

Registered number: 094244172
Charity number: 1163098

Spring Housing Association Limited

Trustees' Report and Financial Statements

For the Year Ended 30 September 2023



Spring Housing Association Limited
(A Company Limited by Guarantee)

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Spring Housing Association Limited
(A Company Limited by Guarantee)

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

Trustees

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

Company registered number 094244172

Charity registered number 1163098

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

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

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

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

Solicitors Anthony Collins Solicitors
134 Edmund Street
Birmingham
B3 2ES

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

Bankers Barclays Bank Plc
66 Oxford Street
Kidderminster
DY10 1BL

Spring Housing Association Limited
(A Company Limited by Guarantee)

Trustees' Report
For the Year Ended 30 September 2023

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

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

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

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

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

Structure, Governance and Management

● **Constitution**

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

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

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

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

Structure, Governance and Management (continued)

• Methods of appointment or election of Trustees

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

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

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

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

• Policies adopted for the induction and training of Trustees

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

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

• Organisational structure and decision making

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

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

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

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

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

Structure, Governance and Management (continued)

● Risk management

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

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

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

Objectives and activities

● Policies and objectives

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

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

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

and

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

Our Aims:

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

Mission Statement:

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

Objectives and activities (continued)

• Strategies for achieving objectives

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

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

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

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

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

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

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

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

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

Objectives and activities (continued)

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

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

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

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

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

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

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

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

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

Objectives and activities (continued)

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

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

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

• Activities for achieving objectives

Accommodation

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

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

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

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

Employee Matters

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

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

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

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

Spring Housing Association Limited
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Trustees' Report (continued)
For the Year Ended 30 September 2023

Objectives and activities (continued)

● **Programme related investments**

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

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

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

Achievements and performance

● **Going concern**

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

● **Review of activities**

Accommodation

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

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

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

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

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

Employment

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

Financial review

• Reserves policy

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

• Principal funding

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

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

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

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

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

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

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

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

Spring Housing Association Limited
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Trustees' Report (continued)
For the Year Ended 30 September 2023

● **Plans for future periods**

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

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

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

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

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

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

● **Funds held as custodian**

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

Trustees' responsibilities statement

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Spring Housing Association Limited
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Trustees' Report (continued)
For the Year Ended 30 September 2023

Disclosure of information to auditors

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

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

Auditors

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

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



L Cannon
Co-Chair



M Baird
Co-Chair

Date: 29 February 2024

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

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

Responsibilities of trustees

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

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

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

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

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

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

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

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

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

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

Spring Housing Association Limited
(A Company Limited by Guarantee)

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

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

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

Use of our report

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



Andrew Morris FCA (Senior statutory auditor)

for and on behalf of
Dains Audit Limited

Statutory Auditor
Chartered Accountants

Birmingham

29 February 2024

Spring Housing Association Limited
(A Company Limited by Guarantee)

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

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

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

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

Consolidated Balance Sheet
As at 30 September 2023

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

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

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



L Cannon
Co-Chair



M Baird
Co-Chair

Date: 29 February 2024

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

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

Charity Balance Sheet
As at 30 September 2023

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

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

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

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



L Cannon
Co-Chair



M Baird
Co-Chair

Date: 29 February 2024

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

Spring Housing Association Limited
(A Company Limited by Guarantee)

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

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

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

Spring Housing Association Limited
(A Company Limited by Guarantee)

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

1. General information

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

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

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

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

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

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

2.2 Company status

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

2.3 Going concern

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

2. Accounting policies (continued)

2.4 Income

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

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

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

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

All expenditure is inclusive of irrecoverable VAT.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised.

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

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

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

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

2.7 Investments

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

2. Accounting policies (continued)

2.8 Leasing and hire purchase

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

2.9 Operating leases

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

2.10 Debtors

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

2.11 Cash at bank and in hand

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

2.12 Liabilities and provisions

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

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

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

2.13 Financial instruments

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

2.14 Pensions

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

2. Accounting policies (continued)

2.15 Fund accounting

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

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

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

3. Critical accounting estimates and areas of judgement

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

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

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

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

Spring Housing Association Limited
(A Company Limited by Guarantee)

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

4. Income from donations and legacies

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

Spring Housing Association Limited
(A Company Limited by Guarantee)

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

5. Income from charitable activities

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

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

6. Other income

	Unrestricted funds 2023 £	Total funds 2023 £
Other miscellaneous income	125,338	125,338
	<u>125,338</u>	<u>125,338</u>

	Unrestricted funds 2022 £	Total funds 2022 £
Other miscellaneous income	253,006	253,006
	<u>253,006</u>	<u>253,006</u>

Spring Housing Association Limited
(A Company Limited by Guarantee)

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

7. Analysis of expenditure by activities

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

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

Analysis of direct costs

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

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

7. Analysis of expenditure by activities (continued)

Analysis of support costs

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

8. Net movement in funds

This is stated after charging:

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

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

Spring Housing Association Limited
(A Company Limited by Guarantee)

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

9. Staff costs

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

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

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

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

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

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

10. Trustees' remuneration and expenses

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

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

Spring Housing Association Limited
(A Company Limited by Guarantee)

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

11. Tangible fixed assets

Group and Charity

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

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

Spring Housing Association Limited
(A Company Limited by Guarantee)

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

12. Fixed asset investments

Principal subsidiary:

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

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

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

13. Debtors

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

Spring Housing Association Limited
(A Company Limited by Guarantee)

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

14. Creditors: Amounts falling due within one year

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

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

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

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

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

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

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

Included within the above are amounts falling due as follows:

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

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

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

16. Statement of funds

Statement of funds - current year

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

Spring Housing Association Limited
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Notes to the Financial Statements
For the Year Ended 30 September 2023

16. Statement of funds (continued)

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

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

16. Statement of funds (continued)

Statement of funds - prior year

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

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

16. Statement of funds (continued)

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

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

16. Statement of funds (continued)

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

Purpose of restricted income funds:

Refugee Action SVPRS

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

Big Lottery Fund Grant

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

Children in Need Grant (YPS)

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

Children in Need - Refugees

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

Birmingham City Council - Period Literacy

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

Nationwide

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

Police Crime Commissioner

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

Heart of England – Community Garden Fund

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

Birmingham City Council – Network Neighborhood Scheme (NNS)

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

Reaching Communities – Fred Winter Centre (FWC)

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

Rough Sleepers Initiative (RSI)

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

Purpose of restricted capital funds:

Midlands Together (Hestia House)

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

The Clothworkers Foundation

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

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

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

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

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

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

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

Analysis of net assets between funds - prior year

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

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

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

19. Analysis of cash and cash equivalents

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

20. Analysis of changes in net debt

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

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For the Year Ended 30 September 2023

21. Pension commitments

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

22. Operating lease commitments

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

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

23. Related party transactions

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

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

24. Controlling party

The group is controlled by the Board of Trustees.