

Norwood Ravenswood

(A Charitable Company Limited by Guarantee)

Trustees' Annual Report and Financial Statements For the year ended 31 March 2020

Registered Charity Number : 1059050
Registered Company Number : 03263519

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CHARITY INFORMATION

Patron	Her Majesty The Queen		
Patron of Children's Services	Cherie Blair CBE QC		
Patron of Adults' Services	Norma Brier OBE		
Patron of Volunteering	Chief Rabbi Ephraim Mirvis		
Presidents	Lord Jon Mendelsohn Lady Nicola Mendelsohn CBE		
Honorary Life Presidents	Sir Trevor Chinn CVO Sir Evelyn de Rothschild	David Ereira Clive Marks OBE	Carol Sopher
Vice President	Ronnie Harris		
Trustees and Directors	Angela Hodes Anthony Rabin David Smith (<i>Joint Treasurer</i>) David Stanton (<i>Joint Treasurer</i>) Gary Sacks Glynnis Joffe Julia Chain (<i>Deputy Chairperson</i>) Justine Harris (appointed 21 April 2020) Tamara Finkelstein MBE	Lady Elaine Sacks Linda Goldberg Mark Pollack (resigned 31 Jan 2020) Neville Kahn (<i>Chairman</i>) Philip Hertz Rachael Davis-Stollar (appointed 31 Jan 2020)	
Senior Management Team	Beverley Jacobson Abiola Yusuf Patrick Murphy Hazel Kaye Mikkel Togsverd Shona McBride Ron Brown David Harris	- Chief Executive - Director of Finance and IT (to 7 August 2020) - Director of Finance and Corporate Services (from 10 August 2020) - Director of Transformation (from 13 May 2019) - Director of Services and Development (from 30 December 2019) - Director of Workforce (to 31 March 2020) - Director of Services (to 1 June 2019) - Director of Development (to 1 June 2019)	
Company Secretary	Abiola Yusuf (to 30 July 2020) Patrick Murphy (from 30 July 2020)		

CHARITY INFORMATION

Auditors	Grant Thornton UK LLP 30 Finsbury Square London EC2A 1AG	
Investment Managers	Sarasin & Partners LLP 100 St. Paul's Churchyard London EC4M 8BU	CCLA Investment Management Ltd 85 Queen Victoria Street London, EC4V 4ET
Bankers	Barclays Bank plc 1250 High Road London, N20 0PB	
Principal Solicitors	Ingram Winter Green LLP 21A John Street London WC1N 2BF	Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES

Trustees' Annual Report (incorporating Strategic Report):

The trustees are pleased to present their annual report and audited financial statements for the year ended 31 March 2020. The financial statements have been prepared to meet the requirements for a 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 2019).

ABOUT NORWOOD

Enjoying the patronage of Her Majesty the Queen, Norwood is at the heart of the Jewish community in the UK as it has been for 225 years, still striving to create a world that works for everyone and where no one is left out. Norwood works tirelessly to remove the obstacles to living a safe and fulfilling Jewish life for every child and family or individual with a learning disability or autism who needs our support. Due to our services, families are enabled to stay together, children are safe and those with learning disabilities are supported to embrace the same opportunities as their mainstream peers at every stage of their lives, giving parents reassurance for the long term.

OUR SERVICES

Norwood's sector-leading services celebrate our Jewish culture and are run in accordance with Jewish values but are open to all who need our support. The services fall into two main categories namely:

1 Children and families' wellbeing

Operating from the Kennedy Leigh Centre (Hendon), we offer a wide range of support and guidance to children, adults and families including:

- Play sessions, such as 2Gether, designed for 1 to 4 year olds to develop learning through play.
- Support groups, such as Step Up & Walk Tall and Pyramid Club, designed for 7 to 11 year olds, to boost self-esteem and confidence; and the Rainbow Group for parents of children with special educational needs and disabilities
- Parenting courses, such as the 11-week programme called Strengthening Families, Strengthening Communities; and 'Twins and More' that is designed for parents of twins, triplets or more.
- Non-Violent Resistance Training – a 12-week intensive course, teaching effective responses to aggressive, violent, self-destructive and controlling behaviour displayed by children, adolescents and young adults
- Benefits and welfare advice
- Social and emotional wellbeing training for schools, such as Heads Up Kids (delivered in partnership with Pajes and HUK), a programme that aims to create a shared emotional language in the classroom and support children to develop resilience, empathy and capacity to problem solve and work collaboratively; and a teachers'

training programme currently operating in 45 schools

- Social work to safeguard children at risk, provide emotional and mental health support, specialist advice and guidance, advocacy and counselling support
- Psychotherapy services, including therapeutic support for children and young people dealing with a wide range of difficulties
- Adult counselling service

We also provide social work and psychotherapy services from our Somers Children and Family Centre in Hackney.

2. Learning challenges

Our work with children, young people and adults with learning disabilities is the core of our service offering. It is geared to providing the individual care and support that each person needs. Our Learning and Disability Services include the provision of:

- Education and therapy (occupational, and speech and language therapies)
- Support for children who experience difficulties with their education and learning, including working collaboratively with parents and teachers to create a positive learning environment
- Bespoke work in schools
- Specialist teaching, including intensive one-to-one teaching in school or a family centre to enable children to stay or return to school
- Home-visiting educational service for pre-school children with special educational needs and disabilities in Stamford Hill
- Short-break services for days, overnights, weekends and holidays, including:
 - Teeny Tiny Fun Play (weekly group for 16 months to 5 year olds with complex health needs)
 - Unity (weekly and holiday playscheme for 5 to 18 year olds)
 - Inbetweeners (fortnightly club for 16 to 25 year olds with moderate to complex needs)
 - Buckets and Spades (overnight, weekend or longer stays for children and young people up to 18 with multiple complex needs)
- Transition services, including information, guidance and advocacy for 14 to 25 year olds to plan for adult life
- Assistive technology to enhance the safety of the people Norwood supports, promote their independence and support them to overcome challenges

- Benefits and welfare advice
- Advocacy
- Social work
- Birthright (trip to Israel for 18 to 30 year olds with special educational needs and disabilities)
- Complementary services, including hydrotherapy sessions, sporting activities and Riding for the Disabled Association (RDA) at Ravenswood, to promote good physical and mental health through education and easy access to health services
- Accommodation services, including residential care and supported living

OUR GOALS, CHALLENGES AND ACHIEVEMENTS

1. COVID-19

Our number one priority at this moment of a global pandemic is to ensure that our service users, staff and volunteers go about their work in the knowledge that they are as safe and supported as much as possible. Norwood is continuing to carefully monitor developments relating to the COVID-19 and respond accordingly and a full disclosure is covered in Note 24 to the financial statements.

2. Transformation agenda

Over the last year, a new senior team has been appointed to transform Norwood's services and culture and ensure that the organisation is 'Safe and Sound' to face the future. We have refocussed all organisational effort on our services to find ways to support them better. We have started several initiatives to improve our level of engagement with the staff team including regular organisational updates and townhalls.

3. Income Growth:

19/20 saw a detailed analysis and refocus of the activities of the fundraising team with the emphasis on

- increasing income across all income streams including reviewing the ROI of our fundraising activities and how they can be improved upon
- our challenges programme
- boosting donor engagement and improving stewardship
- developing our community engagement through volunteering and community fundraising

The outcome was the creation of a fundraising and community engagement team with renewed focus on income generation.

4. Financial Sustainability

During the year, we:

- undertook a deep dive of our financial risks, setting out mitigations which were reported to the Audit and Risk committee quarterly and a Business Improvement Plan which was reported to trustee Board.
- Undertook several costing reviews including the core rents for our supported housing accommodation, cost per package of our residential accommodation and trading services. The outcomes of these reviews have been fed into the longer-term strategy.
- Achieved a 5% reduction in corporate overhead costs bringing down support costs to 13%.
- Reviewed our VAT costs securing an additional repayment of £78k and subsequently reducing our non-recoverable VAT costs going forward.
- Worked closely with a legal team to recover over £100k of long outstanding debts. We also achieved a reduction in our debt turnaround days from 23 days (March 2019) to 17 days (March 2020).
- Implemented a document management solution and automated the invoicing process, allowing for electronic authorisation of invoices across all our sites.
- Reviewed our insurance costs and achieved a premium saving of 12% ; we also achieved a cost saving with a new hardware fund to upgrade our mobile phones following the review of our mobile phone contract.
- Delivered “Lunch and Learn” sessions to non-finance staff to boost financial awareness and effective budget monitoring.
- In response to the COVID-19 pandemic, set up a Finance COVID-19 group to review the weekly cashflow forecasts, managing the projected cash pressures as a result of COVID-19 and delivering additional liquidity headroom to allow the charity cope with the additional costs of COVID-19 in the short and medium term.

OUR STRATEGIC PRIORITIES

Norwood’s 2020/2021 strategy has been developed in collaboration with staff, management and key stakeholders and forms the basis of our strategic priorities which include:

1. To improve and develop our children and adult services
2. To develop and support the workforce
3. To build an agile and efficient organisation
4. To achieve financial sustainability
5. To connect and inspire; engaging people and lighting their fires

OUR FOCUS FOR 2020/2021

This year has seen the appointment of a new Senior Team including a Director of Transformation and a Director of Services and Development. The team is now driving through a transformation plan based around five key priorities:

Improving Services

A review of our children and family's service is underway to ensure that our offer is easily accessible, enabling and as impactful as possible. For those with learning disabilities we are developing a coherent offer of support available all the way along an individual's life journey.

In our adult services, we are implementing a newly developed quality and assurance system to facilitate consistent, high quality service delivery across our whole portfolio. We are simultaneously focussing on recruiting support staff, reducing the use of agency workers and improving our training offer. Finally, we will be developing a plan for each and every person and home to ensure needs are being best met and that homes are running commercially to secure a sustainable future.

Developing our People

The focus in the coming months will be rolling out our strategy so that every member of staff understands how their role contributes to it and has KPI's which reflect this.

We are also implementing a plan to develop agile and responsive recruitment to vacancies are quickly filled with the appropriately skilled people or people with the right aptitude who will embrace all necessary training.

Creating an Agile Organisation

We are working to create a 'one team ethos'. We have developed an infrastructure to support cross organisational working to deliver service objectives. We will be implementing an IT strategy to modernise our current infrastructure and review current software and develop a journey to acquiring fit for purpose one truth systems.

Achieving Financial Sustainability

Through improved financial reporting and control we will work to ensure that the Adult Service contributes to central overhead costs and that we have an operating surplus with which to fund capital expenditure. In the short term we will look for innovative ways to attract voluntary income in the face of social isolation and longer term we look to increase voluntary income through innovation and improving ROI.

Connect and Inspire

Norwood recognises that people are the backbone of the organisation and whatever their connection, we will communicate meaningfully with them in a personalised manner to 'light their fires' and inspire them to do more for Norwood.

SECTION 172(1) STATEMENT

The Trustees have had regard to the matters set out in section 172(1) when performing their duty under section 172. Details of how Norwood has complied with section 172 are detailed in sections: Our services (pages 5-7), Our goals, challenges and achievements (pages 7 & 8), Employee engagement (page 10), Our volunteers (page 10), Business relationships (page 10) and Energy efficiency measures undertaken (page 17).

EMPLOYEE ENGAGEMENT

Norwood is committed to promoting the health and wellbeing of our workforce and to this end have implemented a new Employee Assistance Programme, accessible to all employees, providing comprehensive online resources, short-term counselling sessions, support articles, access to seminars and more. We run internal training sessions on mental health awareness and have appointed fully trained Mental Health Champions across the organisation.

