

Annual Return (AR30) form

Society Name: Meridian Home Start Limited
 Society Num: 7359

An Annual Return must be completed by all societies registered under the Co-operative and Community Benefit Societies Act 2014 ('the Act') (including any societies previously registered under the Industrial and Provident Societies Act 1965) or the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 ('the Act') (including any societies previously registered under the Industrial and Provident Societies Act 1969). The Annual Return must include:

- this form;
- a set of the society's accounts; and
- where required, an audit report or report on the accounts.

A society must submit the Annual Return within 7 months of the end of the society's financial year. Failure to submit on time is a prosecutable offence.

Please note that this form, including any details provided on the form, will be made available to the public through the Mutuals Public Register: <https://mutuals.fca.org.uk>. Our privacy notice explains how and why we use personal data: <https://www.fca.org.uk/privacy>.

For guidance on our registration function for societies, which includes guidance on the requirement to submit an Annual Return, please see here: <https://www.handbook.fca.org.uk/handbook/RFCCBS>

2.1 What date did the financial year covered by these accounts end?

31/03/2024

3.1 Please provide the names of the people who were directors of the society during the financial year this return covers.

Some societies use the term 'committee member' or 'trustee' instead of 'director'. For ease of reference, we use 'director' throughout this form.

Name of Director

Month of Birth

Year of Birth

R C Reynolds

Jun

1945

R A Evans	Oct	1951
D J Partridge	Jan	1978
B Marjoram	Dec	1958
G Cronin	Mar	1951
E Peters	Apr	1961

3.2 All directors must be 16 or older. Please confirm this is this case:

☒ All directors are aged 16 or over

3.3 Societies are within the scope of the Company Director Disqualification Act 1986 (CDDA). Please confirm that no director is disqualified under that Act:

☒ No director is disqualified

3.4 Please state any close links which any of the directors has with any society, company or authority.

'Close links' includes any directorships or senior positions held by directors of the society in other organisations.

Meridian Developments 2020 Ltd
Rentplus Homes Limited
The Emery Walker Trust
Partnering Regeneration Development Ltd
Reynolds Consulting 2020 Ltd

3.5 Please provide the name of the person who was secretary at the end of the financial year this return covers.

Societies must have a secretary

Name of Secretary

Month of Birth

Year of Birth

R A Evans	Oct	1951
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4.1 Please confirm that:

- ☒ accounts are being submitted with this form
- ☒ the accounts comply with relevant statutory and accounting requirements
- ☒ the accounts are signed by two members and the secretary (3 signatures in total)

4.2 Based on the accounts, please provide the information requested below for the financial year covered by this return.

Number of members	6
Turnover	4,793,253
Assets	93,252,626
Number of Employees	3
Share Capital	8
Highest rate of interest paid on shares	0

4.3 What Standard Industrial Classification code best describes the society’s main business?

Where more than one code applies, please select the code that you feel best describes the society’s main business activity. You will find a full list of codes [here](#)

SIC Code	Renting and operating of Housing Association real estate (68201)	*
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Societies are required to appoint an auditor to audited unless they are small or have disapplied this requirement. For further guidance see chapter 7 of our guidance: <https://www.fca.org.uk/publication/finalised-guidance/fg15-12.pdf>

5.1 Please select the audit option the society has complied with:

- ☒ Full Professional Audit
- ☐ Auditor's report on the accounts
- ☐ Lay Audit
- ☐ No audit

5.2 Please confirm the audit option used by the society is compliant with the society's own rules and the Act

- ☒ We have complied with the audit requirements

5.3 Please confirm any audit report (where required) is being submitted with this Annual Return

- ☒ Yes
- ☐ Not applicable

5.4 Is this society accepted by HM Revenue and Customs (HMRC) as a charity for tax purposes?

- ☒ Yes
- ☐ No

5.5 If the society is registered with the Office of the Scottish Charity Regulator (OSCR) please provide your OSCR registration number.

- ☐ Registered
- ☒ Not applicable

5.6 Is the society a housing association?

- ☒ No
- ☐ Yes

6.1 Is the society a subsidiary of another society?

- ☐ Yes
- ☒ No

6.2 Does the society have one or more subsidiaries?

(As defined in sections 100 and 101 of the Act)

- ☒ Yes
- ☐ No

6.3 If the society has subsidiaries, please provide the names of them below

(or attach an additional sheet)

Reg Number	Name
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10657292

Meridian Developments 2020 Ltd

6.4 Please provide below (or on a separate sheet) the names of subsidiaries not dealt with in group accounts (if any) and reasons for exclusions:

(the society must have written authority from us to exclude a subsidiary from group accounts)

Reg Number	Name
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Reason for Exclusion

10657292

Meridian Developments 202

Group accounts would be misleading

All societies are registered meeting one of two conditions for registration. These are that the society is either:

- a bona fide co-operative society ('co-operative society'); or
- are conducting business for the benefit of the community ('community benefit society').

