

Norwood Ravenswood

(A Charitable Company Limited by Guarantee)

Trustees' Annual Report and Financial Statements For the year ended 31 March 2017

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CHARITY INFORMATION

Patron	HM The Queen	
Patron of Children's Services	Cherie Blair	
Patron of Adults' Services	Norma Brier	
Patron of Volunteering	Chief Rabbi Ephraim Mirvis	
Presidents	Lord Jon Mendelsohn Lady Nicola Mendelsohn CBE	
Vice President	Ronnie Harris	
Trustees and Directors	David Ereira (Chairman) Julia Chain (Deputy Chairperson) David Stanton (Joint Treasurer) Andrew Viner (<i>Joint Treasurer - resigned 25 November 2016</i>) David Smith (<i>Joint Treasurer - appointed 25 November 2016</i>) Linda Goldberg Estelle Doctor (<i>resigned 25 November 2016</i>)	Lady Elaine Sacks Elliott Goldstein Gary Sacks Anthony Rabin Neville Kahn (<i>resigned 24 March 2017</i>) Philip Hertz (<i>appointed 29 July 2016</i>) Mark Pollack Angela Hodes (<i>appointed 25 November 2016</i>)
Senior Management Team	Elaine Kerr Julian Anthony David Harris Shona McBride Pauline Smith Ron Brown Adele Breslauer Abi Levitt	Chief Executive Chief Financial & Operating Officer Director of Development Director of Workforce Director of Services (<i>resigned 20 January 2017</i>) Director of Services (<i>appointed 3 January 2017</i>) Director of Fundraising and Marketing (<i>resigned 22 July 2016</i>) Director of Fundraising and Marketing (<i>appointed 3 April 2017</i>)
Company Secretary	Julian Anthony	
Auditors	Grant Thornton UK LLP Melton Street Euston Square London NW1 2EP	
Investment Managers	Sarasin & Partners LLP 100 St. Paul's Churchyard London EC4M 8BU	Seven Investment Management Ltd 55 Bishopsgate London EC2N 3AS
Bankers	Barclays Bank plc 1250 High Road London N20 0PB	
Principal Solicitors	Anthony Collins LLP 134 Edmund Street Birmingham B3 2ES	Ingram Winter Green LLP Bedford House 21A John Street London WC1N 2BL
Principal and Registered Office	Broadway House 80-82 The Broadway Stanmore HA7 4HB	

TRUSTEES' ANNUAL REPORT

The trustees are pleased to present their annual report and audited financial statements for the year ended 31 March 2017. The financial statements have been prepared to meet the requirements of directors' report and accounts as per the Companies Act. These statements also comply with the Charities Act 2011 and the Charities (Protection and Social Investment) Act 2016; the Companies Act 2006; the Memorandum and Articles of Association and; the 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 - FRS102 (effective 1 January 2015).

OUR OBJECTIVES AND ACTIVITIES:

We are the largest Jewish charity in the UK supporting vulnerable children and families, children with special educational needs and people with learning disabilities. Norwood was founded in 1795 and remains today the only Jewish charity to have the honour of the patronage of Her Majesty The Queen. We passionately believe everyone, irrespective of their abilities or circumstances, has the right to live the life they choose and achieve their goals. We uphold five key values namely;

- ★ **Empower** Empowering the people we support to maximise their potential.
- ★ **Professional** Always maintaining professional standards and codes of conduct with all we work with.
- ★ **Supportive** Being supportive to all those who turn to us.
- ★ **Honourable** Maintaining honourability in the way we perform our services.
- ★ **Innovative** Embracing innovation and finding new approaches that will benefit the organisation as a whole and those we support.

OUR SERVICES

Children and Families Support Services:

Operating from the Kennedy Leigh Centre (North West London), the Somers Children and Family Centre (North London) and the Norwood Centre (North East London and Essex), we offer support and guidance to children and their families through a range of services including:

- Family support;
- Social work ;
- Counselling and support groups;
- Short breaks;
- Portage;
- Arts and play therapies;
- Transitional support and;
- Holiday and after-school schemes including Teeny Tiny (16 months – 5 years), Stay and Play (0 - 8 years), Unity (5 - 18years) and Inbetweeners (16 – 25 years).

Educational Support Services:

Working in partnership with parents, schools and carers, we provide a range of educational support services to ensure every child is given the best start in life. Our range of educational services include:

- Occupational therapy;
- Life skills training including computer skills and communications;
- Early years provision;
- Jewish studies;
- Special educational support;
- Speech and language therapy and;
- Special provision for Autistic Spectrum Disorder (ASD).

Learning and Disability Support Services:

Being the core of our service provisions, we provide tailored services to support children, young adults and adults with learning disabilities and complex needs including:

- Housing support eg registered care homes, supported living accommodation and outreach;
- Assistive Technology;
- Recreational services such as overnight stay, short-breaks and 24/7 respite care services provided at Bucket and Spades for children and young adults up to 19 years old; recreational activities provided by Inbetweeners and Unity;
- Domiciliary care;
- Life Long Learning including developing employability skills, workskills, sporting programmes, creativity and digital technologies;
- Enabling and therapeutic services and;
- Transitional support.

OUR STRUCTURE, GOVERNANCE AND MANAGEMENT

Every year, we support thousands of people with learning disabilities, children, young adults and families in need. With our head-office based in Stanmore, we have a number of homes and family centres in London and Berkshire, to ensure we can continue to provide localised and bespoke care and support to the Jewish and wider communities. As set out in our governing documents, our charitable purposes are:

To provide relief for children, young people and adults drawn primarily, but not exclusively, from the Jewish community, who are in need by reason of disability, abuse, neglect, financial hardship or other disadvantages, through providing or securing or assisting in the provision of education, training, support, care, treatment, substitute family care, adoption services, accommodation and / or other assistance of a charitable nature.

Norwood Ravenswood is governed by its Memorandum and Articles of Association. The subscribers to the Memorandum of Association were the first members of the charity. Any individual or organisation wanting to become a member has to apply to the Board of trustees. The members of Norwood Ravenswood are entitled to attend and vote at the Annual General Meetings (AGM) and Extraordinary General Meetings (EGM). The management of the business of Norwood is down to our Board of trustees which also exercises all the powers of the charity other than where they are subject to restrictions imposed by Companies House, the Charity Commission, the governing documents or any special resolution. Our Board appoints a chairperson, a deputy-chairperson and treasurers. Our trustees have due regard for their specific responsibilities in respect of the charity and apply care and diligence in ensuring the requirements of the Charities Act 2011 and the Charities (Protection and Social Investment) Act 2016 are adhered to. Our Board delegates the day-to-day operations of the charity to the Chief Executive Officer, who within her delegated authority has assigned operational matters, including finance, service provisions, service development and employment to members of the senior management team.

As stated in the Memorandum and Articles of Association, our trustees are appointed for a 4-year term and may serve a second consecutive term. To support the crucial role of Norwood Ravenswood's Board, two main committees (the Corporate Services and the Operational Services Committees) operate under specific terms of reference and authorities delegated by the Board. The Corporate Services Committee has established an Audit and Risk Committee, an Investment Committee and a Property Committee. The membership of each committee is drawn from the Board and a pool of voluntary lay leaders with relevant expertise. The Board of Norwood Ravenswood consists of trustees and held Board meetings 6 times during this financial year.

Our Corporate Services Committee is concerned with matters of finance, investment, human resources, fundraising as it relates to finance, information technology, and health and safety. The Operational Services Committee is concerned with the range of services offered and to be offered by Norwood. The Corporate Services and Operational Services Committees comprise of both trustees and lay leaders. The

Corporate Services Committee meets a minimum of 4 times a year. The Operational Services Committee meets a minimum of 6 times a year.

Our Audit and Risk Committee is concerned with ensuring that there is a framework for risk management and accountability and reviewing all systems and methods of control both financial and otherwise. This committee is responsible for ensuring robust financial controls are in place including risk assessment and management. The committee ultimately ensures Norwood remains compliant with prevailing regulations and oversees the internal audit programme, as well as, assesses the effectiveness of both internal and external auditors. This committee consists of trustees and lay leaders and meets a minimum of 4 times a year.

Our Investment Committee is concerned with ensuring that there is a framework for examining and reviewing the investment strategy and performance including portfolio management and assets allocation. Their responsibilities include treasury management, property investments and financial investments. This committee consists of trustees and lay leaders and meets a minimum of 4 times a year.

Our Property Committee is concerned with the management of Norwood's properties. This committee facilitates the management, purchase and disposal of Norwood's portfolio of properties. The additional responsibilities of our Property Committee include reviewing investment appraisals for new build projects and ensuring capital expenditure reflects agreed objectives. This committee consists of trustees and lay leaders and meets a minimum of 4 times a year.

Our Fundraising Campaign Group was appointed by the Board to provide support for our various fundraising activities and corporate events. Similarly, an Advisory Council was set up to provide valuable advice and guidance to our Board on the delivery of safe, quality and viable services. Our Advisory Council meets once a year and members contribute to various projects throughout the year. The members of our Advisory Council are professionals in their fields, contributing a wealth of knowledge to Norwood's governance.

We adopt a transparent and objective approach when recruiting our trustees and lay leaders. We also organise an induction programme for new trustees and lay leaders. This programme involves meeting the Chairperson and the Chief Executive for an initial briefing, followed by meetings with the executive and non-executive directors; a visit to some of our registered and supported living homes; meeting some of the people we support and an opportunity to participate in Norwood's fundraising events. Our trustees are also provided with key sector updates and are invited to attend relevant trainings to ensure they are kept abreast of prevailing changes that may affect the charity and the social care sector as a whole.

None of our trustees receive remuneration or other benefits for their work with the charity apart from reimbursement of travel expenses. Any connection between a trustee or senior staff of the charity with the charity's stakeholders is declared to the Board of trustees in the same way as any contractual relationship with a related party. Such disclosures are dealt with by the Board and at every meeting of the trustees. Details of related party transactions and trustees' expenses are disclosed in Note 23 of the financial statements.

CHANGES TO LEGAL ENTITY AND OPERATIONAL STRUCTURE

The legal structure of Norwood is that of a parent company (Norwood Ravenswood) and two subsidiaries, which are also registered charitable companies. Both subsidiaries – Norwood Schools Limited and The Hope Charity – are wholly owned by Norwood Ravenswood. Norwood Ravenswood is primarily responsible for fundraising activities and gift aid claims. Norwood Schools Limited provides charitable services on behalf of the group. In July 2016, the special education service (Feuerstein Methodology) provided through The Hope Charity ceased. The trustees of Hope resolved to transfer the remaining educational services provided through The Hope Charity to Norwood Schools Limited on 1 December 2016.

The transferred educational services, largely referred to as Binoh Services, adopt a general and holistic approach to teaching, transitional education and therapeutic support. Our senior management team, working with operational colleagues, ensured the transition caused minimal disruption to service provision to the beneficiaries of our services. The financial statements for the group and the accounts for each subsidiary duly reflect this transition. The Hope Charity remained an active subsidiary as at the end of this financial year.