Staff views are important at Norwood and we are seeking ways different ways to engage meaningfully. This year we have introduced Town Hall sessions at Broadway House and weekly update newsletters from our CEO, Beverley Jacobson, which provide important updates and celebrate the amazing work and dedication of our staff.

OUR VOLUNTEERS

The impact of Norwood's volunteer workforce can be felt in every part of our organisation. This year saw over 1,500 people give of their time to support our work. This included over 700 young people who through our Young People's Volunteering Programme engaged with our services and helped promote our work within the communities in which they live, learn and play.

Sixteen corporate partners provided 350 volunteers as part of our Employee Volunteering Programme. Many of those volunteers rolled up their sleeves to improve the living conditions of the people we support. Another 510 volunteers can be relied upon week in, week out, to support our work. The impact of all this effort ensures that Norwood is able to provide the high quality services it does and it also creates inclusion opportunities for our adults with learning disabilities.

Additionally, Norwood's pilot Supported Volunteering Programme saw 18 people we support embark on volunteering activities both with Norwood but also within the wider community. Last year saw the Supported Volunteer programme participants give over 2,880 hours of their time to support others.

BUSINESS RELATIONSHIPS

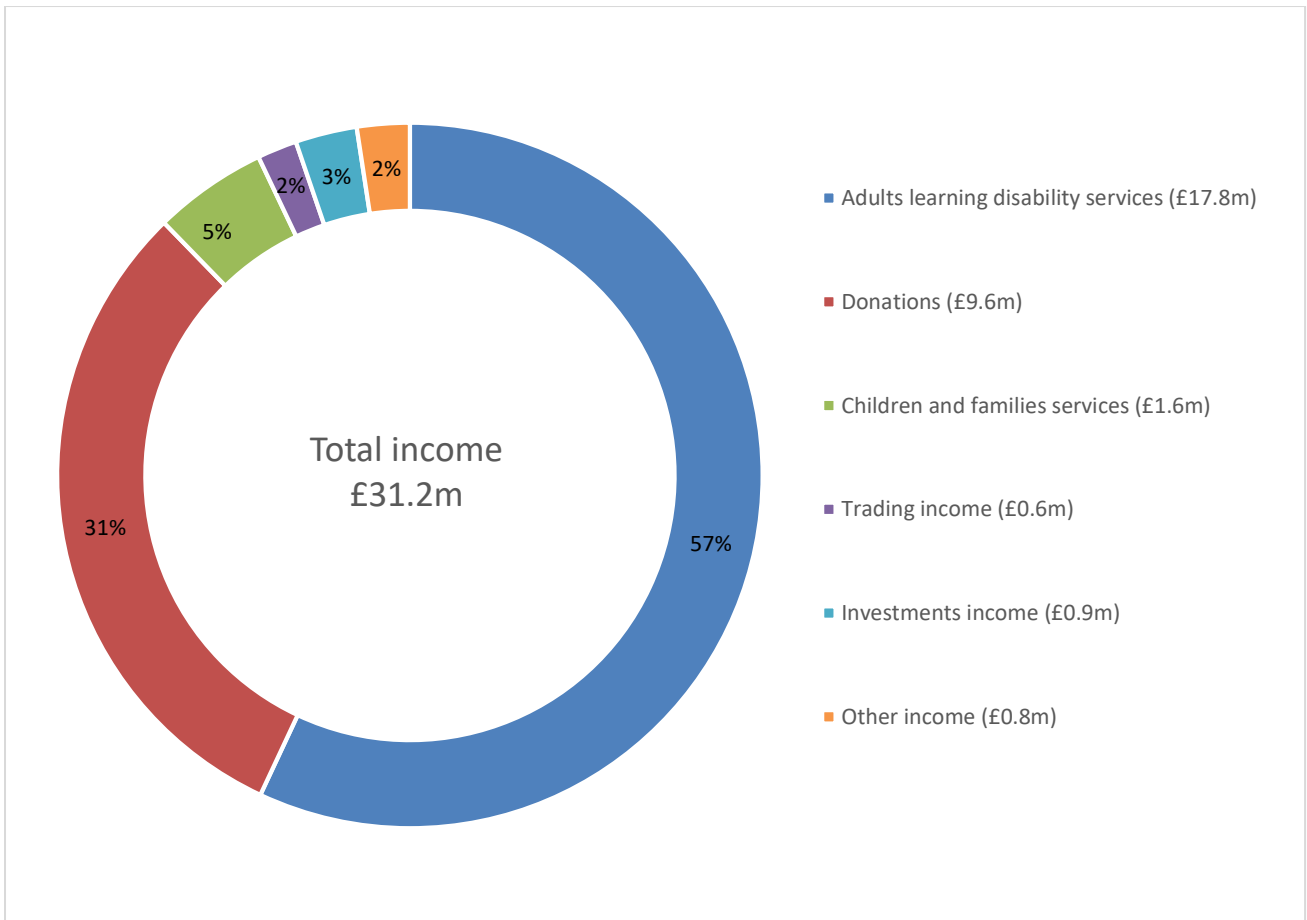
Norwood works closely with its customers and donors with relationships spanning several decades to ensure we are providing a high level of care to the people we support. Norwood Schools values its suppliers and has multi-year contracts with key suppliers. Norwood Schools reports its performance and practices in line with reporting requirements.

Financial Review:

Following another year with significant financial challenges we incurred an operating deficit of (£1.9m), including the profit realised from a property disposal of £0.8m. There were unrealised investment losses of (£0.7m).

Income

The total income we generated was £31.2m (2019: £31.9m). £19.4m (64%) of this was generated from providing paid-for services in line with our charitable purpose. £10.2m (33%) was generated from voluntary donations (including trading income) while the remainder was realised from investment income and the sale of a property.



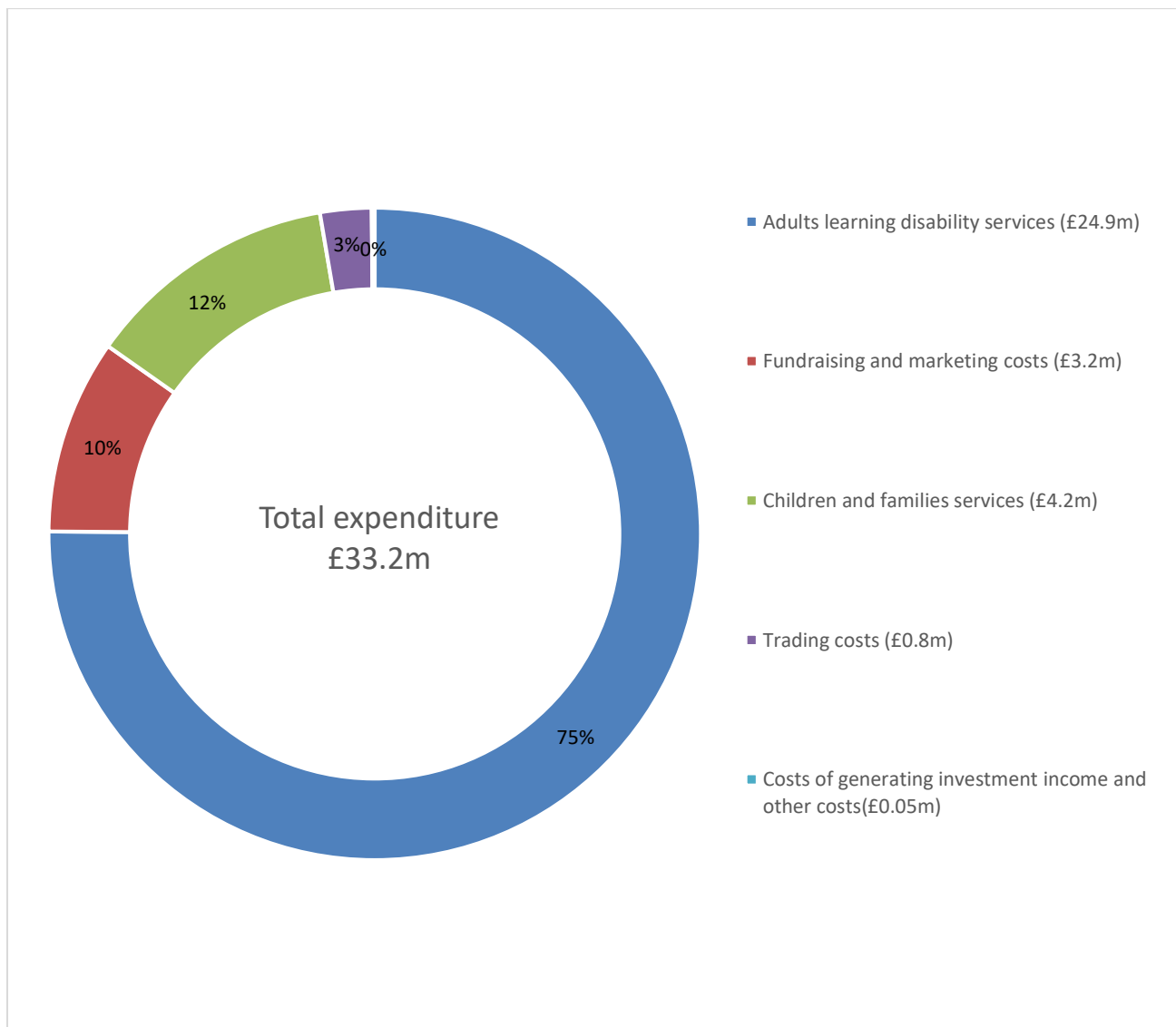
Like other social care providers, Norwood continues to feel the impact of the growing funding gap for adult social care from Local Authorities and this is echoed in the findings from The Health Foundation which suggest that in the absence of an additional funding commitment from central government, the money available for adult social care will rise at an annual average rate of 1.4% a year, much lower than the rising demand of 3.6% a year. In addition to welcoming the announcement of support from the Central Government to close the funding gap councils face in 2020/21 and working closely with commissioning authorities to access the additional support, Norwood will continue to pursue operational efficiencies and maximise limited resources.

We saw a decrease in the income received from Local Authorities of 1.7% reflecting continuing challenges and fee cuts within the sector. While we were successful at securing annual increases from 16 councils adding £69k to our statutory income, the majority of the councils we work with were not forthcoming with increases and some challenged the level of fees already being paid. We will continue to liaise with Local Authorities on fees so as to ensure the level of fees we received is commensurate with the level of care being provided.

We raised £10.2m from our fundraising activities, trading and legacies which was a 10% reduction on the prior year performance. The key driver for this was legacy income received of £1.5m (2019: £2.3m).

Expenditure

Our total expenditure was £0.6m higher than the previous year excluding the prior year impairment reversal. There was an increase of £0.9m in our expenditure on charitable activities to £29.1m. This relates to the direct and support costs of providing care and educational services to the people we support. Whereas, marketing and fundraising costs of generating voluntary income were £3.2m, £0.3m less than the previous year mainly due to staff not being replaced until the activity is reviewed in line with the strategic priorities.



Reserves Policy

An important role for trustees is to manage the long-term sustainability of the charity. Norwood's reserves policy sets out the basic principles that should:

- give confidence to funders by demonstrating good stewardship and active financial management;
- demonstrate to beneficiaries, funders and the public, Norwood's resilience and capacity to manage unforeseen financial difficulties;
- give voluntary funders an understanding of why funding is needed to undertake projects;
- give assurance to lenders and creditors that Norwood can meet its financial commitments; and
- manage the risk to Norwood's reputation from holding substantial unspent funds at the year-end without an explanation.