Your society is registered meeting the condition for registration that it is conducting its business for the benefit of the community.

For further information on the condition for registration, please see chapter 5 of our guidance [here](#).

Community benefit societies must answer the following questions in relation to the financial year covered by this return.

7B.1 What is the business of the society?

For example, did you provide social housing, run an amateur sports club etc.

Provision of housing 'to benefit poor people, aged, disabled or chronically sick people' (Rules of the Society A2)

7B.2 Please describe the benefits to the community the society delivered?

Here we are looking to see what the benefits to the community were. Community can be said to be the community at large. For example, did you relieve poverty or homelessness through the provision of social housing.

Provision of homes at sub-market rent
Active construction of further housing

7B.3 Please describe how the society's business delivered these benefits?

The business of the society must be conducted for the benefit of the community. Please describe how the society's business (as described in answer to question 7B.1) provided benefit to the community.

Working alongside the Royal Borough of Greenwich Council to identify prospective tenants who meet the criteria for allocation of housing at sub-market rent.

7B.4 Did the society work with a specific community, and if so, please describe it here?

For instance, were the society's activities confined to a specific location; or to a specific group of people? Please note that in serving the needs of any defined community, the society should not inhibit the benefit to the community at large.

The Society works with people in Greenwich who meet eligibility criteria, largely based on income and need for affordable housing.

7B.5 What did the society do with any surplus or profit?

For instance, did you pay a dividend to members (and if so, on what basis); did money get reinvested in the business; put into reserves; used for some other purpose?

Any surpluses are reinvested into the Society to support future activities, loan repayments and keep housing stock at a high standard.

7B.6 Please state any significant commercial arrangements that the society has, or had, with any other organisation that could create, or be perceived as creating, a conflict of interest.

Please tell us how you ensured that any such conflict of interest did not prevent the society from acting for the benefit of the community.

No known conflicts of interest

REGISTERED COMPANY NUMBER: RS007359 (England and Wales)

REPORT OF THE COMMITTEE OF MANAGEMENT AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

FOR

MERIDIAN HOME START LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

	Page
Report of the Committee of Management	1 to 3
Report of the Independent Auditors	4 to 6
Statement of Financial Activities	7
Balance Sheet	8 to 9
Notes to the Financial Statements	10 to 21
Detailed Statement of Financial Activities	22 to 23

MERIDIAN HOME START LIMITED

REPORT OF THE COMMITTEE OF MANAGEMENT **FOR THE YEAR ENDED 31 MARCH 2024**

The Committee of Management present their report with the financial statements of the Society for the year ended 31 March 2024. The Committee of Management have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Society is controlled by its governing document, a deed of trust, and is a Community Benefit Society registered with the Financial Conduct Authority under the Co-operative and Community Benefit Society Act 2014.

Remuneration of Key Management Personnel

Key management personnel are considered to be the Chief Executive Officer, Director of Housing Services and the Board members. Key management personnel remuneration is disclosed in note 7 of the financial statements.

Governance

The Committee of Management currently meet 6 times per year as a full Board and have designated the responsibility of day to day matters to the executive management team. The executive management team attended board and committee meetings and is made up of the Chief Executive Officer, Director of Housing Services and Executive Support Officer.

The finance function of the Society has been outsourced to McCabe Ford Williams who report to the Board on a bi-monthly basis and attend the Board meetings to present their reports.

The Board members have a variety of backgrounds relevant to the operations of the Society and attend regular training sessions on relevant areas, such as finance, risk management and governance.

Review of 2023/24

Meridian Home Start has continued its strategy for developing, via its trading subsidiary Meridian Developments 2020 Limited, additional housing to support its target beneficiaries in the Royal Borough of Greenwich. During the year the Society was in receipt of £2.68million (2023: £2.76million) of capital grants from Royal Borough of Greenwich to support this strategy.

Due to additional housing being available to rent from completed developments, the Society was able to increase its rental income in the year to £2.10million (2023: £1.57million).

