CARE HOUSING ASSOCIATION

England & Wales · Charity number 1172276

Details

Status	Registered
Legal form	Charitable company
Company number	04653659
Registered	2017-03-27
Register	View on the Charity Commission register

Contact

Address	Care Housing Association Ltd Suite 28 Hardmans Business Centre New Hall Hey Road Rossendale BB4 6HH
Phone	07714301655
Email	matthew.eddisford@careha.org.uk
Website	www.careha.org.uk

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Activities

Objects: ‘THE COMPANY’S OBJECTS ARE TO BENEFIT THE PUBLIC BY:1.1 RELIEVING 1.1.1 AGED PERSONS, 1.1.2 DISABLED (WHETHER PHYSICALLY OR MENTALLY) OR CHRONICALLY SICK PEOPLE INCLUDING (WITHOUT LIMITATION), INDIVIDUALS WITH LEARNING DIFFICULTIES AND 1.1.3 OTHER VULNERABLE GROUPS OF PERSONS INCLUDING OFFENDERS WHO ARE IN NEED BY PROVIDING AND MANAGING SOCIAL HOUSING, PROVIDING AND MANAGING HOUSING AND OTHER ACTIVITIES AND SERVICES CONNECTED WITH OR INCIDENTAL TO THE PROVISION OF SOCIAL HOUSING PRIMARILY IN THE NORTH WEST OF ENGLAND;1.2 PROMOTING SOCIAL INCLUSION BY PROVIDING AND MANAGING SOCIAL HOUSING, PROVIDING AND MANAGING HOUSING AND OTHER ACTIVITIES AND SERVICES CONNECTED WITH OR INCIDENTAL TO THE PROVISION OF SOCIAL HOUSING IN EACH CASE FOR THE BENEFIT OF PEOPLE AT RISK OF EXCLUSION FROM SOCIETY AS A RESULT OF 1.2.1 AGE, 1.2.2 DISABILITY (WHETHER PHYSICAL OR MENTAL), CHRONIC ILLNESS INCLUDING (WITHOUT LIMITATION) LEARNING DIFFICULTIES OR 1.2.3 FORMING PART OF OTHER VULNERABLE GROUPS INCLUDING OFFENDERS AND NOT HAVING SUITABLE ACCOMMODATION PROVIDED WITHIN THEIR FINANCIAL MEANS PRIMARILY IN THE NORTH WEST OF ENGLAND;1.3 IMPROVING THE HEALTH OF 1.3.1 AGED PERSONS, 1.3.2 DISABLED (WHETHER PHYSICALLY OR MENTALLY) OR CHRONICALLY SICK PEOPLE INCLUDING (WITHOUT LIMITATION), INDIVIDUALS WITH LEARNING DIFFICULTIES AND 1.3.3 OTHER VULNERABLE GROUPS OF PERSONS INCLUDING OFFENDERS BY PROVIDING AND MANAGING SOCIAL HOUSING, PROVIDING AND MANAGING HOUSING AND OTHER ACTIVITIES AND SERVICES CONNECTED WITH OR INCIDENTAL TO THE PROVISION OF SOCIAL HOUSING PRIMARILY IN THE NORTH WEST OF ENGLAND.

Activities: Care HA provide accommodation to individuals requiring support to live as independently as possible within the community. We partner with Care Providers and Local Authorities to ensure the accommodation is suitable, sustainable and of a high standard.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Disability, Accommodation/housing
- **Who:** Elderly/old People, People With Disabilities

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Geography

- Blackburn With Darwen
- Bolton
- Kirklees
- Lancashire
- Liverpool City
- Nottingham City
- Rochdale
- Stockport
- Warrington
- Wigan

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£8,231,916	£7,858,146	£3,851,013	15
2024-03-31	£7,081,476	£6,751,072	£3,477,247	14
2023-03-31	£5,670,117	£5,644,099	£3,115,749	13
2022-03-31	£5,361,258	£4,918,533	£3,237,868	10
2021-03-31	£4,799,278	£4,115,114	£2,795,144	6

Trustees

Name	Role	Appointed
Alastair David Richards		2022-03-31
BERNARD GALLAGHER		2020-03-06
Donna Jane Margaret Holmes		2022-03-31
Garnet Fazackerley		2017-05-26
Nadhia Khan		2020-03-06
Roger Parr		2020-03-06

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CARE HOUSING ASSOCIATION

England & Wales - Charity number 1172276

Accounts

FCA registration number 9424 (England and Wales)

CARE HOUSING ASSOCIATION

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

CARE HOUSING ASSOCIATION

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CARE HOUSING ASSOCIATION

ASSOCIATION INFORMATION

Chairman	Mr R Parr	
Board	Mr R Parr - Chair	
	Mrs N Khan	
	Mr A Richards	
	Mrs D Holmes	
	Mrs V Cooper	(Appointed 13 February 2025)
	Ms D Kelly	(Appointed 13 February 2025)
FCA number	9424	
Regulator of Social Housing registration number	4672	
Registered office	Riverside House Kings Reach Business Park Yew Street Stockport Cheshire SK4 2HD	
Auditor	Xeinadin Audit Limited Riverside House Kings Reach Business Park Yew Street Stockport Cheshire United Kingdom SK4 2HD	
Business address	Suite 29 Hardmans Business Centre New Hall Hey Road Rawtenstall Lancashire UK BB4 6HH	

CARE HOUSING ASSOCIATION

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The board present the strategic report for the year ended 31 March 2025.

Fair review of the business
In the year to 31st March 2025 Care Housing Association can report upon a profitable year with relatively healthy growth. This year Care Housing Association acquired two additional 3 person properties in Hull which has been funded via financing from Unity Trust, and leased a further five buildings/sites, to be occupied by 28 tenants. Of the 34 new tenancies, 14 are single-person accommodation across three sites, with the remaining 20 in 7 shared houses across 3 sites.

At 31st March 2025 there were 469 units in Care Housing Association, of which 66 were owned. The below ratios (comparatives have been restated) are monitored on a quarterly basis to ensure key areas within the company are maintained at the required level deemed appropriate by the board

Gross surplus
Gross surplus stands at 34.04% which is a decrease from 37.15% in 2024. Purchased properties do generate a higher margin compared to leased properties, however this percentage is consistent with historical years prior to 2024.

Gearing ratio
The gearing ratio was 40.86% up from 34.27% in 2024. This is within the acceptable range of Care Housing Association's level of gearing. New debt was taken on in the year for the purchase of Roxburgh Gardens. This ratio is calculated using capital employed.

Return on capital employed
Return on capital employed is 6.44% which is a decrease from 7.42% in 2024. The ratio has decreased due to the capital employed increasing with the new debt.

Current ratio
The current ratio is 1.98 which has increased from 1.58 in 2024, liquidity is positive in the company even with significant investment in a wide range of areas.

Structure, governance and management
On 5th November 2024 Care Housing Association converted and became a Charitable Community Benefit Society, registered with the Financial Conduct Authority as a Registered Society under the Co-operative and Community Benefit Societies Act 2014, and with the Regulator of Social Housing (RSH) as a social landlord. This brings our corporate form in line with more commonly found structures within social housing.

Care Housing Association is governed by its rules. Care Housing Association is run by its CEO with strategic decisions overseen by the board. The board usually consists of six oard members, with no upper limit and a quorate requirement of two board members.

At each annual general meeting one-third of the board members or, if their number is not three or a multiple of three, the number nearest to one-third, must retire from office. If there is only one board member, he or she must retire.

The board members to retire by rotation shall be those who have been longest in office since their last appointment. If any board members became or were appointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

If a board member is required to retire at an annual general meeting by a provision of the rules the retirement shall take effect upon the conclusion of the meeting.

The Rules dictate that no board member may stand for re-election more than two times and no board member may remain in office (with or without retirement and re-election) for an aggregate period of more than six) years. However, if the Board agree that circumstances dictate that it would be beneficial for the Association to extend this term, this can be agreed and reviewed annually. No board member can stand for more than 9 years on the Board

Principal risks and uncertainties

The supported housing sector has several risks relating to the capital and revenue funding models deployed. In terms of capital, there is limited public funding available to enable sufficient investment in new homes to meet the continued and growing demand for services. The Homes England funding regime does not work at scale for specialised supported housing, which typically requires 70%+ of funding to ensure providers are able to meet their regulatory responsibilities around rent setting. Likewise, although NHS England do make capital available for specialist projects, it is a finite amount and meets only a fraction of the housing demand.

Although private capital has historically been more readily available, the market has stagnated over the previous 2-3 years due to high-profile failings from private capital investors over the previous decade, increasing return expectations driven by rising interest rates, and a lack of confidence in the long-term sustainability of the model. In addition, construction costs have increased significantly higher than inflation, and so the costs of delivering new homes, and the subsequent increasing rent levels, are making it more difficult to deliver homes which are financially sustainable for housing providers.

Despite the challenges in delivering new homes, the Association still retains ambitious growth targets. However, this must be balanced with the need to undertake sufficient due diligence on all parties (care providers, local authorities, developers, and contractors) and ensure that our homes retain the appropriate level of quality and sustainability.

April 2024 saw the introduction of revised consumer standards and delivered greater powers for the Regulator of Social Housing. This has led to greater expectations around quality, safety, and ensuring tenants have appropriate means of engagement with their landlord. Care backs the move to raise standards further but must also be conscious of the resourcing and practical implications of meeting the standards. Other legislative changes include the introduction of the Supported Housing (Regulatory Oversight) Act 2023, which will see the introduction of a licensing system for supported housing providers and will look to introduce minimum standards for care and support. The Association may need to adapt its practices and ensure that and adaptation is resourced adequately. The uncertainty around this should crystalise over the next 12 months.

The Board has undergone a period of transition over the previous 12 months, with two long-standing Board Members retiring, and two new Members joining the Board. Whilst potentially unsettling, the Board have managed this transition well. The staff team has grown further, with the introduction of key staff in asset management, operations finance. The increased capacity and experience of the team will help to meet some of the legislative and regulatory challenges and also equip the Association well to continue to grow in a sustainable way.

Objectives and activities
The Association is formed for the benefit of the community. Its charitable objects shall be to carry on for the benefit of the community:

the business of providing and managing housing, including Social Housing, accommodation and providing assistance to help house people and associated facilities, services and amenities for poor people or for the relief of aged, disabled (whether physically or mentally) or chronically sick people; and

any other charitable object that can be carried out from time to time by a registered society registered with the Regulator as a private registered provider of Social Housing.

Plan for future periods
Care Housing Association plans to continue developing new properties to meet our objects over the coming 12 months. Although it is anticipated that most new business will be through leases with third party landlords, a significant amount of focus has been on ensuring risks associated with lease arrangements are reduced. This has been achieved through renegotiation of terms with landlords. However, access to capital is more limited than in previous years due to concerns form investors regarding the stability of the market, and rising finance costs which apply upwards pressures on rent levels. However, the Association does have reserves that will enable investment into owned properties, should the appropriate opportunities arise.

Non-Financial KPI's
The Board considers non-financial KPI's on a quarterly basis. This includes the following information:

Performance Indicator	**Actual**	**Target**
Emergency Repairs completed within timescales (4 hours)	97.38%	95%
Non-emergency repairs completed within timescales (4-21 days)	92.89%	95%
Average time taken to complete white goods repair	4.60 days	10 days
Average time taken to complete routine repair	7.94 days	21 days
% voids against total stock	10.74%	<12%
% ASB reports responded to within timescale	100%	100%
% Complaints closed within timescale	100%	100%

Any underperformance is reported to Board by the CEO.

Performance against repairs KPI's dropped slightly below our targets this year for two main reasons:

- This was largely due to difficulty in accessing properties. We are introducing better partnership working and communication with tenants and care providers to attempt to combat this issue.
- We now capture data relating to tenant satisfaction in different ways, and in line with the requirements of the Tenants Satisfaction Measures (TSMs), as prescribed the the Regulator of Social Housing.

Financial KPI's

Value for money metrics
In addition to the ratios measured internally, the following ratios have been calculated for the value for money standard in accordance with the Regulator of Social Housing. Some of these ratios are included above and may be calculated differently as mentioned in the standard.

Reinvestment %
14.34%
Care Housing Association has reinvested in two freehold properties in 2024-25 and is still growing through the leasehold market.

New supply delivered %
9.09%
Care Housing Association has delivered an additional six units of Specialised Supported Housing with two being freehold purchases.

Gearing % (per VFM report)
7.35%
Care Housing have taken on additional debt, however the ratio considers cash which has increased therefore ratio is lower than 2024.

Earnings before interest, tax, depreciation, amortisation, major repairs included (EBITDA MRI) interest cover %
517.94%
This has remained consistent inline with the companies performance.

Headline social housing cost per unit £
£12,623
This is a measurement of key social housing costs against the number of units at the year end. The costs are identified by the Regulator of Social Housing.

Operating margin %
6.04%
This has remained consistent inline with the companies performance.

Return on capital employed (ROCE) % (per VFM report)
4.83 %

Approved by the Board on 19 September 2025 and signed on its behalf by

Mr R Parr - Chair

Mrs N Khan

BOARD REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The board present their annual report and financial statements for the year ended 31 March 2025.

Principal activities
The principal activity of the association is the provision of social housing accommodation.

Board
The board who held office during the year and up to the date of signature of the financial statements were as follows:

Mr R Parr - Chair	
Mrs N Khan	
Mr B Gallagher	(Resigned 23 May 2024)
Ms G Fazackerley	(Resigned 15 August 2024)
Mr A Richards	
Mrs D Holmes	
Mrs V Cooper	(Appointed 13 February 2025)
Ms D Kelly	(Appointed 13 February 2025)

Financial instruments
Objectives and policies
The association holds or issues financial instruments in order to achieve three main objectives, being:

i) to finance its operations;

ii) to manage its exposure to interest, credit and liquidity risks arising from its operations and from its sources of finance; and

iii) for trading purposes.

In addition various financial instruments (e.g. accounts receivable, accounts payable, accruals and prepayments) arise directly from the association's operations.

Transactions in financial instruments result in the association assuming or transferring to another party one or more of the financial risks described below.

Liquidity risk
Working capital and liquidity is managed as part of day to day business routines such as the association has no significant concentrations of liquidity risk.

Credit risk
The association has no significant concentrations of credit risk. Amounts shown in the balance sheet best represent the maximum credit risk exposure in the event other parties fail to perform their obligations under financial instruments.

BOARD REPORT

FOR THE YEAR ENDED 31 MARCH 2025

Statement of disclosure to auditor

So far as each board member at the date of approving this report is aware, there is no relevant audit information of which the association's auditor is unaware. Additionally, the board individually have taken all the necessary steps that they ought to have taken as board members in order to make themselves aware of all relevant audit information and to establish that the association's auditor is aware of that information.

Approved by the Board on 19 September 2025 and signed on its behalf by

Mr R Parr - Chair

Mrs N Khan

CARE HOUSING ASSOCIATION

STATEMENT OF BOARD'S RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2025

The board are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Co-operative and Community Benefit Society law requires the board to prepare financial statements for each financial year. Under those regulations the board have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements are required by law to give a true and fair view of the state of affairs of the association and of the income and expenditure of the association for that period.

In preparing these financial statements, the board are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the association will continue in business.

The board are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the association and enable them to ensure that its financial statements comply with the Co-operative and Community Benefit Societies Act 2014 and the Accounting Direction for Private Registered Providers of Social Housing 2019. It is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the association and to prevent and detect fraud and other irregularities.

CARE HOUSING ASSOCIATION

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CARE HOUSING ASSOCIATION

Opinion

We have audited the financial statements of Care Housing Association (the 'association') for the year ended 31 March 2025 which comprise the statement of income and retained earnings, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the association's affairs as at 31 March 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019; and
- have been prepared in accordance with the Co-operative and Community Benefit Societies Act 2014 and the Housing SORP: 2018 (Statement of Recommended Practice for registered social housing providers).

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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the association 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 board 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 association'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 board with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The board are responsible for the other information contained within the annual report. 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. 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 course of 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the association and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the board report.

We have nothing to report in respect of the following matters where we are required by the Co-operative and Community Benefit Societies Act 2014 to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of the boards' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the board were not entitled to prepare the financial statements and the board report in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the board report and from the requirement to prepare a strategic report.

Responsibilities of the board

As explained more fully in the board responsibilities statement, the board 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 baord 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 directors are responsible for assessing the association'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 directors either intend to liquidate the association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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.

The extent to which the audit was considered capable of detecting irregularities including fraud
Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

• the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

• we identified the laws and regulations applicable to the association through discussions with board members and other management, and from our commercial knowledge and experience of the computer component manufacturing and supply sector;

• we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the association, including the Co-operative and Community Benefit Societies Act 2014, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;

• we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and

• identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the association's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

• making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and

• considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

• performed analytical procedures to identify any unusual or unexpected relationships;

• tested journal entries to identify unusual transactions;

• assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and

• investigated the rationale behind significant or unusual transactions

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;

- reading the minutes of meetings of those charged with governance;

- enquiring of management as to actual and potential litigation and claims; and

- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the association's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance.

Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the board and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

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

Philip Jones BA Hons (FCCA) (Senior Statutory Auditor)
For and on behalf of Xeinadin Audit Limited
Accountants

19 September 2025

Riverside House Kings Reach Business Park
Yew Street
Stockport
Cheshire
United Kingdom
SK4 2HD

CARE HOUSING ASSOCIATION

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2024 £
Turnover	3	8,231,915	7,081,475
Cost of sales		(5,430,015)	(4,450,783)
Gross surplus		2,801,900	2,630,692
Administrative expenses		(2,323,728)	(2,182,970)
Other operating income		19,412	25,883
Operating surplus	4	497,584	473,605
Interest receivable and similar income	8	646	5,211
Interest payable and similar expenses	7	(124,461)	(117,319)
Surplus/(deficit) before taxation		373,769	361,497
Tax on surplus		-	-
Surplus/(deficit) for the financial year		373,769	361,497
Retained earnings brought forward		3,477,244	3,115,747
Retained earnings carried forward		3,851,013	3,477,244

The surplus/(deficit) account has been prepared on the basis that all operations are continuing operations.

CARE HOUSING ASSOCIATION

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	9		8,153,511		7,326,040
Current assets					
Debtors	10	2,302,623		2,220,424	
Cash at bank and in hand		2,026,911		1,089,148	
		4,329,534		3,309,572	
Creditors: amounts falling due within one year	11	(2,189,595)		(2,096,068)	
Net current assets			2,139,939		1,213,504
Total assets less current liabilities			10,293,450		8,539,544
Creditors: amounts falling due after more than one year	12		(6,442,437)		(5,062,298)
Net assets			3,851,013		3,477,246
Capital and reserves					
Called up share capital	15		-		2
Income and expenditure reserve			3,851,013		3,477,244
Total equity			3,851,013		3,477,246

The financial statements were approved by the board and authorised for issue on 19 September 2025 and are signed on its behalf by:

Mr R Parr - Chair

Mrs N Khan

FCA Registration No. 9424

CARE HOUSING ASSOCIATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Cash flows from operating activities					
Cash generated from operations	**18**		1,249,453		424,773
Interest paid			(124,461)		(117,319)
Net cash inflow from operating activities			1,124,992		307,454
Investing activities					
Purchase of tangible fixed assets		(1,148,610)		(636,423)	
Proceeds from disposal of tangible fixed assets		126,929		-	
Interest received		646		5,211	
Net cash used in investing activities			(1,021,035)		(631,212)
Financing activities					
Proceeds from issue of shares		(2)		-	
Loans issued net of repayments		833,805		(21,366)	
Net cash generated from/(used in) financing activities			833,803		(21,366)
Net increase/(decrease) in cash and cash equivalents			937,760		(345,124)
Cash and cash equivalents at beginning of year			1,089,148		1,434,273
Cash and cash equivalents at end of year			2,026,911		1,089,148

1 Accounting policies

Association information

The association is registered with the Financial Conduct Authority under the Co-operative and Community Benefits Societies Act 2014 (registration number 9424) and is registered with the Regulator of Social Housing as a social housing provider (registration number 4672).

The address of its registered office is:
Riverside House
Kings Reach Business Park
Yew Street
Stockport
Cheshire
SK4 2HD

The principal place of business is:
Suite 29
Hardmans Business Centre
New Hall Hey Road
Rawtenstall
Lancashire
BB4 6HH

1.1 Accounting convention

Summary of significant accounting policies and key accounting estimates

These financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102), the Cooperative and Community Benefit Societies Act 2014 and the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2019.

The financial statements have been prepared under the historical cost convention The principal accounting policies adopted are set out below.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and in accordance with the Housing SORP: 2018 (Statement of Recommended Practice for registered social housing providers)

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Care Housing Association is a public benefit entity in accordance with FRS 102 paragraph 3.3A

1.2 Going concern

At the time of approving the financial statements, the board have a reasonable expectation that the association has adequate resources to continue in operational existence for the foreseeable future. Thus the board continue to adopt the going concern basis of accounting in preparing the financial statements.

1 Accounting policies **(Continued)**

1.3 Turnover

Turnover comprises the fair value of the rental income received or receivable for the provision of services in the ordinary course of the association's activities.

The association recognises revenue when:
The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the association's activities.

More specifically the majority of income is received via housing benefit from local authorities. The rental income is received in 4 weekly terms; therefore, Care Housing Association recognises income on a 52 week period. In these accounts the period is from 25th March 2024 - 24th March 2025.

Other income that is invoiced for void occupancy is recognised up to 31st March 2025.

1.4 Tangible fixed assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	Term of lease
Leasehold costs	25% Written down value
Freehold Buildings - Structure	100 years
Freehold Buildings - Kitchen	10 years
Fixtures and fittings	15 years
Computer equipment	30 years
Freehold Buildings - Heating	30 years
Freehold Buildings - Boiler	10 years
Freehold Buildings - Windows	25 years
Freehold Building - Roof	40 years
Office equipment	33% Written down value

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to income or expenditure.

1.5 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

1.6 Financial instruments

Classification

Financial instruments are classified for, according to the substance of the contractual agreement, as financial assets, financial liabilities or equity instruments.

1 Accounting policies **(Continued)**

Fair value measurement of financial instruments

Recognition and measurement

An equity instrument is any contact that evidences a residual interest in the assets of the association after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the income and expenditure account.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the association will not be able to collect all amounts due according to the original terms of the receivables.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in income or expenditure, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Impairment

Financial instruments are reviewed annually for any changes in value and/or written down if they are impaired.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the association transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the association after deducting all of its liabilities.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the association does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

1 Accounting policies **(Continued)**

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in income or expenditure in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through income or expenditure. Debt instruments may be designated as being measured at fair value through income or expenditure to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the association's contractual obligations expire or are discharged or cancelled.

1.7 Retirement benefits

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the association has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.
Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

1.8 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income or expenditure on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.9 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Judgements and key sources of estimation uncertainty

In the application of the association's accounting policies, the board are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be 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 in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2 Judgements and key sources of estimation uncertainty (Continued)

Operating lease commitments
The association has entered into a number of operating leases which it obtains the use of. The classification of such leases as operating or finance lease requires the association to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the statement of financial position.

3 Turnover and other revenue

	2025	2024
	£	£
Turnover analysed by class of business		
Rental income	8,116,992	6,844,672
Other income	114,924	236,804
	8,231,916	7,081,476

	2025	2024
	£	£
Other revenue		
Interest income	646	5,211
Grants received	19,412	25,883

4 Operating surplus

	2025	2024
This is arrived at after charging:	£	£
Government grants	(19,412)	(25,883)
Fees payable to the association's auditor for the audit of the financial statements	9,348	6,918
Depreciation of owned tangible fixed assets	165,822	160,022
Loss on disposal of tangible fixed assets	28,386	-
Operating lease charges	15,977	-

5 Auditor's remuneration

	2025	2024
Fees payable to the association's auditor and associates:	£	£
For audit services		
Audit of the financial statements	9,348	6,918
For other services		
All other non-audit services	17,367	12,948

6 Employees

The average monthly number of persons employed by the association during the year was:

	2025 Number	2024 Number
Administration and support	14	14

Their aggregate remuneration comprised:

	2025 £	2024 £
Wages and salaries	550,386	493,248
Social security costs	58,380	47,606
Pension costs	25,298	22,887
	634,064	563,741

The remuneration paid to key management in the year was £101,031 (2024: £101,776) including benefit in kind payments plus £3,514 (2024: £3,141) in employers pension contributions.

7 Interest payable and similar expenses

	2025 £	2024 £
Interest on financial liabilities measured at amortised cost:		
Other interest on financial liabilities	124,461	117,319

8 Interest receivable and similar income

	2025 £	2024 £
Interest income		
Interest on bank deposits	646	5,211

9 Tangible fixed assets

	Land and buildings	Leasehold costs	Fixtures and fittings	Computer equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2024	7,586,738	311,212	266,243	42,781	8,206,974
Additions	1,131,617	16,993	-	-	1,148,610
Disposals	(188,550)	-	-	-	(188,550)
At 31 March 2025	8,529,806	328,205	266,243	42,781	9,167,035
Depreciation and impairment					
At 1 April 2024	564,194	128,798	169,704	18,240	880,936
Depreciation charged in the year	105,480	28,026	24,135	8,181	165,822
Eliminated in respect of disposals	(33,234)	-	-	-	(33,234)
At 31 March 2025	636,440	156,824	193,839	26,421	1,013,524
Carrying amount					
At 31 March 2025	7,893,366	171,381	72,404	16,360	8,153,511
At 31 March 2024	7,022,546	182,413	96,540	24,541	7,326,040

10 Debtors

Amounts falling due within one year:	2025 £	2024 £
Trade debtors	120,431	227,278
Other debtors	128,460	12,363
Prepaid expenditure	1,760,414	1,789,259
Accrued income	293,318	191,524
	2,302,623	2,220,424

11 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Bank loans	13	77,590	44,777
Trade creditors		1,668,611	1,839,654
Taxation and social security		15,377	(1,562)
Other creditors		2	-
Accruals and deferred income		428,015	213,199
		2,189,595	2,096,068

12 Creditors: amounts falling due after more than one year

	Notes	2025 £	2024 £
Bank loans and overdrafts	13	2,529,874	1,728,882
Void provision		1,126,791	931,051
Other creditors		2,785,772	2,402,365
		6,442,437	5,062,298

13 Loans and overdrafts

	2025 £	2024 £
Bank loans	2,607,464	1,773,659
Payable within one year	77,590	44,777
Payable after one year	2,529,874	1,728,882

The bank loans are secured by a legal charge over 34 Farringdon Road, Warrington, 519 Hempshaw Lane Stockport, 48 Ebbdale Close, Stockport, 16 Corinthian Avenue, Liverpool, 148 Nangreave Road, Stockport, 6 Bangor Road, Cheadle, 18 Hertford Close, Warrington, 2 Savernake Road, Stockport, 31 Summerbridge Crescent, Bradford, 6 Lindbury Avenue, Stockport, Flats 1-9 Victoria Gardens, Clitheroe and 1- 2 Roxburgh Gardens, Hull.

The cumulative capital repayments after 5 years are £2,104,469 and the interest rate on these repayments are 1.6% above the Bank of England base rate.

14 Pension schemes

Defined contribution schemes	2025 £	2024 £
Charge to income or expenditure in respect of defined contribution schemes	25,298	22,887

The association operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the association in an independently administered fund.

15 Share capital

Ordinary share capital	2025 Number	2024 Number	2025 £	2024 £
Issued and fully paid				
175 of 1p each	-	175	-	2

16 Contingent liabiities

Rental Income
Included in the rental income collected by the association is a percentage relating to future voids. This element is deferred in the financial statements and will be released to the income and expenditure account as and when a void arises.

If, at the end of the agreement period, any of the deferred rental income for properties with Lancashire County Council is not released to the income and expenditure account, one third of the balance is payable to Lancashire Social Services. This amount per the void provision at the 31st March 2025 is £157,991 (2024: £168,998). Due to the nature of the agreements there is a possible transfer of economic benefits, of which the amount remains uncertain.

The management agreements are in place for 10 or 15 years from when they commenced and are linked to the properties on an individual and property by property basis.

Grants
Within other creditors more than one year is a second grant that was issued to Care Housing which was in the year ended 31st March 2017. This was also used to purchase a property for individuals with learning disabilities (or such other needs as are agreed by NHS England). The terms of the grant stipulate that if the property is sold the grant is repayable, unless NHS England waiver its right to repayment. NHS England have 1st legal charge over the property. This is released using the accruals model in accordance with FRS102 due to the clause.

During 2020 a third grant was issued by NHS England with the same terms as the above NHS grant. The grant was issued for £419,000 in 2020 with a further £98,819 being issued in the 2021 year end.

During 2021 a fourth grant was issued by NHS England with the same terms as the above NHS grant. The grant was issued for £300,000 in 2021 with a further £125,616 issued in the 2022 year end.

During 2023 a fifth grant was issued by NHS England with the same terms as the above NHS grant. The grant was issued for £500,356 in 2023 with a further £90,003 issued in the 2024 year end.

During 2025 a sixth grant was issued by NHS England with the same terms as the above NHS grant. The grant was issued for £385,000 in 2025 with a further £310,838 issued in the 2026 year end.

17 Operating lease commitments

As lessee

At the reporting end date the association had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	2024 £
Within 1 year	-	11,311
Years 2-5	3,087,950	740,189
After 5 years	55,579,155	51,248,325
	58,667,105	51,999,825

18 Cash generated from operations

	2025	2024
	£	£
Surplus/(deficit) after taxation	373,769	361,497
Adjustments for:		
Finance costs	124,461	117,319
Investment income	(646)	(5,211)
Loss on disposal of tangible fixed assets	28,386	-
Depreciation and impairment of tangible fixed assets	165,822	160,022
Movements in working capital:		
Increase in debtors	(82,199)	(1,509,449)
Increase in creditors	639,861	1,300,594
Cash generated from operations	1,249,453	424,773

19 Analysis of changes in net debt

	1 April 2024	Cash flows	31 March 2025
	£	£	£
Cash at bank and in hand	1,089,148	937,763	2,026,911
Borrowings excluding overdrafts	(1,773,659)	(833,805)	(2,607,464)
	(684,511)	103,958	(580,553)

CARE HOUSING ASSOCIATION

DETAILED TRADING AND INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	£	2025 £	£	2024 £
Turnover				
Core rent		6,934,084		5,653,012
Void income invoiced		789,255		745,453
Furniture Cover Allowance		11,232		22,068
Major repairs income		382,419		424,138
Other Income		114,925		236,804
		8,231,915		7,081,475
Cost of sales				
Purchases and other direct costs				
Lease Payments	4,851,855		3,889,476	
Major Repairs provision	382,419		424,138	
Void Provision	195,741		137,169	
Total purchases and other direct costs	5,430,015		4,450,783	
Total cost of sales		(5,430,015)		(4,450,783)
Gross surplus		2,801,900		2,630,692
Other operating income				
Government grants receivable and released		19,412		25,883

CARE HOUSING ASSOCIATION

DETAILED TRADING AND INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	£	2025 £	£	2024 £
Administrative expenses				
Wages and salaries	550,386		493,248	
Staff NIC (Employers)	58,380		47,606	
Staff recruitment costs	-		119	
Staff training	14,680		6,230	
Staff pensions (Defined Contributions)	25,298		22,887	
Premises Expenses	32,426		16,094	
Rates	128,212		70,247	
Power, light and heat	127,736		151,337	
Property, Maintenance and White Goods	563,696		780,720	
Insurance	110,886		115,597	
Furnishings	42,549		52,668	
Water treatment and testing	64,021		21,142	
Fire risk assessment	15,714		9,168	
Computer software and maintenance costs	66,088		22,630	
Car hire (Operating leases)	15,977		-	
Motor Expenses	20,073		18,268	
Accommodation and subsistence	454		199	
Professional subscriptions	18,600		5,999	
Legal and professional fees	43,915		19,725	
Consultancy fees	19,203		17,507	
Accountancy Fees	17,367		12,948	
Auditor's remuneration - The audit of the annual accounts	9,348		6,918	
Void Property Spend	45,118		35,725	
Rose Trustam Foundation (formerly Care Foundation)	4,611		3,436	
Donations	-		100	
Bank charges	2,893		1,273	
Bad and doubtful debts	38,827		-	
Board meeting expenses	9,730		1,600	
Marketing	16,873		6,797	
Printing, postage, stationery and telephone expenses	10,047		11,926	
Gardening	43,894		50,009	
Sundry Expenses	12,519		20,824	
Depreciation	165,821		160,023	
Surplus or deficit on sale of tangible assets (non exceptional)	28,386		-	
		(2,323,728)		(2,182,970)
Operating surplus		497,584		473,605
Interest receivable and similar income				
Bank interest received	646		5,211	
		646		5,211
Interest payable and similar expenses				
Non bank interest on loans		(124,461)		(117,319)

CARE HOUSING ASSOCIATION

DETAILED TRADING AND INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	£	2025 £	£	2024 £
Surplus/(deficit) before taxation		373,769		361,497

CARE HOUSING ASSOCIATION

England & Wales - Charity number 1172276

Accounts

Company registration number 04653659 (England and Wales)

CARE HOUSING ASSOCIATION LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

CARE HOUSING ASSOCIATION LIMITED

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CARE HOUSING ASSOCIATION LIMITED

COMPANY INFORMATION

Chairman	Mr R Parr
Directors	Mr R Parr - Chair Ms N Khan - Vice Chair Mr A Richards Mrs D Holmes
Company number	04653659
Registered office	Riverside House Kings Reach Business Park Yew Street Stockport Cheshire SK4 2HD
Auditor	Xeinadin Audit Limited Riverside House Kings Reach Business Park Yew Street Stockport Cheshire United Kingdom SK4 2HD
Business address	Suite 29 Hardmans Business Centre New Hall Hey Road Rawtenstall Lancashire UK BB4 6HH

CARE HOUSING ASSOCIATION LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2024

The directors present the strategic report for the year ended 31 March 2024.