The trustees calculate the reserves as that part of the charity's unrestricted income funds that is freely available after taking account of the restricted and endowment funds that have been earmarked for specific projects. Norwood's restricted / endowment funds are subject to specific conditions which have been declared by the donor(s), or with their authority but still within the objects of the charity. They may be restricted income funds, which are expendable at the discretion of the trustees in furtherance of some particular aspect(s) of the objects of the charity, or they may be capital funds, where the assets are required to be invested, or retained for actual use, rather than expended. Furthermore, endowment funds may be permanent endowments which trustees cannot expend without seeking consent from the Charity Commission.

Understanding the nature of the funds allows trustees to identify unrestricted funds which can be spent on any purposes of the charity i.e. freely available to it. As at 31 March 2020, the free reserves of the charity was £11.0m. This is calculated as follows:

	31 March 2020 £'000	31 March 2019 £'000
Group net assets	42,262	44,945
Less endowment funds	(1,574)	(1,663)
Less restricted funds	(7,121)	(7,660)
Less unrestricted fixed assets	(22,519)	(22,103)
Free Reserves	11,048	13,519

Our minimum reserves level incorporates the following:

- liquid cash, ensuring we have sufficient cash holdings to meet our immediate organisational needs; and
- investment balances.

The trustees have set a target range of free reserves based upon 3 and 6 months of its annual expenditure. This is equivalent to £8.1m to £16.2m.

Investment Policy

Norwood holds investments in order to generate income for the furtherance of its charitable activities. As part of trustees' diversification strategy, two fund managers are appointed to manage its investment portfolio (Sarasin and Partners LLP and CCLA). CCLA were appointed during the year, after a successful tendering process, to replace Seven Investment Management (7IM). All assets held with 7IM were successfully transferred to CCLA at the end of August 2019.

The Board of trustees has delegated the regular monitoring of investment performance against the objectives to the Investment Committee. The investment objective is long term total return with a return target of CPI+3.5% over a rolling 3-

year period. At the end of the financial year, Sarasin and Partners reported a portfolio value of £6.89m and CCLA reported a portfolio value of £7.24m.

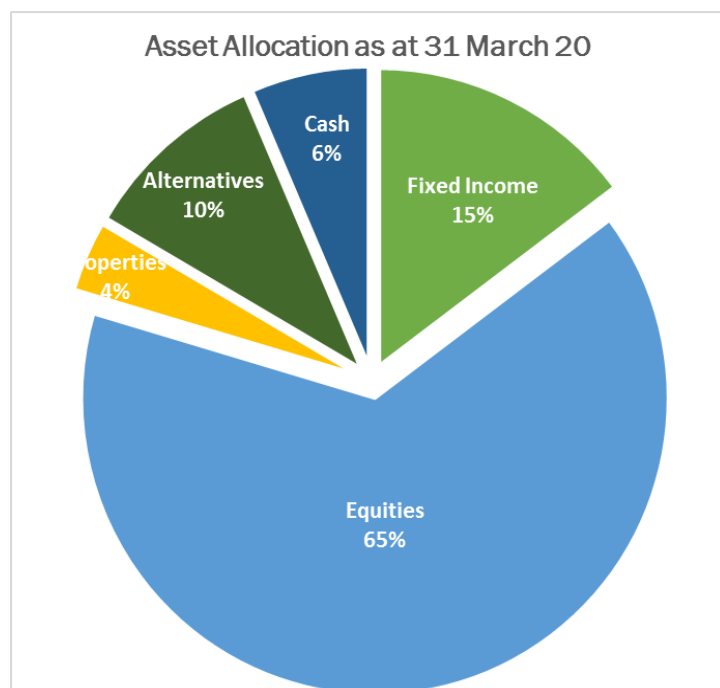
The outbreak of the COVID-19 led to a strong sell-off in markets in the month of March 2020. Portfolio return for the quarter ended March 2020 dropped by 10%, although performance was still ahead of the relative benchmark (ARC Balanced Charity Index) by 1bp. The projection for income growth has also been hampered as dividends are being cut although, the fund managers hope to improve with stock selection, option writing and income reserves. The active management of the investment portfolios has helped to mitigate the worst effects of the market downturn on the Charity's assets.

Strategies deployed by fund managers include:

- the composition of the portfolios which follows a thematic selection;
- an increase in cash weightings following the decision to trim vulnerable holdings;
- resilience of companies in the technology and communication sectors;
- modest exposure to financial services;
- limited exposure to the travel sector;
- reduced exposure to equities most at risk of earnings downgrades; and
- increased weighting on fixed income, alternative assets and property holdings.

Asset Allocation as at 31 March 2020 is depicted below:

Asset Class	Sarasin & Partner	CCLA	Average combined holdings
Fixed Income	25%	4.5%	15%
Equities	56.7%	73%	65%
Properties	2.5%	5.1%	4%
Alternatives	9.2%	11.1%	10%
Cash	6.6%	6.3%	6%
Total	100%	100%	100%



Investment performance will continue to be monitored closely through the Investment Committee.

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's detailed charitable objects are contained within its memorandum and articles and as such 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 Norwood services to those with learning difficulties and, children and families in need within the Jewish Community and wider communities.

OUR FUNDRAISING APPROACH

We are committed to achieving the highest standards of professional fundraising. We are corporate members of the Institute of Fundraising and we are registered with the Fundraising Regulator, to whom we pay the Fundraising Levy. Through the systems and processes we have put in place, we aim to achieve the standards set out in the Fundraising Code of Practice. We are signed up to the Fundraising Preference Service.

The Fundraising department works closely with Norwood's Information Governance Department to ensure our fundraising data protection practices are compliant with the new General Data Protection Regulation. A manager within the Fundraising team also has a specific remit for compliance and governance issues and reports regularly to the Audit and Risk Committee of our board of trustees, which also regularly reviews our charity-wide Complaints and Whistleblowing registers.

Norwood raises most of its voluntary income from individuals and companies via sporting challenges, community fundraising, dinner events, a philanthropy programme which includes postal appeals, payroll giving, and from bid applications to trusts and foundations. We do not employ third-party professional fundraisers or commercial organisations to fundraise on our behalf, but we do engage third parties to manage the logistics of some events and challenges. Some of our fundraising activities are delivered in partnership with committees consisting of staff, trustees and volunteers.

We do not take part in any intrusive or high-pressure fundraising activities, such as street fundraising, door-to-door fundraising or cold-calling by telephone. We respect all

requests to stop giving or to stop receiving our fundraising communications and provide guidance to our fundraising staff in these areas.

We monitor complaints arising from our fundraising activities. In the prior year we received one complaint which related to the cost of postal communications with donors and the donor received a response. In 19/20 we received no complaints.

REMUNERATION POLICY

Our senior management team is 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 charitable organisations.

TRUSTEES AND LAY LEADERS RECRUITMENT AND REMUNERATION POLICY

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 team and other trustees; a visit to some of our registered and supported living homes; meetings with 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, expense claims or benefits in kind for their work with the charity. They are, however, entitled to receive reimbursements of travel expenses. Any connection between a trustee and 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 committee meetings in the form of Declaration of Interests. No allegation of fraud was raised against any trustee or lay leaders in the year. Details of related party transactions and trustees' expenses are disclosed in Note 23 of the financial statements.

Norwood is a Disability Confident Employer (previously Two Ticks) 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.

Streamlined Energy and Carbon Reporting (SECR)

Norwood Ravenswood is required to report under the Streamlined Energy and Carbon Reporting (SECR) framework. The Trustees are committed to complying with the new mandatory UK-wide energy and carbon reporting framework which seeks to improve transparency and help reduce UK carbon emissions associated with large businesses and charities.

Methodology:

Norwood's footprint is calculated in accordance with the Greenhouse Gas (GHG) Protocol and Environmental Reporting Guidelines. Department for Environment, Food and Rural Affairs (DEFRA) emission factors were used for all emission sources as these were deemed more comprehensive and aid conversion to carbon dioxide equivalent (CO₂e).

Scope:

The scope of emission included natural gas, diesel (gas oil), electricity, Bio Diesel and petrol. For ease of reporting and comparison, the emission types were categorised as:

- Scope 1: comprises emissions associated with the combustion of fuels as well as additional emissions sources such as refrigerant leakages.
- Scope 2: comprises primarily the emissions associated with electricity consumption as well as emissions associated with any other generated electricity
- Scope 3: relates to indirect emissions occurring as a consequence of activities not owned or controlled by the company e.g. business travel.

Estimation:

Due to the timing of the report and delays with obtaining some supplier billing arising from the impact of the COVID-19 Pandemic, 12.5% of the energy data and 13% of the emission data were based on extrapolated values.

SECR Dashboard:

Energy Consumption (kWh)

	SECR Year 2020	SECR Year 2019	Variance
Scope 1	4,857,7907	6,041,297	-20%
Scope 2	1,989,474.4	2,159,306	-8%

Carbon Emissions (tCO₂e)

	SECR Year 2020	SECR Year 2019	Variance
Scope 1	910.6	1,136	-20%
Scope 2 - location based	508.5	611	-17%
Scope 2 - market based	575.0	624.0	-8%
Scope 3	152.4	200.7	-24%
Total Carbon - location based	1,571.5	1,948.2	-19%
Total Carbon - market based	1,637.9	1,961.0	-16%

Carbon Emissions Combined(tCO₂e)

	SECR Year 2020	SECR Year 2019	Variance
Scope 1 & 2 - location based	2.3	2.7	-15%
Scope 1 & 2 - market based	2.4	2.7	-12%
Scope 1-3 - location based	2.6	3.0	-16%
Scope 1-3 - market based	2.7	3.1	-13%

Figures presented are for each approximate calendar year. SECR Year 2019 is the base year which was February 2018 to January 2019 as this was felt to be a more representative year due to COVID-19. Future comparisons will be based on this. 'Location-based' represents the GHG intensity of the grids where we have sites and 'market-based' reflects the emissions for the electricity we have purchased.

Energy Efficiency Measures undertaken by the charity:

This year, Norwood invested in some energy efficiency measures that have delivered the savings against base year energy consumption. These include the installation of LED lighting throughout the Head Office site, upgrades to several thermostatic controls at sites and the replacement of lagging hot water pipes.

Principal Risks and Uncertainties

Risk is inherent in the charity's operations and the decisions made in pursuit of its charitable goals. The Board of trustees is responsible for the nature and extent of the principal risks it is willing to take but delegates the detailed review of the corporate risk register to the Audit and Risk Committee. The Board, through the Audit and Risk Committee, is also responsible for ensuring that risks are effectively managed. A new risk management framework was designed and put in place in 2019. This framework led to a deep dive of risks and control measures by Audit and Risk Committee members in collaboration with the Senior Management Team. A 3-year internal audit plan was also developed on the back of the identified and wider risks. This was the first year of the 3-year internal audit plan and a number of audits were delivered although the audit plan was interrupted by the outbreak of COVID-19.

Impact of COVID-19

COVID-19 is being actively managed in response to the impact on the charity's operations and finances. Three main crisis response teams were formed, one to manage risk exposure to services, the second to manage risk exposure to liquidity and the third to manage the impact of the outbreak and lockdown measures on the charities' planned fundraising activities. The response teams met on very regular intervals to plan, adapt and respond, following closely Public Health England (PHE) and government guidance. The outbreak presented two main emerging risks: operational and liquidity risks.

