

ACTION HOUSING AND SUPPORT LIMITED

England & Wales · Charity number 511265

Details

| | |
|-----------------------|--|
| Other names | ACTION HOUSING ASSOCIATION LIMITED, SHEFFIELD AND ROTHERHAM ASSOCIATION FOR THE CARE AND RESETTLEMENT OF OFFENDERS LIMITED |
| Status | Registered |
| Legal form | Charitable company |
| Company number | 01548338 |
| Registered | 1981-04-21 |
| Register | View on the Charity Commission register |

Contact

| | |
|----------------|--|
| Address | 6 Genesis Business Park Sheffield Road Rotherham South Yorkshire S60 1DX |
| Phone | 01709821251 |
| Email | info@actionorg.uk |
| Website | www.actionorg.uk |

Activities

Objects: 1) TO EDUCATE AND TRAIN AND RELIEVE POVERTY AND SICKNESS AMONG PERSONS WHO ARE SUFFERING OR WHO HAVE SUFFERED A LEGAL RESTRICTION ON THEIR LIBERTY IN ANY PENAL OR CORRECTIONAL ESTABLISHMENT OR THROUGH ANY MEANS WHATSOEVER INCLUDING ISSUES WITH LEARNING DIFFICULTIES, MENTAL HEALTH, DRUG AND ALCOHOL, WOMEN ESCAPING DOMESTIC ABUSE, YOUNG PEOPLE WITH MULTIPLE NEEDS, SEX WORKERS AND OTHER VULNERABLE PERSONS WHO REQUIRE ASSISTANCE TO ACHIEVE AND OR MAINTAIN INDEPENDENCE, ALSO INCLUDING (BUT NOT LIMITED TO) ANY ORDERS MADE UNDER THE MENTAL HEALTH ACT OR SOME OTHER SIMILAR LEGISLATION AND THE FAMILIES OF SUCH PERSONS IN SUCH WAYS AS THE BOARD THINK FIT AND TO FURTHER AND PROMOTE THE STUDY OF AND RESEARCH INTO ALL ASPECTS AND METHODS OF THE PREVENTION OF CRIME AND DELINQUENCY AND TO OBTAIN AND MAKE RECORDS OF AND DISSEMINATE INFORMATION CONCERNING THE SAME, AND TO PROMOTE, SUPPORT OR CARRY ON EITHER ALONE OR IN CO-OPERATION WITH ANY SUBSIDIARY COMPANY OF THE ASSOCIATION OR ANY OTHER BODY, AUTHORITY OR PERSON, ANY PROJECT OR SCHEME IN CONNECTION WITH ANY METHODS OF THE PREVENTION OF CRIME AND DELINQUENCY AND TO PROVIDE MONIES FOR SUCH PURPOSES WHETHER BY WAY OF LOANS, GRANTS, ADVANCES, GIFTS OR OTHERWISE AS THE BOARD THINK FIT;2) TO CARRY ON FOR THE BENEFIT OF THE COMMUNITY THE BUSINESS OF PROVIDING SOCIAL HOUSING AND ANY ASSOCIATED AMENITIES, SERVICES, ADVICE OR ASSISTANCE FOR PERSONS-IN NECESSITOUS CIRCUMSTANCES UPON TERMS APPROPRIATE TO THEIR MEANS;-FOR WHOM IT WOULD BE CHARITABLE TO PROVIDE HOUSING3) TO PROMOTE OR CARRY OUT ANY OTHER CHARITABLE PURPOSE THAT CAN BE CARRIED OUT BY A COMPANY REGISTERED AS A SOCIAL LANDLORD WITH THE TENANT SERVICES AUTHORITY OR SUCH SIMILAR AUTHORITY FROM TIME TO TIME.

Activities: Our charitable activities focus on tenancy sustainment and the move to resettlement and independence for our client group. Support is provided to individuals within their own communities by allocating individually assessed contact hour packages of housing related support. Assessments are done using a multi-agency approach. Services are adapted to meet need.

Classification

- **How:** Provides Services
- **What:** Education/training, Accommodation/housing
- **Who:** Other Defined Groups

Geography

- **Area of benefit:** SHEFFIELD AND ROTHERHAM
- Derby City
- Derbyshire
- Rotherham
- Sheffield City

Finances

| Period end | Income | Expenditure | Assets | Employees |
|------------|------------|-------------|-------------|-----------|
| 2025-03-31 | £6,920,397 | £6,750,633 | £10,834,190 | 79 |
| 2024-03-31 | £6,347,935 | £5,578,434 | £6,862,222 | 69 |
| 2023-03-31 | £5,930,338 | £5,378,261 | £6,862,222 | 64 |
| 2022-03-31 | £5,683,456 | £5,023,115 | £584,655 | 58 |
| 2021-03-31 | £4,803,665 | £4,447,175 | £-1,561,841 | 49 |

Trustees

| Name | Role | Appointed |
|----------------------|------|------------|
| Hilary Claire Frazer | | 2023-10-25 |
| Paul Trevor Baylis | | 2023-07-03 |
| Philip Antony Taylor | | 2024-03-25 |
| Shaun Peter Watson | | 2024-12-02 |
| Stuart Otten | | 2024-09-02 |

ACTION HOUSING AND SUPPORT LIMITED

England & Wales - Charity number 511265

Accounts

Company Registration Number: 00548338 (England and Wales)

Homes England Number: 4660

Registered Charity Number: 511265

Report of the Trustees and

Financial Statements for the Year Ended 31 March 2025

for

Action Housing And Support Limited

Action Housing And Support Limited

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for the Year Ended 31 March 2025

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Action Housing And Support Limited

**Trustees' Report Incorporating the Operational and Financial Review
for the Year Ended 31 March 2025**

Trustee's Report 24/25

The trustees, who are the non-executive trustees of the company, present their report with the audited financial statements of the charitable company for the year ended 31 March 2025.

REFERENCE AND ADMINISTRATIVE DETAILS

Company registration number: 01548338 (England and Wales)

Charity registration number: 511265

Homes England registration number: 4660

Members of the board: Mr T De'Ath (Chair)
Mr P Bayliss (Vice Chair)
Mrs P Warnock
Ms H Frazer
Mr F Hanson
Mr P Taylor
Mr S Otten
Mr S Watson

Chief Executive: Mr A Stott

Registered office: 6 Genesis Business Park
Sheffield Road
Rotherham
South Yorkshire
S60 1DX

Auditor: Sutton McGrath Hartley
5 Westbrook Court
Sharrowvale Road
Sheffield
South Yorkshire
S11 8YZ

Solicitor: Bailoran
West Hill House
Allerton Hill
Leeds
L27 3QB

Solicitor: Ward Hadaway
5 Wellington Place
Leeds
LS1 4AP

Action Housing And Support Limited

**Trustees' Report Incorporating the Operational and Financial Review
for the Year Ended 31 March 2025**

Solicitor: Hill Dickinson
50 Fountain Street
Manchester
M2 2AS

Bankers: Metro Bank
58-64 Fargate
Sheffield
S1 2HE

Bankers: Unity Trust Bank Plc
Nine Brindley Place
Birmingham
B1 2HB

Action Housing And Support Limited

Trustees' Report Incorporating the Operational and Financial Review for the Year Ended 31 March 2025

PRINCIPAL ACTIVITY

Principle Activities

The Trustees, who are the non executive trustees of the company, present their report with the audited financial statements of the charitable company for the year ended 31 March 2025.

Action Housing and Support works for the public benefit through its principal activities of providing accommodation, support, education and employability training and related services to a wide variety of vulnerable people. Currently these activities are carried out in Yorkshire, Nottinghamshire and Derbyshire. The objective of the charity is expressed in its Articles of Association:

'To educate, train and relieve poverty and sickness among persons who are suffering or who have suffered a legal restriction on their liberty in any penal or correctional establishment or through any means whatever including issues with learning difficulties, mental health, drug and alcohol, woman escaping domestic abuse, young people with multiple needs, sex workers and other vulnerable persons who require assistance to achieve and or maintain independence, also including (but not limited to) any orders made under the Mental Health Act or some other similar legislation and the families of such persons in such ways as the Board think fit and to further and promote the study of and research into all aspects and methods of the prevention of crime and delinquency and to obtain and make records of and disseminate information concerning the same, and to promote, support or carry on either alone or in co-operation with any subsidiary company of the Association or any other body, authority, or person, any project or scheme in connection with any methods of the prevention of crime and delinquency and to provide monies for such purposes whether by way of loans, grants, advances, gifts or otherwise as the Board think fit;

To carry on for the benefit of the community the business of providing social housing and any associated amenities, services, advice or assistance.

To promote or carry out any other charitable purpose that can be carried out by a company registered as a social landlord with the Tenant Services Authority or such similar authority from time to time.

The aim of the company is to work to enable vulnerable people to establish a home and live responsibly in society.'

REVIEW OF BUSINESS

Organisational Status

Action Housing & Support is a Registered Charity and a Company Limited by Guarantee, without share capital. Its governing instrument is the Articles of Association.

Action Housing & Support is also a Registered Housing Provider and these accounts are prepared in accordance with the Companies Act 2006, the Housing Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.

Action Housing And Support Limited

**Trustees' Report Incorporating the Operational and Financial Review
for the Year Ended 31 March 2025**

Internal Controls, Governance and Risk Management

A Board of Trustees governs the company. The Board exists to provide probity and governance to Action Housing & Support, set the strategic direction, ensure adherence to the Articles of Association, support the Executive Team as they run the business, appoint the Chief Executive and hold them to account, provide advice, scrutiny and fresh eyes, behaving as critical friends.

Our Governance Framework covers the principles by which our organisation is constituted. It also records who take decisions, and how the decisions taken are recorded, communicated and implemented. Our organisation is a values-led, 'not for profit' organisation, and all income goes into running the organisation and the services delivered by it.

The Trustees continually review the risks to which the charity is exposed. Systems are in place to mitigate those risks utilising our Risk Management Framework & Business Continuity Plan.

Recruitment and appointment to the Board of Trustees is by a formal process as defined within the Code of governance. Trustees undergo a period of induction in which they meet staff and clients, and are encouraged to attend events designed to promote their understanding of good governance.

Board Membership and Responsibilities

The members below have served in office from 1 April 2023 to the date of this report, except where otherwise indicated:

Mr T De'Ath (Chair)

Mr P Bayliss (Vice Chair)

Ms H Frazer

Mr F Hanson

Mr P Taylor

Mrs P Warnock

Mr S Otten (appointed 2 September 2024)

Mr S Watson (appointed 2 December 2024)

Mr I Knowles (resigned 2 September 2024)

No remuneration is paid to Trustees, in their capacity as Trustees, and as the company is limited by guarantee, none of the Trustees has any interest in the shares or retained reserves.

Action Housing And Support Limited

**Trustees' Report Incorporating the Operational and Financial Review
for the Year Ended 31 March 2025**

STRATEGIC REPORT

Operational Review

Our activities focus on tenancy sustainment, the provision of accommodation, the prevention of offending and homelessness, the supporting of individuals to independent and self-sufficient living. The delivery of our services benefits individuals through the creation of opportunity, enabling them to realise their potential and lead fulfilling lives.

Our funding currently enables the services we provide to be delivered to residents or people living in:

- Rotherham
- Sheffield
- Mansfield
- Chesterfield
- Derby

In 2024/25 services were again provided to more than 1,000 individuals with the duration of support ranging from responsive phone calls which in effect last minutes to detailed and specific support programmes lasting up to two years and in some instances even longer. We also continue to provide units of supported accommodation to people with complex needs together with the provision of specified accommodation.

We have worked closely with Homes England and by further utilising their affordable homes programme and working in partnership with our local authorities partners we intend to further develop our housing stock both in supported accommodation and general needs in the coming years.

The impact of our work goes beyond those we help directly; it reduces the distress suffered by families, friends and the wider society. It reduces demands upon statutory services and the public purse in terms of a reduction in crime, anti-social behaviour, drug abuse, poor health and social exclusion, and assists in the building of cohesive neighbourhoods.

The primary income sources of the Charity are rental income and contracts with local authorities. As mentioned above, Homes England provided development funding this year to enable us to increase our housing stock. We also received a number of smaller grants, which were used to purchase equipment and deliver activities to our client group across our programmes.

The company maintained existing contracts, were awarded new contracts and also a contract extension was awarded for our HiRO services in Derbyshire.

Having successfully worked with Councils and Homes England delivering the RSAP (Rough Sleeper Accommodation Program) Action Housing successfully bid for and won a new contract to deliver a SHAP (Single Homeless Accommodation Program) in Sheffield.

The organisation continued to work towards the board's approved 3 year Business Plan. This plan has subsequently been updated taking the organisation to 2027.

The plan focuses on five key issues: -

- Quality of service and investment in the services provided.
- Investment in staff, their development and wellbeing.
- Investment in accommodation.
- Ensuring adequate reserves are accumulated and built upon.
- Strengthening the balance sheet of the organisation.

Trustees remain committed to the generation of income for the Charity and opportunity for our clients, but are clear that diversification must be appropriate and sustainable in the longer term. The Board continue to work with the Senior Management Team to ensure our continued success, development and growth.

Action Housing And Support Limited

Trustees' Report Incorporating the Operational and Financial Review for the Year Ended 31 March 2025

The charity's principal asset remains its staff and the Trustees acknowledge the contribution of every staff member and thank them for their work and commitment.

Financial Review

Action Housing & Support operates in a challenging financial environment and continues to experience restrictions on resources. Funding is on a contractual, cyclical basis and is often secured via competitive tender. Funding from the Communities and Local Government (administered by the local authorities) and in particular Housing Related Support, equates to 19% of all income. Our main source of income is via rental income from the units that we manage. This year we also received grant funding from Homes England, Derby City Council, Mansfield District Council, Rotherham Council and Sheffield City Council.

As a result of the challenges previously outlined, overall, the organisation returned a £193,933 surplus on activities before taxation (2024 - £786,035). The closing net assets at 31 March 2025 were £10,834,190 (2024 - £8,542,257) of which £438,874 (2024 - £410,112) was restricted funds and £5,345,316 (2024 - £5,333,145) was unrestricted reserves and £5,050,000 pension surplus reserve (2024 - £2,799,000).

The trustees have updated their three year financial plan showing forecasts of income, expenditure and cash flow for the period to 31 March 2027. The forecasts show that the company will generate future surpluses and has sufficient cash reserves to be able to continue its operations for the foreseeable future.

Reserves Policy

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charities Commission. The free reserves consist of unrestricted funds, net of fixed assets, and associated bank loans. Due to our strategic commitment to develop properties, which generate long-term income, our free reserves are currently held at (£14,052) (2024 - £1,356,898). In the past year our reserves have decreased due to the heavy investment in our housing portfolio, however this figure does not come as a surprise as we were committed to increasing our balance sheet. This was also a requirement on the successful tender of a new contract involving the purchase of 15 properties. The level of reserves is monitored and reviewed by Trustees throughout the year as part of our ongoing management of risk. Our free reserves level is not assessed as a significant risk at present. We have in place a plan over the next three years to incrementally increase the level of free reserves held.

Key Risks

The main risks faced by the Charity are identified as:

- Reduction in public sector funding for services to support vulnerable people due to a continuing austerity environment. The main controls for this are dedicated business development resource, researching and identifying new opportunities and the maintenance of positive relationships and open dialogue with commissioners, enabling service redesign rather than decommission.
- Change in senior leadership. The board are committed to ensuring a new business strategy is in place underpinned by sustainable investment in resource capacity.
- Maintaining adequate cashflow, reducing contractual income and significant development activity. Main controls for this are active cashflow management and monitoring, careful budgeting, consideration of appropriate credit facilities and scrutiny and oversight by the Board of Trustees.
- Comprehensive risk management procedures, with risks reported to the Board twice yearly for review.

Remuneration Policy

The Board of Trustees have overview of senior pay and terms and conditions. Salaries are benchmarked by use of the ACEVO pay survey and national CIPD pay survey information.

Action Housing And Support Limited

Trustees' Report Incorporating the Operational and Financial Review for the Year Ended 31 March 2025

Investments

The company's investment powers are set out in its Articles of Association and allow the company to invest funds not immediately required in securities and property, subject to such conditions as may be required by law. Those responsible for financial management remain mindful of the current economic climate and the need to invest to secure maximum income whilst managing associated risk.

Plans for future periods

Building on the work already carried out, in the forthcoming year we aim to:

- Focus on the quality of service delivery
- Focus on our employment practices and improve the quality and capability of our staff
- Improve the quality of our housing stock
- Deliver a standard approach throughout the company
- Develop more units of accommodation
- Develop and build ever-stronger strategic relationships, raising the profile of Action.

Events since the balance sheet date

There are no other important events that have occurred since the balance sheet date which affect the company.

Value for Money

Action Housing & Support has developed over the years by tendering for services in a continual, competitive cycle. This cycle ensures that services and the value they provide are reviewed and tested against the open market. It also continues to develop its property portfolio, which has resulted in the increased provision of supported accommodation. During 2024/2025, the organisation has focussed on delivering value for money through the following activity:

- Tendering for the supply of specific contract works suited to the organisation's capabilities.
- Realignment of managerial resources in proportion to support reductions in specific areas of work.

Value for money remains critical to the organisation and to the successful submission of tenders. Plans for 2025/26 include:

- Focus on performance and accountability of all budget holders
- Continue to review and retender all contracts and suppliers of services
- Continue to develop and implement systems and processes that will facilitate and support excellent customer service

To comply with the Regulator of Social Housing Value for Money Metrics requirement, Action Housing and Support has calculated the following data:

| | 2025 | 2024 |
|--|-------------|-------------|
| Metric 1 Reinvestment % | 15% | 15% |
| Metric 2 New supply delivered (social housing units) | 45% | 14% |
| Metric 3 Gearing % | 15% | 7% |
| Metric 4 Earnings before interest, tax and depreciation % | 230% | 651% |
| Metric 5 Headline Social cost per unit | £13,403 | £12,471 |
| Metric 6 Operating Margin % (social housing and overall the same) | 3% | 12% |
| Metric 7 Return on capital employed % | 2% | 7% |

Action Housing And Support Limited

**Trustees' Report Incorporating the Operational and Financial Review
for the Year Ended 31 March 2025**

Trustees' Responsibilities

The trustees (who are also trustees of Action Housing and Support for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law and registered social housing legislation requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

The auditors, Sutton McGrath Hartley, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

.....
Mr T De'Ath - Trustee

Date:

Report of the Independent Auditors to the Members of
Action Housing And Support Limited

Opinion

We have audited the financial statements of Action Housing And Support Limited (the 'company') for the year ended 31 March 2025 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 2025 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private providers of social housing in England 2019.

Basis for opinion

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

Other information

The trustees are responsible for the other information. The other information comprises the information in the Trustees' Report Incorporating the Operational and Financial Review, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Report of the Independent Auditors to the Members of
Action Housing And Support Limited**

Opinions on other matters 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 Trustees' Report Incorporating the Operational and Financial Review for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report Incorporating the Operational and Financial Review has 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 Trustees' Report Incorporating the Operational and Financial Review.

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 Trustees' Report Incorporating the Operational and Financial Review.

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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page eight, the trustees 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 trustees determine 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 trustees 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 trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Report of the Independent Auditors to the Members of
Action Housing And Support Limited**

Auditors' responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our assessment of the susceptibility to material misstatement, whether by fraud or error, is made in a risk based approach.

In this approach, laws and regulations applicable to the entity, such as the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102, the Housing Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019, along with employment law, safeguarding legislation, data protection law and Health and Safety law.

The policies and controls the entity has in place to comply with these laws are reviewed, by discussion, reviews of correspondence and registrations monitored by external bodies. The engagement team remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Policies and controls relating to the risk of material misstatement as a result of fraud, management override of controls, and revenue recognitions are also considered. These are assessed by obtaining an understanding of the company's operations and control environment. The policies and controls have been reviewed by discussion, review and sample testing of accounting entries, including journals, challenging assumptions and judgements, reviewing and evaluating related parties transactions, and wider background searches. Testing of income recognition and fund accounting is also completed.

We have ensured that the engagement team have appropriate levels of competence and experience to effectively monitor these risks and carry out work relevant to our assessment of each risk, including consideration of the sector the company operates in and its size and complexity.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Report of the Independent Auditors to the Members of
Action Housing And Support Limited

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 a Report of the Auditors 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.

James Salim FCCA (Senior Statutory Auditor)
for and on behalf of Sutton McGrath Hartley
5 Westbrook Court
Sharrowvale Road
Sheffield
South Yorkshire
S11 8YZ

Date:

Action Housing And Support Limited

**Statement of Comprehensive
Income
for the Year Ended 31 March 2025**

| | Notes | 2025 £ | 2024 £ |
|---|-------|-------------------------|-------------------------|
| TURNOVER | 3 | 6,920,397 | 6,347,935 |
| Administrative expenses | | <u>6,750,633</u> | <u>5,578,434</u> |
| OPERATING SURPLUS | 8 | 169,764 | 769,501 |
| Interest receivable and similar income | | <u>24,718</u> | <u>17,371</u> |
| | | 194,482 | 786,872 |
| Interest payable and similar expenses | 5 | <u>549</u> | <u>837</u> |
| SURPLUS BEFORE TAXATION | | 193,933 | 786,035 |
| Tax on surplus | 7 | <u>-</u> | <u>-</u> |
| SURPLUS FOR THE FINANCIAL YEAR | | 193,933 | 786,035 |
| Remeasurement gains / (losses) on defined Benefit pension plan | | <u>2,098,000</u> | <u>894,000</u> |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | <u>2,291,933</u> | <u>1,680,035</u> |

The notes form part of these financial statements

Action Housing And Support Limited (Registered number: 01548338)

Balance Sheet
31 March 2025

| | Notes | £ | 2025 £ | £ | 2024 £ |
|--|-------|------------------|--------------------------|------------------|------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 12 | | 826,017 | | 821,712 |
| Housing properties for letting | 13 | | 11,310,280 | | <u>9,518,108</u> |
| | | | 12,136,297 | | 10,339,820 |
| CURRENT ASSETS | | | | | |
| Debtors | 14 | 686,668 | | 480,326 | |
| Cash at bank and in hand | | <u>1,054,787</u> | | <u>2,282,825</u> | |
| | | 1,741,455 | | 2,763,151 | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 15 | <u>1,655,771</u> | | <u>1,223,136</u> | |
| NET CURRENT ASSETS | | | <u>85,684</u> | | <u>1,540,015</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 12,221,981 | | 11,879,835 |
| CREDITORS | | | | | |
| Amounts falling due after more than one year | 16 | | (6,437,791) | | (6,136,578) |
| PENSION ASSET | 20 | | <u>5,050,000</u> | | <u>2,799,000</u> |
| NET ASSETS | | | <u>10,834,190</u> | | <u>8,542,257</u> |
| RESERVES | | | | | |
| Pension reserves | 19 | | 5,050,000 | | 2,799,000 |
| Restricted reserves | 19 | | 438,874 | | 410,112 |
| Income and expenditure account | 19 | | <u>5,345,316</u> | | <u>5,333,145</u> |
| | | | <u>10,834,190</u> | | <u>8,542,257</u> |

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
Mr T De'Ath - Trustee

The notes form part of these financial statements

Action Housing And Support Limited

Statement of Changes in Equity
for the Year Ended 31 March 2025

| | General reserves | Pension reserves | Restricted reserves | Total equity |
|--|-----------------------------|-----------------------------|--------------------------------|-------------------------|
| | £ | £ | £ | £ |
| Balance at 1 April 2023 | 4,608,391 | 1,807,000 | 446,831 | 6,862,222 |
| Changes in equity | | | | |
| Total comprehensive income | 724,754 | 98,000 | (36,719) | 786,035 |
| Remeasurement gain on defined benefit pension plan | <u>-</u> | <u>894,000</u> | <u>-</u> | <u>894,000</u> |
| Balance at 31 March 2024 | <u>5,333,145</u> | <u>2,799,000</u> | <u>410,112</u> | <u>8,542,257</u> |
| Changes in equity | | | | |
| Total comprehensive income | 12,171 | 153,000 | 28,762 | 193,933 |
| Remeasurement gain on defined benefit pension Plan | <u>-</u> | <u>2,098,000</u> | <u>-</u> | <u>2,098,000</u> |
| Balance at 31 March 2025 | <u>5,345,316</u> | <u>5,050,000</u> | <u>438,874</u> | <u>10,834,190</u> |

