



safety first

REPORT & ACCOUNTS 2019-2020



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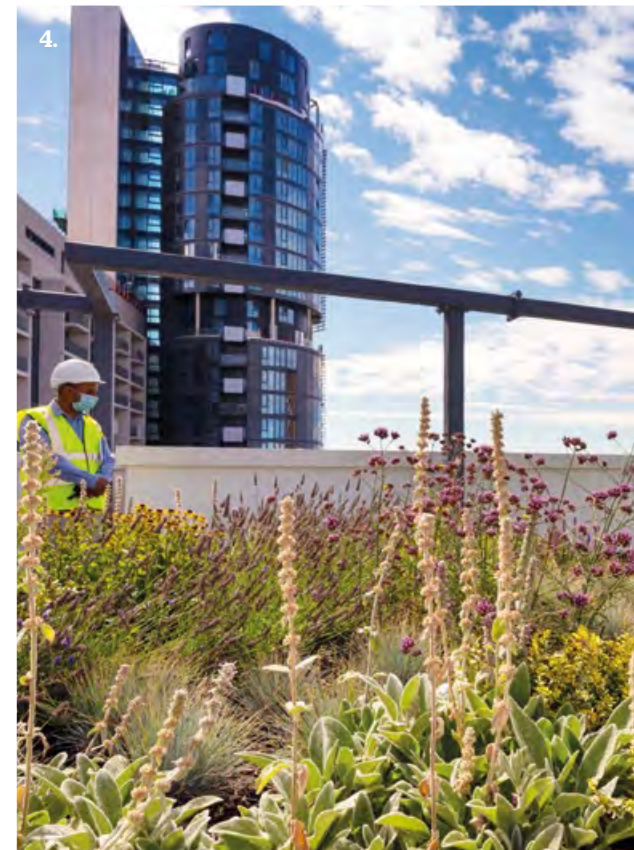
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Safety first

Welcome to our Annual Report for 2019-2020.

The most commonly used adjective in recent times is 'unprecedented' and whichever way you look at it the past year has been anything but typical.

The last part of the business year was marked by the coronavirus outbreak and the need to adapt to safely delivering and maintaining services in the face of the pandemic.

It is therefore fitting that in this report we focus on how we have addressed key issues around the safety of our residents, staff and contractors while continuing to develop new affordable homes and working to support those facing hardship or isolation in these worrying times.

In December 2020 Sarah Ebanja will step down at the end of her tenure as Newlon's Chair. Many of you reading this report will have worked closely with Sarah. She has overseen a period of extensive growth for Newlon, championed some of our most successful initiatives, such as our award winning programme to encourage our own residents to work for us and has also been a high profile and indefatigable champion of BAME communities across London. As an organisation we are also very conscious of the issues raised for our residents and staff by the Black Lives Matter movement and we share the desire for real change to bring a better future.

We will be sorry to lose Sarah's energy and expertise and look forward to working with her in her other roles on many future projects for the benefit of the communities we serve.

We hope you find this review of our year interesting and informative. We wish to thank all of our partners for their support in maintaining a high standard of service in this challenging period. Everyone at Newlon is looking forward to emerging from these strange times and meeting as many of you as possible in person in the near future.

1. Clarke Carlisle speaks to Newlon staff about mental health awareness.

2. Lloyd and Blossom - Resident Members of the Newlon Board.

3. Inside a new home at Alma in Enfield.

4. Residents' roof garden at City North.

5. Reaching for the sky at Hale Works.

Chief Executive's statement



At the start of 2019-2020 I would never have imagined that I would be writing a review of the year with our Head Office closed to the public and the majority of our staff working from home.

The impact of coronavirus has been far reaching and has touched Newlon and our residents in many ways beyond immediate concerns about the health and wellbeing of our friends and families. We have more than 1,200 homes for Key Workers meaning that many of our residents have been the unsung heroes responding to the pandemic and providing the critical services we all rely on. In addition, Outward, our care and support subsidiary has been at the forefront of looking after many of the most at risk members of our communities.

Overall, we have coped successfully with the impact of coronavirus, transitioning smoothly to the majority of staff working at home and working with our key partners to maintain all critical services. Even at the height of the outbreak we were able to find safe ways of working that ensured we could carry out more than just emergency repairs.

One of our key initiatives at the beginning of the year was to focus on staff and residents' wellbeing, which we launched with a keynote session from mental health champion Clarke Carlisle and his wife Carrie at the Tottenham Hotspur Stadium. This proved to be timely as we deal with the pressures of social isolation and anxiety that have been a part of the pandemic. I am immensely proud of the support we have been able to offer to our most vulnerable residents and our staff members.