Fair review of the business
In the year to 31st March 2024 Care Housing Association Limited can report upon a profitable year with relatively healthy growth. This year Care Housing Association Limited acquired one additional four-person property (Penistone Road) using reserves, and leased a further five buildings/sites, to be occupied by 51 tenants. Of the 55 new tenancies, 43 are single-person accommodation across three sites, with the remaining 8 in 3 shared houses.

At 31st March 2024 there were four hundred and thirty seven units in Care Housing Association Limited, of which sixty three were owned. The below ratios (comparatives have been restated) are monitored on a quarterly basis to ensure key areas within the company are maintained at the required level deemed appropriate by the board.

Gross profit
Gross profit stands at 37.15% which is a increase from 31.17% in 2023. Purchased properties have generated a higher margin but also this is consistent with historical years prior to 2023.

Gearing ratio
The gearing ratio was 34.27% down from 36.60% in 2023. This is within the acceptable range of Care Housing Association Limited's level of gearing. This ratio is calculated using capital employed. As mentioned in the VFM disclosures, high interest rates have resulted in the gearing not reducing to the same extent as in prior years.

Return on capital employed
Return on capital employed is 7.42% which is a increase from 3.14% in 2023. The ratio has increased due to the increased profit returned on a fairly stable capital employed.

Current ratio
The current ratio is 1.58 which has decreased from 2.19 in 2023, liquidity is positive in the company but the lowest it has been for a number of years. Significant investment in a wide range of areas is partly the reason.

Structure, governance and management
Care Housing Association Limited is governed by its Memorandum and Articles of Association dated 17th March 2017 on companies house. Care Housing Association is run by its CEO with strategic decisions overseen by the board. The board usually consists of six directors, with no upper limit and a quorate requirement of two directors.

At each annual general meeting one-third of the directors or, if their number is not three or a multiple of three, the number nearest to one-third, must retire from office. If there is only one director, he or she must retire.

The directors to retire by rotation shall be those who have been longest in office since their last appointment. If any directors became or were appointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

If a director is required to retire at an annual general meeting by a provision of the Articles the retirement shall take effect upon the conclusion of the meeting.

The Articles dictate that no director may stand for re-election more than three times and no director may remain in office (with or without retirement and re-election) for an aggregate period of more than ten (10) years. However, the National Housing Federation Code of Conduct 2020, which has been adopted by the board, require directors to remain in office for no longer than 6 years, unless there is a valid business case for a years extension, up to 7 years.

Principal risks and uncertainties

The supported housing sector has several risks relating to the capital and revenue funding models deployed. In terms of capital, there is limited public funding available to enable sufficient investment in new homes to meet the continued and growing demand for services. The Homes England funding regime does not work at scale for specialised supported housing, which typically requires 70%+ of funding to ensure providers are able to meet their regulatory responsibilities around rent setting. Likewise, although NHS England do make capital available for specialist projects, it is a finite amount and meets only a fraction of the housing demand.

Although private capital is more readily available, the market is in a period of transition due to high-profile failings from private capital investors over the previous decade, increasing return expectations driven by rising interest rates, and a lack of confidence in the long-term sustainability of the model. In addition, construction costs have increased significantly higher than inflation, and so the costs of delivering new homes, and the subsequent increasing rent levels, are making it more difficult to deliver homes which are financially sustainable for housing providers.

Despite the challenges in delivering new homes, the Association still retains ambitious growth targets. However, this must be balanced with the need to undertake sufficient due diligence on all parties (care providers, local authorities, developers, and contractors) and ensure that our homes retain the appropriate level of quality and sustainability.

April 2024 saw the introduction of revised consumer standards and delivered greater powers for the Regulator of Social Housing. This has led to greater expectations around quality, safety, and ensuring tenants have appropriate means of engagement with their landlord. Care backs the move to raise standards further but must also be conscious of the resourcing and practical implications of meeting the standards. Other legislative changes include the introduction of the Supported Housing (Regulatory Oversight) Act 2023, which will see the introduction of a licensing system for supported housing providers and will look to introduce minimum standards for care and support. The Association may need to adapt its practices and ensure that and adaptation is resourced adequately.

The Board itself has remained steady and consistent throughout the year, which has helped address a number of long-standing key risks and mitigate to the protect the future of the Association. The staff team has grown further, with the introduction of key staff in asset management and finance. The increased capacity and experience of the team will help to meet some of the legislative and regulatory challenges, and also equip the Association well to continue to grow in a sustainable way. Staff retention and morale remains high, as demonstrated in the result of an annual staff survey.

Objectives and activities
- Relieving aged, disabled (whether physically or mentally) or chronically sick people including (without limitation), individuals with learning difficulties and other vulnerable groups of persons including offenders who are in need by providing and managing social housing, providing and managing housing and other activities and services connected with or incidental to the provision of social housing primarily in the North West of England;

- Promoting social inclusion by providing and managing social housing, providing and managing housing and other activities and services connected with or incidental to the provision of social housing in each case for the benefit of people at risk of exclusion from society as a result of age, disability (whether physical or mental), chronic illness including (without limitation) learning difficulties or forming part of other vulnerable groups including offenders and not having suitable accommodation provided within their financial means primarily in the North West of England;

- Improving the health of aged, disabled (whether physically or mentally) or chronically sick people including (without limitation), individuals with learning difficulties and other vulnerable groups of persons including offenders by providing and managing social housing, providing and managing housing and other activities and services connected with or incidental to the provision of social housing primarily in the North West of England.

Public benefit
In planning our activities for the year, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and rental charging. The Association relies on its rental income to cover its operating costs. In setting the level of rental income, the directors give due consideration to the need to ensure the accommodation is accessible by it's tenants through housing benefit or via their own personal funds.

Plan for future periods
Care Housing Association Limited plans to continue developing new properties to meet our objects over the coming 12 months. Although it is anticipated that most new business will be through leases with third party landlords, a significant amount of focus has been on ensuring risks associated with lease arrangements are reduced. This has been achieved through renegotiation of terms with landlords. However, access to capital is more limited than in previous years due to concerns form investors regarding the stability of the market, and rising finance costs which apply upwards pressures on rent levels.

Non-Financial KPI's
The Board considers non-financial KPI's on a quarterly basis. This includes the following information:

Performance Indicator	Actual	Target
Emergency Repairs completed within timescales (4 hours)	95.60%	95%
Non-emergency repairs completed within timescales (4-21 days)	92.20%	95%
Average time taken to complete urgent repair	2.26 days	4 days
Average time taken to complete routine repair	9.4 days	21 days
Overall satisfaction with the repairs service (good or better)	90%	95%
Quarterly visits completed within timescales	100%	100%
Complaints	4	-

Any underperformance is reported to Board by the CEO.

Performance against repairs KPI's dropped slightly below our targets this year for two main reasons:

- This was largely due to difficulty in accessing properties. We are introducing better partnership working and communication with tenants and care providers to attempt to combat this issue.
- We now capture data relating to tenant satisfaction in different ways, and in line with the requirements of the Tenants Satisfaction Measures (TSMs), as prescribed the the Regulator of Social Housing.

Financial KPI's

Value for money metrics
In addition to the ratios measured internally, the following ratios have been calculated for the value for money standard in accordance with the Regulator of Social Housing. Some of these ratios are included above and may be calculated differently as mentioned in the standard.

Reinvestment %
7.42%
Care Housing Association has reinvested in one freehold property in 2023-24 and is still growing through the leasehold market.

New supply delivered %
6.35%
Care Housing Association has delivered an additional fifty five units of Specialised Supported Housing with one being freehold purchases.

Gearing % (per VFM report)
9.75%
Care Housing have not taken on any additional debt, however, interest rate increases has resulted in capital not reducing to the same extent as in the comparative year.

Earnings before interest, tax, depreciation, amortisation, major repairs included (EBITDA MRI) interest cover %
522.47%
The increase in profit has resulted in more interest cover.

Headline social housing cost per unit £
£11,847
This is a measurement of key social housing costs against the number of units at the year end. The costs are identified by the Regulator of Social Housing.

Operating margin %
6.69%

Return on capital employed (ROCE) % (per VFM report)
5.55%

Approved by the Board on 26/9/24 and signed on its behalf by

Mr R Parr - Chair

Ms N Khan - Vice Chair

CARE HOUSING ASSOCIATION LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

The directors present their annual report and financial statements for the year ended 31 March 2024.

Principal activities
The principal activity of the company is the provision of social housing accommodation.

Care Housing Association Limited is a not for profit organisation. The Memorandum of the Company prohibits any of the shareholders from participating in the distribution of the profits. Care Housing Association Limited has had charitable status for the year.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr R Parr - Chair	
Ms N Khan - Vice Chair	
Mr B Gallagher	(Resigned 23 May 2024)
Ms G Fazackerley	(Resigned 15 August 2024)
Mr A Richards	
Mrs D Holmes	

Financial instruments
Objectives and policies
The company holds or issues financial instruments in order to achieve three main objectives, being:

i) to finance its operations;

ii) to manage its exposure to interest, credit and liquidity risks arising from its operations and from its sources of finance; and

iii) for trading purposes.

In addition various financial instruments (e.g. accounts receivable, accounts payable, accruals and prepayments) arise directly from the company's operations.

Transactions in financial instruments result in the company assuming or transferring to another party one or more of the financial risks described below.

Liquidity risk
Working capital and liquidity is managed as part of day to day business routines such as the company has no significant concentrations of liquidity risk.

Credit risk
The company has no significant concentrations of credit risk. Amounts shown in the balance sheet best represent the maximum credit risk exposure in the event other parties fail to perform their obligations under financial instruments.

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Approved by the Board on 26/9/24 and signed on its behalf by

Mr R Parr - Chair

Ms N Khan - Vice Chair

CARE HOUSING ASSOCIATION LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2024

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CARE HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CARE HOUSING ASSOCIATION LIMITED

Opinion

We have audited the financial statements of CARE HOUSING ASSOCIATION LIMITED (the 'company') for the year ended 31 March 2024 which comprise the statement of income and retained earnings, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Housing SORP: 2018 (Statement of Recommended Practice for registered social housing providers).

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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 company'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors 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 directors 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 directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;

- reading the minutes of meetings of those charged with governance;

- enquiring of management as to actual and potential litigation and claims; and

- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance.

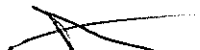
Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

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



Philip Jones BA Hons (FCCA) (Senior Statutory Auditor)
For and on behalf of Xeinadin Audit Limited
Accountants

Date: 27/9/24

Riverside House Kings Reach Business Park
Yew Street
Stockport
Cheshire
United Kingdom
SK4 2HD

The extent to which the audit was considered capable of detecting irregularities including fraud
Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

• the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

• we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the computer component manufacturing and supply sector;

• we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;

• we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and

• identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

• making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and

• considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

• performed analytical procedures to identify any unusual or unexpected relationships;

• tested journal entries to identify unusual transactions;

• assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and

• investigated the rationale behind significant or unusual transactions

CARE HOUSING ASSOCIATION LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2023 £
Turnover	3	7,081,475	5,650,655
Cost of sales		(4,450,783)	(3,889,511)
Gross profit		2,630,692	1,761,144
Administrative expenses		(2,182,970)	(1,655,786)
Other operating income		25,883	18,190
Operating profit	4	473,605	123,548
Interest receivable and similar income	8	5,211	1,271
Interest payable and similar expenses	7	(117,319)	(98,801)
Profit before taxation		361,497	26,018
Tax on profit		-	-
Profit for the financial year		361,497	26,018
Retained earnings brought forward as previously reported		3,115,747	3,237,866

CARE HOUSING ASSOCIATION LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2023 £
Restatement of retained earnings		-	(148,137)
Retained earnings carried forward		3,477,244	3,115,747

The profit and loss account has been prepared on the basis that all operations are continuing operations.

CARE HOUSING ASSOCIATION LIMITED

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	9		7,326,040		6,849,639
Current assets					
Debtors	10	2,220,424		710,975	
Cash at bank and in hand		1,089,148		1,434,273	
		3,309,572		2,145,248	
Creditors: amounts falling due within one year	11	(2,096,067)		(978,959)	
Net current assets			1,213,505		1,166,289
Total assets less current liabilities			8,539,545		8,015,928
Creditors: amounts falling due after more than one year	12		(5,062,298)		(4,900,179)
Net assets			3,477,247		3,115,749
Capital and reserves					
Called up share capital	15		2		2
Profit and loss reserves			3,477,245		3,115,747
Total equity			3,477,247		3,115,749

The financial statements were approved by the board of directors and authorised for issue on 26/9/24 and are signed on its behalf by:

Mr R Parr - Chair

Ms N Khan - Vice Chair

Company Registration No. 04653659

CARE HOUSING ASSOCIATION LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Cash flows from operating activities					
Cash generated from operations	18		424,772		1,074,422
Interest paid			(117,319)		(98,801)
Net cash inflow from operating activities			307,453		975,621
Investing activities					
Purchase of tangible fixed assets		(636,422)		(1,169,840)	
Interest received		5,211		1,271	
Net cash used in investing activities			(631,211)		(1,168,569)
Financing activities					
Repayment of bank loans		(21,366)		(42,929)	
Net cash used in financing activities			(21,366)		(42,929)
Net decrease in cash and cash equivalents			(345,124)		(235,877)
Cash and cash equivalents at beginning of year			1,434,273		1,670,150
Cash and cash equivalents at end of year			1,089,148		1,434,273

1 Accounting policies

Company information

The company is a private company limited by share capital incorporated in United Kingdom.
The address of its registered office is:

Riverside House
Kings Reach Business Park
Yew Street
Stockport
Cheshire
SK4 2HD

The principal place of business is:
Suite 29
Hardmans Business Centre
New Hall Hey Road
Rawtenstall
Lancashire
BB4 6HH

1.1 Accounting convention

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The financial statements have been prepared under the historical cost convention The principal accounting policies adopted are set out below.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and in accordance with the Housing SORP: 2018 (Statement of Recommended Practice for registered social housing providers)

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Care Housing Association Limited is a public benefit entity in accordance with FRS 102 paragraph 3.3A

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1 Accounting policies **(Continued)**

1.3 Turnover

Turnover comprises the fair value of the rental income received or receivable for the provision of services in the ordinary course of the Company's activities.

The Company recognises revenue when:
The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the Company's activities.

More specifically the majority of income is received via housing benefit from local authorities. The rental income is received in 4 weekly terms; therefore, Care Housing Association recognises income on a 53 week period. In these accounts the period is from 24th March 2023 - 31st March 2024.

Other income that is invoiced for void occupancy is recognised up to 31st March 2024.

1.4 Tangible fixed assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	Term of lease
Leasehold costs	25% Written down value
Freehold Buildings - Structure	100 years
Freehold Buildings - Kitchen	10 years
Fixtures and fittings	15 years
Computer equipment	30 years
Freehold Buildings - Heating	30 years
Freehold Buildings - Boiler	10 years
Freehold Buildings - Windows	25 years
Freehold Building - Roof	40 years
Office equipment	33% Written down value

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

1.6 Financial instruments

Classification

Financial instruments are classified for, according to the substance of the contractual agreement, as financial assets, financial liabilities or equity instruments.

1 **Accounting policies** **(Continued)**

Fair value measurement of financial instruments

Recognition and measurement

An equity instrument is any contact that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Impairment

Financial instruments are reviewed annually for any changes in value and/or written down if they are impaired.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

1 Accounting policies **(Continued)**

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.7 Retirement benefits

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

1.8 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.9 Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be 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 in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2 Judgements and key sources of estimation uncertainty (Continued)

Operating lease commitments

The company has entered into a number of operating leases which it obtains the use of. The classification of such leases as operating or finance lease requires the company to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the statement of financial position.

3 Turnover and other revenue

	2024	2023
	£	£
Turnover analysed by class of business		
Rental income	6,844,672	5,615,990
Other income	236,804	34,666
	7,081,476	5,650,655
Analysis per statutory database	**7,081,476**	**5,650,656**
Statutory database analysis does not agree to the trial balance by:	-	1

	2024	2023
	£	£
Other revenue		
Interest income	5,211	1,271
Grants received	25,883	18,190

4 Operating profit

Operating profit for the year is stated after charging/(crediting):	2024 £	2023 £
Government grants	(25,883)	(18,190)
Fees payable to the company's auditor for the audit of the company's financial statements	6,918	6,918
Depreciation of owned tangible fixed assets	160,022	128,346

5 Auditor's remuneration

Fees payable to the company's auditor and associates:	2024 £	2023 £
For audit services		
Audit of the financial statements of the company	6,918	6,918
For other services		
All other non-audit services	12,948	14,088

6 Employees

The average monthly number of persons employed by the company during the year was:

	2024 Number	2023 Number
Administration and support	14	13

Their aggregate remuneration comprised:

	2024 £	2023 £
Wages and salaries	493,248	448,417
Social security costs	47,606	43,617
Pension costs	22,887	19,938
	563,741	511,972

The remuneration paid to key management in the year was £101,776 (2023: £100,313) including benefit in kind payments plus £3,141 (2023: £5,306) in employers pension contributions.

