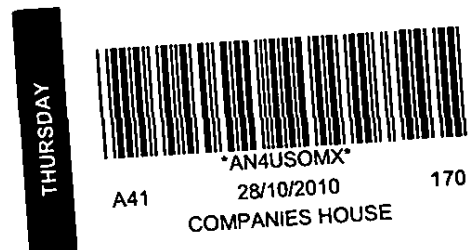


Registered Charity Number: 286802
Registered Company Number: 01699597

NORWOOD

Change a life

Sussex Tikvah
Trustees' Annual Report and Financial Statements
31 March 2010



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Reference and administration information

Trustees and directors

Norwood Ravenswood (Appointed 1 April 2009)
Philip Bunt (Appointed 1 April 2009)

Constitution

Sussex Tikvah is a charity registered in England and Wales – Number 286802 and a company limited by guarantee, registered in England and Wales - Number 01699597 With effect from 1 April 2009 it has been controlled by Norwood Ravenswood, which operates under the name Norwood

Auditor

Baker Tilly UK Audit LLP
1st Floor
46 Clarendon Road
Watford WD17 1JJ

Contact details

Telephone 020 8954 4555
Email norwood@norwood.org.uk
Website www.norwood.org.uk

Directorate

Norma Brier (Chief Executive)
Philip Bunt (Director of Corporate Services and Company Secretary)
David Harris (Director of Operational Services)
Assaf Admoni (Director of Commercial Services)

Principal and registered office

Broadway House
80-82 The Broadway
Stanmore
Middlesex HA7 4HB

Bankers

HSBC
1 Kings Parade
Ditchling Road
Brighton
East Sussex BN1 6JT

Solicitors

Beachcroft LLP
100 Fetter Lane
London EC4A 1BN

Our Vision, Mission and Values

Our vision

We believe people should live the life they choose

Our mission

Norwood supports people with learning disabilities and children and families in need. We work with individuals to improve the quality of their lives and achieve their goals. Our services are provided to the Jewish community and also to people in the wider community.

Our values

In support of our mission

Empowering

We empower the people who use our services to achieve their aspirations

Ambitious

We are ambitious for our service users and Norwood

Respectful

We treat everyone involved with Norwood with respect

Imaginative

We encourage creativity, imagination and new ideas

Professional

We are professional in the way we deal with people and in the information that we give them

Review of the year

Sussex Tikvah has continued to support six adults with moderate learning disabilities. It has done this by operating the Rachel Mazzier House in central Brighton as a residential care home. The same six people were in residence throughout the year and they were supported by four full-time staff and several part-time staff. The building is owned by Brighton Housing Trust and operated under a management agreement.

At the beginning of the year the company successfully merged with Norwood and Rachel Mazzier House is now part of the Norwood family of services.

Rachel Mazzier House is registered with the Care Quality Commission (CQC). This is a government organization that sets standards for health and social care services. Inspectors from the CQC assess the home and make sure that the people who live there are being supported in a way that meets the CQC standards. Rachel Mazzier House was last inspected in March 2008 when it received a "good" rating.

Rachel Mazzier House provides living space for a small number of people who live together in shared accommodation. Each individual has their own bedroom which can be personalised to their own liking. They are also able to use well-equipped shared kitchens, living rooms and gardens.

The staff team works a variety of shifts to make sure that someone is available on a 24 hour basis. They are trained to provide support to people who may need help with mobility, personal care and all aspects of communication. Our staff always work in a way that shows respect to, and preserves the dignity of, each individual, and can therefore cater for people who may have complex needs.

A big task for this year will be the re-registration of all of our care and support services with CQC by 1 October 2010 in line with the new Health and Social Care Act.