The notes form part of these financial statements

Action Housing And Support Limited

Cash Flow Statement
for the Year Ended 31 March 2025

| | | 2025 | 2024 |
|---|-------|---------------------------|--------------------|
| | Notes | £ | £ |
| Cash flows from operating activities | | | |
| Cash generated from operations | 1 | 1,141,153 | 1,433,076 |
| Interest paid | | (549) | (837) |
| Finance costs paid | | 222,699 | 159,985 |
| Defined benefit net interest cost | | (136,000) | (86,000) |
| Defined benefit current service cost | | (17,000) | (12,000) |
| Net cash from operating activities | | <u>1,210,303</u> | <u>1,494,224</u> |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | | (91,708) | (85,742) |
| Purchase of investment property | | (2,075,727) | (1,741,838) |
| Interest received | | 24,718 | 17,371 |
| Net cash from investing activities | | <u>(2,142,717)</u> | <u>(1,810,209)</u> |
| Cash flows from financing activities | | | |
| New loans in year | | 19,095 | 1,180,903 |
| Loan repayments in year | | (92,019) | (37,517) |
| Interest paid | | (222,699) | (159,985) |
| Net cash from financing activities | | <u>(295,624)</u> | <u>983,401</u> |
| (Decrease)/increase in cash and cash equivalents | | | |
| Cash and cash equivalents at beginning of year | 2 | 2,282,825 | 1,615,409 |
| Cash and cash equivalents at end of year | 2 | <u>1,054,787</u> | <u>2,282,825</u> |

The notes form part of these financial statements

Action Housing And Support Limited

Notes to the Cash Flow Statement
for the Year Ended 31 March 2025

1. **RECONCILIATION OF SURPLUS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

| | 2025 | 2024 |
|--|-------------------------|-------------------------|
| | £ | £ |
| Surplus before taxation | 193,933 | 786,035 |
| Depreciation charges | 339,175 | 337,210 |
| Loss on disposal of fixed assets | 31,784 | - |
| Finance costs | 549 | 837 |
| Finance income | <u>(24,718)</u> | <u>(17,371)</u> |
| | 540,724 | 1,106,711 |
| (Increase)/decrease in trade and other debtors | (206,344) | 53,493 |
| Increase in trade and other creditors | <u>806,773</u> | <u>272,872</u> |
| Cash generated from operations | <u>1,141,153</u> | <u>1,433,076</u> |

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2025

| | 31/3/25 | 1/4/24 |
|---------------------------|------------------|------------------|
| | £ | £ |
| Cash and cash equivalents | <u>1,054,787</u> | <u>2,282,825</u> |

Year ended 31 March 2024

| | 31/3/24 | 1/4/23 |
|---------------------------|------------------|------------------|
| | £ | £ |
| Cash and cash equivalents | <u>2,282,825</u> | <u>1,615,409</u> |

The notes form part of these financial statements

Action Housing And Support Limited

Notes to the Cash Flow Statement
for the Year Ended 31 March 2025

3. **ANALYSIS OF CHANGES IN NET DEBT**

| | At 1/4/24 £ | Cash flow £ | At 31/3/25 £ |
|---------------------------------|--------------------|--------------------|--------------------|
| Net cash | | | |
| Cash at bank and in hand | <u>2,282,825</u> | <u>(1,228,038)</u> | <u>1,054,787</u> |
| | <u>2,282,825</u> | <u>(1,228,038)</u> | <u>1,054,787</u> |
| Debt | | | |
| Debts falling due within 1 year | (226,995) | (2,883) | (229,878) |
| Debts falling due after 1 year | <u>(2,900,724)</u> | <u>75,808</u> | <u>(2,824,916)</u> |
| | <u>(3,127,719)</u> | <u>72,925</u> | <u>(3,054,794)</u> |
| Total | <u>(844,894)</u> | <u>(1,155,113)</u> | <u>(2,000,007)</u> |

The notes form part of these financial statements

Action Housing And Support Limited

Notes to the Financial Statements
for the Year Ended 31 March 2025

1. STATUTORY INFORMATION

Action Housing And Support Limited is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address are as below:

Registered number: 01548338

Registered office: 6 Genesis Business Park
Sheffield Road
Rotherham
South Yorkshire
S60 1DX

2. ACCOUNTING POLICIES

Summary of significant accounting policies

Status

The company is registered under the Companies Act 2006 and has been a registered charity since 21 April 1981. The charitable company registered with the Regulator of Social Housing as a housing provider on 2 June 2011.

General information and basis of preparation

Action Housing and Support Limited is a private registered provider of social housing in the United Kingdom. The address of the registered office is given in the company's information on page 1 of these financial statements. The nature of the company's operations and principal activities are the provision of social housing.

The company constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Statement of Recommended Practice for Social Housing Providers 2018, and with the Accounting Direction for private registered providers of social housing in England 2019. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008 and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the association, and rounded to the nearest £.

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

Going Concern

The company has net assets of £10,834,190. This is a change from last year's position of net assets of and £8,542,257 is largely due to the movement on the defined benefit pension asset/liability of £2,251,000.

Forecasts prepared for future periods show that the company will generate future surpluses and has sufficient cash reserves to be able to continue its operations for the foreseeable future. Therefore, the Trustees believe it is appropriate for the financial statements to be prepared on a going concern basis.

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

2. **ACCOUNTING POLICIES - continued**

Tangible fixed assets

Housing properties

Social housing properties are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended, such as the cost of acquiring land and buildings, development costs, interest charges on loans during the development period and expenditure on improvements. Expenditure on improvements will only be capitalised when it results in incremental future benefits such as increasing rental income, reducing maintenance costs or results in a significant extension of the useful economic life of the property.

Major components of housing properties are depreciated at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

| | |
|--------------------|------------------|
| Structure | 100 years |
| Roofs | 60 years |
| Kitchens | 10 years |
| Bathrooms | 15 years |
| Windows and doors | 20 years |
| Boilers and fires | 12 years |
| Electrics | 30 years |
| Mechanical systems | 20 years |

Freehold land is not depreciated. Housing properties under construction are not depreciated until they are in use and the useful economic lives of all tangible fixed assets are reviewed annually.

Other

Other tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

| | |
|----------------------------|-------------------------------|
| Land | Not depreciated |
| Buildings - freehold | 50 years straight line |
| Buildings - long leasehold | Over lease term |
| Office furniture | 5 years straight line |
| Office equipment | 4 years straight line |
| Computer equipment | 3 years straight line |

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date.

If such indication exists, the recoverable amount is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in expenditure through the statement of comprehensive income.

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

2. **ACCOUNTING POLICIES - continued**

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income and expenditure in other administrative expenses.

Rights of social landlords to have improvement works carried out to properties by a third party (such as a local authority) are recognised as prepayments where payment has occurred in advance of the works being carried out and receipts in advance from the same third party recognised as liabilities. Assets and liabilities of income and expenditure are not offset.

Stocks

Stocks of paint, papers, sheets, blankets, cutlery and crockery are not taken, and items are charged in the accounts as an expense when purchased. The trustees do not consider that the value of stock is either significant or material.

Leases

Rentals paid under operating leases are charged in the income and expenditure account as incurred.

Tax

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

Turnover

Turnover represents rental and service charges income receivable in the year net of rent and service charge losses from voids, revenue grants from the government (local authorities) and Homes England.

Grants

Government grants are received from Homes England in respect of housing properties. These grants are recognised at the fair value of the asset received or receivable. Where the assets are accounted for using the model then the government grant is accounted for using the accruals model. The difference between the fair value of the asset and the consideration is recognised as a liability and amortised over the useful economic life of the asset. The amortisation is recognised within turnover. Where the assets are accounted for using the valuation model then the government grant is accounted for using the performance model so that turnover is taken once the performance conditions have been met.

Government grants received as a contribution to revenue expenditure are recognised in the statement of comprehensive income on a systematic basis over the period in which the landlord recognises the related costs for which the grant is intended to compensate. The related expenditure is included under administrative expenses. Grants are recognised in the same period as the related expenditure provided the conditions for receipt have been satisfied and there is reasonable assurance that the grant will be received.

Social Housing Grants

Social Housing Grants (SHG) are made by Homes England to assist with acquisition or development. SHG grants are included in deferred income and released in line with the depreciation of the assets.

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

2. **ACCOUNTING POLICIES - continued**

Pension costs

The company operates a defined benefit pension plan for the benefit of its employees. A liability for the company's obligations under the plan is recognised net of plan assets. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Restricted reserves

Restricted reserves are those reserves which are only expendable in accordance with the wishes of the funder or regulatory body. Restricted reserves include funds raised in response to a specific appeal. Revenue and expenditure cannot be directly set against restricted reserves but is taken through the income and expenditure account and then a transfer to restricted reserves is made as appropriate.

Judgements and key sources of estimation uncertainty

There are no judgements (apart from those involving estimates) which have been made in the process of applying the above accounting policies that have had a significant effect on amounts recognised in the financial statements.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Property valuations - the carrying value of property and annual impairment reviews are subject to assessment involving estimates on future rental yield and state of repair of the properties.

South Yorkshire Pension Fund Liability - the present value of the liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. Any changes in these assumptions will impact the carrying value of the pension liability.

Loans and borrowings

Loans and borrowings are initially recognised at the transactions price including transactions costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a financial transaction it is measured at fair value.

Provisions

Provisions are recognised when the RP has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Provisions for cyclical maintenance or major works to existing stock are not made unless they represent commitments or obligations at the Balance Sheet date where there is no discretion to avoid or delay the expenditure.

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

3. TURNOVER

The turnover and surplus before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

| | 2025 | 2024 |
|---------------------|-------------------------|------------------|
| | £ | £ |
| Rental income | 5,439,245 | 4,893,659 |
| Contracted income | 1,333,277 | 1,296,513 |
| Other grants | 12,059 | 27,075 |
| Commercial premises | 21,349 | 27,246 |
| Other income | 5,208 | 4,636 |
| Homes England | <u>109,259</u> | <u>98,806</u> |
| | <u>6,920,397</u> | <u>6,347,935</u> |

Rental income is included in the accounts after providing bad debts of £83,453 (2024: £138,844) and net of rental voids incurred during the year to the value of £673,882 (2024: £566,265).

Homes England and other grants income contains £109,259 (2024: £98,806) of amortised grant, the remainder relates to non-capitalised grant income.

4. STAFF COSTS

All employees were involved in direct charitable services, with a proportion of time of some staff taken up by administrative duties.

| | 2025 | 2024 |
|---------------------------------|-------------------------|-------------------------|
| | £ | £ |
| Wages and salaries | 2,115,445 | 1,883,976 |
| Social security costs | 190,002 | 165,477 |
| Other pension costs | <u>115,793</u> | <u>115,132</u> |
| | 2,421,240 | 2,164,585 |
| Agency costs | - | 1,536 |
| SYPA pension cost no longer due | <u>7,205</u> | <u>(241,680)</u> |
| Total | <u>2,428,445</u> | <u>1,924,441</u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

4. STAFF COSTS - continued

Other pension costs include net income totalling £17,000 (2024: £12,000), being the net pension costs movement as disclosed in note 17 to the accounts and in accordance with FRS 102.

The average number of employees, including members of the executive team, calculated on a full time equivalent basis was 79 employees (2024: 72). Full time staff work 37 hours per week and each correspond to 1 FTE. Part time staff have their hours pro-rated.

No members of staff received redundancy payments during the current and previous financial years.

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

In the band £110,000 and £120,000 - 1 (2024: 1).

In the band £60,000 and £70,000 - Nil (2024: 1).

5. TRUSTEES REMUNERATION AND BENEFITS

During the year, no trustees were paid remuneration (2024: £Nil).

There were no expenses paid to Trustees during the year (2024: £Nil).

6. BOARD AND KEY MANAGEMENT PERSONNEL REMUNERATION

The total remuneration for key management personnel, including employer's national insurance amounted to £332,128 (2024: £438,995).

During the year total pensions of £56,055 (2024: £52,331) were payable to key management personnel.

The highest paid trustee received £116,287 (2024: £117,488) remuneration. Employer pension contributions of £29,710 (2024: £24,352) were paid into a personal pension scheme with no enhancements applied.

7. INTEREST PAYABLE AND SIMILAR EXPENSES

| | 2025 | 2024 |
|--------------------|-------------------|------------|
| | £ | £ |
| Bank loan interest | <u>549</u> | <u>837</u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

8. SURPLUS BEFORE TAXATION

| | General needs £ | Supported housing £ | Central office £ | Restricted £ | 2025 Total £ | 2024 Total £ |
|---|-------------------------|---------------------------|-------------------------|----------------------|-----------------------|-----------------------|
| Income | | | | | | |
| Rental income | 1,355,100 | 3,978,931 | 105,214 | - | 5,439,245 | 4,893,659 |
| Contracted income | - | 684,266 | - | - | 684,266 | 1,296,513 |
| Other grants | - | - | - | - | - | 27,075 |
| Commercial premises | - | - | - | - | - | 27,246 |
| Other income Homes England | 21 | 438,850 | 236,697 | 12,059 | 687,627 | 4,636 |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>109,259</u> | <u>109,259</u> | <u>98,806</u> |
| Turnover from SHL | 1,355,121 | 5,102,047 | 341,911 | 121,318 | 6,920,397 | 6,347,935 |
| Operating expenditure | | | | | | |
| Salaries | (546,533) | (1,752,675) | (122,032) | - | (2,421,240) | (1,924,441) |
| Other staff costs | 229 | (67,159) | (75,832) | - | (142,762) | (146,475) |
| Premises costs | (7,661) | (22,723) | (177,582) | - | (207,966) | (190,797) |
| Office costs | - | (3,138) | (103,466) | - | (106,604) | (154,039) |
| Insurance | - | (100) | (186,775) | - | (186,875) | (161,999) |
| General costs | (16,190) | (1,929) | (456,283) | - | (474,402) | (329,668) |
| Support costs | (19,061) | (62,120) | (973) | (31,957) | (114,111) | (71,688) |
| Maintenance / van costs | (107,389) | - | - | - | (107,389) | (56,391) |
| Housing costs | (1,041,332) | (1,605,224) | (107,768) | - | (2,754,324) | (2,291,726) |
| Depreciation | (133,626) | (138,822) | (66,727) | - | (339,175) | (337,210) |
| Pension service/ finance costs | - | - | 136,000 | - | 136,000 | 86,000 |
| Profit/(loss) on sale of tangible fixed assets | <u>(31,785)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(31,785)</u> | <u>-</u> |
| Operating expenditure on SHL | (1,903,348) | (3,653,890) | (1,161,438) | (31,957) | (6,750,633) | (5,578,434) |
| Operating surplus/ (loss) on SHL | <u>(548,227)</u> | <u>1,448,157</u> | <u>(819,527)</u> | <u>89,361</u> | <u>169,764</u> | <u>769,501</u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

8. **SURPLUS BEFORE TAXATION - continued**

Included within general costs is auditor's remuneration for the year totalling £21,000 (2024: £21,000), this expenditure related solely for audit services.

9. **TAXATION**

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 March 2025 nor for the year ended 31 March 2024.

10. **ACCOMMODATION OWNED, MANAGED AND IN DEVELOPMENT**

| | Number of units at end date 2025 | Number of units at end date 2024 |
|---------------------------------|---|---|
| Social housing | | |
| General needs housing | 44 | 107 |
| Sustainable tenancy | 103 | 49 |
| Supported housing | <u>143</u> | <u>41</u> |
| Total Social housing | 290 | 197 |
| Non-social housing | | |
| General needs housing | 62 | 39 |
| Sustainable tenancy | 46 | 76 |
| Supported housing | <u>11</u> | <u>147</u> |
| Total Non-Social housing | 119 | 262 |
| Total owned and managed | <u>409</u> | <u>459</u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

11. SURPLUS/(DEFICIT)

Surplus/(deficit) is stated after charging:

| | 2025 £ | 2024 £ |
|--|------------------|------------------|
| Auditor's remuneration (including expenses and benefits in kind) for audit | 21,000 | 21,000 |
| Depreciation of housing properties and components | 269,539 | 249,681 |
| Depreciation of other tangible assets | 69,637 | 87,529 |
| Grants released against depreciation | (109,260) | (98,805) |
| Rent losses from bad debts | 83,454 | 138,844 |
| Operating lease rentals | <u>1,332,545</u> | <u>1,190,142</u> |

12. TANGIBLE FIXED ASSETS

| | Freehold property £ | Long leasehold £ | Fixtures and fittings £ | Totals £ |
|------------------------|---------------------------|------------------------|----------------------------------|------------------|
| COST | | | | |
| At 1 April 2024 | 989,704 | 70,165 | 1,531,988 | 2,591,857 |
| Additions | 45,903 | - | 45,805 | 91,708 |
| Disposals | <u>-</u> | <u>-</u> | <u>(26,681)</u> | <u>(26,681)</u> |
| At 31 March 2025 | <u>1,035,607</u> | <u>70,165</u> | <u>1,551,112</u> | <u>2,656,884</u> |
| DEPRECIATION | | | | |
| At 1 April 2024 | 312,791 | 70,165 | 1,387,189 | 1,770,145 |
| Charge for year | 18,206 | - | 51,430 | 69,636 |
| Eliminated on disposal | <u>-</u> | <u>-</u> | <u>(8,914)</u> | <u>(8,914)</u> |
| At 31 March 2025 | <u>330,997</u> | <u>70,165</u> | <u>1,429,705</u> | <u>1,830,867</u> |
| NET BOOK VALUE | | | | |
| At 31 March 2025 | <u>704,610</u> | <u>-</u> | <u>121,407</u> | <u>826,017</u> |
| At 31 March 2024 | <u>676,913</u> | <u>-</u> | <u>144,799</u> | <u>821,712</u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

13. HOUSING PROPERTIES FOR LETTING

| | Land and buildings £ | Leasehold improvements £ | Total £ |
|------------------------|----------------------------|--------------------------------|-------------------|
| COST | | | |
| At 1 April 2024 | 10,002,839 | 1,284,567 | 11,346,276 |
| Additions | 2,036,983 | 38,744 | 2,075,727 |
| Disposals | <u>(14,669)</u> | <u>(4,041)</u> | <u>(18,709)</u> |
| At 31 March 2025 | <u>12,025,153</u> | <u>1,378,141</u> | <u>13,403,294</u> |
| DEPRECIATION | | | |
| At 1 April 2024 | 975,713 | 852,455 | 1,828,168 |
| Charge for the year | 176,646 | 92,893 | 269,539 |
| Eliminated on disposal | <u>(1,574)</u> | <u>(3,119)</u> | <u>(4,693)</u> |
| At 31 March 2025 | <u>1,150,785</u> | <u>942,229</u> | <u>2,093,014</u> |
| NET BOOK VALUE | | | |
| At 31 March 2025 | <u>10,874,368</u> | <u>435,912</u> | <u>11,310,280</u> |
| At 31 March 2024 | <u>9,027,126</u> | <u>490,982</u> | <u>9,518,108</u> |

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2025 £ | 2024 £ |
|---|------------------|------------------|
| Trade debtors (gross social housing rent arrears) | 446,663 | 313,151 |
| Provision for bad and doubtful debts | <u>(219,632)</u> | <u>(184,273)</u> |
| Trade debtors (other) | 195,089 | 116,080 |
| Other debtors | 193,663 | - |
| Prepayments and accrued income | <u>70,885</u> | <u>235,368</u> |
| | <u>686,668</u> | <u>480,326</u> |

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2025 £ | 2024 £ |
|---|------------------|------------------|
| Bank loans and overdrafts (see note 17) | 229,878 | 226,995 |
| Trade creditors | 226,270 | 351,738 |
| Social security and other taxes | 46,694 | 43,241 |
| Other creditors | 15,400 | 3,538 |
| Accruals and deferred income | 1,028,269 | 498,819 |
| Deferred income capital grants | <u>109,260</u> | <u>98,805</u> |
| | <u>1,655,771</u> | <u>1,223,136</u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

16. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

| | 2025 | 2024 |
|--------------------------------|-------------------------|-------------------------|
| | £ | £ |
| Bank loans (see note 17) | 2,824,916 | 2,900,724 |
| Deferred income capital grants | 3,612,875 | 3,235,854 |
| | <u>6,437,791</u> | <u>6,136,578</u> |

Bank loans, other creditors and deferred income re capital grants include aggregate amounts of £5,551,803 (2024: £5,251,979) which fall due after five years and which are payable by instalments.

17. **LOANS**

An analysis of the maturity of loans is given below:

| | 2025 | 2024 |
|---|-------------------------|-------------------------|
| | £ | £ |
| Amounts falling due within one year or on demand: | | |
| Bank loans | <u>229,878</u> | <u>226,995</u> |
| Amounts falling due between one and two years: | | |
| Bank loans - 1-2 years | <u>226,351</u> | <u>226,993</u> |
| Amounts falling due between two and five years: | | |
| Bank loans - 2-5 years | <u>659,636</u> | <u>657,606</u> |
| Amounts falling due in more than five years: | | |
| Repayable by instalments | | |
| Bank loans more 5 yr by instal | <u>1,938,929</u> | <u>2,016,125</u> |

Bank loans totalling £1,868,992 (2024: £1,920,186) are secured by a first legal charge over freehold and leasehold residential properties owned by the charity. The above loans are repayable monthly over a 20 year period at rates of interest charged at 2.5% over the bank's base rate.

Bank loans totalling £1,169,330 (2024: £1,180,906) are secured by a first legal charge over freehold and leasehold residential properties owned by the charity. The above loans are repayable monthly over a 15 year period at rates of interest charged at 2.1% over the bank's base rate.

Bounce back loan totalling £16,472 (2024: 26,627) is repayable monthly over a 2 year period at rates of interest charged at a fixed 2.5%.

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

18. **LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

| | 2025 | 2024 |
|----------------------------|-------------------------|------------------|
| | £ | £ |
| Within one year | 668,968 | 832,559 |
| Between one and five years | 1,111,092 | 1,482,978 |
| In more than five years | <u>223,971</u> | <u>330,543</u> |
| | <u>2,004,031</u> | <u>2,646,080</u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

19. RESERVES

| | BF 01.04.24 £ | Income £ | Expenditure £ | Transfers £ | Gains/ (losses) £ | CF 31.03.25 £ |
|--|-------------------------|-------------------------|---------------------------|-----------------|-------------------------|--------------------------|
| Unrestricted | | | | | | |
| General reserves | 5,333,145 | 6,798,836 | (6,786,665) | - | - | 5,345,316 |
| Pension reserves | <u>2,799,000</u> | <u>153,000</u> | <u>-</u> | <u>-</u> | <u>2,098,000</u> | <u>5,050,000</u> |
| | 8,132,145 | 6,951,836 | (6,786,665) | - | 2,098,000 | 10,395,316 |
| Restricted | | | | | | |
| South Yorkshire Offender Partnership | 7,036 | - | - | - | - | 7,036 |
| Homes England | 341,624 | 109,259 | (65,999) | - | - | 384,884 |
| Derbyshire Domestic Abuse | 11,907 | - | (7,621) | - | - | 4,286 |
| Open Gate Trust | 273 | - | (255) | - | - | 18 |
| Church on the Bus | 123 | - | (120) | - | - | 3 |
| Morrisons Foundation | 3,462 | - | (1,826) | - | - | 1,636 |
| Mansfield District Council | 15,000 | - | - | - | - | 15,000 |
| B&Q Foundation Stonecross | 3,612 | - | (783) | - | - | 2,829 |
| Horticulture Sandfield Stonecross (Mansfield) | 27,075 | - | (14,114) | - | - | 12,961 |
| Derby City Mission | <u>-</u> | <u>12,302</u> | <u>(2,081)</u> | <u>-</u> | <u>-</u> | <u>10,221</u> |
| | <u>410,112</u> | <u>121,561</u> | <u>(92,799)</u> | <u>-</u> | <u>-</u> | <u>438,874</u> |
| Total reserves | <u><u>8,542,257</u></u> | <u><u>7,073,397</u></u> | <u><u>(6,879,464)</u></u> | <u><u>-</u></u> | <u><u>2,098,000</u></u> | <u><u>10,834,190</u></u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

Restricted reserves consist of the following:

South Yorkshire Offender Partnership: Hope renovation project education and resources in Rotherham.