This Annual Report focusses very strongly on safety as even before the pandemic this has been an increasingly important part of our work. This includes our commitment to carrying out an extensive programme of fire safety works in response to Government guidance following the terrible tragedy at Grenfell Tower.

In many ways we are doing well in this area. We have set up a specialist team to manage our programme of investigations and remedial works and have fewer affected buildings than a number of other London based housing associations. Nevertheless, this will be a complex and costly area of work for several years, which will present challenges for us, our residents and a wide range of partner organisations and stakeholders. Later in this report we detail some of our specific activities and approaches in this area.

Against this backdrop and the challenges presented by coronavirus it seems almost strange to say that we have had a successful year. I am proud that we have continued to develop new affordable homes in boroughs across north and east London, varying from refurbished and repurposed supported housing to new major landmark schemes at the heart of large scale community regeneration programmes. We have also seen a steady improvement in residents' satisfaction across a range of metrics, including being able to deal with enquiries successfully first time and the knowledge and helpfulness of our staff.

Lastly, on behalf of all the Board, I would like to record my thanks to Sarah Ebanja, who will be stepping down as our Chair in December. She has contributed so much to our success over recent years, combining both her strategic knowledge with a genuine focus on outcomes that benefit our residents. She can be truly proud of what Newlon has achieved during her tenure.

Although we face a challenging period ahead I am confident that we have the people and skills to continue benefitting communities across north and east London.



Mike Hinch
Group Chief Executive





Sarah Ebanja
Chair of the Newlon Board

Chair's report



1. View of the Tottenham Hotspur Stadium and regeneration at Hale Village from Cannon Road.
2. Mike Hinch and Sarah Ebanja with David Lammy MP and a Newlon family.
3. Sarah Ebanja at the opening of Cannon Road.
4. New homes at Alma in Enfield.

I would like to begin by expressing my thanks to everyone involved with Newlon; staff, residents and partner organisations, for working so hard and effectively to maintain services during the pandemic which has so impacted us all in recent times.

I think it is safe to say that we have never previously operated in such a challenging environment. This includes delivering an extensive programme of safety works following the Grenfell Tower fire, planning for the impact of Brexit, and dealing with the coronavirus outbreak, with its impact on people's safety, wellbeing and incomes. I am therefore particularly proud that 2019-2020 was another successful year for Newlon.

Some initiatives such as our consultation with residents on the future of the Barnsbury Estate, which is necessarily dependent on personal interaction, have inevitably been delayed by the coronavirus outbreak. As we gradually come out of lockdown I am confident that we will be able to pick up the pace of consultation and I am truly excited about the future for the Barnsbury Estate and its residents.

There have also been some slight delays to our development programme as a result of the pandemic. On the whole our contractors were either able to keep working or to return to site quickly after the initial lockdown period and we have been able to deliver over 200 new affordable homes in the last year. More importantly we were able to keep working throughout the lockdown at all sites where we were carrying out essential fire safety works. I am pleased that the past year has seen us start to make real progress in our programme to review the fire safety of our buildings.

On a more personal note in December 2020 I will complete my tenure as Newlon's Chair and step down from the Board, after nine years which have passed in a whirl. I am proud of many things that we have achieved, including delivering major

regeneration projects, maintaining our commitment to providing supported housing and specialist care and support services and supporting many residents into employment, especially with Newlon. Having many of our residents work for us is by the far the most effective way of ensuring that they can truly have a voice in the running of the organisation. That we have achieved so much has been due to commitment, talent and a willingness to work together and I would like to extend my appreciation to my fellow Board members, all of Newlon's staff and the many partners I have worked with over this time.

Most of all I am proud that Newlon is a diverse, vibrant and innovative organisation, commercially focussed when required, but true to its charitable principles and focussed on the needs of the communities it serves and the safety and security of its residents, staff and partners.



New homes – new lives

With the ongoing commitment of funds towards fire safety works and the continuing high costs and competition for land it is a challenging time to be developing new affordable housing in London. Nevertheless we are committed to our charitable purpose of providing affordable housing for people in need in north and east London and are proud of our continued record of development. We continue to punch above our weight for the sector in terms of the number of new homes we develop in proportion to our size, despite working in one of the most complex and expensive environments for doing so.

