

**THE NORTH MEMORIAL HOMES
CITY OF LEICESTER**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST MARCH 2021

**Registered Charity Number 215582
Registered Social Housing Provider Number L2793
Almshouse Association Number 1839**

THE NORTH MEMORIAL HOMES CITY OF LEICESTER

FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2021

<u>CONTENTS</u>	<u>PAGES</u>
Registered Social Housing Provider Information	1
Report of the Trustees	2 - 4
Reporting Accountant's report to the Trustees	5
Statement of comprehensive income	6
Statement of changes in reserves	7
Balance sheet	8
Statement of cash flows	9
Notes to the financial statements	10 to 16

THE NORTH MEMORIAL HOMES CITY OF LEICESTER
REGISTERED SOCIAL HOUSING PROVIDER INFORMATION

The Trustees and Committee of Management	Mr A Nelson	Chairman
	Mr J Bewley	Vice-Chairman
	The Lord Mayor of Leicester	
	Mr G Hunt	
	Mrs L Ingram	
	Mr Kaameed Mamujee	(resigned 3 March 2021)
	Mr J Mercik	
	Dr M Solanki	
	Mrs J Bryars	
	Lt Col D J Young	
	Mr L St Clair	
	Councillor G O'Donnell	(resigned 5 May 2021)
Officers	Mrs K Smith	(Hon Administrator)
Professional advisers	James Sellicks Letting Agents	Letting Agents
	Leicester Charity Organisation Society (Charity Link)	Secretary and Treasurer to the Trustees
Reporting accountant	Andrew W Stant FCA Johnson Murkett & Hurst Chartered Accountants Rawdon House Rawdon Terrace Ashby de la Zouch Leicestershire LE65 2GN	
Bankers	HSBC Bank plc	
Brokers	Westerby Investment Management Ltd.	

Leicester City Council has, since the inception of the North Memorial Homes in 1918, been very involved in the development and success of the Charity. It was Sir Jonathan North who, as Lord Mayor of Leicester, inaugurated the Fund.

Since that time Leicester City Council has continued to assist the Charity in the provision of professional expertise in the form of Property Management and Property Development.

THE NORTH MEMORIAL HOMES CITY OF LEICESTER

REPORT OF THE TRUSTEES

YEAR ENDED 31ST MARCH 2021

The Trustees and Committee of Management present their report together with the financial statements of the Charity for the year ended 31 March 2021. The financial statements have been prepared in accordance with the accounting policies set out on page 10 and comply with the Trust Deed and applicable law.

Constitution and objects

The Charity is constituted under a Trust Deed dated 22 February 2007 as amended by a Scheme Dated 3 July 2019, and is a registered charity No 215582. The Charity is also a Registered Social Housing Provider No L2793.

The Charity's original object was the provision of self-contained houses for disabled ex-servicemen and their families, who were citizens of the City of Leicester, following the end of the First World War.

Since that time the qualifications have been broadened, with the approval of the Charity Commissioners, to include the widow or widower of such a person; a person who is permanently physically disabled and in necessitous circumstances; a person in necessitous circumstances. In every case the residential qualification applies unless there are exceptional circumstances. The area of benefit has been extended from the City of Leicester, to include the Counties of Leicestershire and Rutland. As a result of a decline in the number of families seeking houses, the Charity commenced a programme to convert each property into two self-contained flats. At the present time there are five houses and thirty flats.

Organisational structure and training

The property of the Charity is vested with the Official Custodian for Charities. The management of the Charity is undertaken by a Committee comprising the Trustees and advised by the Honorary Treasurer and Honorary Secretary.

The trustees consist of:

- 2 ex-officio Trustees,
- 3 nominated Trustees
- and not more than 7 co-optive Trustees.

The Committee meets at least quarterly and receives assistance from officers of Leicester City Council in all property management matters.

New Board members are given an induction pack which provides information on the Charity's services, its constitution and financial position, together with their legal obligations. They are also briefed on their duties by the chair of the Management Board.

Financial review and investment policy

At the commencement of the Charity an Endowment Fund was transferred and this must be retained in perpetuity. Income is generated by revenue from rents and investments.

Income earned is used to maintain and improve the properties and grounds and any surplus/deficit is transferred to the Revenue Reserve Fund.

