value of investments	26,019	-	-	26,019
Expenditure	(27,019)	-	-	(27,019)
Transfer	(16)	16	-	-
Transfer to income and expenditure reserve	70	-	(70)	-
Balance at 31 December 2022	88,144	1,100	9,394	98,638

The sales reinvestment fund arises from the surplus on sale over book cost arising from sales of property under the Government's Voluntary Purchase Grant and Social Homebuy programmes. Sums in the Fund will be released when they have been applied to provide replacement housing property.

The revaluation surplus of pre 1990 rented property in New Earswick has been transferred to a Revaluation Reserve.

There are no restricted funds in the parent entity.

23 Analysis of Net Assets between Funds

	Restricted Funds	Group Unrestricted Funds	Total	Parent Unrestricted Funds	Total
	£'000	£'000	£'000	£'000	£'000
Fixed Assets					
Properties	197,260	2,342	199,602	2,342	2,342
Property schemes in progress	1,816	-	1,816	-	-
Motor vehicles & equipment	173	88	261	88	88
Intangible Fixed Assets	6	1,192	1,198	1,192	1,192
Homebuy Loans	1,962	-	1,962	-	-
Investments	3,400	420,069	423,469	420,069	420,069
Current Assets Less Liabilities	(105,519)	24,627	(80,892)	24,627	24,627
Total Net Assets	99,098	448,318	547,416	448,318	448,318

At 31 December 2022

	Restricted Funds	Group Unrestricted Funds	Total	Parent Unrestricted Funds	Total
	£'000	£'000	£'000	£'000	£'000
Fixed Assets					
Properties	188,991	2,342	191,333	2,342	2,342
Property schemes in progress	1,344	-	1,344	-	-
Motor vehicles & equipment	262	112	374	112	112
Intangible Fixed Assets	7	399	406	399	399
Homebuy Loans	2,022	-	2,022	-	-
Investments	3,400	434,311	437,711	434,311	434,311
Current Assets Less Liabilities	(97,388)	(2,325)	(99,713)	(2,325)	(2,325)
Total Net Assets	98,638	434,839	533,477	434,839	434,839

24 Capital Commitments and Contingent Liabilities

At the balance sheet date, commitments made by JRHT in relation to the construction or refurbishment of property amounted to £13.77m (2022: £7.14m). There is a contingent liability for deferred land payments with no fixed repayment date of £3,994,000.

JRF has been notified by the Trustee of the Social Housing Pension Scheme (SHPS) that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee has been advised to seek clarification from the Court on these items. This process is ongoing and the matter is unlikely to be resolved before the end of 2024 at the earliest. It is recognised that this could potentially impact the Scheme liabilities, but until Court directions are received, it is not possible to calculate the impact of this issue, particularly on an individual employer basis, with any accuracy at this time. No adjustment has been made in these financial statements in respect of this potential issue.

25 Related Party Transactions**Joseph Rowntree Housing Trust (JRHT) - Related Party Transactions****(a) Loans**

Outstanding loans to JRHT at 31 December 2023 amounted to £nil (2022: £51,596). Loans advanced were £nil and loan repayments amounted to £51,596. Interest charged on loans to JRHT during the year was £2,421 (2022: £6,434).

(b) Loan Facility

JRF provides a facility for up to £50,000,000 to JRHT. Interest will be charged at 0.85% above Bank of England base rate. As at 31 December 2023, none of this facility had been drawn (2022: £Nil).

(c) Grants

JRF provided a bursary support grant of £314,000 to JRHT in 2023. The amount provided in 2022 was £314,000.

JRF provided a revenue support grant to JRHT in 2023 of £1,681,000 (2022: £1,009,000).

JRF provided a grant to JRHT in 2023 as part of its house building programme of £16,395,000 (2022: £12,371,000). This is the fourth drawdown of grants of up to £50m agreed with JRHT to create 1,000 new homes over 10 years.