In the past year, despite some inevitable slowdowns due to the impact of coronavirus, we completed 232 new homes in boroughs across north and east London. We also have over 1,000 new homes in our development pipeline. We continue to develop affordable housing in a mix of tenures including social rent, Shared Ownership, new intermediate housing and much needed supported housing.

In this section we provide an overview of some of our recently completed schemes and others that are progressing towards completion.





All points north - major regeneration at Tottenham Hale

Station Square is our landmark new development at the heart of Tottenham Hale, London's latest large scale regeneration area. Sited immediately opposite the station it provides 128 new homes, primarily for Shared Ownership, from which residents will be able to enjoy stunning views of the surrounding area.

Station Square is due for completion by mid-2021 and will be one of the first developments to be delivered as part of the Tottenham Hale Masterplan.

Also forming part of the regeneration of Tottenham Hale is the 32 storey Hale Works, sited next to Newlon's Group Head Offices at the entrance to Hale Village. Newlon has 44 homes as part of this development which when completed will be Haringey's tallest building.

Hale Works will be a high specification development providing new retail and food outlets at ground level. Features will include a beautiful sky garden for residents with great views across the Walthamstow Wetlands, London's largest urban nature reserve.

Formerly one of London's most neglected corners Tottenham Hale, with its excellent transport links and access to green space is undergoing a genuine renaissance, and is set to become the capital's most happening new urban centre.

We continue to work closely with a range of key local partners including Tottenham Hotspur FC, on the ongoing development and key strategic projects in both Tottenham and Tottenham Hale, continuing a transformation that originally began with Hale Village.



All aboard for City North

Another new development with excellent transport links is City North, situated immediately adjacent to Finsbury Park station, where works have included remodelling the station entrance to make it more accessible and attractive.

Newlon has 47 homes as part of this landmark regeneration project, in a mix of social rented and Shared Ownership tenures, with the finishing touches being completed in the late summer of 2020.

1. New homes at City North.
2. Room with a view - the outlook from a flat at Hale Works.
3. City North from home to the platform in seconds.
4. Under wraps - Station Square is nearing completion.

Chase Farm and the Alma Estate

A few miles from Finsbury Park works are progressing at two new schemes in Enfield. Chase Farm, located in the grounds of Chase Farm Hospital, provides 26 new homes in a mix of flats and houses for family living. The development includes a mix of affordable and intermediate rent housing. It demonstrates that land can be used imaginatively to provide space for larger size affordable family accommodation without needing to concentrate solely on density. The development is due for completion late in 2020.

Also in Enfield is the Alma regeneration project in Ponders End where the site of a rundown former estate is being transformed to create a vibrant new community. Eventually it will deliver nearly 1,000 new homes. Newlon will provide more than 160 of these in a mix of affordable housing tenures. This large scale site is being developed in stages. Our first phase, providing a mix of one, two and three bedroom Shared

Ownership flats has recently been completed with a further 54 intermediate rent homes due for completion in early 2021. The development is complemented by beautifully landscaped public spaces and many residents have impressive views across London and the green space of the nearby Lea Valley. Located just a two minute walk away from Ponders End station it is in an ideal location for commuters.

Eyes peeled for new homes in Buxton Road

If we follow the compass a little way back south and eastwards we arrive at our development at Buxton Road. Built on the site of a derelict former cinema and located within the St. James Conservation area, this is a medium sized development of 48 Shared Ownership homes situated close to the hustle and bustle of Walthamstow's famous street market and the excellent transport links at Walthamstow Central. Works are progressing well and the scheme is currently on course for completion in mid-2021.

1. New family housing at Chase Farm.
2. New housing and solar panels at Alma.
3. Thomas Road from the Regent's Canal.
4. Remodelled accommodation at Catherine House.