The investment strategy is reviewed regularly and currently the primary aim is to achieve income with minimum risk whilst seeking capital growth.

A representative from the investment advisors, Westerbys, attends Management Committee meetings regularly to report on the investments.

Reserves policy

It is the policy of the Charity that free reserves should be maintained at a level equivalent to twelve months operating costs without income from Weekly Maintenance Charges (WMC). The Trustees consider that reserves at this level will ensure that, in the event of a significant reduction in income, they will be able to continue the Charity's current activities while consideration is given to ways in which additional income may be generated. The Trustees also recognise the need for investment income to meet any excess of costs over WMC income and have resolved to maintain reserves sufficient to generate such income. However, it is not possible at present to determine a figure for free reserves as North Memorial Homes are undertaking a survey of property conditions with a view to major refurbishment work being carried out. The level of reserves will be kept under review throughout the year by the Trustees.

Extraordinary Repair Fund (ERF)

This restricted fund is to be used for future major expenditure and major refurbishment projects. Transfers will be made from the Income and Expenditure Account. The funds forms part of the investment portfolio. It can be drawn upon to meet major items of repair as deemed necessary. In the longer term, it is the intention of the Trustees that the ERF be converted to a designated fund to allow the Trustees to adjust the level of funds held to meet the Charity's needs.

The requirement to make a fixed contribution of £2,890 into this fund each year has been removed. The Trustees have discretion to make further contributions to the fund should the need arise.

THE NORTH MEMORIAL HOMES CITY OF LEICESTER

REPORT OF THE TRUSTEES CONTINUED

YEAR ENDED 31ST MARCH 2021

Cyclical Maintenance Fund (CMF)

This designated fund, to which transfers will be made from the Income and Expenditure account, will be used to meet maintenance costs occurring at regular intervals. At present, there are no funds designated for this purpose but the Trustees will give consideration to the establishment of a CMF once the major works programme planned for 2021/22 is complete. The level of funds held in the CMF will be linked to a planned maintenance programme which will be drawn up once the refurbishment works are complete.

Endowment Fund

The endowment fund assets comprise of the housing and functional properties of North Memorial Homes and its endowment investments. Any profit or loss arising from revaluation or sale of those assets is added to the endowment fund each year.

Commitments

During the year, surveys were undertaken on the drainage system which showed that considerable work was required. The Trustees have obtained quotes and consider that the cost will be around £48,000.

Value for Money

The Trustees have reviewed the value for money of the operation of the Homes and have had regard to guidance from the Regulator of Social Housing with respect to small housing providers. The recommended value for money indicators specified in such guidance are included in these accounts.

The judgement of the Trustees is that these indicators evidence that the Homes has strong profit margins, interest payment cover and liquidity.

The Trustees reviewed the state of the building stock during the 2019/20 financial year and will prepare a programme of refurbishment and modernisation. At the same time they will review VFM indicators to ensure that they remain appropriate to a modernised stock.

Risk management

The Trustees have examined the major strategic, business and operational risks which the Charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

Trustees' responsibilities in relation to the financial statements

Law applicable to the Charity requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements the Trustees are required to:

- a) Select suitable accounting policies and then apply them consistently;
- b) Make judgements and estimates that are reasonable and prudent;
- c) State whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- d) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy, at any time, the financial position of the Association, enabling them to ensure that the financial statements comply with the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2015. They have general responsibility for taking steps to safeguard the assets of the Association and to prevent and detect fraud and other irregularities.

THE NORTH MEMORIAL HOMES CITY OF LEICESTER

REPORT OF THE TRUSTEES CONTINUED

YEAR ENDED 31ST MARCH 2021

Review of the year

The financial statements for the year are as attached. The investment portfolio has recovered in value following the global outbreak of Coronavirus and the subsequent impact on stock markets around the world.

The Trustees are advised by Westerby Investment Management Ltd with Tatton managing the portfolio.

The Treasurer works with the Trustees to set a budget each year to take account of the investment income needed from the investments to supplement the income receivable from housing. The Trustees keep the invested funds under review to ensure sufficient reserves are available to carry out their legal responsibilities. The Trustees commissioned a survey of all its properties, intending to refurbish the housing properties and to that extent, the Reserves policy will be reviewed further once the known quantum of the repairs and upgrades are known.

The Trustees engage Charity Link in a service level agreement for charity administration and secretarial services.