JRF provided a grant of £595,000 to JRHT in 2023 towards the direct running costs of heritage assets. The amount provided in 2022 was £536,000.

JRF provided a grant of £nil to JRHT to provide cost of living assistance to staff. The amount provided in 2022 was £837,000.

(d) Overhead Recharge

An overhead recharge was charged by JRF to JRHT during the year. The amount of the recharge in 2023 was £2,370,000 (2022: £2,231,000).

26 Clifton Estate Limited (CE) - Related Party Transactions

JRF holds all the share capital of CE, a property management and development company operating in York. At the year end, two of the Directors of CE were also Trustees of JRF. No Trustee or Director received any payment in respect of this service.

27 Trustees' Related Party Transactions

The following Trustee related party transactions occurred in the year:

One grant for £40,000 in respect of the "Growing and Improving the effectiveness of impact investing" was made to the Impact Investing Institute where one Trustee, Anita Bhatia, is a Panel Member.

One grant for £100,000 in respect of the "Finance for Systemic Change" was made to the University of Cambridge where one Trustee, Deborah Cadman, is a Fellow.

Two grants one for £51,000 in respect of "Pathfinders Programme" and another for £41,000 for "London Rehearsing Freedoms Festival" were made to Healing Justice London where the husband of one Trustee, Farah Elahi, received remuneration for the delivery of a workshop.

In 2022, one grant for £75,000 in respect of the "Next Steps to a Just and Sustainable Housing System in Scotland" was made to the University of Glasgow where one Trustee, Professor Carol Tannahill OBE, is an Honorary Professor.

28 Directors' Related Party Transactions

One grant for £120,000 was made in 2023 in respect of the "Cost of Living Crisis Fund" was made to the Two Ridings Charitable Foundation where the wife the Chief Executive, Paul Kissack, is a Trustee.

The Executive Director JRHT also holds a non executive post with Leeds Federated Housing Association (LFHA). LFHA provided cleaning services to JRHT of less than £5,000 during the year. The Executive Director JRHT is not involved in any aspect of the contract.

**COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL
ACTIVITIES**

		Restricted	Unrestricted	2022 Total
	Note	£'000	£'000	£'000
INCOME AND ENDOWMENTS FROM:				
Investments	1	273	11,426	11,699
Charitable Activities				
Housing Association turnover	9	25,544	-	25,544
Other income	2	-	120	120
TOTAL		25,817	11,546	37,363
EXPENDITURE ON:				
Raising funds - investment management	3	(10)	(1,542)	(1,552)
Charitable activities				
Grant commitments	4	-	(5,191)	(5,191)
Support and governance costs	5	-	(11,715)	(11,715)
Housing Association operating costs	9	(27,009)	-	(27,009)
TOTAL		(27,019)	(18,448)	(45,467)
NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS/(LOSSES)		(1,202)	(6,902)	(8,104)
Other Comprehensive income				
Actuarial Loss in respect of Social Housing Pension Scheme	8	-	(1,782)	(1,782)
Re-measurement of Social Housing Pension obligation	8	-	-	-
TOTAL OTHER COMPREHENSIVE INCOME		-	(1,782)	(1,782)
Net Gains/(Losses) on Investments				
Loss on Quoted Investments	12	-	(52,553)	(52,553)
Gain on Other Investments	12	-	447	447
Gain/(Loss) on Directly Managed Investment Properties	12	202	(1,250)	(1,048)
TOTAL INVESTMENT MOVEMENTS		202	(53,356)	(53,154)
TOTAL COMPREHENSIVE INCOME		(1,000)	(62,040)	(63,040)
Total Funds brought forward at 1 January		99,638	496,879	596,517
TOTAL FUNDS CARRIED FORWARD AT 31 DECEMBER		98,638	434,839	533,477

The Statement of Financial Activities includes all gains and losses recognised in the period. All income and expenditure derives from continuing activities.