Homes England: Bringing empty homes into use within the private sector.

Derbyshire Domestic Abuse: The provision of resources to ensure that our support line in Derbyshire is accessible by all victims of domestic abuse including those from marginalised/isolated communities.

Open Gate Trust: Provision of Lifewise sessions at Newbold Court.

Church on the Bus: Microwaves for Newbold Court clients.

Morrisons Foundation: Provision of client activities, hobbies and interests at Newbold and Highfield Road.

Mansfield District Council: Works at the Carr Bank Pavilion to make accommodation safe and comfortable.

B&Q Foundation Stonecross: To fund the provision of kitchen equipment for Stonecross and a sofa for Resource Centre.

Horticulture Sandfield Stonecross (Mansfield): To create horticultural and recreational areas at Sandfield Close, Mansfield and Newbold Court, Chesterfield. The construction and maintenance of these areas will provide meaningful activities for the tenants of these projects along with other tenants in dispersed properties.

Derby City Mission: To help fund the engagement of tenants in our support workshops for the engagement activities at Derby Transition Hub (Uttoxeter).

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

Prior year reserves

| | BF 01.04.23 £ | Income £ | Expenditure £ | Transfers £ | Gains/ (losses) £ | CF 31.03.24 £ |
|--|-------------------------|-------------------------|---------------------------|-----------------|-----------------------|-------------------------|
| Unrestricted | | | | | | |
| General reserves | 4,608,391 | 6,141,426 | (5,459,086) | 42,414 | - | 5,333,145 |
| Pension reserves | <u>1,807,000</u> | <u>98,000</u> | <u>-</u> | <u>-</u> | <u>894,000</u> | <u>2,799,000</u> |
| | 6,415,391 | 6,239,426 | (5,459,086) | 42,414 | 894,000 | 8,132,145 |
| Restricted | | | | | | |
| South Yorkshire Offender Partnership | 7,036 | - | - | - | - | 7,036 |
| Homes England | 404,658 | 98,805 | (119,425) | (42,414) | - | 341,624 |
| Derbyshire Domestic Abuse | 11,907 | - | - | - | - | 11,907 |
| Open Gate Trust | 273 | - | - | - | - | 273 |
| Church on the Bus | 123 | - | - | - | - | 123 |
| Morrison's Foundation | 4,222 | - | (760) | - | - | 4,222 |
| Mansfield District Council | 15,000 | - | - | - | - | 15,000 |
| B&Q Foundation Stonecross | 3,612 | - | - | - | - | 3,612 |
| Horticulture Sandfield Stonecross (Mansfield) | <u>-</u> | <u>27,075</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>27,075</u> |
| | <u>446,831</u> | <u>125,880</u> | <u>(120,185)</u> | <u>(42,414)</u> | <u>-</u> | <u>410,112</u> |
| Total reserves | <u><u>6,862,222</u></u> | <u><u>6,365,306</u></u> | <u><u>(5,579,271)</u></u> | <u><u>-</u></u> | <u><u>894,000</u></u> | <u><u>8,542,257</u></u> |

The transfer between unrestricted reserves and the Homes England restricted reserve is in relation to uncatagorised expenditure not recognised in the previous financial year. This has been corrected through a transfer in funds in 2024.

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

20. EMPLOYEE BENEFIT OBLIGATIONS

Certain employees of Action Housing and Support Limited participate in the South Yorkshire Pension Fund, a defined benefit, funded statutory scheme administered by the South Yorkshire Pensions Authority in accordance with the Local Government Pension Scheme Regulations 1995. An actuarial valuation of this fund was carried out in accordance with the Regulations as at 31 March 2022.

The pension cost is assessed every three years in accordance with the advice of a qualified independent actuary. The assumptions and other data that have the most significant effect on the determination of the contributions are as follows:

The end of year figures for the market value of the assets and split of the assets between investment categories have been calculated as at 31 March 2025. The corresponding figures for the start of the year have been calculated as at 31 March 2025. The major assumptions used by the actuary were:

| | |
|---|------------------------|
| Latest full actuarial valuation | 31 March 2022 |
| Market value of assets at date of the last full valuation | £10,674 million |

The amounts recognised in surplus or deficit are as follows:

| | Defined benefit pension plans | |
|---------------------------------------|--------------------------------------|--------------|
| | 2025 | 2024 |
| | £ | £ |
| Present value of funded obligations | (11,738,000) | (13,753,000) |
| Fair value of plan assets | 16,802,000 | 16,567,000 |
| | 5,064,000 | 1,823,000 |
| Present value of unfunded obligations | (14,000) | (15,000) |
| Surplus/(Deficit) | 5,050,000 | 2,799,000 |
| Net asset/(liability) | 5,050,000 | 2,799,000 |

The amounts recognised in surplus or deficit are as follows:

| | Defined benefit pension plans | |
|---|--------------------------------------|-------------|
| | 2025 | 2024 |
| | £ | £ |
| Current service cost | 48,000 | 62,000 |
| Net interest from net defined benefit asset/liability | 662,000 | 649,000 |
| Past service cost | - | - |
| | 710,000 | 711,000 |
| Actual return on plan assets | - | - |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

20. **EMPLOYEE BENEFIT OBLIGATIONS - continued**

Changes in the present value of the defined benefit obligation are as follows:

| | Defined benefit pension plans | |
|--|--|--------------------------|
| | 2025 | 2024 |
| | £ | £ |
| Opening defined benefit obligation | 13,768,000 | 13,779,000 |
| Current service cost | 48,000 | 62,000 |
| Contributions by scheme participants | 19,000 | 21,000 |
| Interest cost | 662,000 | 649,000 |
| Benefits paid | (275,000) | (325,000) |
| Remeasurements: | | |
| Actuarial (gains)/losses from changes in demographic assumptions | (24,000) | (75,000) |
| Actuarial (gains)/losses from changes in financial assumptions | (2,304,000) | (849,000) |
| Oblig other remeasurement | (142,000) | 506,000 |
| | <u>11,752,000</u> | <u>13,768,000</u> |

Changes in the fair value of scheme assets are as follows:

| | Defined benefit pension plans | |
|---|--|--------------------------|
| | 2025 | 2024 |
| | £ | £ |
| Opening fair value of scheme assets | 16,567,000 | 15,586,000 |
| Contributions by employer | 63,000 | 72,000 |
| Contributions by scheme participants | 21,000 | 23,000 |
| Interest received | 798,000 | 735,000 |
| Benefits paid | (275,000) | (325,000) |
| Return on plan assets (excluding interest income) | (372,000) | 476,000 |
| | <u>16,802,000</u> | <u>16,567,000</u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

20. **EMPLOYEE BENEFIT OBLIGATIONS - continued**

The amounts recognised in other comprehensive income are as follows:

| | Defined benefit pension plans | |
|--|--|----------------|
| | 2025 | 2024 |
| | £ | £ |
| Actuarial (gains)/losses from changes in demographic assumptions | 24,000 | 75,000 |
| Actuarial (gains)/losses from changes in financial assumptions | 2,304,000 | 849,000 |
| Oblig other remeasurement | 142,000 | (506,000) |
| Return on plan assets (excluding interest income) | (372,000) | <u>476,000</u> |
| | <u>2,098,000</u> | <u>894,000</u> |

The major categories of scheme assets as amounts of total scheme assets are as follows:

| | Defined benefit pension plans | |
|-------------|--|-------------------|
| | 2025 | 2024 |
| | £ | £ |
| Equities | 11,425,360 | 11,431,230 |
| Bonds | 3,528,420 | 3,479,070 |
| Property | 1,680,200 | 1,491,030 |
| Cash/liquid | 168,020 | <u>165,670</u> |
| | <u>16,802,000</u> | <u>16,567,000</u> |

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

| | 2025 | 2024 |
|------------------------------|--------------|-------------|
| Rate of inflation | 2.60% | 3.20% |
| Rate of increase in salaries | 3.35% | 3.35% |
| Rate of increase in pensions | 2.75% | 2.75% |
| Discount rate | 5.80% | 4.85% |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

20. **EMPLOYEE BENEFIT OBLIGATIONS - continued**

Mortality assumptions

The current mortality assumptions include sufficient allowance for future improvement in mortality rates. The assumed life expectations on retirement aged 65 are:

| | 2025 | 2024 |
|--|------|------|
| Retiring today/current pensioners | | |
| Males | 20.5 | 20.6 |
| Females | 23.6 | 23.6 |
| Retiring in 20 years/future pensioners | | |
| Males | 21.3 | 21.5 |
| Females | 25.0 | 25.0 |

Amounts recognised in the income and expenditure account:

| | 2025 | 2024 |
|--------------------------------------|---------------|---------------|
| Current service cost | (48,000) | (62,000) |
| Effect of curtailment or settlements | - | - |
| Past service cost | - | - |
| Net interest cost | 136,000 | 86,000 |
| Administrative costs | - | - |
| | <u>88,000</u> | <u>24,000</u> |

Amounts recognised in the statement of total recognised gains and losses:

| | 2025 | 2024 |
|----------------------------|------------------|----------------|
| Actuarial gains / (losses) | <u>2,098,000</u> | <u>894,000</u> |

21. **CAPITAL FUNDING AND COMMITMENTS**

Prior to the year end, Action Housing and Support Ltd were contracted to capital expenditure amounting to £641,714 (2024: £Nil).

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

22. RELATED PARTY DISCLOSURES

In the prior financial year, WINTAI Services Ltd was engaged to provide a statutory data protection service and also data protection consultancy services. A Trustee of WINTAI Services Ltd is a family member of Atholl Stott, the CEO. Fees for this work totalled £20,476 (2024: £4,299). At the year end, no balance was due to WINTAI Services Ltd (2024: £248).

A Trustee of Botanical Moonlight is a family member of Atholl Stott, the CEO. Fees for this work totalled £23,003 (2024: £957). At the year end, the balance owed to Botanical Moonlight was £353 (2024: £Nil).

Niall Macpherson Property Services, owned by Niall Macpherson, a Trustee in the previous financial year, provided technical consultancy services, to review the property portfolio for impairment. Fees for this work totalled £Nil (2024: £1,500).

D Roper, related to the Head of Services at Action Housing and Support Ltd, provided various repairs and maintenance to the association in the financial year. Fees for this work totalled £49,114 (2024: £36,249). This supplier was proposed by the Head of Services.

JMS Decorating & Maintenance, related to the Head of Services at Action Housing and Support Ltd, provided various repairs and maintenance to the association in the financial year. Fees for this work totalled £36,902 (2024: £34,192). This supplier was proposed by the Head of Services.

Mozen Consulting Ltd provided professional services to the association in the previous year. Hilary Frazer, a Trustee, is a director at Mozen Consulting Ltd. Fees for this work totalled £Nil (2024: £1,500).

The Chain Housing & Support Ltd provided shelter services to the association in the previous year. Philip Taylor, a Trustee, is a director at The Chain Housing & Support Ltd. Fees for this work totalled £Nil (2024: £5,500).

HCF provided professional services to the association in the previous year. Hilary Frazer, a Trustee, is a director at HCF. Fees for this work totalled £250 (2024: £Nil).

S J Otten Training & Consultancy Ltd provided professional services to the association in the current year. S J Otten, a Trustee, is a director at S J Otten Training & Consultancy Ltd. Fees for this work totalled £2,000 (2024: £Nil).

Company Registration Number: 00548338 (England and Wales)

Homes England Number: 4660

Registered Charity Number: 511265

Report of the Trustees and

Financial Statements for the Year Ended 31 March 2025

for

Action Housing And Support Limited

Action Housing And Support Limited

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for the Year Ended 31 March 2025

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Action Housing And Support Limited

**Trustees' Report Incorporating the Operational and Financial Review
for the Year Ended 31 March 2025**

Trustee's Report 24/25

The trustees, who are the non-executive trustees of the company, present their report with the audited financial statements of the charitable company for the year ended 31 March 2025.

REFERENCE AND ADMINISTRATIVE DETAILS

Company registration number: 01548338 (England and Wales)

Charity registration number: 511265

Homes England registration number: 4660

Members of the board: Mr T De'Ath (Chair)
Mr P Bayliss (Vice Chair)
Mrs P Warnock
Ms H Frazer
Mr F Hanson
Mr P Taylor
Mr S Otten
Mr S Watson

Chief Executive: Mr A Stott

Registered office: 6 Genesis Business Park
Sheffield Road
Rotherham
South Yorkshire
S60 1DX

Auditor: Sutton McGrath Hartley
5 Westbrook Court
Sharrowvale Road
Sheffield
South Yorkshire
S11 8YZ

Solicitor: Bailoran
West Hill House
Allerton Hill
Leeds
L27 3QB

Solicitor: Ward Hadaway
5 Wellington Place
Leeds
LS1 4AP

Action Housing And Support Limited

**Trustees' Report Incorporating the Operational and Financial Review
for the Year Ended 31 March 2025**

Solicitor: Hill Dickinson
50 Fountain Street
Manchester
M2 2AS

Bankers: Metro Bank
58-64 Fargate
Sheffield
S1 2HE

Bankers: Unity Trust Bank Plc
Nine Brindley Place
Birmingham
B1 2HB

Action Housing And Support Limited

Trustees' Report Incorporating the Operational and Financial Review for the Year Ended 31 March 2025

PRINCIPAL ACTIVITY

Principle Activities

The Trustees, who are the non executive trustees of the company, present their report with the audited financial statements of the charitable company for the year ended 31 March 2025.

Action Housing and Support works for the public benefit through its principal activities of providing accommodation, support, education and employability training and related services to a wide variety of vulnerable people. Currently these activities are carried out in Yorkshire, Nottinghamshire and Derbyshire. The objective of the charity is expressed in its Articles of Association:

'To educate, train and relieve poverty and sickness among persons who are suffering or who have suffered a legal restriction on their liberty in any penal or correctional establishment or through any means whatever including issues with learning difficulties, mental health, drug and alcohol, woman escaping domestic abuse, young people with multiple needs, sex workers and other vulnerable persons who require assistance to achieve and or maintain independence, also including (but not limited to) any orders made under the Mental Health Act or some other similar legislation and the families of such persons in such ways as the Board think fit and to further and promote the study of and research into all aspects and methods of the prevention of crime and delinquency and to obtain and make records of and disseminate information concerning the same, and to promote, support or carry on either alone or in co-operation with any subsidiary company of the Association or any other body, authority, or person, any project or scheme in connection with any methods of the prevention of crime and delinquency and to provide monies for such purposes whether by way of loans, grants, advances, gifts or otherwise as the Board think fit;

To carry on for the benefit of the community the business of providing social housing and any associated amenities, services, advice or assistance.

To promote or carry out any other charitable purpose that can be carried out by a company registered as a social landlord with the Tenant Services Authority or such similar authority from time to time.

The aim of the company is to work to enable vulnerable people to establish a home and live responsibly in society.'

REVIEW OF BUSINESS

Organisational Status

Action Housing & Support is a Registered Charity and a Company Limited by Guarantee, without share capital. Its governing instrument is the Articles of Association.

Action Housing & Support is also a Registered Housing Provider and these accounts are prepared in accordance with the Companies Act 2006, the Housing Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.

Action Housing And Support Limited

**Trustees' Report Incorporating the Operational and Financial Review
for the Year Ended 31 March 2025**

Internal Controls, Governance and Risk Management

A Board of Trustees governs the company. The Board exists to provide probity and governance to Action Housing & Support, set the strategic direction, ensure adherence to the Articles of Association, support the Executive Team as they run the business, appoint the Chief Executive and hold them to account, provide advice, scrutiny and fresh eyes, behaving as critical friends.

Our Governance Framework covers the principles by which our organisation is constituted. It also records who take decisions, and how the decisions taken are recorded, communicated and implemented. Our organisation is a values-led, 'not for profit' organisation, and all income goes into running the organisation and the services delivered by it.

The Trustees continually review the risks to which the charity is exposed. Systems are in place to mitigate those risks utilising our Risk Management Framework & Business Continuity Plan.

Recruitment and appointment to the Board of Trustees is by a formal process as defined within the Code of governance. Trustees undergo a period of induction in which they meet staff and clients, and are encouraged to attend events designed to promote their understanding of good governance.

Board Membership and Responsibilities

The members below have served in office from 1 April 2023 to the date of this report, except where otherwise indicated:

Mr T De'Ath (Chair)

Mr P Bayliss (Vice Chair)

Ms H Frazer

Mr F Hanson

Mr P Taylor

Mrs P Warnock

Mr S Otten (appointed 2 September 2024)

Mr S Watson (appointed 2 December 2024)

Mr I Knowles (resigned 2 September 2024)

No remuneration is paid to Trustees, in their capacity as Trustees, and as the company is limited by guarantee, none of the Trustees has any interest in the shares or retained reserves.

Action Housing And Support Limited

**Trustees' Report Incorporating the Operational and Financial Review
for the Year Ended 31 March 2025**

STRATEGIC REPORT

Operational Review

Our activities focus on tenancy sustainment, the provision of accommodation, the prevention of offending and homelessness, the supporting of individuals to independent and self-sufficient living. The delivery of our services benefits individuals through the creation of opportunity, enabling them to realise their potential and lead fulfilling lives.

Our funding currently enables the services we provide to be delivered to residents or people living in:

- Rotherham
- Sheffield
- Mansfield
- Chesterfield
- Derby

In 2024/25 services were again provided to more than 1,000 individuals with the duration of support ranging from responsive phone calls which in effect last minutes to detailed and specific support programmes lasting up to two years and in some instances even longer. We also continue to provide units of supported accommodation to people with complex needs together with the provision of specified accommodation.

We have worked closely with Homes England and by further utilising their affordable homes programme and working in partnership with our local authorities partners we intend to further develop our housing stock both in supported accommodation and general needs in the coming years.

The impact of our work goes beyond those we help directly; it reduces the distress suffered by families, friends and the wider society. It reduces demands upon statutory services and the public purse in terms of a reduction in crime, anti-social behaviour, drug abuse, poor health and social exclusion, and assists in the building of cohesive neighbourhoods.

The primary income sources of the Charity are rental income and contracts with local authorities. As mentioned above, Homes England provided development funding this year to enable us to increase our housing stock. We also received a number of smaller grants, which were used to purchase equipment and deliver activities to our client group across our programmes.

The company maintained existing contracts, were awarded new contracts and also a contract extension was awarded for our HiRO services in Derbyshire.

Having successfully worked with Councils and Homes England delivering the RSAP (Rough Sleeper Accommodation Program) Action Housing successfully bid for and won a new contract to deliver a SHAP (Single Homeless Accommodation Program) in Sheffield.

The organisation continued to work towards the board's approved 3 year Business Plan. This plan has subsequently been updated taking the organisation to 2027.

The plan focuses on five key issues: -

- Quality of service and investment in the services provided.
- Investment in staff, their development and wellbeing.
- Investment in accommodation.
- Ensuring adequate reserves are accumulated and built upon.
- Strengthening the balance sheet of the organisation.

Trustees remain committed to the generation of income for the Charity and opportunity for our clients, but are clear that diversification must be appropriate and sustainable in the longer term. The Board continue to work with the Senior Management Team to ensure our continued success, development and growth.

Action Housing And Support Limited

Trustees' Report Incorporating the Operational and Financial Review for the Year Ended 31 March 2025

The charity's principal asset remains its staff and the Trustees acknowledge the contribution of every staff member and thank them for their work and commitment.

Financial Review

Action Housing & Support operates in a challenging financial environment and continues to experience restrictions on resources. Funding is on a contractual, cyclical basis and is often secured via competitive tender. Funding from the Communities and Local Government (administered by the local authorities) and in particular Housing Related Support, equates to 19% of all income. Our main source of income is via rental income from the units that we manage. This year we also received grant funding from Homes England, Derby City Council, Mansfield District Council, Rotherham Council and Sheffield City Council.

As a result of the challenges previously outlined, overall, the organisation returned a £193,933 surplus on activities before taxation (2024 - £786,035). The closing net assets at 31 March 2025 were £10,834,190 (2024 - £8,542,257) of which £438,874 (2024 - £410,112) was restricted funds and £5,345,316 (2024 - £5,333,145) was unrestricted reserves and £5,050,000 pension surplus reserve (2024 - £2,799,000).

The trustees have updated their three year financial plan showing forecasts of income, expenditure and cash flow for the period to 31 March 2027. The forecasts show that the company will generate future surpluses and has sufficient cash reserves to be able to continue its operations for the foreseeable future.

Reserves Policy

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charities Commission. The free reserves consist of unrestricted funds, net of fixed assets, and associated bank loans. Due to our strategic commitment to develop properties, which generate long-term income, our free reserves are currently held at (£14,052) (2024 - £1,356,898). In the past year our reserves have decreased due to the heavy investment in our housing portfolio, however this figure does not come as a surprise as we were committed to increasing our balance sheet. This was also a requirement on the successful tender of a new contract involving the purchase of 15 properties. The level of reserves is monitored and reviewed by Trustees throughout the year as part of our ongoing management of risk. Our free reserves level is not assessed as a significant risk at present. We have in place a plan over the next three years to incrementally increase the level of free reserves held.

Key Risks

The main risks faced by the Charity are identified as:

- Reduction in public sector funding for services to support vulnerable people due to a continuing austerity environment. The main controls for this are dedicated business development resource, researching and identifying new opportunities and the maintenance of positive relationships and open dialogue with commissioners, enabling service redesign rather than decommission.
- Change in senior leadership. The board are committed to ensuring a new business strategy is in place underpinned by sustainable investment in resource capacity.
- Maintaining adequate cashflow, reducing contractual income and significant development activity. Main controls for this are active cashflow management and monitoring, careful budgeting, consideration of appropriate credit facilities and scrutiny and oversight by the Board of Trustees.
- Comprehensive risk management procedures, with risks reported to the Board twice yearly for review.

Remuneration Policy

The Board of Trustees have overview of senior pay and terms and conditions. Salaries are benchmarked by use of the ACEVO pay survey and national CIPD pay survey information.

Action Housing And Support Limited

Trustees' Report Incorporating the Operational and Financial Review for the Year Ended 31 March 2025

Investments

The company's investment powers are set out in its Articles of Association and allow the company to invest funds not immediately required in securities and property, subject to such conditions as may be required by law. Those responsible for financial management remain mindful of the current economic climate and the need to invest to secure maximum income whilst managing associated risk.

Plans for future periods

Building on the work already carried out, in the forthcoming year we aim to:

- Focus on the quality of service delivery
- Focus on our employment practices and improve the quality and capability of our staff
- Improve the quality of our housing stock
- Deliver a standard approach throughout the company
- Develop more units of accommodation
- Develop and build ever-stronger strategic relationships, raising the profile of Action.

Events since the balance sheet date

There are no other important events that have occurred since the balance sheet date which affect the company.

Value for Money

Action Housing & Support has developed over the years by tendering for services in a continual, competitive cycle. This cycle ensures that services and the value they provide are reviewed and tested against the open market. It also continues to develop its property portfolio, which has resulted in the increased provision of supported accommodation. During 2024/2025, the organisation has focussed on delivering value for money through the following activity:

- Tendering for the supply of specific contract works suited to the organisation's capabilities.
- Realignment of managerial resources in proportion to support reductions in specific areas of work.

Value for money remains critical to the organisation and to the successful submission of tenders. Plans for 2025/26 include:

- Focus on performance and accountability of all budget holders
- Continue to review and retender all contracts and suppliers of services
- Continue to develop and implement systems and processes that will facilitate and support excellent customer service

To comply with the Regulator of Social Housing Value for Money Metrics requirement, Action Housing and Support has calculated the following data:

| | 2025 | 2024 |
|--|-------------|-------------|
| Metric 1 Reinvestment % | 15% | 15% |
| Metric 2 New supply delivered (social housing units) | 45% | 14% |
| Metric 3 Gearing % | 15% | 7% |
| Metric 4 Earnings before interest, tax and depreciation % | 230% | 651% |
| Metric 5 Headline Social cost per unit | £13,403 | £12,471 |
| Metric 6 Operating Margin % (social housing and overall the same) | 3% | 12% |
| Metric 7 Return on capital employed % | 2% | 7% |

Action Housing And Support Limited

**Trustees' Report Incorporating the Operational and Financial Review
for the Year Ended 31 March 2025**

Trustees' Responsibilities

The trustees (who are also trustees of Action Housing and Support for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law and registered social housing legislation requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

The auditors, Sutton McGrath Hartley, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

.....
Mr T De'Ath - Trustee

Date:

Report of the Independent Auditors to the Members of
Action Housing And Support Limited

Opinion

We have audited the financial statements of Action Housing And Support Limited (the 'company') for the year ended 31 March 2025 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 2025 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private providers of social housing in England 2019.