Table of Board members, committee members and lay leaders in post as at the end of the financial year:

2016/17 GOVERNANCE STRUCTURE	Advisory Council	Trustee Board	Corporate Services Committee	Operational Services Committee	Audit and Risk Committee	Investment Committee	Property Strategy Group	Fundraising Campaign
Andrew Viner					✓	✓		
Alfred Garfield			✓		✓	✓		
Angela Hodes		✓		✓				
Anthony Rabin		✓						
Dan Adler						✓		
David Ereira		✓*		✓				✓
David Freedman						✓		
David Saul						✓		
David Smith		✓			✓*	✓*		
David Stanton		✓	✓*		✓			
Dr Danya Glaser	✓							
Dr Valerie Sinason	✓							
Elliot Goldstein		✓						
Gary Sacks		✓					✓	✓
Gill Gallick	✓							
Hannah Goldie				✓				
Ian Fagelson				✓				
Jack Rabinowich	✓							
James Morris-Manuel			✓					
James Reichman			✓					
John Libson	✓							
Julia Chain		✓		✓*				
Karen Millet				✓				
Lady Elaine Sacks		✓						
Lady Nicola Mendelsohn (CBE)	✓*							
Linda Goldberg				✓			✓	
Lord Jon Mendelsohn	✓*							✓
Mark Lee			✓		✓	✓		
Mark Pollack		✓						✓*
Max Caller CBE	✓							
Michael Teacher	✓							
Mike Hymans				✓				
Neville Kahn			✓					
Nick Green							✓*	
Norma Brier	✓							
Paul Huberman							✓	
Paul Moser				✓				
Philip Hertz		✓						
Prof Simon Baron-Cohen	✓							
Rabbi Alan Plancey	✓							
Richard Estrop							✓	
Roger Filer				✓				
Ron Raye							✓	
Ronnie Harris							✓	✓
Ruth Fasht	✓							
Ruth Levere	✓							
Simon Chadowitz							✓	
Simon Shelley							✓	
Sir Harry Solomon	✓							
Yonni Abramson							✓	✓
Total	15	11	6	10	5	7	10	6
Note:								
Chairperson	✓*							

OUR SENIOR STAFF REMUNERATION

There are clear distinctions between the role of trustees and the senior management team. Our senior management team is the key management personnel of the charity responsible for the charity's affairs on a day to day basis. In view of the nature of the charity, the salaries of our senior staff are benchmarked against pay levels in similar sized organisations run on a voluntary basis. The remuneration benchmark is the mid-point of the range paid for similar roles and may be adjusted for a weighting for any additional responsibilities. If recruitment has proven difficult in the recent past, a market addition may also be paid, with the pay maximum no greater than the highest benchmarked salary for a comparable role.

EMPLOYEES' INVOLVEMENT

Our employees are involved in shaping the strategy for the charity. During the year, a "Speak Up and Be Heard" employee survey was launched to enhance employees' engagement. The results and feedback from the survey will go towards the shaping of Norwood's services and culture. We also engage our employees through in-house workshops, team building days and directors' surgeries, seeking feedbacks and innovative ideas on how we can improve our services, promote a healthy work-life balance and in turn, make Norwood a better place to work. We also have a range of detailed human resources policies to support our charitable and business objectives which are reviewed regularly to ensure compliance with employment legislation. We are a "Two-Ticks" accredited employer which means we are committed to employing people with disabilities. In accordance with our Equal Opportunities, Diversity and Anti-discrimination Policy, we have a long established fair recruitment and retention process to ensure all persons, including those with disabilities, are recruited and can continue in employment.

OUR VOLUNTEERS

Our workforce would not be complete without the mention of our team of dedicated volunteers. During the year, we had 599 individual volunteers some of whom provided support to more than one Norwood service. This equated to a total of 623 volunteers supporting across our services. This year:

- Our adult services in London had 68 volunteers;
- Our adult services in Berkshire had 96 volunteers;
- Our children and family services including play groups had 274 volunteers;
- We had 137 volunteers in our charity shops and;
- 48 volunteers provided support for corporate services including post-opening.

We celebrate the commitment and hard work of our volunteers every year and this year we held the Annual Volunteer Event at the Royal Air Force Museum in Hendon. Nine different awards were presented (with joint winners selected for more than one award) to five individuals, five groups, two corporate sponsors and a committee. Our post-opening volunteers also received a special award from the Hackney Council. This was a very remarkable achievement, one we are very proud of.

STRATEGIC REPORT

OUR STRATEGIC PRIORITIES

At Norwood, we understand individual needs and ambitions of every child, young person and adult we support. We offer a wide range of services based on three core principles:

- HOME i.e. supporting children and their families facing individual challenges;
- SCHOOL i.e. supporting children and young people with special educational needs and;
- LIFE i.e. supporting people with learning disabilities and autism throughout their lives

In collaboration with staff, senior management team, trustees and other stakeholders, we launched our Help Shape Norwood's Future Strategy in 2013. This is our long-term strategy to 2024 and it is based on five key priorities. This is to ensure we can continue to give our personal best to the services we provide whilst remaining financially sustainable especially in what remains a challenging economic environment.

Priority One: We will provide appropriate support and guidance for Jewish children and their families during challenging times.

Our support and guidance for the Jewish community continues to go from strength to strength. During the year, we were proud to launch the opening of our newest supported living home in Barnet (Lyonsdown). This accommodation is well equipped with assistive technology and a state of the art sensory room and will be home to five young adults with learning disabilities. Also as a testament to the dedication of our staff who work so hard to provide the people we support with safe and quality care within their homes, one of our domiciliary care services achieved a 'Good' rating with the CQC – Care Quality Commission. This is in addition to the 'Outstanding' rating we received last financial year putting our services in the top 1% of adult social care homes in England.

"Care workers received training to ensure that they had the skills and knowledge to effectively meet people's needs" – CQC

"I like it very much here, the staff support me when I ask to do something and help me plan it. I am very happy here" – Kaila

Priority Two: We will provide appropriate level of educational support for children with Special Educational Needs enabling them to continue with their leaning into adulthood.

Changes as a result of the introduction of the Education, Health and Care plan, under the Children and Families Act 2014 and the Special Educational Needs and Disability Regulations 2014 reforms meant a review of how we engage with local authorities and schools to ensure we can continue to provide the much needed educational support for the children and families we support. During the year, we supported over 70 children across 34 schools, organised training sessions on Down's Syndrome at Hertsmeare Jewish Primary School and joint training on mental health at Akiva Primary School. We also organised a number of parents' drop-in sessions at Pardes Primary School and at Kennedy Leigh centre, to mention a few. We will continue to work on raising our profiles in schools, promoting parents' engagement and devising more innovative training packages and programmes that will suit the needs of each individual with Special Educational Needs, as well as their families.

"I know changing my parenting approach in the last few months has helped my daughter deal with her frustrations. She is such a wonderful girl, I really appreciate your help in supporting her" – Hannah

"Thanks very much for a really great presentation, and equipping us with another 'tool' for working with children and families – may their branches spread, and forests grow!!" – Sara

Priority Three: We will offer children and adults with learning disabilities, including Autistic Spectrum Disorder, a pathway to the life they choose for as long as required.

We continue to support the Jewish Community Secondary School PSRP (JCoSS Pears Special Resources Provision) programme offering up to 7 places every year to pupils with Autistic Spectrum Disorder (ASD). Children join at age 11 and are integrated into teaching and other school activities, as appropriate and helpful to the students.

As part of our annual commitment to our rich cultural heritage, we organise the Birthright Trip for 8 young adults that we support, working in partnership with UJIA (United Jewish Israel Appeal) Israel Experience and Taglit Birthright. Spending 10 truly inspirational days in Israel, the trip aims to give young adults with learning disabilities and complex health needs the same opportunity to participate in this once in a lifetime organised trip to Israel. A total of 32 young adults, aged between 19 and 26 years old have participated in this specialised trip that include a visit to the Western Wall and Yad Vashem in Jerusalem, amongst other prominent sites.

"We are so grateful that this trip takes place, it was an honour to see the young people Norwood supports experience Israel in a way that they never knew was possible" – Emma

"I loved stroking the donkeys and riding them. I was also interested in seeing the equipment that was used a long time ago to make pita bread" – Matthew.

Priority Four: We will build on the skills and expertise of Norwood's workforce to achieve the growth of efficient and effective services.

Our management development programmes - EVOLVE and ENGAGE – proved very successful during the year with positive feedbacks and the impressive number of take-ups. These programmes equip both our newly appointed and long standing managers with sound leadership skills using a mixture of experiential learning, MBTI profiling and 360 degree feedback. Our apprenticeship scheme was also successful at Ravenswood Village and we look to roll out the programme to more unqualified support workers, through the 'Norwood Academy Apprenticeship Scheme'. Also, we recently partnered with the Happiness Index to deliver an employee satisfaction survey with the aim of improving the working life of our workforce and making Norwood a great place to work. The satisfaction survey will help shape our decision-making processes.

"An opportunity to reflect on different aspects of our managerial role and benefit from the added value of meeting colleagues from across Norwood's services which in itself promotes our sense of shared values and vision" - Daniel

"The practical exercises have helped me think about the impact of managerial behaviour on morale and how important it is to pay attention to employees' different perspectives"- Anony

Priority Five: We aim to become a leading service provider with a national reputation, working in partnership with multiple organisations.

Apart from working closely with the local authorities and schools in ensuring the demands for social care and educational support for children, young people and adults with learning disabilities within the Jewish community especially are being met, we also partner with a host of organisations. We partner with the National Citizen Service, giving over 70 young volunteers the platform to learn and be challenged. Our partnership with Wellington College was further strengthened. 14 students engaged with our services at Ravenswood Village this year and participated in different activities, including musical

sessions and art, as part of acquiring invaluable life-skills and giving back to the community.

Following year-on-year success, we have been able to extend the Employability and Volunteering programme with JCoSS (Jewish Community Secondary School), under the Pears Special Resources Provision. The programme has been extended to include school year 7 through to year 12, encompassing well over 50 students, setting them off to a good career path in life regardless of their disabilities. We look forward to developing more partnerships and creating a more inclusive community for the people we support as well as the people that engage with us.

“Amazing” – Muskan (NCS).

“Really enjoyable thing to do” – William (Wellington College)

“Norwood is valuable to the community” – Eve (JCoSS)

“Helping people helps you become a better person” – Daniel (JCoSS)

OUR PERFORMANCE AND ACHIEVEMENTS

During the year, Norwood was faced with ongoing funding challenges yet continued to deliver safe and quality frontline services. The key achievements include:

Learning Disabilities Services

- The Health, Wellbeing and Lifelong Learning services helped enhance the quality of lives and achieved improved health outcomes for the people we support.
- Assistive Technology was further embedded during the year, giving flexible communication tools and digital aids to enable independent control and responsiveness.
- Life Skills and Learning continued to deliver an extensive range of courses and sessions over the year, which was further enhanced by over 314 hours of volunteer support from September to December 2016.
- We saw a significant growth in our casual staff team and a reduction in our reliance on agency staff, giving us an enhanced consistency in our care and support services especially within our residential homes.
- Ravenswood Residents meeting continued to grow in membership, with the group needing to move venue to accommodate the number of people we support attending.
- Our new Health and Wellbeing Clinic was established in Ravenswood Village with the aim of providing ‘drop in’ access for staff to a range of health professionals for advice and support.
- Some of our support staff trained in toenail care ensuring that basic foot care is available to the people we support within their home, rather than having to pay for a chiropodist to visit.
- We were also very pleased to report Eretz and 159a Station Road (two of our care homes) received ‘Outstanding’ in the CQC key standard ‘Is the Service Caring’ and an overall rating of ‘Good’.
- We were very proud to have successfully opened a new Supported Living service in Barnet.

Children and Families

- Over 250 families benefitted from our social work services, receiving support for mental, physical and sexual abuse, family breakdowns, behavioural issues and bereavements.
- We provided weekly therapeutic counselling sessions in 5 schools to boost self-esteem and social skills, as well as minimise self-harm amongst students.
- Our lead psychotherapist runs 2 cohorts of Mindfulness training to students at JCoSS, giving students the skills to deal with anxieties in more effective way.
- Our Children and Family Services run 2 evidenced-based parenting programmes lasting 13 weeks each called Strengthening Families Strengthening Communities.

