

**THE NORTH MEMORIAL HOMES  
CITY OF LEICESTER**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31ST MARCH 2023**

**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 2023**

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

<b>The Trustees and Committee of Management</b>	Mr A Nelson	Chairman
	Lt Col D J Young	Vice-Chairman
	Mr G Hunt	
	Mrs L Ingram	
	Mr J Mercik	(resigned 21 September 2022)
	Dr M Solanki	
	Mrs J Bryars	
	Mr L St Clair	(resigned 30 April 2023)
	Mrs C Varley	(appointed 21 September 2022)
	Mr J Bewley	(appointed 5 December 2022)
<b>Officers</b>	Mrs K Smith	(Hon Administrator)
<b>Professional advisers</b>	Sheldon, Bosley, Knight	Letting Agents
	Leicester Charity Organisation Society (Charity Link)	Secretary and Treasurer to the Trustees
<b>Reporting accountant</b>	Andrew W Stant FCA Johnson Murkett & Hurst Chartered Accountants Rawdon House Rawdon Terrace Ashby de la Zouch Leicestershire LE65 2GN	
<b>Bankers</b>	HSBC Bank plc	
<b>Brokers</b>	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 Out of Hours and Emergency Repairs.

## **THE NORTH MEMORIAL HOMES CITY OF LEICESTER**

### **REPORT OF THE TRUSTEES**

### **YEAR ENDED 31ST MARCH 2023**

The Trustees and Committee of Management present their report together with the financial statements of the Charity for the year ended 31 March 2023. 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 fund 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 2023**

**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 current major works programme is completed.

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**

The Trustees have agreed upon a major programme of works involving the replacement of the windows and doors to all properties, improvements to the thermal efficiency where needed and a redevelopment of two blocks to convert eight existing one-bedroom flats into two-bedroom ones. The Trustees have obtained estimates and consider that the cost will be around £1.23m. Work commenced on this during the year. The remedial work to the drainage system was largely completed by March 2022.

**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 have reviewed the state of the building stock resulting in a planned programme of refurbishment and modernisation. The VFM indicators will be reviewed 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 2019. 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 2023**

**Review of the year**

The financial statements for the year are as attached. The investment portfolio has continued to recover 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 in 2020, 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 four Management meetings during the year all in person in North Memorial Homes Hall.

There have been a few changes in Trustees during the year, including three resignations and one re-appointment and two new appointments. At the year end there were three vacancies on the Board of Trustees. Active steps are being taken by the Trustees to fill those vacancies.

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.

The Honorary Administrator visits the Homes when necessary and reports any concerns to the Secretary and Trustees. The Secretary 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.

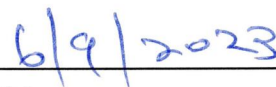
In the year, the Trustees continued to work with Oadby and Wigston Borough Council with regard to obtaining planning permission to replace windows and doors to all properties to improve the thermal efficiency of the properties. A redevelopment project of two blocks, to convert eight existing one-bedroom flats into two-bedroom ones was agreed in 2020, in order to meet the changing requirements and needs of eligible applicants but due to Covid the commencement of this project was delayed. Work commenced on the redevelopment of the two blocks on 9 January 2023 with an anticipated completion date of October 2023.

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



Date

**THE NORTH MEMORIAL HOMES CITY OF LEICESTER**  
**REPORTING ACCOUNTANT'S REPORT TO THE TRUSTEES**  
**YEAR ENDED 31ST MARCH 2023**

**Accountant's report to the Trustees on the unaudited accounts**

I report to the trustees on the accounts for the year ended 31 March 2023 which are set out on pages 6 to 15.

**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 2023 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 2023 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 2019.