The Society was able to achieve an operating surplus from property rentals of £0.75million (2023: £0.47million) representing an operating margin of 35.8% (2023: 30.2%). The Society is committed to achieving its object of providing increased, quality, affordable housing in the Royal Borough of Greenwich. Accordingly the operating surplus is intended to be utilised going forwards for re-investment in additional housing as well as to support the repayment of borrowing on the Society's assets.

The Society's gearing ratio of 68.6% highlights its commitment to increasing the extent of its housing offering to residents of the Borough by continuing to increase the housing stock held. The decrease in gearing ratio from 71.9% last year is due to the market values of properties increasing following the completion of the Vincent Road development.

At 31 March 2024 the net assets of Meridian Home Start stood at £54.62million (2023: £46.74million).

MERIDIAN HOME START LIMITED

REPORT OF THE COMMITTEE OF MANAGEMENT **FOR THE YEAR ENDED 31 MARCH 2024**

Review of 2023/24 – continued

Key financial figures for the Society's financial statements for the year ended 31 March 2024 are as follows:

Income from rents	£2.10million
Total income	£4.79million
Net income	£3.23million
Operating margin on rental	35.8%
Net assets	£54.62million
Gearing	68.6%

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

RS007359 (England and Wales)

Registered office

c/o Winckworth Sherwood
Arbor
255 Blackfriars Road
LONDON
SE1 9AX

Committee of Management

R A Evans
R C Reynolds - Chair
D J Partridge – resigned 30.09.23
B Marjoram
G Cronin
E Peters

Company Secretary

R A Evans

Auditors

McBrides Accountants LLP
Nexus House
2 Cray Road
Sidcup
Kent
DA14 5DA

MERIDIAN HOME START LIMITED

REPORT OF THE COMMITTEE OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2024

STATEMENT OF COMMITTEE OF MANAGEMENT RESPONSIBILITIES

The Committee of Management are responsible for preparing the Report of the Committee of Management and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Society law requires the Committee of Management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Society and of the incoming resources and application of resources, including the income and expenditure, of the Society for that period. In preparing those financial statements, the Committee of Management are required to:

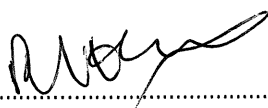
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Committee of Management are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Society and to enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Society Act 2014. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Committee of Management are aware:

- there is no relevant audit information of which the Society's auditors are unaware; and
- the Committee of Management have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by order of the board of Committee of Management on 5 September 2024 and signed on its behalf by:



.....
R A Evans - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
MERIDIAN HOME START LIMITED**

Opinion

We have audited the financial statements of Meridian Home Start Limited (the 'Society') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Society's affairs as at 31 March 2024 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 United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Society Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Society 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Society's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The Committee of Management are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF MERIDIAN HOME START LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Society Act 2014 requires us to report to you if, in our opinion:

- The Society has not kept proper books of account, and not maintained a satisfactory system of control over its transactions, in accordance with the requirement of the legislation; or
- The revenue account, any other accounts to which our report relates, and the balance sheet are not in agreement with the Society's books of account; or
- We have not obtained all the information and explanations necessary for the purpose of our audit.

Responsibilities of The Committee of Management

As explained more fully in the Statement of Committee of Management Responsibilities set out on page 3, the Committee of Management 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 Committee of Management 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 Committee of Management are responsible for assessing the Society'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 Committee of Management either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Discussions were held with, and enquiries made of, management and those charged with governance with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards and Charity Law
- Those laws and regulations for which non-compliance may be fundamental to operating aspects of the business and therefore may have a material effect on the financial statements including compliance with the charitable objectives, public benefit, fundraising regulations and health and safety legislation

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: enquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of entries in the nominal ledger, including journal entries; reviewing transactions around the end of the reporting period; and the performance of analytical procedures to identify unexpected movements in account balances which may be indicative of fraud.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
MERIDIAN HOME START LIMITED

Our responsibilities for the audit of the financial statements – continued

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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 Report of the Independent Auditors.

Use of our report

This report is made solely to the Society's members, as a body, in accordance with Chapter 3 of Part 16 of the Co-operative and Community Benefit Society Act 2014. Our audit work has been undertaken so that we might state to the charitable Society's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members as a body, for our audit work, for this report, or for opinions we have formed.



