

Charity Registration No. 1045334

Company Registration No. 02814950 (England and Wales)

WORKSOP AND RETFORD HOUSING PROJECT LIMITED
NEW ROOTS HOUSING PROJECT
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018



WORKSOP AND RETFORD HOUSING PROJECT LIMITED

NEW ROOTS HOUSING PROJECT

LEGAL AND ADMINISTRATIVE INFORMATION

Operating Name New Roots Housing Project

Company number 02814950

Charity number 1045334

Registered office 2 Overend Road
Worksop
Nottinghamshire
S80 1QF

Chair Stuart West

Management Committee (Directors And Trustees) F Brown

L Davenport

J Griffiths

R Hobson

L Oldcorn

S West

M King

J Barton

P Dickinson

(Appointed 29 November 2017)

(Appointed 26 February 2018)

(Appointed 8 August 2018)

Senior staff Carol Scawthon
Ian Barley
Karen Burgess

Senior Project Manager
Business co coordinator
Specialist Safeguarding
Practitioner

Auditor Rogers Spencer
Newstead House
Pelham Road
Nottingham
NG5 1AP

Bankers Natwest
69 Bridge Street
Worksop
S80 1DJ

WORKSOP AND RETFORD HOUSING PROJECT LIMITED

NEW ROOTS HOUSING PROJECT

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WORKSOP AND RETFORD HOUSING PROJECT LIMITED

NEW ROOTS HOUSING PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

The Management Committee (Directors and Trustees) present their report and financial statements for the year ended 31 March 2018.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the New Roots's [governing document], the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The core aims of the organisation are to:

- Provide high quality, responsive and flexible supported accommodation services for young people in need.
- Involve young people in all aspects of the organisation's work – planning, design, delivery, management and evaluation of services.
- Monitor and Evaluate services on a regular and systematic basis as part of a continuous improvement strategy.
- Work in partnership with other agencies in the statutory, private and voluntary sectors to optimise joint working.
- Disseminate best practice locally, regionally and nationally.
- Be a good and responsible employer.
- Develop services accordingly to meet the needs of young people in the community.
- Seek to extend the facilities and grow the opportunities to support more young people.
- Continuously review and improve.

Our Values

- Provide high quality, responsive and flexible supported accommodation services for young people in need.
- Involve young people in all aspects of the organisation's work – planning, design, Supporting Young People's right to control their lives and make informed choices.
- Offer a person centred service.
- Supporting young people to discover and fulfil their own potential.
- Treating people as individuals with fairness and respect.
- Non-judgemental and non-discriminatory practice.
- Championing and promoting social justice and equality.

Key decisions

Key decisions taken this year by Trustees have included maintaining the position of specialist provider, delivering services which may appropriately be promoted as the highest quality across the county.

Exploring more bespoke services to offer through spot purchase arrangements and extending the skills and capabilities to cater for the most complex and chaotic cases.

Agreeing the continuation of the current funding strategy to develop a funding base across a diverse income spectrum and reduce dependence on any one single contract.

Trustees continue to support the medium term strategy to expand existing services with the intention of working towards future purchases to increase New Roots property portfolio.

WORKSOP AND RETFORD HOUSING PROJECT LIMITED

NEW ROOTS HOUSING PROJECT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Risk Management

Trustees manage risk through the regular review and assessment, which takes place at meetings and Trustee workshops. Information is presented to the Trustees to enable them to safeguard the Charity's funds and assets. This includes consideration of reputational, environmental, financial, legislative, technological, governance, external and operational impact. Trustees accept that risk is an everyday part of charitable activity in the voluntary sector.

By managing risk effectively Trustees ensure that;

- Significant risks are identified and monitored enabling Trustees to make informed and timely decisions.
- Strategic planning is improved.
- Charitable aims and objectives are achieved successfully.
- Opportunities are not missed.
- The Trustees have a risk management strategy which comprises:-
 - Regular review of principle risks, uncertainties and potential change.
 - Policy for managing risks
 - Procedures for responding should risk materialise.