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

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Date


**THE NORTH MEMORIAL HOMES CITY OF LEICESTER****STATEMENT OF COMPREHENSIVE INCOME****YEAR ENDED 31ST MARCH 2023**

	<i>Note</i>	<u>2023</u> £	<u>2022</u> £
<b>TURNOVER</b>	3	181,966	183,091
<b>OPERATING COSTS</b>	4	(241,672)	(243,504)
<b>OPERATING (DEFICIT)</b>		(59,706)	(60,413)
Interest receivable and similar income	6	19,479	14,671
(Decrease)/increase in the value of investments	9	(76,793)	115,295
<b>TOTAL COMPREHENSIVE (DEFICIT)/INCOME FOR THE YEAR</b>	5	(117,020)	69,553

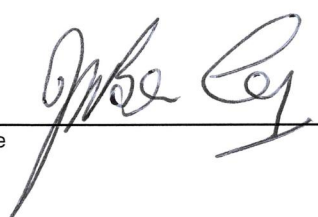
All of the activities of the Charity are classed as continuing.

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

6/9/2023

  
Chairman

6/9/2023  
Date

  
Trustee

6/9/23  
Date

The notes on pages 10 to 15 form part of these financial statements



**THE NORTH MEMORIAL HOMES CITY OF LEICESTER****STATEMENT OF CHANGES IN RESERVES****YEAR ENDED 31ST MARCH 2023**

	<b><u>Restricted Reserves</u></b> <b><u>£</u></b>	<b><u>Revenue Reserves</u></b> <b><u>£</u></b>	<b><u>Total</u></b> <b><u>£</u></b>
<b>At 1 April 2021</b>	1,445,443	974,932	2,420,375
Surplus for the year	-	69,553	69,553
<b>Total comprehensive income</b>	1,445,443	1,044,485	2,489,928
Investment revaluation	98,769	(98,769)	-
Transfer of expenditure from Extraordinary Repair Fund	(38,494)	38,494	-
<b>At 31 March 2022 and 1 April 2022</b>	1,505,718	984,210	2,489,928
Deficit for the year	-	(117,020)	(117,020)
<b>Total comprehensive income</b>	1,505,718	867,190	2,372,908
Investment revaluation	(37,080)	37,080	-
<b>At 31 March 2023</b>	1,468,638	904,270	2,372,908

The notes on pages 10 to 15 form part of these financial statements

**THE NORTH MEMORIAL HOMES CITY OF LEICESTER****BALANCE SHEET****31ST MARCH 2023**

	<i>Note</i>	<u>2023</u>	<u>2022</u>
		£	£
<b>FIXED ASSETS</b>			
Housing properties	8	402,677	145,899
Computer equipment	8	-	-
Fixtures & fittings	8	349	436
		<hr/>	<hr/>
		403,026	146,335
Investments	9	1,953,987	2,127,778
		<hr/>	<hr/>
		2,357,013	2,274,113
<b>CURRENT ASSETS</b>			
Debtors	10	46,677	32,697
Cash at bank and in hand	11	265,805	350,501
		<hr/>	<hr/>
		312,482	383,198
<b>CREDITORS:</b>			
Amounts falling due within one year	12	(163,741)	(31,649)
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		148,741	351,549
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		2,505,754	2,625,662
<b>CREDITORS:</b>			
Amounts falling due after more than one year	13	(132,846)	(135,734)
		<hr/>	<hr/>
		2,372,908	2,489,928
		<hr/>	<hr/>
<b>RESERVES</b>			
Restricted reserves	16	1,468,638	1,505,718
Revenue reserves	16	904,270	984,210
		<hr/>	<hr/>
		2,372,908	2,489,928
		<hr/>	<hr/>

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

Chairman

Date

Trustee

Date

The notes on pages 10 to 15 form part of these financial statements

**THE NORTH MEMORIAL HOMES CITY OF LEICESTER****CASHFLOW STATEMENT****YEAR ENDED 31ST MARCH 2023**

	<b><u>2023</u></b>	<b><u>2022</u></b>
	<b>£</b>	<b>£</b>
<b>Net cash flow from operating activities</b>	88,599	(80,000)
<b>Cash flow from investing activities</b>		
Refurbishment of tangible fixed assets - housing properties	(289,772)	(11,295)
Payments to acquire investments	(234,789)	(154,868)
Receipts from sales of investments	331,787	155,348
Interest received	19,479	14,671
<b>Net cash flow from investing activities</b>	(173,295)	3,856
<b>Net (decrease) in cash and cash equivalents</b>	(84,696)	(76,144)
<b>Cash and cash equivalents at 1 April 2022</b>	350,501	426,645
<b>Cash and cash equivalents at 31 March 2023</b>	<b>265,805</b>	<b>350,501</b>
<b>Cash and cash equivalents consist of:</b>		
Cash at bank and in hand	<b>265,805</b>	<b>350,501</b>