- We also run 3 Pyramid Clubs: a 10-week evidence-based programme aimed at primary schools children who tend to be shy and withdrawn. These clubs focus on boosting self-confidence and social skills.

Educational Support Services

- We supported a total of 830 children, 590 teachers and 390 families through a range of interventions both on 1-2-1s and group settings,
- Our educational services were delivered in over 45 Jewish schools, delivering training to teachers, individual therapy sessions to pupils as well as assessments.
- Our Speech and Language Therapy, Educational Psychology, Occupational Therapy and Teaching services all secured extended school contracts. A total of 23 new contracts with schools were secured and another 2 new contracts were secured with Local Authorities.
- New initiatives continued to be implemented including:
 - stronger focus on emotional and mental well-being as an important factor in achieving better educational outcomes;
 - more joint working between children services delivering joint sessions and training to schools;
 - maintaining specialisms, such as: ASD, Down's Syndrome, Sensory Processing and Integration;
 - parent drop in sessions delivered jointly between Educational Psychologists and Social Workers in Hackney and Hendon and;
 - Trained SPLD teachers providing support for dyslexia at schools.
- We secured an extended PICS grant (Partnership in The Community) worth £35K for early years support in the orthodox community in Hackney.
- We also delivered a large-scale project in Hasmorean High School supporting 33 low attaining pupils.

OUR CHALLENGES AND COMMITMENTS

2016 was another financially challenging year for us and for the social care sector as a whole, one of the major issues being the widening funding gap and pressures on local government funding. This is despite central government's announcement allowing councils to charge up to an extra 2% council tax in comparison to last year's council tax. The extra council tax charge is then to be ring-fenced for funding adult social care services however, the precept realisable by councils is not sufficient to address the funding gap. According to the report by the King's Fund, if all the councils were to increase their council tax by 2% every year for the next 4 years, there will still be a funding gap of up to £3.5bn by 2020. We hardly received any fee increases from local authorities this year, yet we maintained our service standard, subsidising our costs with voluntary income generated from our fundraising activities.

More worrying than the precept is the shifting away of social care funding from the central government to locally-raised revenue and a reduction in the number of people getting publicly-funded help. As acknowledged by the Care Quality Commissioner, the adult social care sector is becoming even more fragile with a combination of a growing and ageing population, more people with long-term conditions and a challenging economic climate, leading to greater demand on services. The Spring Budget 2017 announcement of a further investment of £2bn in social care over the next 3 years is very much welcomed. We however await with interest the Government's proposed green paper on funding which should hopefully address the devolution of the further investment and approach to bridging the funding gap. As part of our long-term strategic plan, we undertook a review of some of our services so as to ensure we can focus our resources in areas most needed – delivering safe, quality and compassionate care right across what we do.

As part of the Fit for the Future strategic review, we combined our Health and Wellbeing and Life Long Learning services to offer a more cost-effective, flexible and responsive programme of activities, elected by the individual. We closed our highly specialist educational support programme that applies structural cognitive modifiability, associated with the work of Professor Reuven Feuerstein of the International Centre for the Enhancement of Learning Potential, and transferred our educational services under Binoh to Norwood Schools Limited, a subsidiary of Norwood Ravenswood. This is to ensure we can continue to

provide support or support people in choosing alternative provisions. Whilst we were also not able to continue the Norwood Drugline drop-in sessions, we carried on providing individual and community social work and counselling sessions, offering a more holistic package to the people we support.

Another challenge across the sector is the retention of a passionate and skilled workforce. The average turnover rate in adult social care in the UK is 25.4%, we averaged 16.1% in 2016/17 (2015: 14.2%). With an additional 1.5million people aged 65 or over estimated to be in England by 2025 and concerns about the impact of BREXIT on workforce recruitment and retention, the pressures on the UK's health and social care systems will continue to grow. In order to meet the growing demands in the communities we serve, we will be looking at investing more in our workforce and engaging them in the shaping of Norwood's future; continue to build a bank of casual staff; maintain good relationships with key recruitment agencies and; maximise the use of the apprenticeship levy in training and developing apprentices. 2016/17 was a very remarkable year in agency recruitment. Despite staff turnover rate rising to 21.3% (2015: 16.9%), we are very pleased to report that our 12-months average agencies' spend dropped by about 30%, the lowest it had been in 4 years. This meant that more of the income generated from services, investments or donations could be spent on direct services as opposed to agencies' premiums. We will strive to continue to build on this success in the coming years.

With effect from 1 September 2014, Local Authorities following the initiatives of the Department for Education began to replace the Statements of Special Educational Needs with EHC Plans (Education, health and Care Plans). Whilst this means the children and young people aged up to 25 with Special Educational Needs (SEN) we support that have their educational, health and social care needs brought together into a single legal document, the commissioning of our educational support services is beginning to shift from local authorities to schools. Some service contracts with the local authorities have been terminated putting more pressure on our income. We have begun to review our business model to manage this risk and shall continue to promote our services, especially our group sessions, directly to schools. Our group sessions such as peer learning and explicit meta-cognitive instruction, are financially sustainable and sit comfortably with the current drive towards improving the learning outcomes for SEN pupils. We will also seek to roll out our revised business models to other schools within the North West of London region and aim to stabilise our Hackney services including specialist and advisory teaching.

FINANCIAL REVIEW

The operating deficit before revaluation gains was £2.60m (2016: £1.86m deficit). There was a 5% decrease (2016: 7% decrease) in total incoming resources, from £33.29m to £31.53m. Income realised from charitable activities was £1.5m less than in the previous year. Also, Norwood realised less voluntary income in comparison to the previous year, reflecting the reduction in individual giving, legacies and delayed appeals as a result of staff turnover. Voluntary income (including total legacies of £0.7m) fell by 2%, to £9.4m (2016: £9.6m). In recognition of the drop in voluntary income, we will be focussing on increasing our income through a more targeted approach to legacies and events, as well as grants and lottery funding. In the coming year, we will also be looking to develop a new fundraising plan in line with our medium and long term sustainability strategy. Maintaining and growing voluntary income is critical for the future of Norwood so as to ensure it can maintain the range and quality of services it provides.

As a direct result of reviewing services provided through its subsidiaries, total expenditure decreased by 2.8% from £35.1m to £34.1m although, staffing costs remains the largest area of expenditure. The total staff expenditure was £23.6m (2016: £24.7m) a decrease of 4.4%, reflecting the reduction in workforce as a result of service closure. This also explains the increase from £125k to £464k in redundancy and termination costs (Note 7).

In 2014, a yearlong strategic review was completed in consultation with all key stakeholders, outlining the medium term plans for services provided to vulnerable children and their families, children with special educational needs and adults with learning disabilities. In 2016, Norwood reduced significantly some recurring operational costs and in 2017, it undertook an in-depth review of its Children and Educational Services. The trustees resolved to cease the provision of Hope services because it was felt

that service provisions could be more effectively delivered through combining most of the services at Binoh. The offering of Binoh was subsequently enhanced with a wider menu of support for children that were previously supported through The Hope Charity.

The Hope Charity has been operating in deficit for a number of years, however each year a grant from the parent charity, Norwood Ravenswood, was provided to fund the operating deficits. In December 2016, Binoh services were transferred to Norwood Schools Limited, which is another subsidiary of Norwood Ravenswood. As the primary debt owed by The Hope Charity, at the end of this financial year, is due to Norwood Schools Limited, a letter of support duly approved by the Board of trustees has been provided stating that the repayment of the intercompany loan will not be requested prior to 28 July 2018. The charity's continuing activities will include utilising its investment property to generate rental income and a surplus has been forecast for the 2017/18 financial year. As such, The Hope Charity's accounts have been prepared on a going concern basis.

RESERVES POLICY

The trustees consider the reserves policy of Norwood Ravenswood together with the other group entities. Reserves are maintained at a level that enables Norwood to manage financial risk and short term volatility. They allow the charity to sustain optimal levels of service delivery over the long-term, ensuring that financial commitments can be met as they fall due. At 31st March 2017, the group's total reserves are £42.1m of which £29.1m is attributable to Norwood Schools Limited. From the group's total reserves, £32.1m is unrestricted, £1.7m is endowment fund and the remaining £8.3m is restricted income fund.

The trustees have set a target range of free reserves based upon 3 and 6 months of its annual expenditure (circa £8.5m-£17m). Free reserves are unrestricted reserves, except for those elements that can only be realised by disposing of tangible or intangible fixed assets held for the charity's use. At the end of the financial year, the free reserves totalled £10.8m, as set out below. Norwood's free reserves include the unrestricted part of investment portfolio because these are readily available for spending.

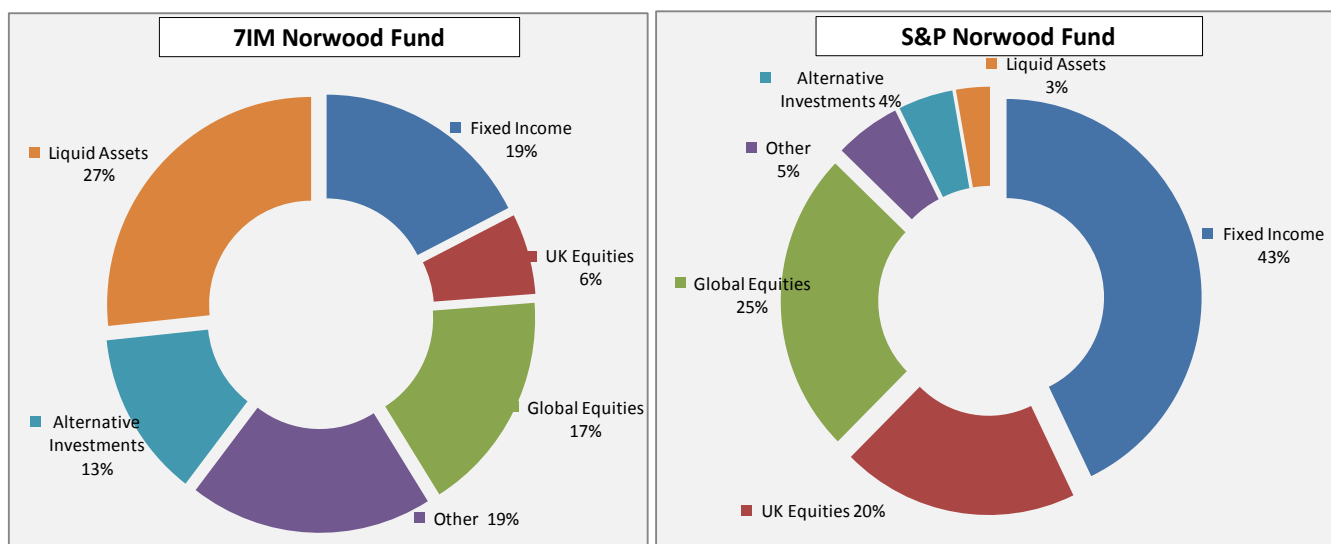
	31 March 2017 £'000	31 March 2016 £'000
Group net assets	42,094	41,586
Less endowment funds	(1,677)	(1,672)
Less restricted funds	(8,297)	(9,750)
Less fixed assets (tangible and intangible) held for the charity's use	(21,279)	(20,742)
Free reserves	10,841	9,422

The free reserves of £10.8m fall within the target reserves agreed by the Board of trustees. The charity will continue to review its reserves position and policy in light of the challenging economic environment to ensure it is consistent with its long term financial strategy.