Basis for opinion

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

Other information

The trustees are responsible for the other information. The other information comprises the information in the Trustees' Report Incorporating the Operational and Financial Review, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Report of the Independent Auditors to the Members of
Action Housing And Support Limited**

Opinions on other matters 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 Trustees' Report Incorporating the Operational and Financial Review for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report Incorporating the Operational and Financial Review has 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 Trustees' Report Incorporating the Operational and Financial Review.

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 Trustees' Report Incorporating the Operational and Financial Review.

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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page eight, the trustees 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 trustees determine 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 trustees 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 trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Report of the Independent Auditors to the Members of
Action Housing And Support Limited**

Auditors' responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our assessment of the susceptibility to material misstatement, whether by fraud or error, is made in a risk based approach.

In this approach, laws and regulations applicable to the entity, such as the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102, the Housing Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019, along with employment law, safeguarding legislation, data protection law and Health and Safety law.

The policies and controls the entity has in place to comply with these laws are reviewed, by discussion, reviews of correspondence and registrations monitored by external bodies. The engagement team remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Policies and controls relating to the risk of material misstatement as a result of fraud, management override of controls, and revenue recognitions are also considered. These are assessed by obtaining an understanding of the company's operations and control environment. The policies and controls have been reviewed by discussion, review and sample testing of accounting entries, including journals, challenging assumptions and judgements, reviewing and evaluating related parties transactions, and wider background searches. Testing of income recognition and fund accounting is also completed.

We have ensured that the engagement team have appropriate levels of competence and experience to effectively monitor these risks and carry out work relevant to our assessment of each risk, including consideration of the sector the company operates in and its size and complexity.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Report of the Independent Auditors to the Members of
Action Housing And Support Limited

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 a Report of the Auditors 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.

James Salim FCCA (Senior Statutory Auditor)
for and on behalf of Sutton McGrath Hartley
5 Westbrook Court
Sharrowvale Road
Sheffield
South Yorkshire
S11 8YZ

Date:

Action Housing And Support Limited

**Statement of Comprehensive
Income
for the Year Ended 31 March 2025**

| | Notes | 2025 £ | 2024 £ |
|---|-------|-------------------------|-------------------------|
| TURNOVER | 3 | 6,920,397 | 6,347,935 |
| Administrative expenses | | <u>6,750,633</u> | <u>5,578,434</u> |
| OPERATING SURPLUS | 8 | 169,764 | 769,501 |
| Interest receivable and similar income | | <u>24,718</u> | <u>17,371</u> |
| | | 194,482 | 786,872 |
| Interest payable and similar expenses | 5 | <u>549</u> | <u>837</u> |
| SURPLUS BEFORE TAXATION | | 193,933 | 786,035 |
| Tax on surplus | 7 | <u>-</u> | <u>-</u> |
| SURPLUS FOR THE FINANCIAL YEAR | | 193,933 | 786,035 |
| Remeasurement gains / (losses) on defined Benefit pension plan | | <u>2,098,000</u> | <u>894,000</u> |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | <u>2,291,933</u> | <u>1,680,035</u> |

The notes form part of these financial statements

Action Housing And Support Limited (Registered number: 01548338)

Balance Sheet
31 March 2025

| | Notes | £ | 2025 £ | £ | 2024 £ |
|--|-------|------------------|--------------------------|------------------|-------------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 12 | | 826,017 | | 821,712 |
| Housing properties for letting | 13 | | 11,310,280 | | <u>9,518,108</u> |
| | | | 12,136,297 | | 10,339,820 |
| CURRENT ASSETS | | | | | |
| Debtors | 14 | 686,668 | | 480,326 | |
| Cash at bank and in hand | | <u>1,054,787</u> | | <u>2,282,825</u> | |
| | | 1,741,455 | | 2,763,151 | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 15 | <u>1,655,771</u> | | <u>1,223,136</u> | |
| NET CURRENT ASSETS | | | <u>85,684</u> | | <u>1,540,015</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 12,221,981 | | 11,879,835 |
| CREDITORS | | | | | |
| Amounts falling due after more than one year | 16 | | (6,437,791) | | (6,136,578) |
| PENSION ASSET | 20 | | <u>5,050,000</u> | | <u>2,799,000</u> |
| NET ASSETS | | | <u>10,834,190</u> | | <u><u>8,542,257</u></u> |
| RESERVES | | | | | |
| Pension reserves | 19 | | 5,050,000 | | 2,799,000 |
| Restricted reserves | 19 | | 438,874 | | 410,112 |
| Income and expenditure account | 19 | | <u>5,345,316</u> | | <u>5,333,145</u> |
| | | | <u>10,834,190</u> | | <u><u>8,542,257</u></u> |

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
Mr T De'Ath - Trustee

The notes form part of these financial statements

Action Housing And Support Limited

Statement of Changes in Equity
for the Year Ended 31 March 2025

| | General reserves | Pension reserves | Restricted reserves | Total equity |
|--|-----------------------------|-----------------------------|--------------------------------|-------------------------|
| | £ | £ | £ | £ |
| Balance at 1 April 2023 | 4,608,391 | 1,807,000 | 446,831 | 6,862,222 |
| Changes in equity | | | | |
| Total comprehensive income | 724,754 | 98,000 | (36,719) | 786,035 |
| Remeasurement gain on defined benefit pension plan | <u>-</u> | <u>894,000</u> | <u>-</u> | <u>894,000</u> |
| Balance at 31 March 2024 | <u>5,333,145</u> | <u>2,799,000</u> | <u>410,112</u> | <u>8,542,257</u> |
| Changes in equity | | | | |
| Total comprehensive income | 12,171 | 153,000 | 28,762 | 193,933 |
| Remeasurement gain on defined benefit pension Plan | <u>-</u> | <u>2,098,000</u> | <u>-</u> | <u>2,098,000</u> |
| Balance at 31 March 2025 | <u>5,345,316</u> | <u>5,050,000</u> | <u>438,874</u> | <u>10,834,190</u> |

The notes form part of these financial statements

Action Housing And Support Limited

Cash Flow Statement
for the Year Ended 31 March 2025

| | | 2025 | 2024 |
|---|-------|---------------------------|--------------------|
| | Notes | £ | £ |
| Cash flows from operating activities | | | |
| Cash generated from operations | 1 | 1,141,153 | 1,433,076 |
| Interest paid | | (549) | (837) |
| Finance costs paid | | 222,699 | 159,985 |
| Defined benefit net interest cost | | (136,000) | (86,000) |
| Defined benefit current service cost | | (17,000) | (12,000) |
| Net cash from operating activities | | <u>1,210,303</u> | <u>1,494,224</u> |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | | (91,708) | (85,742) |
| Purchase of investment property | | (2,075,727) | (1,741,838) |
| Interest received | | 24,718 | 17,371 |
| Net cash from investing activities | | <u>(2,142,717)</u> | <u>(1,810,209)</u> |
| Cash flows from financing activities | | | |
| New loans in year | | 19,095 | 1,180,903 |
| Loan repayments in year | | (92,019) | (37,517) |
| Interest paid | | (222,699) | (159,985) |
| Net cash from financing activities | | <u>(295,624)</u> | <u>983,401</u> |
| (Decrease)/increase in cash and cash equivalents | | | |
| Cash and cash equivalents at beginning of year | 2 | 2,282,825 | 1,615,409 |
| Cash and cash equivalents at end of year | 2 | <u>1,054,787</u> | <u>2,282,825</u> |

The notes form part of these financial statements

Action Housing And Support Limited

Notes to the Cash Flow Statement
for the Year Ended 31 March 2025

1. **RECONCILIATION OF SURPLUS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

| | 2025 | 2024 |
|--|-------------------------|-------------------------|
| | £ | £ |
| Surplus before taxation | 193,933 | 786,035 |
| Depreciation charges | 339,175 | 337,210 |
| Loss on disposal of fixed assets | 31,784 | - |
| Finance costs | 549 | 837 |
| Finance income | <u>(24,718)</u> | <u>(17,371)</u> |
| | 540,724 | 1,106,711 |
| (Increase)/decrease in trade and other debtors | (206,344) | 53,493 |
| Increase in trade and other creditors | <u>806,773</u> | <u>272,872</u> |
| Cash generated from operations | <u>1,141,153</u> | <u>1,433,076</u> |

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2025

| | 31/3/25 | 1/4/24 |
|---------------------------|------------------|------------------|
| | £ | £ |
| Cash and cash equivalents | <u>1,054,787</u> | <u>2,282,825</u> |

Year ended 31 March 2024

| | 31/3/24 | 1/4/23 |
|---------------------------|------------------|------------------|
| | £ | £ |
| Cash and cash equivalents | <u>2,282,825</u> | <u>1,615,409</u> |

The notes form part of these financial statements

Action Housing And Support Limited

Notes to the Cash Flow Statement
for the Year Ended 31 March 2025

3. **ANALYSIS OF CHANGES IN NET DEBT**

| | At 1/4/24 £ | Cash flow £ | At 31/3/25 £ |
|---------------------------------|--------------------|--------------------|--------------------|
| Net cash | | | |
| Cash at bank and in hand | <u>2,282,825</u> | <u>(1,228,038)</u> | <u>1,054,787</u> |
| | <u>2,282,825</u> | <u>(1,228,038)</u> | <u>1,054,787</u> |
| Debt | | | |
| Debts falling due within 1 year | (226,995) | (2,883) | (229,878) |
| Debts falling due after 1 year | <u>(2,900,724)</u> | <u>75,808</u> | <u>(2,824,916)</u> |
| | <u>(3,127,719)</u> | <u>72,925</u> | <u>(3,054,794)</u> |
| Total | <u>(844,894)</u> | <u>(1,155,113)</u> | <u>(2,000,007)</u> |

The notes form part of these financial statements

Action Housing And Support Limited

Notes to the Financial Statements
for the Year Ended 31 March 2025

1. STATUTORY INFORMATION

Action Housing And Support Limited is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address are as below:

| | |
|---------------------------|--|
| Registered number: | 01548338 |
| Registered office: | 6 Genesis Business Park Sheffield Road Rotherham South Yorkshire S60 1DX |

2. ACCOUNTING POLICIES

Summary of significant accounting policies

Status

The company is registered under the Companies Act 2006 and has been a registered charity since 21 April 1981. The charitable company registered with the Regulator of Social Housing as a housing provider on 2 June 2011.

General information and basis of preparation

Action Housing and Support Limited is a private registered provider of social housing in the United Kingdom. The address of the registered office is given in the company's information on page 1 of these financial statements. The nature of the company's operations and principal activities are the provision of social housing.

The company constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Statement of Recommended Practice for Social Housing Providers 2018, and with the Accounting Direction for private registered providers of social housing in England 2019. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008 and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the association, and rounded to the nearest £.

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

Going Concern

The company has net assets of £10,834,190. This is a change from last year's position of net assets of and £8,542,257 is largely due to the movement on the defined benefit pension asset/liability of £2,251,000.

Forecasts prepared for future periods show that the company will generate future surpluses and has sufficient cash reserves to be able to continue its operations for the foreseeable future. Therefore, the Trustees believe it is appropriate for the financial statements to be prepared on a going concern basis.

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

2. **ACCOUNTING POLICIES - continued**

Tangible fixed assets

Housing properties

Social housing properties are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended, such as the cost of acquiring land and buildings, development costs, interest charges on loans during the development period and expenditure on improvements. Expenditure on improvements will only be capitalised when it results in incremental future benefits such as increasing rental income, reducing maintenance costs or results in a significant extension of the useful economic life of the property.

Major components of housing properties are depreciated at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

| | |
|--------------------|------------------|
| Structure | 100 years |
| Roofs | 60 years |
| Kitchens | 10 years |
| Bathrooms | 15 years |
| Windows and doors | 20 years |
| Boilers and fires | 12 years |
| Electrics | 30 years |
| Mechanical systems | 20 years |

Freehold land is not depreciated. Housing properties under construction are not depreciated until they are in use and the useful economic lives of all tangible fixed assets are reviewed annually.

Other

Other tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

| | |
|----------------------------|-------------------------------|
| Land | Not depreciated |
| Buildings - freehold | 50 years straight line |
| Buildings - long leasehold | Over lease term |
| Office furniture | 5 years straight line |
| Office equipment | 4 years straight line |
| Computer equipment | 3 years straight line |

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date.

If such indication exists, the recoverable amount is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in expenditure through the statement of comprehensive income.

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

2. ACCOUNTING POLICIES - continued

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income and expenditure in other administrative expenses.

Rights of social landlords to have improvement works carried out to properties by a third party (such as a local authority) are recognised as prepayments where payment has occurred in advance of the works being carried out and receipts in advance from the same third party recognised as liabilities. Assets and liabilities of income and expenditure are not offset.

Stocks

Stocks of paint, papers, sheets, blankets, cutlery and crockery are not taken, and items are charged in the accounts as an expense when purchased. The trustees do not consider that the value of stock is either significant or material.

Leases

Rentals paid under operating leases are charged in the income and expenditure account as incurred.

Tax

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

Turnover

Turnover represents rental and service charges income receivable in the year net of rent and service charge losses from voids, revenue grants from the government (local authorities) and Homes England.

Grants

Government grants are received from Homes England in respect of housing properties. These grants are recognised at the fair value of the asset received or receivable. Where the assets are accounted for using the model then the government grant is accounted for using the accruals model. The difference between the fair value of the asset and the consideration is recognised as a liability and amortised over the useful economic life of the asset. The amortisation is recognised within turnover. Where the assets are accounted for using the valuation model then the government grant is accounted for using the performance model so that turnover is taken once the performance conditions have been met.

Government grants received as a contribution to revenue expenditure are recognised in the statement of comprehensive income on a systematic basis over the period in which the landlord recognises the related costs for which the grant is intended to compensate. The related expenditure is included under administrative expenses. Grants are recognised in the same period as the related expenditure provided the conditions for receipt have been satisfied and there is reasonable assurance that the grant will be received.

Social Housing Grants

Social Housing Grants (SHG) are made by Homes England to assist with acquisition or development. SHG grants are included in deferred income and released in line with the depreciation of the assets.

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

2. **ACCOUNTING POLICIES - continued**

Pension costs

The company operates a defined benefit pension plan for the benefit of its employees. A liability for the company's obligations under the plan is recognised net of plan assets. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Restricted reserves

Restricted reserves are those reserves which are only expendable in accordance with the wishes of the funder or regulatory body. Restricted reserves include funds raised in response to a specific appeal. Revenue and expenditure cannot be directly set against restricted reserves but is taken through the income and expenditure account and then a transfer to restricted reserves is made as appropriate.

Judgements and key sources of estimation uncertainty

There are no judgements (apart from those involving estimates) which have been made in the process of applying the above accounting policies that have had a significant effect on amounts recognised in the financial statements.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Property valuations - the carrying value of property and annual impairment reviews are subject to assessment involving estimates on future rental yield and state of repair of the properties.

South Yorkshire Pension Fund Liability - the present value of the liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. Any changes in these assumptions will impact the carrying value of the pension liability.

Loans and borrowings

Loans and borrowings are initially recognised at the transactions price including transactions costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a financial transaction it is measured at fair value.

Provisions

Provisions are recognised when the RP has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Provisions for cyclical maintenance or major works to existing stock are not made unless they represent commitments or obligations at the Balance Sheet date where there is no discretion to avoid or delay the expenditure.

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

3. TURNOVER

The turnover and surplus before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

| | 2025 | 2024 |
|---------------------|-------------------------|------------------|
| | £ | £ |
| Rental income | 5,439,245 | 4,893,659 |
| Contracted income | 1,333,277 | 1,296,513 |
| Other grants | 12,059 | 27,075 |
| Commercial premises | 21,349 | 27,246 |
| Other income | 5,208 | 4,636 |
| Homes England | <u>109,259</u> | <u>98,806</u> |
| | <u>6,920,397</u> | <u>6,347,935</u> |

Rental income is included in the accounts after providing bad debts of £83,453 (2024: £138,844) and net of rental voids incurred during the year to the value of £673,882 (2024: £566,265).

Homes England and other grants income contains £109,259 (2024: £98,806) of amortised grant, the remainder relates to non-capitalised grant income.

4. STAFF COSTS

All employees were involved in direct charitable services, with a proportion of time of some staff taken up by administrative duties.

| | 2025 | 2024 |
|---------------------------------|-------------------------|-------------------------|
| | £ | £ |
| Wages and salaries | 2,115,445 | 1,883,976 |
| Social security costs | 190,002 | 165,477 |
| Other pension costs | <u>115,793</u> | <u>115,132</u> |
| | 2,421,240 | 2,164,585 |
| Agency costs | - | 1,536 |
| SYPA pension cost no longer due | <u>7,205</u> | <u>(241,680)</u> |
| Total | <u>2,428,445</u> | <u>1,924,441</u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

4. STAFF COSTS - continued

Other pension costs include net income totalling £17,000 (2024: £12,000), being the net pension costs movement as disclosed in note 17 to the accounts and in accordance with FRS 102.

The average number of employees, including members of the executive team, calculated on a full time equivalent basis was 79 employees (2024: 72). Full time staff work 37 hours per week and each correspond to 1 FTE. Part time staff have their hours pro-rated.

No members of staff received redundancy payments during the current and previous financial years.

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

In the band £110,000 and £120,000 - 1 (2024: 1).

In the band £60,000 and £70,000 - Nil (2024: 1).

5. TRUSTEES REMUNERATION AND BENEFITS

During the year, no trustees were paid remuneration (2024: £Nil).

There were no expenses paid to Trustees during the year (2024: £Nil).

6. BOARD AND KEY MANAGEMENT PERSONNEL REMUNERATION

The total remuneration for key management personnel, including employer's national insurance amounted to £332,128 (2024: £438,995).

During the year total pensions of £56,055 (2024: £52,331) were payable to key management personnel.

The highest paid trustee received £116,287 (2024: £117,488) remuneration. Employer pension contributions of £29,710 (2024: £24,352) were paid into a personal pension scheme with no enhancements applied.

7. INTEREST PAYABLE AND SIMILAR EXPENSES

| | 2025 | 2024 |
|--------------------|-------------------|------------|
| | £ | £ |
| Bank loan interest | <u>549</u> | <u>837</u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

8. SURPLUS BEFORE TAXATION

| | General needs £ | Supported housing £ | Central office £ | Restricted £ | 2025 Total £ | 2024 Total £ |
|---|-------------------------|---------------------------|-------------------------|----------------------|-----------------------|-----------------------|
| Income | | | | | | |
| Rental income | 1,355,100 | 3,978,931 | 105,214 | - | 5,439,245 | 4,893,659 |
| Contracted income | - | 684,266 | - | - | 684,266 | 1,296,513 |
| Other grants | - | - | - | - | - | 27,075 |
| Commercial premises | - | - | - | - | - | 27,246 |
| Other income Homes England | 21 | 438,850 | 236,697 | 12,059 | 687,627 | 4,636 |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>109,259</u> | <u>109,259</u> | <u>98,806</u> |
| Turnover from SHL | 1,355,121 | 5,102,047 | 341,911 | 121,318 | 6,920,397 | 6,347,935 |
| Operating expenditure | | | | | | |
| Salaries | (546,533) | (1,752,675) | (122,032) | - | (2,421,240) | (1,924,441) |
| Other staff costs | 229 | (67,159) | (75,832) | - | (142,762) | (146,475) |
| Premises costs | (7,661) | (22,723) | (177,582) | - | (207,966) | (190,797) |
| Office costs | - | (3,138) | (103,466) | - | (106,604) | (154,039) |
| Insurance | - | (100) | (186,775) | - | (186,875) | (161,999) |
| General costs | (16,190) | (1,929) | (456,283) | - | (474,402) | (329,668) |
| Support costs | (19,061) | (62,120) | (973) | (31,957) | (114,111) | (71,688) |
| Maintenance / van costs | (107,389) | - | - | - | (107,389) | (56,391) |
| Housing costs | (1,041,332) | (1,605,224) | (107,768) | - | (2,754,324) | (2,291,726) |
| Depreciation | (133,626) | (138,822) | (66,727) | - | (339,175) | (337,210) |
| Pension service/ finance costs | - | - | 136,000 | - | 136,000 | 86,000 |
| Profit/(loss) on sale of tangible fixed assets | <u>(31,785)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(31,785)</u> | <u>-</u> |
| Operating expenditure on SHL | (1,903,348) | (3,653,890) | (1,161,438) | (31,957) | (6,750,633) | (5,578,434) |
| Operating surplus/ (loss) on SHL | <u>(548,227)</u> | <u>1,448,157</u> | <u>(819,527)</u> | <u>89,361</u> | <u>169,764</u> | <u>769,501</u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

8. **SURPLUS BEFORE TAXATION - continued**

Included within general costs is auditor's remuneration for the year totalling £21,000 (2024: £21,000), this expenditure related solely for audit services.

9. **TAXATION**

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 March 2025 nor for the year ended 31 March 2024.

10. **ACCOMMODATION OWNED, MANAGED AND IN DEVELOPMENT**

| | Number of units at end date 2025 | Number of units at end date 2024 |
|---------------------------------|---|---|
| Social housing | | |
| General needs housing | 44 | 107 |
| Sustainable tenancy | 103 | 49 |
| Supported housing | <u>143</u> | <u>41</u> |
| Total Social housing | 290 | 197 |
| Non-social housing | | |
| General needs housing | 62 | 39 |
| Sustainable tenancy | 46 | 76 |
| Supported housing | <u>11</u> | <u>147</u> |
| Total Non-Social housing | 119 | 262 |
| Total owned and managed | <u>409</u> | <u>459</u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

11. SURPLUS/(DEFICIT)

Surplus/(deficit) is stated after charging:

| | 2025 | 2024 |
|--|-------------------------|-------------------------|
| | £ | £ |
| Auditor's remuneration (including expenses and benefits in kind) for audit | 21,000 | 21,000 |
| Depreciation of housing properties and components | 269,539 | 249,681 |
| Depreciation of other tangible assets | 69,637 | 87,529 |
| Grants released against depreciation | (109,260) | (98,805) |
| Rent losses from bad debts | 83,454 | 138,844 |
| Operating lease rentals | <u>1,332,545</u> | <u>1,190,142</u> |

12. TANGIBLE FIXED ASSETS

| | Freehold property £ | Long leasehold £ | Fixtures and fittings £ | Totals £ |
|------------------------|---------------------------|------------------------|----------------------------------|-------------------------|
| COST | | | | |
| At 1 April 2024 | 989,704 | 70,165 | 1,531,988 | 2,591,857 |
| Additions | 45,903 | - | 45,805 | 91,708 |
| Disposals | <u>-</u> | <u>-</u> | <u>(26,681)</u> | <u>(26,681)</u> |
| At 31 March 2025 | <u>1,035,607</u> | <u>70,165</u> | <u>1,551,112</u> | <u>2,656,884</u> |
| DEPRECIATION | | | | |
| At 1 April 2024 | 312,791 | 70,165 | 1,387,189 | 1,770,145 |
| Charge for year | 18,206 | - | 51,430 | 69,636 |
| Eliminated on disposal | <u>-</u> | <u>-</u> | <u>(8,914)</u> | <u>(8,914)</u> |
| At 31 March 2025 | <u>330,997</u> | <u>70,165</u> | <u>1,429,705</u> | <u>1,830,867</u> |
| NET BOOK VALUE | | | | |
| At 31 March 2025 | <u>704,610</u> | <u>-</u> | <u>121,407</u> | <u>826,017</u> |
| At 31 March 2024 | <u>676,913</u> | <u>-</u> | <u>144,799</u> | <u>821,712</u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

13. HOUSING PROPERTIES FOR LETTING

| | Land and buildings £ | Leasehold improvements £ | Total £ |
|------------------------|----------------------------|--------------------------------|-------------------|
| COST | | | |
| At 1 April 2024 | 10,002,839 | 1,284,567 | 11,346,276 |
| Additions | 2,036,983 | 38,744 | 2,075,727 |
| Disposals | <u>(14,669)</u> | <u>(4,041)</u> | <u>(18,709)</u> |
| At 31 March 2025 | <u>12,025,153</u> | <u>1,378,141</u> | <u>13,403,294</u> |
| DEPRECIATION | | | |
| At 1 April 2024 | 975,713 | 852,455 | 1,828,168 |
| Charge for the year | 176,646 | 92,893 | 269,539 |
| Eliminated on disposal | <u>(1,574)</u> | <u>(3,119)</u> | <u>(4,693)</u> |
| At 31 March 2025 | <u>1,150,785</u> | <u>942,229</u> | <u>2,093,014</u> |
| NET BOOK VALUE | | | |
| At 31 March 2025 | <u>10,874,368</u> | <u>435,912</u> | <u>11,310,280</u> |
| At 31 March 2024 | <u>9,027,126</u> | <u>490,982</u> | <u>9,518,108</u> |

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2025 £ | 2024 £ |
|---|------------------|------------------|
| Trade debtors (gross social housing rent arrears) | 446,663 | 313,151 |
| Provision for bad and doubtful debts | <u>(219,632)</u> | <u>(184,273)</u> |
| Trade debtors (other) | 195,089 | 116,080 |
| Other debtors | 193,663 | - |
| Prepayments and accrued income | <u>70,885</u> | <u>235,368</u> |
| | <u>686,668</u> | <u>480,326</u> |

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2025 £ | 2024 £ |
|---|------------------|------------------|
| Bank loans and overdrafts (see note 17) | 229,878 | 226,995 |
| Trade creditors | 226,270 | 351,738 |
| Social security and other taxes | 46,694 | 43,241 |
| Other creditors | 15,400 | 3,538 |
| Accruals and deferred income | 1,028,269 | 498,819 |
| Deferred income capital grants | <u>109,260</u> | <u>98,805</u> |
| | <u>1,655,771</u> | <u>1,223,136</u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

16. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

| | 2025 | 2024 |
|--------------------------------|-------------------------|-------------------------|
| | £ | £ |
| Bank loans (see note 17) | 2,824,916 | 2,900,724 |
| Deferred income capital grants | 3,612,875 | 3,235,854 |
| | <u>6,437,791</u> | <u>6,136,578</u> |

Bank loans, other creditors and deferred income re capital grants include aggregate amounts of £5,551,803 (2024: £5,251,979) which fall due after five years and which are payable by instalments.