7 Interest payable and similar expenses

	2024 £	2023 £
Interest on financial liabilities measured at amortised cost:		
Other interest on financial liabilities	117,319	98,801

8 Interest receivable and similar income

	2024 £	2023 £
Interest income		
Interest on bank deposits	5,211	1,271

9 Tangible fixed assets

	Land and buildings	Leasehold costs	Fixtures and fittings	Computer equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2023	7,065,997	267,770	213,923	22,862	7,570,552
Additions	520,741	43,442	52,320	19,919	636,422
At 31 March 2024	7,586,739	311,212	266,243	42,781	8,206,975
Depreciation and impairment					
At 1 April 2023	460,929	107,110	138,977	13,897	720,913
Depreciation charged in the year	103,264	21,689	30,726	4,343	160,022
At 31 March 2024	564,193	128,799	169,703	18,240	880,935
Carrying amount					
At 31 March 2024	7,022,546	182,413	96,540	24,541	7,326,040
At 31 March 2023	6,605,068	160,660	74,946	8,965	6,849,639

10 Debtors

	2024	2023
Amounts falling due within one year:	£	£
Trade debtors	227,278	138,892
Other debtors	12,363	-
Prepayments and accrued income	1,789,259	558,725
Accrued income	191,524	13,358
	2,220,424	710,975

11 Creditors: amounts falling due within one year

	Notes	2024	2023
		£	£
Bank loans	13	44,777	6,028
Trade creditors		1,839,654	825,492
Taxation and social security		(1,562)	10,058
Accruals and deferred income		213,198	137,381
		2,096,067	978,959

12 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Bank loans and overdrafts	13	1,728,882	1,788,997
Other creditors		3,333,416	3,111,182
		5,062,298	5,695,744

13 Loans and overdrafts

	2024 £	2023 £
Bank loans	1,773,659	1,795,025
Payable within one year	44,777	6,028
Payable after one year	1,728,882	1,788,997

The bank loans are secured by a legal charge over 14 Daybrook,Skelmersdale, 34 Farringdon Road, Warrington, 519 Hempshaw Lane Stockport, 48 Ebdale Close, Stockport, 16 Corinthian Avenue, Liverpool, 148 Nangreave Road, Stockport, 6 Bangor Road, Cheadle, 18 Hertford Close, Warrington, 2 Savernake Road, Stockport, 31 Summerbridge Crescent, Bradford, 6 Lindbury Avenue, Stockport, Flats 1-9 Victoria Gardens, Clitheroe.

The cumulative capital repayments after 5 years are £1,559,034 and the interest rate on these repayments are 2.5% above the Bank of England base rate.

14 Pension schemes

Defined contribution schemes	2024 £	2023 £
Charge to profit or loss in respect of defined contribution schemes	22,887	19,938

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

15 Share capital

Ordinary share capital Issued and fully paid	2024 Number	2023 Number	2024 £	2023 £
175 of 1p each	175	175	2	2

16 Contingent liabilities

Rental Income
Included in the rental income collected by the association is a percentage relating to future voids. This element is deferred in the financial statements and will be released to the profit and loss account as and when a void arises.

If, at the end of the agreement period, any of the deferred rental income for properties with Lancashire County Council is not released to the profit and loss account, one third of the balance is payable to Lancashire Social Services. This amount per the void provision at the 31st March 2024 is £168,998 (2023: £146,746). Due to the nature of the agreements there is a possible transfer of economic benefits, of which the amount remains uncertain.

The management agreements are in place for 10 or 15 years from when they commenced and are linked to the properties on an individual and property by property basis.

Grants
Within other creditors more than one year is a second grant that was issued to Care Housing which was in the year ended 31st March 2017. This was also used to purchase a property for individuals with learning disabilities (or such other needs as are agreed by NHS England). The terms of the grant stipulate that if the property is sold the grant is repayable, unless NHS England waiver its right to repayment. NHS England have 1st legal charge over the property. This is released using the accruals model in accordance with FRS102 due to the clause.

During 2020 a third grant was issued by NHS England with the same terms as the above NHS grant. The grant was issued for £419,000 in 2020 with a further £98,819 being issued in the 2021 year end.

During 2021 a fourth grant was issued by NHS England with the same terms as the above NHS grant. The grant was issued for £300,000 in 2021 with a further £125,616 issued in the 2022 year end.

During 2023 a fifth grant was issued by NHS England with the same terms as the above NHS grant. The grant was issued for £500,356 in 2023 with a further £90,003 issued in the 2024 year end.

17 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2023 £
Within one year	11,311	16,814
Between two and five years	740,189	258,499
In over five years	51,248,325	55,594,901
	51,999,825	55,870,214

18 Cash generated from operations

	2024	2023
	£	£
Profit for the year after tax	361,497	26,018
Adjustments for:		
Finance costs	117,319	98,801
Investment income	(5,211)	(1,271)
Depreciation and impairment of tangible fixed assets	160,022	128,346
Movements in working capital:		
Increase in debtors	(1,509,449)	(484,583)
Increase in creditors	1,300,593	1,307,111
Cash generated from operations	424,772	1,074,422

19 Analysis of changes in net debt

	1 April 2023	Cash flows	31 March 2024
	£	£	£
Cash at bank and in hand	1,434,273	(345,125)	1,089,148
Borrowings excluding overdrafts	(1,795,025)	21,366	(1,773,659)
	(360,752)	(323,759)	(684,511)

CARE HOUSING ASSOCIATION LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	£	2024 £	£	2023 £
Turnover				
Core rent		5,653,012		4,970,892
Void income invoiced		745,453		401,068
Furniture Cover Allowance		22,068		6,750
Major repairs income		424,138		237,279
Other Income		236,804		34,666
		7,081,475		5,650,655
Cost of sales				
Purchases and other direct costs				
Lease Payments	3,889,476		3,504,173	
Major Repairs provision	424,138		237,279	
Void Provision	137,169		148,059	
Total purchases and other direct costs	4,450,783		3,889,511	
Total cost of sales		(4,450,783)		(3,889,511)
Gross profit		2,630,692		1,761,144
Other operating income				
Government grants receivable and released		25,883		18,190

CARE HOUSING ASSOCIATION LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

	£	2024 £	£	2023 £
Administrative expenses				
Wages and salaries	493,248		448,417	
Staff NIC (Employers)	47,606		43,617	
Staff recruitment costs	119		1,256	
Staff training	6,230		12,019	
Staff pensions (Defined Contributions)	22,887		19,938	
Premises Expenses	16,094		17,940	
Rates	70,247		58,403	
Power, light and heat	151,337		61,880	
Property, Maintenance and White Goods	780,720		476,016	
Insurance	115,597		66,835	
Furnishings	52,668		34,546	
Water treatment and testing	21,142		40,290	
Fire risk assessment	9,168		17,723	
Computer software and maintenance costs	22,630		29,072	
Motor Expenses	18,268		16,293	
Accommodation and subsistence	199		-	
Professional subscriptions	5,999		594	
Legal and professional fees	19,725		70,180	
Consultancy fees	17,507		12,222	
Accountancy Fees	12,948		14,088	
Auditor's remuneration - The audit of the company's annual accounts	6,918		6,918	
Void Property Spend	35,725		3,735	
Rose Trustam Foundation (formerly Care Foundation)	3,436		1,665	
Donations	100		1,000	
Bank charges	1,273		3,317	
Bad and doubtful debts	-		(6,834)	
Board meeting expenses	1,600		1,638	
Marketing	6,797		2,912	
Printing, postage, stationery and telephone expenses	11,926		8,380	
Gardening	50,009		51,526	
Sundry Expenses	20,824		11,854	
Depreciation	160,023		128,346	
		(2,182,970)		(1,655,786)
Operating profit		473,605		123,548
Interest receivable and similar income				
Bank interest received	5,211		1,271	
		5,211		1,271
Interest payable and similar expenses				
Non bank interest on loans		(117,319)		(98,801)

CARE HOUSING ASSOCIATION LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

	£	2024 £	£	2023 £
Profit before taxation		361,497		26,018

CARE HOUSING ASSOCIATION

England & Wales - Charity number 1172276

Accounts

Company registration number 04653659 (England and Wales)

CARE HOUSING ASSOCIATION LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

CARE HOUSING ASSOCIATION LIMITED

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CARE HOUSING ASSOCIATION LIMITED

COMPANY INFORMATION

Chairman	Mr B Gallgher
Directors	Mr B Gallagher - Chair Mr R Parr - Vice Chair Ms N Khan Ms G Fazackerley Mr A Richards Mrs D Holmes
Company number	04653659
Registered office	Riverside House Kings Reach Business Park Yew Street Stockport Cheshire SK4 2HD
Auditor	Xeinadin Audit Limited 8th Floor Becket House 36 Old Jewry London EC2R 8DD
Business address	Suite 28 Hardmans Business Centre New Hall Hey Road Rawtenstall Lancashire UK BB4 6HH

CARE HOUSING ASSOCIATION LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present the strategic report for the year ended 31 March 2023.

Fair review of the business
In the year to 31st March 2023 Care Housing Association Limited can report upon a profitable year with modest growth. This year Care Housing Association Limited acquired two additional three person properties (Denton Road and Elm Street) using reserves, a single person property (Lightfoot Lane) using NHS capital funding, and leased a further two buildings, to be occupied by thirteen tenants.

Within these financial statements is a prior period adjustment, which is shown in note 20. This was due to a property being deemed not to be unoccupiable due to compliance issues. Care Housing Association Limited were not aware of the issue when they entered the lease agreement, which led to the need to make a prior period adjustment. The issue arose following further inspection of the building and, despite the appropriate building compliance paperwork being in place, it was agreed that the building needed to be refurbished to ensure it was suitable for the tenant group. The prior period adjustment was for void income which has now been reclassified as a void provision as part of the settlement agreement. The property is now to a standard which is acceptable to live in.

At 31st March 2023 there were three hundred and eighty seven units in Care Housing Association Limited, of which fifty nine were owned. The below ratios (comparatives have been restated) are monitored on a quarterly basis to ensure key areas within the company are maintained at the required level deemed appropriate by the board.

Gross profit
Gross profit stands at 31.17% which is a decrease from 33.15% (restated) in 2022 but is consistent. Some rental reductions were applied in the year which did impact the margin.

Gearing ratio
The gearing ratio was 36.60% down from 37.74% (restated) in 2022. This is within the acceptable range of Care Housing Association Limited's level of gearing. This ratio is calculated using capital employed. As mentioned in the VFM disclosures, high interest rates have resulted in the gearing not reducing to the same extent as in prior years.

Return on capital employed
Return on capital employed is 3.14% which is a decrease from 6.36% (restated) in 2022. The return has reduced as higher spend has occurred in this year for the growth of the housing association.

Current ratio
The current ratio is 2.19 which has decreased from 5.13 in 2022, liquidity is positive in the company but the lowest it has been for a number of years. Significant investment in a wide range of areas is party the reason.

Structure, governance and management
Care Housing Association Limited is governed by its Memorandum and Articles of Association dated 17th March 2017 on companies house. Care Housing Association Limited is run by its CEO with strategic decisions overseen by the board. The board usually consists of six directors, with no upper limit and a quorate requirement of two directors.

At each annual general meeting one-third of the directors or, if their number is not three or a multiple of three, the number nearest to one-third, must retire from office. If there is only one director, he or she must retire.

The directors to retire by rotation shall be those who have been longest in office since their last appointment. If any directors became or were appointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

If a director is required to retire at an annual general meeting by a provision of the Articles the retirement shall take effect upon the conclusion of the meeting.

No director may stand for re-election more than three times and no director may remain in office (with or without retirement and re-election) for an aggregate period of more than ten (10) years.

Principal risks and uncertainties

The supported housing sector is in a period of transition caused by regulatory intervention and oversight over the funding models deployed, and financial pressures faced by our partners in the care & support sector. Furthermore, the uncertain and volatile economic environment, with rising inflation rates and construction costs, make it a difficult environment to operate in. Despite this, the demand for supported housing services continues to increase and this demand continues to be met by finance from the private sector. However, the Association has spent significant time on ensuring the desire for growth is balanced with the need to ensure the risks faced by the Association are mitigated and managed appropriately. External audits have been undertaken and advice has been taken in key regulatory and viability areas, and the Board have developed a robust stress testing framework and carried out a full review of our attitude to risks, and methods by which this is monitored.

Another key risk for the Association has emerged during the year. A Rent Policy change, to align the Association with the expectations of the Regulator of Social Housing (RSH), was ratified on 31st March 2022. This has seen a reduction in rents on under 10% of stock (long-held legacy stock), which has caused a drop in rental income. However, the Board are confident this can be absorbed into the business plan and will ultimately increase the sustainability of the Association going forward, whilst proactively addressing a complex regulatory issue.

The Board itself has remained steady and consistent throughout the year, which has helped address a number of long-standing key risks and mitigate to protect the future of the Association.

Care has undergone a restructure in 2023, which has seen additional support provided to our in-house finance team, an additional member of staff in our assets team, and a renewed focus provided for our new business team.

In the aftermath of Covid-19, the team has returned to working primarily from the office. However, Care has adapted and now embraces flexible and agile working, equipping staff to work remotely. This has created some efficiencies in working practices, for example, significantly less time travelling. Staff retention and morale remains very high, as demonstrated in the development of the team and via an anonymous staff survey.

The impact of Brexit has also been limited as it has not had an effect on the Association's income. The direct and indirect impact of Brexit, such as recruitment of staff by our care provider partners, is a problem for some of our care provider partners. This has the potential to impact on future development in certain areas, but the impact has been limited so far. The Association has also seen an effect on maintenance costs which have come about as a result of disrupted supply chains and high inflation. It is expected this may settle over the coming year.

Objectives and activities

- Relieving aged, disabled (whether physically or mentally) or chronically sick people including (without limitation), individuals with learning difficulties and other vulnerable groups of persons including offenders who are in need by providing and managing social housing, providing and managing housing and other activities and services connected with or incidental to the provision of social housing primarily in the North West of England;

- Promoting social inclusion by providing and managing social housing, providing and managing housing and other activities and services connected with or incidental to the provision of social housing in each case for the benefit of people at risk of exclusion from society as a result of age, disability (whether physical or mental), chronic illness including (without limitation) learning difficulties or forming part of other vulnerable groups including offenders and not having suitable accommodation provided within their financial means primarily in the North West of England;

- Improving the health of aged, disabled (whether physically or mentally) or chronically sick people including (without limitation), individuals with learning difficulties and other vulnerable groups of persons including offenders by providing and managing social housing, providing and managing housing and other activities and services connected with or incidental to the provision of social housing primarily in the North West of England.

Public benefit

In planning our activities for the year, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and rental charging. The Association relies on its rental income to cover its operating costs. In setting the level of rental income, the directors give due consideration to the need to ensure the accommodation is accessible by it's tenants through housing benefit or via their own personal funds.

Plan for future periods

Care Housing Association Limited plans to continue developing new properties to meet our objects over the coming 12 months. Although it is anticipated that most new business will be through leases with third party landlords, a significant amount of focus has been on ensuring risks associated with lease arrangements are reduced. This has been achieved through renegotiation of terms with landlords. However, access to capital is more limited than in previous years due to concerns form investors regarding the stability of the market, and rising finance costs which apply upwards pressures on rent levels.

Non-Financial KPI's

The Board considers non-financial KPI's on a quarterly basis. This includes the following information:

Performance Indicator	Actual	Target
Emergency Repairs completed within timescales (4 hours)	97.06%	95%
Urgent Repairs completed within timescales (4 days)	95.4%	95%
Average time taken to complete urgent repair	3 days	4 days
Routine Repairs completed within timescales (21 days)	94.73%	95%
Average time taken to complete routine repair	11.06 days	21 days
Overall satisfaction with the repairs service (good or better)	100%	95%
Quarterly visits completed within timescales	98.13%	100%
Complaints	4	-

Any underperformance is reported to Board by the CEO.

Performance against repairs KPI's improved significantly this year for two main reasons:

- Removal of covid restrictions
- Establishment of revised repairs service which has seen multiple contractors deployed across all areas, as opposed to a smaller number of main contractors.

Financial KPI's

Value for money metrics
In addition to the ratios measured internally, the following ratios have been calculated for the value for money standard in accordance with the Regulator of Social Housing. Some of these ratios are included above and may be calculated differently as mentioned in the standard.

Reinvestment %
16.75%
Care Housing Association has reinvested in three freehold properties in 2022-23 and is still growing through the leasehold market.

New supply delivered %
11.86%
Care Housing Association has delivered an additional twenty units of Specialised Supported Housing with three being freehold purchases.

Gearing % (per VFM report)
5.46%
Care Housing have not taken on any additional debt, however, interest rate increases has resulted in capital not reducing to the same extent as in the comparative year.

Earnings before interest, tax, depreciation, amortisation, major repairs included (EBITDA MRI) interest cover %
237.83%

Headline social housing cost per unit £
£11,137
This is a measurement of key social housing costs against the number of units at the year end. The costs are identified by the Regulator of Social Housing.

Operating margin %
2.19%

Return on capital employed (ROCE) % (per VFM report)
1.54%

Approved by the Board on ..... and signed on its behalf by

Bernard Gallagher
.....
Mr B Gallagher - Chair

Roger Parr
.....
Mr R Parr - Vice Chair

CARE HOUSING ASSOCIATION LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present their annual report and financial statements for the year ended 31 March 2023.