RISKS	CONTROL MEASURES
<p>Operational Risks</p>	<ul style="list-style-type: none"> ○ Established a COVID-19 Mission Control operations group holding daily monitoring conference calls to review risks to service users and actions. ○ Clear process established for managing information from PHE, Local Authorities and other regulatory bodies. ○ Establish minimum staffing requirement per service and centralised cooking and food preparation to free up care staff time. ○ Made readily available PPE and hygiene kits for staff, service users and visitors at services.
<p>Liquidity Risks</p>	<ul style="list-style-type: none"> ○ Established a COVID-19 Finance group holding weekly conference calls to review the weekly cash flow projections, applications for funding and outcomes to the various strategies deployed to enhance liquidity. ○ Proactively took measures to improve liquidity headroom such as extending credit facilities, soliciting donations from major donors, applying for emergency appeal funds and spreading lump sum payments where practicable. ○ Reduced capital programme planned pre-COVID-19 limiting the Capex programme to essential compliance and safety works. ○ Accessed relevant government schemes to support businesses including Coronavirus Job Retention Scheme, HMRC tax deferral scheme, Retail, Hospitality and Leisure grants, Infection Control grant etc.

Going Concern

In addition to the risks outlined above, additional work has been carried out to assess the going concern of the charity, factoring in additional assessments and financial forecast scenarios. These details are outlined and disclosed in note 24 to the financial statements, with the conclusion it is appropriate that the financial statements continue to be prepared on a going concern basis.

Impact of Brexit

The UK formally left the EU on 31 January 2020 however, there are a number of UK-EU relationship negotiations still ongoing during this transitional phase, some of which may impact on the charity's activities. As well as trade negotiations which could have an impact on recruitment, Norwood will continue to keep abreast of imminent agreements including data security and sharing agreement, supplies of

electricity and gas and the regulation of medicines. As part of its Brexit Business Contingency planning detailed to the Audit and Risk Committee, Norwood will continue to take necessary steps including working with local pharmacies on medicine supplies, refer to support provided by The Care Provider Alliance, collaborate with local authorities through the established Local Resilience Forums and continue to support relevant workforce to apply for the EU Settlement Scheme.

Risk Appetite and Other Principal Risks

During the year, the Audit and Risk Committee discussed the charity's risk appetite and agreed its initial response to all risks is CAUTIOUS. The essence of the risk appetite is to provide direction and boundaries for consistent, risk-aware decision-making across the organisation. It is also to guide executives and non-executives to take the right level and type of risks. Other principal risks identified during the year are:

RISKS	CONTROL MEASURES
<p>Safeguarding incident</p>	<ul style="list-style-type: none"> ○ Promoting oversight of performance and quality of services through the quality team and panel. ○ Reinforcing whistleblowing procedures, reporting and awareness. ○ Adopting a risk-assessment based approach to managing the people we support, staff and volunteers. ○ Regularly reporting safeguarding issues to the Operational Services Committee and ensuring incidents or concerns are promptly dealt with and reported at the Audit and Risk Committee.
<p>Recruitment of support workers especially at our Berkshire site</p>	<ul style="list-style-type: none"> ○ Exploring new and innovative ways to recruit, i.e. college placements, Barclays connect with work, recruitment fairs. ○ Continuing to grow our casual team and transition from neutral vendor to master vendor arrangement. ○ Monthly reporting and assessment of agency costs against corporate financial target. ○ Reviewing our volunteering strategy and streamlining the use of agency staff.
<p>Failure to comply with prevailing regulations such as GDPR, Fundraising Regulator etc.</p>	<ul style="list-style-type: none"> ○ Maintaining a thorough understanding of regulatory requirements and implementation timeframes, as well as, ensuring leads (such as the Data Protection Officer) are appointed to oversee the change process. ○ Benchmarking current practices against best practices. ○ Keeping policies and procedures up to date and ensuring proper and clear communication to staff, trustees and volunteers. ○ Undertaking independent audit reviews and spot-checks to ensure compliance with legislative requirements.

Structure, Governance and Management

Every year, we provide direct intervention to 2500 individuals including children, young adults and families experiencing social, emotional and wellbeing challenges and children and adults with learning disabilities and autism. While our head office is in Stanmore, we support individuals living in more than thirty homes across London and Berkshire, we run a family centre in north-west London with hubs in both Hackney and Redbridge. This is to ensure that we can continue to provide localised and bespoke care and support. As set out in our Memorandum and Articles of Association, 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, accommodation and/or other assistance of a charitable nature.”

Norwood 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 are entitled to attend and vote at the Annual General Meetings (AGM) and Extraordinary General Meetings (EGM). The responsibility of overseeing Norwood’s activities 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 Memorandum and Articles of Association and any special resolution. Our trustees have due regard for their specific responsibilities in respect of the charity and apply care and diligence in ensuring that the requirements of the Charities Act 2011 and the Charities (Protection and Social Investment) Act 2016 are adhered to.

Our board of trustees delegates the day-to-day management of Norwood’s operations to the Chief Executive Officer and the senior management team. To support the crucial role of the Norwood’s board, sub-committees and service review, panels were set up with specific terms of reference and delegated authorities. Trustees are appointed for a four-year term and may serve a second consecutive term. An advisory council was set up to provide valuable advice and guidance to our board on the delivery of safe, quality and viable services. The members of our advisory council are professionals in their fields, contributing a wealth of knowledge to Norwood’s governance. While the advisory council meets once a year, the board of trustees meets at least six times in a year.

To support the overarching responsibilities of Norwood’s board, three main committees (the Corporate Services Committee, the Operational Services Committee and the Fundraising Committee) were set up with specific terms of reference and authorities delegated to them by the board. The Corporate Services Committee has since established an Audit and Risk Committee, an Investment Committee and a Property Strategy Group. The Fundraising Committee provides support in achieving our fundraising strategy and annual fundraising targets. The membership of each sub-committee is drawn from the board and a pool of lay leaders (i.e. co-optees) with relevant expertise. Committees meet at least four times a year.

Our Trustees:

Angela Hodes (appointed 2016)

Angela is a barrister and mediator specializing in the Court of Protection. Her background is of an established family practitioner with experience in all aspects of family law. In addition to her practice at the Bar she is Assistant Coroner for London Inner West and is a co- author of “Dementia and the Law”. Angela has been involved with Norwood for many years, initially with the Management Committee for Fostering and Adoption and currently with the Audit and Risk and Operational Services Committees.

Anthony Rabin (appointed 2015)

Dr. Anthony Rabin is Chairman of Yorkshire Water and Co-Chair of the Anglo-Israel Archaeological Society. He has a D. Phil in Oriental Studies from the University of Oxford and is an Honorary Research Fellow at the Wilberforce Institute, University of Hull. Originally qualified as a barrister and chartered accountant, he worked in investment banking and was a partner at Coopers and Lybrand, before spending the latter half of his executive working life at Balfour Beatty plc, where he was on the

Board for 10 years, first as CFO and latterly as Deputy Chief Executive.

David Smith (appointed 2016)

David is the Group Head of Tax and Corporate Finance at Balfour Beatty managing Tax and M&A activities globally. He leads a team based in London, Newcastle and New York. David also oversees the group's UK DB pensions liabilities from the company perspective and sits on the Investment Committee of the main pension fund (circa £3bn assets). In addition David manages the Group's insurance team in the UK. Prior to joining Balfour Beatty David was Group Head of Tax at International Power plc where he played a central role in the Group's sale to GDF Suez SA. David also spent a number of years in the tax department at Reuters (now Thomson Reuters). He is a fellow of the Institute of Chartered Accountants, has a BSc in Maths and an MBA.

David Stanton – Joint Treasurer (appointed 2014)

David is a Managing Director for Ontario Airports Investments Limited (OAIL) which is majority owned by the Ontario Teachers' Pension Plan (OTPP) of Canada. OAIL provides investment management services on behalf of OTPP for Brussels, Bristol, Birmingham, London City and Copenhagen Airports. He is currently Chairman of the Audit Committee and Deputy Chairman of Copenhagen Airports, a member of the Board of Directors and Audit Committee member of Birmingham Airport and Chairman of the Health Safety & Environmental Committee and Audit Committee member of London City Airport. He previously spent 10 years as Corporate Development Director with BBA Aviation PLC. David qualified as a Chartered Accountant with PWC in 1994 and has been involved with Norwood since 2011 assisting

with the strategic review and other financial and business-related activities.

Gary Sacks (appointed 2015)

Gary is the Managing Director of City and Docklands Property Group. He has been involved with Norwood for many years and held the title of Fundraising Chair from 2006 to 2014. Gary has also overseen many major fundraising events for Norwood, helping to raise the £12m of voluntary income needed to run our services. Fundraising activities he has been involved in include the Annual Dinner, Business Breakfast, Property Lunch, YN, Challenge events and a host of community fundraising activities.

Glynnis Joffe (appointed 2018)

Glynnis has over 30 years' experience, working in local authority social services departments. She held senior social services leadership and management roles for over 15 years. She has been responsible for all aspects of adult social services including operations, commissioning, safeguarding, service improvement and the workforce. Glynnis has a strong commitment to those who use services and their families, and working in partnership with health services and the voluntary sector.

Julia Chain – Deputy Chair (appointed 2013)

Julia qualified as a solicitor, specialising in corporate finance law. She held senior legal roles in various companies, including Managing Partner, Andersen Legal and General Counsel at T-Mobile UK. She moved into management consultancy in 2004 advising law firms and corporate law departments. Julia spent 6 years as first Commissioner and then Deputy Chair of the Commission for Racial Equality (CRE) with a particular interest in issues concerning the Jewish community in Britain. She has had a

number of non-executive positions including Member of the Strategy Board of the Law and Business faculty of St Gallen University, Switzerland; Frontier Economics Consultancy and is currently a Trustee of the Jewish Community Academy Trust. Julia was most recently Managing Director and international VP at Consilio.

Justine Harris (appointed 2020)

Justine is a partner in Brunswick Group's Business & Society practice. She works with the leadership teams of global corporations to advise on their response to business-critical issues helping to ensure they deliver societal value alongside financial value.

Prior to this, Justine led the global sustainability function at Vodafone Group Plc, where she was responsible for Vodafone's strategy to drive positive social impact at scale.

Justine was Director of Marketing and Communications for Jewish Care for over ten years and was responsible for all communications channels, internal and external stakeholder engagement, brand development and crisis and reputation management.

She started her career in advertising spending almost ten years at Saatchi & Saatchi, working on international campaigns for global clients, including Procter & Gamble.

Tamara Finkelstein CB (appointed 2018)

Tamara Finkelstein is Permanent Secretary at the Department of Environment, Food and Rural Affairs having previously led the department's work on EU Exit Delivery. Before that she led the Building Safety Programme in the wake of the Grenfell Tower fire at the Ministry of Housing, Communities and Local Government. Much of her career has been at HM Treasury where she started as an economist, and her roles

included private secretary and speechwriter to the Chancellor, and leading on public services expenditure. She has worked in a number of other government departments on policy and delivery in health and children's services including as Deputy Head of Sure Start, and as Director General for Community Care at the Department of Health and Social Care, with responsibility for social care and community services. She is a previous co-chair of New North London Synagogue, a trustee at JCOSS and senior sponsor of the Civil Service Jewish Network.

Lady Elaine Sacks (appointed 2012)

Lady Sacks originally trained and practised as a radiographer. Today she teaches and mentors in Jewish communities throughout the UK and the world. Taking the opportunity to continue her studies, she was awarded an MSc in Criminology. Lady Sacks has been a supporter of Norwood for many years. She takes a particular interest in supporting a number of charities, both Jewish and non-Jewish, including many that are associated with Jewish education. She has been actively involved in many aspects of the Jewish Community for over 30 years.