<b>Cash flow from operating activities</b>		
(Deficit) for the year	(59,706)	(60,413)
Adjustments for non-cash items:		
Depreciation on tangible fixed assets	33,081	4,206
Amortisation of grants	(2,888)	(2,888)
(Increase) in debtors	(13,980)	(12,557)
Increase/(decrease) in creditors	132,092	(8,348)
	88,599	(80,000)

The notes on pages 10 to 15 form part of these financial statements

**THE NORTH MEMORIAL HOMES CITY OF LEICESTER**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31ST MARCH 2023**

**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 Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers, and with the Accounting Direction for the private registered providers for social housing 2019. 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 2023**

**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**

	<b><u>2023</u></b>	<b><u>2022</u></b>
	<b>No</b>	<b>No</b>
Average number of persons	1	1
	<hr/>	<hr/>
	<b>£</b>	<b>£</b>
Honoraria paid during the year	6,152	6,247
	<hr/>	<hr/>

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

**3. TURNOVER**

	<b><u>2023</u></b>	<b><u>2022</u></b>
	<b>£</b>	<b>£</b>
Rents receivable	136,715	157,038
Service charges eligible for Housing Benefit	38,802	38,802
Amortisation of grants	2,888	2,888
	<hr/>	<hr/>
	178,405	198,728
Less: Rent (losses) from voids	(13,888)	(30,187)
Rent (losses) from bad debts	(1,004)	-
	<hr/>	<hr/>
	163,513	168,541
Add: Other income - hire of hall	10,560	6,680
Other income - LCC grant	7,893	7,870
	<hr/>	<hr/>
	181,966	183,091
	<hr/>	<hr/>

**THE NORTH MEMORIAL HOMES CITY OF LEICESTER****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2023**

<b>4. OPERATING COSTS</b>	<b><u>2023</u></b>	<b><u>2022</u></b>
	<b>£</b>	<b>£</b>
Direct property management costs	174,306	177,236
Administrative costs	67,366	66,268
	<hr/>	<hr/>
	241,672	243,504
	<hr/>	<hr/>

<b>5. DEFICIT FOR THE YEAR</b>	<b><u>2023</u></b>	<b><u>2022</u></b>
	<b>£</b>	<b>£</b>
Deficit for the year is stated after charging		
Reporting accountant's remuneration	3,120	3,000
Depreciation	33,081	4,206
	<hr/>	<hr/>

<b>6. INTEREST RECEIVABLE AND SIMILAR INCOME</b>	<b><u>2023</u></b>	<b><u>2022</u></b>
	<b>£</b>	<b>£</b>
Interest on broker account	285	7
Interest on bank deposit	1,010	39
Investment income	18,184	14,625
	<hr/>	<hr/>
	19,479	14,671
	<hr/>	<hr/>

**7. 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 2023

## 8. TANGIBLE FIXED ASSETS

	Freehold housing properties £	Computer equipment £	Fixtures & fittings £	Total £
<b>Cost</b>				
At beginning of year	802,564	1,744	1,550	805,858
Additions	289,772	-	-	289,772
At end of year	1,092,336	1,744	1,550	1,095,630
<b>Depreciation</b>				
At beginning of year	656,665	1,744	1,114	659,523
Charge for year	32,994	-	87	33,081
At end of year	689,659	1,744	1,201	692,604
<b>Net book value</b>				
At 31 March 2023	402,677	-	349	403,026
At 31 March 2022	145,899	-	436	146,334

## 9. FIXED ASSET INVESTMENTS

	Equities £	COIF £	Total £
Market value at beginning of year	1,293,243	834,535	2,127,778
Additions at cost	234,789	-	234,789
Withdrawals from the fund	(331,787)	-	(331,787)
Surplus on revaluation	(68,353)	(8,440)	(76,793)
Market value at end of year	1,127,892	826,095	1,953,987

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.