For the period of April 2017 – April 2018 the financial risk of reliance upon a narrow funding stream was further reduced through successful applications and continuing grants which include Children in Need, Lloyds and the Monday Trust.

Applications for additional funding streams will continue to be submitted to create a more diverse income spectrum.

The aim to increase the organisations property portfolio continues to be explored modelling on previous success and positive outcomes and feedback from a broad range of stakeholders which includes

- Further development of specialist small scale intensive needs provision.
- Catering for referrals of greater complexity and need.
- Mitigating any future risks including welfare reform with the roll out of universal credit.
- Changes to housing benefit.
- Continuation of delivering a service of excellent repute.
- Seen as a leader in the provision of young parent services.

Ensuring policies and procedures are reviewed and up to date as well as accreditation being maintained for IIP, ISO9001, QUAAFF.

Training of staff which exceed minimum requirements which ensure best practice and aspirational goals.

Collaboration Status

In order to improve services and strengthen our position we actively encourage positive partnerships and working arrangements with other voluntary and statutory agencies and continue to work collaboratively with Nottinghamshire Community Housing Association - a larger provider with very similar core values and ethos to enable tendering of cross district-wide delivery of provision. We continue to work in partnership with Centre Point, which gives us the credibility of being connected with a national organisation along with a campaigning arm. We have also continued our work with NSPCC through the successful "It's Not Ok" Campaign which has raised awareness of CSE across North Nottinghamshire. On a local level, we continue our close working arrangements with Retford Post 16 centre and both Retford academies.

WORKSOP AND RETFORD HOUSING PROJECT LIMITED
NEW ROOTS HOUSING PROJECT
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

Staffing Analysis

In the period of the last year, the organisation has maintained staffing numbers of 18. This enables the organisation to comply with the delivery of the core contract as well as enabling valuable specialisms to be utilised through alternative funding streams.

General maintenance continues to be delivered through our preferred contractor. This has demonstrated both cost benefit and an improvement in quality and consistency.

Staff have completed 169 units of training during the reporting period.
Staff absence remains low with an absent rate of 3.47% (total of 971 hours).

How our activities deliver public benefit

Our main activities remain unchanged with all of our charitable activities focus on the provision of support and accommodation to homeless or vulnerably housed young people and undertaken to further our charitable purposes for the public benefit.

Who used and benefited from our services

Our aims and funding limit the services we provide to those between the ages of 16 and 25 who will benefit from supported accommodation or support to remain in accommodation in Bassetlaw. Many of our beneficiaries are care leavers, looked after children, children subject to child protection plans, teenage parents, young offenders and those at risk of becoming "looked after" by Nottinghamshire County Council or any other relevant local authority.

In the period April 2017 to March 2018 we delivered services to 87 young people (this includes the number of service users on the 1st April 2017 plus the new starters throughout the year). The number of new starters during the period was 36 (52% of referrals). Referrals received for New Roots Services was 69.

Allocations continue to be made through the Family Services supported Accommodation panel (SAP) Priority continues to be given to young people to whom a statutory duty is owed. 34.5% of the referrals we accommodated were in care, looked after or subject to social care intervention. % were referred with emotional/mental health issues such as depression, anxiety, histories of self-harm and suicidal ideation.

We continue to work with partners to ensure limited resources and services are targeted to those young people in greatest need. In relation to this aim, New Roots continue to work flexibly in conjunction with Commissioners and Nottinghamshire County Council Family Services to accommodate emergencies as quickly as possible using properties according to need and appropriateness rather than a scheme criteria and quota.

Since April 2017, charges for support are now funded through Nottinghamshire County Council are based on 100% payment by results and relies on throughput with a fee paid for each new starter up to a limited contract value.

In accordance with the Nottinghamshire County Council contract, clear and accessible information is available to all stakeholders about eligibility criteria and how to make an application using these protocol arrangements.

Written information about New Roots' services and procedures is available in other languages and formats upon request. We annually distribute information about our services to all relevant agencies and services working with disadvantaged and minority young people in the areas and communities in which we work.