Linda Goldberg (reappointed 2019)

Linda began her career as a primary school teacher and has 25 years business management experience in the private and voluntary sector. For 10 years, she was Chief Executive of Cosgrove Care, a voluntary organisation supporting the diverse needs of children and adults with learning disabilities and their families. Cosgrove Care gained a National Charity Award in 2001 for excellence in change management. Linda is involved in several community organisations including, Judith Trust Board, where she advises on including Jewish people with

learning disabilities within the Jewish religious and communal world, and Jweb which is a Jewish site/hub for the carers of people with learning disabilities. She has also been involved with Interlink and Ezer Leyoldos.

Neville Kahn—Chair (appointed 2018)

Neville is a Partner in Blandford Capital LLP, a private investment vehicle, having retired from Deloitte LLP where he was Managing Partner of NW Europe Financial Advisory. Neville has been involved with Norwood as a supporter for many years and has appeared as a guest speaker at Norwood fundraising events. In 2005, he co-founded the Norwood Distressed Investors Dinner Committee. Neville is also active in several other community organisations and is both a Freeman and Liveryman of the City of London.

Philip Hertz (appointed 2016)

Philip is a Partner and the Global Head of Restructuring and Insolvency at international law firm Clifford Chance where he has advised companies, lenders, investors and other stakeholders in relation to some of the most complex cross-border restructurings and insolvencies. Philip has been a supporter of Norwood for a number of years. He is not only responsible for Clifford

Chance agreeing to advise Norwood as part of its community outreach and pro bono programme but has also participated in several challenge events for Norwood including the London Marathon and multiple international cycle rides. Philip has also been active in his local community, including a former role as Chairman of Stanmore and Canons Park Synagogue.

Rachael Davis-Stollar (appointed 2020)

Rachael qualified and practised as a finance and restructuring lawyer in the City. She is a professional skills coach, devising bespoke performance enhancement programmes to lawyers and c-suite professionals. Rachael is also a Visiting Lecturer in business leadership and management and is an Associate Fellow of the HEA.

She sits on the Board of Trustees of the Radlett Centre Trust, oversees the investment portfolio of an estates charitable trust, and is a former Careers Academy mentor.

Rachael has been involved with Norwood since 2005, during which time she has held a number of lay positions, including Chair of the YN Lawyers committee and co-Chair of the Board of YN. She has been Chair of the annual Norwood Volunteer Recognition Awards since 2013.

Our Committee Members

Lay leaders are co-opted members who provide invaluable support to Norwood's committees and contribute to the overall governance of the charity.

Angela Hodes – ARC, OSC	Louise Wolfson - ARC
Anthony Rabin - ARC	Mark Lee - CSC
Alfred Garfield – CSC	Michael Hart – OSC
Alison Richardson - OSC	Michael Rosehill - IC
Andrew Viner - ARC, IC	Mike Myers - IC
Coren Lass - ARC	Nick Green – PSG*
Dan Adler – IC	Paul Huberman - PSG
David Ezeria - OSC	Paul Moser – OSC
David Freedman – IC	Philip Hertz - CSC
David Smith – IC*, ARC*	Rachel Davis-Stollar -FCG
David Stanton – CSC*, ARC	Richard Estrop - PSG
Ian Fagelson – ARC	Roger Filer - OSC
Gary Sacks - PSG	Ron Raye – PSG
Glynnis Joffe – OSC	Ronnie Harris - PSG
James Reichman - CSC	Simon Chadowitz - PSG
Jourdan Rajwan - PSG	Simon Shelley – PSG
Linda Goldberg – OSC*, PSG	Tamara Finkelstein MBE – CSC

ARC - Audit and Risk Committee

FCG - Fundraising Campaign Group

OSC - Operational Services Committee

CSC - Corporate Services Committee

IC - Investment Committee

PSG - Property Strategy Group

* Committee's Chairperson

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 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.

Neville Kahn
Chair

David Smith
Joint Treasurer

13 November 2020

Independent Auditor's Report to the Members of Norwood Ravenswood

Opinion

We have audited the financial statements of Norwood Ravenswood (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2020, which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2020 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – property valuation

We draw attention to Note 10b to the financial statements, which describes the basis for valuing investment property held by the group; no investment properties are held by the parent company. Management engaged an expert to value the group's investment properties. The expert's valuation included a 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS Red Book Global. Consequently, less certainty and a higher degree of caution should be attached to management's valuation than would normally be the case. Our opinion is not modified in respect of this matter.

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the group's and the company's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the group's and the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a group and a company associated with these particular events.

Independent Auditor's Report to the Members of Norwood Ravenswood

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

In our evaluation of the trustees' conclusions, we considered the risks associated with the group's and charitable company's business, including effects arising from macro-economic uncertainties such as Covid-19 and Brexit, and analysed how those risks might affect the group's and charitable company's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the group and charitable company will continue in operation.

Other information

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

We have nothing to report in this regard.

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 the Directors' report, prepared for the purposes of company law, included in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Directors' Report included in the Trustees' Annual Report have 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included in the Trustees' Annual Report.

Independent Auditor's Report to the Members of Norwood Ravenswood

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.

Responsibilities of trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement set out on page 25, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

13 November 2020

Consolidated Statement of Financial Activities
For the year ended 31 March 2020
(Incorporating the Income and Expenditure Account)

	Notes	Unrestricted Funds 2020 £'000	Endowment Funds 2020 £'000	Restricted Income Funds 2020 £'000	Total 2020 £'000	Total 2019 £'000
Income from:						
Donations and legacies	2	8,629	-	974	9,603	10,681
Charitable activities	3	19,405	-	20	19,425	19,751
Other trading activities		569	-	-	569	739
Investments	4	883	-	-	883	760
Other		755	-	-	755	-
Total income		30,240	-	994	31,234	31,931
Expenditure on:						
Raising voluntary income and marketing	5/15a	3,199	-	-	3,199	3,467
Charitable activities	5/15a	27,525	-	1,552	29,077	28,168
Trading activities	5	845	-	-	845	918
Investments	5	18	-	-	18	23
Other	5	31	-	-	31	26
Exceptional impairment reversal	9	-	-	-	-	(1,870)
Total cost		31,617	-	1,552	33,169	30,732
Operating surplus / (deficit)		(1,377)	-	(558)	(1,935)	1,199
Net (losses) / gains on investments	10c	(655)	(89)	-	(744)	315
Net income / (expenditure)		(2,032)	(89)	(558)	(2,679)	1,514
Transfers between funds	15	(19)	-	19	-	-
Other recognised gains and losses						
Net losses on financial instrument	10c	(4)	-	-	(4)	(17)
Net movement in funds		(2,055)	(89)	(539)	(2,683)	1,497
Reconciliation of funds:						
Total funds brought forward	21	35,622	1,663	7,660	44,945	43,448
Total funds carried forward	21	33,567	1,574	7,121	42,262	44,945

All income and expenditure derived from continuing activities in the year.
The comparative figures for each fund are shown in the notes to the financial statements (Note 26).
The accompanying notes on pages 33 to 58 of this report form an integral part of these accounts.

Balance Sheet
As at 31 March 2020

		Restated			
		GROUP		PARENT CHARITY	
		2020	2019	2020	2019
Fixed Assets	Note	£'000	£'000	£'000	£'000
Intangible fixed assets	8	284	200	-	-
Tangible fixed assets	9	24,169	23,901	1,159	1,197
Investments: Managed investment portfolio	10a	14,128	17,818	12,626	16,011
Directly managed property	10b	7,710	7,750	-	-
Interest rate derivative	10d	-	4	-	-
Total fixed assets		46,291	49,674	13,785	17,208
Current Assets					
Debtors	12	1,991	1,772	424	373
Cash at bank and in hand		2,618	2,457	529	804
Total current assets		4,609	4,229	953	1,177
Liabilities					
Creditors: amounts falling due within one year	13	(4,099)	(4,031)	(3,159)	(3,321)
Net current assets / (liabilities)		510	198	(2,207)	(2,144)
Total assets less current liabilities		46,801	49,872	11,578	15,064
Creditors: amount falling due after one year	14	(4,539)	(4,926)	-	-
Total net assets		42,262	44,945	11,578	15,064
Funds					
Including cumulative revaluation losses of £0.5m (2019: gains £3.5m)					
Restricted funds	15	7,121	7,660	64	64
Endowment funds	15	1,574	1,663	1,574	1,663
Unrestricted funds	15	33,567	35,622	9,940	13,337
Total Fund		42,262	44,945	11,578	15,064

The accompanying notes on pages 33 to 58 of this report form an integral part of these accounts.
Approved by the Board of Trustees on 13 November 2020.

Neville Kahn
Chairman of the Board

David Smith
Joint Treasurer & Chairman of Audit and Risk
Committee and Investment Committee

Cash Flow Statement
For the Year Ended 31 March 2020

		2020	2019
	Note	£'000	£'000
Cash flows from operating activities:			
Net cash (used in) by operating activities	22	(1,899)	724
Cash flows from investing activities:			
Dividends, interest and rent from investments	4	883	760
Purchase of tangible fixed assets	9	(2,078)	(1,458)
Purchase of intangible fixed assets	8	(223)	(43)
Proceeds on sale of tangible fixed assets		878	12
Purchase of investments	10	(8,122)	(8,577)
Proceeds on disposal of investments	10	11,073	9,801
Proceeds on liquidated investments	10	35	-
Net Cash provided by investing activities		2,446	495
Cash flows from financing activities:			
Interest paid on bank loan	5c	(81)	(81)
Bank loan repaid		(304)	(311)
Net Cash (used in) financing activities		(385)	(392)
Change in cash and cash equivalents in the reporting period		161	827
Cash and cash equivalents at the beginning of the period		2,457	1,630
Cash and cash equivalents at the end of the reporting period	22	2,618	2,457

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the 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 2019. Norwood Ravenswood was incorporated in the United Kingdom and 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. There was a prior year adjustment in the parent charity balance sheet and associated notes details of which can be found in Note 25. 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 financial statements also represent a consolidation of activities of the Charity's linked charity – Norwood Home for Jewish Children. As at 31 March 2020, 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

Given the current impact and ongoing uncertainty created by the COVID-19 pandemic, the trustees have undertaken an assessment of going concern and considered the level of disclosure relating to these issues and full details of these can be found in note 24 to these financial statements.

Notes to the Financial Statements
For the year ended 31 March 2020 (continued)

c) *Estimates*

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 cap to hedge the interest rate risks of its long term loan. The financial instruments are initially recognised at fair value, which is normally the transaction price. In certain circumstances, the initial fair values 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 cap was carried at fair value, with changes in fair value either reported within the income statement or within equity until the instrument is sold or becomes impaired. Details of the charity's financial instruments are set out in Note 10.

Fair value of investment properties

The investment properties relate to the group's long leasehold interest in 228 Walm Lane and freehold interest in the ground floor of the building at 80-82 The Broadway leased to a third party. The freeholder for 228 Walm Lane is the London Borough of Brent and the long leasehold has been granted for a term of 125 years from 24 June 1997. Valuations were undertaken by Cluttons LLP, an independent valuer, as at 31 March 2020 following the outbreak of COVID-19 and its economic impact. The valuations were on a Fair Value basis in accordance with the RICS Valuation - Global Standards 2020 (UK National Supplement) incorporating the International Valuation Standards (IVS) known as the Red Book. The valuations are reported on the basis of a 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS Red Book Global as a result of the COVID-19 pandemic. Less certainty and a higher degree of caution is therefore attached to the valuation than would normally be the case.