Principal activities
The principal activity of the company is the provision of social housing accommodation.

Care Housing Association Limited is a not for profit organisation. The Memorandum of the Company prohibits any of the shareholders from participating in the distribution of the profits. Care Housing Association Limited has had charitable status for the year.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr B Gallagher - Chair
Mr R Parr - Vice Chair
Ms N Khan
Ms G Fazackerley
Mr A Richards
Mrs D Holmes

Financial instruments
Objectives and policies
The company holds or issues financial instruments in order to achieve three main objectives, being:

i) to finance its operations;

ii) to manage its exposure to interest, credit and liquidity risks arising from its operations and from its sources of finance; and

iii) for trading purposes.

In addition various financial instruments (e.g. accounts receivable, accounts payable, accruals and prepayments) arise directly from the company's operations.

Transactions in financial instruments result in the company assuming or transferring to another party one or more of the financial risks described below.

Liquidity risk
Working capital and liquidity is managed as part of day to day business routines such as the company has no significant concentrations of liquidity risk.

Credit risk
The company has no significant concentrations of credit risk. Amounts shown in the balance sheet best represent the maximum credit risk exposure in the event other parties fail to perform their obligations under financial instruments.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Approved by the Board on ..... and signed on its behalf by

.....
Mr B Gallagher - Chair

.....
Mr R Parr - Vice Chair

CARE HOUSING ASSOCIATION LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CARE HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CARE HOUSING ASSOCIATION LIMITED

Opinion

We have audited the financial statements of CARE HOUSING ASSOCIATION LIMITED (the 'company') for the year ended 31 March 2023 which comprise the statement of income and retained earnings, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Housing SORP: 2018 (Statement of Recommended Practice for registered social housing providers).

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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 company'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors 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 directors 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 directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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.

The extent to which the audit was considered capable of detecting irregularities including fraud
Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

• the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

• we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the computer component manufacturing and supply sector;

• we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;

• we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and

• identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

• making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and

• considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

• performed analytical procedures to identify any unusual or unexpected relationships;

• tested journal entries to identify unusual transactions;

• assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and

• investigated the rationale behind significant or unusual transactions

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;

- reading the minutes of meetings of those charged with governance;

- enquiring of management as to actual and potential litigation and claims; and

- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance.

Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

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

Philip Jones BA Hons (FCCA) (Senior Statutory Auditor)
For and on behalf of Xeinadin Audit Limited
Accountants

Date: .....

8th Floor Becket House
36 Old Jewry
London
EC2R 8DD

CARE HOUSING ASSOCIATION LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Turnover	3	5,650,656	5,213,121
Cost of sales		(3,889,511)	(3,484,713)
Gross profit		1,761,145	1,728,408
Administrative expenses		(1,655,787)	(1,496,381)
Other operating income		18,190	113,223
Operating profit	4	123,548	345,250
Interest receivable and similar income	8	1,271	50
Interest payable and similar expenses	7	(98,801)	(50,712)
Profit before taxation		26,018	294,588
Tax on profit		-	-
Profit for the financial year		26,018	294,588
Retained earnings brought forward as previously reported		3,237,866	2,795,141
Restatement of retained earnings		(148,137)	-
As restated		3,089,729	2,795,141
Retained earnings carried forward		3,115,747	3,089,729

The profit and loss account has been prepared on the basis that all operations are continuing operations.

CARE HOUSING ASSOCIATION LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023		2022 as restated	
		£	£	£	£
Fixed assets					
Tangible assets	9		6,849,639		5,808,145
Current assets					
Debtors	10	710,975		226,392	
Cash at bank and in hand		1,434,273		1,670,150	
		2,145,248		1,896,542	
Creditors: amounts falling due within one year	11	(978,959)		(369,900)	
Net current assets			1,166,289		1,526,642
Total assets less current liabilities			8,015,928		7,334,787
Creditors: amounts falling due after more than one year	12		(4,900,179)		(4,245,056)
Net assets			3,115,749		3,089,731
Capital and reserves					
Called up share capital	15		2		2
Profit and loss reserves			3,115,747		3,089,729
Total equity			3,115,749		3,089,731

The financial statements were approved by the board of directors and authorised for issue on ..... and are signed on its behalf by:

Mr B Gallagher - Chair

Mr R Parr - Vice Chair

Company Registration No. 04653659

CARE HOUSING ASSOCIATION LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023		2022 as restated	
		£	£	£	£
Cash flows from operating activities					
Cash generated from operations	18		1,074,422		567,024
Interest paid			(98,801)		(50,712)
Net cash inflow from operating activities			975,621		516,312
Investing activities					
Purchase of tangible fixed assets		(1,169,840)		(757,901)	
Interest received		1,271		50	
Net cash used in investing activities			(1,168,569)		(757,851)
Financing activities					
Repayment of bank loans		(42,929)		(79,019)	
Net cash used in financing activities			(42,929)		(79,019)
Net decrease in cash and cash equivalents			(235,877)		(320,558)
Cash and cash equivalents at beginning of year			1,670,150		1,990,708
Cash and cash equivalents at end of year			1,434,273		1,670,150

1 Accounting policies

Company information

The company is a private company limited by share capital incorporated in United Kingdom.
The address of its registered office is:

Riverside House
Kings Reach Business Park
Yew Street
Stockport
Cheshire
SK4 2HD

The principal place of business is:
Suite 28
Hardmans Business Centre
New Hall Hey Road
Rawtenstall
Lancashire
BB4 6HH

1.1 Accounting convention

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The financial statements have been prepared under the historical cost convention The principal accounting policies adopted are set out below.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and in accordance with the Housing SORP: 2018 (Statement of Recommended Practice for registered social housing providers)

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Care Housing Association Limited is a public benefit entity in accordance with FRS 102 paragraph 3.3A

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1 Accounting policies **(Continued)**

1.3 Turnover

Turnover comprises the fair value of the rental income received or receivable for the provision of services in the ordinary course of the Company's activities.

The Company recognises revenue when:
The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the Company's activities.

More specifically the majority of income is received via housing benefit from local authorities. The rental income is received in 4 weekly terms; therefore, Care Housing Association recognises income on a 52 week period. In these accounts the period is from 24th March 2022 - 23rd March 2023.

Other income that is invoiced for void occupancy is recognised up to 31st March 2023.

1.4 Tangible fixed assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	Term of lease
Leasehold costs	25% Written down value
Freehold Buildings - Structure	100 years
Freehold Buildings - Kitchen	10 years
Fixtures and fittings	15 years
Computer equipment	30 years
Freehold Buildings - Heating	30 years
Freehold Buildings - Boiler	10 years
Freehold Buildings - Windows	25 years
Freehold Building - Roof	40 years
Office equipment	33% Written down value

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

1.6 Financial instruments

Classification

Financial instruments are classified for, according to the substance of the contractual agreement, as financial assets, financial liabilities or equity instruments.

1 **Accounting policies** **(Continued)**

Fair value measurement of financial instruments

Recognition and measurement

An equity instrument is any contact that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Impairment

Financial instruments are reviewed annually for any changes in value and/or written down if they are impaired.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

1 Accounting policies **(Continued)**

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.7 Retirement benefits

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

1.8 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.9 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.10 Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be 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 in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Operating lease commitments
The company has entered into a number of operating leases which it obtains the use of. The classification of such leases as operating or finance lease requires the company to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the statement of financial position.

3 Turnover and other revenue

	2023	2022
	£	£
Turnover analysed by class of business		
Rental income	5,615,990	5,213,121
Other income	34,666	-
	5,650,656	5,213,121

	2023	2022
	£	£
Other revenue		
Interest income	1,271	50
Grants received	18,190	113,223

4 Operating profit

Operating profit for the year is stated after charging/(crediting):	2023 £	2022 £
Government grants	(18,190)	(113,223)
Fees payable to the company's auditor for the audit of the company's financial statements	6,918	5,765
Depreciation of owned tangible fixed assets	128,346	121,370
Operating lease charges	2,195	1,108

5 Auditor's remuneration

	2023	2022
Fees payable to the company's auditor and associates:	£	£
For audit services		
Audit of the financial statements of the company	6,918	5,765
For other services		
All other non-audit services	14,088	14,981

6 Employees

The average monthly number of persons employed by the company during the year was:

	2023	2022
	Number	Number
Administration and support	13	10

Their aggregate remuneration comprised:

	2023	2022
	£	£
Wages and salaries	448,417	349,116
Social security costs	43,617	33,295
Pension costs	19,938	17,644
	511,972	400,055

The remuneration paid to key management in the year was £100,313 (2022: £95,659) including benefit in kind payments plus £5,306 (2022: £6,800) in employers pension contributions.

7 Interest payable and similar expenses

	2023	2022
	£	£
Interest on financial liabilities measured at amortised cost:		
Other interest on financial liabilities	98,801	50,712

8 Interest receivable and similar income

	2023	2022
	£	£
Interest income		
Interest on bank deposits	1,271	50

9 Tangible fixed assets

	Land and buildings	Leasehold costs	Fixtures and fittings	Computer equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2022	5,959,864	225,203	196,551	19,094	6,400,712
Additions	1,106,133	42,567	17,372	3,768	1,169,840
At 31 March 2023	7,065,997	267,770	213,923	22,862	7,570,552
Depreciation and impairment					
At 1 April 2022	378,316	88,430	115,935	9,886	592,567
Depreciation charged in the year	82,613	18,680	23,042	4,011	128,346
At 31 March 2023	460,929	107,110	138,977	13,897	720,913
Carrying amount					
At 31 March 2023	6,605,068	160,660	74,946	8,965	6,849,639
At 31 March 2022	5,581,548	136,773	80,616	9,208	5,808,145

10 Debtors

	2023	2022
Amounts falling due within one year:	£	£
Trade debtors	138,892	90,777
Prepayments and accrued income	558,725	62,761
Accrued income	13,358	72,854
	710,975	226,392

11 Creditors: amounts falling due within one year

	Notes	2023	2022
		£	£
Bank loans	13	6,028	58,278
Trade creditors		825,492	279,019
Taxation and social security		10,058	11,250
Accruals and deferred income		137,381	21,353
		978,959	369,900

12 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Bank loans and overdrafts	13	1,788,997	1,779,676
Other creditors		3,111,182	2,465,380
		5,695,744	4,891,320

13 Loans and overdrafts

	2023 £	2022 £
Bank loans	1,795,025	1,837,954
Payable within one year	6,028	58,278
Payable after one year	1,788,997	1,779,676

The bank loans are secured by a legal charge over 14 Daybrook,Skelmersdale, 34 Farringdon Road, Warrington, 519 Hempshaw Lane Stockport, 48 Ebdale Close, Stockport, 16 Corinthian Avenue, Liverpool, 148 Nangreave Road, Stockport, 6 Bangor Road, Cheadle, 18 Hertford Close, Warrington, 2 Savernake Road, Stockport, 31 Summerbridge Crescent, Bradford, 6 Lindbury Avenue, Stockport, Flats 1-9 Victoria Gardens, Clitheroe.

The cumulative capital repayments after 5 years are £1,783,482 and the interest rate on these repayments are 2.5% above the Bank of England base rate.

14 Pension schemes

Defined contribution schemes	2023 £	2022 £
Charge to profit or loss in respect of defined contribution schemes	19,938	17,644

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

15 Share capital

Ordinary share capital	2023 Number	2022 Number	2023 £	2022 £
Issued and fully paid				
175 of 1p each	175	175	2	2

16 Contingent liabiities

Rental Income

Included in the rental income collected by the association is a percentage relating to future voids. This element is deferred in the financial statements and will be released to the profit and loss account as and when a void arises.

If, at the end of the agreement period, any of the deferred rental income for properties with Lancashire County Council is not released to the profit and loss account, one third of the balance is payable to Lancashire Social Services. This amount per the void provision at the 31st March 2023 is £146,746 (2022: £132,880). Due to the nature of the agreements there is a possible transfer of economic benefits, of which the amount remains uncertain.

The management agreements are in place for 10 or 15 years from when they commenced and are linked to the properties on an individual and property by property basis.

Grants

Within other creditors more than one year is a second grant that was issued to Care Housing which was in the year ended 31st March 2017. This was also used to purchase a property for individuals with learning disabilities (or such other needs as are agreed by NHS England). The terms of the grant stipulate that if the property is sold the grant is repayable, unless NHS England waiver its right to repayment. NHS England have 1st legal charge over the property. This is released using the accruals model in accordance with FRS102 due to the clause.

During 2020 a third grant was issued by NHS England with the same terms as the above NHS grant. The grant was issued for £419,000 in 2020 with a further £98,819 being issued in the 2021 year end.

During 2021 a fourth grant was issued by NHS England with the same terms as the above NHS grant. The grant was issued for £300,000 in 2021 with a further £125,616 issued in the 2022 year end.

During 2023 a fifth grant was issued by NHS England with the same terms as the above NHS grant. The grant was issued for £500,356 in 2023 with a further £55,119 issued in the 2024 year end.

17 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Between two and five years	74,502	182,127
In over five years	55,811,194	52,229,972
	55,885,696	52,412,099

18 Cash generated from operations

	2023	2022
	£	£
Profit for the year after tax	26,018	294,588
Adjustments for:		
Finance costs	98,801	50,712
Investment income	(1,271)	(50)
Depreciation and impairment of tangible fixed assets	128,346	121,370
Movements in working capital:		
(Increase)/decrease in debtors	(484,583)	25,762
Increase in creditors	1,307,111	74,642
Cash generated from operations	1,074,422	567,024

19 Analysis of changes in net debt

	1 April 2022	Cash flows	31 March 2023
	£	£	£
Cash at bank and in hand	1,670,150	(235,877)	1,434,273
Borrowings excluding overdrafts	(1,837,954)	42,929	(1,795,025)
	(167,804)	(192,948)	(360,752)

20 Prior period adjustment

Reconciliation of changes in equity

The prior period adjustments do not give rise to any effect upon equity.

Reconciliation of changes in profit for the previous financial period

	2022
	£
Total adjustments	(148,137)
Profit as previously reported	442,725
Profit as adjusted	294,588

Notes to reconciliation

An adjustment for overstated void income has been processed as a prior period adjustment.

The restatement journals for 2022 are DR profit and loss sales £148,137 CR balance sheet other creditors £148,137

The circumstances that led to the above conclusion was a dispute that arose with a local authority relating to a leased property.

CARE HOUSING ASSOCIATION LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	£	2023 £	£	2022 £
Turnover				
Core rent		4,970,893		4,392,859
Void income invoiced		401,068		582,113
Furniture Cover Allowance		6,750		30,000
Major repairs income		237,279		208,149
Other Income		34,666		-
		5,650,656		5,213,121
Cost of sales				
Purchases and other direct costs				
Lease Payments	3,504,173		3,236,251	
Major Repairs provision	237,279		208,149	
Void Provision	148,059		40,313	
Total purchases and other direct costs	3,889,511		3,484,713	
Total cost of sales		(3,889,511)		(3,484,713)
Gross profit		1,761,145		1,728,408
Other operating income				
Government grants receivable and released		18,190		113,223

CARE HOUSING ASSOCIATION LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

	£	2023 £	£	2022 £
Administrative expenses				
Wages and salaries	448,417		349,116	
Staff NIC (Employers)	43,617		33,295	
Staff recruitment costs	1,256		985	
Staff training	12,019		6,058	
Staff pensions (Defined Contributions)	19,938		17,644	
Rent re operating leases	2,195		-	
Premises Expenses	15,746		17,914	
Rates	58,403		64,927	
Power, light and heat	61,880		58,314	
Property, Maintenance and White Goods	476,016		452,774	
Insurance	66,835		66,915	
Furnishings	34,546		35,929	
Water treatment and testing	40,290		45,265	
Fire risk assessment	17,723		11,135	
Computer software and maintenance costs	29,072		23,910	
Car hire (Operating leases)	-		1,108	
Motor Expenses	16,293		17,738	
Professional subscriptions	594		539	
Legal and professional fees	70,180		24,172	
Consultancy fees	12,222		32,143	
Accountancy Fees	14,088		14,981	
Auditor's remuneration - The audit of the company's annual accounts	6,918		5,765	
Void Property Spend	3,735		16,739	
Care foundation	1,665		438	
Donations	1,000		-	
Bank charges	3,317		1,705	
Bad and doubtful debts	(6,834)		-	
Board meeting expenses	1,638		1,149	
Marketing	2,912		351	
Printing, postage, stationery and telephone expenses	8,380		10,856	
Gardening	51,526		49,726	
Sundry Expenses	11,854		13,420	
Depreciation	128,346		121,370	
		(1,655,787)		(1,496,381)
Operating profit		123,548		345,250
Interest receivable and similar income				
Bank interest received	1,271		50	
		1,271		50
Interest payable and similar expenses				
Non bank interest on loans		(98,801)		(50,712)

CARE HOUSING ASSOCIATION LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

	£	2023 £	£	2022 £
Profit before taxation		26,018		294,588

CARE HOUSING ASSOCIATION

England & Wales - Charity number 1172276

Accounts

Company registration number 04653659 (England and Wales)

CARE HOUSING ASSOCIATION LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

CARE HOUSING ASSOCIATION LIMITED

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CARE HOUSING ASSOCIATION LIMITED

COMPANY INFORMATION

Chairman	Mr B Gallgher
Directors	Mr B Gallagher - Chair Mr R Parr - Vice Chair Ms N Khan Ms G Fazackerley Mr A Richards Mrs D Holmes
Company number	04653659
Registered office	Riverside House Kings Reach Business Park Yew Street Stockport Cheshire SK4 2HD
Auditor	Xeinadin Audit Limited 8th Floor Becket House 36 Old Jewry London EC2R 8DD
Business address	Suite 28 Hardmans Business Centre New Hall Hey Road Rawtenstall Lancashire UK BB4 6HH

CARE HOUSING ASSOCIATION LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present the strategic report for the year ended 31 March 2023.