Structure and objectives

Sussex Tikvah is governed by its Memorandum and Articles of Association. The Memorandum sets out the charitable objects as follows:

For the public benefit for the education, treatment and care of mentally handicapped children and adults of sub-average general intellectual functioning originating during their development period or as a result of accident or cerebral damage and any other person suffering from conditions described as "non-communicating" (whether or not these conditions are associated with other handicaps)

The Trustees confirm that they have paid due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'. Our direct activities with and for people with learning disabilities are generally free at the point of delivery and the benefits we provide to people with learning disabilities are set out in this report.

Governance and Management

The trustees are the people who are responsible for the charity under charity law and are also the directors of the company under company law.

Sussex Tikvah became part of the Norwood group on 1 April 2009 and since that date has been controlled by Norwood Ravenswood and governed and managed as part of the Norwood group.

The governing body of Norwood is the Board of Trustees which comprises up to twelve members and meets six times a year, including an annual conference to review strategy and impact. Trustees are appointed for a three year term and may serve a second consecutive term. The Directorate attend all Board meetings.

Trustees are drawn from the Members and appointed by the Board. The Board uses public advertisement as one of the tools to achieve an appropriate mix of skills and expertise. Selection is by a panel of Trustees. Each new Trustee attends a planned induction to the organisation, the range of services provided and their role presented by the other Trustees and the Directorate. Trustees are also provided with training to ensure that they are properly briefed about relevant changes to the law and matters concerned with learning disabilities. During the year Trustees undertook a skills audit to identify competences which could strengthen the Board.

Norwood has 40 members who are individuals with a long association with the organisation or trustees. Any individual seeking to become a Member has to apply to the Board. Members are entitled to attend and vote at General Meetings.

The Board appoints a Chairman, Deputy-Chairman and Treasurer.

The Board has established three principal advisory committees each with specific terms of reference and functions delegated by the Board with a Trustee as chairman Corporate Services, Operational Services, and Campaign Committee The Corporate Services Committee has established Audit and Investment Committees The membership of each committee is drawn from the Board and a pool of voluntary lay experts with relevant skills and experience The committee terms of reference are reviewed annually and amended where appropriate

The Corporate Services Committee is concerned with matters of finance, investment, human resources, information technology, health and safety and property, the Operational Services Committee is concerned with the range of services offered and to be offered by Norwood, and the Campaign Committee is concerned with the generation of voluntary income

The Audit Committee is concerned with ensuring that there is a framework for accountability, for examining and reviewing all systems and methods of control both financial and otherwise including risk analysis and risk management, and for ensuring Norwood is complying with all aspects of the law, relevant regulations and good practice The Audit Committee also oversees the internal audit function and reviews the performance of the external auditors

The Investment Committee is concerned with ensuring that there is a framework for examining and reviewing the investment strategy and investment performance including risk analysis and risk management The responsibilities include treasury matters and property investments as well as financial investments

In addition to the trustees, lay expert members of all the committees provide a vital additional resource to Norwood They bring skills and expertise in areas including learning disabilities, social disadvantage, fundraising, property and finance We use their expertise to assist with governance and to support the Directors and their teams

Members of the Directorate attend meetings of the principal advisory committees and sub-committees The external auditors attend some meetings of the Audit Committee

The Board decides on the strategy of Norwood, with the implementation of the strategy and day-to-day operational management delegated by the Board to the Chief Executive and Directorate

When considering the strategy the Board ensures that this fits with the charitable objects The Board approved a new *Change a Life* strategy covering 2010 to 2013, introducing this as follows

"Norwood believes in an inclusive society and that all the people using our services should be supported to play a valuable role in their community By putting the adult or child at the centre of everything we do at Norwood, we will provide more effective support and new opportunities for people to enhance their self esteem and live inclusive and more independent lives "

Norma Brier, Chief Executive

We have launched our **Change a life** strategy for the next three years, placing a focus on **personalisation** and inclusion This will be developed through enhanced Life Long Learning Services, a greater emphasis on Supported Living, and adapting and enhancing our Children & Family Services, particularly in those areas with a rapidly growing Jewish population