17. **LOANS**

An analysis of the maturity of loans is given below:

| | 2025 | 2024 |
|---|-------------------------|-------------------------|
| | £ | £ |
| Amounts falling due within one year or on demand: | | |
| Bank loans | <u>229,878</u> | <u>226,995</u> |
| Amounts falling due between one and two years: | | |
| Bank loans - 1-2 years | <u>226,351</u> | <u>226,993</u> |
| Amounts falling due between two and five years: | | |
| Bank loans - 2-5 years | <u>659,636</u> | <u>657,606</u> |
| Amounts falling due in more than five years: | | |
| Repayable by instalments | | |
| Bank loans more 5 yr by instal | <u>1,938,929</u> | <u>2,016,125</u> |

Bank loans totalling £1,868,992 (2024: £1,920,186) are secured by a first legal charge over freehold and leasehold residential properties owned by the charity. The above loans are repayable monthly over a 20 year period at rates of interest charged at 2.5% over the bank's base rate.

Bank loans totalling £1,169,330 (2024: £1,180,906) are secured by a first legal charge over freehold and leasehold residential properties owned by the charity. The above loans are repayable monthly over a 15 year period at rates of interest charged at 2.1% over the bank's base rate.

Bounce back loan totalling £16,472 (2024: 26,627) is repayable monthly over a 2 year period at rates of interest charged at a fixed 2.5%.

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

18. **LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

| | 2025 | 2024 |
|----------------------------|-------------------------|------------------|
| | £ | £ |
| Within one year | 668,968 | 832,559 |
| Between one and five years | 1,111,092 | 1,482,978 |
| In more than five years | <u>223,971</u> | <u>330,543</u> |
| | <u>2,004,031</u> | <u>2,646,080</u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

19. RESERVES

| | BF 01.04.24 £ | Income £ | Expenditure £ | Transfers £ | Gains/ (losses) £ | CF 31.03.25 £ |
|--|-------------------------|-------------------------|---------------------------|-----------------|-------------------------|--------------------------|
| Unrestricted | | | | | | |
| General reserves | 5,333,145 | 6,798,836 | (6,786,665) | - | - | 5,345,316 |
| Pension reserves | <u>2,799,000</u> | <u>153,000</u> | <u>-</u> | <u>-</u> | <u>2,098,000</u> | <u>5,050,000</u> |
| | 8,132,145 | 6,951,836 | (6,786,665) | - | 2,098,000 | 10,395,316 |
| Restricted | | | | | | |
| South Yorkshire Offender Partnership | 7,036 | - | - | - | - | 7,036 |
| Homes England | 341,624 | 109,259 | (65,999) | - | - | 384,884 |
| Derbyshire Domestic Abuse | 11,907 | - | (7,621) | - | - | 4,286 |
| Open Gate Trust | 273 | - | (255) | - | - | 18 |
| Church on the Bus | 123 | - | (120) | - | - | 3 |
| Morrisons Foundation | 3,462 | - | (1,826) | - | - | 1,636 |
| Mansfield District Council | 15,000 | - | - | - | - | 15,000 |
| B&Q Foundation Stonecross | 3,612 | - | (783) | - | - | 2,829 |
| Horticulture Sandfield Stonecross (Mansfield) | 27,075 | - | (14,114) | - | - | 12,961 |
| Derby City Mission | <u>-</u> | <u>12,302</u> | <u>(2,081)</u> | <u>-</u> | <u>-</u> | <u>10,221</u> |
| | <u>410,112</u> | <u>121,561</u> | <u>(92,799)</u> | <u>-</u> | <u>-</u> | <u>438,874</u> |
| Total reserves | <u><u>8,542,257</u></u> | <u><u>7,073,397</u></u> | <u><u>(6,879,464)</u></u> | <u><u>-</u></u> | <u><u>2,098,000</u></u> | <u><u>10,834,190</u></u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

Restricted reserves consist of the following:

South Yorkshire Offender Partnership: Hope renovation project education and resources in Rotherham.

Homes England: Bringing empty homes into use within the private sector.

Derbyshire Domestic Abuse: The provision of resources to ensure that our support line in Derbyshire is accessible by all victims of domestic abuse including those from marginalised/isolated communities.

Open Gate Trust: Provision of Lifewise sessions at Newbold Court.

Church on the Bus: Microwaves for Newbold Court clients.

Morrisons Foundation: Provision of client activities, hobbies and interests at Newbold and Highfield Road.

Mansfield District Council: Works at the Carr Bank Pavilion to make accommodation safe and comfortable.

B&Q Foundation Stonecross: To fund the provision of kitchen equipment for Stonecross and a sofa for Resource Centre.

Horticulture Sandfield Stonecross (Mansfield): To create horticultural and recreational areas at Sandfield Close, Mansfield and Newbold Court, Chesterfield. The construction and maintenance of these areas will provide meaningful activities for the tenants of these projects along with other tenants in dispersed properties.

Derby City Mission: To help fund the engagement of tenants in our support workshops for the engagement activities at Derby Transition Hub (Uttoxeter).

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

Prior year reserves

| | BF 01.04.23 £ | Income £ | Expenditure £ | Transfers £ | Gains/ (losses) £ | CF 31.03.24 £ |
|--|-------------------------|-------------------------|---------------------------|-----------------|-----------------------|-------------------------|
| Unrestricted | | | | | | |
| General reserves | 4,608,391 | 6,141,426 | (5,459,086) | 42,414 | - | 5,333,145 |
| Pension reserves | <u>1,807,000</u> | <u>98,000</u> | <u>-</u> | <u>-</u> | <u>894,000</u> | <u>2,799,000</u> |
| | 6,415,391 | 6,239,426 | (5,459,086) | 42,414 | 894,000 | 8,132,145 |
| Restricted | | | | | | |
| South Yorkshire Offender Partnership | 7,036 | - | - | - | - | 7,036 |
| Homes England | 404,658 | 98,805 | (119,425) | (42,414) | - | 341,624 |
| Derbyshire Domestic Abuse | 11,907 | - | - | - | - | 11,907 |
| Open Gate Trust | 273 | - | - | - | - | 273 |
| Church on the Bus | 123 | - | - | - | - | 123 |
| Morrison's Foundation | 4,222 | - | (760) | - | - | 4,222 |
| Mansfield District Council | 15,000 | - | - | - | - | 15,000 |
| B&Q Foundation Stonecross | 3,612 | - | - | - | - | 3,612 |
| Horticulture Sandfield Stonecross (Mansfield) | <u>-</u> | <u>27,075</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>27,075</u> |
| | <u>446,831</u> | <u>125,880</u> | <u>(120,185)</u> | <u>(42,414)</u> | <u>-</u> | <u>410,112</u> |
| Total reserves | <u><u>6,862,222</u></u> | <u><u>6,365,306</u></u> | <u><u>(5,579,271)</u></u> | <u><u>-</u></u> | <u><u>894,000</u></u> | <u><u>8,542,257</u></u> |

The transfer between unrestricted reserves and the Homes England restricted reserve is in relation to uncatagorised expenditure not recognised in the previous financial year. This has been corrected through a transfer in funds in 2024.

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

20. EMPLOYEE BENEFIT OBLIGATIONS

Certain employees of Action Housing and Support Limited participate in the South Yorkshire Pension Fund, a defined benefit, funded statutory scheme administered by the South Yorkshire Pensions Authority in accordance with the Local Government Pension Scheme Regulations 1995. An actuarial valuation of this fund was carried out in accordance with the Regulations as at 31 March 2022.

The pension cost is assessed every three years in accordance with the advice of a qualified independent actuary. The assumptions and other data that have the most significant effect on the determination of the contributions are as follows:

The end of year figures for the market value of the assets and split of the assets between investment categories have been calculated as at 31 March 2025. The corresponding figures for the start of the year have been calculated as at 31 March 2025. The major assumptions used by the actuary were:

| | |
|---|------------------------|
| Latest full actuarial valuation | 31 March 2022 |
| Market value of assets at date of the last full valuation | £10,674 million |

The amounts recognised in surplus or deficit are as follows:

| | Defined benefit pension plans | |
|---------------------------------------|--------------------------------------|--------------|
| | 2025 | 2024 |
| | £ | £ |
| Present value of funded obligations | (11,738,000) | (13,753,000) |
| Fair value of plan assets | 16,802,000 | 16,567,000 |
| | 5,064,000 | 1,823,000 |
| Present value of unfunded obligations | (14,000) | (15,000) |
| Surplus/(Deficit) | 5,050,000 | 2,799,000 |
| Net asset/(liability) | 5,050,000 | 2,799,000 |

The amounts recognised in surplus or deficit are as follows:

| | Defined benefit pension plans | |
|---|--------------------------------------|-------------|
| | 2025 | 2024 |
| | £ | £ |
| Current service cost | 48,000 | 62,000 |
| Net interest from net defined benefit asset/liability | 662,000 | 649,000 |
| Past service cost | - | - |
| | 710,000 | 711,000 |
| Actual return on plan assets | - | - |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

20. **EMPLOYEE BENEFIT OBLIGATIONS - continued**

Changes in the present value of the defined benefit obligation are as follows:

| | Defined benefit pension plans | |
|--|--|--------------------------|
| | 2025 | 2024 |
| | £ | £ |
| Opening defined benefit obligation | 13,768,000 | 13,779,000 |
| Current service cost | 48,000 | 62,000 |
| Contributions by scheme participants | 19,000 | 21,000 |
| Interest cost | 662,000 | 649,000 |
| Benefits paid | (275,000) | (325,000) |
| Remeasurements: | | |
| Actuarial (gains)/losses from changes in demographic assumptions | (24,000) | (75,000) |
| Actuarial (gains)/losses from changes in financial assumptions | (2,304,000) | (849,000) |
| Oblig other remeasurement | (142,000) | 506,000 |
| | <u>11,752,000</u> | <u>13,768,000</u> |

Changes in the fair value of scheme assets are as follows:

| | Defined benefit pension plans | |
|---|--|--------------------------|
| | 2025 | 2024 |
| | £ | £ |
| Opening fair value of scheme assets | 16,567,000 | 15,586,000 |
| Contributions by employer | 63,000 | 72,000 |
| Contributions by scheme participants | 21,000 | 23,000 |
| Interest received | 798,000 | 735,000 |
| Benefits paid | (275,000) | (325,000) |
| Return on plan assets (excluding interest income) | (372,000) | 476,000 |
| | <u>16,802,000</u> | <u>16,567,000</u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

20. **EMPLOYEE BENEFIT OBLIGATIONS - continued**

The amounts recognised in other comprehensive income are as follows:

| | Defined benefit pension plans | |
|--|--|----------------|
| | 2025 | 2024 |
| | £ | £ |
| Actuarial (gains)/losses from changes in demographic assumptions | 24,000 | 75,000 |
| Actuarial (gains)/losses from changes in financial assumptions | 2,304,000 | 849,000 |
| Oblig other remeasurement | 142,000 | (506,000) |
| Return on plan assets (excluding interest income) | (372,000) | <u>476,000</u> |
| | <u>2,098,000</u> | <u>894,000</u> |

The major categories of scheme assets as amounts of total scheme assets are as follows:

| | Defined benefit pension plans | |
|-------------|--|-------------------|
| | 2025 | 2024 |
| | £ | £ |
| Equities | 11,425,360 | 11,431,230 |
| Bonds | 3,528,420 | 3,479,070 |
| Property | 1,680,200 | 1,491,030 |
| Cash/liquid | 168,020 | <u>165,670</u> |
| | <u>16,802,000</u> | <u>16,567,000</u> |

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

| | 2025 | 2024 |
|------------------------------|--------------|-------------|
| Rate of inflation | 2.60% | 3.20% |
| Rate of increase in salaries | 3.35% | 3.35% |
| Rate of increase in pensions | 2.75% | 2.75% |
| Discount rate | 5.80% | 4.85% |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

20. **EMPLOYEE BENEFIT OBLIGATIONS - continued**

Mortality assumptions

The current mortality assumptions include sufficient allowance for future improvement in mortality rates. The assumed life expectations on retirement aged 65 are:

| | 2025 | 2024 |
|--|------|------|
| Retiring today/current pensioners | | |
| Males | 20.5 | 20.6 |
| Females | 23.6 | 23.6 |
| Retiring in 20 years/future pensioners | | |
| Males | 21.3 | 21.5 |
| Females | 25.0 | 25.0 |

Amounts recognised in the income and expenditure account:

| | 2025 | 2024 |
|--------------------------------------|---------------|---------------|
| Current service cost | (48,000) | (62,000) |
| Effect of curtailment or settlements | - | - |
| Past service cost | - | - |
| Net interest cost | 136,000 | 86,000 |
| Administrative costs | - | - |
| | <u>88,000</u> | <u>24,000</u> |

Amounts recognised in the statement of total recognised gains and losses:

| | 2025 | 2024 |
|----------------------------|------------------|----------------|
| Actuarial gains / (losses) | <u>2,098,000</u> | <u>894,000</u> |

21. **CAPITAL FUNDING AND COMMITMENTS**

Prior to the year end, Action Housing and Support Ltd were contracted to capital expenditure amounting to £641,714 (2024: £Nil).

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

22. RELATED PARTY DISCLOSURES

In the prior financial year, WINTAI Services Ltd was engaged to provide a statutory data protection service and also data protection consultancy services. A Trustee of WINTAI Services Ltd is a family member of Atholl Stott, the CEO. Fees for this work totalled £20,476 (2024: £4,299). At the year end, no balance was due to WINTAI Services Ltd (2024: £248).

A Trustee of Botanical Moonlight is a family member of Atholl Stott, the CEO. Fees for this work totalled £23,003 (2024: £957). At the year end, the balance owed to Botanical Moonlight was £353 (2024: £Nil).

Niall Macpherson Property Services, owned by Niall Macpherson, a Trustee in the previous financial year, provided technical consultancy services, to review the property portfolio for impairment. Fees for this work totalled £Nil (2024: £1,500).

D Roper, related to the Head of Services at Action Housing and Support Ltd, provided various repairs and maintenance to the association in the financial year. Fees for this work totalled £49,114 (2024: £36,249). This supplier was proposed by the Head of Services.

JMS Decorating & Maintenance, related to the Head of Services at Action Housing and Support Ltd, provided various repairs and maintenance to the association in the financial year. Fees for this work totalled £36,902 (2024: £34,192). This supplier was proposed by the Head of Services.

Mozen Consulting Ltd provided professional services to the association in the previous year. Hilary Frazer, a Trustee, is a director at Mozen Consulting Ltd. Fees for this work totalled £Nil (2024: £1,500).

The Chain Housing & Support Ltd provided shelter services to the association in the previous year. Philip Taylor, a Trustee, is a director at The Chain Housing & Support Ltd. Fees for this work totalled £Nil (2024: £5,500).

HCF provided professional services to the association in the previous year. Hilary Frazer, a Trustee, is a director at HCF. Fees for this work totalled £250 (2024: £Nil).

S J Otten Training & Consultancy Ltd provided professional services to the association in the current year. S J Otten, a Trustee, is a director at S J Otten Training & Consultancy Ltd. Fees for this work totalled £2,000 (2024: £Nil).

10th July 2025

The Trustees
Action Housing and Support Limited
6 Genesis Business Park,
Sheffield Road,
Rotherham,
South Yorkshire,
S60 1DX

Dear Sirs

In accordance with our normal practice, we are writing to draw your attention to various matters which arose during the course of our audit of the company's accounts for the year ended 31 March 2025.

1. We have included comments concerning the qualitative aspects of the entity's accounting practices and financial reporting as an appendix to this letter.

In addition to these, we have the following points to mention:

- The Unity Trust Ringfenced bank account was not included on the received bank confirmation from Unity Trust.
2. We did not encounter any significant difficulties during the audit and there are no significant findings from the audit to draw to your attention.
 3. A draft of our proposed letter of representation is attached. In all respects the letter is routine, except for points 9 and 16.
 4. There were no misstatements determined during the course of our audit, except for those considered to be clearly trivial.
 5. We do not propose any modifications to our audit opinion and hence will be issuing a clean audit report.
 6. We have discussed with you the fact that we provide accounting and taxation services to the company in addition to acting as auditors. We wish to confirm to you that in our opinion the provision of such services does not affect our independence as:

(i) the additional services provided are of a routine compliance nature and the Board takes any decisions where judgement is required

The firm and the audit engagement team have therefore complied with relevant ethical requirements concerning independence.

Also at: **Buxton, Chesterfield, Knaresborough, Leeds & Rotherham**

Proud to be part of the

SMH Group

Sutton McGrath Hartley is the trading name of Sutton McGrath Hartley Accountants Ltd.
Registered in England & Wales – No. 11005496. Registered office: 5 Westbrook Court, Sharrowvale Road, Sheffield, S11 8YZ
Directors: James Hartley FCCA ACA, Jonathon Dickens ACA
Registered to carry on audit work in the UK by the Institute of Chartered Accountants in England & Wales

 **ICAEW**
CHARTERED
ACCOUNTANTS

We would like to take this opportunity of expressing our thanks to your staff, especially Luke Harrison, for their assistance during the course of our audit.

Please note that this report has been prepared for the sole use of Action Housing and Support Ltd. It must not be disclosed to third parties, quoted or referred to, without our prior written consent. No responsibility is assumed by us to any other person.

The purpose of the audit was to enable us to express an opinion on the financial statements. The audit included consideration of internal control relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control.

The matters reported above are limited to those deficiencies that the auditor has identified during the audit and that the auditor has concluded are of sufficient importance to merit being reported to those charged with governance.

If we can be of any further assistance, please contact James Salim



James Salim FCCA
for and on behalf of Sutton McGrath Hartley

ACTION HOUSING AND SUPPORT LIMITED

England & Wales - Charity number 511265

Accounts

Company Registration Number: 01548338 (England and Wales)
Homes England Number: 4660
Registered Charity Number: 511265

Trustees' Report and
Financial Statements for the Year Ended 31 March 2023
for
Action Housing And Support Limited

Action Housing And Support Limited

Contents of the Financial Statements
for the Year Ended 31 March 2023

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Action Housing And Support Limited

**Trustees' Report Incorporating the Operational and Financial Review
for the Year Ended 31 March 2023**

Trustee's Report 22/23

The trustees, who are the non-executive directors of the company, present their report with the audited financial statements of the charitable company for the year ended 31 March 2023.

REFERENCE AND ADMINISTRATIVE DETAILS

Company registration number: 01548338 (England and Wales)

Charity registration number: 511265

Homes England registration number: 4660

Members of the board: Mr T De'Ath (Chair)
Mr I Knowles
Mrs P Warnock
Mr P Baylis

Chief Executive: Mr A Stott

Registered office: 6 Genesis Business Park
Sheffield Road
Rotherham
South Yorkshire
S60 1DX

Auditor: Sutton McGrath Hartley
5 Westbrook Court
Sharrowvale Road
Sheffield
South Yorkshire
S11 8YZ

Solicitor: Bailoran
West Hill House
Allerton Hill
Leeds
L27 3QB

Solicitor: Ward Hadaway
5 Wellington Place
Leeds
LS1 4AP

Solicitor: Hill Dickinson
50 Fountain Street
Manchester
M2 2AS

Bankers: Metro Bank
58-64 Fargate
Sheffield
S1 2HE

Action Housing And Support Limited

**Trustees' Report Incorporating the Operational and Financial Review
for the Year Ended 31 March 2023**

Bankers:

Unity Trust Bank Plc
Nine Brindleyplace
Birmingham
B1 2HB

Principle Activities

Action Housing and Support works for the public benefit through its principal activities of providing accommodation, support, education and employability training and related services to a wide variety of vulnerable people. Currently these activities are carried out in Yorkshire, Nottinghamshire and Derbyshire. The objective of the charity is expressed in its Articles of Association:

'To educate and train and relieve poverty and sickness among persons who are suffering or who have suffered a legal restriction on their liberty in any penal or correctional establishment or through any means whatever including issues with learning difficulties, mental health, drug and alcohol, women escaping domestic abuse, young people with multiple needs, sex workers and other vulnerable persons who require assistance to achieve and or maintain independence, also including (but not limited to) any orders made under the Mental Health Act or some other similar legislation and the families of such persons in such ways as the Board think fit and to further and promote the study of and research into all aspects and methods of the prevention of crime and delinquency and to obtain and make records of and disseminate information concerning the same, and to promote, support or carry on either alone or in co-operation with any subsidiary company of the Association or any other body, authority, or person, any project or scheme in connection with any methods of the prevention of crime and delinquency and to provide monies for such purposes whether by way of loans, grants, advances, gifts or otherwise as the Board think fit;

To carry on for the benefit of the community the business of providing social housing and any associated amenities, services, advice or assistance.

To promote or carry out any other charitable purpose that can be carried out by a company registered as a social landlord with the Tenant Services Authority or such similar authority from time to time.

The aim of the company is to work to enable vulnerable people to establish a home and live responsibly in society.'

Organisational Status

Action Housing and Support is a Registered Charity and a Company Limited by Guarantee, without share capital. Its governing instrument is the Articles of Association.

Action Housing and Support is also a Registered Housing Provider and these accounts are prepared in accordance with the Companies Act 2006, the Housing Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.

Internal Controls, Governance and Risk Management

A Board of Trustees governs the company. The Board exists to provide probity and governance to Action Housing and Support, set the strategic direction, ensure adherence to the Articles of Association, support the Executive Team as they run the business, appoint the Chief Executive and hold them to account, provide advice, scrutiny and fresh eyes, behaving as critical friends.

Action Housing And Support Limited

**Trustees' Report Incorporating the Operational and Financial Review
for the Year Ended 31 March 2023**

Our Governance Framework covers the principles by which our organisation is constituted. It also records who take decisions, and how the decisions taken are recorded, communicated and implemented. Our organisation is a values-led, 'not for profit' organisation, and all income goes into running the organisation and the services delivered by it.

The Trustees continually review the risks to which the charity is exposed. Systems are in place to mitigate those risks utilising our Risk Management Framework & Business Continuity Plan.

