

Circle Anglia Foundation Limited

**Annual Report and Financial Statements
For the year ended 31 March 2023**

**Companies House No. 01832817
Charity Commission No. 326681**

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GENERAL CORPORATE INFORMATION

Trustee Directors

Richard Cook (Chair)
Phil Miles

The directors of the charitable company are its trustees for the purposes of charity law.

Day-to-day management of the charity is delegated to the Clarion Group Executive Team, with Clare Miller as Group Chief Executive.

Company Secretary

Louise Hyde

Registered and Principal Office

Level 6
6 More London Place
Tooley Street
London
SE1 2DA

Auditors

KPMG LLP
15 Canada Square
London
E14 5GL

REPORT OF THE TRUSTEES

The trustees of Circle Anglia Foundation Limited present their annual report and financial statements for the year ended 31 March 2023.

Formation

Circle Anglia Foundation ("the charity") is a subsidiary of Clarion Housing Group Limited ("Clarion Housing Group", "the Group"), a charitable registered society and a registered provider of social housing. The Group's mission as a business for social purpose is 'Building Homes, Developing Futures'. The registered provider of social housing within the Clarion Housing Group is Clarion Housing Association Limited ("the Association"), a charitable community benefit society.

The charity has a subsidiary, Circle Housing Asset Design Limited which provides residential property design and build services to other members of the Group.

Objectives and Activities

The charity provides support through grants and loans to projects or programmes which benefit Clarion Housing Group residents and service users and contribute to tackling worklessness, financial inclusion and affordable warmth strategies.

Its charitable objects, as defined in its Memorandum and Articles, are wide-ranging being "such charitable purposes as the Council of Management shall from time to time determine". Currently the trustees will consider applications to the charity for grants and loans which fall within one or more of the following categories:

- i) To fund projects or programmes that are delivered by Clarion Housing Group partner businesses and which improve the life chances of Clarion Housing Group residents and service users.
- ii) To fund projects or programmes which will contribute to the delivery of Clarion Housing's Social Value Strategy and its agreed themes:
 - Tackling Worklessness
 - Financial Inclusion
 - Energy & Green Activities
 - Digital Inclusion
 - Community Development

The trustees confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when realising the charity's aims and objectives and in planning current and future activities.

Circle Anglia Foundation Limited, as a charity, is funded by donations from the profits of the commercial activities of the Group. The level of donations is not defined and is determined by the commercial profits for the year and the decision to donate these to the charity.

REPORT OF THE TRUSTEES (CONTINUED)

Structure and Governance

The charity is a company limited by guarantee, governed by its memorandum and articles of association dated 13 July 1984, as amended 26 March 2008. The company registered as a charity on 4 October 1984.

The Directors of the charity are its trustees for the purposes of charity law and throughout this report are referred to as the trustees. Each trustee has been made aware of their responsibilities using the Charity Commission's guide 'The Essential Trustee' as a reference point.

The trustees holding office during the period and at the date of this report are listed on page 3.

Day-to-day management of the charity is delegated to the Clarion Housing Group Executive team, with Clare Miller as Group Chief Executive.

As set out in the Articles of Association, trustees are appointed either by the Board, with written consent of the Parent, Clarion Housing Group Limited, or by notice in writing.

The Chair is appointed by Clarion Housing Group Limited, and holds office for three years, until the Chair resigns, or ceases to be a director. All trustees are appointed for a term which shall not exceed three years. No trustee may hold office for consecutive terms exceeding nine years. A trustee who has held office for nine consecutive years ceases to be eligible for reappointment.

The charity utilises the Group's internal control framework, which includes a governance framework, financial regulations, policies and procedures, an internal audit function, a Group-wide Health and Safety function, a risk management function and three oversight committees: the Audit and Risk Committee, the Treasury Committee, and the Investment Committee (which scrutinises all property development).

Grant-making Policy

The charity is only able to provide financial assistance in accordance within its objects as summarised on page 4.