INVESTMENT POLICY AND PERFORMANCE

Norwood holds investments in order to generate returns to help fund its charitable activities and to fund future capital projects. Our trustees adopt a prudent investment policy to ensure potential returns are well balanced with the appropriate levels of risk. The investment objective is Total Return with medium risk appetite. The market valuation of Norwood Ravenswood investment portfolio stood at £18.9m (2015: £20.3m) at the end of the year excluding the £1.3m held in liquid reserves. During the year Norwood's investment portfolio had gains of £2.7m (2016: losses of £0.6m). Working closely with the fund managers, trustees continue to monitor closely investment performance against appropriate benchmarks. The investment portfolio held with Sarasin and Partners returned a growth of 13.9% over the rolling 12 months ended 31 March 2017, 2.4% above the ARC Balanced Charity Index of 11.5%. The investment portfolio held with Seven Investment Management also outperformed investment target, returning a growth of 12.5% over the rolling 12 months ended 31 March 2017.

The trustees retained both Seven Investment Management and Sarasin and Partners as their fund managers. The managers adopt slightly different strategies; a summary of Norwood's asset allocations between both fund managers is illustrated below.



OUR FOCUS FOR 2017-18

Fit For the Future:

The focus of this project in 2016/17 was primarily on reshaping our services to focus on business priorities and improve sustainability. The next phase is proposed to include a number of operational and corporate work streams, all focussed on developing a culture of efficiency, accountability and healthy ongoing challenge and review. Our particular focus will include:

- Change management and consolidating on the efficiencies derived from the review process;
- Enhance the recruitment process and intelligent use of agencies;
- Optimising operational structures for efficient service deliveries and;
- Ongoing workforce engagement, including undertaking staff satisfaction surveys.

Income Growth:

Our priority here will be to address the evolving nature of our funding landscape, as well as the declining trends in statutory commissioning of our core accommodation services. We will seek to:

- Develop a fundraising strategy that addresses changing patterns in voluntary giving;
- Ensure a more robust marketing and communications function which underpins our fundraising activities;
- Raise and align Norwood's reputation and standing in the Jewish community with donors and community expectations;
- Maximise service placements to ensure that the potential for income in each accommodation service is capitalised upon;
- Optimise the operating contribution by maximising fees for existing placements and by achieving efficiencies;
- Continue to uphold our quality standard whilst robustly responding to fee challenges from Local Authorities and;
- Scope opportunities for chargeable services, niche and premium services to meet the needs of the communities we serve.

Property Strategy:

We will also look to develop a property strategy which is driven by:

- Our current and short-term service needs and;
- Our strategic and future service needs;

We will seek to work with key stakeholders, nationally and locally, to ensure we actively manage our assets in the most efficient way in support of our charitable objects. The implementation of a new property strategy will also ensure we gain intelligence on our portfolio of assets to maximise the Return on Capital Employed. This strategy will be supported with the development of a capital campaign.

Ravenswood Development:

The Ravenswood Development project remains a key priority for us. In the new financial year, we will be seeking planning permission with an enabling case; working with the preferred contractor in developing models of the new accommodation and the café and; identifying a programme of works for the refurbishment of the Annie Lawson Building and the further refinement of the decant programme.

PRINCIPAL RISKS AND UNCERTAINTIES

The trustees have a risk management strategy which encompasses the:

- review of the principal risks and uncertainties that the parent charity and its subsidiaries face;
- establishment of policies, systems and procedures to mitigate those risks;
- commissioning of a 3-year rolling internal audit framework and;
- evaluation of performance against set measures.

A corporate risk register is maintained which identifies the key risks with associated probability of occurrence and impact as well as setting out the mitigating actions. The three key risks identified for Norwood as at the year ended 31 March 2017 were:

Risks	Mitigating Actions
Safeguarding incidents across Norwood service areas (such as physical abuse, sexual, emotional, medication error or financial)	<ul style="list-style-type: none"> - Safeguarding Adults is a compulsory on-boarding training for all new staff. It is to ensure our workforce (staff and volunteers) are aware of the safeguarding policies and can respond accordingly. - Regular reporting and monitoring of safeguarding incidents and trends. - Having in place robust quality checks along with behavioural support plans, complaint procedure, and whistleblowing policy.
Reduction in voluntary income due to changes in demography and growth in charities competing for donations from same donors.	<ul style="list-style-type: none"> - Constant review of our activities to ensure a greater pull of participation and raising our profile within the community. - Developing a sustainable fundraising and marketing strategy. - Monitoring the non-financial impact of high yielding and low income events as well as the donors' attrition and growth rate.
Reductions in statutory income and fees for services	<ul style="list-style-type: none"> - Strategic discussions with Local Authorities and partnerships with major stakeholders. - Reviewing our service packages to identify financially vulnerable placements and ensure we are service relevant. - Looking at alternative income streams including sweating our assets.

Norwood continues to monitor the ongoing issue of the application of National Minimum Wage legislation to overnight wages paid to sleep-in staff which is an evolving risk for care sector organisations.

GOING CONCERN

Norwood Ravenswood is well placed to manage the business and economic risks we face. This assessment is supported by a strong cash flow, a sufficient level of reserves, a long-lasting relationship with our key donors and the local authorities we work with and the proven ability to retain and secure new services, such as the Barnet service contract that was re-awarded to us during the year. In making this assessment of Going Concern, the trustees have taken into account all available information about the future for at least, but not limited to, 12 months from the date the accounts are approved. We therefore have a reasonable expectation that we have sufficient resources to continue in operational

existence for the foreseeable future and believe that there are no material uncertainties that call into doubt our ability to carry on as a Going Concern. A marginal surplus of £0.5m (2016: deficit of £2.4m) was realised after taking into account revaluation gains, the total net assets of the group was £42.1m (2016: £41.6m), with £25.6m held in investments.

Our cash flow projections and planning processes take into account the current economic climate and its potential impact on the various sources of income and planned expenditure. We acknowledge the operational deficit of £2.60m at the year (2016: £1.86m) and have a clear strategy to manage the deficit, which includes the review of services under Fit for the Future project, robust financial management through more effective monthly budget monitoring processes and the proposals under the Ravenswood Village re-development plan.

STATEMENT OF PUBLIC BENEFIT

The trustees confirm that they have complied with their duty in Section 17 of the Charities Act 2011; to have regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit". Norwood Ravenswood's charitable objects are contained within its memorandum and articles and as such the trustees ensure that the charity's activities are carried out for the public benefit through its strategic priorities. This is done primarily through the delivery of services aimed at all those with a learning difficulties and children and families in need through the provision of support, within the Jewish Community and wider communities.

COMMITMENT TO FUNDRAISING GUIDANCE

We aim to adhere to the highest standards of professional fundraising. As such we are committed to ensuring that our fundraising practices meet the demands of all current regulations. We are members of the Institute of Fundraising and take care to follow the new Fundraising Regulator's Code of Fundraising Practice.

The landscape of regulatory bodies and guidance has changed considerably over recent years. We work hard to keep abreast of developments, and regularly give and seek advice from our Trustees, both directly and through our Corporate Services subcommittee. We are also working actively with the Audit and Risk committee of our board to identify any changes we need to make to our practices following the imminent introduction of GDPR (General Data Protection Regulation). We are also committed to keeping our supporters up to date with these changes

Importantly, we monitor any complaints resulting from our fundraising practices, and an annual report is sent to our Audit Committee.

SAFEGUARDING

We adopt a zero tolerance approach to abuse and we maintain a clear policy on safeguarding individuals in our care or services. With the principle that everyone has the right to live without fear, abuse and neglect, we uphold the wellbeing, empowerment, civil and human rights of everyone that we support. We train our workforce to follow the 6 key principles of the Care Act namely; empowerment; prevention; proportionality; protection; partnership and accountability. We also screen all our trustees, employees and volunteers through the Disclosure and Barring Service. All Trustees, employees and volunteers are trained in safeguarding with regular refresher training put in place. Any safeguarding issues and incidents are reported to and discussed at the Operational Services Committee, Audit and Risk Committee and the Trustee Board. Reports are also made to the care regulator, Charity Commission and the relevant Local Authority, as and when appropriate.

TRUSTEES' RESPONSIBILITIES STATEMENT

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

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland . Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in business.

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

The trustees confirm that:

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

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

This report (including the Strategic Report) was approved by order of the Board of trustees.



David Ereira
Chairman of the Board



David Smith
Joint Treasurer

28 July 2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NORWOOD RAVENSWOOD

We have audited the financial statements of Norwood Ravenswood for the year ended 31 March 2017 which comprise the consolidated and parent charity balance sheets, the consolidated statement of financial activities, the consolidated statement of cash flows, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement [set out on pages 17 - 18], 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2017 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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

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

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

Matters on which we are required to report by exception

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

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

CRudge

Carol Rudge
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London

Date: *28 July 2017*

Consolidated Statement of Financial Activities
For the year ended 31 March 2017
(Incorporating the Income and Expenditure Account)

		Unrestricted Funds 2017	Endowment Funds 2017	Restricted Income Funds 2017	Total 2017	Total 2016
	Notes	£'000	£'000	£'000	£'000	£'000
Income from:						
Donations and legacies	2	8,288	-	1,188	9,476	9,647
Charitable activities	3	20,837	-	144	20,981	22,499
Other trading activities		721	-	-	721	776
Investments	4	356	-	-	356	370
Total income		30,202	-	1,332	31,534	33,292
Expenditure on:						
Raising voluntary income	5	3,486	-	10	3,496	3,096
Trading activities	5	728	-	-	728	763
Investments	5	126	-	-	126	88
Charitable activities	5	27,353	-	2,435	29,788	31,201
Total cost		31,693	-	2,445	34,138	35,148
Net (expenditure) before revaluation gains		(1,491)	-	(1,113)	(2,604)	(1,856)
Net gains / (losses) on investments and financial instruments	10d	2,530	215	-	2,745	(575)
Net gains on revaluation of fixed assets	10d	367	-	-	367	-
Net income / (expenditure)		1,406	215	(1,113)	508	(2,431)
Transfers between funds	15	549	(210)	(339)	-	-
Net movement in funds		1,955	5	(1,452)	508	(2,431)
Reconciliation of funds:						
Total funds brought forward	21	30,164	1,672	9,750	41,586	44,017
Total funds carried forward	21	32,119	1,677	8,298	42,094	41,586

The comparative figures for each fund are shown in the notes to the financial statements (Note 24).

The accompanying notes from pages 24-49 form an integral part of these accounts.


Consolidated and Parent Charity Balance Sheet
As at 31 March 2017

		GROUP		PARENT CHARITY	
		2017	2016	2017	2016
		£'000	£'000	£'000	£'000
Fixed Assets	Note				
Intangible fixed assets	8	400	512	-	-
Tangible fixed assets	9	20,879	20,230	1,255	1,725
Investments: Managed investment portfolio	10a	18,904	20,336	16,735	17,658
Directly managed property	10b	6,715	5,700	-	-
Total fixed assets		46,898	46,778	17,990	19,383
Current Assets					
Debtors	12	2,008	2,884	408	1,335
Current assets investments		-	1	-	1
Cash at bank and in hand		3,279	2,532	1,573	2,192
Total current assets		5,287	5,417	1,981	3,528
Liabilities					
Creditors: amounts falling due within one year	13	(4,174)	(4,576)	(6,450)	(9,214)
Net current assets / (liabilities)		1,113	841	(4,469)	(5,686)
Total assets less current liabilities		48,011	47,619	13,521	13,697
Creditors: amount falling due after one year	14	(5,917)	(6,033)	-	-
Total net assets		42,094	41,586	13,521	13,697
Funds					
Including cumulative revaluation gains of £2,631k (2016: £641k)					
Restricted funds	15	8,298	9,750	67	192
Endowment funds		1,677	1,672	1,677	1,672
Unrestricted funds	15	32,119	30,164	11,777	11,833
Total Fund		42,094	41,586	13,521	13,697

The accompanying notes from pages 24-49 form an integral part of these accounts.