Recruitment and appointment to the Board of Trustees is by a formal process as defined within the Code of Governance. Trustees undergo a period of induction in which they meet staff and clients, and are encouraged to attend events designed to promote their understanding of good governance.

Board Membership and Responsibilities

The members below have served in office from 1 April 2022 to the date of this report, except where otherwise indicated:

Mr T De'Ath (Chair)

Mr N A Macpherson (Vice-Chair) (resigned 3 July 2023)

Mr I Knowles

Mrs P Warnock

Mr P Baylis

No remuneration is paid to Trustees, in their capacity as Trustees, and as the company is limited by guarantee, none of the Trustees has any interest in the shares or retained reserves.

Action Housing And Support Limited

Trustees' Report Incorporating the Operational and Financial Review for the Year Ended 31 March 2023

STRATEGIC REPORT

Operational Review

Our activities focus on tenancy sustainment, the provision of accommodation, the prevention of offending and homelessness, the provision of domestic abuse services and supporting individuals to independent and self-sufficient living. The delivery of our services benefits individuals through the creation of opportunity, enabling them to realise their potential and lead fulfilling lives.

Our funding currently enables the services we provide to be delivered to residents or people living in:

- Rotherham
- Sheffield
- Mansfield
- Chesterfield
- Derby

In 2022/23 services were again provided to more than 1,000 individuals with the duration of support ranging from responsive phone calls which in effect last minutes to detailed and specific support programmes lasting up to two years and in some instances even longer. We also continue to provide units of supported accommodation to people with complex needs together with the provision of specified accommodation.

We have worked closely with Home England and by further utilising their affordable homes programme and working in partnership with our local authorities partners we intend to further develop our housing stock both in supported accommodation and general needs in the coming years.

The impact of our work goes beyond those we help directly; it reduces the distress suffered by families, friends and the wider society. It reduces demands upon statutory services and the public purse in terms of a reduction in crime, anti-social behaviour, drug abuse, poor health and social exclusion, and assists in the building of cohesive neighbourhoods.

The primary income sources of the Charity are rental income and contracts with local authorities. As mentioned above, Homes England provided development funding this year to enable us to increase our housing stock. We also received a number of smaller grants, which were used to purchase equipment and deliver activities to our client group across our programmes.

The company maintained existing contracts and also renegotiated and won a new larger contract to provide its ARBOR services in Derbyshire.

Having successfully worked with Rotherham council and Homes England in the previous year, delivering the RSAP (Rough Sleeper Accommodation Program) Action Housing successfully bid for and won new contracts to deliver this programme in Rotherham, Sheffield, Mansfield and Derby.

This contract will run until the end of April 2024 and will mean an increase in the properties owned which will be specifically for Supported accommodation use.

The organisation returned a healthy surplus for the third year in a row and continued to work to the board approved 3 business plan. This plan has subsequently been updated taking the organisation to 2025.

The plan focuses on five key issues: -

- Quality of service and investment in the services provided.
- Investment in staff, their development and wellbeing.
- Investment in accommodation.
- Ensuring adequate reserves are accumulated and built upon.
- Strengthening the balance sheet of the organisation.

Action Housing And Support Limited

Trustees' Report Incorporating the Operational and Financial Review for the Year Ended 31 March 2023

Trustees remain committed to the generation of income for the Charity and opportunity for our clients, but are clear that diversification must be appropriate and sustainable in the longer term. The Board continue to work with the senior team to ensure our continued success, development and growth.

The charity's principal asset remains its staff and the Trustees acknowledge the contribution of every staff member and thank them for their work and commitment.

Financial Review

Action Housing & Support operates in a challenging financial environment and continues to experience restrictions on resources. Funding is on a contractual, cyclical basis and is often secured via competitive tender. Funding from the Communities and Local Government (administered by the local authorities) and in particular Housing Related Support, equates to 17% of all income. Our main source of income is via rental income from the units that we manage. This year we also received grant funding from Homes England, Derby City Council, Mansfield District Council, Rotherham Council and Sheffield City Council.

As a result of the challenges previously outlined, overall, the organisation returned a £552,567 surplus on activities before taxation (2022 - £644,496). This included £72,000 (2022 - £118,000) for FRS 102 pension adjustments. Without these non-cash adjustments, the operating surplus would have been £624,567 (2022 - £762,496).

The closing net assets at 31 March 2023 were £6,862,222 (2022 - £584,655) of which £446,831 (2022 - £403,254) was restricted funds and £4,608,391 (2022 - £4,027,401) was unrestricted reserves and £1,807,000 pension surplus reserve (2022 - £3,846,000 was a pension deficit reserve).

The trustees have prepared a three year financial plan showing forecasts of income, expenditure and cash flow for the period to 31 March 2025. The forecasts show that the company will generate future surpluses and has sufficient cash reserves to be able to continue its operations for the foreseeable future.

Reserves Policy

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission. The free reserves consist of unrestricted funds, net of fixed assets, and associated bank loans. Due to our strategic commitment to develop properties, which generate long-term income, our free reserves remain relatively low at £688,952 (2022 - £749,796). We have however been able to increase and grow the reserves in the past year. The level of reserves is monitored and reviewed by Trustees throughout the year as part of our ongoing management of risk. Our free reserves level is not assessed as a significant risk at present. We have in place a plan over the next three years to incrementally increase the level of free reserves held.

Key Risks

The main risks faced by the Charity are identified as:

- Reduction in public sector funding for services to support vulnerable people due to a continuing austerity environment. The main controls for this are dedicated business development resource, researching and identifying new opportunities and the maintenance of positive relationships and open dialogue with commissioners, enabling service redesign rather than decommission.
- Change in senior leadership. The board are committed to ensuring a new business strategy is in place underpinned by sustainable investment in resource capacity.
- Maintaining adequate cashflow, reducing contractual income and significant development activity. Main controls for this are active cashflow management and monitoring, careful budgeting, consideration of appropriate credit facilities and scrutiny and oversight by the Board of Trustees.
- Comprehensive risk management procedures, with risks reported to Board twice yearly for review.

Directors' Salaries

The Board of Trustees have overview of senior pay and terms and conditions. Salaries are benchmarked by use of the ACEVO pay survey and national CIPD pay survey information.

Action Housing And Support Limited

Trustees' Report Incorporating the Operational and Financial Review for the Year Ended 31 March 2023

Investments

The company's investment powers are set out in its Articles of Association and allow the company to invest funds not immediately required in securities and property, subject to such conditions as may be required by law. Those responsible for financial management remain mindful of the current economic climate and the need to invest to secure maximum income whilst managing associated risk.

Plans for future periods

Building on the work already carried out, in the forthcoming year we aim to:

- Focus on the quality of service delivery
- Focus on our employment practices and improve the quality and capability of our staff
- Improve the quality of our housing stock
- Increase the provision of specified accommodation
- Develop more units of accommodation for supported tenants
- Develop and build ever-stronger strategic relationships, raising the profile of Action

Events since the balance sheet date

There are no other important events that have occurred since the balance sheet date which affect the company.

Value for Money

Action Housing & Support has developed over the years by tendering for services in a continual, competitive cycle. This cycle ensures that services and the value they provide are reviewed and tested against the open market. It also continues to develop its property portfolio, which has resulted in the increased provision of both general needs accommodation and also supported accommodation. During 2022/23, the organisation has focussed on delivering value for money through the following activity:

- Tendering for the supply of specific contract works suited to the organisation's capabilities.
- Realignment of managerial resources in proportion to support reductions in specific areas of work.

Value for money remains critical to the organisation and to the successful submission of tenders. Plans for 2022/23 include:

- Focus on performance and accountability of all budget holders
- Continue to review and retender all contracts and suppliers of services
- Continue to develop and implement systems and processes that will facilitate and support excellent customer service

To comply with the Regulator of Social Housing Value for Money Metrics requirement, Action Housing and Support has calculated the following data:

| | 2023 | 2022 |
|--|-------------|-------------|
| Metric 1 Reinvestment % | 13% | 9% |
| Metric 2 New supply delivered (social housing units) | 6% | 4% |
| Metric 3 Gearing % | 4% | 8% |
| Metric 4 Earnings before interest, tax and depreciation % | 846% | 1413% |
| Metric 5 Headline Social cost per unit | £12,392 | £11,699 |
| Metric 6 Operating Margin % (social housing and overall the same) | 9% | 11% |
| Metric 7 Return on capital employed % | 7% | 7% |

Action Housing And Support Limited

Trustees' Report Incorporating the Operational and Financial Review for the Year Ended 31 March 2023

Trustees' Responsibilities

The trustees (who are also directors of Action Housing and Support for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law and registered social housing legislation requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure of information to Auditor

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

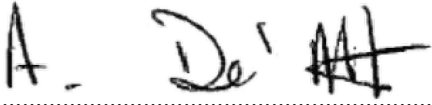
Auditor

The auditors, Sutton McGrath Hartley, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Action Housing And Support Limited

Trustees' Report Incorporating the Operational and Financial Review
for the Year Ended 31 March 2023

ON BEHALF OF THE BOARD:

Handwritten signature in black ink, appearing to read 'A. De'Ath' with a stylized flourish at the end.

.....
Mr T De'Ath – Trustee & Chair

Date: 06/10/2023
.....

**Report of the Independent Auditors to the Members of
Action Housing And Support Limited**

Opinion

We have audited the financial statements of Action Housing And Support Limited (the 'company') for the year ended 31 March 2023 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Reserves, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private providers of social housing in England 2019.

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 surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 directors are responsible for the other information. The other information comprises the information in the Trustees' Report, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Report of the Independent Auditors to the Members of
Action Housing And Support Limited**

Opinions on other matters 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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has 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 Trustees' 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.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

Responsibilities of the Trustees

As explained more fully in the trustees' responsibilities set out on page 7, the trustees (who are also the directors of the association for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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 board 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 board either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our assessment of the susceptibility to material misstatement, whether by fraud or error, is made in a risk based approach.

In this approach, laws and regulations applicable to the entity, such as the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102, the Housing Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019, along with employment law, safeguarding legislation, data protection law and Health and Safety law.

The policies and controls the entity has in place to comply with these laws are reviewed, by discussion, reviews of correspondence and registrations monitored by external bodies. The engagement team remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report of the Independent Auditors to the Members of
Action Housing And Support Limited

Policies and controls relating to the risk of material misstatement as a result of fraud, management override of controls, and revenue recognitions are also considered. These are assessed by obtaining an understanding of the company's operations and control environment. The policies and controls have been reviewed by discussion, review and sample testing of accounting entries, including journals, challenging assumptions and judgements, reviewing and evaluating related parties transactions, and wider background searches. Testing of income recognition and fund accounting is also completed.

We have ensured that the engagement team have appropriate levels of competence and experience to effectively monitor these risks and carry out work relevant to our assessment of each risk, including consideration of the sector the company operates in and its size and complexity.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Other matters which we are required to address

The financial statements for the prior period were audited by the predecessor auditor, BHP LLP. The prior period audit report was unqualified and dated 23 September 2022.

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 and section 137 of the Housing and Regeneration Act 2008. 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 a Report of the Auditors 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.

Jonathon Dickens ACA (Senior Statutory Auditor)
for and on behalf of Sutton McGrath Hartley
5 Westbrook Court
Sharrowvale Road
Sheffield
South Yorkshire
S11 8YZ

Date:

Action Housing And Support Limited

Statement of Comprehensive Income (Including Income and Expenditure Account)
for the Year Ended 31 March 2023

| | | 2023 | 2022 |
|--|-------|-------------------------|-------------------------|
| | Notes | £ | £ |
| TURNOVER | 3 | 5,930,338 | 5,683,456 |
| Administrative expenses | | <u>5,378,261</u> | <u>5,038,586</u> |
| OPERATING SURPLUS | | 552,077 | 644,870 |
| Interest receivable and similar income | | <u>1,512</u> | <u>127</u> |
| | | 553,589 | 644,997 |
| Interest payable and similar expenses | 7 | <u>1,022</u> | <u>501</u> |
| SURPLUS BEFORE TAXATION | 8 | 552,567 | 644,496 |
| Tax on surplus | 9 | <u>-</u> | <u>-</u> |
| SURPLUS FOR THE FINANCIAL YEAR | | 552,567 | 644,496 |
| Remeasurement gains / (losses) on defined benefit pension plan | 20 | <u>5,725,000</u> | <u>1,502,000</u> |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | <u>6,277,567</u> | <u>2,146,496</u> |

The notes form part of these financial statements

Action Housing And Support Limited (Registered number: 01548338)

Balance Sheet
31 March 2023

| | Notes | £ | 2023 £ | £ | 2022 £ |
|--|-------|-------------------------|-------------------------|------------------|--------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 12 | | 823,499 | | 796,677 |
| Housing properties for letting | 13 | | <u>8,025,951</u> | | <u>7,094,068</u> |
| | | | 8,849,450 | | 7,890,745 |
| CURRENT ASSETS | | | | | |
| Debtors | 14 | 533,819 | | 750,140 | |
| Cash at bank and in hand | | <u>1,615,409</u> | | <u>1,360,022</u> | |
| | | 2,149,228 | | 2,110,162 | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 15 | <u>1,010,526</u> | | <u>900,742</u> | |
| NET CURRENT ASSETS | | | <u>1,138,702</u> | | <u>1,209,420</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 9,988,152 | | 9,100,165 |
| CREDITORS | | | | | |
| Amounts falling due after more than one year | 16 | | (4,932,930) | | (4,669,510) |
| DEFINED BENEFIT PENSION ASSET / (LIABILITY) | 20 | | <u>1,807,000</u> | | <u>(3,846,000)</u> |
| NET ASSETS | | | <u>6,862,222</u> | | <u>584,655</u> |
| RESERVES | | | | | |
| Pension reserves | 19 | | 1,807,000 | | (3,846,000) |
| Restricted reserves | 19 | | 446,831 | | 403,254 |
| Unrestricted reserves | 19 | | <u>4,608,391</u> | | <u>4,027,401</u> |
| | | | <u>6,862,222</u> | | <u>584,655</u> |

The financial statements were approved by the Board of Directors and authorised for issue on 06/10/2023 and were signed on its behalf by:



Mr T De'Ath - Director



Mr P Baylis - Director

The notes form part of these financial statements

Action Housing And Support Limited

Statement of Changes in Reserves
for the Year Ended 31 March 2023

| | General reserves £ | Pension reserves £ | Restricted reserves £ | Total £ |
|--|-----------------------------------|-----------------------------------|--------------------------------------|-------------------------|
| Balance at 1 April 2021 | 3,305,275 | (5,230,000) | 362,884 | (1,561,841) |
| Surplus / (Deficit) for the year | 722,126 | (118,000) | 40,370 | 644,496 |
| Remeasurement gain on defined benefit pension plan | - | 1,502,000 | - | 1,502,000 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Balance at 31 March 2022 | 4,027,401 | (3,846,000) | 403,254 | 584,655 |
| Surplus / (Deficit) for the year | 580,990 | (72,000) | 43,577 | 552,567 |
| Remeasurement gain on defined benefit pension plan | - | 5,725,000 | - | 5,725,000 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Balance at 31 March 2023 | <u>4,608,391</u> | <u>1,807,000</u> | <u>446,831</u> | <u>6,862,222</u> |

The notes form part of these financial statements

Action Housing And Support Limited

Cash Flow Statement
for the Year Ended 31 March 2023

| | | 2023 | 2022 |
|---|-------|---------------------------|------------------|
| | Notes | £ | £ |
| Cash flows from operating activities | | | |
| Cash generated from operations | 1 | 1,486,986 | 855,036 |
| Finance costs paid | | 93,188 | 59,536 |
| Defined benefit net interest cost | | 103,000 | 115,000 |
| Defined benefit current service cost | | <u>(31,000)</u> | <u>3,000</u> |
| Net cash from operating activities | | <u>1,652,174</u> | <u>1,032,572</u> |
| | | | |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | | (102,098) | (97,086) |
| Purchase of investment property | | (1,205,221) | (746,552) |
| Sale of tangible fixed assets | | - | 1,300 |
| Sale of investment property | | 51,424 | 232,728 |
| Interest received | | <u>1,512</u> | <u>127</u> |
| Net cash from investing activities | | <u>(1,254,383)</u> | <u>(609,483)</u> |
| | | | |
| Cash flows from financing activities | | | |
| Loan repayments in year | | (48,194) | (71,084) |
| Interest paid | | <u>(94,210)</u> | <u>(60,037)</u> |
| Net cash from financing activities | | <u>(142,404)</u> | <u>(131,121)</u> |
| | | | |
| Increase in cash and cash equivalents | | 255,387 | 291,968 |
| Cash and cash equivalents at beginning of year | 2 | 1,360,022 | 1,068,054 |
| Cash and cash equivalents at end of year | 2 | <u>1,615,409</u> | <u>1,360,022</u> |

The notes form part of these financial statements

Action Housing And Support Limited

Notes to the Cash Flow Statement
for the Year Ended 31 March 2023

1. **RECONCILIATION OF SURPLUS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

| | 2023 | 2022 |
|--|-------------------------|-----------------------|
| | £ | £ |
| Surplus before taxation | 552,567 | 644,496 |
| Depreciation charges | 304,043 | 334,353 |
| Profit on disposal of fixed assets | (6,853) | (43,452) |
| Finance costs | 1,022 | 501 |
| Finance income | <u>(1,512)</u> | <u>(127)</u> |
| | 849,267 | 935,771 |
| Decrease/(increase) in trade and other debtors | 216,321 | (217,606) |
| Increase in trade and other creditors | <u>421,398</u> | <u>136,871</u> |
| Cash generated from operations | <u>1,486,986</u> | <u>855,036</u> |

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2023

| | 31/3/23 | 1/4/22 |
|---------------------------|------------------|------------------|
| | £ | £ |
| Cash and cash equivalents | <u>1,615,409</u> | <u>1,360,022</u> |

Year ended 31 March 2022

| | 31/3/22 | 1/4/21 |
|---------------------------|------------------|------------------|
| | £ | £ |
| Cash and cash equivalents | <u>1,360,022</u> | <u>1,068,054</u> |

3. **ANALYSIS OF CHANGES IN NET DEBT**

| | At 31/3/23 | Cash flow | At 1/4/22 |
|---------------------------------|-------------------------|-----------------------|-------------------------|
| | £ | £ | £ |
| Net cash | | | |
| Cash at bank and in hand | <u>1,615,409</u> | <u>255,387</u> | <u>1,360,022</u> |
| | <u>1,615,409</u> | <u>255,387</u> | <u>1,360,022</u> |
| Debt | | | |
| Debts falling due within 1 year | (108,627) | (13,965) | (94,662) |
| Debts falling due after 1 year | <u>(1,875,706)</u> | <u>62,159</u> | <u>(1,937,865)</u> |
| | <u>(1,984,333)</u> | <u>48,194</u> | <u>(2,032,527)</u> |
| Total | <u>(368,924)</u> | <u>303,581</u> | <u>(672,505)</u> |

The notes form part of these financial statements

Action Housing And Support Limited

Notes to the Financial Statements **for the Year Ended 31 March 2023**

1. **STATUTORY INFORMATION**

Action Housing And Support Limited is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address are as below:

Registered number: 01548338

Registered office: 6 Genesis Business Park
Sheffield Road
Rotherham
South Yorkshire
S60 1DX

2. **ACCOUNTING POLICIES**

Summary of significant accounting policies

Status

The company is registered under the Companies Act 2006 and has been a registered charity since 21 April 1981. The charitable company registered with the Regulator of Social Housing as a housing provider on 2 June 2011.

General information and basis of preparation

Action Housing and Support Limited is a private registered provider of social housing in the United Kingdom. The address of the registered office is given in the company's information on page 1 of these financial statements. The nature of the company's operations and principal activities are the provision of social housing.

The company constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102. the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Statement of Recommended Practice for Social Housing Providers 2018, and with the Accounting Direction for private registered providers of social housing in England 2019. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008 and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the association, and rounded to the nearest £.

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

Going Concern

The company has net assets of £6,862,222. This is a significant change from last year's position of net assets of £584,655 and is largely due to the movement on the defined benefit pension asset/liability of £5,653,000.

The trustees have prepared a three year financial plan showing forecasts of income, expenditure and cash flow for the period to 31 March 2025. The forecasts show that the company will generate future surpluses and has sufficient cash reserves to be able to continue its operations for the foreseeable future. Therefore, the Trustees believe it is appropriate for the financial statements to be prepared on a going concern basis.

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

2. **ACCOUNTING POLICIES - continued**

Tangible fixed assets

Housing properties

Social housing properties are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended, such as the cost of acquiring land and buildings, development costs, interest charges on loans during the development period and expenditure on improvements. Expenditure on improvements will only be capitalised when it results in incremental future benefits such as increasing rental income, reducing maintenance costs or results in a significant extension of the useful economic life of the property.

Major components of housing properties are depreciated at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

| | |
|--------------------|------------------|
| Structure | 100 years |
| Roofs | 60 years |
| Kitchens | 10 years |
| Bathrooms | 15 years |
| Windows and doors | 20 years |
| Boilers and fires | 12 years |
| Electrics | 30 years |
| Mechanical systems | 20 years |

Freehold land is not depreciated. Housing properties under construction are not depreciated until they are in use and the useful economic lives of all tangible fixed assets are reviewed annually.

Other

Other tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

| | |
|----------------------------|-------------------------------|
| Land | Not depreciated |
| Buildings - freehold | 50 years straight line |
| Buildings - long leasehold | Over lease term |
| Office furniture | 5 years straight line |
| Office equipment | 4 years straight line |
| Computer equipment | 3 years straight line |

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date.

If such indication exists, the recoverable amount is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in expenditure through the statement of comprehensive income.

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

2. **ACCOUNTING POLICIES - continued**

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income and expenditure in other administrative expenses.

Rights of social landlords to have improvement works carried out to properties by a third party (such as a local authority) are recognised as prepayments where payment has occurred in advance of the works being carried out and receipts in advance from the same third party recognised as liabilities. Assets and liabilities of income and expenditure are not offset.

Stocks

Stocks of paint, papers, sheets, blankets, cutlery and crockery are not taken, and items are charged in the accounts as an expense when purchased. The trustees do not consider that the value of stock is either significant or material.

Leases

Rentals paid under operating leases are charged in the income and expenditure account as incurred.

Tax

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

Turnover

Turnover represents rental and service charges income receivable in the year net of rent and service charge losses from voids, revenue grants from the government (local authorities) and Homes England.

Grants

Government grants are received from Homes England in respect of housing properties. These grants are recognised at the fair value of the asset received or receivable. Where the assets are accounted for using the model then the government grant is accounted for using the accruals model. The difference between the fair value of the asset and the consideration is recognised as a liability and amortised over the useful economic life of the asset. The amortisation is recognised within turnover. Where the assets are accounted for using the valuation model then the government grant is accounted for using the performance model so that turnover is taken once the performance conditions have been met.

Government grants received as a contribution to revenue expenditure are recognised in the statement of comprehensive income on a systematic basis over the period in which the landlord recognises the related costs for which the grant is intended to compensate. The related expenditure is included under administrative expenses. Grants are recognised in the same period as the related expenditure provided the conditions for receipt have been satisfied and there is reasonable assurance that the grant will be received.

Social Housing Grants

Social Housing Grants (SHG) are made by Homes England to assist with acquisition or development. SHG grants are included in deferred income and released in line with the depreciation of the assets.

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

2. **ACCOUNTING POLICIES - continued**

Pension costs

The company operates a defined benefit pension plan for the benefit of its employees. A liability for the company's obligations under the plan is recognised net of plan assets. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Restricted reserves

Restricted reserves are those reserves which are only expendable in accordance with the wishes of the funder or regulatory body. Restricted reserves include funds raised in response to a specific appeal. Revenue and expenditure cannot be directly set against restricted reserves but is taken through the income and expenditure account and then a transfer to restricted reserves is made as appropriate.

Judgements and key sources of estimation uncertainty

There are no judgements (apart from those involving estimates) which have been made in the process of applying the above accounting policies that have had a significant effect on amounts recognised in the financial statements.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Property valuations - the carrying value of property and annual impairment reviews are subject to assessment involving estimates on future rental yield and state of repair of the properties.