WORKSOP AND RETFORD HOUSING PROJECT LIMITED
NEW ROOTS HOUSING PROJECT
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

New Roots' allocations are through NCC Family Services along with all referrals for commissioned services across the county with weekly panel meetings attended by managers from New Roots and allocation decisions made with input from all relevant parties. These continue to be monitored at service, district and county level to ensure no application is treated less favourably because of gender, race, religion, sexuality or nationality in terms of both access to accommodation and the quality/location of the accommodation offered. Service users are treated with fairness, openness, integrity and respect regardless of difference.

The Social Impact Report carried out on behalf of New Roots by Kerry Albiston using the Greater Manchester Cost benefit Analysis Tool showed that New Roots' generated £4.3 million in public benefits showing £6.74 for every £1 spent. Further impact of New Roots' services continues to be reflected by the number of young people who achieve successful outcomes and are able to sustain a tenancy. The figure for 1 April 2017 - March 2018 is 31 (81.5%) This is particularly relevant in consideration of New Roots' own mission statement. It is also important to recognise that this figure is only a mark of tenancy sustainment and does not reflect the development of independent living skills for those who have left New Roots' services and not moved into permanent tenancies, for example, those that have gone into Higher Education.

Achievements and Performance

42 units of accommodation have been used flexibly to respond to the needs and risk issues presented by young people. Between 1 April 2017 and 31 March 2018 87 young people were accommodated and/or provided with holistic and person centred packages of support. Of the 38 young people who moved on from the project 31 (81.5%) moved on from the service in a positive and planned way, achieving a positive outcome or one that they desired.

Where service user's journeys are failing to move towards positive independence we continue to work with a range of agencies including the Police, Environmental Health Department and the Anti-Social Behaviour Team to ensure any potential negative impact from supported housing in the surrounding community is minimised. Feedback from neighbours is used to target particular areas, problematic tenancies or build bridges with highly sensitised neighbourhoods.

Move On Support

Support and specialist intervention was provided to young people requiring additional transitional support when moving on from the project and for young people not necessitating or are suitable for New Roots accommodation but still would benefit from support. This support has enabled young people to maintain their independence, helping to prevent issues escalating and reducing the risk of young people re-entering homeless services.

Volunteer Service

Our volunteer service continues to develop in a dynamic and responsive way, providing further opportunities for young people to receive support as well as become volunteers themselves, giving back to other young people, the service and the wider community. Volunteers (many of whom are service users) have helped to recruit and induct new staff, supported group activities with young people, provided befriending support, delivered group activities, worked on our DIY/decorating and gardening projects.

Over the past year 60 volunteers that have worked with us have develop transferable work/life skills e.g. communication, teamwork and problem solving. They have also built their self-confidence and self-esteem.

Four former volunteers are employed by New Roots in full time positions of Support and Development Workers, Administration, security and wellbeing.

WORKSOP AND RETFORD HOUSING PROJECT LIMITED
NEW ROOTS HOUSING PROJECT
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

Children's Work / Parent Support

A service that focuses on supporting children (of young people) by providing help to parents around healthy living, healthy relationships, building attachments with children, use of play, safeguarding, minimising harm from homelessness and substance use. The service also helps to reduce isolation by providing opportunities for social interaction with other young parents. As a result of this work we are seeing young people change the way they parent their children, build support and friendship networks and most of all develop aspirations for themselves and their children.

Life Skills, Education and Training

47 young people have completed at least one Lifewise unit with a total of 47 accreditations achieved over the academic period— this is a programme to help young people to build life skills that supports them to live more stable and successful lives as well as providing them with a recognisable qualification.

2 service users have successfully enrolled on university courses at universities of Sheffield and Loughborough which is despite statistics which identify 38% of homeless young people have fewer than five A* to C GCSEs and Only 6% of care leavers go to university, compared to 38% of all young people, (Department for Education (2011) Statistical first release).

We also continue to benefit from The Rotary Club of Retford, which enables our young people to receive awards in recognition of their personal achievements. This is particularly rewarding for many of our achievers who do not always identify themselves how far they have progressed despite their difficult circumstances.