Investment Powers and Policy

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the trustees see fit to further the objectives of the charity, having regard to the liquidity requirements of the charity.

The charity provides a £10 million loan facility to Clarion Futures. Under this loan facility £5,199,000 was receivable at 31 March 2023 (2022: £5,199,000). The facility is interest-free, repayable and expires in March 2029.

The charity benefits from the centralised treasury service with policies and procedures approved by the Board. These cover funding, banking relationships, interest rate exposures, cash management and the investment of surplus cash.

The charity has a subsidiary, Circle Housing Asset Design Limited, from which it may receive donations, dependant on the profits of this company and their Board's decision to donate these to the charity.

REPORT OF THE TRUSTEES (CONTINUED)

Reserves Policy

Reserves provide funding for any gaps that may arise between expenditure in the provision of services and the receipt of resources and funding received in the year.

Reserves are also required in the event of possible emergencies, unexpected events and to ensure contingency plans are sufficiently funded.

The trustees have calculated the level of free reserves required by the charity. The current policy calculates that the ideal level of general reserves is no less than £50,000. Unrestricted reserves at 31 March 2023 were £5,207,000 (2022: £5,207,000). This is £5,157,000 higher than the minimum recommended in the current policy.

Achievements and Performance

Delivery of the charitable fund has been on hold during 2022/23. See also Plans for the Future.

Financial Review

The Statement of Financial Activities shows no activity for the year (2022: no activity) due to delivery of the charitable fund being on hold. There were no distributions from subsidiaries (2022: £nil).

On 18 June 2022, Clarion Housing Group was subject to a cyber security incident. We rapidly engaged the services of our cyber security partner and other external experts to help bring our systems back in a safe and secure way. Restoration of our systems concluded during the financial year. A forensic investigation into the incident has been completed and the Group is in the process of implementing its recommendations.

This incident did not have any impact on the financial or operational performance reported in this set of financial statements

Plans for the Future

Circle Anglia Foundation is currently not operational. Within the Clarion Housing Group, Clarion Futures delivers the Group's charitable community investment programme. In the future the directors will consider the merits of applying for a voluntary strike off of Circle Anglia Foundation, but this may not take place until the charity's subsidiary, Circle Housing Asset Design, completes its final development scheme and is ready to be wound up itself. In the meantime, the Trustees will look to use the charity's remaining funds for charitable purposes in line with its objectives.

Principal Risks and Uncertainties

The two key risks that have been identified are:

- the charity does not have sufficient resources to achieve its objectives; and
- a loss of reputation for both the charity and the overall Clarion Housing Group as a result of a poor outcome from a charitable activity.

The trustees have considered the charity's risks and their mitigation such as insurance, crisis management plans, and control frameworks.

REPORT OF THE TRUSTEES (CONTINUED)

Disclosure of Information to Auditor

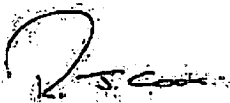
The trustees who held office at the date of approval of this Report of the Trustees confirm that, so far as they are aware, there is no relevant audit information of which the charitable company's auditor is unaware; and each trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Auditor

KPMG LLP have expressed their willingness to continue in office as the Group's auditor. Accordingly, a resolution to reappoint them as auditor will be proposed at the forthcoming Trustees Meeting.

This report has been prepared in accordance with the small companies regime.

On behalf of the Trustees, including approval of the report as company directors,

A handwritten signature in black ink, appearing to read 'R. S. Cook', with a stylized flourish at the end.

Richard Cook
Chair
3 July 2023

STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES OF CIRCLE ANGLIA FOUNDATION LIMITED IN RESPECT OF THE REPORT OF THE TRUSTEES AND THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Report of the Trustees 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 they are required to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including Section 1A of 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 of 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CIRCLE ANGLIA FOUNDATION LIMITED

Opinion

We have audited the financial statements of Circle Anglia Foundation Limited ("the charitable company") for the year ended 31 March 2023 which comprise the Statement of Financial Activities (including Income and Expenditure Account), Statement of Financial Position and related notes, including the accounting policies in note 1.