Andrew Warren (Senior Statutory Auditor)
for and on behalf of McBrides Accountants LLP
Statutory Auditors and Chartered Accountants
Nexus House
2 Cray Road
Sidcup
Kent
DA14 5DA

Date: 5 September 2024

MERIDIAN HOME START LIMITED**STATEMENT OF FINANCIAL ACTIVITIES**
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds £	Restricted funds £	31.3.24 Total funds £	31.3.23 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	2,500	5,000	7,500	7,500
Charitable activities					
Restricted build	3	-	2,682,122	2,682,122	2,760,470
Investment income	4	2,103,631	-	2,103,631	1,674,335
Total		<u>2,106,131</u>	<u>2,687,122</u>	<u>4,793,253</u>	<u>4,442,305</u>
EXPENDITURE ON					
Raising funds	5	1,345,413	213,748	1,559,161	1,274,392
Total		<u>1,345,413</u>	<u>213,748</u>	<u>1,559,161</u>	<u>1,274,392</u>
NET INCOME		760,718	2,473,374	3,234,092	3,167,913
Transfers between funds	20	(517,746)	517,746	-	-
Other recognised gains/(losses)					
Gains on revaluation of fixed assets		-	4,638,049	4,638,049	1,393,573
Net movement in funds		242,972	7,629,169	7,872,141	4,561,486
RECONCILIATION OF FUNDS					
Total funds brought forward		1,288,892	45,455,111	46,744,003	42,182,517
TOTAL FUNDS CARRIED FORWARD		<u>1,531,864</u>	<u>53,084,280</u>	<u>54,616,144</u>	<u>46,744,003</u>

The notes form part of these financial statements

MERIDIAN HOME START LIMITED (REGISTERED NUMBER: RS007359)

BALANCE SHEET
31 MARCH 2024

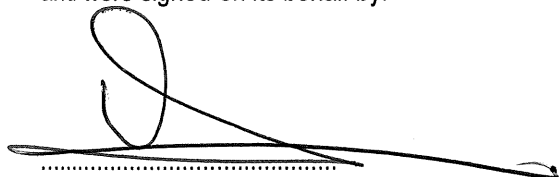
	Notes	Unrestricted funds £	Restricted funds £	31.3.24 Total funds £	31.3.23 Total funds £
FIXED ASSETS					
Tangible assets	10	912	-	912	1,418
Investments					
Investments	11	100	-	100	100
Investment property	12	-	91,195,868	91,195,868	81,221,652
		1,012	91,195,868	91,196,880	81,223,170
CURRENT ASSETS					
Debtors	13	374,077	-	374,077	289,976
Cash at bank		1,681,669	-	1,681,669	1,626,522
		2,055,746	-	2,055,746	1,916,498
CREDITORS					
Amounts falling due within one year	14	(347,386)	(1,107,095)	(1,454,481)	(2,884,212)
NET CURRENT ASSETS		1,708,360	(1,107,095)	601,265	(967,714)
TOTAL ASSETS LESS CURRENT LIABILITIES		1,709,372	90,088,773	91,798,145	80,255,456
CREDITORS					
Amounts falling due after more than one year	15	-	(37,004,493)	(37,004,493)	(33,316,445)
PROVISIONS FOR LIABILITIES	17	(105,000)	-	(105,000)	(120,000)
ACCRUALS AND DEFERRED INCOME	18	(72,500)	-	(72,500)	(75,000)
NET ASSETS		1,531,872	53,084,280	54,616,152	46,744,011
FUNDS					
Share Capital	19			8	8
Unrestricted funds	20			1,531,864	1,288,892
Restricted funds	20			53,084,280	45,455,111
TOTAL FUNDS				54,616,152	46,744,011

The notes form part of these financial statements

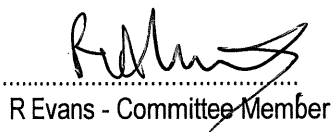
BALANCE SHEET - continued
31 MARCH 2024

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

The financial statements were approved by the Committee of Management and authorised for issue on 5 September 2024 and were signed on its behalf by:

A handwritten signature in black ink, consisting of a large loop followed by a long horizontal stroke.

R Reynolds - Committee Member

A handwritten signature in black ink, appearing as a stylized cursive 'R' followed by a horizontal line.

R Evans - Committee Member

A handwritten signature in black ink, consisting of a stylized 'E' followed by a horizontal line.

E Peters - Committee Member

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Co-operative and Community Benefit Society Act 2014. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The Society is entitled to exemption from preparing consolidated group accounts under Section 99(4) of the Co-operative and Community Benefit Societies Act 2014.

Meridian Home Start Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are prepared in sterling which is the functional currency of the Society.

Income

All income is recognised in the Statement of Financial Activities once the Society has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Rents received are deemed to be entitled in accordance with the rental period to which the income relates with income being accrued or deferred as necessary.