The Trustees held three Management meetings during the year; with all meetings held by video conferencing. There have been a few changes in Trustees during the year, including one resignation and no appointments.

During this year, refurbishment and maintenance was carried out on a number of properties. The Trustees are aware of changing demands and requirements for accommodation and qualifications to the scheme were amended in July 2019 such that the 'Area of Benefit' now extends to the counties of Leicestershire and Rutland.

The grounds continue to be maintained to a high standard by "Evergreen" Complete Garden Services.

North Memorial Homes continues to have its own website giving information on the Homes and prospective applicants are able to download an application form. Development work on a new website was begun in the year.

The Honorary Administrator visits the Homes when necessary and reports any concerns to the Secretary and Trustees. However, such visits have had to be curtailed due to the Coronavirus restrictions in place since March 2020.

The Property Maintenance Advisor also visits the Homes when necessary.

The Trustees and Management Committee continue to work towards the maintenance of high levels of service and standards. It is cognisant and appreciative of the continuing support given by Leicester City Council.

The Trustees are advised from time to time on the new directives within the sector. North Memorial Homes endeavour to ensure that appropriate procedures are adopted relevant to the size of organisation. In considering the new Value for Money standard, Trustees follow existing practice in ensuring property costs are only incurred after a number of tenders are obtained. Furthermore, any investments are suitably appraised. Weekly Maintenance Contributions follow appropriate guidance. The organisation operates under clearly defined rules provided to all occupants.

Approved by the Trustees and Management Committee and signed on their behalf by:



Mr A Nelson
Chairman

27 September 2021

Date

THE NORTH MEMORIAL HOMES CITY OF LEICESTER
REPORTING ACCOUNTANT'S REPORT TO THE TRUSTEES
YEAR ENDED 31ST MARCH 2021

Accountant's report to the Trustees on the unaudited accounts

I report to the trustees on the accounts for the year ended 31 March 2021 which are set out on pages 6 to 16.

Respective responsibilities of the Trustees and reporting accountant

The Trustees of the Registered Housing Provider are responsible for the preparation of the accounts, and they consider that the Registered Social Housing Provider is exempt from an audit. It is my responsibility to carry out procedures designed to enable me to report my opinion.

Basis of opinion

My procedures consisted of comparing the accounts with the accounting records kept by the Registered Social Housing Provider and making such enquiries of the officers of the Registered Social Housing Provider as I considered necessary for the purpose of this report. These procedures provide the only assurance expressed in my opinion.

Opinion

In my opinion:

- the accounts for the year ended 31 March 2021 are in accordance with the accounting records kept by the Registered Social Housing Provider under paragraph 135(2)(a) of the Housing and Regeneration Act 2008;
- having regard only to, and on the basis of the information contained in the accounting records:
 - the accounts comply with the requirements of the Charities Act 2011;
 - the Registered Social Housing Provider has satisfied the conditions for exemption from an audit of the accounts for the year ended 31 March 2021 specified in section 136(3) of the Housing and Regeneration Act 2008;
- the accounts comply with the requirements of the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2015.



Andrew W Stant FCA
Reporting Accountant
Johnson Murkett and Hurst
Chartered Accountants

27 September 2021

Date

THE NORTH MEMORIAL HOMES CITY OF LEICESTER**STATEMENT OF COMPREHENSIVE INCOME****YEAR ENDED 31ST MARCH 2021**

	<i>Note</i>	<u>2021</u> £	<u>2020</u> £
TURNOVER	3	194,752	201,491
OPERATING COSTS	4	(130,613)	(141,148)
OPERATING SURPLUS		64,139	60,343
Interest receivable and similar income	6	13,983	14,167
Interest payable and similar charges	7	-	(2,302)
Increase/(decrease) in the value of investments	10	357,371	(73,625)
TOTAL COMPREHENSIVE INCOME/(DEFICIT) FOR THE YEAR	5	435,493	(1,417)

All of the activities of the Charity are classed as continuing.