Fair review of the business
In the year to 31st March 2023 Care Housing Association Limited can report upon a profitable year with modest growth. This year Care Housing Association Limited acquired two additional three person properties (Denton Road and Elm Street) using reserves, a single person property (Lightfoot Lane) using NHS capital funding, and leased a further two buildings, to be occupied by thirteen tenants.

Within these financial statements is a prior period adjustment, which is shown in note 20. This was due to a property being deemed not to be unoccupiable due to compliance issues. Care Housing Association Limited were not aware of the issue when they entered the lease agreement, which led to the need to make a prior period adjustment. The issue arose following further inspection of the building and, despite the appropriate building compliance paperwork being in place, it was agreed that the building needed to be refurbished to ensure it was suitable for the tenant group. The prior period adjustment was for void income which has now been reclassified as a void provision as part of the settlement agreement. The property is now to a standard which is acceptable to live in.

At 31st March 2023 there were three hundred and eighty seven units in Care Housing Association Limited, of which fifty nine were owned. The below ratios (comparatives have been restated) are monitored on a quarterly basis to ensure key areas within the company are maintained at the required level deemed appropriate by the board.

Gross profit
Gross profit stands at 31.17% which is a decrease from 33.15% (restated) in 2022 but is consistent. Some rental reductions were applied in the year which did impact the margin.

Gearing ratio
The gearing ratio was 36.60% down from 37.74% (restated) in 2022. This is within the acceptable range of Care Housing Association Limited's level of gearing. This ratio is calculated using capital employed. As mentioned in the VFM disclosures, high interest rates have resulted in the gearing not reducing to the same extent as in prior years.

Return on capital employed
Return on capital employed is 3.14% which is a decrease from 6.36% (restated) in 2022. The return has reduced as higher spend has occurred in this year for the growth of the housing association.

Current ratio
The current ratio is 2.19 which has decreased from 5.13 in 2022, liquidity is positive in the company but the lowest it has been for a number of years. Significant investment in a wide range of areas is party the reason.

Structure, governance and management
Care Housing Association Limited is governed by its Memorandum and Articles of Association dated 17th March 2017 on companies house. Care Housing Association Limited is run by its CEO with strategic decisions overseen by the board. The board usually consists of six directors, with no upper limit and a quorate requirement of two directors.

At each annual general meeting one-third of the directors or, if their number is not three or a multiple of three, the number nearest to one-third, must retire from office. If there is only one director, he or she must retire.

The directors to retire by rotation shall be those who have been longest in office since their last appointment. If any directors became or were appointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

If a director is required to retire at an annual general meeting by a provision of the Articles the retirement shall take effect upon the conclusion of the meeting.

No director may stand for re-election more than three times and no director may remain in office (with or without retirement and re-election) for an aggregate period of more than ten (10) years.

Principal risks and uncertainties

The supported housing sector is in a period of transition caused by regulatory intervention and oversight over the funding models deployed, and financial pressures faced by our partners in the care & support sector. Furthermore, the uncertain and volatile economic environment, with rising inflation rates and construction costs, make it a difficult environment to operate in. Despite this, the demand for supported housing services continues to increase and this demand continues to be met by finance from the private sector. However, the Association has spent significant time on ensuring the desire for growth is balanced with the need to ensure the risks faced by the Association are mitigated and managed appropriately. External audits have been undertaken and advice has been taken in key regulatory and viability areas, and the Board have developed a robust stress testing framework and carried out a full review of our attitude to risks, and methods by which this is monitored.

Another key risk for the Association has emerged during the year. A Rent Policy change, to align the Association with the expectations of the Regulator of Social Housing (RSH), was ratified on 31st March 2022. This has seen a reduction in rents on under 10% of stock (long-held legacy stock), which has caused a drop in rental income. However, the Board are confident this can be absorbed into the business plan and will ultimately increase the sustainability of the Association going forward, whilst proactively addressing a complex regulatory issue.

The Board itself has remained steady and consistent throughout the year, which has helped address a number of long-standing key risks and mitigate to protect the future of the Association.

Care has undergone a restructure in 2023, which has seen additional support provided to our in-house finance team, an additional member of staff in our assets team, and a renewed focus provided for our new business team.

In the aftermath of Covid-19, the team has returned to working primarily from the office. However, Care has adapted and now embraces flexible and agile working, equipping staff to work remotely. This has created some efficiencies in working practices, for example, significantly less time travelling. Staff retention and morale remains very high, as demonstrated in the development of the team and via an anonymous staff survey.

The impact of Brexit has also been limited as it has not had an effect on the Association's income. The direct and indirect impact of Brexit, such as recruitment of staff by our care provider partners, is a problem for some of our care provider partners. This has the potential to impact on future development in certain areas, but the impact has been limited so far. The Association has also seen an effect on maintenance costs which have come about as a result of disrupted supply chains and high inflation. It is expected this may settle over the coming year.

Objectives and activities

- Relieving aged, disabled (whether physically or mentally) or chronically sick people including (without limitation), individuals with learning difficulties and other vulnerable groups of persons including offenders who are in need by providing and managing social housing, providing and managing housing and other activities and services connected with or incidental to the provision of social housing primarily in the North West of England;

- Promoting social inclusion by providing and managing social housing, providing and managing housing and other activities and services connected with or incidental to the provision of social housing in each case for the benefit of people at risk of exclusion from society as a result of age, disability (whether physical or mental), chronic illness including (without limitation) learning difficulties or forming part of other vulnerable groups including offenders and not having suitable accommodation provided within their financial means primarily in the North West of England;

- Improving the health of aged, disabled (whether physically or mentally) or chronically sick people including (without limitation), individuals with learning difficulties and other vulnerable groups of persons including offenders by providing and managing social housing, providing and managing housing and other activities and services connected with or incidental to the provision of social housing primarily in the North West of England.

Public benefit

In planning our activities for the year, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and rental charging. The Association relies on its rental income to cover its operating costs. In setting the level of rental income, the directors give due consideration to the need to ensure the accommodation is accessible by it's tenants through housing benefit or via their own personal funds.

Plan for future periods

Care Housing Association Limited plans to continue developing new properties to meet our objects over the coming 12 months. Although it is anticipated that most new business will be through leases with third party landlords, a significant amount of focus has been on ensuring risks associated with lease arrangements are reduced. This has been achieved through renegotiation of terms with landlords. However, access to capital is more limited than in previous years due to concerns form investors regarding the stability of the market, and rising finance costs which apply upwards pressures on rent levels.

Non-Financial KPI's

The Board considers non-financial KPI's on a quarterly basis. This includes the following information:

Performance Indicator	Actual	Target
Emergency Repairs completed within timescales (4 hours)	97.06%	95%
Urgent Repairs completed within timescales (4 days)	95.4%	95%
Average time taken to complete urgent repair	3 days	4 days
Routine Repairs completed within timescales (21 days)	94.73%	95%
Average time taken to complete routine repair	11.06 days	21 days
Overall satisfaction with the repairs service (good or better)	100%	95%
Quarterly visits completed within timescales	98.13%	100%
Complaints	4	-

Any underperformance is reported to Board by the CEO.

Performance against repairs KPI's improved significantly this year for two main reasons:

- Removal of covid restrictions
- Establishment of revised repairs service which has seen multiple contractors deployed across all areas, as opposed to a smaller number of main contractors.

Financial KPI's

Value for money metrics
In addition to the ratios measured internally, the following ratios have been calculated for the value for money standard in accordance with the Regulator of Social Housing. Some of these ratios are included above and may be calculated differently as mentioned in the standard.

Reinvestment %
16.75%
Care Housing Association has reinvested in three freehold properties in 2022-23 and is still growing through the leasehold market.

New supply delivered %
11.86%
Care Housing Association has delivered an additional twenty units of Specialised Supported Housing with three being freehold purchases.

Gearing % (per VFM report)
5.46%
Care Housing have not taken on any additional debt, however, interest rate increases has resulted in capital not reducing to the same extent as in the comparative year.

Earnings before interest, tax, depreciation, amortisation, major repairs included (EBITDA MRI) interest cover %
237.83%

Headline social housing cost per unit £
£11,137
This is a measurement of key social housing costs against the number of units at the year end. The costs are identified by the Regulator of Social Housing.

Operating margin %
2.19%

Return on capital employed (ROCE) % (per VFM report)
1.54%

Approved by the Board on ..... and signed on its behalf by

Bernard Gallagher
.....
Mr B Gallagher - Chair

Roger Parr
.....
Mr R Parr - Vice Chair

CARE HOUSING ASSOCIATION LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present their annual report and financial statements for the year ended 31 March 2023.

Principal activities
The principal activity of the company is the provision of social housing accommodation.

Care Housing Association Limited is a not for profit organisation. The Memorandum of the Company prohibits any of the shareholders from participating in the distribution of the profits. Care Housing Association Limited has had charitable status for the year.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr B Gallagher - Chair
Mr R Parr - Vice Chair
Ms N Khan
Ms G Fazackerley
Mr A Richards
Mrs D Holmes

Financial instruments
Objectives and policies
The company holds or issues financial instruments in order to achieve three main objectives, being:

i) to finance its operations;

ii) to manage its exposure to interest, credit and liquidity risks arising from its operations and from its sources of finance; and

iii) for trading purposes.

In addition various financial instruments (e.g. accounts receivable, accounts payable, accruals and prepayments) arise directly from the company's operations.

Transactions in financial instruments result in the company assuming or transferring to another party one or more of the financial risks described below.

Liquidity risk
Working capital and liquidity is managed as part of day to day business routines such as the company has no significant concentrations of liquidity risk.

Credit risk
The company has no significant concentrations of credit risk. Amounts shown in the balance sheet best represent the maximum credit risk exposure in the event other parties fail to perform their obligations under financial instruments.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Approved by the Board on ..... and signed on its behalf by

.....
Mr B Gallagher - Chair

.....
Mr R Parr - Vice Chair

CARE HOUSING ASSOCIATION LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CARE HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CARE HOUSING ASSOCIATION LIMITED

Opinion

We have audited the financial statements of CARE HOUSING ASSOCIATION LIMITED (the 'company') for the year ended 31 March 2023 which comprise the statement of income and retained earnings, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Housing SORP: 2018 (Statement of Recommended Practice for registered social housing providers).

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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 company'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors 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 directors 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 directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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.

The extent to which the audit was considered capable of detecting irregularities including fraud
Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

• the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

• we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the computer component manufacturing and supply sector;

• we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;

• we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and

• identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

• making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and

• considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

• performed analytical procedures to identify any unusual or unexpected relationships;

• tested journal entries to identify unusual transactions;

• assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and

• investigated the rationale behind significant or unusual transactions

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;

- reading the minutes of meetings of those charged with governance;

- enquiring of management as to actual and potential litigation and claims; and

- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance.

Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

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

Philip Jones BA Hons (FCCA) (Senior Statutory Auditor)
For and on behalf of Xeinadin Audit Limited
Accountants

Date: .....

8th Floor Becket House
36 Old Jewry
London
EC2R 8DD

CARE HOUSING ASSOCIATION LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Turnover	3	5,650,656	5,213,121
Cost of sales		(3,889,511)	(3,484,713)
Gross profit		1,761,145	1,728,408
Administrative expenses		(1,655,787)	(1,496,381)
Other operating income		18,190	113,223
Operating profit	4	123,548	345,250
Interest receivable and similar income	8	1,271	50
Interest payable and similar expenses	7	(98,801)	(50,712)
Profit before taxation		26,018	294,588
Tax on profit		-	-
Profit for the financial year		26,018	294,588
Retained earnings brought forward as previously reported		3,237,866	2,795,141
Restatement of retained earnings		(148,137)	-
As restated		3,089,729	2,795,141
Retained earnings carried forward		3,115,747	3,089,729

The profit and loss account has been prepared on the basis that all operations are continuing operations.

CARE HOUSING ASSOCIATION LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023		2022 as restated	
		£	£	£	£
Fixed assets					
Tangible assets	9		6,849,639		5,808,145
Current assets					
Debtors	10	710,975		226,392	
Cash at bank and in hand		1,434,273		1,670,150	
		2,145,248		1,896,542	
Creditors: amounts falling due within one year	11	(978,959)		(369,900)	
Net current assets			1,166,289		1,526,642
Total assets less current liabilities			8,015,928		7,334,787
Creditors: amounts falling due after more than one year	12		(4,900,179)		(4,245,056)
Net assets			3,115,749		3,089,731
Capital and reserves					
Called up share capital	15		2		2
Profit and loss reserves			3,115,747		3,089,729
Total equity			3,115,749		3,089,731

The financial statements were approved by the board of directors and authorised for issue on ..... and are signed on its behalf by:

Mr B Gallagher - Chair

Mr R Parr - Vice Chair

Company Registration No. 04653659

CARE HOUSING ASSOCIATION LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023		2022 as restated	
		£	£	£	£
Cash flows from operating activities					
Cash generated from operations	18		1,074,422		567,024
Interest paid			(98,801)		(50,712)
Net cash inflow from operating activities			975,621		516,312
Investing activities					
Purchase of tangible fixed assets		(1,169,840)		(757,901)	
Interest received		1,271		50	
Net cash used in investing activities			(1,168,569)		(757,851)
Financing activities					
Repayment of bank loans		(42,929)		(79,019)	
Net cash used in financing activities			(42,929)		(79,019)
Net decrease in cash and cash equivalents			(235,877)		(320,558)
Cash and cash equivalents at beginning of year			1,670,150		1,990,708
Cash and cash equivalents at end of year			1,434,273		1,670,150

1 Accounting policies

Company information

The company is a private company limited by share capital incorporated in United Kingdom.
The address of its registered office is:

Riverside House
Kings Reach Business Park
Yew Street
Stockport
Cheshire
SK4 2HD

The principal place of business is:
Suite 28
Hardmans Business Centre
New Hall Hey Road
Rawtenstall
Lancashire
BB4 6HH

1.1 Accounting convention

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The financial statements have been prepared under the historical cost convention The principal accounting policies adopted are set out below.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and in accordance with the Housing SORP: 2018 (Statement of Recommended Practice for registered social housing providers)

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Care Housing Association Limited is a public benefit entity in accordance with FRS 102 paragraph 3.3A

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1 Accounting policies **(Continued)**

1.3 Turnover

Turnover comprises the fair value of the rental income received or receivable for the provision of services in the ordinary course of the Company's activities.

The Company recognises revenue when:
The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the Company's activities.

More specifically the majority of income is received via housing benefit from local authorities. The rental income is received in 4 weekly terms; therefore, Care Housing Association recognises income on a 52 week period. In these accounts the period is from 24th March 2022 - 23rd March 2023.

Other income that is invoiced for void occupancy is recognised up to 31st March 2023.

1.4 Tangible fixed assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	Term of lease
Leasehold costs	25% Written down value
Freehold Buildings - Structure	100 years
Freehold Buildings - Kitchen	10 years
Fixtures and fittings	15 years
Computer equipment	30 years
Freehold Buildings - Heating	30 years
Freehold Buildings - Boiler	10 years
Freehold Buildings - Windows	25 years
Freehold Building - Roof	40 years
Office equipment	33% Written down value

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

1.6 Financial instruments

Classification

Financial instruments are classified for, according to the substance of the contractual agreement, as financial assets, financial liabilities or equity instruments.

1 **Accounting policies** **(Continued)**

Fair value measurement of financial instruments

Recognition and measurement

An equity instrument is any contact that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Impairment

Financial instruments are reviewed annually for any changes in value and/or written down if they are impaired.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

1 Accounting policies **(Continued)**

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.7 Retirement benefits

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

1.8 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.9 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.10 Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be 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 in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Operating lease commitments
The company has entered into a number of operating leases which it obtains the use of. The classification of such leases as operating or finance lease requires the company to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the statement of financial position.

3 Turnover and other revenue

	2023	2022
	£	£
Turnover analysed by class of business		
Rental income	5,615,990	5,213,121
Other income	34,666	-
	5,650,656	5,213,121

	2023	2022
	£	£
Other revenue		
Interest income	1,271	50
Grants received	18,190	113,223

4 Operating profit

Operating profit for the year is stated after charging/(crediting):	2023 £	2022 £
Government grants	(18,190)	(113,223)
Fees payable to the company's auditor for the audit of the company's financial statements	6,918	5,765
Depreciation of owned tangible fixed assets	128,346	121,370
Operating lease charges	2,195	1,108

5 Auditor's remuneration

	2023	2022
Fees payable to the company's auditor and associates:	£	£
For audit services		
Audit of the financial statements of the company	6,918	5,765
For other services		
All other non-audit services	14,088	14,981

6 Employees

The average monthly number of persons employed by the company during the year was:

	2023	2022
	Number	Number
Administration and support	13	10

Their aggregate remuneration comprised:

	2023	2022
	£	£
Wages and salaries	448,417	349,116
Social security costs	43,617	33,295
Pension costs	19,938	17,644
	511,972	400,055

The remuneration paid to key management in the year was £100,313 (2022: £95,659) including benefit in kind payments plus £5,306 (2022: £6,800) in employers pension contributions.