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 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, applicable to smaller entities, including Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charitable company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charitable company or to cease its operations, and as they have concluded that the charitable company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the charitable company's business model and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for the going concern period.

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 above conclusions are not a guarantee that the charitable company will continue in operation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CIRCLE ANGLIA FOUNDATION LIMITED (CONTINUED)

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- enquiring of the Executive team who have delegated responsibility for the day to day management of the Charity, the audit committee and internal audit as to whether they have knowledge of any actual, suspected or alleged fraud.
- reading Board of Trustee's and Audit Committee meeting minutes.
- using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit. As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition as the delivery of the charities funds is currently on hold. Subsequently the Charity did not receive material income in the financial year.

We did not identify any additional fraud risks.

We performed procedures including:

- identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by key management personnel, journals containing specific words or phrases, and those posted to unusual accounts.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the Executive team who have delegated responsibility for the day to day management of the Charity (as required by auditing standards). We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CIRCLE ANGLIA FOUNDATION LIMITED (CONTINUED)

Other information

The trustees are responsible for the other information, which comprises the Report of the Trustees. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Report of the Trustees for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- the charitable company has not kept adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 8, 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the 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 they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CIRCLE ANGLIA FOUNDATION LIMITED
(CONTINUED)**

The purpose of our audit work and to whom we owe our responsibilities

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



Jessica Hargreaves (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL
27 July 2023

**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £'000	2022 £'000
Income from			
Investments			
Interest receivable	3	-	-
Distribution from subsidiary	3	-	-
Donations and legacies			
Gift Aid from Group members	3	-	-
Total		-	-
Expenditure on			
Tax charge		-	-
Net income/(expenditure) and net movement in funds	6	-	-
Reconciliation of funds			
Total funds brought forward	9	5,207	5,207
Total funds carried forward	9	5,207	5,207

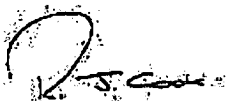
All incoming resources and resources expended derive from continuing activities.

All amounts relate to unrestricted funds, with the exception that in the prior year £139,000 was transferred from restricted funds to unrestricted funds (see note 9).

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

	Notes	2023 £'000	2022 £'000
Fixed assets			
Investments	13	-	-
Current assets			
Debtors: amounts falling due after one year	7	5,199	5,199
Cash and cash equivalents		<u>8</u>	<u>8</u>
		5,207	5,207
Current liabilities			
Creditors: amounts falling due within one year		-	-
Net current assets and net assets		<u>5,207</u>	<u>5,207</u>
The funds of the charity			
Unrestricted funds	9	5,207	5,207
Restricted funds	9	<u>-</u>	<u>-</u>
		<u>5,207</u>	<u>5,207</u>

The financial statements have been prepared in accordance with the small companies regime, and were approved by the Board and were signed on their behalf by:



Richard Cook
Chair
3 July 2023

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting policies

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Section 1A of FRS 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (January 2022) ("FRS 102"), the Charities SORP (FRS 102): Accounting and Reporting by Charities Statement of Recommended Practice (October 2019) ("the SORP"), the Companies Act 2006 and the Charities Act 2011.

Circle Anglia Foundation Limited is a public benefit entity.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to Circle Anglia Foundation's financial statements.

Basis of preparation

The financial statements are prepared on an accruals basis and under the historical cost convention.

Going concern

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons.

As at 31 March 2023, and also at the date of the signing of these accounts, the charity's operations are limited to lending its funds to Clarion Futures, a fellow member of the Clarion Housing Group. The charity has no other commitments and therefore no committed costs.