These financial statements were approved by the Trustees and the Committee of Management on 27 September 2021 and are signed on their behalf by:


Chairman

27 September 2021
Date


Trustee

27 September 2021
Date

The notes on pages 10 to 16 form part of these financial statements

THE NORTH MEMORIAL HOMES CITY OF LEICESTER**STATEMENT OF CHANGES IN RESERVES****YEAR ENDED 31ST MARCH 2021**

	<u>Restricted Reserves</u>	<u>Revenue Reserves</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>
At 1 April 2019	1,240,938	745,361	1,986,299
Deficit for the year	-	(1,417)	(1,417)
Total comprehensive income	1,240,938	743,944	1,984,882
Investment revaluation	(34,139)	34,139	-
At 31 March 2020 and 1 April 2020	1,206,799	778,083	1,984,882
Surplus for the year	-	435,493	435,493
Total comprehensive income	1,206,799	1,213,576	2,420,375
Investment revaluation	238,644	(238,644)	-
At 31 March 2021	1,445,443	974,932	2,420,375

The notes on pages 10 to 16 form part of these financial statements

THE NORTH MEMORIAL HOMES CITY OF LEICESTER**BALANCE SHEET****31ST MARCH 2021**

	<i>Note</i>	<u>2021</u>	<u>2020</u>
		£	£
FIXED ASSETS			
Housing properties	9	138,622	141,510
Computer equipment	9	77	224
Fixtures & fittings	9	547	686
		<u>139,246</u>	<u>142,420</u>
Investments	10	2,012,963	1,665,018
		<u>2,152,209</u>	<u>1,807,438</u>
CURRENT ASSETS			
Debtors	11	20,140	12,779
Investments	12	-	33,874
Cash at bank and in hand	13	426,645	349,185
		<u>446,785</u>	<u>395,838</u>
CREDITORS:			
Amounts falling due within one year	14	(39,997)	(76,884)
NET CURRENT ASSETS		<u>406,788</u>	<u>318,954</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,558,997</u>	<u>2,126,392</u>
CREDITORS:			
Amounts falling due after more than one year	15	(138,622)	(141,510)
		<u>2,420,375</u>	<u>1,984,882</u>
RESERVES			
Restricted reserves	18	1,445,443	1,206,799
Revenue reserves	18	974,932	778,083
		<u>2,420,375</u>	<u>1,984,882</u>

These financial statements were approved by the Trustees and the Committee of Management on 27 September 2021 and are signed on their behalf by:



 Chairman

27 September 2021

 Date



 Trustee

27 September 2021

 Date

The notes on pages 10 to 16 form part of these financial statements

THE NORTH MEMORIAL HOMES CITY OF LEICESTER**CASHFLOW STATEMENT****YEAR ENDED 31ST MARCH 2021**

	<u>2021</u>	<u>2020</u>
	£	£
Cash flow from operating activities		
Interest paid	54,051	69,639
	-	(2,302)
Net cash flow from operating activities	54,051	67,337
Cash flow from investing activities		
Payments to acquire investments	(208,232)	(141,053)
Receipts from sales of investments	217,658	173,195
Interest received	13,983	14,167
Net cash flow from investing activities	23,409	46,309
Cash flow from financing activities		
Repayment of long term loans	-	(5,789)
Net cash flow from financing activities	-	(5,789)
Net increase in cash and cash equivalents	77,460	107,857
Cash and cash equivalents at 1 April 2020	349,185	241,328
Cash and cash equivalents at 31 March 2021	426,645	349,185
Cash and cash equivalents consist of:		
Cash at bank and in hand	426,645	349,185

Cash flow from operating activities		
Surplus for the year	64,139	60,343
Adjustments for non-cash items:		
Depreciation on tangible fixed assets	3,174	3,371
Amortisation of grants	(2,888)	(2,888)
Decrease/(increase) in debtors	(7,361)	(10,001)
Decrease in current asset investments	33,874	11,126
(Decrease)/increase in creditors	(36,887)	7,688
	54,051	69,639

The notes on pages 10 to 16 form part of these financial statements

THE NORTH MEMORIAL HOMES CITY OF LEICESTER**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2021****1. ACCOUNTING POLICIES**

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Charity's financial statements.

Basis of Accounting

The North Memorial Homes City of Leicester is a private registered provider of social housing in the United Kingdom. The address of the registered office is given in the Charity's information on page 1 of these financial statements.

The Charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102, the statement of recommended practice for Social Housing Providers 2014, and with the Accounting Direction for the private registered providers for social housing in England 2015. These financial statements are also prepared under the requirements of the Housing Regeneration Act 2008. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the Registered Social Housing Provider, and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Turnover

Turnover represents rental and service charge income receivable in the year.