One of the key drivers of our new strategy is **personalisation** - enabling everyone, including those with the most complex needs, to exercise control over their own lives, with the necessary support to achieve this This person centred approach is at the heart of our strategic plan, and has been informed and developed by the needs and wishes of our service users

Our **Change a life** strategy shows we are serious about taking **personalisation** to the next level and are committed to creating new services and adapting existing ones to meet the needs of each and every person who turns to us for support

Norwood has been closely involved with changes in Government policy which focus on greater independence, inclusion and integration for people with disabilities Our strategy for 2010-2013 reflects these national changes and promotes a vision for the future where all people with learning disabilities have greater opportunities to achieve their goals in life and be part of their own community

Norwood has close, but informal relationships with other charities working within the Jewish community and charities in the wider community working with people with learning disabilities

Statement of Trustees' responsibilities

The trustees (who are also directors of Norwood Ravenswood) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and the charitable company and of their incoming resources and application of resources, including their income and expenditure for that period. In preparing these financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable 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 company will continue in business

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

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.

Advisory Council

The Advisory Council brings to the table valuable advice and guidance to help Norwood provide excellent services. Members of the Advisory Council are eminent professionals in their own fields and bring a wealth of knowledge and experience to Norwood.

Management of Risk

A new risk management policy, procedure and strategy was adopted during the year which documents Norwood's approach to risk management, the roles and responsibilities of Trustees, the Directorate and employees, the methodology for identifying and assessing potential risks, existing controls and further controls and the reporting and review procedures. The risk management process is designed to ensure that Norwood continues to address the major operational, financial, reputational, regulatory and governance risks that might impact on Norwood's objectives and its ability to meet them.

The Audit Committee reviews and approves the Corporate Risk Register once a year and provides an update to the Trustee Board. The Audit Committee receives assurance on the management of risk from the work of an in-house internal audit function. Norwood has systems of control that include a comprehensive annual budgeting process, regular review of management accounts, variances from budget and non-financial management information, an established and documented policy framework.

The Corporate Risk Register sets out the principal risks as (1) Failure to achieve our charitable objectives, (2) statutory and other non-voluntary income not meeting the actual cost of service provision, and (3) a large fall in voluntary income leading to unavoidable cuts in services.

Whilst the Trustees are of the opinion that reasonable steps have been taken to ensure that the major risks to which Norwood is exposed are identified and reviewed and that there are systems in place to mitigate them, we are aware that such processes are designed to manage rather than eliminate all major risks and they can provide only reasonable but not absolute reassurance. Norwood is committed to ensuring that best practice for risk identification and its management is applied across the organisation. The new risk management framework sets out the process for the Audit Committee and Directorate to receive regular update reports from the internal audit function of progress made to implement any further controls required to mitigate risk.

Norwood is also committed to ensuring that its workforce is risk aware and that its operational processes reflect risk management best practice

Employing disabled people

Norwood is positively committed to promote the employment of disabled people through recruitment, retention, training and career development. This commitment ensures that disabled people are supported by Norwood as an employer and treated fairly at every stage of their selection and employment. Our commitment has been recognised during the year and we have achieved *Positive about Disability* status and will therefore

- interview all disabled applicants who meet the minimum criteria for a job vacancy and to consider them on their abilities
- ensure there is a mechanism in place to discuss, at any time but at least once a year, with disabled employees, what both parties can do to make sure disabled employees can develop and use their abilities
- make every effort when employees become disabled to make sure they stay in employment
- take action to ensure that all employees develop the appropriate level of disability awareness needed to make sure these commitments work
- review these commitments each year and assess what has been achieved, plan ways to improve on them and let employees and Jobcentre Plus know about progress and future plans

Involving employees

During the year Norwood undertook a second staff survey to understand better staff attitudes to Norwood and identify common issues of concern. Following careful analysis of the survey an action plan was prepared to address matters raised. To improve communication and consultation Norwood operates a monthly Teambrief, explaining what is happening at Norwood, which allows information to be systematically provided to all employees and enables their views to be taken into account. Teambrief includes a quarterly report of the finances of the organisation. Where appropriate the Directorate provide briefings to employees about the financial and economic factors affecting Norwood's performance.