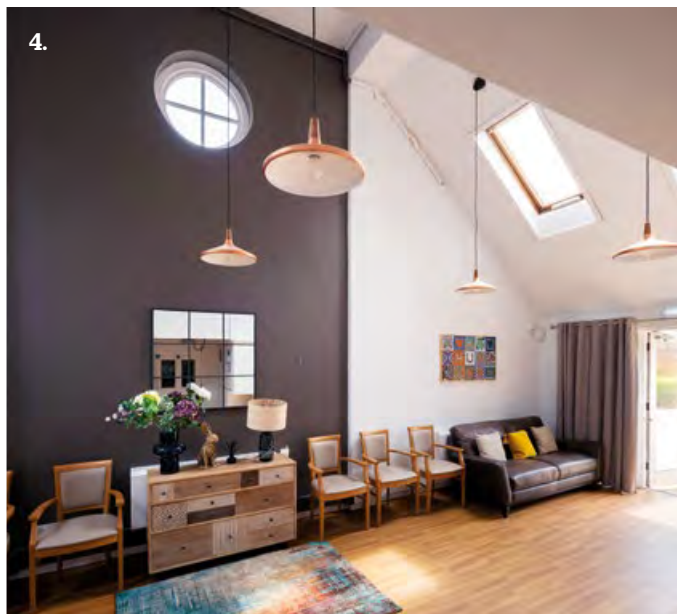




Canal-side living and a breath of fresh air

Continuing south and east we arrive in Tower Hamlets at Thomas Road, an attractive canal-side development, where we have 57 homes in a mix of Shared Ownership, intermediate rent and affordable rent tenures. The scheme has recently been completed. In this densely populated quarter of East London, Thomas Road, with its location next to the Regent's Canal provides a refreshing modern living space with a relaxing sense of tranquillity.

Also in Tower Hamlets is Lime Quarter, our first ever joint venture. Lime Quarter is unique for Newlon as we are not retaining any housing here. Instead we have partnered 50:50 with Vistry Partnerships to develop this former industrial site adjacent to Devons Road station mainly for private sale. The scheme has recently been completed and homes are selling well. We are using any profits to invest in the development of new affordable homes. In a period of high land costs and limited grants taking advantage of opportunities such as joint ventures is one option that we can use to help fund development of new affordable housing.



Supporting vulnerable people to live in safe and secure housing

Working with our specialist supported housing and care subsidiary Outward we have carried out extensive renovation and remodelling works at Catherine House in Hackney. The newly redeveloped scheme now provides purpose-built living space for people with disabilities including profound learning disabilities. Catherine House offers a mix of spacious communal and personal living space perfectly attuned to the needs of this group of residents.

Also in Hackney is Queensdown Road where we are working with Outward to renovate and reconfigure a large Georgian terrace to provide new supported housing accommodation. The imaginative remodelling of this attractive street property is providing additional space to bring this building, which was not being used to its full capacity, back into use.

In Enfield we are working on the remodelling of another small supported housing scheme in Linwood Crescent to provide new homes for vulnerable adults, including fully wheelchair adapted accommodation.



Living with Newlon

Napier Apartments is one of Newlon's most recent developments located in Redbridge just a couple of minutes' walk from Goodmayes station.

Holly, who works as a scientist for the NHS, has lived in London for 13 years. She was renting with friends in North London before she made the decision to buy a property through Shared Ownership. "I had dreamed of owning my own home for many years and Shared Ownership enabled me to get on the property ladder much sooner than I imagined."

Holly looked at a variety of properties before settling on Napier Apartments. "I liked how big the apartments were, as many properties I had looked at before were so small you could sit on the sofa and cook at the same time! The development is also a small block, which makes it feel more homely and neighbourly."

"It's a lovely, warm, open plan apartment that comes with parking and a winter garden. Being able to sit outside in the depths of winter with a cup of coffee, looking out at the world, is just delightful."

Safer homes and services



Over the course of the past year we have started to make genuine progress in our programme of fire safety works in response to Government guidance following the Grenfell Tower fire. The safety of our residents, staff and contractors is our main priority and Newlon has set up a specialist team to lead investigations into the fire safety of our buildings and oversee delivery of any remedial works required. In line with Government advice we have been prioritising investigations to buildings over 18 metres in height or where external cladding materials have been used.

Where we have found that works are required we have introduced active safety measures. These include appointing 24/7 fire warden patrols and making smart use of technology such as thermal imaging cameras, to maintain residents' safety until works are completed. In the past year we have spent over £5 million on additional safety measures such as fire wardens and carrying out remedial works. To date we have not passed any costs back to residents and our aim as far as possible is to avoid recharging leaseholders, although this cannot be guaranteed.

We have appointed specialist retained fire safety engineers so that any remedial works can be checked before they are undertaken and after completion to ensure they meet the required criteria. This has also helped us to obtain EWS1 forms for some of our taller buildings in a reasonable period of time against a national background of long delays.

Newlon has approximately 50 buildings over 18 metres and we are progressing steadily through our programme of investigations and undertaking any works required. Although this is a complex issue which will require works for several years we are in a relatively good position as we have fewer impacted buildings than many larger housing associations.

In the last year remedial fire safety works were completed at Oakleigh Court in Hackney and Fenton Street in Tower Hamlets, where we re-clad the exterior of the block with new non-combustible materials.