7 Interest payable and similar expenses

	2023	2022
	£	£
Interest on financial liabilities measured at amortised cost:		
Other interest on financial liabilities	98,801	50,712

8 Interest receivable and similar income

	2023	2022
	£	£
Interest income		
Interest on bank deposits	1,271	50

9 Tangible fixed assets

	Land and buildings	Leasehold costs	Fixtures and fittings	Computer equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2022	5,959,864	225,203	196,551	19,094	6,400,712
Additions	1,106,133	42,567	17,372	3,768	1,169,840
At 31 March 2023	7,065,997	267,770	213,923	22,862	7,570,552
Depreciation and impairment					
At 1 April 2022	378,316	88,430	115,935	9,886	592,567
Depreciation charged in the year	82,613	18,680	23,042	4,011	128,346
At 31 March 2023	460,929	107,110	138,977	13,897	720,913
Carrying amount					
At 31 March 2023	6,605,068	160,660	74,946	8,965	6,849,639
At 31 March 2022	5,581,548	136,773	80,616	9,208	5,808,145

10 Debtors

	2023	2022
Amounts falling due within one year:	£	£
Trade debtors	138,892	90,777
Prepayments and accrued income	558,725	62,761
Accrued income	13,358	72,854
	710,975	226,392

11 Creditors: amounts falling due within one year

	Notes	2023	2022
		£	£
Bank loans	13	6,028	58,278
Trade creditors		825,492	279,019
Taxation and social security		10,058	11,250
Accruals and deferred income		137,381	21,353
		978,959	369,900

12 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Bank loans and overdrafts	13	1,788,997	1,779,676
Other creditors		3,111,182	2,465,380
		5,695,744	4,891,320

13 Loans and overdrafts

	2023 £	2022 £
Bank loans	1,795,025	1,837,954
Payable within one year	6,028	58,278
Payable after one year	1,788,997	1,779,676

The bank loans are secured by a legal charge over 14 Daybrook,Skelmersdale, 34 Farringdon Road, Warrington, 519 Hempshaw Lane Stockport, 48 Ebdale Close, Stockport, 16 Corinthian Avenue, Liverpool, 148 Nangreave Road, Stockport, 6 Bangor Road, Cheadle, 18 Hertford Close, Warrington, 2 Savernake Road, Stockport, 31 Summerbridge Crescent, Bradford, 6 Lindbury Avenue, Stockport, Flats 1-9 Victoria Gardens, Clitheroe.

The cumulative capital repayments after 5 years are £1,783,482 and the interest rate on these repayments are 2.5% above the Bank of England base rate.

14 Pension schemes

Defined contribution schemes	2023 £	2022 £
Charge to profit or loss in respect of defined contribution schemes	19,938	17,644

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

15 Share capital

Ordinary share capital	2023 Number	2022 Number	2023 £	2022 £
Issued and fully paid				
175 of 1p each	175	175	2	2

16 Contingent liabiities

Rental Income

Included in the rental income collected by the association is a percentage relating to future voids. This element is deferred in the financial statements and will be released to the profit and loss account as and when a void arises.

If, at the end of the agreement period, any of the deferred rental income for properties with Lancashire County Council is not released to the profit and loss account, one third of the balance is payable to Lancashire Social Services. This amount per the void provision at the 31st March 2023 is £146,746 (2022: £132,880). Due to the nature of the agreements there is a possible transfer of economic benefits, of which the amount remains uncertain.

The management agreements are in place for 10 or 15 years from when they commenced and are linked to the properties on an individual and property by property basis.

Grants

Within other creditors more than one year is a second grant that was issued to Care Housing which was in the year ended 31st March 2017. This was also used to purchase a property for individuals with learning disabilities (or such other needs as are agreed by NHS England). The terms of the grant stipulate that if the property is sold the grant is repayable, unless NHS England waiver its right to repayment. NHS England have 1st legal charge over the property. This is released using the accruals model in accordance with FRS102 due to the clause.

During 2020 a third grant was issued by NHS England with the same terms as the above NHS grant. The grant was issued for £419,000 in 2020 with a further £98,819 being issued in the 2021 year end.

During 2021 a fourth grant was issued by NHS England with the same terms as the above NHS grant. The grant was issued for £300,000 in 2021 with a further £125,616 issued in the 2022 year end.

During 2023 a fifth grant was issued by NHS England with the same terms as the above NHS grant. The grant was issued for £500,356 in 2023 with a further £55,119 issued in the 2024 year end.

17 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Between two and five years	74,502	182,127
In over five years	55,811,194	52,229,972
	55,885,696	52,412,099

18 Cash generated from operations

	2023	2022
	£	£
Profit for the year after tax	26,018	294,588
Adjustments for:		
Finance costs	98,801	50,712
Investment income	(1,271)	(50)
Depreciation and impairment of tangible fixed assets	128,346	121,370
Movements in working capital:		
(Increase)/decrease in debtors	(484,583)	25,762
Increase in creditors	1,307,111	74,642
Cash generated from operations	1,074,422	567,024

19 Analysis of changes in net debt

	1 April 2022	Cash flows	31 March 2023
	£	£	£
Cash at bank and in hand	1,670,150	(235,877)	1,434,273
Borrowings excluding overdrafts	(1,837,954)	42,929	(1,795,025)
	(167,804)	(192,948)	(360,752)

20 Prior period adjustment

Reconciliation of changes in equity

The prior period adjustments do not give rise to any effect upon equity.

Reconciliation of changes in profit for the previous financial period

	2022
	£
Total adjustments	(148,137)
Profit as previously reported	442,725
Profit as adjusted	294,588

Notes to reconciliation

An adjustment for overstated void income has been processed as a prior period adjustment.

The restatement journals for 2022 are DR profit and loss sales £148,137 CR balance sheet other creditors £148,137

The circumstances that led to the above conclusion was a dispute that arose with a local authority relating to a leased property.

CARE HOUSING ASSOCIATION LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	£	2023 £	£	2022 £
Turnover				
Core rent		4,970,893		4,392,859
Void income invoiced		401,068		582,113
Furniture Cover Allowance		6,750		30,000
Major repairs income		237,279		208,149
Other Income		34,666		-
		5,650,656		5,213,121
Cost of sales				
Purchases and other direct costs				
Lease Payments	3,504,173		3,236,251	
Major Repairs provision	237,279		208,149	
Void Provision	148,059		40,313	
Total purchases and other direct costs	3,889,511		3,484,713	
Total cost of sales		(3,889,511)		(3,484,713)
Gross profit		1,761,145		1,728,408
Other operating income				
Government grants receivable and released		18,190		113,223

CARE HOUSING ASSOCIATION LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

	£	2023 £	£	2022 £
Administrative expenses				
Wages and salaries	448,417		349,116	
Staff NIC (Employers)	43,617		33,295	
Staff recruitment costs	1,256		985	
Staff training	12,019		6,058	
Staff pensions (Defined Contributions)	19,938		17,644	
Rent re operating leases	2,195		-	
Premises Expenses	15,746		17,914	
Rates	58,403		64,927	
Power, light and heat	61,880		58,314	
Property, Maintenance and White Goods	476,016		452,774	
Insurance	66,835		66,915	
Furnishings	34,546		35,929	
Water treatment and testing	40,290		45,265	
Fire risk assessment	17,723		11,135	
Computer software and maintenance costs	29,072		23,910	
Car hire (Operating leases)	-		1,108	
Motor Expenses	16,293		17,738	
Professional subscriptions	594		539	
Legal and professional fees	70,180		24,172	
Consultancy fees	12,222		32,143	
Accountancy Fees	14,088		14,981	
Auditor's remuneration - The audit of the company's annual accounts	6,918		5,765	
Void Property Spend	3,735		16,739	
Care foundation	1,665		438	
Donations	1,000		-	
Bank charges	3,317		1,705	
Bad and doubtful debts	(6,834)		-	
Board meeting expenses	1,638		1,149	
Marketing	2,912		351	
Printing, postage, stationery and telephone expenses	8,380		10,856	
Gardening	51,526		49,726	
Sundry Expenses	11,854		13,420	
Depreciation	128,346		121,370	
		(1,655,787)		(1,496,381)
Operating profit		123,548		345,250
Interest receivable and similar income				
Bank interest received	1,271		50	
		1,271		50
Interest payable and similar expenses				
Non bank interest on loans		(98,801)		(50,712)

CARE HOUSING ASSOCIATION LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

	£	2023 £	£	2022 £
Profit before taxation		26,018		294,588

CARE HOUSING ASSOCIATION

England & Wales - Charity number 1172276

Accounts

Registration number: 04653659

Care Housing Association Limited

Annual Report and Financial Statements

for the Year Ended 31 March 2021

Hallidays
Statutory Auditor
Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

Care Housing Association Limited

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Care Housing Association Limited

Company Information

Chairman	Mr B Gallagher
Directors	Mr B Gallagher Mr R Parr - Vice Chairman Ms R A Clark Mr P Collins Ms G Fazackerley Mrs N Khan
Registered office	Riverside House Kings Reach Business Park Yew Street Stockport Cheshire SK4 2HD
Auditors	Hallidays Statutory Auditor Riverside House Kings Reach Business Park Yew Street Stockport SK4 2HD

Care Housing Association Limited

Strategic Report for the Year Ended 31 March 2021

The directors present their report and the financial statements for the year ended 31st March 2021.

Fair review of the business

In the year to 31st March 2021 Care Housing Association Limited can report upon a positive year with continued growth. This year Care Housing Association acquired an additional 4-person property (Hollymount Gardens) using reserves, a 1 person property (Scott Road) using 100% NHS England capital funding, and leased a further 4 properties to be occupied by 46 tenants. At 31st March 2021 there were three hundred and twenty-six units in Care Housing Association Limited, of which forty-nine were owned. The below ratios are monitored on a quarterly basis to ensure key areas within the company are maintained at the required level deemed appropriate by the board.

Gross profit

Gross profit stands at 35.84% down from 38.13% in 2020 which is a 2.29% decrease. More properties were leased as part of the strategy to consolidate for the year so a slight reduction in the margin was expected but is still reasonable and within budget.

Gearing ratio

The gearing ratio was 41.24% down from 51.29% in 2020. This is within the acceptable range of Care Housing Association Limited's level of gearing. The reason for the decrease is due to the consolidation of debt this year. This ratio is calculated using capital employed.

Return on capital employed

Return on capital employed is 10.68% which is a slight decrease from 10.69%. The return has remained consistent on a higher capital employed value.

Current ratio

The current ratio is 4.42 which has increased from 4.08 in 2020, liquidity is extremely positive in the company.

Structure , governance and management

Care Housing Association Limited is governed by its Memorandum and Articles of Association dated 17th March 2017 on companies house. Care Housing Association Limited is run by its CEO with strategical decisions overseen by the board. The board usually consists of six directors, with no upper limit and a quorate requirement of 2 directors.

At each annual general meeting one-third of the directors or, if their number is not three or a multiple of three, the number nearest to one-third, must retire from office. If there is only one director, he or she must retire.

The directors to retire by rotation shall be those who have been longest in office since their last appointment. If any directors became or were appointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

If a director is required to retire at an annual general meeting by a provision of the Articles the retirement shall take effect upon the conclusion of the meeting.

No director may stand for re-election more than three times and no director may remain in office (with or without retirement and re-election) for an aggregate period of more than ten (10) years.

Objectives and activities

1.1 relieving
1.1.1 aged,
1.1.2 disabled (whether physically or mentally) or chronically sick people including (without limitation), individuals with learning difficulties and
1.1.3 other vulnerable groups of persons including offenders
who are in need by providing and managing social housing, providing and managing housing and other activities and services connected with or incidental to the provision of social housing primarily in the North West of England:
1.2 promoting social inclusion by providing and managing social housing, providing and managing housing and other activities and services connected with or incidental to the provision of social housing in each case for the benefit of people at risk of exclusion from society as a result of
1.2.1 age,
1.2.2 disability (whether physical or mental), chronic illness including (without limitation) learning difficulties or
1.2.3 forming part of other vulnerable groups including offenders and
not having suitable accommodation provided within their financial means primarily in the North West of England;
1.3 improving the health of
1.3.1 aged,
1.3.2 disabled (whether physically or mentally) or chronically sick people including (without limitation), individuals with learning difficulties and
1.3.3 other vulnerable groups of persons including offenders
by providing and managing social housing, providing and managing housing and other activities and services connected with or incidental to the provision of social housing primarily in the North West of England.

Principal risks and uncertainties

The supported housing sector is in a period of transition caused by regulatory intervention and oversight over the funding models deployed, and financial pressures faced by our partners in the care & support sector. The demand for supported housing services continues to increase, and this demand continues to be met by finance from the private sector. During 2020-21, the Board have set revised development parameters to mitigate against risks associated with new developments going forward. The Board itself has changed significantly from March 2020, with 50% new Board members (three in total) integrating into the Board during the course of the year. This includes a new Chair. The Board is now more balanced in terms of experience and is well positioned to support the future growth of the Association.

To facilitate the anticipated growth, an additional housing officer and asset manager were appointed in August and November 2020 respectively, with three further additions due in the coming year to assist with the implementation of a restructure.

The impact of Covid-19, whilst volatile and unexpected, has not affected the financial position of the Association significantly. Income has been unaffected and, whilst the Association has had to adapt working practices, the business model has sustained during this period. Clearly, the risks associated with Covid-19 are still prevalent, and so the Associations approach is reviewed on a 'live' basis. The Association was impacted in terms of the delivery of some key services, notably maintenance, but the long-term impact for tenants has been minimal. A review of IT systems took place to facilitate a move to home working, which included a review of cyber security and training for staff in relation to data protection and home working. Many of these working practices will be adopted post-Covid.

The impact of Brexit has also been limited as it has not had an affect on the Association's income. The direct and indirect impact of Brexit, such as recruitment of staff by our care provider partners, is a matter under review by Board on a permanent basis but, at the moment, it is not expected that Brexit will have a major impact on the business

Public benefit

In planning our activities for the year, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and rental charging. The directors relies on its rental income to cover its operating costs. In setting the level of rental income, the directors give due consideration to the need to ensure the accommodation is accessible by it's tenants through housing benefit or via their own personal funds.

Plan for future periods

Care Housing Association Limited plans to continue developing new properties to meet our objects over the coming 12 months. However, the Board has taken the decision to move away form long lease developments with REIT's (unless fully backed by the Local Authority for the duration of the lease). Instead, the Association will look at short-medium term lease options, and acquisitions of it's own freeholds where possible.

Non-Financial KPI's

The Board considers non-financial KPI's on a quarterly basis. This includes the following information:

Performance Indicator	Actual	Target
Emergency Repairs completed within timescales (4 hours)	100%	100%
Urgent Repairs completed within timescales (4 days)	99.88%	100%
Average time taken to complete urgent repair	1.76 days	4 days
Routine Repairs completed within timescales (21 days)	97.66%	100%
Average time taken to complete routine repair	11.95 days	21 days
Overall satisfaction with the repairs service (good or better)	100%	95%
Quarterly visits completed within timescales	97.66%	100%
Complaints	1	-

Any underperformance is reported to Board by the CEO.

Value for money metrics

In addition to the ratios measured internally, the following ratios have been calculated for the value for money standard in accordance to the Regulator of Social Housing. Some of these ratios are included above and may be calculated differently as mentioned in the standard.

Reinvestment %
11.40%
Care Housing Association has reinvested in two freehold properties in 2020-21 and is still growing through the leasehold market.

New supply delivered %
7.81%
Care Housing Association has delivered an addtional 59 units of Specialised Supported Housing with one being a freehold purchase.

Gearing % (per VFM report)
-1.49%
Care Housing has consolidated its debt to date & increased cash holdings indicating there are no issues with gearing.

Earnings before interest, tax, depreciation, amortisation, major repairs included (EBITDA MRI) interest cover %
1535.26%

Headline social housing cost per unit £
£10,263.76

Operating margin %
15.38%

Return on capital employed (ROCE) % (per VFM report)
10.68%

Approved by the Board on ..... and signed on its behalf by:

Bernard Gallagher
.....
Mr B Gallagher
Chairman

.....
Mr R Parr
Vice Chairman

Care Housing Association Limited

Directors' Report for the Year Ended 31 March 2021

The directors present their report and the financial statements for the year ended 31 March 2021.

Incorporation
The company was incorporated on 31 January 2003.