Other significant estimates and assumptions

Significant estimates and assumptions in these Financial Statements require the exercise of judgment and are used for, but not limited to, allowance for doubtful clients and local authorities' account, estimates of future cash flows and other assumptions associated with asset impairment tests, including the reversal of previous impairments, useful lives for depreciation, determination of discount and other rate assumptions for contingencies. Due to the inherent uncertainty involved in making estimates, actual results reported in future periods may be different from these estimates. There are no significant judgements.

d) *Judgements*

The funding from Norwood Ravenswood to Norwood Schools to provide support to their services is accounted for based on a valid expectation created through an established pattern of past practice and thus in substance a constructive obligation having been created.

Notes to the Financial Statements For the year ended 31 March 2020 (continued)

e) *Income recognition*

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

If income relates to a future period or event and the purpose of that income is to support the costs and activities in the future, the income is deferred and recognised in the appropriate period.

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.

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.

f) *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.

Notes to the Financial Statements
For the year ended 31 March 2020 (continued)

g) 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.

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.

h) 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

Notes to the Financial Statements For the year ended 31 March 2020 (continued)

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	- 10 years

During the year, Trustees amended their accounting policy extending the economic useful life of Furniture, fixtures, fittings and equipment from 4 years to 10 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.

i) Basic Financial instruments

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

Financial assets:

Financial assets 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.

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.

j) Investments

Investment properties:

Investment properties are revalued annually by the trustees and periodically 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.

Notes to the Financial Statements
For the year ended 31 March 2020 (continued)

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 in the Statements of Financial Activities. There are no 'investment management costs' to report in respect of the COIF Fund holdings. This is because there are no costs netted off investment income as costs are to the Fund.

k) 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.

l) 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.

m) 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.

n) 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.

o) 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 2020 (continued)

2. Incoming resources from donations and legacies

	Unrestricted Funds	Endowment Funds	Restricted Income Funds	Total 2020	Total 2019
	£'000	£'000	£'000	£'000	£'000
Donations	7,115	-	942	8,057	8,346
Legacies	1,504	-	-	1,504	2,262
Grants	10	-	32	42	73
Total	8,629	-	974	9,603	10,681

3a. Incoming resources from charitable activities by income type

	Unrestricted Funds	Endowment Funds	Restricted Income Funds	Total 2020	Total 2019
	£'000	£'000	£'000	£'000	£'000
Statutory income from Local Authorities	17,539	-	-	17,539	17,906
Gross fee income	348	-	-	348	430
Less: bursaries and grants	-	-	-	-	(5)
Rental income	1,264	-	-	1,264	1,254
Other income	254	-	20	274	166
Total	19,405	-	20	19,425	19,751

3b. Incoming resources from charitable activities by service area

	Unrestricted Funds	Endowment Funds	Restricted Income Funds	Total 2020	Total 2019
	£'000	£'000	£'000	£'000	£'000
Adults services	17,794	-	-	17,794	17,810
Family services	151	-	-	151	145
Children services	1,452	-	20	1,472	1,782
Support services	8	-	-	8	14
Total	19,405	-	20	19,425	19,751

4. Incoming resources from investments

	Unrestricted Funds	Endowment Funds	Restricted Income Funds	Total 2020	Total 2019
	£'000	£'000	£'000	£'000	£'000
Bank deposit interest	130	-	-	130	7
Investment Income / dividend	305	-	-	305	300
Rental income from investment properties	448	-	-	448	453
Total	883	-	-	883	760

Notes to the Financial Statements
For the year ended 31 March 2020 (continued)

5a. Resources expended

	Direct Staff Costs	Other Direct Costs	Reallocated Support Cost	Total 2020	Total 2019
	£'000	£'000	£'000	£'000	£'000
Cost of generating voluntary income	1,325	1,029	256	2,610	2,754
Cost of marketing	347	242		589	713
Cost of trading	316	367	162	845	918
Cost of generating investment income	-	18	-	18	23
Other	-	24	7	31	26
Total cost of raising funds	1,988	1,680	425	4,093	4,434
Charitable expenditure:					
Adults services	15,878	5,638	3,402	24,918	24,098
Family services	1,127	(121)	362	1,368	1,341
Children & educational services	1,528	905	358	2,791	2,729
Total cost of charitable expenditure	18,533	6,421	4,122	29,077	28,168
Exceptional impairment reversal	-	-	-	-	(1,870)
Total resources expended	20,521	8,101	4,547	33,170	30,732

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

Support costs (basis of apportionment)	Adults services	Family services	Children services	Voluntary income	Trading	Total 2020	Total 2019
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Financial Management <i>(percentage of staff)</i>	410	20	29	20	10	489	466
Information Systems <i>(number of PCs)</i>	466	117	125	66	26	800	885
Assistive Technology <i>(equipment used and time spent)</i>	161	35	35	-	-	231	219
Human Resources <i>(percentage of staff)</i>	805	38	58	38	19	958	956
Property and Facilities <i>(area occupied)</i>	418	20	30	20	10	498	603
Central Management <i>(percentage of staff)</i>	598	29	43	29	14	713	721
Jewish culture <i>(percentage of staff)</i>	101	5	7	5	2	120	100
Risk and Assurance <i>(percentage of staff)</i>	65	3	5	3	2	78	74
Volunteering <i>(number of volunteers)</i>	51	79	3	8	71	212	234
Governance <i>(percentage of staff)</i>	327	16	30	67	8	448	386
Total	3,402	362	365	256	162	4,547	4,644

Notes to the Financial Statements
For the year ended 31 March 2020 (continued)

5c. Resources expended also include:

		Total 2020	Total 2019
		£'000	£'000
External audit and related costs:	Statutory audit of the company	42	37
	Statutory audit of the subsidiary undertakings	35	31
Depreciation:	Intangible fixed assets	139	133
	Tangible fixed assets	1,682	1,149
Interest payable on bank loan		81	81
Operating lease rentals:	Plant & machinery	215	201
	Properties	507	487
Trustees' indemnity insurance premiums		4	5

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
2020			
Incoming resources/ turnover	96	30,259	9,026
Resources expended	(31)	(29,370)	(11,911)
Net losses on revaluation & investments	(40)	(107)	(636)
Net income for the year	25	782	(3,521)
<hr/>			
Total assets	1,448	38,617	14,738
Total liabilities	(1,006)	(7,982)	(3,160)
Net assets	442	30,635	11,578
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2019			
Incoming resources/turnover	103	28,095	9,363
Resources expended	(26)	(27,422)	(8,914)
Net gains on investments	-	-	298
Net income for the year	77	673	747
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Total assets	1,488	38,434	18,385
Total liabilities	(1,071)	(8,581)	(3,321)
Net assets	417	29,853	15,064

Notes to the Financial Statements
For the year ended 31 March 2020 (continued)

7a. Staff costs, trustees remuneration and expenses and cost of Key Management Personnel

	2020	2019
	£'000	£'000
Direct staff expenditure:		
Wages and salaries	18,565	18,798
Social security costs	1,654	1,634
Pension costs	611	553
Total direct staff costs	20,830	20,985
Other Staff expenditure:		
Agency costs	1,728	1,726
Other staff costs	375	486
Total staff expenditure	22,933	23,197

7b. Redundancy and Termination costs included in the costs above:

	2020	2019
	£'000	£'000
Statutory redundancy payments	133	109
Payments in Lieu of notice period	144	64
Compensation for loss of office	20	15
Total payments on termination included above	297	188

7c. Average number of staff employed and the full-time equivalent

	Staff employed		Full-time equivalent	
	2020	2019	2020	2019
	Number	Number	Number	Number
Fundraising and trading activities	49	46	46	40
Adults' Services	686	721	455	475
Children and Family Services	42	39	33	33
Education and Support	31	31	19	19
Support Services	65	82	62	74
	873	919	615	641

7d. Earnings above £60,000

The number of employees who earned more than £60,000 during the year was:		
	2020 Number	2019 Number
£60,001 - £70,000	4	3
£70,001 - £80,000	1	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	1
£100,001 - £110,000	1	1
£110,001 - £120,000	-	1
£120,001 - £130,000	1	-
£150,001 - £160,000	1	-

Contributions made to the pension scheme for the nine (2019: eight) employees who earned more than £60,000 amounted to £60,190 (2019: £71,438). 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 £693,561 (2019: £788,587).

7e. Pension

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 £611,000 (2019: £553,000) of which £108,000 was outstanding at 31 March 2020.

8. Intangible Fixed Assets

	Group Computer Software	Parent Computer Software
	£'000	£'000
Cost		
At 1 April 2019	2,456	21
Additions	223	-
Disposals	-	-
At 31 March 2020	2,679	21
Depreciation		
At 1 April 2019	2,256	21
Charge for the year	139	-
Disposals	-	-
At 31 March 2020	2,395	21
Net Book Values:		
At 31 March 2020	284	-
At 31 March 2019	200	-

Notes to the Financial Statements
For the year ended 31 March 2020 (continued)

9a. Tangible Fixed Assets

	Freehold properties	Leasehold properties	Motor vehicles	Fixtures, Furniture & Equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 April 2019	32,228	3,391	852	8,097	44,568
Additions	894	121	91	972	2,078
Disposals	(286)	(45)	(79)	(44)	(454)
At 31 March 2020	32,836	3,467	864	9,025	46,192
Depreciation					
At 1 April 2019	12,919	1,474	486	5,788	20,667
Charge for the year	1,088	171	78	345	1,682
Disposals	(206)	(14)	(75)	(31)	(326)
At 31 March 2020	13,801	1,631	489	6,102	22,023
Net Book Values:					
At 31 March 2020	19,035	1,837	375	2,922	24,169
At 31 March 2019	19,309	1,917	366	2,309	23,901

In the prior year there was an impairment reversal of £1.870m to the carrying value of Ravenswood village.