Government Grants

Grants relating to revenue are recognised in income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Society to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and includes irrecoverable VAT and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Taxation

The Society is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Committee of Management.

Restricted funds can only be used for particular restricted purposes within the objects of the Society. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The Society operates a defined contribution pension scheme. Contributions payable to the Society's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments

The Society enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

a) Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

b) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

c) Impairment of financial assets

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

d) Trade and other creditors

Debt instruments like loans and other accounts payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable within one year, typically trade payables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Computer equipment – straight line basis over 3 years

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES - continued

Concessionary Loans

The Society has a concessionary loan with the Royal Borough of Greenwich which is initially measured in the Society's balance sheet at the amount received. In subsequent years, the carrying amount of concessionary loans in the financial statements shall be adjusted to reflect any interest payable.

Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value, like plant and equipment, are reviewed, to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets, which is the higher of value in use and the fair value less cost to sell, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit and loss. Inventories are also assessed for impairment at each reporting date. Each item of inventory is compared to the last sold date and an impairment loss recognised on a percentage basis in profit and loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset or group of related assets is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset or group of related assets in prior periods. A reversal of an impairment loss is recognised immediately in profit and loss.

Investment in subsidiary

The investment in Meridian Developments 2020 Limited is recorded at the historic cost of the shares issued to the Society. The investment is not revalued due to the annual distribution of profit that is gift aided in full to the Society.

Significant Judgements and Estimates

In the application of the Society's accounting policies, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period to which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are the valuations of investment property.

Going Concern

The members have assessed the major risks to which the Society is exposed and assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Society to continue as a going concern. The members make this assessment in respect of a period of at least one year from the date of approval of the financial statements. The Society has significant cash balances. There is nothing with the Society's current strategy which suggests that the Society activities will cease. For these reasons the members continue to adopt the going concern basis in preparing the financial statements.

MERIDIAN HOME START LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

2. DONATIONS AND LEGACIES

	31.3.24	31.3.23
	£	£
Grants	<u>7,500</u>	<u>7,500</u>

3. RESTRICTED BUILD

	31.3.24	31.3.23
	£	£
Capital Grant	<u>2,682,122</u>	<u>2,760,470</u>

4. INVESTMENT INCOME

	31.3.24	31.3.23
	£	£
Rents received	2,103,631	1,566,123
Gift aid donation from subsidiary	<u>-</u>	<u>108,212</u>
	<u>2,103,631</u>	<u>1,674,335</u>

5. RAISING FUNDS**Support Cost**

	31.3.24	31.3.23
	£	£
Management expenses	1,717	4,216
Wages	381,005	327,429
Social Security	43,099	35,981
Pensions	22,444	15,317
Accountancy (non-audit)	59,068	55,958
Other	<u>23,273</u>	<u>16,648</u>
	530,606	455,549

Investment management costs

	31.3.24	31.3.23
	£	£
Property repairs	377,236	293,454
Management fee	172,692	127,588
Insurance	120,282	94,486
Other	<u>64,109</u>	<u>63,803</u>
	734,319	579,331

Finance costs

	31.3.24	31.3.23
	£	£
Loan Interest	208,748	180,205
Other Interest	<u>-</u>	<u>700</u>
	208,748	180,905

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

5. RAISING FUNDS - continued

Governance costs

	31.3.24	31.3.23
	£	£
Auditors' remuneration	8,970	7,364
Professional fees	23,226	10,726
Legal fees	53,292	40,517
	<u>85,488</u>	<u>58,607</u>
Aggregate amounts	<u>1,559,161</u>	<u>1,274,392</u>

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.24	31.3.23
	£	£
Auditors' remuneration	<u>8,970</u>	<u>7,364</u>

7. COMMITTEE OF MANAGEMENT REMUNERATION AND BENEFITS

	31.3.24	31.3.23
	£	£
Committee members' salaries	57,000	64,187
Committee members' social security	<u>1,973</u>	<u>2,078</u>
	<u>58,973</u>	<u>66,265</u>

Committee of Management Expenses

Three members of the Committee of Management were reimbursed for expenses of which £485 relate to travel, £856 for subscriptions, £256 for postage and stationery and £120 for sundry expenses. The total amount of employee benefits received by key management personnel (KMP) is £385,614 (2023: £325,277). Those considered to be KMP are as detailed on page 1 of the Report of the Committee of Management.