## 10. DEBTORS

	<u>2023</u> £	<u>2022</u> £
Rent arrears	7,544	4,478
Prepayments and accrued income	39,133	28,219
	46,677	32,697

## 11. CASH AT BANK AND IN HAND

	<u>2023</u> £	<u>2022</u> £
Cash in bank current account	6,000	6,000
Cash held on deposit	259,805	344,501
	265,805	350,501

**THE NORTH MEMORIAL HOMES CITY OF LEICESTER****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2023**

<b>12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b><u>2023</u></b>	<b><u>2022</u></b>
	<b>£</b>	<b>£</b>
Trade creditors	33,346	15,900
Accruals and deferred income	130,395	15,749
	<b>163,741</b>	<b>31,649</b>

<b>13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	<b><u>2023</u></b>	<b><u>2022</u></b>
	<b>£</b>	<b>£</b>
Social Housing Grant	132,846	135,734
	<b>132,846</b>	<b>135,734</b>

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.

<b>14. DEFERRED CAPITAL GRANT</b>	<b><u>2023</u></b>	<b><u>2022</u></b>
	<b>£</b>	<b>£</b>
At 1 April 2022	135,734	138,622
Released to income in the year	(2,888)	(2,888)
At 31 March 2023	<b>132,846</b>	<b>135,734</b>
Amount due to be released < 1 year	2,888	2,888
Amount due to be released > 1 year	129,958	132,846
	<b>132,846</b>	<b>135,734</b>

<b>15. HOUSING ACCOMMODATION</b>	<b><u>2023</u></b>	<b><u>2022</u></b>
	<b>£</b>	<b>£</b>
Number of units	35	35



**THE NORTH MEMORIAL HOMES CITY OF LEICESTER**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31ST MARCH 2023**

**16. RESERVES**

	<u>Restricted funds</u>		<b>Revenue Reserve</b>	<b>Total</b>
	<b>Endowment Fund</b>	<b>Extraordinary Repair Fund</b>		
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balances brought forward	709,677	796,041	984,210	2,489,928
Comprehensive income for year	-	-	(117,020)	(117,020)
Revaluation of investments	(28,640)	(8,440)	37,080	-
Balances carried forward	681,037	787,601	904,270	2,372,908

**17. LEGAL STATUS**

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

**18. COMMITMENTS**

The Trustees have agreed upon a major programme of works involving the replacement of the windows and doors to all properties, improvements to the thermal efficiency where needed and a redevelopment of two blocks to convert eight existing one-bedroom flats into two-bedroom ones. The Trustees have obtained estimates and consider that the cost will be around £1.23m. Work on this commenced in January 2023 and capital costs of £289,772 are shown as additions to Freehold property in note 8.

**19. INDEMNITY INSURANCE**

The Charity purchased insurance at a cost of £458 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.

**20. VALUE FOR MONEY KEY METRICS**

	<u>2023</u>	<u>2022</u>
Metric 1: Reinvestment %	72%	8%
Metric 2a: New Supply (Social Housing Units) %	0%	0%
Metric 2b: New Supply (Non-social housing units) %	0%	0%
Metric 3: Gearing %	-33.0%	-147.2%
Metric 4: EBITDA MRI Interest Cover %	0%	0%
Metric 5: Headline Social Housing Cost £	£6,905	£6,957
Metric 6a: Operating Margin (social housing lettings) %	4.21%	3.20%
Metric 6b: Operating Margin (Overall) %	-64.3%	38.0%
Metric 7: Return on Capital Employed %	-4.67%	2.65%