Works are progressing towards completion at Rivers Apartments, our 22 storey block in Tottenham and at the neighbouring lower rise blocks. We are also onsite at Albemarle Court at Hale Village. In the Arsenal Regeneration Area works are being specified at Caledonian Road, Hornsey Street and Queensland Road and are onsite at the Ashburton Triangle. In each case the work required varies according to the issues found, which either relate to the cladding and materials used in the buildings' construction or to issues with internal and external fire stopping. Any works that can be completed quickly such as internal fire stopping issues have already been carried out.

1. Fire safety works at Cannon Road.
2. Keeping residents safe – additional cleaning in communal areas at Hale Village.
3. Lift safety checks.
4. Remedial fire safety works underway at Albemarle Court.



Electrical, water and lift safety

In parallel with our increasing investment on fire safety works we have been carrying out an increased programme of electrical safety works and are maintaining our ongoing programme of water safety checks and lift inspections. During the first stages of the lockdown we were able to source new specialist contractors at short notice to carry out regular safety inspections of our lifts when the original contractor withdrew this service.

Maintaining services during the pandemic

During lockdown we successfully maintained core services, with a minimum level of disruption and with the majority of staff moving from being office based to home working. Recently introduced new technology helped us to effectively manage residents' enquiries, allowing us to replicate our Service Centre set up from people's homes.

Through close working with our key partners we were able to carry out all urgent repairs. From early June we were gradually able to return to providing a full repairs service. With the introduction of safe working practices critical

services including the health and safety and communal repairs inspections carried out by our estate inspection and concierge teams were able to continue during lockdown, as were key day to day services such as communal cleaning. Where necessary we were able to increase or provide additional cleaning services.

Our Board has taken an active lead in supporting us through the pandemic, overseeing our COVID-related risk register and recovery plans and adapting to meeting regularly using virtual platforms such as Zoom.

Supporting victims of domestic violence

We are very pleased to have been able to work with Hestia throughout the lockdown to provide secure housing for victims of domestic violence in some of our void properties.

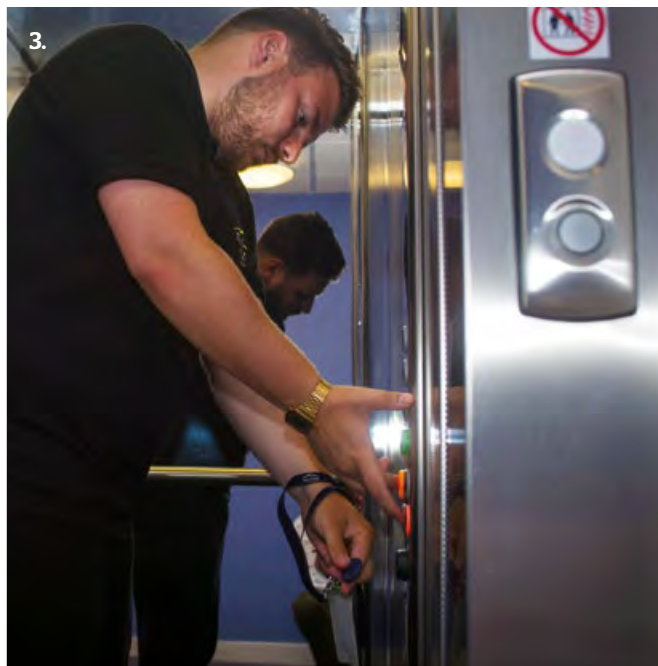
Greener Newlon - investing in a safer future

It would be an easy thing for one major crisis to have diverted our attention from another, but at Newlon we are striving to be as environmentally friendly as possible to help combat the spectre of climate change.

To support this one key part of our asset management strategy is to actively review the thermal efficiency of our stock and to put in place plans and long-term budgets to work towards carbon neutrality. The Barnsbury Estate is our least energy efficient area of housing and this is one of the key reasons we have been looking at the renewal of the Estate to provide residents with new homes that meet the very best specifications for energy efficiency and environmentally focused design. Our plans for the Estate, if approved by residents, will also create additional green space.

We have an ongoing programme of boiler replacements, ensuring that where people are reliant on fossil fuel they have up to date A rated energy efficient boilers to provide their heating and hot water and reduce their carbon footprint. Last year we upgraded boilers in 263 homes. To further reduce dependency on fossil fuels no new build properties are being developed with a mains gas supply.

To directly support residents we entered into partnership with a community based initiative providing access to competitively priced energy 100% sourced from UK-based solar and wind generators.