8. STAFF COSTS

	31.3.24	31.3.23
	£	£
Wages and salaries	381,005	327,429
Social security costs	43,099	35,981
Other pension costs	<u>22,444</u>	<u>15,317</u>
	<u>446,548</u>	<u>378,727</u>

The average monthly number of employees during the year was as follows:

	31.3.24	31.3.23
Committee of Management	6	7
Staff	<u>3</u>	<u>3</u>
	<u>9</u>	<u>10</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

8. STAFF COSTS - continued

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.3.24	31.3.23
£110,001 - £120,000	-	1
£120,001 - £130,000	1	-
£190,001 - £200,000	-	1
£200,001 - £210,000	<u>1</u>	<u>-</u>
	<u><u>2</u></u>	<u><u>2</u></u>

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	7,500	-	7,500
Charitable activities			
Restricted build	-	2,760,470	2,760,470
Investment income	<u>1,674,335</u>	<u>-</u>	<u>1,674,335</u>
Total	<u><u>1,681,835</u></u>	<u><u>2,760,470</u></u>	<u><u>4,442,305</u></u>
EXPENDITURE ON			
Raising funds	<u>1,089,187</u>	<u>185,205</u>	<u>1,274,392</u>
Total	<u><u>1,089,187</u></u>	<u><u>185,205</u></u>	<u><u>1,274,392</u></u>
NET INCOME	592,648	2,575,265	3,167,913
Transfers between funds	(437,739)	437,739	-
Other recognised gains/(losses)			
Gains on revaluation of fixed assets	<u>-</u>	<u>1,393,573</u>	<u>1,393,573</u>
Net movement in funds	154,909	4,406,577	4,561,486
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>1,133,983</u>	<u>41,048,534</u>	<u>42,182,517</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>1,288,892</u></u>	<u><u>45,455,111</u></u>	<u><u>46,744,003</u></u>

MERIDIAN HOME START LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 MARCH 2024**10. TANGIBLE FIXED ASSETS**

	Computer equipment £
COST	
At 1 April 2023	5,908
Additions	<u>538</u>
At 31 March 2024	<u>6,446</u>
DEPRECIATION	
At 1 April 2023	4,490
Charge for year	<u>1,044</u>
At 31 March 2024	5,534
NET BOOK VALUE	
At 31 March 2024	<u>912</u>
At 31 March 2023	<u>1,418</u>

11. FIXED ASSET INVESTMENTS

	Unlisted investments £
MARKET VALUE	
At 1 April 2023 and 31 March 2024	<u>100</u>
NET BOOK VALUE	
At 31 March 2024	<u>100</u>
At 31 March 2023	<u>100</u>

There were no investment assets outside the UK.

The Society's investment at the balance sheet date is in respect of 100% of the share capital of Meridian Developments 2020 Limited.

Subsidiaries**Meridian Developments 2020 Ltd**

The principal activity of Meridian Developments 2020 Limited is the development of building projects. The group's share of Meridian Developments 2020 is as follows:

	31.3.24 £	31.3.23 £
Turnover	<u>5,325,931</u>	<u>8,318,368</u>
Profit/(Loss) before taxation	71,314	108,225
Taxation	(15,148)	-
Profit/(Loss) after taxation	<u>56,166</u>	<u>108,225</u>

MERIDIAN HOME START LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 MARCH 2024**11. FIXED ASSET INVESTMENTS - continued**

Share of assets		
Current assets	<u>707,297</u>	<u>2,437,421</u>
Share of liabilities		
Liabilities due within one year	<u>(651,031)</u>	<u>(2,437,321)</u>
Share of net assets	<u>56,266</u>	<u>100</u>

12. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2023	81,221,652
Additions	5,336,167
Revaluation	<u>4,638,049</u>
At 31 March 2024	<u>91,195,868</u>
NET BOOK VALUE	
At 31 March 2024	<u>91,195,868</u>
At 31 March 2023	<u>81,221,652</u>
Fair value at 31 March 2023 is represented by:	
Valuation in 2013	5,717,277
Valuation in 2014	666,326
Valuation in 2015	1,168,819
Valuation in 2016	2,506,905
Valuation in 2018	446,300
Valuation in 2020	4,668,813
Valuation in 2021	7,825,790
Valuation in 2022	6,317,272
Valuation in 2023	1,393,573
Valuation in 2024	4,638,049
Cost	<u>55,846,744</u>
At 31 March 2024	91,195,868

If Investment properties had not been revalued they would have been included at the following historical cost.