Fixed assets and depreciation

Housing properties are stated at cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended such as the cost of acquiring land and buildings, development costs, interest charges on loans during the development period and expenditure on improvements.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Housing property conversions	10 years straight line
Re-roofing	70 years straight line
Computer equipment	3 years straight line
Fixtures & fittings	20% reducing balance

Social housing grant and other grants

Where developments have been financed wholly or partly by social housing and other grants, the amount of the grant received has been included as deferred income and recognised in Turnover over the estimated useful life of the associated asset structure (not land), under the accruals model. SHG received for items of cost written off in the Statement of Comprehensive Income Account is included as part of Turnover.

When Social Housing Grant (SHG) in respect of housing properties in the course of construction exceeds the total cost to date of those housing properties, the excess is shown as a current liability.

SHG must be recycled by the Group under certain conditions, if a property is sold, or if another relevant event takes place. In these cases, the SHG can be used for projects approved by the Homes and Communities Agency and Greater London Authority. However, SHG may have to be repaid if certain conditions are not met. If the grant is not required to be recycled or repaid, any unamortised grant is recognised as Turnover. In certain circumstances, SHG may be repayable, and in that event, is a subordinated unsecured repayable debt.

Investments

Investments are stated at market value with any surplus over cost being credited to the Statement of Comprehensive Income.

THE NORTH MEMORIAL HOMES CITY OF LEICESTER**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2021****1. ACCOUNTING POLICIES****Restricted funds**

These comprise the endowment fund and the extraordinary repair funds.

Any surplus or deficit on disposal of the investments including revaluations, held as part of the endowment fund must be transferred from revenue reserve.

Capitalisation of interest

Interest on the mortgage loan financing a development is capitalised up to the date of practical completion of a project.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income in other administrative expenses.

2. OFFICERS HONORARIA

	<u>2021</u> No	<u>2020</u> No
Average number of persons	1	1
	£	£
Honoraria paid during the year	5,723	5,723

The trustees did not receive any remuneration or other benefits from employment with the charity.

3. TURNOVER

	<u>2021</u> £	<u>2020</u> £
Rents receivable	153,181	163,713
Service charges eligible for Housing Benefit	38,802	38,802
Amortisation of grants	2,888	2,888
	194,871	205,403
Less: Rent (losses) from voids	(14,255)	(18,202)
Rent (losses) from bad debts	(419)	(1,137)
	180,197	186,064
Add: Other income - hire of hall	6,680	6,680
Other income - LCC grant	7,875	8,747
	194,752	201,491

THE NORTH MEMORIAL HOMES CITY OF LEICESTER**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2021****4. OPERATING COSTS**

	<u>2021</u>	<u>2020</u>
	£	£
Direct property management costs	73,297	84,647
Administrative costs	57,316	56,501
	<u>130,613</u>	<u>141,148</u>

5. SURPLUS/(DEFICIT) FOR THE YEAR

	<u>2021</u>	<u>2020</u>
	£	£
Surplus/(deficit) for the year is stated after charging		
Reporting accountant's remuneration	3,000	3,000
Depreciation	3,174	3,371
	<u>6,174</u>	<u>6,371</u>

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	<u>2021</u>	<u>2020</u>
	£	£
Interest on broker account	20	91
Interest on bank deposit	171	500
Interest on deposits with Leicester City Council	106	278
Investment income	13,686	13,298
	<u>13,983</u>	<u>14,167</u>

7. INTEREST PAYABLE AND SIMILAR CHARGES

	<u>2021</u>	<u>2020</u>
	£	£
Loans repayable	-	2,302
	<u>-</u>	<u>2,302</u>

8. TAXATION

North Memorial Homes is a Registered Social Housing Provider and also a Registered Charity and is exempt from taxation.