Extended Benefits

Aside from the direct benefits derived from supported accommodation by service users, often improvements are noticed in confidence, self-esteem, and social responsibility. Issues of relationship and family breakdown are often improved and sometimes reconciled as a result of access to our accommodation and services.

Due to the wide-ranging nature of the service, public benefits include prevention of repeated or revolving homelessness, and the necessary agency intervention this incurs, by addressing the underlying causes of homelessness for each individual. The community also benefits from the independent living skills with which New Roots equips its service users. Along with the key aspect of support towards suitable education, employment and training opportunities, many progress to make positive social and economic contributions to the locality. Preventative action and the positive change that New Roots intervention precipitates impacts on potential negative behaviours or harmful consequences which can go hand-in-hand with homelessness e.g. offending and anti-social behaviour, substance misuse and health issues.

Achievements and performance

Financial review

The organisation has continued to grow with income increasing from £769,107 to £793,974. Expenditure has increased during the year though as repair expenditure has increased by £36,622 to £91,313 in order to maintain the properties at a high standard.

As a result of this the surplus for the year has fallen from £61,896 to £2,807. However repair work will be lower during the current year and the surplus is expected to be at a slightly higher level for 2018-19.

The balance sheet remains strong with net assets amounting to £568,138 including unrestricted funds of £423,819. Property investment has continued in 2017-18 with nearly £70,000 being spent on improvements and fixtures and fittings. Free reserves are relatively low at £13,347 so the Trustees will be looking at ways to increase this in the future.

WORKSOP AND RETFORD HOUSING PROJECT LIMITED
NEW ROOTS HOUSING PROJECT
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

Reserves Policy

Reserves are defined as unrestricted funds that are freely available to spend on any of the charitable purposes.

Reserves should be held to service an unexpected need for funds, covering unforeseen day-to-day operational costs, a shortfall in income or to fulfil its obligations.

As a company limited by guarantee, reserves are set according to budgeted income. It is intended to mitigate against uncertainty relating to cash flow, to ensure that there are sufficient reserves to cover any financial shortfalls, to react to unexpected situations, to protect the Charities activities if expected income is not received and to retain continuity in relation to expected grant awards. The reserves policy is only acted on when cash flow permits, to meet our objectives.

Management Information

Reserve levels are reported as part of the monthly management accounts and presented to Trustees at each committee meeting. The CEO and Finance Manager are designated to raise any issues in relation to the level of reserves directly with the Trustees. The policy will be reviewed annually when budgets and activity for the year is planned.

Future Plans and Actions for 2018-19

We continue to review the Board of Trustees and seek to appoint to positions of Treasurer and/or Secretary. This may require further recruitment to the Board in order to fulfil these positions. We are keen to extend the provision of services, both in terms of increasing unit numbers and levels and intensity of support.

We also seek to ensure that the teenage parent unit continues to be used flexibly and is commissioned as and when necessary as a valuable resource for assessment purposes through spot purchase arrangements.

Social impact analysis and cost benefit analysis will be repeated on a regular basis to ensure the organisation is fulfilling its aims and can validate claims made around the successes.

New Roots will continue to ensure staff have a minimum qualification of NVQ level 3 through the provision and support of courses and assessment.

Structure, governance and management

New Roots is a not-for-profit company limited by guarantee governed by its memo & articles of association. It is a registered charity with the Charity Commission providing a voluntary sector housing project within Bassetlaw supporting young people aged 16-25 who are homeless or vulnerably housed and enabling them to move on to independent living within their own community.

The Management Committee provides governance of the organisation with regular meetings taking place interspersed with planned sub-committee meetings when necessary. The committee are responsible for organisational strategy, policy review, business planning and supports the budget setting. They are increasingly involved in attending significant meetings and planning the future development of the organisation.

Trustees receive performance, financial, and operational information along with any other relevant reports to ensure the organisation is achieving its targets and meeting its charitable aims and objectives and protects the safeguarding of organisational assets. In relation to the Chief Executive Officer, the Committee act as a critical friend.