	31.3.24	31.3.23
	£	£
Cost	<u>55,846,744</u>	<u>50,510,577</u>

Investment Properties were valued on an open market basis on 6 November 2023 and 29 January 2024 by Hindwoods Chartered Surveyors.

MERIDIAN HOME START LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024****13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.24	31.3.23
	£	£
Trade debtors	155,702	122,206
Other debtors	209,908	159,409
Prepayments and accrued income	<u>8,467</u>	<u>8,361</u>
	<u>374,077</u>	<u>289,976</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24	31.3.23
	£	£
Concessionary loans (see note 16)	437,801	310,721
Trade creditors	46,248	17,221
Amounts owed to group undertakings	547,025	934,824
Other creditors	329,329	185,675
Accruals and deferred income	<u>94,078</u>	<u>1,435,771</u>
	<u>1,454,481</u>	<u>2,884,212</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.24	31.3.23
	£	£
Other loans (see note 16)	<u>37,004,493</u>	<u>33,316,445</u>

The Royal Borough of Greenwich hold a fixed charge over the buildings, fixtures and fittings and fixed plant and machinery which are situated on the land at the various new builds developments along with a fixed charge on the rent bank account.

The Society's repayments are staggered, the loan element for each site becomes repayable in instalments commencing 12 months after the completion of construction of a site.

The loan is interest free during development and the first 12 months defect period. Beyond this, interest is charged as follows; Years 1-5 – 1%, Years 6-10- 2%, Years 11-15 – 3%, Years 16-20 – 4%, Years 21-25 5%, Years 26-30 – 6% and Years 31-45 – 7.47%.

16. LOANS

An analysis of the maturity of loans is given below:

	31.3.24	31.3.23
	£	£
Amounts falling due within one year on demand:		
Concessionary Loan	<u>437,801</u>	<u>310,721</u>

MERIDIAN HOME START LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 MARCH 2024**16. LOANS - continued**

	31.3.24 £	31.3.23 £
Amounts falling due between two and five years:		
RBG loan - 1-5 years	<u>2,119,813</u>	<u>1,709,422</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
RBG loan - due more 5yrs	<u>34,884,680</u>	<u>31,607,023</u>

17. PROVISIONS FOR LIABILITIES

	31.3.24 £	31.3.23 £
At 1 April 2023	120,000	145,000
Utilised in period	(15,000)	(25,000)
Increase/(Decrease) in provisions	<u>-</u>	<u>-</u>
At 31 March 2024	<u>105,000</u>	<u>120,000</u>

During the year ended 31 March 2022, the Society provided for £145,000, in respect of compensation potentially due to tenants for ongoing defects at new build properties at one site. During the year ended 31 March 2024 a further three tenants received compensation, the remaining tenants are expected to receive their compensation in the next 12 months.

18. ACCRUALS AND DEFERRED INCOME

	31.3.24 £	31.3.23 £
Deferred government grants	<u>72,500</u>	<u>75,000</u>

Deferred government grants relate to grants received where performance related conditions are yet to be met.

19. SHARE CAPITAL

Allotted and issued:			31.3.24	31.3.23
Number	Class	Nominal value	£	£
8	Ordinary	£1	8	8

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

20. MOVEMENT IN FUNDS

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
Unrestricted funds				
General fund	829,481	760,718	(562,083)	1,028,116
Major works	359,411	-	44,337	403,748
Economic Outlook Provision	100,000	-	-	100,000
	1,288,892	760,718	(517,746)	1,531,864
Restricted funds				
Restricted building	45,455,111	7,111,423	517,746	53,084,280
TOTAL FUNDS	<u>46,744,003</u>	<u>7,872,141</u>	<u>-</u>	<u>54,616,144</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,106,131	(1,345,413)	-	760,718
Restricted funds				
Restricted building	2,687,122	(213,748)	4,638,049	7,111,423
TOTAL FUNDS	<u>4,793,253</u>	<u>(1,559,161)</u>	<u>4,638,049</u>	<u>7,872,141</u>

RESTRICTED FUND – BUILDING

The restricted building fund represents grants received from RBG in order to facilitate the building of various affordable housing for people in the Borough through partnership with RBG. The buildings are funded both via these grants together with associated loans from RBG. Any annual revaluations to the value of the buildings are treated as restricted fund movements. As loan interest and capital repayments are made to RBG a transfer is made from unrestricted funds to restricted funds to reflect the increase in the net value of the buildings that are restricted.