The Trustees have reviewed the cash flow forecasts for a period of twelve months from the date of approval of these financial statements which indicate that the charity will have sufficient funds to meet its liabilities as they fall due for that period. The Trustees have also considered the long-term implications of Covid-19, as well as current high inflation and the cost of living crisis, on these cash flow forecasts and consider that as a result of the charity's operating model (as explained above) even if no further funding is received in the twelve month period, the charity has sufficient cash reserves to pay all committed costs.

Consequently, the Trustees are confident that the charity will have sufficient funds to continue to meet its liabilities as they fall due for at least twelve months from the date of approval of the financial statements.

The charity has provided confirmation to its subsidiary, Circle Housing Asset Design Limited, that it intends to support them for at least one year after their financial statements for the year ended 31 March 2023 are signed.

Basis of consolidation

Circle Anglia Foundation is exempt by virtue of section 401 of the Companies Act 2006 from the requirement to prepare group financial statements as its results are included within the consolidated financial statements of its ultimate parent undertaking.

Disclosure exemptions

Circle Anglia Foundation has taken advantage of the exemptions in Section 1A of FRS 102 in respect of the following disclosures:

- a. the requirement to present a statement of cash flows and related notes; and
- b. financial instrument disclosures, including: categories of financial instruments; items of income, expense, gains or losses in respect of financial instruments; and, exposure to, and management of, financial risks.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

1. Accounting policies (continued)

Impairment

Debtors are assessed for recoverability at each reporting date.

After an impairment loss has been recognised, the recoverable amount of an asset or cash-generating unit may increase because of changes in: economic conditions; the circumstances that previously caused the impairment; or, the expected use of the asset(s). As a result, the carrying amount is adjusted to the lower of the new recoverable amount and the carrying amount that would have been determined had the original impairment not occurred.

Impairment relating to debtors is included in financing costs.

Corporation tax

Circle Anglia Foundation is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, Circle Anglia Foundation is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Public benefit concessionary loans

As a "public benefit entity" (as defined by FRS 102), loans which are made or received as part of Circle Anglia Foundation's charitable objectives, at below-market rates of interest, and are not repayable on demand, qualify for treatment as public benefit entity concessionary loans. They are initially recorded at the amount lent and subsequently adjusted for accrued interest receivable less any impairment loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

1. Accounting policies (continued)

Financial instruments

Circle Anglia Foundation applies the recognition and measurement provisions of IFRS 9 Financial Instruments, as allowed by FRS 102.

All investments, short-term deposits and loans held by Circle Anglia Foundation are initially measured at fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs. The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price.

On initial recognition, a financial asset is classified as measured at either amortised cost, fair value through other comprehensive income ("FVOCI") debt investment, FVOCI equity investment or fair value through profit and loss ("FVTPL").

Financial assets are not reclassified subsequent to their initial recognition unless the company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions:

- i. it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- ii. its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions:

- i. it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- ii. its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

Where loans and other financial instruments are redeemed during the year, a redemption penalty is recognised in the Income Statement of the year in which the redemption takes place, where applicable.

Other debtors and creditors are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction and does not qualify for treatment as a concessionary loan, in which case the present value of the future receipts discounted at a market rate of interest is used.

Cash and cash equivalents include cash balances and call deposits, as well as short-term investments with an original maturity of three months or shorter. It also includes those overdrafts which are repayable on demand and form an integral part of Circle Anglia Foundation's cash management strategy.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

1. Accounting policies (continued)

Unrestricted funds

Unrestricted funds include a general fund which may be used by Circle Anglia Foundation for any of its general purposes, and any designated funds which may have been earmarked by the Trustees for a particular purpose.

2. Significant judgements and accounting estimates

Significant judgements

With the exception of those relating to accounting estimates and uncertainty, no significant judgements have been made in applying the charity's accounting policies.

Accounting estimates

The nature of estimation means that actual outcomes could differ from the estimates made. The following accounting estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities - and therefore the income and expenses recognised - within the next financial year:

- 1 The recoverable amount of debtors.

Debtors are reviewed on a case-by-case basis and provided for as deemed to be necessary.