9b. Parent Tangible Fixed Assets

	Freehold properties	Leasehold properties	Fixtures, Furniture & Equipment	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 April 2019	949	1,610	341	2,900
Additions	-	-	1	1
Disposals	-	-	-	0
At 31 March 2020	949	1,610	342	2,901
Depreciation				
At 1 April 2019	574	805	324	1,703
Charge for the year	8	29	2	39
Disposals	0	0	0	0
At 31 March 2020	582	834	326	1,742
Net Book Values:				
At 31 March 2020	367	776	16	1,159
At 31 March 2019	375	805	17	1,197

Notes to the Financial Statements
For the year ended 31 March 2020 (continued)

10a. Investments: Managed Investment Portfolio

	GROUP		PARENT CHARITY	
	2020	2019	2020	2019
Market Value				
	£'000	£'000	£'000	£'000
Market values at 1 April	17,818	18,727	16,011	16,546
Investment acquired in the year	8,122	8,577	6,438	8,547
Disposals in the year	(11,073)	(9,801)	(9,188)	(9,287)
Net investment (losses) / gains	(704)	315	(600)	298
Assets liquidated and classified as cash	(35)	-	(35)	(93)
Market value at 31 March	14,128	17,818	12,626	16,011

Historical Cost for comparison	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Historical cost at 31 March	17,208	16,639	15,339	14,836
Cumulative revaluation (losses)/gains (investment portfolio)	(3,080)	1,197	(2,714)	900
The proportions of these investments by market value invested by fund manager was:				
Seven Investment Management LLP	55%	52%	49%	46%
Sarasin and Partners LLP	45%	48%	51%	54%

The underlying investments may also be analysed as follows:

	GROUP		PARENT CHARITY	
	2020	2019	2020	2019
Equity Investments by type				
	£'000	£'000	£'000	£'000
Multi-asset Investment Funds	14,123	17,780	12,622	15,982
Cash	5	38	4	29
Market Value at 31 March	14,128	17,818	12,626	16,011

Notes to the Financial Statements
For the year ended 31 March 2020 (continued)

10b. Investments: directly managed property

Market Value	GROUP		PARENT CHARITY	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Valuation at 1 April	7,750	7,750	-	-
Net investment (losses)/gains - unrealised	(40)	-	-	-
Carrying values at 31 March	7,710	7,750	-	-

Cumulative revaluation gains (directly managed properties)	2,536	2,316	-	-
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The investment properties relate to the group's long leasehold interest in 228 Walm Lane and freehold interest in the ground floor of the building at 80-82 The Broadway leased to a third party. The freeholder for 228 Walm Lane is the London Borough of Brent and the long leasehold has been granted for a term of 125 years from 24 June 1997. Valuations were undertaken by Cluttons LLP, an independent valuer, as at 31 March 2020 following the outbreak of COVID-19 and its economic impact. The valuations were on a Fair Value basis in accordance with the RICS Valuation - Global Standards 2020 (UK National Supplement) incorporating the International Valuation Standards (IVS) known as the Red Book. The valuations are reported on the basis of a 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS Red Book Global as a result of the COVID-19 pandemic. Less certainty and a higher degree of caution is therefore attached to the valuation than would normally be the case. The Trustees therefore consider the valuation included in the independent expert's report to be an accurate reflection of the investment property fair value.

10c. Investments: financial instrument

Market Value	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Net (losses) / gains on investments: managed portfolio	(704)	315	(635)	298
Net (losses) on financial instruments: interest rate cap	(4)	(17)	-	-
Net (losses) on fixed asset: property revaluation	(40)	-	-	-
Net (losses)/gains on investments	(748)	298	(635)	298

The Interest Rate Cap has been valued by JC Rathbone Associates Ltd, a financial institution authorised and regulated by the Financial Conduct Authority, for the year ended 31 March 2020. The valuation is based Fair value using the MID point of the yield curve prevailing at the reporting date. Fair value represents the net present value of the difference between the contracted rate and the valuation rate when balances are projected to the contracted expiration date. The valuation does not include a credit valuation adjustment.

Notes to the Financial Statements
For the year ended 31 March 2020 (continued)

10d. Net gains on investments and financial instruments

Market Value	GROUP		PARENT CHARITY	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Valuation at 1 April	4	22	-	-
Net investment (losses) - unrealised	(4)	(18)	-	-
Valuation as at 31 March	-	4	-	-

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 discontinued 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

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 2020 (continued)

12. Debtors

	GROUP		PARENT CHARITY	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Trade debtors and Local Authorities' debts	1,280	833	-	-
Accrued legacies (see Note 18)	239	147	239	147
Other debtors	105	101	51	33
Prepayments	362	679	134	193
Accrued income	5	12	-	-
Total debtors	1,991	1,772	424	373

13. Creditors: amount falling due within one year

	GROUP		PARENT CHARITY	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Accruals and deferred income	2,191	1,255	540	256
Amount due to group undertakings	-	-	2,577	3,012
Bank loan repayable within one year	323	318	-	-
JCoSS PSRP grant (see Note 16)	155	77	-	-
Other creditors	36	20	-	-
Other taxes and social security costs	536	494	-	-
Trade creditors	858	1,617	42	53
Loan, which is interest free, secured by a charge over a property and repayable after 10 September 2019.	-	250	-	-
Total creditors due in less than one year	4,099	4,031	3,159	3,321

Notes to the Financial Statements
For the year ended 31 March 2020 (continued)

14. Creditors: amount falling due after one year

	GROUP		PARENT CHARITY	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Bank loan repayable within two to five years	1,341	1,321	-	-
Bank loan repayable after five years	2,763	3,093	-	-
	4,104	4,414	-	-
Provision for Dilapidation	232	231	-	-
Rental Deposit	78	78	-	-
JCoSS PSRP grant (see note 16)	125	203	-	-
Total creditors due in more than one year	4,539	4,926	-	-

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 (the first 5 years was interest only). The bank loan is secured by a charge over Broadway House, Stanmore and is repayable in 240 monthly instalments from November 2012.

Notes to the Financial Statements
For the year ended 31 March 2020 (continued)

15a. Restricted Income Fund

		1 April 2019	Incoming resources	Outgoing resources	Transfer between funds	31 March 2020
	note:	£'000	£'000	£'000	£'000	£'000
Assistive Technology Fund	i	529	-	(271)	-	258
Capital Projects	ii	-	120	-	-	120
JAPH Fund	iii	25	-	-	-	25
JCoSS PSRP Fund	iv	1,256	-	(130)	35	1,161
Lyonsdown Road Service Delivery Fund & Rear Garden	v	99	32	(67)	-	64
Lyonsdown Road Extension	vi	164	60	(224)	-	0
Phyllis Somers Capital & Service Fund	vii	3,116	-	-	(16)	3,100
Somers Court & Residential Fund	viii	194	-	-	-	194
Somers Court (ex Daniel Ct.)		359	-	(17)	-	342
Supported Living Properties Fund:	ix	21	-	-	-	21
11 Highview Gardens		662	-	(15)	-	647
Holmbury Avenue		388	-	(17)	-	371
Greenwood Road		187	-	(6)	-	181
The Grange Fund	x	187	-	(11)	-	176
Social Work Grant	xi	44	20	(61)	-	3
Education Psychology Pathways	xii	-	44	(22)	-	22
PMLD Minibus	xiii	-	36	-	-	36
PMLD Independence Project	xiv	61	61	(122)	-	-
Teeny Tiny Grant	xv	19	18	(11)	-	26
Buckets & Spades Refurbishment Project	xvi	-	91	(91)	-	-
Sussex Tikvah	xvii	-	25	(25)	-	-
Binoh SEND Fund	xviii	24	50	(40)	-	34
Heads Up Kids	xix	17	129	(81)	-	65
Autism Services	xx	43	91	(43)	-	91
Archiving Project	xxi	36	-	(36)	-	-
Lira Abeleva (Novi Dom)	xxii	53	-	-	-	53
Other funds each valued under £20,000		176	217	(262)	-	131
		7,660	994	(1,552)	19	7,121

15b. Group Endowment Funds

		1 April 2019	Incoming resources	Outgoing resources	Transfer between funds	Investment gains and losses	31 March 2020
	note:	£'000	£'000	£'000	£'000	£'000	£'000
Ernst & Dola Fischer fund	xxiii	379	-	-	-	(21)	358
Endowment fund for Jewish Children	xxiv	226	-	-	-	(13)	213
Somers fund	xxv	1,058	-	-	-	(55)	1,003
		1,663	-	-	-	(89)	1,574

15c. Group Unrestricted Fund – Designated Fund

		1 April 2019	Incoming resources	Outgoing resources	Transfer between funds	Investment gains and losses	31 March 2020
		£'000	£'000	£'000	£'000	£'000	£'000
PSRP at JCoSS Designated fund		80	-	-	(35)	-	45
		80	-	-	(35)	-	45

Notes to the Financial Statements
For the year ended 31 March 2020 (continued)

15d. Group Unrestricted Fund – General Fund

	31 March 2019	Incoming resources	Outgoing resources	Transfer between funds	Investment gains and losses	31 March 2020
	£'000	£'000	£'000	£'000	£'000	£'000
General funds	35,542	30,240	(31,617)	(19)	(659)	33,567
	35,622	30,240	(31,617)	(19)	(659)	33,567
Total funds (a+b+c+d)	44,945	31,234	(33,169)	-	(748)	42,262

15e. Parent Charity Funds

	Restated					
	1 April 2019	Incoming resources	Outgoing resources	Transfer between funds	Investment gains and losses	31 March 2020
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted Fund:						
General fund	13,337	9,027	(11,911)	-	(513)	9,940
	13,337	9,027	(11,911)	-	(513)	9,940
Endowment funds:						
Ernst & Dola Fischer fund	379	-	-	-	(21)	358
Endowment fund for Jewish Children	226	-	-	-	(13)	213
Somers fund	1,058	-	-	-	(55)	1,003
	1,663	-	-	-	(89)	1,574
Restricted Funds:						
Lira Abeleva (Novi Dom)	53	-	-	-	-	53
Other funds valued under £50,000	11	-	-	-	-	11
	64	-	-	-	-	64
Total	15,064	9,027	(11,911)	-	(602)	11,578

Notes to the Financial Statements For the year ended 31 March 2020 (continued)

Restricted funds:

- i Assistive Technology Fund*
The fund comprises of two main grants from KC Sasha and H Sebba and they are used to provide assistive technology and associated support to adults and young people with learning difficulties and complex needs.
- ii Capital Projects*
The Leo Baeck Housing Association provided these funds to support building improvement projects at a number of Norwood properties.
- iii JAPH Fund*
This grant provides additional fund to ensure the young adults we support, aged between 19 and 26 years, experience the once in a lifetime organised trip to Israel.
- iv JCoSS PSRP 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. There is also an unrestricted designated reserve, further detail of which is provided in Note 15c.
- v Lyonsdown Road Services Delivery Fund & Rear Garden*
Lyonsdown Road is our newest supported living accommodation and this fund is to support the set-up and delivery of care services at the home and landscaping of rear garden.
- vi Lyonsdown Road Extension*
The Leo Baeck Housing Association provided these funds to support the building of a first floor extension at the Lyonsdown Road home.
- vii 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.
- viii Somers Court & Residential Accommodation Fund*
The grant was given 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.
- ix 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 £1,237k (including £160k of depreciation), 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.
- x The Grange Fund*
This represents donation of a flat which can only be used by the current resident during his lifetime.
- xi Social Work Grant*
This grant was awarded by the Pauline and Harold Berman Charitable Trust to support the work at our family centre and relieve the costs of providing Social Work at the Kennedy Leigh Centre.
- xii Educational Psychology Pathways*
This grant was awarded by the Doris Pacey and Dr Michael and Anna Brynberg Charitable Foundations to fund the staff cost of an Educational Psychologist, working as part of our Binoh service, whose role is to support our vision that children should be empowered to live the life they choose.

Notes to the Financial Statements
For the year ended 31 March 2020 (continued)

- xiii *PMLD Minibus*
Funding to purchase a minibus for the PMLD service at Ravenswood Village
- xiv *PMLD Independence Project*
A fund for increasing the independence and wellbeing of people with profound and multiple learning difficulties.
- xv *Teeny Tiny Grant*
A grant awarded to support Teeny Tiny: an educational support group for 16 months to 5 year-olds with learning disabilities and special educational needs.
- xvi *Buckets and Spades Refurbishment Project*
Funding for the refurbishment works at Buckets & Spades.
- xvii *Sussex Tikvah*
An unconditional legacy donation to Sussex Tikvah
- xviii *Binoh SEND Fund*
This fund is to support Binoh's Special Educational Needs and Disabilities Programme.
- xix *Heads Up Kids*
This fund is to support our work in partnership with Heads Up Kids.
- xx *Autism Services*
Funding made up of three main grants to set up delivery of a deliver a Stage 1 Autism Service, training and development for parents and community engagement.
- xxi *Archiving Project*
The grant funds the staffing cost of Norwood's Archivist so as to ensure the completion of a catalogue which will be made available online to empower those with interests in the history of Social Care, Education and Jewish Studies, from the 18th Century through to the 21st Century. The provision of the grant will also go towards preserving Norwood's significant historical materials and establish ongoing processes for cataloguing and archive management.
- xxii *Lira Abeleva (Novi Dom)*
This fund is set up to provide an educational and respite care facility for disabled children in Minsk, Belarus
- xxiii *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.
- xxiv *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.
- xxv *Somers Fund*
This endowment was given to fund Norwood's family centre at Hackney. The original grant received was £1m.