Financial Review

Overview

The overall financial performance for the two years can be summarised as follows

	<i>Year ended 31 March 2010</i>	<i>Year ended 31 March 2009</i>
Total incoming resources	£180,000	£190,000
Total resources expended	£184,000	£183,000
Net (outgoing)/incoming resources	£(4,000)	£7,000

Incoming resources

Incoming resources from charitable activities increased from £171,000 to £178,000 Voluntary income decreased from £13,000 to £1,000 following the merger with Norwood It is only with this voluntary income that Sussex Tikvah is able to provide the quality of services expected by the community

Resources expended

Total resources expended rose from £183,000 to £184,000 Our largest area of expenditure is on people During the period the average full time equivalent number of staff remained unchanged at five

Balance Sheet

Overall, the balance sheet total rose during the year, with total funds increasing by £43,000 from £269,000 to £312,000, due to gains in the market value of investments

Reserves Policy

The trustees have established a reserves policy to cover the Norwood group and that policy is set out below In the event that Sussex Tikvah requires additional funding the reserves of other Group entities would be used

Approximately two thirds of our operating income comes from the government, mostly through contracts for care services with Local Authorities In the event that these contracts were terminated and the income stopped, we would also stop providing the care services thereby reducing costs The trustees consider that Norwood does not need to hold financial reserves against the risk that these contracts might cease Norwood only recovers approximately 85% of the cost of providing those care services

The remaining one third of Norwood's income comes from voluntary donations and a reduction in this income would directly affect our ability to provide our services The trustees consider that financial reserves need to be held to allow sufficient time to reduce expenditure and identify alternative funding The trustees have therefore set a reserves policy which recognises this risk and they seek to hold reserves which would cover a 25% reduction in net voluntary income for the next year Based on the budget for the year ending 31 March 2010 this would amount to £1.3m

In considering the risk adjusted reduction in voluntary income, the trustees consider each major source and the likelihood that this might rise, fall or remain stable

In considering the financial reserves available, the trustees recognise that most of the unrestricted funds are used to finance tangible fixed assets which Norwood uses to provide its services Although these assets could be sold to release cash, this would take time The tangible fixed assets are partly financed by a bank loan falling due between two and twenty two years

The trustees have therefore excluded the tangible fixed assets and bank loan from the calculations of available financial reserves The trustees have used unrestricted balance sheet fixed asset investments and liquid net current assets as the basis for considering the financial reserves available

At 31 March 2010 the Group had unrestricted balance sheet fixed asset investments, excluding property, of £7.4m and liquid net current assets of £1.2m It had liabilities due between 12 and 24 months of £0.9m The

total financial reserves were therefore £7.7m, which were in excess of the £1.3m target. At 31 March 2010 the Group had other restricted net current assets of £2.0m and expenditure from these would be covered from the excess of total financial reserves.

Investment performance

Sussex Tikvah holds investments in accumulation units in The Equities Investment Fund for Charities, which is managed by M&G on behalf of CCLA Investments Limited. The fund is invested in UK equities and the value of the investments rose by 44% during the year, following the recovery in the investment markets.

Surplus cash balances are held with HSBC. The sharp reduction in UK interest rates resulted in a decline in interest income during the year and this is expected to continue into 2010/11.

Basis of preparation

In preparing this report and accounts the directors have complied with the Companies Act 2006, the Charities Act 1993, the Statement of Recommended Practice "Accounting and Reporting by Charities" (revised 2005) and applicable United Kingdom accounting standards.