Outward – looking after our most vulnerable people

Peter Little Chief Executive Outward writes

As we entered March this year we all faced extraordinary circumstances and Outward faced an unprecedented challenge to be able to safely support vulnerable and disabled people through the onslaught of the pandemic. Suddenly we, like other care providers across the country, had to continue to work to maintain safe services as the country entered lockdown. The certainties we took for granted suddenly disappeared, we faced rising rates of sickness, the government issuing daily guidance to care providers which was often contradictory and having to search high and low for personal protective equipment (PPE) for our staff and the people we support. Staff in Outward, like care and support staff across the country, stood up to that challenge and ensured we were able to continue to provide safe services to the people we support and maintain them through lockdown and into the easing of those necessary restrictions.

Prior to March we had spent a lot of time and effort developing a new three year strategy, much of which now needs revision as we all adjust to the “new normal” of a world living with COVID-19. The major plank of our strategy was to increase the rewards to our lowest paid staff and work in the coming years to ensure all our staff are at least paid the London Living Wage. Our first step was to award a pay rise to our lowest paid staff of 7% over the year. As the country rewarded carers who were literally putting their lives at risk with clapping each Thursday, this move now seems the least we can do. Outward hopes the recognition for the brilliant work our staff and other carers do day in and day out will continue and be translated into a new deal for care staff and care providers.

We recognised this necessary increase in our costs will mean we may stop working with some partner local authorities which continue to refuse to pay reasonable rates for care and support so that we can pay carers a reasonable wage. Our response to this is to develop our own services working with Newlon to develop good quality supported housing with Outward providing person centred services focused on delivering positive outcomes to the people we support.

Whilst we have experienced delays and certainly the pandemic has exacerbated these, over the last year we have managed to open three properties.

The first was a large house in Waltham Forest which was the first property developed by Newlon Housing Trust for Outward to manage to provide housing for people with learning disabilities over 40 years ago. Now refurbished by the Trust, Outward has developed it as supported housing for four young people with learning disabilities to provide the opportunity to move from their parental homes into their own accommodation and to provide a stepping stone for them to be able to move on to their own flats.

In Hackney we have opened Catherine House following a major refurbishment by Newlon to provide eight flats which are fully accessible and will house people with disabilities including people with profound and multiple learning disabilities. We are also now opening a further scheme in Hackney providing six one bedroom flats.

Whilst we remain cautious looking forward, we have the knowledge that our charity has faced unprecedented times and our staff and those who support us have ensured we have succeeded in overcoming those challenges.



Residents' Services – supporting engagement and people in need



The Resident Services team works alongside Newlon residents, ensuring they have a say in how we operate or procure key services, and enhancing our social impact. Our award-winning programmes support residents to achieve employment and training opportunities, secure welfare benefits and grant funding, helping them to sustain tenancies and improve overall wellbeing.

Our key resident involvement activities include organising the residents' forum, liaising with residents' associations and working with our scrutiny panel and mystery shoppers to review our performance and services. During the last year we launched our new Resident Involvement Strategy, which focuses on ensuring residents are involved in Newlon's key decision making, including influencing procurement decisions and contract appointments. As part of this approach we were pleased to appoint two new Resident Members of Newlon's Board, Blossom Shakespeare and Lloyd Gale-Ward.

The team's work includes managing our two busy community centres in Barnsbury and Limehouse to provide a wide range of health, wellbeing and education services. 3,000 people were directly engaged at these centres in the past year.

We are particularly proud of our programme to support residents into employment. The team provided employment advice and support to 122 residents in the past year, with the majority progressing to training, work experience placements or employment. Through our 'Step Forward' programme, many residents have secured full time roles within Newlon. 18% of our staff members are Newlon residents. This is unique for an organisation of our type and was marked by being shortlisted finalists in the Guardian Public Service Awards. It is a particular accolade to be recognised in a national award that represents the charitable and not-for-profit sectors, not just social housing.

Supporting residents in their homes

In the last year the team assisted residents to find employment and access over £144,000 of welfare benefits to help maintain their tenancies and also took a lead in directly supporting residents affected by coronavirus. From the outset of the pandemic the team prioritised the safety of our residents and launched an outreach programme to provide signposting, information and advice to all of our older and vulnerable household members. As part of this work they directly contacted over 700 residents.

This included providing additional employment support and welfare benefits advice, as well as enhanced hardship and emergency funding. The team distributed an additional £15,000 in hardship and emergency funding between March and May.