Approved by the Board of trustees on 28 July 2017.


David Ereira
Chairman of the Board


David Smith
Joint Treasurer

Consolidated Statement of Cash Flows
For the year ended 31 March 2017

		2017	2016
	Note	£'000	£'000
Cash flows from operating activities:			
Net cash (used in) by operating activities	22	(286)	(975)
Cash flows from investing activities:			
Dividends, interest and rent from investments	4	356	370
Purchase of tangible fixed assets	9	(2,776)	(808)
Purchase of intangible fixed assets	8	(126)	(101)
Proceeds on sale of tangible fixed assets		89	11
Purchase of fixed asset investments	10	(3,736)	(9,300)
Proceeds on disposal of fixed asset investments	10	6,579	9,944
Proceeds from sales of investments	10	1,313	-
Payments on financial instruments		(280)	(294)
Net Cash provided by / (used in) investing activities		1,419	(178)
Cash flows from financing activities:			
Interest payable on bank loan	5	(74)	(88)
Loan repaid		(313)	(300)
Net Cash (used in) financing activities		(387)	(388)
Change in cash and cash equivalents in the reporting period		746	(1,541)
Cash and cash equivalents at the beginning of the period		2,533	4,074
Cash and cash equivalents at the end of the reporting period	22	3,279	2,533

The accompanying notes from pages 24-49 form an integral part of these accounts.

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the consolidated financial statements are as follows:

a) Basis of preparation

The consolidated financial statements have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the 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 2015.

The financial statements are presented in Sterling (£).

Norwood meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared consolidating the results of the charity – Norwood Ravenswood - and its subsidiaries – Norwood Schools Limited and The Hope Charity – which are also registered charitable companies limited by guarantee. The charities within the Norwood group are separately registered and governed by their own memorandum and Articles of Association. All activities of the charity and its subsidiaries have been fully consolidated, as in all cases the charity is the sole member.

The Hope Charity has been operating in deficit for a number of years, however each year a grant from the parent charity, Norwood Ravenswood, was provided to fund the operating deficits. In December 2016, Binoh services were transferred to Norwood Schools Limited, which is another subsidiary of Norwood Ravenswood. As the primary debt owed by The Hope Charity, at the end of this financial year, is due to Norwood Schools Limited, a letter of support duly approved by the Board of trustees has been provided stating that the repayment of the intercompany loan will not be requested prior to 28 July 2018. The charity's continuing activities will include utilising its investment property to generate rental income and a surplus has been forecast for the 2017/18 financial year. As such, The Hope Charity's accounts have been prepared on a going concern basis.

The financial statements also represent a consolidation of activities of the Charity's linked charity – Norwood Home for Jewish Children. As at 31 March 2017, Norwood Home for Jewish Children is the only charity that is linked with the parent charity. The results of the company relate to the activities, assets and liabilities undertaken by the company in its own name. There were no financial activities undertaken by the linked charity (under the Charities Act 2011) during the year and no funds were held for it.

b) Preparation of the accounts on a going concern basis

After reviewing the group's forecasts and projections, the trustees consider that the group is well placed to manage the business risks it faces. This position is supported by a strong cash flow, a sufficient level of reserves, a good relationship with key funders and the proven ability to retain and secure new services. The trustees therefore have a reasonable expectation that the group has sufficient resources to continue in operational existence for the foreseeable future and believe that there are no material uncertainties that call into doubt the ability of the group to continue as a going concern. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

Notes to the Financial Statements
For the year ended 31 March 2017(continued)

c) Estimates and judgements

The preparation of financial statements requires management to make estimates, judgements and assumptions that affect reported assets and liabilities as at the balances sheet date and, the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Fair value of financial instruments:

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Norwood has a Collar to hedge the interest rate risks of its long term loan. This financial instrument is initially recognised at fair value, which is normally the transaction price. In certain circumstances, the initial fair value may be based on a valuation technique, which may lead to the recognition of profits or losses at the time of initial recognition. However, these profits or losses can only be recognised when the valuation technique used is based solely on observable market inputs. Subsequent to initial recognition, the collar is carried at fair value, with changes in fair value either reported within the Statement of Financial Activities or within equity until the instrument is sold or becomes impaired. Details of the type and classification of the group's financial instruments are set out in Note 10.

Fair value of equity investments:

Equity investments are fair valued by applying various valuation techniques, such as earnings multiples, net assets multiples, discounted cash flows, and industry valuation benchmarks. Disposal of such investments are generally by market trades or private sales. Details of the type and classification of the Group's equity investments are set out in Note 10 to the accounts.

Other significant estimates and assumptions:

Significant estimates and assumptions in these Consolidated Financial Statements require the exercise of judgment and are used for, but not limited to, allowance for doubtful clients or local authorities' accounts, estimates of future cash flows and other assumptions associated with asset impairment tests, useful lives for depreciation and amortization, determination of discount and other rate assumptions for lease classification and contingencies. Due to the inherent uncertainty involved in making estimates, actual results reported in future periods may be different from these estimates.

d) Income

All income is accounted for when Norwood has entitlement, there is probability of receipt and the amount is measurable.

Legacies:

Legacies are accounted for when notified, providing the amount can be reliably measured and that ultimate receipt is probable. A receipt is deemed probable when:

- there has been a grant of probate;
- the executors have established that there is sufficient asset in the estate after settling any liabilities to pay the legacy or confirmation of a fixed sum has been confirmed as receivable by the executor where the Norwood's interest in the legacy is not residuary and;
- any condition attached to the legacy is either within the control of the charity or has been met.

Where the legacy is measurable but the criteria for income recognition have not been fully met, then the legacy is treated as a contingent asset and disclosed if material in Note 18 of the Financial Statements.

Where a payment is received from an estate after the reporting date but before the accounts are signed and it is clear that the payment had been agreed by the executors prior to the end of the reporting period, the payment is treated as an adjusting event and accrued in the reporting year as income.

Notes to the Financial Statements
For the year ended 31 March 2017(continued)

Gifts in kind:

Donated goods and services are included as income within the Statement of Financial Activities (with an equivalent amount in expenditure) at the estimated value to Norwood, where this is reasonably quantifiable, measurable and material.

Grants:

Grant income is recognised in the statement of financial activities when received or when Norwood becomes entitled to receipt. Grants that have been received will be treated as deferred income where there are specific requirements in the terms of the grant that the income recognition is dependent on certain activities being completed in a future accounting period.

Interest receivable:

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by Norwood which is usually upon notification of the interest paid or payable by the Bank.

e) Fund Accounting

Restricted, endowment, designated and unrestricted funds are separately disclosed, as set out in Note 15. Restricted funds are resources donated, the uses of which are subject to specific restrictions imposed by the donors or by the nature of the appeal. Designated funds are unrestricted fund set aside at the discretion of the Board for specific purposes. Endowment funds are funds where capital is retained and has been invested to provide income that is subject to specific restriction by the donor. All other types of funds which are not endowments, restricted or designated funds form part of general funds. General funds are available to spend at the discretion of the Board, in furtherance of the charitable objectives of the charity. Transfers to and from designated funds are recognised as and when the Board designates or un-designates funds.

f) Expenditure

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.

Cost of raising funds:

The costs of raising funds comprise of costs associated with charitable expenditure including fundraising, trading costs and publicity.

Irrecoverable VAT:

Irrecoverable VAT is charged as a cost to the Statement of Financial Activities, being allocated on the same basis as the underlying expenditure to which it relates.

Support costs:

Support costs are allocated to the different categories of activities. This is based different apportionment bases as identified in Note 5 of the financial statements. Support costs include financial management, information systems, central management, human resources, property and facilities management, Jewish culture, volunteering and risk and assurance.

Governance Costs:

Governance costs, other than those disclosed specifically in the notes to these accounts, are included within support costs and allocated on the same basis across services, as per Note 5. Governance costs relate to costs associated with the governance arrangements of the Norwood. These costs will normally include internal and external audit fees, legal advice for trustees and costs associated with constitutional and statutory requirements, for example the cost of trustee meetings and preparing statutory accounts. Also included within governance costs are any costs associated with the strategic as opposed to day-to-day management of the charity's activities. An appropriate proportion of the central management support costs have also been attributed as governance costs to reflect the cost of Norwood's employees involved in meetings with the trustees and the cost of all administrative support provided to the trustees.

Notes to the Financial Statements
For the year ended 31 March 2017(continued)

Grants payable:

Grants to individuals are recognised on payment and grants to institutions are recognised when there is a constructive obligation to make the payment.

g) Intangible and tangible fixed assets

Intangible fixed assets:

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses (if applicable). Software development costs are recognised as an intangible asset when all of the following criteria are demonstrated:

- The technical feasibility of completing the software so that it will be available for use or sale.
- The intention to complete the software and use or sell it.
- The ability to use the software or to sell it.
- How the software will generate probable future economic benefits.
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the software.
- The ability to measure reliably the expenditure attributable to the software during its development.

Amortisation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight-line method. The intangible assets are amortised over the following useful economic lives:

Software costs - 4 to 7 years

Tangible fixed assets:

Expenditure relating to tangible fixed assets is expected to be used over several years and where the combined value of the asset or group of assets exceeds £1,000 they are capitalised at cost and depreciated over their estimated useful economic lives on a straight line basis.

Depreciation is provided on tangible fixed assets in order to write off their cost to their estimated realisable values by annual instalments over the following expected useful lives:

Freehold land	- not depreciated
Freehold buildings	- 50 years
Long leasehold land and buildings	- 50 years or length of lease if shorter
Freehold and leasehold improvements	- 10 years
Motor vehicles	- 10 years
Furniture, fixtures, fittings and equipment	- 4 years

Where there are indications that assets are or may be impaired in value or use, an impairment review is undertaken to establish the net realisable value and the value in use. The carrying amount of the assets is reduced by any excess over the higher of these valuations.

In the course of capital projects where costs are incurred for payments on account and assets under construction or installation of equipment, they are not subject to depreciation until they are reclassified after their completion and available for use.

h) Financial instruments

Norwood operates basic financial instruments in terms of its assets and liabilities.

Financial assets:

Financial asset represent financial resources available to the charity and include financial investments in equities, debtors, intercompany debtors, cash and accrued income. Financial assets are carried at fair value and changes in fair value are recognised in the Statement of Financial Activities. Fair value of financial instruments is established by the open market value of the asset.

Notes to the Financial Statements
For the year ended 31 March 2017(continued)

Financial Liabilities:

Financial liabilities are recognised on the date on which Norwood becomes a party to the contractual provisions of the instrument giving rise to the liability. These include trade creditors, other creditors, loan, accruals and intercompany creditors. Financial liabilities are initially recognised at fair value plus transaction costs and are no longer recognised when the contractual obligations are discharged, cancelled or expire. The bank loan shown in creditor amount falling due after one year is recognised at its principal amount advanced less capital repayments.

i) Investments

Investment properties:

Investment properties are revalued annually by the trustees and every third year by independent Chartered Surveyors on a fair value basis. Gains and losses are recognised in the Statement of Financial Activities account for the period. Therefore no depreciation is provided on investment properties.