THE NORTH MEMORIAL HOMES CITY OF LEICESTER**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2021****9. TANGIBLE FIXED ASSETS**

	Freehold housing properties £	Computer equipment £	Fixtures & fittings £	Total £
Cost				
At beginning of year	791,269	1,744	1,550	794,563
Additions	-	-	-	-
At end of year	791,269	1,744	1,550	794,563
Depreciation				
At beginning of year	649,759	1,520	864	652,143
Charge for year	2,898	147	139	3,174
At end of year	652,647	1,667	1,003	655,317
Net book value				
At 31 March 2021	138,622	77	547	139,246
At 31 March 2020	141,510	224	686	142,420

10. FIXED ASSET INVESTMENTS

	Equities £	COIF £	Total £
Market value at beginning of year	1,063,690	601,338	1,665,018
Additions at cost	208,232	-	208,232
Withdrawals from the fund	(217,658)	-	(217,658)
Surplus on revaluation	211,115	146,256	357,371
Market value at end of year	1,265,369	747,594	2,012,963

The Westerby investment included in Equities has been treated as a managed fund. As a result, the investment in the fund has been disclosed as opposed to the individual shareholdings.

11. DEBTORS

	2021 £	2020 £
Rent arrears	1,074	2,092
Prepayments and accrued income	19,066	10,687
	20,140	12,779

THE NORTH MEMORIAL HOMES CITY OF LEICESTER**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2021****12. INVESTMENTS HELD AS CURRENT ASSETS**

	Deposit with Leicester City Council £
Cost	
At beginning of year	33,874
Additions	-
Disposals	(33,874)
At end of year	-
Market value	
At 31 March 2021	-
At 31 March 2020	33,874

13. CASH AT BANK AND IN HAND

	<u>2021</u> £	<u>2020</u> £
Cash in bank current account	6,000	6,890
Cash held on deposit	420,645	342,295
	426,645	349,185

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2021</u> £	<u>2020</u> £
Trade creditors	20,272	33,650
Other creditors	-	27,784
Accruals and deferred income	19,725	15,450
	39,997	76,884

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	<u>2021</u> £	<u>2020</u> £
Social Housing Grant	138,622	141,510
	138,622	141,510

Mortgage loans are advanced by local authorities or the Homes & Communities Agency and bear interest at approximately 10% per annum under the terms of individual mortgage deeds in respect of each property. Advances are available only in respect of those developments which have been given approval for social housing grant by the Homes & Communities Agency.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2021

16. DEFERRED CAPITAL GRANT

	<u>2021</u>	<u>2020</u>
	£	£
At 1 April 2020	141,510	144,398
Released to income in the year	(2,888)	(2,888)
At 31 March 2021	138,622	141,510
Amount due to be released < 1 year	2,888	2,888
Amount due to be released > 1 year	135,734	138,622
	138,622	141,510

17. HOUSING ACCOMMODATION

	<u>2021</u>	<u>2020</u>
	£	£
Number of units	35	35

18. RESERVES

	<u>Restricted funds</u>			
	Endowment	Extraordinary	Revenue	Total
	Fund	Repair	Reserve	
	£	Fund	£	£
Balances brought forward	605,461	601,338	778,083	1,984,882
Comprehensive income/(deficit) for year	-	-	435,493	435,493
Revaluation of investments	92,387	146,257	(238,644)	-
Balances carried forward	697,848	747,595	974,932	2,420,375

THE NORTH MEMORIAL HOMES CITY OF LEICESTER**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2021****19. LEGAL STATUS**

North Memorial Homes is a Registered Charity number 215582 and also a Registered Social Housing Provider number L2793.

20. COMMITMENTS

During the year the Charity undertook surveys which indicated that considerable work was required on the drainage system. It is estimated that £48,000 will be required to complete the work.

21. INDEMNITY INSURANCE

The Charity purchased insurance at a cost of £310 to indemnify the trustees and officers against the consequences of any neglect or default on their part. Approval for this was received from the Charity Commission.

22. VALUE FOR MONEY KEY METRICS

		<u>2021</u>	<u>2020</u>
Metric 1:	Reinvestment %	0%	0%
Metric 2a:	New Supply (Social Housing Units) %	0%	0%
Metric 2b:	New Supply (Non-social housing units) %	0%	0%
Metric 3:	Gearing %	207.8%	-146.7%
Metric 4:	EBITDA MRI Interest Cover %	0%	700%
Metric 5:	Headline Social Housing Cost £	£3,732	£4,033
Metric 6a:	Operating Margin (social housing lettings) %	53.34%	57.54%
Metric 6b:	Operating Margin (Overall) %	233.6%	-0.7%
Metric 7:	Return on Capital Employed %	17.02%	-0.07%