Notes to the Financial Statements
For the year ended 31 March 2020 (continued)

16. JCoSS PSRP

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 was made available for the majority of the capital cost of JCoSS PSRP however, the trustees of Norwood agreed to match the capital funding as well as contribute to the operational running costs of the school. The grant for JCoSS PSRP was designated for a 10-year period.

JCoSS Creditor	1 April 2019	Movement	31 March 2020
	£'000	£'000	£'000
Construction and fitting out expenditure	-	-	-
Revenue Support	280	-	280
	280	-	280

	31 March 2020	31 March 2019
Creditors: Amounts falling due within one year	155	77
Creditors: Amounts falling due between two and five years	125	203
Creditor: Amounts falling due after five years	-	-
	280	280

17. Contingent Liability

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

18. Contingent Asset

There are contingent assets relating to legacies of £nil (2019: £nil) notified to the Group not included in the Statement of Financial Activities as at 31 March 2020.

Notes to the Financial Statements
For the year ended 31 March 2020 (continued)

19. Capital Commitments

	GROUP		PARENT CHARITY	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Contracted for but not provided in the accounts:				
Information technology	262	391	-	-
Property refurbishment	93	120	-	-
	355	511	-	-
Approved but not contracted for:				
Adults' services	-	1,547	-	-
Children services	-	214	-	-
Information technology	-	254	-	-
Support services and retail shops	-	186	-	-
	-	2,201	-	-

20. Commitments under Operating Leases

The future minimum payments under non-cancellable operating leases

	Leased Properties 2020	Other 2020	Leased Properties 2019	Other 2019
	£'000	£'000	£'000	£'000
Within one year	366	269	429	207
Between one and five years	975	67	1,156	112
Over five years	2,889		3,088	-
	4,230	336	4,673	319

The future minimum payments receivable under non-cancellable operating leases

	Leased Properties 2020	Leased Properties 2019
	£'000	£'000
Within one year	535	535
Between one and five years	1,497	1,682
Over five years	4,179	4,529
	6,211	6,746

Notes to the Financial Statements
For the year ended 31 March 2020 (continued)

21. Analysis of Net Assets between Funds

Group	Unrestricted Fund	Designated Fund	Endowment funds	Restricted Fund	Total Fund
	£'000	£'000	£'000	£'000	£'000
2020					
Fixed assets	22,521	-	-	1,932	24,453
Investments	20,200	-	1,574	64	21,838
Net current assets/(liabilities)	(4,660)	45	-	5,125	510
Liability due after one year	(4,539)	-	-	-	(4,539)
Total net assets	33,522	45	1,574	7,121	42,262
2019					
Fixed assets	22,103	-	-	1,998	24,101
Investments	23,845	-	1,663	64	25,572
Net current assets/(liabilities)	(5,480)	80	-	5,598	198
Liability due after one year	(4,926)	-	-	-	(4,926)
Total net assets	35,542	80	1,663	7,660	44,945
Parent Charity					
	Unrestricted Fund	Designated Fund	Endowment funds	Restricted Fund	Total Fund
	£'000	£'000	£'000	£'000	£'000
2020					
Fixed assets	1,159	-	-	-	1,159
Investments	10,988	-	1,574	64	12,626
Net current (liabilities)	(2,207)	-	-	-	(2,207)
Total net assets	9,940	-	1,574	64	11,578
2019	Restated				Restated
Fixed assets	1,197	-	-	-	1,197
Investments	14,284	-	1,663	64	16,011
Net current (liabilities)	(2,144)	-	-	-	(1,691)
Total net assets	13,337	-	1,663	64	15,064

22. Notes to the Cash Flow Statement

	2020	2019
	£'000	£'000
Reconciliation of net (expenditure) / income to Net Cash (used in) / provided by operating activities:		
Net (expenditure) / income	(2,683)	1,497
Depreciation	1,821	1,282
(Gains) on disposal of fixed assets	(750)	(6)
Losses / (gains) on revaluations of assets	748	(298)
Impairment charge reversal	-	(1,870)
(Increase) / decrease in debtors	(217)	898
Increase in creditors falling due within one year excluding bank loan	62	224
(Decrease) in creditors falling due after more than one year excluding bank loan	(78)	(324)
Investment income	(883)	(760)
Loan interest	81	81
Net Cash (used in) / provided by operating activities	(1,899)	724

Movement in cash funds

	2020	2019
	£'000	£'000
Opening cash and cash equivalents	2,457	1,630
Cash at bank and in hand as at 31 March	2,618	2,457
Movement in cash funds	161	827

Analysis of changes in net debt

	1 April 2019	Cash flows	Other changes	31 March 2020
	£'000	£'000	£'000	£'000
Cash	2,457	161	-	2,618
Loans falling due within one year	(318)	304	(310)	(324)
Loans falling due after more than one year	(4,414)	-	310	(4,104)
Total	(2,275)	465	-	(1,810)

23. Related Parties

Income received from related parties totalled £287,437 (2019: £217,413).

In the year, there was a related party transaction between the charity and Ashridge Home Care Limited for the provision of agency care amounting to £2,718 (2019: £nil). The Director of Service and Development is a director in Ashridge Home Care Limited. Any potential conflict was disclosed in advance and the arrangement was approved by the Chief Executive.

At 31 March 2020, £2,718 (2019: £nil) was due to Ashridge Home Care Limited.

Group companies:

In the year, there were related party transactions between the parent charity and a member of the group. Norwood Ravenswood provided income of £9,842k (2019: £7,179k) to Norwood Schools Limited. Norwood Schools Limited incurred expenditure of £1,461k (2019: £1,518k) on behalf of Norwood Ravenswood. Norwood Ravenswood provided funding in excess of income of net £435k (2019: £1,209k) including the repayment of a loan owed by Norwood Schools Limited. At the year-end Norwood Ravenswood owed £2,577k (2019: £3,012k) to Norwood Schools Limited.

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.

24. COVID-19 and going concern.

At the time of approving these financial statements and given the current impact and ongoing uncertainty created by the COVID-19 pandemic, the trustees have considered the appropriateness of preparing the accounts of Norwood and its subsidiaries on a going concern basis. Although as a result of the COVID-19 pandemic uncertainty does exist over Norwood's future finances, the trustees do not consider there to be material uncertainty over the charity and group's ability to continue as a going concern for the next 12 months. The majority of Norwood's income is secure as it arises from statutory sources. However, we have modelled a 4% and 6% reduction in statutory income due to attrition rates, with 6% being an extreme case. Fundraising and investment income has been modelled to fall by 25% with an extreme case of 50% loss of fundraising income due to fundraising events being cancelled. Under these models Norwood has sufficient reserves to continue operating for more than the next 12 months. Investments valued at £14.1m at 31 March 2020 were valued at £14.9m as at 31 October 2020 after divestment of £1m in June 2020. The analysis supports the accounts being prepared on a going concern basis.

Broad context and level of operational disruption

Our priorities during the COVID-19 global pandemic is to ensure that our service users, staff and volunteers go about their work in the knowledge that they are as safe and supported as much as possible. Business continuity plans have been activated to safeguard key services. With strict control over service access, hygiene and handling of suspected cases, active recruitment and training of staff and volunteers to backfill support worker absence, centralised catering and medicine and PPE procurement and, most significantly, the heroic actions of dedicated front line staff, we have been able to manage all aspects under our control and to support families in desperate circumstances, and contain the virus in our homes and supported living accommodation.

Unfortunately, some services have either had to be closed during the COVID-19 pandemic or severely reduced. We have had to close our trading retail outlets. Our children and family support services have severely reduced in service provision.

Our fundraising activities have been impaired by events being cancelled and postponed and our fundraising activities are evolving through other activities, as countermeasures against the impact of COVID-19, mitigating the impact.

Liquidity and working capital management

Financial reviews and cashflow forecasts, which have considered certain scenarios, have not identified events or conditions that prevent the business from being able to meet financial obligations as they fall due for the foreseeable future.

We are currently forecasting a significant fall in our fundraising income during 2020 and a reduction of between 4% and 6% in statutory income in the short-term due to the uncertainty COVID-19 pandemic.

Mitigating actions include, but are not limited to, reducing planned capital programme only for essential capital spend, ongoing access to government support grants, schemes & business reliefs, some divestment from our investment portfolio, reducing revenue related costs, extending overdraft facilities, streamlining services and property disposals. At present, the need to borrow additional finance or draw down loans is not deemed necessary and the business continues to monitor the uncertainty closely.

Asset valuations

During the start of the impact of the COVID-19 pandemic, markets dropped significantly for the period to 31 March 2020, but have recovered substantially against the initial downturn. This is illustrated through our investment portfolio being valued at £14.1m (Note 10a) at 31 March 2020 and £14.9m as at 31 October 2020 after divestment of £1m in June 2020. In terms of investment properties (Note 10b), our external professional valuers of our properties have included in their valuation statement a “material valuation uncertainty” clause, again an illustration of the unprecedented times which have emerged through the COVID-19 pandemic. Of our operational property assets, these are recorded at historic cost, less accumulated depreciation, in accordance with FRS 102. The market value of these underlying property assets are likely to be greater than the net book value of the assets on the balance sheet as at 31 March 2020.

25. Prior year adjustment

The parent charity balance sheet on page 31 has been restated because the parent charity creditors were understated and the reserves position overstated by £453k. This was due to an intragroup transfer being booked at an incorrect amount following the prior year impairment reversal. Notes 15e (Parent charity funds) and 21 (Analysis of net assets between funds) as they relate to the parent charity have been restated to the same extent. This does not affect the consolidated position which was correct.

Notes to the Financial Statements
For the year ended 31 March 2020 (continued)

26. Comparative figures for individual funds

		Unrestricted Funds 2019	Endowment Funds 2019	Restricted Income Funds 2019	Total 2019
	Notes	£'000	£'000	£'000	£'000
Income from:					
Donations and legacies	2	9,075	-	1,606	10,681
Charitable activities	3	19,737	-	14	19,751
Other trading activities		739	-	-	739
Investments	4	760	-	-	760
Total income		30,311	-	1,620	31,931
Expenditure on:					
Raising voluntary income	5/15a	3,467	-	-	3,467
Charitable activities	5/15a	26,961	-	1,207	28,168
Trading activities	5	918	-	-	918
Investments	5	23	-	-	23
Other	5	26	-	-	26
Exceptional impairment reversal	9	1,870	-	-	(1,870)
Total cost		29,525	-	1,207	30,732
Net (expenditure) before revaluation gains		786	-	413	1,199
Net gains / (losses) on investments and financial instruments	10c	268	31	-	299
Net gains on revaluation of fixed assets	10c	-	-	-	-
Net income / (expenditure)		1,053	31	413	1,497
Transfers between funds	15	(119)	-	119	-
Net movement in funds		934	31	532	1,497
Reconciliation of funds:					
Total funds brought forward	21	34,688	1,632	7,128	43,448
Total funds carried forward	21	35,622	1,663	7,660	44,945