Equity Investments:

Equity investments are stated at fair value. Changes in fair value are recorded in the Statement of Financial Activities. Unrealised gains and losses are calculated based on the carrying value of the investments in the Balance Sheet.

Investment management fees:

Norwood investments are held within collective investment schemes and managed by fund managers. The investment income is reported net of investment management costs. The investment management fees are disclosed Note 5.

j) Debtors

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

j) 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.

l) Creditors and provisions

Creditors and provisions are recognised when Norwood has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due. Most amounts provided for are expected to be settled within 12 months and are therefore recognised at the estimated settlement amount.

m) Employee benefits

Short-term employee benefits are those expected to be settled wholly before twelve months after the end of the annual reporting period during which employee services are rendered, but to not include termination benefits. These include wages, salaries and any other benefits paid to current employees. All short-term employee benefits are recognised as expenses in the period in which they are incurred. Post-employment benefits, representing contributions into defined contribution plans for current employees are equally recognised as expenses in the period in which the contribution payable is exchanged for services rendered by employees. The assets of the scheme are held separately from the charity. A termination benefit liability is recognised at the earlier of the following dates:

- when the entity can no longer withdraw the offer of those benefits or ;
- when the entity recognises costs for the restructuring which involves the payment of termination benefits.

n) Leases

Operating lease rentals are charged to the Statement of Financial Activities as they are incurred.

Notes to the Financial Statements
For the year ended 31 March 2017 (continued)

2. Incoming resources from donations and legacies

	Unrestricted Funds	Endowment Funds	Restricted Funds	Total 2017	Total 2016
	£'000	£'000	£'000	£'000	£'000
Donations	7,425	-	1,033	8,458	8,555
Legacies	863	-	-	863	973
Grants	-	-	155	155	119
Total	8,288	-	1,188	9,476	9,647

3a. Incoming resources from charitable activities by income group

	Unrestricted Funds	Endowment Funds	Restricted Funds	Total 2017	Total 2016
	£'000	£'000	£'000	£'000	£'000
Statutory income from Local Authorities	19,155	-	-	19,155	20,368
Gross fee income	372	-	144	516	657
Less: bursaries and grants	(5)	-	-	(5)	(19)
Rental income	1,103	-	-	1,103	1,061
Other income	212	-	-	212	432
Total	20,837	-	144	20,981	22,499

3b. Incoming resources from charitable activities by service area

	Unrestricted Funds	Endowment Funds	Restricted Funds	Total 2017	Total 2016
	£'000	£'000	£'000	£'000	£'000
Adults services	18,775	-	-	18,775	20,421
Family services	110	-	-	110	71
Children services	1,934	-	144	2,078	1,859
Support services	18	-	-	18	148
Total	20,837	-	144	20,981	22,499

4. Incoming resources from investments

	Unrestricted Funds	Endowment Funds	Restricted Funds	Total 2017	Total 2016
	£'000	£'000	£'000	£'000	£'000
Bank deposit interest	4	-	-	4	19
Dividends	2	-	-	2	2
Rental income from investment property	350	-	-	350	349
Total	356	-	-	356	370

Notes to the Financial Statements
For the year ended 31 March 2017 (continued)

5a. Resources expended

	Direct Staff Costs	Other Direct Costs	Reallocated Support Cost	Total 2017	Total 2016
	£'000	£'000	£'000	£'000	£'000
Cost of generating voluntary income	1,082	2,231	183	3,496	3,096
Cost of trading	308	300	120	728	763
Cost of generating investment income	-	126	-	126	88
Total cost of raising funds	1,390	2,657	303	4,350	3,947
Charitable expenditure:					
Adults services	15,485	5,266	3,089	23,840	25,828
Family services	1,128	(391)	368	1,105	1,802
Children services	2,793	1,654	396	4,843	3,571
Total cost of charitable expenditure	19,406	6,529	3,853	29,788	31,201
Total resources expended	20,796	9,186	4,156	34,138	35,148

5b. Analysis of reallocated support costs with bases of apportionments

Support costs (basis of apportionment)	Adults services	Family services	Children services	Voluntary income	Trading	Total 2017	Total 2016
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Financial Management <i>(percentage of staff)</i>	560	27	44	22	8	661	598
Information Systems <i>(number of PCs)</i>	522	145	152	49	21	889	978
Human Resources <i>(percentage of staff)</i>	742	39	61	29	12	883	1,029
Property and Facilities <i>(area occupied)</i>	227	35	9	-	23	294	735
Central Management <i>(percentage of staff)</i>	628	20	44	23	6	721	353
Jewish culture <i>(percentage of staff)</i>	85	4	7	3	2	101	752
Risk and Assurance <i>(percentage of staff)</i>	67	3	5	3	1	79	94
Volunteering <i>(number of volunteers)</i>	39	69	37	4	38	186	79
Governance <i>(percentage of staff)</i>	219	26	36	51	9	341	303
Total	3,089	368	395	183	120	4,156	4,921

Notes to the Financial Statements
For the year ended 31 March 2017 (continued)

5c. Resources expended also include

		Total 2017	Total 2016
		£'000	£'000
External audit and related costs:	Statutory audit of the company	-	4
	Statutory audit of the subsidiary undertakings	30	30
	Statutory audit of group - additional fees for FRS 102 conversion	-	9
	Other: Tax	3	1
Depreciation of owned fixed assets		1,661	1,692
Interest payable on bank loan		74	88
Operating lease rentals:	Plant & machinery	198	217
	Properties	467	467
Trustees' indemnity insurance premiums		2	7

6. Subsidiaries and parent charities

Norwood Ravenswood has six dormant subsidiary undertakings. Details of each subsidiary undertaking are listed in Note 11 as well as details of linked charities. The summary results for the active subsidiaries with the assets and liabilities of each subsidiary undertakings and the parent charity are as shown below.

	The Hope Charity	Norwood Schools Limited	Parent Charity
	£'000	£'000	£'000
2017			
Incoming resources/ turnover	979	29,253	8,302
Resources expended	(1,833)	(28,827)	(10,478)
Net gains on investments	781	332	1,999
Net (expenditure) / income for the year	(73)	758	(177)
Total assets	1,354	38,721	19,975
Total liabilities	(1,467)	(9,648)	(6,450)
Net (liabilities) / assets	(113)	29,073	13,525

Notes to the Financial Statements
For the year ended 31 March 2017 (continued)

6. Subsidiaries and parent charities (continued)

	The Hope Charity	Norwood Schools Limited	Parent Charity
	£'000	£'000	£'000
2016			
Incoming resources/turnover	1,908	30,680	8,904
Resources expended	(2,691)	(29,533)	(11,134)
Net gains / (losses) on investments	-	(190)	(385)
Net (expenditure) / income for the year	(783)	957	(2,615)
Total assets	752	38,396	22,911
Total liabilities	(792)	(10,081)	(9,214)
Net (liabilities) / assets	(40)	28,315	13,697

7. Staff costs, trustees remuneration and expenses and cost of key management personnel

	2017	2016
	£'000	£'000
Direct staff expenditure:		
Wages and salaries	19,139	19,193
Social security costs	1,643	1,707
Pension costs	538	564
Total direct staff costs	21,320	21,464
Other Staff expenditure:		
Agency costs	1,845	2,856
Other staff costs	462	380
Total staff expenditure	23,627	24,700

Redundancy and termination costs included in the costs above:

	2017	2016
	£'000	£'000
Statutory redundancy payments	272	25
Payments in Lieu of notice period	150	57
Ex gratia payments	42	43
Total payments on termination included above	464	125

The ex-gratia payments were compensations for loss of office.

Notes to the Financial Statements
For the year ended 31 March 2017 (continued)

7. Staff costs, trustees remuneration and expenses and cost of key management personnel (continued)

Average number of staff employed and the full-time equivalent

	Staff employed		Full-time equivalent	
	2017	2016	2017	2016
	Number	Number	Number	Number
Fundraising	43	45	30	30
Adults' Services	797	800	526	544
Children and Family Services	69	89	34	35
Education and Support	66	87	39	48
Support Services	89	91	72	67
	1,064	1,112	701	724

The number of employees who earned more than £60,000 during the year was:

	2017	2016
	Number	Number
£60,001 - £70,000	1	2
£70,001 - £80,000	2	1
£80,001 - £90,000	1	2
£90,001 - £100,000	1	2
£120,001 - £130,000	-	1
£130,001 - £140,000	1	-

Contributions made to the pension scheme for the six (2016 - eight) employees who earned more than £60,000 amounted to £107,684 (2016- £106,401).

The trustees and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis.

Trustees received no remuneration and were not reimbursed any expenses in either year.

The total employee benefits of the key management personnel of the group were £638,354 (2016: £728,588).

7b. Pensions

Norwood operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the charity. Contributions payable in respect of the year were £538,000 (2016 - £564,000) of which £57.5k was outstanding at 31 March 2017.

Notes to the Financial Statements
For the year ended 31 March 2017 (continued)

8. Intangible fixed assets

	Group Computer Software	Parent Computer Software
	£'000	£'000
Cost		
At 1 April 2016	2,219	21
Additions	126	-
Disposals	-	-
At 31 March 2017	2,345	21
Depreciation		
At 1 April 2016	1,707	21
Charge for the year	238	-
Disposals	-	-
At 31 March 2017	1,945	21
Net Book Values:		
At 31 March 2017	400	-
At 31 March 2016	512	-

9a. Group tangible fixed assets

	Freehold properties	Long leasehold properties	Motor vehicles	Fixtures, Furniture & Equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 April 2016	30,077	4,651	901	6,648	42,277
Additions	2,008	52	59	657	2,776
Disposals	(3)	(337)	(129)	(54)	(523)
Transfer to investment properties	(15)	(1,375)	-	-	(1,390)
At 31 March 2017	32,067	2,991	831	7,251	43,140
Depreciation					
At 1 April 2016	14,769	2,066	437	4,775	22,047
Charge for the year	565	151	77	630	1,423
Disposals	(3)	(290)	(123)	(51)	(467)
Transfer to investment properties	-	(742)	-	-	(742)
At 31 March 2017	15,331	1,185	391	5,354	22,261
Net Book Values:					
At 31 March 2017	16,736	1,806	440	1,897	20,879
At 31 March 2016	15,308	2,585	464	1,873	20,230

Notes to the Financial Statements
For the year ended 31 March 2017 (continued)

9b. Parent tangible fixed assets

	Freehold properties	Long leasehold properties	Fixtures, Furniture & equipment	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 April 2016	949	2,400	315	3,664
Additions	-	-	8	8
Disposals	-	-	-	-
Transfer to investment properties	-	(790)	-	(790)
At 31 March 2017	949	1,610	323	2,882
Depreciation				
At 1 April 2016	546	1,084	309	1,939
Charge for the year	8	42	14	64
Disposals	-	-	-	-
Transfer to investment properties	-	(376)	-	(376)
At 31 March 2017	554	750	323	1,627
Net Book Values:				
At 31 March 2017	395	860	-	1,255
At 31 March 2016	403	1,316	6	1,725

10a. Investments: managed portfolio

Market Value	GROUP		PARENT CHARITY	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Market values at 1 April	20,336	21,511	17,658	18,687
Investment acquired in the year	3,736	9,300	2,295	9,300
Disposals in the year	(6,579)	(9,886)	(4,949)	(9,886)
Net investment gains/(losses)	2,724	(589)	2,390	(443)
Assets liquidated and classified as cash	(1,313)	-	(659)	-
Market value at 31 March	18,904	20,336	16,735	17,658

At the end of the year, the total value of the portfolio was £20.2m including a cash deposit of £1.3m held as liquid reserves. This has been included in Cash at bank and in hand in the Group's Balance Sheet.