Statement as to disclosure of information to the auditor

The directors who were in office on the date of approval of these financial statements have confirmed, that as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Auditor

The directors will place a resolution before the Annual General Meeting to reappoint Baker Tilly UK Audit LLP as auditors for the ensuing year.

By order of the Board


Andrew Viner
For and on behalf of Norwood Ravenswood


Philip Bunt
Director

16 July 2010

Statement of Financial Activities for the year ended 31 March 2010 (incorporating the Income and Expenditure Account)

		Unrestricted	Total	Restated
	Note	Funds	year ended	Total
		£'000	31 March	year ended
			2010	31 March
			£'000	2009
				£'000
Incoming resources				
Incoming resources from generated funds	2			
<i>Voluntary income</i>		1	1	13
<i>Investment income</i>		1	1	6
Incoming resources from charitable activities	2	178	178	171
Total incoming resources		180	180	190
Resources expended				
Charitable activities	3			
<i>Learning Disability Services</i>		178	178	182
Governance costs	3	6	6	1
Total resources expended		184	184	183
Net (outgoing)/incoming resources before transfers and net income/(loss)		(4)	(4)	7
Net gains/(losses) on investment assets – unrealised	9	47	47	(52)
Net movement in funds		43	43	(45)
Reconciliation of funds				
Fund balances as at 1 April 2009 (£231,000 as previously reported and before prior year adjustment of £83,000)	13	269	269	314
Fund balances carried forward at 31 March 2010	9	312	312	269

All of the above results derive from continuing activities

The accompanying notes form an integral part of these accounts

Balance Sheet as at 31 March 2010

	Note	31 March 2010 £'000	Restated 31 March 2009 £'000
Fixed Assets			
Tangible fixed assets	5	19	27
Investments	6	153	106
		<u>172</u>	<u>133</u>
Current Assets			
Debtors	7	24	2
Investments – money market deposits		128	134
Cash at bank and in hand		7	8
		<u>159</u>	<u>144</u>
Creditors Amounts falling due within one year	8	(19)	(8)
Net current assets		<u>140</u>	<u>136</u>
Total Assets less Current Liabilities		312	269
Net assets		<u>312</u>	<u>269</u>
Funds	9		
Unrestricted Funds			
General funds		312	269
		<u>312</u>	<u>269</u>

The financial statements on pages 10 to 16 were approved and authorised for issue by the Board of Directors on 16 July 2010 and are signed on its behalf by

Andrew Viner



for and on behalf of Norwood Ravenswood

Philip Bunt



Director

The accompanying notes form an integral part of these accounts

Notes to the Financial Statements for the year ended 31 March 2010

1 Principal accounting policies

Except as noted below under Investments, the principal accounting policies have remained unchanged since the previous period

Accounting convention

The financial statements are prepared in accordance with the Companies Act 2006, under the historical cost convention, modified to include the revaluation of investments to market value and in accordance with applicable UK accounting standards and comply with the Statement of Recommended Practice Accounting and Reporting by Charities, SORP 2005

Depreciation

Depreciation is provided on all tangible fixed assets in order to write off their cost to their estimated realisable values by annual instalments using the following rates and methods

Furniture, fixtures, fittings and equipment*	15% (reducing balance)
Motor vehicle	20% (cost)

*Items of equipment are capitalised where the purchase price exceeds £1,000

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

Incoming resources

All incoming resources are included in the Statement of Financial Activities on an accruals basis. The following specific policies apply to categories of income

Statutory income is recognised as the services are provided to the beneficiaries

Legacies are recognised in the accounts, provided the amount that will be received can be estimated sufficiently accurately and the charity has entitlement before the year end

No amounts are included in the financial statements for the services donated by volunteers

Gifts donated for resale are included as income, when, and at the price at which, they are sold

Donations and gifts in kind for retention are included on a receivable basis

Grants receivable are treated in accordance with the terms of the grant and are recognised when the conditions for receipt are complied with