Directors of the company
The directors who held office during the year were as follows:

Mr B Gallagher - Chairman

Mr R Parr - Vice Chairman

Ms R A Clark

Mr P Collins

Ms G Fazackerley

Mrs N Khan

Mr S Niven (resigned 28 September 2020)

Mr J Thomson (resigned 28 September 2020)

Principal activity
The principal activity of the company is the provision of social housing accommodation

Care Housing Association Limited is a not for profit organisation. The Memorandum of the Company prohibits any of the shareholders from participating in the distribution of the profits. Care Housing Association Limited has had charitable status for the year.

Financial instruments

Objectives and policies

The company holds or issues financial instruments in order to achieve three main objectives, being:

i) to finance its operations;

ii) to manage its exposure to interest, credit and liquidity risks arising from its operations and from its sources of finance; and

iii) for trading purposes.

In addition various financial instruments (e.g. accounts receivable, accounts payable, accruals and prepayments) arise directly from the company's operations.

Transactions in financial instruments result in the company assuming or transferring to another party one or more of the financial risks described below.

Credit and liquidity risk

Credit risk
The company has no significant concentrations of credit risk. Amounts shown in the balance sheet best represent the maximum credit risk exposure in the event other parties fail to perform their obligations under financial instruments.

Liquidity risk
Working capital and liquidity is managed as part of day to day business routines such as the company has no significant concentrations of liquidity risk.

Charitable donations
During the year the company made Charitable donations of £2,320. Individual donations were:

	£
New Life	1,000
Dance Syndrome	1,320

Disclosure of information to the auditors
Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Approved by the Board on 21.09.21 and signed on its behalf by:

Bernard Gallagher
Mr B Gallagher
Chairman

Mr R Parr
Vice Chairman

Care Housing Association Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 and in accordance with FRS 102. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's Report to the Members of Care Housing Association Limited

Opinion

We have audited the financial statements of Care Housing Association Limited (the 'company') for the year ended 31 March 2021, which comprise the statement of income and retained earnings, the balance sheet, and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Housing SORP: 2018 update (Statement of Recommended Practice for registered social housing providers) (2018).

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 company's ability to continue as a going concern for a period of at least 12 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Independent Auditor's Report to the Members of Care Housing Association Limited

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [set out on page 9], the directors 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 directors 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 directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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.

Independent Auditor's Report to the Members of Care Housing Association Limited

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the computer component manufacturing and supply sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

Independent Auditor's Report to the Members of Care Housing Association Limited

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of this report

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

.....

Philip Jones BA (Hons) FCCA (Senior Statutory Auditor)
For and on behalf of Hallidays, Statutory Auditor

Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

Date: 12/01/21

Care Housing Association Limited

Statement of Income and Retained Earnings for the Year Ended 31 March 2021

	Note	2021 £	2020 £
Turnover	3	4,799,278	3,945,142
Cost of sales		(3,079,144)	(2,440,901)
Gross profit		1,720,134	1,504,241
Administrative expenses		(996,827)	(898,116)
Other operating income	4	14,620	4,900
Operating profit	5	737,927	611,025
Other interest receivable and similar income	6	132	473
Interest payable and similar charges	7	(53,895)	(66,864)
		(53,763)	(66,391)
Profit before tax		684,164	544,634
Profit for the financial year		684,164	544,634
Retained earnings brought forward		2,110,978	1,566,344
Retained earnings carried forward		2,795,142	2,110,978

The notes on pages 19 to 29 form an integral part of these financial statements.

Care Housing Association Limited

(Registration number: 04653659)
Balance sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	10	5,171,614	4,653,338
Current assets			
Debtors	11	252,154	184,775
Cash at bank and in hand		1,990,708	1,222,063
		2,242,862	1,406,838
Creditors: Amounts falling due within one year	13	(507,381)	(344,984)
Net current assets		1,735,481	1,061,854
Total assets less current liabilities		6,907,095	5,715,192
Creditors: Amounts falling due after more than one year	13	(4,111,951)	(3,604,212)
Net assets		2,795,144	2,110,980
Capital and reserves			
Called up share capital	15	2	2
Profit and loss account		2,795,142	2,110,978
Total equity		2,795,144	2,110,980

Approved and authorised by the Board on 13.09.21 and signed on its behalf by:

Bernard Gallagher

Mr B Gallagher
Chairman

Mr R Parr
Vice Chairman

Care Housing Association Limited

Statement of Changes in Equity for the Year Ended 31 March 2021

	Share capital £	Profit and loss account £	Total £
At 1 April 2020	2	2,110,978	2,110,980
Profit for the year	-	684,164	684,164
Total comprehensive income	-	684,164	684,164
At 31 March 2021	2	2,795,142	2,795,144

	Share capital £	Profit and loss account £	Total £
At 1 April 2019	2	1,566,344	1,566,346
Profit for the year	-	544,634	544,634
Total comprehensive income	-	544,634	544,634
At 31 March 2020	2	2,110,978	2,110,980

Care Housing Association Limited

Statement of Cash Flows for the Year Ended 31 March 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Profit for the year		684,164	544,634
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	5	104,251	93,307
Finance income	6	(132)	(473)
Finance costs	7	53,895	66,864
		842,178	704,332
Working capital adjustments			
(Increase)/decrease in trade debtors	11	(67,379)	331,819
Increase in trade creditors	13	824,835	236,397
Net cash flow from operating activities		1,599,634	1,272,548
Cash flows from investing activities			
Interest received	6	132	473
Acquisitions of tangible assets		(622,528)	(467,977)
Net cash flows from investing activities		(622,396)	(467,504)
Cash flows from financing activities			
Interest paid	7	(53,895)	(66,864)
Repayment of bank borrowing		(154,698)	(71,789)
Net cash flows from financing activities		(208,593)	(138,653)
Net increase in cash and cash equivalents		768,645	666,391
Cash and cash equivalents at 1 April		1,222,063	555,672
Cash and cash equivalents at 31 March		1,990,708	1,222,063

The notes on pages 19 to 29 form an integral part of these financial statements.

1 General information

The company is a private company limited by share capital incorporated in United Kingdom.

The address of its registered office is:
Riverside House
Kings Reach Business Park
Yew Street
Stockport
Cheshire
SK4 2HD

The principal place of business is:
Suite 34
Hardmans Business Centre
New Hall Hey Road
Rawtenstall
Lancashire
BB4 6HH

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and in accordance with the Statement of Recommended Practice (SORP): Accounting for registered social housing providers.

Basis of preparation
These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Care Housing Association Limited is a public benefit entity in accordance with FRS 102 paragraph 3.3A

Judgements and key sources of estimation uncertainty
In the application of the company's accounting policies management is required to make judgements, estimates and assumptions about the carrying values 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 to be relevant. Actual results may differ from these estimates.

The estimates are underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in 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.

Operating lease commitments
The company has entered into a number of operating leases which it obtains the use of. The classification of such leases as operating or finance lease requires the company to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the statement of financial position.

Going concern
The financial statements have been prepared on a going concern basis.

Revenue recognition
Turnover comprises the fair value of the rental income received or receivable for the provision of services in the ordinary course of the Company's activities.

The Company recognises revenue when:
The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the Company's activities.

More specifically the majority of income is received via housing benefit from local authorities. The rental income is received in 4 weekly terms; therefore, Care Housing Association recognises income on a 52 week period. In these accounts the period is from 23rd March 2020 - 22nd March 2021.

Other income that is invoiced for void occupancy is recognised up to 31st March 2021.

Government grants
Grants are released on the accrual concept to match the expense incurred that is directly attributable to the grant, unless the grant specifically states the benefits transfer to the Housing Association on a specific date, where it will remain on the balance sheet until the conditions are met and released to as income per the performance model.

Tangible assets
Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Leasehold property	Term of lease
Fixture and fittings	25% written down value
Freehold buildings - Structure	100 years
Freehold buildings - Kitchen	10 years
Freehold buildings - Bathroom	15 years
Freehold buildings - Electrical	30 years
Freehold buildings - Heating	30 years
Freehold buildings - Boiler	10 years
Freehold buildings - Windows	25 years
Freehold buildings - Roof	40 years
Office equipment	33% written down value

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

Financial instruments are classified for, according to the substance of the contractual agreement, as financial assets, financial liabilities or equity instruments.

Recognition and measurement

An equity instrument is any contact that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Impairment

Financial instruments are reviewed annually for any changes in value and/or written down if they are impaired.

3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2021	2020
	£	£
Rental income	4,799,278	3,945,142

All revenue is generated from social housing

4 Other operating income

The analysis of the company's other operating income for the year is as follows:

	2021	2020
	£	£
Government grants	14,620	4,900

5 Operating profit

Arrived at after charging/(crediting)

	2021	2020
	£	£
Depreciation expense	104,251	93,307
Operating lease expense	7,048	6,558
Auditor's remuneration - The audit of the company's annual accounts	5,010	4,200

6 Other interest receivable and similar income

	2021	2020
	£	£
Interest income on bank deposits	132	473

7 Interest payable and similar expenses

	2021	2020
	£	£
Interest expense on other finance liabilities	53,895	66,864

8 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2021	2020
	£	£
Wages and salaries	220,882	169,826
Social security costs	18,964	14,670
Pension costs, defined contribution scheme	14,658	8,528
Other employee expense	752	3,782
	255,256	196,806

The remuneration paid to key management for the year was £80,699 including benifit in kind payments plus £6,400 in employers pension contributions.

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2021	2020
	No.	No.
Administration and support	6	5

9 Auditors' remuneration

	2021 £	2020 £
Audit of the financial statements	5,010	4,200

	2021 £	2020 £
Audit services	5,010	4,200
Non-audit services	14,756	14,321
	19,766	18,521

10 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Leasehold costs £	Total £
Cost or valuation				
At 1 April 2020	4,683,176	138,778	198,329	5,020,283
Additions	563,824	35,680	23,024	622,528
At 31 March 2021	5,247,000	174,458	221,353	5,642,811
Depreciation				
At 1 April 2020	237,281	75,098	54,559	366,938
Charge for the year	65,481	22,778	16,000	104,259
At 31 March 2021	302,762	97,876	70,559	471,197
Carrying amount				
At 31 March 2021	4,944,238	76,582	150,794	5,171,614
At 31 March 2020	4,445,895	63,673	143,770	4,653,338

Included within the net book value of land and buildings above is £4,944,238 (2020 - £4,445,895) in respect of freehold land and buildings.

11 Debtors

	2021 £	2020 £
Trade debtors	43,956	93,656
Other debtors	1,623	-
Prepayments	81,507	47,100
Accrued income	125,068	44,019
Total current trade and other debtors	252,154	184,775

12 Cash and cash equivalents

	2021 £	2020 £
Cash at bank	1,990,708	1,222,063

13 Creditors

	Note	2021 £	2020 £
Due within one year			
Loans and borrowings	16	64,233	143,706
Trade creditors		316,644	171,405
Social security and other taxes		7,879	5,321
Accrued expenses and deferred income		118,625	24,552
		507,381	344,984
Due after one year			
Loans and borrowings	16	1,852,740	1,927,966
Other non-current financial liabilities		2,259,211	1,676,246
		4,111,951	3,604,212

14 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £14,658 (2020 - £8,528). The pension payments to the chief executive officer for the year was £6,400.

15 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
175 Ordinary shares of £0.01 each	175	1.75	175	1.75

16 Loans and borrowings

	2021	2020
	£	£
Non-current loans and borrowings		
Bank borrowings	1,852,740	1,927,966

	2021	2020
	£	£
Current loans and borrowings		
Bank borrowings	64,233	143,706

The bank loans are secured by a legal charge over Flat 1 and Flat 2 - Belgrave House, Leyland, 14 Daybrook,Skelmersdale, 34 Farringdon Road, Warrington, 519 Hempshaw Lane Stockport, 48 Ebdale Close, Stockport, 16 Corinthian Avenue, Liverpool, 148 Nangreave Road, Stockport, 6 Bangor Road, Cheadle, 18 Hertford Close, Warrington, 2 Savernake Road, Stockport, 31 Summerbridge Crescent, Bradford, 1-9 Victoria Gardens, Clitheroe, 6 Lindbury Avenue, Offerton.

Included in the loans and borrowings are the following amounts due after more than five years:

	2021	2020
	£	£
After more than five years by instalments	1,542,446	1,631,537

Borrowings due after five years

The cumulative capital repayments after 5 years are £1,631,537 and the interest rate on these repayments vary between 2.6% - 3.5%.

17 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2021	2020
	£	£
Not later than one year	-	4,256
Later than one year and not later than five years	288,145	333,717
Later than five years	52,492,106	37,435,689
	52,780,251	37,773,662

The amount of non-cancellable operating lease payments recognised as an expense during the year was £2,856,430 (2020 - £2,223,570).

18 Contingent liabilities

Rental Income
Included in the rental income collected by the association is a percentage relating to future voids. This element is deferred in the financial statements and will be released to the profit and loss account as and when a void arises.

If, at the end of the agreement period, any of the deferred rental income for properties with Lancashire County Council is not released to the profit and loss account, one third of the balance is payable to Lancashire Social Services. This amount per the void provision at the 31st March 2021 is £132,280. Due to the nature of the agreements there is a possible transfer of economic benefits, of which the amount remains uncertain.

The management agreements are in place for 10 or 15 years and are linked to the properties on an individual and property by property basis.

Grants
Within other creditors due after more than one year is a grant which was used to purchase a property held by the company. The terms of the grant stipulate that the property cannot be sold within a 15 year period and must continue to be used for individuals with learning disabilities, or the grant has to be repaid. The commissioner may request the sale of the property but the grant is not repayable under these circumstances.

There are currently just over 1 year remaining in relation to this clause.

Also within other creditors more than one year is a second grant that was issued in the year ended 31st March 2017. This was also used to purchase a property for individuals with learning disabilities (or such other needs as are agreed by NHS England). The terms of the grant stipulate that if the property is sold the grant is repayable, unless NHS England waiver its right to repayment. NHS England have 1st legal charge over the property. This is released using the accruals model in accordance with FRS102 due to the clause.

During 2020 a third grant was issued by NHS England with the same terms as the above NHS grant. The grant was issued for £419,000 in 2020 with a further £98,819 being issued in the 2021 year end.

During 2021 a fourth grant was issued by NHS England with the same terms as the above NHS grant. The grant was issued for £300,000 in 2021 with a further £123,556 to be issued in the 2022 year end.

Care Housing Association Limited

Detailed Profit and Loss Account for the Year Ended 31 March 2021

	2021 £	2020 £
Turnover (analysed below)	4,799,278	3,945,142
Cost of sales (analysed below)	(3,079,144)	(2,440,901)
Gross profit	1,720,134	1,504,241
Gross profit (%)	35.84%	38.13%
Administrative expenses		
Employment costs (analysed below)	255,256	196,806
Establishment costs (analysed below)	506,128	510,335
General administrative expenses (analysed below)	129,646	96,437
Finance charges (analysed below)	1,546	1,231
Depreciation costs (analysed below)	104,251	93,307
	996,827	898,116
Other operating income (analysed below)	14,620	4,900
Operating profit	737,927	611,025
Other interest receivable and similar income (analysed below)	(132)	(473)
Interest payable and similar charges (analysed below)	53,895	66,864
	53,763	66,391
Profit before tax	684,164	544,634

Care Housing Association Limited

Detailed Profit and Loss Account for the Year Ended 31 March 2021

	2021 £	2020 £
Turnover		
Core Rent	4,183,297	3,515,539
Voids income invoiced	404,314	244,399
Major Repairs Income	175,667	153,204
Furniture Cover Allowance	36,000	32,000
	4,799,278	3,945,142
Cost of sales		
Lease Payments	2,856,430	2,223,569
Major repairs	175,666	153,204
Void provision	47,048	64,128
	3,079,144	2,440,901
Employment costs		
Wages and salaries	220,882	169,826
Staff NIC (Employers)	18,964	14,670
Staff pensions (Defined contribution)	14,658	8,528
Staff training	752	3,782
	255,256	196,806
Establishment costs		
Light, heat and power	37,599	31,423
Premises expenses	11,375	10,994
Rates	57,619	44,421
Insurance	57,715	46,980
Gardening	28,406	31,352
Repairs, maintenance and white goods	246,967	273,089
Furnishings	13,946	22,127
Water treatment and testing	32,391	31,250
Fire risk assessment	20,110	18,699
	506,128	510,335
General administrative expenses		
Printing, postage, stationery and telephone expenses	5,447	5,765
Computer software and maintenance costs	18,393	13,143
Board meeting expenses	706	1,495
Care foundation	5,286	900
Donations	2,320	-
Sundry expenses	10,379	5,902
Car hire (Operating leases)	7,048	6,558
Motor expenses	5,905	9,670
Marketing	-	600

Care Housing Association Limited

Detailed Profit and Loss Account for the Year Ended 31 March 2021

Service charges	477	8,166
Accountancy fees	14,755	14,322
Auditor's remuneration - The audit of the company's annual accounts	5,010	4,200
Legal and professional fees	26,860	17,646
Consultancy	27,060	8,070
	129,646	96,437
Finance charges		
Bank charges	1,546	1,231
Depreciation costs		
Depreciation of other tangible (owned)	104,251	93,307
Other operating income		
Government grants receivable	14,620	4,900
Other interest receivable and similar income		
Bank interest receivable	132	473
Interest payable and similar expenses		
Loan interest	53,895	66,864