RESTRICTED FUND – EMPLOYMENT ALLOWANCE

The employment allowance permits qualifying employers to reduce their annual National Insurance (NI) liability. The allowance can only be utilised on employer's NI contributions due to qualifying conditions and the maximum allowance of £5,000 for the 2023/24 tax year was utilised by the Society during the financial year. The £5,000 worth of employer's NI cost that was offset against the allowance is presented within the restricted fund of the financial statements.

DESIGNATED FUND – MAJOR WORKS

A sinking fund was established to provide a contingency for the anticipated future costs of repairs for the rental properties.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

20. MOVEMENT IN FUNDS - continued

DESIGNATED FUND – ECONOMIC OUTLOOK PROVISION

The fund was set up to allow for potential bad debts as a result of tenant's potential financial difficulties following the pandemic. During the year ended 31 March 2023 this fund was renamed the Economic Outlook Provision and covers the potential risk of bad debts as a result of the uncertain economic situation following the pandemic and cost of living increases.

Comparatives for movement in funds

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	768,880	592,648	(532,047)	829,481
Major works	265,103	-	94,308	359,411
Economic Outlook provision (formerly COVID-19 Provision)	100,000	-	-	100,000
	<u>1,133,983</u>	<u>592,648</u>	<u>(437,739)</u>	<u>1,288,892</u>
Restricted funds				
Restricted building	41,048,534	3,968,838	437,739	45,455,111
	<u>41,048,534</u>	<u>3,968,838</u>	<u>437,739</u>	<u>45,455,111</u>
TOTAL FUNDS	<u>42,182,517</u>	<u>4,561,486</u>	<u>-</u>	<u>46,744,003</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,681,835	(1,089,187)	-	592,648
Restricted funds				
Restricted building	2,760,470	(185,205)	1,393,573	3,968,838
	<u>2,760,470</u>	<u>(185,205)</u>	<u>1,393,573</u>	<u>3,968,838</u>
TOTAL FUNDS	<u>4,442,305</u>	<u>(1,274,392)</u>	<u>1,393,573</u>	<u>4,561,486</u>

21. RELATED PARTY DISCLOSURES

During the year Meridian Home Start made £5,325,931 (2023: £8,318,368) worth of purchases from Meridian Developments 2020 Limited. Meridian Home Start received £nil (2023: £108,212) in gift aid distributions from Meridian Developments 2020 Limited. At 31 March 2024, Meridian Home Start owes £547,025 to Meridian Developments 2020 Limited (2023: £934,824).

Committee of Management remuneration and expenses are disclosed in note 7.

22. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the Committee of Management.

MERIDIAN HOME START LIMITED**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**
FOR THE YEAR ENDED 31 MARCH 2024

	31.3.24 £	31.3.23 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Grants	<u>7,500</u>	<u>7,500</u>
	7,500	7,500
Investment income		
Gift aid	-	108,212
Rents received	2,103,631	1,566,123
Charitable activities		
Grants	<u>2,682,122</u>	<u>2,760,470</u>
Total incoming resources	4,793,253	4,442,305
EXPENDITURE		
Support costs		
Management Expenses	1,717	4,216
Wages	381,005	327,429
Social security	43,099	35,981
Pensions	22,444	15,317
Accountancy	59,068	55,958
Sundries	5,640	1,219
Telephone	3,193	2,118
Subscriptions	6,177	4,246
Office administration	1,435	2,388
IT Costs	5,785	4,811
Depreciation - Computer equipment	<u>1,043</u>	<u>1,866</u>
	530,606	455,549
Investment management costs		
Property repairs and costs	377,236	293,454
Management fee	172,692	127,588
Rates and water	25,368	38,523
Insurance	120,282	94,486
Light and heat	7,762	3,061
Bad debts	<u>30,979</u>	<u>22,219</u>
	734,319	579,331
Finance costs		
Bank interest	-	700
Loan interest	<u>208,748</u>	<u>180,205</u>
	208,748	180,905

This page does not form part of the statutory financial statements

MERIDIAN HOME START LIMITED**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**
FOR THE YEAR ENDED 31 MARCH 2024

	31.3.24 £	31.3.23 £
Governance costs		
Auditors' remuneration	8,970	7,364
Legal fees	53,292	40,517
Professional fees	<u>23,226</u>	<u>10,726</u>
	<u>85,488</u>	<u>58,607</u>
 Total resources expended	 <u>1,559,161</u>	 <u>1,274,392</u>
 Net income	 <u><u>3,234,092</u></u>	 <u><u>3,167,913</u></u>

This page does not form part of the statutory financial statements