South Yorkshire Pension Fund Liability - the present value of the liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. Any changes in these assumptions will impact the carrying value of the pension liability.

Loans and borrowings

Loans and borrowings are initially recognised at the transactions price including transactions costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a financial transaction it is measured at fair value.

Provisions

Provisions are recognised when the RP has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Provisions for cyclical maintenance or major works to existing stock are not made unless they represent commitments or obligations at the Balance Sheet date where there is no discretion to avoid or delay the expenditure.

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

3. TURNOVER

The turnover and surplus before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

| | 2023 | 2022 |
|---------------------|-------------------------|-------------------------|
| | £ | £ |
| Rental income | 4,767,879 | 4,406,145 |
| Contracted income | 1,041,840 | 1,019,287 |
| Other grants | 3,270 | 16,000 |
| Commercial premises | 33,242 | 42,517 |
| Other income | 7,853 | 18,343 |
| Homes England | 76,254 | 181,164 |
| | <u>5,930,338</u> | <u>5,683,456</u> |

Rental income is included in the accounts after providing bad debts of £144,927 (2022: £152,123) and net of rental voids incurred during the year to the value of £372,502 (2022: £403,044).

Homes England and other grant income contains £76,254 (2022: 69,599) of amortised grant, the remainder relates to non-capitalised grant income.

4. STAFF COSTS

All employees were involved in direct charitable services, with a proportion of time of some staff taken up by administrative duties.

| | 2023 | 2022 |
|-----------------------|-------------------------|-------------------------|
| | £ | £ |
| Wages and salaries | 1,577,629 | 1,485,435 |
| Social security costs | 139,765 | 130,113 |
| Other pension costs | <u>137,100</u> | <u>195,093</u> |
| | 1,854,494 | 1,810,641 |
| Agency costs | <u>14,784</u> | <u>19,997</u> |
| Total | <u>1,869,278</u> | <u>1,830,638</u> |

Other pension costs include net income totalling £31,000 (2022: £3,000 net cost), being the net pension costs movement as disclosed in note 17 to the accounts and in accordance with FRS 102.

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

4. STAFF COSTS – continued

The average number of employees, including members of the executive team, calculated on a full time equivalent basis was 64 employees (2022: 58). Full time staff work 39 hours per week and each correspond to 1 FTE. Part time staff have their hours pro-rated.

One member of staff received a redundancy payment of £10,302 during the year (2022: 1 employee totalling £1,454).

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

In the band £100,000 and £110,000 - 1 (2022: Nil).

In the band £90,000 and £100,000 - Nil (2022: 1).

5. TRUSTEES REMUNERATION AND BENEFITS

During the prior year one trustee was paid remuneration for their role as Chief Executive, not in their capacity as a trustee. They resigned as a Trustee on 14 October 2021. Remuneration for this period was £Nil (2022: £60,290). Employer pension contributions for this period totalled £Nil (2022: £9,564).

Trustee expenses

There were no travel expenses paid to Trustees (2022: £Nil).

6. BOARD AND KEY MANAGEMENT PERSONNEL REMUNERATION

The total remuneration for key management personnel, including employer's national insurance amounted to £309,192 (2022: £231,059).

During the year total pensions of £46,008 (2022: £34,563) were payable to key management personnel.

The highest paid director received £104,073 (2022: £99,835) remuneration. Employer pension contributions of £28,784 (2022: £11,470) were paid into a personal pension scheme with no enhancements applied.

7. INTEREST PAYABLE AND SIMILAR EXPENSES

| | 2023 | 2022 |
|--------------------|---------------------|------------|
| | £ | £ |
| Bank loan interest | <u>1,022</u> | <u>501</u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

8. **SURPLUS BEFORE TAXATION**

| | General needs £ | Supported housing £ | Central office £ | Restricted £ | 2023 Total £ | 2022 Total £ |
|--|--------------------------------|------------------------------------|---------------------------------|-------------------------|-------------------------|-------------------------|
| Income | | | | | | |
| Rental income | 723,104 | 4,044,775 | - | - | 4,767,879 | 4,405,429 |
| Contracted income | - | 1,009,562 | - | - | 1,009,562 | 651,500 |
| Other grants | 31,794 | - | - | 3,270 | 35,064 | 16,000 |
| Commercial premises | - | - | 38,229 | - | 38,229 | 37,622 |
| Other income | 4,801 | - | (1,451) | - | 3,350 | 391,740 |
| Homes England | - | - | - | 76,254 | 76,254 | 181,164 |
| | <u>759,699</u> | <u>5,054,337</u> | <u>36,778</u> | <u>79,524</u> | <u>5,930,338</u> | <u>5,683,456</u> |
| Expenditure | | | | | | |
| Salaries | (279,135) | (1,091,239) | (484,120) | - | (1,854,494) | (1,814,571) |
| Other staff costs | (1,465) | (39,328) | (81,028) | - | (121,821) | (122,201) |
| Premises costs | (1,988) | - | (179,526) | - | (181,514) | (165,858) |
| Office costs | - | - | (127,675) | - | (127,675) | (85,213) |
| Insurance | - | - | (126,431) | - | (126,431) | (107,175) |
| General costs | (13,310) | (41) | (271,948) | - | (285,299) | (181,902) |
| Support costs | (4,109) | (43,647) | (10,127) | (5,047) | (62,930) | (61,751) |
| Maintenance / van costs | (66,778) | (15) | - | - | (66,793) | (67,892) |
| Housing costs | (766,252) | (1,383,789) | (1,025) | (48) | (2,151,114) | (2,026,235) |
| Depreciation | (148,553) | (94,514) | (60,976) | - | (304,043) | (334,354) |
| Pension service/ finance costs | - | - | (103,000) | - | (103,000) | (115,000) |
| Profit/(loss) on sale of tangible fixed assets | 6,853 | - | - | - | 6,853 | 43,566 |
| | <u>759,699</u> | <u>5,054,337</u> | <u>36,778</u> | <u>79,524</u> | <u>5,930,338</u> | <u>5,683,456</u> |
| Operating Surplus / (loss) | <u>(515,038)</u> | <u>2,401,764</u> | <u>(1,409,078)</u> | <u>74,429</u> | <u>552,077</u> | <u>644,870</u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

9. **TAXATION**

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 March 2023 nor for the year ended 31 March 2022.

10. **ACCOMMODATION OWNED, MANAGED AND IN DEVELOPMENT**

| | Number of units at end date 2023 | Number of units at end date 2022 |
|---------------------------------|---|---|
| Social housing | | |
| General needs housing | 120 | 117 |
| Sustainable tenancy | 26 | 19 |
| Supported housing | <u>31</u> | <u>28</u> |
| Total Social housing | 177 | 164 |
| Non-social housing | | |
| General needs housing | 18 | 18 |
| Sustainable tenancy | 101 | 102 |
| Supported housing | <u>130</u> | <u>151</u> |
| Total Non-Social housing | <u>249</u> | <u>271</u> |
| Total owned and managed | <u><u>426</u></u> | <u><u>435</u></u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

11. **SURPLUS/(DEFICIT)**

Surplus/(deficit) is stated after charging:

| | 2023 | 2022 |
|--|-------------------------|-------------------------|
| | £ | £ |
| Auditor's remuneration (including expenses and benefits in kind) for audit | 18,000 | 17,124 |
| Depreciation of housing properties and components | 228,766 | 222,169 |
| Depreciation of other tangible assets | 75,276 | 112,184 |
| Grants released against depreciation | (76,254) | (69,599) |
| Rent losses from bad debts | 144,927 | 152,123 |
| Operating lease rentals | <u>1,152,274</u> | <u>1,072,099</u> |

12. **TANGIBLE FIXED ASSETS**

| | Freehold property | Long leasehold | Fixtures and fittings | Totals |
|-----------------------|------------------------------|---------------------------|--------------------------------------|------------------|
| | £ | £ | £ | £ |
| COST | | | | |
| At 1 April 2022 | 906,658 | 70,165 | 1,427,194 | 2,404,017 |
| Additions | <u>31,254</u> | <u>-</u> | <u>70,844</u> | <u>102,098</u> |
| At 31 March 2023 | <u>937,912</u> | <u>70,165</u> | <u>1,498,038</u> | <u>2,506,115</u> |
| DEPRECIATION | | | | |
| At 1 April 2022 | 274,893 | 70,165 | 1,262,282 | 1,607,340 |
| Charge for year | <u>18,505</u> | <u>-</u> | <u>56,771</u> | <u>75,276</u> |
| At 31 March 2023 | <u>293,398</u> | <u>70,165</u> | <u>1,319,053</u> | <u>1,682,616</u> |
| NET BOOK VALUE | | | | |
| At 31 March 2023 | <u>644,514</u> | <u>-</u> | <u>178,985</u> | <u>823,499</u> |
| At 31 March 2022 | <u>631,765</u> | <u>-</u> | <u>164,912</u> | <u>796,677</u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

13. HOUSING PROPERTIES FOR LETTING

| | Land and buildings £ | Leasehold improvements £ | Totals £ |
|------------------------|----------------------------|--------------------------------|------------------|
| COST | | | |
| At 1 April 2022 | 7,167,972 | 1,281,921 | 8,449,893 |
| Additions | 1,202,573 | 2,647 | 1,205,220 |
| Disposals | <u>(50,675)</u> | <u>-</u> | <u>(50,675)</u> |
| At 31 March 2023 | <u>8,319,870</u> | <u>1,284,568</u> | <u>9,604,438</u> |
| DEPRECIATION | | | |
| At 1 April 2022 | 724,905 | 630,920 | 1,355,825 |
| Charge for the year | 108,719 | 120,047 | 228,766 |
| Eliminated on disposal | <u>(6,104)</u> | <u>-</u> | <u>(6,104)</u> |
| At 31 March 2023 | <u>827,520</u> | <u>750,967</u> | <u>1,578,487</u> |
| NET BOOK VALUE | | | |
| At 31 March 2023 | <u>7,492,350</u> | <u>533,601</u> | <u>8,025,951</u> |
| At 31 March 2022 | <u>6,443,067</u> | <u>651,001</u> | <u>7,094,068</u> |

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2023 £ | 2022 £ |
|---|------------------|------------------|
| Trade debtors (gross social housing rent arrears) | 331,621 | 393,366 |
| Provision for bad and doubtful debts | <u>(174,601)</u> | <u>(210,716)</u> |
| Trade debtors (other) | 185,515 | 156,962 |
| Prepayments and accrued income | <u>191,284</u> | <u>410,528</u> |
| | <u>533,819</u> | <u>750,140</u> |

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2023 £ | 2022 £ |
|---|------------------|----------------|
| Bank loans and overdrafts (see note 17) | 108,627 | 94,662 |
| Trade creditors | 330,859 | 407,502 |
| Social security and other taxes | 32,015 | 35,487 |
| Other creditors | 45,857 | 60,808 |
| Accruals and deferred income | 416,914 | 220,015 |
| Deferred income capital grants | <u>76,254</u> | <u>82,268</u> |
| | <u>1,010,526</u> | <u>900,742</u> |

Bank loans totalling £1,984,333 (2022: £2,032,527) are secured by a first legal charge over freehold and leasehold residential properties owned by the charity. The above loans are repayable monthly over a 25 year period at rates of interest charged at 2.5% over the bank's base rate, with a bullet repayment at the end of year ten (2027).

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

16. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

| | 2023 | 2022 |
|--------------------------------|-------------------------|------------------|
| | £ | £ |
| Bank loans (see note 17) | 1,875,706 | 1,937,865 |
| Other creditors | 187,800 | 233,300 |
| Deferred income capital grants | <u>2,869,424</u> | <u>2,498,345</u> |
| | <u>4,932,930</u> | <u>4,669,510</u> |

Bank loans, other creditors and deferred income re capital grants include aggregate amounts of £4,324,181 (2022: £3,796,614) which fall due after five years and which are payable by instalments.

17. **LOANS**

An analysis of the maturity of loans is given below:

| | 2023 | 2022 |
|---|-------------------------|------------------|
| | £ | £ |
| Amounts falling due within one year or on demand: | | |
| Bank loans | <u>108,627</u> | <u>94,662</u> |
| Amounts falling due between one and two years: | | |
| Bank loans - 1-2 years | <u>108,628</u> | <u>94,662</u> |
| Amounts falling due between two and five years: | | |
| Bank loans - 2-5 years | <u>312,321</u> | <u>283,986</u> |
| Amounts falling due in more than five years: | | |
| Repayable by instalments | | |
| Bank loans more than 5 year by instalments | <u>1,454,757</u> | <u>1,559,217</u> |

18. **LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

| | 2023 | 2022 |
|----------------------------|-------------------------|------------------|
| | £ | £ |
| Within one year | 584,784 | 727,581 |
| Between one and five years | 897,363 | 963,998 |
| In more than five years | <u>388,280</u> | <u>382,645</u> |
| | <u>1,870,427</u> | <u>2,074,224</u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

19. **RESERVES**

| | BF | | | | | | CF |
|----------------------------|-----------------------|-------------------------|---------------------------|------------------|-------------------------|--|-------------------------|
| | 01.04.22 | Income | Expenditure | Transfers | Gains/ | | 31.03.23 |
| | £ | £ | £ | £ | (losses) | | £ |
| | | | | | £ | | |
| Unrestricted | | | | | | | |
| General reserves | 4,027,401 | 5,843,743 | (5,269,606) | - | 6,853 | | 4,608,391 |
| Pension reserves | <u>(3,846,000)</u> | - | <u>(72,000)</u> | - | <u>5,725,000</u> | | <u>1,807,000</u> |
| | 181,401 | 5,843,743 | (5,341,606) | - | 5,731,853 | | 6,415,391 |
| Restricted | | | | | | | |
| South Yorkshire Offender | 7,036 | - | - | - | - | | 7,036 |
| Homes England | 359,304 | 76,254 | (30,900) | - | - | | 404,658 |
| Derbyshire Domestic Abuse | 14,668 | - | (2,761) | - | - | | 11,907 |
| Foundation Derbyshire | 1,730 | - | (1,730) | - | - | | - |
| Open Gate Trust | 273 | - | - | - | - | | 273 |
| Arbor PCC | 885 | - | (885) | - | - | | - |
| Church on the Bus | 123 | - | - | - | - | | 123 |
| Morrisons Foundation | 4,222 | - | - | - | - | | 4,222 |
| Anonymous | 13 | - | (13) | - | - | | - |
| Mansfield District Council | 15,000 | - | - | - | - | | 15,000 |
| B&Q Foundation Stonecross | - | 5,000 | (1,388) | - | - | | 3,612 |
| | <u>403,254</u> | <u>81,254</u> | <u>(37,677)</u> | - | - | | <u>446,831</u> |
| Total reserves | <u>584,655</u> | <u>5,924,997</u> | <u>(5,379,283)</u> | - | <u>5,731,853</u> | | <u>6,862,222</u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

Restricted reserves consist of the following:

South Yorkshire Offender Partnership: Hope renovation project education and resources in Rotherham.

Homes England: Bringing empty homes into use within the private sector.

Derbyshire Domestic Abuse: The provision of resources to ensure that our support line in Derbyshire is accessible by all victims of domestic abuse including those from marginalised/isolated communities.

Foundation Derbyshire: To fund educational, developmental and life enhancing experiences as chosen by our young people in Chesterfield.

Open Gate Trust: Provision of Lifewise sessions at Newbold Court.

Arbor PCC: Funding for client activities and equipment to deliver bikes, water bottles, walking kit, entry to museums, etc.

Church on the Bus: Microwaves for Newbold Court clients.

Morrisons Foundation: Provision of client activities, hobbies and interests at Newbold and Highfield Road.

Anonymous: To help individuals or families in need, due to hardship or distress, in Nottinghamshire.

Mansfield District Council: Works at the Carr Bank Pavilion to make accommodation safe and comfortable.

B&Q Foundation Stonecross: To fund the provision of kitchen equipment for Stonecross and a sofa for Resource Centre.

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

| Prior year reserves | BF 01.04.21 £ | Income £ | Expenditure £ | Transfers £ | Gains/ (losses) £ | CF 31.03.22 £ |
|----------------------------|---------------------|------------------|--------------------|----------------|-------------------------|---------------------|
| Unrestricted | | | | | | |
| General reserves | 3,305,275 | 5,493,999 | (4,815,439) | - | 43,566 | 4,027,401 |
| Pension reserves | (5,230,000) | - | (118,000) | - | 1,502,000 | (3,846,000) |
| | <u>(1,924,725)</u> | <u>5,493,999</u> | <u>(4,933,439)</u> | <u>-</u> | <u>1,545,566</u> | <u>181,401</u> |
| Restricted | | | | | | |
| South Yorkshire Offender | 7,036 | - | - | - | - | 7,036 |
| Homes England | 328,927 | 170,333 | (139,956) | - | - | 359,304 |
| Derbyshire Domestic Abuse | 14,668 | - | - | - | - | 14,668 |
| Foundation Derbyshire | 2,000 | - | (270) | - | - | 1,730 |
| Open Gate Trust | 200 | - | 73 | - | - | 273 |
| Arbor PCC | 260 | 625 | - | - | - | 885 |
| Church on the Bus | 123 | - | - | - | - | 123 |
| Morrisons Foundation | 4,670 | - | (448) | - | - | 4,222 |
| Voluntary Action Rotherham | 5,000 | - | (5,000) | - | - | - |
| RMBC Section 106 | - | 616 | (616) | - | - | - |
| Anonymous | - | 1,000 | (987) | - | - | 13 |
| Mansfield District Council | - | 15,000 | - | - | - | 15,000 |
| Land Aid | - | 1,381 | (1,381) | - | - | - |
| Derby City | <u>-</u> | <u>629</u> | <u>(629)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | <u>362,884</u> | <u>189,657</u> | <u>(149,287)</u> | <u>-</u> | <u>-</u> | <u>403,254</u> |
| Total reserves | <u>(1,561,841)</u> | <u>5,683,583</u> | <u>(5,082,653)</u> | <u>-</u> | <u>1,545,566</u> | <u>584,655</u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

20. EMPLOYEE BENEFIT OBLIGATIONS

Certain employees of Action Housing and Support Limited participate in the South Yorkshire Pension Fund, a defined benefit, funded statutory scheme administered by the South Yorkshire Pensions Authority in accordance with the Local Government Pension Scheme Regulations 1995. An actuarial valuation of this fund was carried out in accordance with the Regulations as at 31 March 2019.

The pension cost is assessed every three years in accordance with the advice of a qualified independent actuary. The assumptions and other data that have the most significant effect on the determination of the contributions are as follows:

The end of year figures for the market value of the assets and split of the assets between investment categories have been calculated as at 31 March 2023. The corresponding figures for the start of the year have been calculated as at 31 March 2023. The major assumptions used by the actuary were:

| | |
|---|-----------------------|
| Latest full actuarial valuation | 31 March 2019 |
| Market value of assets at date of the last full valuation | £8,440 million |

The amounts recognised in the balance sheet are as follows:

| | Defined benefit pension plans | |
|---------------------------------------|--------------------------------------|---------------------------|
| | 2023 | 2022 |
| | £ | £ |
| Present value of funded obligations | (13,763,000) | (19,725,000) |
| Fair value of plan assets | <u>15,586,000</u> | <u>15,899,000</u> |
| | 1,823,000 | (3,826,000) |
| Present value of unfunded obligations | <u>(16,000)</u> | <u>(20,000)</u> |
| Surplus/(Deficit) | <u>1,807,000</u> | <u>(3,846,000)</u> |
| Net asset/(liability) | <u><u>1,807,000</u></u> | <u><u>(3,846,000)</u></u> |

The amounts recognised in surplus or deficit are as follows:

| | Defined benefit pension plans | |
|---|--------------------------------------|----------------|
| | 2023 | 2022 |
| | £ | £ |
| Current service cost | 146,000 | 201,000 |
| Net interest from net defined benefit asset/liability | 532,000 | 433,000 |
| Past service cost | <u>-</u> | <u>-</u> |
| | <u>678,000</u> | <u>634,000</u> |
| Actual return on plan assets | <u>-</u> | <u>-</u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

20. **EMPLOYEE BENEFIT OBLIGATIONS - continued**

Changes in the present value of the defined benefit obligation are as follows:

| | Defined benefit pension plans | |
|--|--|--------------------------|
| | 2023 | 2022 |
| | £ | £ |
| Opening defined benefit obligation | 19,745,000 | 19,680,000 |
| Current service cost | 146,000 | 201,000 |
| Contributions by scheme participants | 27,000 | 36,000 |
| Interest cost | 532,000 | 433,000 |
| Benefits paid | (227,000) | (182,000) |
| Remeasurements: | | |
| Actuarial (gains)/losses from changes in demographic assumptions | 686,000 | - |
| Actuarial (gains)/losses from changes in financial assumptions | (8,655,000) | (478,000) |
| Oblig other remeasurement | 1,525,000 | 55,000 |
| | <u>13,779,000</u> | <u>19,745,000</u> |

Changes in the fair value of scheme assets are as follows:

| | Defined benefit pension plans | |
|---|--|--------------------------|
| | 2023 | 2022 |
| | £ | £ |
| Opening fair value of scheme assets | 15,899,000 | 14,450,000 |
| Contributions by employer | 176,000 | 197,000 |
| Contributions by scheme participants | 28,000 | 37,000 |
| Interest received | 429,000 | 318,000 |
| Benefits paid | (227,000) | (182,000) |
| Remeasurements: | | |
| Return on plan assets (excluding interest income) | (938,000) | 1,079,000 |
| Assets other remeasurement | 219,000 | - |
| | <u>15,586,000</u> | <u>15,899,000</u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

20. **EMPLOYEE BENEFIT OBLIGATIONS - continued**

The amounts recognised in other comprehensive income are as follows:

| | Defined benefit pension plans | |
|--|--|------------------|
| | 2023 | 2022 |
| | £ | £ |
| Actuarial (gains)/losses from changes in demographic assumptions | (686,000) | - |
| Actuarial (gains)/losses from changes in financial assumptions | 8,655,000 | 478,000 |
| Oblig other remeasurement | (1,525,000) | (55,000) |
| Return on plan assets (excluding interest income) | (938,000) | 1,079,000 |
| Assets other remeasurement | <u>219,000</u> | <u>-</u> |
| | <u>5,725,000</u> | <u>1,502,000</u> |

The major categories of scheme assets as amounts of total scheme assets are as follows:

| | Defined benefit pension plans | |
|------------------|--|----------------|
| | 2023 | 2022 |
| | £ | £ |
| Equities | 10,598,000 | 10,494,000 |
| Government bonds | 3,585,000 | 3,816,000 |
| Property | 1,247,000 | 1,430,000 |
| Cash/liquid | <u>156,000</u> | <u>159,000</u> |
| | 15,586,000 | 15,899,000 |

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

| | 2023 | 2022 |
|------------------------------|--------------|-------------|
| Rate of inflation | 3.30% | 3.10% |
| Rate of increase in salaries | 3.55% | 4.20% |
| Rate of increase in pensions | 2.95% | 3.20% |
| Discount rate | 4.75% | 2.70% |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

20. **EMPLOYEE BENEFIT OBLIGATIONS - continued**

Mortality assumptions

The current mortality assumptions include sufficient allowance for future improvement in mortality rates. The assumed life expectations on retirement aged 65 are:

| | 2023 | 2022 |
|--|-------------|------|
| Retiring today/current pensioners | | |
| Males | 20.5 | 22.6 |
| Females | 23.7 | 25.4 |
| Retiring in 20 years/future pensioners | | |
| Males | 21.5 | 24.1 |
| Females | 25.2 | 27.3 |

Amounts recognised in the income and expenditure account:

| | 2023 | 2022 |
|--------------------------------------|-------------------------|------------------|
| Current service cost | (146,000) | (201,000) |
| Effect of curtailment or settlements | - | - |
| Past service cost | - | - |
| Net interest cost | (103,000) | (115,000) |
| Administrative costs | - | - |
| | <u>(249,000)</u> | <u>(316,000)</u> |

Amounts recognised in the statement of total recognised gains and losses:

| | 2023 | 2022 |
|----------------------------|-------------------------|------------------|
| Actuarial gains / (losses) | <u>5,725,000</u> | <u>1,502,000</u> |

Action Housing And Support Limited

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

21. CAPITAL FUNDING AND COMMITMENTS

Prior to the year end, Action Housing and Support Ltd were contracted to capital expenditure amounting to £235,917 (2022: £Nil) which was not provided for in the financial statements. This is disclosed net of any funding which will be received.