3. Income and endowments

	2023 £'000	2022 £'000
Interest receivable		
From Clarion Housing Group Limited	-	-
	<u>-</u>	<u>-</u>
Distribution from subsidiary		
From Circle Living Limited	-	-
	<u>-</u>	<u>-</u>
Gift Aid from Group members		
From Circle Housing Asset Design Limited	-	-
	<u>-</u>	<u>-</u>

4. Employees

The company does not directly employ any staff but instead makes use of the employees of Clarion Housing Association Limited, who then includes a proportion of the cost of these employees in the management recharge to the company. Due to minimal activity, there was no management recharge in either the current or prior year.

5. Key management personnel

Key management personnel is defined as the Trustees.

Richard Cook and Phil Miles did not specifically receive remuneration in respect of their services to the company during the year (2022: £nil) nor did they incur any expenses in relation to their services (2022: £nil). They are employees of Clarion Housing Association Limited and are remunerated by that entity (see note 4).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

6. Net resources for the year

Auditors' remuneration was expensed in the accounts of Clarion Housing Group Limited and no audit or non-audit fees have been charged to the company.

7. Debtors

	2023 £'000	2022 £'000
Amounts falling due after one year		
Amounts due from Group undertakings: loan	<u>5,199</u>	<u>5,199</u>

Clarion Futures has a £10,000,000 facility with the company. This loan is repayable in March 2029. This is a public benefit concessionary loan where no interest is charged.

8. Share capital

The company is limited by guarantee, having no share capital. In the event of a winding up each current Trustee, and any Trustees in the twelve months prior, shall contribute up to £1 each.

9. Analysis of charitable funds

Analysis of movements in unrestricted funds	At 1 April 2022 £'000	Incoming Resources £'000	Resources Expended £'000	Transfers £'000	At 31 March 2023 £'000
General fund	5,207	-	-	-	<u>5,207</u>

Analysis of movements in unrestricted funds	At 1 April 2021 £'000	Incoming Resources £'000	Resources Expended £'000	Transfers £'000	At 31 March 2022 £'000
General fund	5,068	-	-	139	<u>5,207</u>

Analysis of movements in restricted funds	At 1 April 2021 £'000	Incoming Resources £'000	Resources Expended £'000	Transfers £'000	At 31 March 2022 £'000
Income funds					
Future Jobs Fund	139	-	-	(139)	<u>-</u>

In the prior year, the Future Jobs Fund was reviewed and no remaining restrictions were identified. As a result, the balance was transferred to unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

10. Legislative provisions

Circle Anglia Foundation Limited is incorporated under the Companies Act 2006 with exempt charitable status and is registered with the Charity Commission under the Charities Act 2011.

11. Related Party Disclosures

During the period, related party transactions took place between Circle Anglia Foundation and other members of the Clarion Housing Group. As required by the Charities SORP, these are disclosed in the appropriate notes.

Debtor and creditor balances with other members of the Group are either public benefit concessionary loans where no interest is charged, or trading balances which are non-interest bearing and are due to be settled within one year of their recognition.

No related party transactions have arisen from the personal interests of the Trustees.

No other related party transactions require disclosure.

12. Immediate and ultimate parent undertaking

The charity's immediate and ultimate parent undertaking is Clarion Housing Group Limited, a registered society under the Co-operative and Community Benefit Societies Act 2014 and which is regulated by the Regulator of Social Housing.

Clarion Housing Group Limited's registered office is Level 6, 6 More London Place, Tooley Street, London, SE1 2DA. Group accounts have been prepared by Clarion Housing Group Limited and are available from www.clarionhg.com.

13. Subsidiary undertakings

Name	Legislative Provisions	Proportion of voting rights of ordinary share capital held	Nature of business
Circle Housing Asset Design Limited	Private company limited by shares	100% (£1)	Property development

The registered office is Level 6, 6 More London Place, Tooley Street, London, SE1 2DA.