Notes to the Financial Statements
For the year ended 31 March 2017 (continued)

10a. Investments: managed portfolio (continued)

Historical Cost for comparison	GROUP		PARENT CHARITY	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Historical cost at 31 March	16,639	19,695	14,836	17,409

Cumulative revaluation gains for the year	2,265	641	1,899	249
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The proportions of non-property investments by market value invested by fund manager was:

Seven Investment Management Limited	55%	55%	49%	48%
Sarasin and Partners	45%	45%	51%	52%

The underlying investments may also be analysed as follows:

Equity Investments by type	GROUP		PARENT CHARITY	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Multi-asset Investment Funds	18,889	20,277	16,721	17,629
Cash	15	59	14	29
Market Value at 31 March	18,904	20,336	16,735	17,658

Note 10b: Investments - Directly Managed Property

Market Value	GROUP		PARENT CHARITY	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Valuation at 1 April	5,700	5,700	-	-
Transfer from tangible fixed assets	648	-	414	-
Net investment gains / (losses) - unrealised	367	-	(414)	-
Carrying values at 31 March	6,715	5,700	-	-

Notes to the Financial Statements
For the year ended 31 March 2017 (continued)

10b. Investments: directly managed property (continued)

The investment property as at 1 April relates to the part of the building at 80-82 The Broadway leased to a third party. A comprehensive triennial revaluation of this asset is undertaken by an independent valuation company. The last triennial valuation was undertaken on 29 June 2016 by CBRE, for period to end of March 2016. The trustees have determined the value of £5.70m is appropriate for the year ended 31 March 2017. The valuation prepared by CBRE was in accordance with the RICS valuation and the RICS Valuation Professional Standards UK 2014 (revised April 2015) (“the Red Book”).

The “Transfer to investment properties” relates to the charity's long leasehold interests in 228 Walm Lane and 85a Lordship Road which the trustees resolved to lease to third parties. For 228 Walm Lane, an initial valuation was undertaken on 26 May 2017 for period to the end of March 2017 by a property consultancy firm. The trustees have determined the value of £1.02m is appropriate. For 85a Lordship Road, a £nil investment valuation has been assumed until the complexities around the land ownership arrangements are resolved.

10c. Current assets investments

	GROUP		PARENT CHARITY	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Fair Values at 1 April	1	1,001	1	1,001
Investment in the year	-	-	-	-
Disposals in the year	(24)	(1,058)	(24)	(1,058)
Net Investment gains	23	58	23	58
Carrying values and historical cost at 31 March	-	1	-	1

10d. Net gains/(losses) on revaluations

Market Value	GROUP		PARENT CHARITY	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Net gains/(losses) on fixed asset investments	2,724	(589)	2,390	(443)
Net gains / (losses) on current asset investments	23	58	23	58
Net (losses) / gains on financial instruments	(2)	(44)	-	-
Net gains / (losses) on fixed asset investments: mixed used property	367	-	(414)	-
Net gains/(losses) on investments	3,112	(575)	1,999	(385)

The financial instrument (Loan Collar) has been valued by the Royal Bank of Scotland for the year ended 31 March 2017. The basis of the valuation is a mid-market price and is indicative only as the valuation may differ from actual quote of a live price to unwind the Collar. Further disclosure is contained in Note 14 of these Financial Statements.

Notes to the Financial Statements
For the year ended 31 March 2017 (continued)

11a. Interests in subsidiary undertakings

Subsidiary Undertaking	Activity / Status	Company Registration Number	Charity Registration Number
Norwood Schools Limited	Charitable activities	00516901	307992
The Hope Charity	Active company but with discounted operations	03171884	1056674
Norwood Ravenswood Services Limited	Dormant company	02260648	n/a
Sussex Tikvah	Dormant company	01699597	286802
Norwood Child Care Foundation	Dormant company	02291681	Removed
Ravenswood Foundation	Dormant company	02617972	Removed
The Parry Charitable Foundation	Dormant company	02790100	Removed
Norwood Home for Jewish Children	Dormant company with linked charities	n/a	312359
Drugsline	Dissolved in 2016/17	n/a	n/a

The Parent Company is Norwood Ravenswood. All subsidiary undertakings are 100% owned or controlled and incorporated in England. All are included in the Group accounts. Norwood Ravenswood Services Limited is a wholly owned subsidiary company which has one of Norwood Ravenswood's trustees as directors. The total amount invested in the ordinary share capital of this subsidiary company is £3. Norwood Ravenswood is a corporate trustee of The Hope Charity, The Parry Charitable Foundation, Sussex Tikvah and Norwood Home for Jewish Children.

11b. Linked Charities

According to Section 12 of the Charities Act 2011, the following charities are linked to Norwood Home for Jewish Children for registration and accounting purposes. Norwood Ravenswood, the Parent Company, remains the sole trustee for these charities. There were no activities during the year or any fund balances in the charities. In line with section 21 of the Charity SORP FRS 102, names of the linked charities are disclosed below.

- > Norwood General Endowment Fund
- > The Norwood Fund for Advancement of Religion
- > Norwood Music Fund
- > Mrs Behrend's Library Endowment
- > Norwood Educational Fund
- > Norwood Fund for Advancement in Life
- > Norwood Recreational Fund
- > Doctor Henry Behrend's Memorial Library

Notes to the Financial Statements
For the year ended 31 March 2017 (continued)

12. Debtors

	GROUP		PARENT CHARITY	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Trade debtors and Local Authorities' debts	1,131	1,677	-	-
Accrued legacies (Note 18)	76	414	76	414
Amount due from group undertakings	-	-	-	621
Other debtors	85	19	31	30
Prepayments	702	774	301	270
Accrued income	14	-	-	-
Total debtors	2,008	2,884	408	1,335

13. Creditors: amount falling due within one year

	GROUP		PARENT CHARITY	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Accruals and deferred income	1,466	1,681	351	354
Amount due to group undertakings	-	-	6,012	8,745
Bank loan repayable within one year	357	304	-	-
JCoSS PSRP grant (see note 16)	104	104	-	-
Other creditors	21	323	-	2
Other taxes and social security costs	470	414	-	-
Trade creditors	1,588	1,302	87	113
Market Value of financial Instrument	168	448	-	-
Total creditors due in less than one year	4,174	4,576	6,450	9,214

Notes to the Financial Statements
For the year ended 31 March 2017 (continued)

14. Creditors: amount falling due after one year

	GROUP		PARENT CHARITY	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Bank loan repayable within two to five years	1,282	1,263	-	-
Bank loan repayable after five years	3,749	4,084	-	-
	5,031	5,347	-	-
Provision for Dilapidation	160	-	-	-
Rental Deposit	40	-	-	-
JCoSS PSRP grant (see note 16)	436	436	-	-
Loan, which is interest free, secured by a charge over a property and repayable after 10 September 2019.	250	250	-	-
Total creditors due in more than one year	5,917	6,033	-	-

Provision for dilapidation was included in creditors due within one year in 2016.

Loan: In October 2007 Norwood purchased Broadway House in Stanmore with a 25 year loan taken with RBS for 80% of purchase price, £6.68m. Capital repayments commenced after 60 months of loan issue (first 5 years is interest only). The bank loan is secured by a charge over Broadway House, Stanmore and is repayable in 240 monthly instalments from November 2012.

Collar: In October 2007, a Base Rate Collar was signed with RBS with base rate fixed between 5.25% and 6.5% for 10 years until 18 October 2017. Currently, the effective interest cost is between 6.25% and 7.5%. An annual valuation of this non-basic financial instrument is obtained and the basis of the valuation is a mid-market price, reported in either cash value or as a percentage of nominal. The valuation is provided by The Royal Bank of Scotland plc.

Notes to the Financial Statements
For the year ended 31 March 2017 (continued)

15a. Group Restricted Income Funds

		1 April 2016	Incoming resources	Outgoing resources	Transfer between funds	Investment gains and losses	31 March 2017
	note:	£'000	£'000	£'000	£'000	£'000	£'000
K C Sasha Assistive Technology Fund	i	190	412	(404)	-	-	198
Barkingside Jews Fund	ii	21	-	(21)	-	-	-
Birthingright Trip Travel Fund	iii	37	9	(45)	-	-	1
Early Learning Centre Fund	iv	-	35	-	-	-	35
JAPH Fund	v	29	-	(1)	-	-	28
JCoSS PSRP Fund	vi	1,506	-	(125)	23	-	1,404
Lyonsdown Road Service Delivery Fund	vii	-	48	(19)	-	-	29
Phyllis Somers Capital & Service Delivery Fund	viii	4,884	-	(985)	-	-	3,899
Pyramid Club Early Intervention Fund	ix	51	-	(25)	-	-	26
Somers Court & Residential Accommodation Fund	x	194	-	-	-	-	194
Somers Court (ex Daniel Ct.)		477	-	-	(86)	-	391
Supported Living Properties Fund:	xi	21	-	-	-	-	21
11 Highview Gardens		736	-	-	(44)	-	692
Holmbury Avenue		441	-	-	(19)	-	422
Greenwood Road		214	-	-	(15)	-	199
Sussex Tikvah Fund	xii	269	-	-	(8)	-	261
Tager Autistic Centre Fund	xiii	22	-	(4)	-	-	18
The Grange Fund	xiv	275	-	-	(66)	-	209
Village Building Fund	xv	67	3	(70)	-	-	-
Binoh Speech and Language Fund	xvi	-	53	-	-	-	53
Harper Collins fund	xvii	124	-	-	(124)	-	-
Lira Abeleva (Novi Dom)	xviii	53	-	-	-	-	53
Binoh Early Learning Support	xix	9	35	(44)	-	-	-
Binoh General Restricted Fund	xx	-	4	(4)	-	-	-
Binoh Speech and Language Therapy	xxi	-	53	(53)	-	-	-
Hope General Restricted fund	xxii	-	19	(19)	-	-	-
Binoh Education Service Review	xxiii	33	33	(66)	-	-	-
Other funds each valued under £20k		97	628	(560)	-	-	165
		9,750	1,332	(2,445)	(339)	-	8,298

15b. Group endowment funds

		1 April 2016	Incoming resources	Outgoing resources	Transfer between funds	Investment gains and losses	31 March 2017
	note:	£'000	£'000	£'000	£'000	£'000	£'000
Ernst & Dola Fischer fund	xxiv	348	-	-	(8)	45	385
Endowment fund for Jewish Children	xxv	225	-	-	(28)	28	225
Somers fund	xxvi	1,099	-	-	(174)	142	1,067
		1,672	-	-	(210)	215	1,677

Notes to the Financial Statements
For the year ended 31 March 2017 (continued)

15c. Group unrestricted funds – designated funds

	1 April 2016	Incoming resources	Outgoing resources	Transfer between funds	Investment gains and losses	31 March 2017
	£'000	£'000	£'000	£'000	£'000	£'000
PSRP at JCoSS Designated fund	173	-	-	(23)	-	150
	173	-	-	(23)	-	150

15d. Group unrestricted funds – general funds

	1 April 2016	Incoming resources	Outgoing resources	Transfer between funds	Investment gains and losses	31 March 2017
	£'000	£'000	£'000	£'000	£'000	£'000
General funds	29,991	30,202	(31,693)	572	2,897	31,969
	29,991	30,202	(31,693)	572	2,897	31,969
Total funds (a+b+c+d)	41,586	31,534	(34,138)	-	3,112	42,094

15e. Parent Charity: Funds (unrestricted, endowment and restricted)