All members of the Management Committee give their time voluntarily and receive no benefits from the charity, claiming minimal expenses.

WORKSOP AND RETFORD HOUSING PROJECT LIMITED
NEW ROOTS HOUSING PROJECT
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

The Management Committee (Directors and Trustees), who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

F Brown	
E Burgess	(Resigned 18 March 2018)
L Davenport	
J Griffiths	
R Hobson	
L Oldcorn	
S West	
C Woodward	(Resigned 20 January 2018)
M King	(Appointed 29 November 2017)
J Barton	(Appointed 26 February 2018)
P Dickinson	(Appointed 8 August 2018)

Running of the organisation, including delivery of services, finance and human resources remain delegated to the senior management team.

Statement of Trustees responsibilities

The Management Committee (Directors and Trustees), who are also the directors of Worksop and Retford Housing Project Limited for the purpose of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Management Committee (Directors and Trustees) to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the New Roots and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Management Committee (Directors and 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the New Roots will continue in operation.

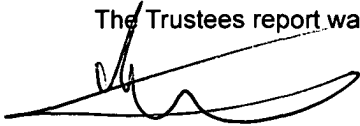
The Management Committee (Directors and Trustees) are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the New Roots and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the New Roots and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**WORKSOP AND RETFORD HOUSING PROJECT LIMITED
NEW ROOTS HOUSING PROJECT
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

Auditor

In accordance with the company's articles, a resolution proposing that Rogers Spencer be reappointed as auditor of the company will be put at a General Meeting.

The Trustees report was approved by the Board of Management Committee (Directors And Trustees).



S West

Chair

Dated: 21 November 2018

**WORKSOP AND RETFORD HOUSING PROJECT LIMITED
NEW ROOTS HOUSING PROJECT
INDEPENDENT AUDITOR'S REPORT**

**TO THE MANAGEMENT COMMITTEE (DIRECTORS AND TRUSTEES) OF WORKSOP
AND RETFORD HOUSING PROJECT LIMITED**

Opinion

We have audited the financial statements of Worksop and Retford Housing Project Limited (the 'New Roots') for the year ended 31 March 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, 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 Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the New Roots in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note [X] to the accounts, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Management Committee (Directors and Trustees) have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the New Roots's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Management Committee (Directors and Trustees) are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

**WORKSOP AND RETFORD HOUSING PROJECT LIMITED
NEW ROOTS HOUSING PROJECT
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE MANAGEMENT COMMITTEE (DIRECTORS AND TRUSTEES) OF WORKSOP
AND RETFORD HOUSING PROJECT LIMITED**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Management Committee (Directors and Trustees)

As explained more fully in the statement of Trustees responsibilities, the Management Committee (Directors and Trustees), who are also the directors of the New Roots for the purpose 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 Management Committee (Directors and 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 Management Committee (Directors and Trustees) are responsible for assessing the New Roots'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 Management Committee (Directors and Trustees) either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

**WORKSOP AND RETFORD HOUSING PROJECT LIMITED
NEW ROOTS HOUSING PROJECT
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE MANAGEMENT COMMITTEE (DIRECTORS AND TRUSTEES) OF WORKSOP
AND RETFORD HOUSING PROJECT LIMITED**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Melvin Bailey (Senior Statutory Auditor)
for and on behalf of Rogers Spencer**

21 November 2018

**Chartered Accountants
Statutory Auditor**

Newstead House
Pelham Road
Nottingham
NG5 1AP

Rogers Spencer is eligible for appointment as auditor of the New Roots by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

WORKSOP AND RETFORD HOUSING PROJECT LIMITED
NEW ROOTS HOUSING PROJECT
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
<u>Income from:</u>					
Charitable activities	3	676,337	115,587	791,924	766,706
Other trading activities	4	2,050	-	2,050	2,401
Total income		678,387	115,587	793,974	769,107
<u>Expenditure on:</u>					
Raising funds	5	11,700	-	11,700	15,600
Charitable activities	6	606,231	173,236	779,467	691,611
Total resources expended		617,931	173,236	791,167	707,211
Net income/(expenditure) for the year/ Net movement in funds		60,456	(57,649)	2,807	61,896
Fund balances at 1 April 2017		363,363	201,968	565,331	503,435
Fund balances at 31 March 2018		423,819	144,319	568,138	565,331