Fund accounting

Restricted and unrestricted funds are separately disclosed, as set out in note 9. The different funds held are defined as follows

Restricted funds are funds, the uses of which are subject to specific restrictions imposed by the donors or by the nature of the appeal

General funds are available to spend at the discretion of the Board, in furtherance of the charitable objectives of the charity

Investments

Investments are stated at market value. In the financial statements for the year ended 31 March 2009, these investments were stated at historical cost. This has been amended in these financial statements by means of a prior year adjustment as set out in note 13

Changes in market 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

Resources expended

Resources expended are recognised in the period in which they are incurred

The costs of charitable expenditure, fundraising and publicity, and governance, comprises staff costs, other directly attributable costs

Governance costs include both direct and indirect costs relating to the governance arrangements of the Charity, including internal and external audit costs and costs of Board meetings

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

Leases

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

Financial liabilities — recognition and measurement

Financial liabilities are recognised on the date on which the company becomes a party to the contractual provisions of the instrument giving rise to the liability. 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

Management of liquid resources

Liquid resources include sums on short-term deposits with recognised banks and building societies and government securities

Pensions

The charity operates a defined contribution scheme. The assets of the scheme are held separately from the charity. The contributions to the scheme are recognised in the year in which they fall due.

Cashflow statement

As permitted by FRS1, a cashflow statement has not been produced, since a cashflow statement is presented in the Group financial statements of the ultimate parent undertaking.

2 Incoming resources

	Unrestricted Funds	
	Year ended 31 March 2010 £'000	Year ended 31 March 2009 £'000
<i>Incoming resources from generated funds – by source</i>		
Donations	1	13
Legacies	-	-
Voluntary income	1	13
Investment income	1	6
	<u>2</u>	<u>19</u>
<i>Incoming resources from charitable activities – by source</i>		
Statutory income	150	143
Private fees	28	28
	<u>178</u>	<u>171</u>
<i>Incoming resources from charitable activities – by activity</i>		
Learning Disability Services	<u>178</u>	<u>171</u>

3 Resources expended

	Cost of activities directly undertaken		Total	Total
	Staff	Other	Year ended 31 March 2010 £'000	Year ended 31 March 2009 £'000
	£'000	£'000	£'000	£'000
Charitable expenditure				
Learning Disability Services	135	43	178	182
Governance costs	-	6	6	1
Total resources expended	<u>135</u>	<u>49</u>	<u>184</u>	<u>183</u>

Analysis of governance costs

	Year ended 31 March 2010 £'000	Year ended 31 March 2009 £'000
Auditor's remuneration: Statutory auditing of the accounts of the company	6	1
Total expenditure	<u>6</u>	<u>1</u>

Resources expended also include

	Year ended 31 March 2010 £'000	Year ended 31 March 2009 £'000
Depreciation charge: Owned assets	8	2

4 Staff and Trustees Information

	Year ended 31 March 2010 £'000	Year ended 31 March 2009 £'000
Staff costs		
Wages and salaries	123	120
Social security costs	11	11
Pension costs	1	1
Total staff expenditure	135	132

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

Average number of staff employed and the full-time equivalent

	Year ended 31 March 2010 Staff employed Number	Year ended 31 March 2009 Staff employed Number	Year ended 31 March 2010 Full-time equivalent Number	Year ended 31 March 2009 Full-time equivalent Number
Adults' learning disability services	9	8	5	5

There were no employees who earned more than £60,000 in either period

5 Tangible Fixed Assets

	Motor Vehicles £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost			
At 1 April 2009	20	29	49
At 31 March 2010	20	29	49
Depreciation			
At 1 April 2009	-	22	22
Charge for the year	2	6	8
At 31 March 2010	2	28	30
Net Book Values			
At 31 March 2010	18	1	19
At 31 March 2009	20	7	27

6 Investments

	31 March 2010 £'000	Restated 31 March 2009 £'000
Market value at 1 April 2009	106	158
Net investment gains/(losses) – all unrealised	47	(52)
Market value at 31 March 2010	153	106
Historic cost at 31 March 2010	75	75

Investments comprised accumulation units in The Equities Investment Fund for Charities, which is managed by M&G on behalf of CCLA Investments Limited. The fund is invested in UK equities.