	1 April 2016	Incoming resources	Outgoing resources	Transfer between funds	Investment gains and losses	31 March 2017
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted Fund:						
Designated fund JCoSS	1,220	-	-	(1,220)	-	-
General fund	10,613	8,293	(10,468)	1,554	1,785	11,777
	11,833	8,293	(10,468)	334	1,785	11,777
Endowment funds:						
Ernst & Dola Fischer fund	348	-	-	(8)	45	385
Endowment fund for Jewish Children	225	-	-	(28)	28	225
Somers fund	1,099	-	-	(174)	142	1,067
	1,672	-	-	(210)	215	1,677
Restricted Funds:						
Harper Collins fund	124	-	-	(124)	-	-
Lira Abeleva (Novi Dom)	53	-	-	-	-	53
Other funds valued under £50,000	15	9	(10)	-	-	14
	192	9	(10)	(124)	-	67
	13,697	8,302	(10,478)	-	2,000	13,521

Notes to the Financial Statements
For the year ended 31 March 2017 (continued)

15f. Funds notes

Transfer between funds:

The transfer from restricted funds to designated funds reflects Norwood's commitment under the fund condition and the fulfilment of conditions in line with the restrictions

Notes:

- i K C Sasha Assistive Technology Fund
The funds are used to provide assistive technology and associated support to adults and young people with learning difficulties and complex needs.
- ii Barkingside Jews Fund
Particularly used to support services provided within the Redbridge area.
- iii Birthright Trip Travel Fund
This fund provides additional funding to ensure the young adults we support, aged between 19 and 26 years, experience the once in a lifetime organised trip to Israel.
- iv Early Learning Centre Fund
This fund is to support the delivery of services provided at our Early Learning Centre.
- v JAPH Fund
This fund provides additional funding to ensure the young adults we support, aged between 19 and 26 years, experience the once in a lifetime organised trip to Israel.
- vi JCoSS PSRP Fund (Restricted Fund)
The JCoSS Pears Special Resource Provision at the Jewish Community Secondary School provides funding to support students with special educational needs, mostly at the severe end of the autistic spectrum.
- vii Lyonsdown Road Services Delivery Fund
Lyonsdown Road is our newest supported living accommodation and this fund is to support set up and delivery of services at the home.
- viii Phyllis Somers Service Delivery Fund
This fund represents donations to meet the cost of construction, refurbishment and other associated costs of family centres and / or accommodation for adults with disability, as well as the operating cost of such services.
- ix Pyramid Club Early Intervention Fund
This is a restricted fund to support the ongoing activities of Pyramid Club, our early intervention educational support services.
- x Somers Court & Residential Accommodation Fund
The fund was created to provide residential accommodation for young adults with learning disabilities. Following disposal of the original property, part of the proceeds was used to fund the refurbishment and adaptation of Somers Court. The balance has been retained and will be used to fund other residential accommodation.
- xi Supported Living Properties Fund:
This fund represents the capital investments made to date from the Support Living Capital Fund discussed above. £447k was used to purchase Holmbury Avenue in 2013, £214k was expended as part of the purchase cost of Greenwood Road in 2014; and £736k was used to purchase Highview Gardens. These represent a total capital investment in supported living properties of

Notes to the Financial Statements
For the year ended 31 March 2017 (continued)

15f. Funds notes (continued)

£1,397k, as at the end of the financial period. These properties form part of Norwood's fixed assets and are depreciated in line with the depreciation policy.

- xii **Sussex Tikvah Fund**
This is to further support the provision of residential services at Sussex Tikvah
- xiii **Tager Autistic Centre Fund**
This is to enhance property improvement and maintenance of the Tager Centre at Ravenswood Village.
- xiv **The Grange Fund**
This represents donation of a flat which can only be used by the current resident during his lifetime.
- xv **Village Building Fund**
This fund is to support the building works at Ravenswood Village.
- xvi **Binoh Speech and Language Fund**
This is a new grant received in during the year and restricted to support the ongoing activities of Binoh Speech and Language therapy sessions.
- xvii **Harper Collins Fund**
Donation raised from the copyright money received on sale of "Halliwell Film Guide" to fund refurbishment works of the Homes at Ravenswood Village.
- xviii **Lira Abeleva (Novi Dom)**
This fund is set up to provide an educational and respite care facility for disabled children in Minsk, Belarus
- xix **Binoh Early Learning Support**
This grant is to provide additional support to the educational services we provide in Hackney.
- xx **Binoh General Restricted Fund**
This is a pool of smaller restricted funds given to support Binoh activities.
- xxi **Binoh Speech and Language Therapy**
This is a special grant received to further our commitment to ensuring the children we support get the Speech and Language Therapies they need.
- xxii **Hope General Restricted Fund**
This is a pool of smaller restricted funds given to support Hope special educational services.
- xxiii **Binoh Education Service Review**
This restricted fund is to support the ongoing educational services for children and young adults in the Binoh service.
- xxiv **Ernst and Dola Fischer Fund**
This is an endowment given to fund one of Norwood's homes - 94 Station Road, Hendon. The original grant given was £350k.

Notes to the Financial Statements
For the year ended 31 March 2017 (continued)

15f. Funds notes (continued)

- xxv Endowment Fund for Jewish Children
This fund is a permanent endowment for Norwood Homes of Jewish Children and represents the original endowment made to it at inception. Income arising from the fund is restricted and can only be used for the provision of services for children.
- xxvi Somers Fund
This endowment was given to fund Norwood's family centre at Hackney. The original grant received was £1m.

16. JCoSS PSRP Fund

The Jewish Community Secondary School (JCoSS) in North London opened in September 2010. JCoSS includes a Pears Special Resource Provision (PSRP) for students with special educational needs, mostly at the severe end of the autistic spectrum. Government funding has been made available for the majority of the capital cost of JCoSS PSRP however, the trustees of Norwood have agreed to match the capital funding and as well as contribute to the operational running costs of the school.

JCoSS Creditor	1 April 2016	Movement	31 March 2017
	£'000	£'000	£'000
Construction and fitting out expenditure	40	-	40
Revenue Support	500	-	500
	540	-	540
Creditors: Amounts falling due within one year	104	-	104
Creditors: Amounts falling due between two and five years	256	-	256
Creditor: Amounts falling due after five years	180	-	180
	540	-	540

17. Contingent liability

A contribution of £250,000 made by Westminster Regional Health Authority in respect of the registered care home at 1 Woodcock Dell Avenue in Harrow, is repayable should the property cease to be used as a residential care home.

18. Legacies – contingent assets

Legacies which were notified to the Group and have not been included in the Statement of Financial Activities because the conditions for certainty have not been met are estimated at £207k (2016 £NIL).

Notes to the Financial Statements
For the year ended 31 March 2017 (continued)

19. Capital Commitments

	GROUP		PARENT CHARITY	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Contracted for but not provided in the accounts:				
Property refurbishment	-	987	-	-
	-	987	-	-
Approved but not contracted for:				
Adults' services	1,045	1,899	-	-
Children services	86	167	-	-
Information technology	565	244	-	-
Support services and retail shops	98	121	-	-
	1,794	2,431	-	-

20. Commitments under operating leases

The future minimum payments under non-cancellable operating leases are:

	Leased Properties 2017	Other 2017	Leased Properties 2016	Other 2016
	£'000	£'000	£'000	£'000
Within one year	402	177	454	180
Between one and five years	756	100	915	303
Over five years	3,121	-	3,216	-
	4,279	277	4,585	483

The future minimum receipts under non-cancellable operating leases are:

	Leased Properties 2017	Other 2017	Leased Properties 2016	Other 2016
	£'000	£'000	£'000	£'000
Within one year	410	-	363	-
Between one and five years	-	-	324	-
	410	-	687	-

Notes to the Financial Statements
For the year ended 31 March 2017 (continued)

21. Analysis of net assets between funds

Group					
	Unrestricted Fund	Designated Fund	Endowment funds	Restricted Fund	Total Fund
	£'000	£'000	£'000	£'000	£'000
2017					
Fixed assets	19,366	-	-	1,913	21,279
Investments	23,874	-	1,677	68	25,619
Net current assets/(liabilities)	(5,354)	150	-	6,317	1,113
Liability due after one year	(5,917)	-	-	-	(5,917)
Total net assets	31,969	150	1,677	8,298	42,094
2016					
Fixed assets	18,399	-	-	2,343	20,742
Investments	17,625	-	1,672	6,739	26,036
Net current assets/(liabilities)	-	173	-	668	841
Liability due after one year	(6,033)	-	-	-	(6,033)
Total net assets	29,991	173	1,672	9,750	41,586
Parent Charity					
	Unrestricted Fund	Designated Fund	Endowment funds	Restricted Fund	Total Fund
	£'000	£'000	£'000	£'000	£'000
2017					
Fixed assets	1,255	-	-	-	1,255
Investments	14,991	-	1,676	68	16,735
Net current (liabilities)	(4,469)	-	-	-	(4,469)
Total net assets	11,777	-	1,676	68	13,521
2016					
Fixed assets	1,725	-	-	-	1,725
Investments	14,574	1,220	1,672	192	17,658
Net current (liabilities)	(5,686)	-	-	-	(5,686)
Total net assets	10,613	1,220	1,672	192	13,697

Notes to the Financial Statements
For the year ended 31 March 2017 (continued)

22. Notes to the cash flow statement

	2017	2016
	£'000	£'000
Reconciliation of net income / (expenditure) to Net Cash (used in) / provided by operating activities:		
Net income / (expenditure)	508	(2,431)
Depreciation	1,661	1,692
Gains / (losses) on disposal of fixed assets	36	(2)
(Gains) / losses on investments	(3,112)	575
Decrease / (increase) in debtors	876	(93)
(Decrease) / increase in creditors falling due within one year	(174)	(362)
Increase / (decrease) in creditors falling due after more than one year	200	(72)
Investment income	(356)	(370)
Loan interest	74	88
Net Cash (used in) / provided by operating activities	(286)	(975)

Movement in cash funds

	2017	2016
	£'000	£'000
Cash at bank and in hand	3,279	2,532
Current assets investments	-	1
Total cash and cash equivalents	3,279	2,533

23. Related parties

Group companies:

In the year, there were related party transactions between the charity and members of the group. As the entities within the group are wholly-owned by Norwood Ravenswood, the intra-group transactions have not been disclosed in line with the exemption from disclosure granted in paragraph 33.1A of FRS 102.

Key management personnel compensation:

In line with paragraph 33.6 of FRS102 Related Party Disclosures, compensation paid to key management personnel in respect of services provided to the reporting entity is disclosed in Note 7.

Notes to the Financial Statements
For the year ended 31 March 2017 (continued)

24. Comparatives for Individual Funds

	Unrestricted Funds 2016	Endowment Funds 2016	Restricted Funds 2016	Total 2016
	£'000		£'000	£'000
Income from:				
Donations and legacies	8,887	-	760	9,647
Charitable activities	22,499	-	-	22,499
Other trading activities	776	-	-	776
Investments	370	-	-	370
Total income	32,532	-	760	33,292
Expenditure on:				
Raising voluntary income	3,096	-	-	3,096
Trading activities	763	-	-	763
Investments	88	-	-	88
Charitable activities	29,915	-	1,286	31,201
Total cost	33,862	-	1,286	35,148
Net gains / (losses) on investments	(525)	(50)	-	(575)
Net income / (expenditure)	(1,855)	(50)	(526)	(2,431)
Transfers between funds	240	-	(240)	-
Net movement in funds	(1,615)	(50)	(766)	(2,431)
Reconciliation of funds:				
Total funds brought forward	31,779	1,722	10,516	44,017
Total funds carried forward	30,164	1,672	9,750	41,586