We received very positive feedback from the residents we contacted, who were pleased that Newlon had shown a direct interest in their welfare. We will need to continue to adapt our services and routes to engagement to reflect the progress of the pandemic and any restrictions this brings. Against this backdrop we remain committed to being transparent and accountable and giving our residents an active say in how Newlon is run.



1. Works to create new living space at Queensdown Road.
2. A helping hand at Catherine House.
3. Caron – a Newlon resident and beneficiary of our employment programme.

Newlon in numbers



Group stock numbers 2019-2020

Social rent	3,999
Affordable rent	283
Low cost home ownership	1,136
Supported housing	675
Intermediate rent	1,137
Leaseholder	744
Commercial properties	68
Total	8,042

Delivering new homes

During the year residents moved into 232 new affordable homes. This was equivalent to 3.1% of our current stock and is significantly higher than the sector median and many other housing associations developing in London.

Financial efficiency

Our operating margin of 40% for the year remains significantly above the sector median.

Service charge costs reduced from £1,330 to £1,078 per home due to successful procurement, achieved through working with residents. This represents significant savings for residents.

Support for residents

The number of residents Newlon employs continues to grow with 18% of our staff being made up of Newlon residents. Our aim is to increase this to 21% by 2022.

Overall satisfaction for residents who rent their Newlon home increased to 75%.

We delivered exceptional outreach in response to the coronavirus pandemic distributing an additional £15,000 in emergency hardship funding between March and the end of May.

More than 700 older or vulnerable residents were contacted to check on their wellbeing and signposted to support and services where needed at the height of the pandemic.

Outward achieved 100% good CQC ratings, demonstrating the high standards of care and support they provide for Newlon residents.

94% of residents were satisfied with the housing services Outward provides.

Recent awards and accolades

First Time Buyer Readers' Awards –

Shortlisted for Best Small Development for Rosalind Franklin House.

Non-Executive Director Awards –

Sarah Ebanja, Newlon's Chair, shortlisted in Not for Profit category.

Guardian Public Service Awards –

Shortlisted in the Recruitment & HR category for our residents' work placement programme.

Inside Housing Development Awards –

Shortlisted for Market Sale Development of the Year for Hampstead Manor.

Introduction to the Summary Financial Statements to 31 March 2020



Operating activities

The financial statements show a good performance for the year against a backdrop of economic and political uncertainties. The forced lockdown of most of the UK due to COVID-19 only started just before the end of the year, therefore the real impact will be seen in 2020-2021.

Group turnover increased by 13% to £91m from £80m. Operating costs were £54m, a £2m increase on the last year.

The surplus on housing property sales at £7m remained in line with last year. The Group's operating surplus for the year was £36m and the operating margin 40%, 1% lower than last year.

Within turnover the total operating income included income from social housing lettings which comprises general needs, supported, Shared Ownership and intermediate rent housing.

Social housing lettings income was £61m, the same as last year. The social housing letting operating margin at 38% also remained the same as last year.

Interest payments at £19m increased by £4m compared with the previous year due to an increase in the level of borrowings. The average cost of borrowings was 3.47%, which was very similar to last year's 3.44%.

In summary, the Group continued to perform well and generated a healthy financial surplus, enabling continued investment in our existing properties and services and in providing new affordable housing.

Funding and assets

The Group continues to invest in existing stock and new affordable housing for rent and Shared Ownership. In the year £7m was invested in existing stock and £41m in new affordable housing.

At year-end the net book value of housing properties was £1,103,121m an increase of £26m on last year. The total Group cash, including deposits, was £41m. During the year Newlon Housing Trust drew down the remaining £80m of the £135m new private placement funding agreed in the previous year. At year-end the total undrawn facilities of the Group were £119m which were fully secured.

Key financial ratios

In relation to Newlon Housing Trust's financial covenants as reported in our Financial Statements, the tightest gearing ratio was 49% and the interest cover ratio was 231%, both very comfortably within our lenders' requirements.