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

WORKSOP AND RETFORD HOUSING PROJECT LIMITED
NEW ROOTS HOUSING PROJECT
BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	10		747,093		707,267
Current assets					
Debtors	11	30,221		23,150	
Cash at bank and in hand		112,801		136,716	
		<u>143,022</u>		<u>159,866</u>	
Creditors: amounts falling due within one year	13	<u>(86,916)</u>		<u>(59,857)</u>	
Net current assets			56,106		100,009
Total assets less current liabilities			803,199		807,276
Creditors: amounts falling due after more than one year	14		(235,061)		(241,945)
Net assets			<u>568,138</u>		<u>565,331</u>
Income funds					
Restricted funds	16		144,319		201,968
Unrestricted funds			423,819		363,363
			<u>568,138</u>		<u>565,331</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2018, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The Management Committee (Directors and Trustees) acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Management Committee (Directors And Trustees) on 21 November 2018

S West

Trustee

Company Registration No. 02814950

WORKSOP AND RETFORD HOUSING PROJECT LIMITED
NEW ROOTS HOUSING PROJECT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash generated from operations	20		69,075		124,829
Investing activities					
Purchase of tangible fixed assets		(70,616)		(290,763)	
Interest received		38		5	
Net cash used in investing activities			(70,578)		(290,758)
Financing activities					
Repayment of bank loans		(6,452)		248,397	
Interest and financing costs		(15,960)		(10,436)	
Net cash (used in)/generated from financing activities			(22,412)		237,961
Net (decrease)/increase in cash and cash equivalents			(23,915)		72,032
Cash and cash equivalents at beginning of year			136,716		64,684
Cash and cash equivalents at end of year			112,801		136,716
Short term deposits included in current asset investments			-		-
Bank overdrafts included in creditors payable within one year			-		-

WORKSOP AND RETFORD HOUSING PROJECT LIMITED
NEW ROOTS HOUSING PROJECT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Charity information

Worksop and Retford Housing Project Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 2 Overend Road, Worksop, Nottinghamshire, S80 1QF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the New Roots's [governing document], the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The New Roots is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the New Roots. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Management Committee (Directors and Trustees) have a reasonable expectation that the New Roots has adequate resources to continue in operational existence for the foreseeable future. Thus the Management Committee (Directors and Trustees) continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Management Committee (Directors and Trustees) in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the New Roots.

1.4 Incoming resources

Income is recognised when the New Roots is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the New Roots has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the New Roots has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

WORKSOP AND RETFORD HOUSING PROJECT LIMITED
NEW ROOTS HOUSING PROJECT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the promotional costs to the charity.
- Expenditure on charitable activities includes all costs undertaken to further the purposes of the charity and their associated support costs, including costs of governance.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is provided on tangible assets on a straight line basis on cost at rates calculated to write off the costs of each asset over its expected useful life as follows:

Freehold land and buildings	50 years
Plant and equipment	4 years
Fixtures and fittings	4 years
Computers	4 years
Motor vehicles	4 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the New Roots reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the New Roots is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

WORKSOP AND RETFORD HOUSING PROJECT LIMITED
NEW ROOTS HOUSING PROJECT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

2 Critical accounting estimates and judgements

In the application of the New Roots's accounting policies, the Management Committee (Directors and Trustees) are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Charitable activities

	2018 £	2017 £
Grants	115,587	159,892
Rents and Young Persons Supported Accommodation Services income receivable	676,337	606,814
	<u>791,924</u>	<u>766,706</u>
Analysis by fund		
Unrestricted funds	676,337	
Restricted funds	115,587	
	<u>791,924</u>	
For the year ended 31 March 2017		
Unrestricted funds		621,814
Restricted funds		144,892
		<u>766,706</u>