7 Debtors

	31 March 2010 £'000	31 March 2009 £'000
Trade debtors	8	-
Prepayments	1	2
Amount owed by fellow subsidiary	3	-
Amount owed by Parent	12	-
	<u>24</u>	<u>2</u>

8 Creditors Amounts falling due within one year

	31 March 2010 £'000	31 March 2009 £'000
Other taxes and social security costs	3	3
Accruals and deferred income	6	4
Other creditors	10	1
	<u>19</u>	<u>8</u>

Deferred income includes fees in relation to care and support for 2010/2011 received before the year end totalling £6,000 (2009 £4,600) All income deferred in last year's accounts has been released to the Statement of Financial Activities during this year

9 Funds

	1 April 2009 £'000	Incoming resources £'000	Outgoing resources £'000	Investment gain £'000	31 March 2010 £'000
<i>(a) Unrestricted funds</i>					
General funds	<u>269</u>	<u>180</u>	<u>(184)</u>	<u>47</u>	<u>312</u>

10 Analysis of Net Assets between Funds

	Unrestricted funds £'000	Total funds £'000
31 March 2010		
Tangible fixed assets	19	19
Fixed asset investments	153	153
Net current assets	140	140
	<u>312</u>	<u>312</u>
31 March 2009		
Tangible fixed assets	27	27
Fixed asset investments	106	106
Net current assets	136	136
	<u>269</u>	<u>269</u>

11 Pensions

Sussex Tikvah operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the charity. Contributions paid during the year were £1,000 (2009 - £1,000)

12 Connected charities

On 1 April 2009 Norwood Ravenswood became the ultimate parent undertaking of Sussex Tikvah. Norwood Ravenswood is a company limited by guarantee registered in England and Wales and a charity registered in England. A copy of the group Trustees' Annual Report and Financial Statements can be obtained from the Company Secretary at the Registered Office (as shown on page 2)

13 Prior year adjustment

The Chanty's policy for stating the value of investment assets at Market Value was changed on its merger with Norwood Group in order to align the policy with its parent undertaking and to bring it in line with the charity SORP. Correction of this fundamental error has resulted in a prior year adjustment of £83,000. Further details are provided in Note 1 – Investments. The comparative figures in the financial statements and notes have been restated to reflect this new policy.

The effect of this change is as follows

2009
£'000

Statement of Financial Activities

Change in accounting policy for valuation of investments

Increase in losses on investment assets (unrealised) for the financial year (£nil previously reported)

(52)

Balance sheet

Change in accounting policy for valuation of investments

Increase in net assets (£238,000 as previously reported)

31

Brought forward general funds of £231,000 (as previously reported) have been increased by the uplift over historical cost of £83,000 as at 31 March 2008 by means of the prior year adjustment.

Independent Auditor's Report to the members of Sussex Tikvah

We have audited the financial statements of Sussex Tikvah for the year ended 31 March 2010 on pages 10 to 16

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.

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

We have been appointed auditors under the Companies Act 2006 and section 43 of the Charities Act 1993 and report to you in accordance with those Acts. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006 and the Charities Act 1993. We also report to you whether in our opinion the information given in the Trustees' Annual Report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charitable company's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the charitable company's affairs as at 31 March 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been prepared in accordance with the Companies Act 2006 and the Charities Act 1993, and
- the information given in the Trustees' Annual Report is consistent with the financial statements.

Baker Tilly UK Audit LLP

Sudhir Singh (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
First Floor, 46 Clarendon Road
Watford, Herts
WD17 1JJ

28 September 2010