Surjit Dhande Group Finance and Resources Director



1. Residents' roof garden at City North.

2. Dining in style at a new home in Enfield.

Consolidated statement of comprehensive income

Year ended 31 March 2020

	Group 2020	Group 2019	Association 2020	Association 2019
	£'000	£'000	£'000	£'000
Turnover	91,001	80,267	75,358	63,408
Cost of sales	(7,940)	(2,715)	(7,939)	(2,715)
Operating costs	(53,746)	(52,000)	(37,771)	(35,650)
Surplus on disposal of fixed assets - housing properties	6,978	7,152	6,396	6,881
Operating surplus	36,293	32,704	36,044	31,924
Surplus of sale of other fixed assets	(155)	-	-	-
Other interest receivable and similar income	342	191	963	537
Interest and financing costs	(18,971)	(14,703)	(18,931)	(14,664)
Movement in fair value of investment properties	(166)	50	-	-
Surplus before taxation	17,343	18,242	18,076	17,797
Taxation on surplus	-	(70)	-	-
Surplus for the financial year	17,343	18,172	18,076	17,797
Movement in fair value of defined benefit pension schemes	654	(694)	-	-
Movement in fair value of hedged financial instrument	11,784	(869)	11,784	(869)
Total comprehensive income for year	29,781	16,609	29,860	16,928

Statement of financial position

at 31 March 2020

	Group 2020	Group 2019	Association 2020	Association 2019
	£'000	£'000	£'000	£'000
Fixed assets				
Tangible fixed assets – housing properties	1,103,121	1,077,748	1,091,172	1,065,227
Tangible fixed assets – other	9,734	9,879	8,905	8,763
Investment properties	1,990	1,800	-	-
Investments	2	149	-	-
	1,114,847	1,089,576	1,100,077	1,073,990
Current assets				
Properties developed for sale	37,110	23,578	37,110	23,578
Debtors – receivable within one year	10,264	7,168	30,159	18,184
Debtors – receivable after one year	20,431	12,556	-	-
Current asset investments	30	30	30	30
Cash and cash equivalents	41,300	34,024	32,391	25,172
	109,135	77,356	99,690	66,964
Creditors: amounts falling due within one year	(39,354)	(38,100)	(37,536)	(35,619)
Net current assets	69,781	39,256	62,154	31,345
Total assets less current liabilities	1,184,628	1,128,832	1,162,231	1,105,335
Creditors: amounts falling due after more than one year	(999,285)	(973,252)	(988,997)	(961,943)
Provisions for liabilities and charges	(7)	(25)	(7)	(25)
Net assets	185,336	155,555	173,227	143,367
Capital and reserves				
Called up share capital	-	-	-	-
Designated reserve	1,752	1,752	-	-
Income and expenditure reserve	183,550	165,553	173,227	155,151
Cashflow hedge reserve	-	(11,784)	-	(11,784)
Restricted reserve	34	34	-	-
	185,336	155,555	173,227	143,367

Board members as at 31st March 2020



Sarah Ebanja
Chair



Jackie Ballard
Vice Chair



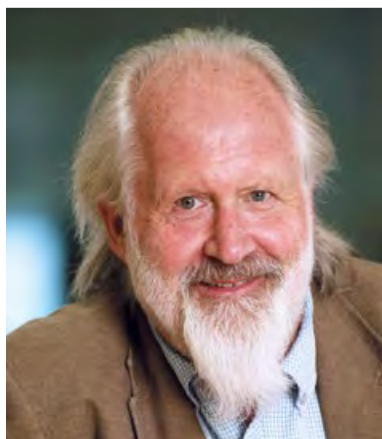
Matt Campion



Maria Grogan



Mike Hinch



John Cross



Nicola Bastin



Fred Angole



Lloyd Gale-Ward



Blossom Shakespeare

Executive team



Mike Hinch
Group Chief Executive



Surjit Dhande
Group Finance & Resources Director



Peter Little
**Group Director
Supported Housing and Care**



Ezinne Ogbonna
Business Development Director



Mark Newstead
Property Services Director



Bill Henderson
Housing Services Director

Newlon is committed to sound corporate governance and has adopted and complies fully with the National Housing Federation (NHF) Code of Governance 2015 and Code of Conduct 2012.



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Newlon Housing Trust is a charitable housing association

Chair: Sarah Ebanja Group Chief Executive: Mike Hinch

Newlon Housing Trust is a Community Benefit Society – company no. 18449R, registered with the Regulator of Social Housing no. L0006, HMRC charities reference no. EW91301, VAT registration no. GB778532683.

Access Homes is a Community Benefit Society – company no. 24992R, registered with the Regulator of Social Housing SL3605

Outward Housing, trading as Outward, is a company limited by guarantee – company no. 02151434, registered charity no. 800529.

Finsbury Park Homeless Families Project is a company limited by guarantee – company no. 2879813, registered charity no. 1030970.

Newlon Fusion is a company limited by guarantee – company no. 04000022, registered charity no. 1119673.

NewlonBuild Ltd is a private limited company no. 07884092.

NewlonInvest is a private limited company no. 09492006.

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