4 Other trading activities

	2018 £	2017 £
Interest receivable	38	5
Sundry income	2,012	2,396
	<u>2,050</u>	<u>2,401</u>
Other trading activities		

WORKSOP AND RETFORD HOUSING PROJECT LIMITED
NEW ROOTS HOUSING PROJECT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

5 Raising funds

	2018	2017
	£	£
<u>Fundraising and publicity</u>		
Consultancy fees	11,700	15,600
	<u>11,700</u>	<u>15,600</u>
	<u><u>11,700</u></u>	<u><u>15,600</u></u>

WORKSOP AND RETFORD HOUSING PROJECT LIMITED
NEW ROOTS HOUSING PROJECT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

6 Charitable activities

	2018	2017
	£	£
Staff costs	390,724	334,155
Training costs	11,013	8,575
Staff travel costs	15,785	17,021
Insurance	4,375	3,782
Office rent	750	2,249
Move-on units rents	90,390	94,322
Repairs and renewals	91,313	54,619
Council tax and water rates	7,438	7,332
Light and heat	9,371	9,648
Advertising, printing, postage and stationery	4,990	10,039
Telephone	13,755	11,672
Cleaning	4,959	4,547
Motor expenses	7,421	9,843
Equipment rental	2,878	864
Bad debts written off	(460)	27,448
Professional fees	13,536	4,419
Bank charges	512	709
Loan interest	15,960	10,436
Volunteer expenses	7,311	4,352
Activities and projects	13,197	6,783
Sundry expenses	10,347	8,335
Depreciation of fixed assets	30,790	23,913
	<u>746,355</u>	<u>655,063</u>
Share of governance costs (see note 7)	33,112	36,548
	<u>779,467</u>	<u>691,611</u>
Analysis by fund		
Unrestricted funds	606,231	
Restricted funds	173,236	
	<u>779,467</u>	
For the year ended 31 March 2017		
Unrestricted funds		594,965
Restricted funds		96,646
		<u>691,611</u>

WORKSOP AND RETFORD HOUSING PROJECT LIMITED
NEW ROOTS HOUSING PROJECT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

7 Governance costs

	2018	2017
	£	£
Staff costs	24,868	29,762
Audit fees	8,244	6,786
	<u>33,112</u>	<u>36,548</u>

8 Management Committee (Directors And Trustees)

None of the Management Committee (Directors and Trustees) (or any persons connected with them) received any remuneration or benefits from the New Roots during the year.

9 Employees

Number of employees

The average monthly number employees during the year was:

2018	2017
Number	Number
17	16
<u>17</u>	<u>16</u>

Employment costs

	2018	2017
	£	£
Wages and salaries	367,161	328,663
Social security costs	25,113	19,829
Other pension costs	23,318	15,425
	<u>415,592</u>	<u>363,917</u>

There were no employees whose annual remuneration was £60,000 or more.

WORKSOP AND RETFORD HOUSING PROJECT LIMITED
NEW ROOTS HOUSING PROJECT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

10 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost						
At 1 April 2017	750,904	43,775	44,426	11,341	4,500	854,946
Additions	46,025	18,376	2,799	3,416	-	70,616
At 31 March 2018	796,929	62,151	47,225	14,757	4,500	925,562
Depreciation and impairment						
At 1 April 2017	85,315	20,477	31,774	5,613	4,500	147,679
Depreciation charged in the year	14,444	8,135	6,268	1,943	-	30,790
At 31 March 2018	99,759	28,612	38,042	7,556	4,500	178,469
Carrying amount						
At 31 March 2018	697,170	33,539	9,183	7,201	-	747,093
At 31 March 2017	665,589	23,298	12,653	5,727	-	707,267

- All tangible fixed assets are used for the purpose of the charity.
- The cost of depreciable assets included in land and buildings as at 31 March 2018 was £693,869 (2017: £676,151).
- The Charity Bank Limited holds a first legal charge over freehold land and buildings with a net book value of £530,750, as security for loans advanced for the development of those properties.

11 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	27,224	19,100
Prepayments and accrued income	2,997	4,050
	30,221	23,150

12 Loans and overdrafts

	2018 £	2017 £
Bank loans	241,945	248,397
Payable within one year	6,884	6,452
Payable after one year	235,061	241,945

WORKSOP AND RETFORD HOUSING PROJECT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

12 Loans and overdrafts **(Continued)**

The bank loan, is secured by way of a first legal charge over 2 and 4 Overend Road.

13 Creditors: amounts falling due within one year

	Notes	2018 £	2017 £
Bank loans	12	6,884	6,452
Other taxation and social security		14,709	6,604
Trade creditors		45,629	33,973
Other creditors		12,864	6,869
Accruals and deferred income		6,830	5,959
		<u>86,916</u>	<u>59,857</u>

14 Creditors: amounts falling due after more than one year

	Notes	2018 £	2017 £
Bank loans	12	235,061	241,945
		<u>235,061</u>	<u>241,945</u>

15 Retirement benefit schemes

The New Roots operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the New Roots in an independently administered fund.

At the balance sheet date, there was pension creditor of £ Nil (2017 - £6,869).

WORKSOP AND RETFORD HOUSING PROJECT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2017 £	Movement in funds		Balance at 31 March 2018 £
		Incoming resources £	Resources expended £	
National Lottery Charities Board	79,348	-	(2,354)	76,994
Big Lottery - Volunteer Coordinator	39,503	30,528	(42,917)	27,114
Big Lottery - Skilling Up	9,840	-	-	9,840
Henry Smith - Support Worker	45,714	-	(45,714)	-
Children In Need - Children Support	969	36,575	(36,792)	752
Clothworkers	24,590	-	(6,427)	18,163
Help For Homeless	2,004	-	(512)	1,492
Kent - Intensive Needs Support	-	22,631	(22,593)	38
Lloyds Foundation	-	24,973	(15,312)	9,661
Framework	-	315	(50)	265
Notts CC - Achievement awards	-	400	(400)	-
Gifts & donations - AGM awards	-	165	(165)	-
	<u>201,968</u>	<u>115,587</u>	<u>(173,236)</u>	<u>144,319</u>

The National Lottery grant was made to fund the initial purchase of a property on Overend Road, which has been refurbished and is being used both as supported accommodation for single young people and office accommodation. The grant is being written off in line with the depreciation policy.

Henry Smith funds the Specialist Support Worker post for three years from 2015 to 2018.

Children in Need funds the continuity of the specialist children's worker post for three years from 2017 until 2020. This post was initially funded on a part-time basis in 2014. The latest funding has increased the hours to full-time.

Clothworkers and Help For Homeless money was fully utilised in the development and furnishing costs of the flats at 2 and 4 Overend Road. These costs have been capitalised and are being depreciated over the estimated useful life of the assets.

Kent - the DPS funds the intensive needs required for certain service users.

Lloyds Foundation funds the salary of the intensive and complex needs manager.

WORKSOP AND RETFORD HOUSING PROJECT LIMITED
NEW ROOTS HOUSING PROJECT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

17 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2018 are represented by:			
Tangible assets	645,533	101,560	747,093
Current assets/(liabilities)	13,347	42,759	56,106
Long term liabilities	(235,061)	-	(235,061)
	<u>423,819</u>	<u>144,319</u>	<u>568,138</u>

18 Operating lease commitments

Total future minimum lease payments under non-cancellable other operating leases are as follows:

	2018 £	2017 £
Within one year	91,566	95,334
Between two and five years	11,317	20,323
	<u>102,883</u>	<u>115,657</u>

19 Related party transactions

There were no disclosable related party transactions during the year (2017 - none).

20 Cash generated from operations

	2018 £	2017 £
Surplus for the year	2,807	61,896
Adjustments for:		
Interest received	(38)	(5)
Interest on loan	15,960	10,436
Depreciation and impairment of tangible fixed assets	30,790	23,913
Movements in working capital:		
(Increase)/decrease in debtors	(7,071)	15,358
Increase in creditors	26,627	13,231
Cash generated from operations	<u>69,075</u>	<u>124,829</u>