22. RELATED PARTY DISCLOSURES

WINTAI Services Ltd was engaged to provide a statutory data protection service and also data protection consultancy services. A Director of WINTAI Services Ltd is a family member of Atholl Stott, the CEO. Fees for this work totalled £1,188 (2022: £2,023). At the year end, the balance owed to WINTAI Services Ltd was £Nil (2022: £Nil).

Niall Macpherson Property Services, owned by Niall Macpherson, a Trustee, provided technical consultancy services, to review the property portfolio for impairment. Fees for this work totalled £1,500 (2022: £1,650), which are included in accruals.

An annual membership fee was paid to Women in Social Housing (WISH). WISH was engaged to provide management training which was contracted out to Compassionate Leaders. Helen Greig, a Co Opted Trustee, was the Managing Director of WISH and resigned from wish on 31 January 2022. Fees for annual corporate membership totalled £996 in the 2022 financial year.

Hill Dickinson LLP provided professional services to the association during the year. Paula Warnock, a Trustee, is a partner at Hill Dickinson LLP. Fees for this work totalled £16,988 (2022: £800) and the year end balance was £Nil (2022: £Nil).

ACTION HOUSING AND SUPPORT LIMITED

England & Wales - Charity number 511265

Accounts

Company Registration Number: 01548338 (England and Wales)
Homes England Number: 4660
Registered Charity Number: 511265

**ACTION HOUSING AND SUPPORT LIMITED
REPORTS AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022**

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

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FOR THE YEAR ENDED 31 MARCH 2022

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ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)
TRUSTEES' REPORT INCORPORATING THE OPERATIONAL AND FINANCIAL REVIEW
FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are the non executive directors of the company, present their report with the audited financial statements of the charitable company for the year ended 31 March 2022.

REFERENCE AND ADMINISTRATIVE DETAILS

| | |
|---|---|
| Company registration number: | 01548338 (England and Wales) |
| Charity registration number: | 511265 |
| Homes England registration number: | 4660 |
| Members of the board: | Mr T De'Ath (Chair) Mr N MacPherson (Vice Chair) Mr A Stott (Resigned 14 October 2021) Mr I Knowles Mrs P Warnock Mr P Bayliss (Appointed 14 March 2022) |
| Co-opted member: | Ms H Greig |
| Chief Executive: | Mr A Stott |
| Registered office: | 6 Genesis Business Park Sheffield Road Rotherham South Yorkshire S60 1DX |
| Auditor: | BHP LLP 2 Rutland Park Sheffield South Yorkshire S10 2PD |
| Solicitor: | Bailoran West Hill House Allerton Hill Leeds LS7 3QB |
| Solicitor: | Ward Hadaway 5 Wellington Place Leeds LS1 4AP |
| Solicitor: | Hill Dickinson 50 Fountain Street Manchester M2 2AS |

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

TRUSTEES' REPORT INCORPORATING THE OPERATIONAL AND FINANCIAL REVIEW

FOR THE YEAR ENDED 31 MARCH 2022

Bankers:

Metro Bank
58-64 Fargate
Sheffield
S1 2HE

Bankers:

Unity Trust Bank plc
Nine Brindleyplace
Birmingham
B1 2HB

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

TRUSTEES' REPORT INCORPORATING THE OPERATIONAL AND FINANCIAL REVIEW

FOR THE YEAR ENDED 31 MARCH 2022

Principle Activities

The Trustees, who are the non executive directors of the company, present their report including the strategic report with the audited financial statements of the charitable company for the year ended 31 March 2022.

Action Housing and Support works for the public benefit through its principal activities of providing accommodation, support, education and employability training and related services to a wide variety of vulnerable people. Currently these activities are carried out in Yorkshire, Nottinghamshire and Derbyshire. The objective of the charity is expressed in its Articles of Association:

'To educate and train and relieve poverty and sickness among persons who are suffering or who have suffered a legal restriction on their liberty in any penal or correctional establishment or through any means whatever including issues with learning difficulties, mental health, drug and alcohol, woman escaping domestic abuse, young people with multiple needs, sex workers and other vulnerable persons who require assistance to achieve and or maintain independence, also including (but not limited to) any orders made under the Mental Health Act or some other similar legislation and the families of such persons in such ways as the Board think fit and to further and promote the study of and research into all aspects and methods of the prevention of crime and delinquency and to obtain and make records of and disseminate information concerning the same, and to promote, support or carry on either alone or in co-operation with any subsidiary company of the Association or any other body, authority, or person, any project or scheme in connection with any methods of the prevention of crime and delinquency and to provide monies for such purposes whether by way of loans, grants, advances, gifts or otherwise as the Board think fit;

To carry on for the benefit of the community the business of providing social housing and any associated amenities, services, advice or assistance.

To promote or carry out any other charitable purpose that can be carried out by a company registered as a social landlord with the Tenant Services Authority or such similar authority from time to time.

The aim of the company is to work to enable vulnerable people to establish a home and live responsibly in society.'

Organisational Status

Action Housing and Support is a Registered Charity and a Company Limited by Guarantee, without share capital. Its governing instrument is the Articles of Association.

Action Housing and Support is also a Registered Housing Provider and these accounts are prepared in accordance with the Companies Act 2006, the Housing Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.

Internal Controls, Governance and Risk Management

A Board of Trustees governs the company. The Board exists to provide probity and governance to Action Housing and Support, set the strategic direction, ensure adherence to the Articles of Association, support the Executive Team as they run the business, appoint the Chief Executive and hold them to account, provide advice, scrutiny and fresh eyes, behaving as critical friends.

Our Governance Framework covers the principles by which our organisation is constituted. It also records who take decisions, and how the decisions taken are recorded, communicated and implemented. Our organisation is a values-led, 'not for profit' organisation, and all income goes into running the organisation and the services delivered by it.

The Trustees continually review the risks to which the charity is exposed. Systems are in place to mitigate those risks utilising our Risk Management Framework & Business Continuity Plan.

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

TRUSTEES' REPORT INCORPORATING THE OPERATIONAL AND FINANCIAL REVIEW

FOR THE YEAR ENDED 31 MARCH 2022

Recruitment and appointment to the Board of Trustees is by a formal process as defined within the Code of Governance. Trustees undergo a period of induction in which they meet staff and clients, and are encouraged to attend events designed to promote their understanding of good governance.

Statement on internal control

The Board of Directors has overall responsibility for establishing and maintaining the whole system of internal control and reviewing its effectiveness.

The Board of Directors recognises that no system of internal control can provide absolute assurance or eliminate all risk. The system of internal control is designed to manage risk and to provide reasonable assurance that key business objectives and expected outcomes will be achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the association's assets and interests.

In meeting its responsibilities, the Board of Directors has taken a risk-based approach to the adoption of internal controls which are embedded within the normal management and governance process. This approach includes the regular evaluation of the nature and extent of the risks to which the association is exposed and is consistent with recognised good practice.

Board Membership and Responsibilities

The members below have served in office from 1 April 2021 to the date of this report, except where otherwise indicated:

Mr T De'Ath (Chair)
Mr N Macpherson (Vice Chair)
Mr A Stott (Resigned 14 October 2021)
Mr I Knowles
Mrs P Warnock
Mr P Bayliss (Appointed 14 March 2022)
Ms H Greig (Co-opted)

No remuneration is paid to Trustees, in their capacity as Trustees, and as the company is limited by guarantee, none of the Trustees has any interest in the shares or retained reserves.

Strategic Report

Operational Review

Our activities focus on tenancy sustainment, the provision of accommodation, the prevention of offending and homelessness, the provision of domestic abuse services and supporting individuals to independent and self-sufficient living. The delivery of our services benefits individuals through the creation of opportunity, enabling them to realise their potential and lead fulfilling lives.

Our funding currently enables the services we provide to be delivered to residents or people living in:

- Rotherham
- Sheffield
- Mansfield
- Chesterfield
- Derby

In 2021/22 services were provided to more than 1,000 individuals with the duration of support ranging from responsive phone calls which in effect last minutes to detailed and specific support programmes lasting up to two years. We also continue to provide units of supported accommodation to people with complex needs together with the provision of specified accommodation.

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

TRUSTEES' REPORT INCORPORATING THE OPERATIONAL AND FINANCIAL REVIEW

FOR THE YEAR ENDED 31 MARCH 2022

We have worked closely with Home England and by further utilising their affordable homes programme and working in partnership with our local authorities partners we intend to further develop our housing stock both in supported accommodation and general needs in the coming years.

The impact of our work goes beyond those we help directly; it reduces the distress suffered by families, friends and the wider society. It reduces demands upon statutory services and the public purse in terms of a reduction in crime, anti-social behaviour, drug abuse, poor health and social exclusion, and assists in the building of cohesive neighbourhoods.

The primary income sources of the Charity are rental income and contracts with local authorities. As mentioned above, Homes England provided development funding this year to enable us to increase our housing stock. We also received a number of smaller grants, which were used to purchase equipment and deliver activities to our client group across our programmes.

For a second year the organisation had to work flexibly to ensure its services could be delivered. Despite the challenge and widespread disruption caused by the Covid pandemic the company managed to deliver its services effectively throughout the period.

The company maintained existing contracts built on the newly formed relationships with Mansfield council successfully working in partnership to house rough sleepers and won new contracts with Derby Homes delivering the housing first model of accommodation.

Action Housing was also successful in bidding and winning grants in conjunction with Rotherham Council to be part of the national Rough Sleeper Accommodation Program. As a result the organisation bought and refurbished five properties working against a very tight timetable in the final six months of the year.

The organisation returned a reasonable surplus for the second year in a row and continued to work to the board approved 3 business plan. This plan has subsequently been updated taking the organisation to 2025.

The plan focuses on five key issues: -

- Quality of service and investment in the services provided.
- Investment in staff, their development and wellbeing.
- Investment in accommodation.
- Ensuring adequate reserves are accumulated and built upon.
- Strengthening the balance sheet of the organisation.

Trustees remain committed to the generation of income for the Charity and opportunity for our clients, but are clear that diversification must be appropriate and sustainable in the longer term. The Board continue to work with the senior team to ensure our continued success, development and growth.

Against this unprecedented climate, the charity's principal asset remains its staff and the Trustees acknowledge the contribution of every staff member and thank them for their work and commitment.

Financial Review

Action Housing & Support operates in a challenging financial environment and continues to experience restrictions on resources. Funding is on a contractual, cyclical basis and is often secured via competitive tender. Funding from the Communities and Local Government (administered by the local authorities) and in particular Housing Related Support, equates to 18% of all income. Our main source of income is via rental income from the units that we manage. This year we also received grant funding from Homes England, Derby City Council and Mansfield District Council.

As a result of the challenges previously outlined, overall, the organisation returned a £644,496 surplus on activities before taxation (2021 - £292,446). This included £118,000 (2021 - £75,000) for FRS 102 pension adjustments. Without these non-cash adjustments, the operating surplus would have been £762,496 (2021 - £367,446).

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

TRUSTEES' REPORT INCORPORATING THE OPERATIONAL AND FINANCIAL REVIEW

FOR THE YEAR ENDED 31 MARCH 2022

The closing net assets at 31 March 2022 were £584,655 (2021 - £1,561,841 liabilities) of which £403,254 (2021 - £362,884) was restricted funds and £4,027,401 (2021 - £3,305,275) was unrestricted reserves and £3,846,000 (2021 - £5,230,000) was a pension deficit reserve.

The trustees have prepared a three year financial plan showing forecasts of income, expenditure and cash flow for the period to 31 March 2025. The forecasts show that the company will generate future surpluses and has sufficient cash reserves to be able to continue its operations for the foreseeable future.

Reserves Policy

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission. The free reserves consist of unrestricted funds, net of fixed assets, associated bank loans and deferred capital grants. Due to our strategic commitment to develop properties, which generate long-term income, our free reserves remain relatively low at £749,796 (2021 - £133,896). We have however been able to increase and grow the reserves in the past year. The level of reserves is monitored and reviewed by

Trustees throughout the year as part of our ongoing management of risk. Our free reserves level is not assessed as a significant risk at present. We have in place a plan over the next three years to incrementally increase the level of free reserves held.

Key Risks

The main risks faced by the Charity are identified as:

- Reduction in public sector funding for services to support vulnerable people due to a continuing austerity environment. The main controls for this are dedicated business development resource, researching and identifying new opportunities and the maintenance of positive relationships and open dialogue with commissioners, enabling service redesign rather than decommission.
- Change in senior leadership. The board are committed to ensuring a new business strategy is in place underpinned by sustainable investment in resource capacity.
- Maintaining adequate cashflow, reducing contractual income and significant development activity. Main controls for this are active cashflow management and monitoring, careful budgeting, consideration of appropriate credit facilities and scrutiny and oversight by the Board of Trustees.
- Comprehensive risk management procedures, with risks reported to Board twice yearly for review.

Directors' Salaries

The Board of Trustees have overview of senior pay and terms and conditions. Salaries are benchmarked by use of the ACEVO pay survey and national CIPD pay survey information.

Investments

The company's investment powers are set out in its Articles of Association and allow the company to invest funds not immediately required in securities and property, subject to such conditions as may be required by law. Those responsible for financial management remain mindful of the current economic climate and the need to invest to secure maximum income whilst managing associated risk.

Plans for Future Periods

Building on the work already carried out, in the forthcoming year we aim to:

- Focus on the quality of service delivery
- Focus on our employment practices and improve the quality and capability of our staff
- Improve the quality of our housing stock
- Increase the provision of specified accommodation
- Develop more units of accommodation for general needs tenants
- Develop and build ever-stronger strategic relationships, raising the profile of Action.

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

TRUSTEES' REPORT INCORPORATING THE OPERATIONAL AND FINANCIAL REVIEW

FOR THE YEAR ENDED 31 MARCH 2022

Events since the Balance Sheet Date

There are no other important events that have occurred since the balance sheet date which affect the company.

Value for Money

Action Housing & Support has developed over the years by tendering for services in a continual, competitive cycle. This cycle ensures that services and the value they provide are reviewed and tested against the open market. It also continues to develop its property portfolio, which has resulted in the increased provision of both general needs accommodation and also supported accommodation. During 2021/22, the organisation has focussed on delivering value for money through the following activity:

- Tendering for the supply of specific contract works suited to the organisation's capabilities.
- Realignment of managerial resources in proportion to support reductions in specific areas of work.

Value for money remains critical to the organisation and to the successful submission of tenders. Plans for 2022/23 include:

- Focus on performance and accountability of all budget holders
- Continue to review and retender all contracts and suppliers of services
- Continue to develop and implement systems and processes that will facilitate and support excellent customer service

To comply with the Regulator of Social Housing Value for Money Metrics requirement, Action Housing and Support has calculated the following data:

| | 2022 | 2021 |
|--|---------|---------|
| Metric 1 Reinvestment % | 9% | 3% |
| Metric 2 New supply delivered (social housing units) | 4% | 3% |
| Metric 3 Gearing % | 8% | 13% |
| Metric 4 Earnings before interest, tax and depreciation % | 1,413% | 806% |
| Metric 5 Headline Social cost per unit | £11,699 | £10,329 |
| Metric 6 Operating Margin % (social housing and overall the same) | 11% | 7% |
| Metric 7 Return on capital employed % | 7% | 4% |

Reinvestment has increased from 3% to 9%, year on year, due to the purchase of five properties under the Rotherham Rough Sleepers project. The number of units has increased from 3% to 4%, due to plans to gradually increase stock year on year. Gearing has reduced from 13% to 8%, due to a reduction in long term debt and increase in cash. Earnings before interest, tax and depreciation has increased from 806% to 1413% due to improved management and control of the cost base. The social cost per unit has increased from £10,329 to £11,699 due to an increase in repairs cost per unit as the organisation works to improve its standard of accommodation. The operating margin has increased from 7% to 11% due to control of the cost base. The return on capital employed has increased from 4% to 7% due to an increase in the operating surplus.

Judgements and key estimates are included in the accounting disclosures on page 21. The key estimate is on property valuations. Properties are valued at cost and there is no impairment and therefore £nil impact on the financial statements. The impact of adjustments arising from the Association's accounting for defined benefit scheme is shown in the financial review on page 5.

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

TRUSTEES' REPORT INCORPORATING THE OPERATIONAL AND FINANCIAL REVIEW

FOR THE YEAR ENDED 31 MARCH 2022

Governance and Financial Viability standard

The Board of Trustees has reviewed its compliance with the Governance and Financial Viability Standard and confirms that it complies with the requirements of the standard for the year.

Trustees' Responsibilities

The trustees (who are also directors of Action Housing and Support for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law and registered social housing legislation requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure of information to Auditor

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

In approving the Board Report, we also approve the Strategic Report included therein, in our capacity as company directors.

Auditor

The auditor, BHP LLP will be proposed for re-appointment at the forthcoming Annual General Meeting.

On Behalf of the Board

This report was approved by the Board on

and has been signed on its behalf by:



.....
T De'Ath – Trustee & Chair

13-09-22

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACTION HOUSING AND SUPPORT LIMITED

FOR THE YEAR ENDED 31 MARCH 2022

We have audited the financial statements of Action Housing and Support Limited (the 'association') for the year ended 31 March 2022 which comprise the Statement of Comprehensive Income (including income and expenditure account), the Statement of Total Recognised Surpluses and Deficits, the Balance Sheet, the Statement of Changes in Reserves, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.

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's 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 trustees' report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the trustees' 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.

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACTION HOUSING AND SUPPORT LIMITED

FOR THE YEAR ENDED 31 MARCH 2022

Opinions on other matters 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 trustees' report (incorporating the strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the strategic report) has 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 association and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report (incorporating the strategic 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; or

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

Responsibilities of the board

As explained more fully in the board's responsibilities statement set out on page 8, the Trustees (who are also the directors of the association for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the board 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 board is 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 board either intends to liquidate the association or to cease operations, or has 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:

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 entity through discussions with Trustees and other management, and from our knowledge and experience of the charity 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 entity, including safeguarding legislation, health and safety and data protection laws;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- we ensured 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 entity'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; and
- enquiring of management as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACTION HOUSING AND SUPPORT LIMITED

FOR THE YEAR ENDED 31 MARCH 2022

Use of our report

This report is made solely to the association's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 137 of the Housing and Regeneration Act 2008. 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.

Jane Marshall (Senior Statutory Auditor)
for and on behalf of BHP LLP

Date:

2 Rutland Park
Sheffield
S10 2PD

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

STATEMENT OF COMPREHENSIVE INCOME (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2022

| | Note | 2022 £ | 2021 £ |
|---|------|------------------|------------------|
| Turnover | 2 | 5,683,456 | 4,803,665 |
| Cost of sales | 3 | (4,142,864) | (3,636,393) |
| Gross surplus | | 1,540,592 | 1,167,272 |
| Administration Expenditure | 3 | (880,251) | (810,782) |
| Operating surplus | | 660,341 | 356,490 |
| Surplus on sale of tangible fixed assets | | 43,566 | - |
| Interest receivable and similar income | 5 | 127 | 234 |
| Bank loan interest payable | 5 | (59,538) | (64,278) |
| Surplus for the year before taxation | 6 | 644,496 | 292,446 |
| Tax on surplus | | - | - |
| Surplus for the year | | 644,496 | 292,446 |

CONTINUING OPERATIONS

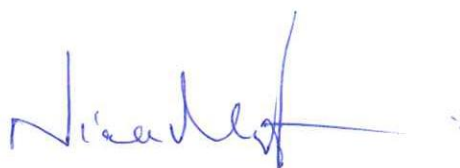
The results relate to wholly continuing activities.

Signed on behalf of the Board



.....

T De'Ath, Director



.....

N Macpherson, Director

Date: 13-09-22

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)
 STATEMENT OF TOTAL COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 31 MARCH 2022

| | Note | 2022 £ | 2021 £ |
|--|------|------------------|-----------------|
| Surplus for the year | 6 | 644,496 | 292,446 |
| Remeasurement gains / (losses) on defined benefit pension plan | 17 | 1,502,000 | (315,000) |
| Total comprehensive income for the year | | 2,146,496 | (22,554) |

Signed on behalf of the Board



.....

T De'Ath, Director



.....

N Macpherson, Director

Date: 13-09-22

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

BALANCE SHEET

FOR THE YEAR ENDED 31 MARCH 2022

| | Note | 2022 £ | 2021 £ |
|--|------|--------------------|--------------------|
| Fixed assets | | | |
| Housing properties | 10 | 7,094,068 | 6,755,206 |
| Other tangible fixed assets | 10 | 796,677 | 816,829 |
| | | <u>7,890,745</u> | <u>7,572,035</u> |
| Current assets | | | |
| Debtors | 11 | 750,140 | 532,534 |
| Cash at bank and in hand | | 1,360,022 | 1,068,054 |
| | | <u>2,110,162</u> | <u>1,600,588</u> |
| Creditors: amounts falling due within one year | 12 | <u>(900,742)</u> | <u>(966,117)</u> |
| Net current assets | | <u>1,209,420</u> | <u>634,471</u> |
| Total assets less current liabilities | | <u>9,100,165</u> | <u>8,206,506</u> |
| Creditors: amounts falling due after more than one year | 13 | <u>(4,669,510)</u> | <u>(4,538,347)</u> |
| Defined benefit pension liability | 17 | <u>(3,846,000)</u> | <u>(5,230,000)</u> |
| Total net liabilities | | <u>584,655</u> | <u>(1,561,841)</u> |
| Reserves | | | |
| Unrestricted reserves | 15 | 4,027,401 | 3,305,275 |
| Pension reserves | 15 | (3,846,000) | (5,230,000) |
| Restricted reserves | 15 | 403,254 | 362,884 |
| Total Reserves | | <u>584,655</u> | <u>(1,561,841)</u> |

The financial statements were approved and authorised for issue by the Board on

Signed on behalf of the board



.....
T De'Ath, Director



.....
N Macpherson, Director

The notes on pages 17 to 34 form part of these accounts.

Company registration number: 01548338

13-09-22

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

STATEMENT IN CHANGES OF RESERVES

FOR THE YEAR ENDED 31 MARCH 2022

| | General reserve £ | Pension reserve £ | Restricted reserve £ | Total £ |
|--|-------------------------|-------------------------|----------------------------|--------------------|
| At 1 April 2020 | 2,897,825 | (4,840,000) | 402,888 | (1,539,287) |
| Surplus / (Deficit) for the year | 407,450 | (75,000) | (40,004) | 292,446 |
| Remeasurement loss on defined benefit pension plan | - | (315,000) | - | (315,000) |
| Total comprehensive income at 31 March 2021 | 3,305,275 | (5,230,000) | 362,884 | (1,561,841) |
| Surplus / (Deficit) for the year | 722,126 | (118,000) | 40,370 | 644,496 |
| Remeasurement gain on defined benefit pension plan | - | 1,502,000 | - | 1,502,000 |
| Total comprehensive income at 31 March 2022 | 4,027,401 | (3,846,000) | 403,254 | 584,655 |

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

| | Note | 2022 £ | 2021 £ |
|--|------|------------------|------------------|
| Net cash flow from operating activities | 16 | 679,293 | 865,940 |
| Cash flow from investing activities | | | |
| Purchase of tangible fixed assets | | (843,638) | (364,982) |
| Sale of tangible fixed assets | | 234,028 | - |
| Social Housing Grants received | | 353,279 | 41,250 |
| Interest received | | 127 | 234 |
| Net cash flow from investing activities | | (256,204) | (323,498) |
| Cash flow from financing activities | | | |
| Proceeds from issue of new long-term loans | | - | 50,000 |
| Repayment of long term loans | | (71,084) | (65,622) |
| Interest paid | | (60,037) | (64,278) |
| Net cash flow from financing activities | | (131,121) | (79,900) |
| Net increase in cash and cash equivalents | | 291,968 | 462,542 |
| Cash and cash equivalents at 1 April | | 1,068,054 | 605,512 |
| Cash and cash equivalents at 31 March | | 1,360,022 | 1,068,054 |
| Cash and cash equivalents consists of: | | | |
| Cash at bank and in hand | | 1,360,022 | 1,068,054 |
| Cash and cash equivalents at 31 March | | 1,360,022 | 1,068,054 |

1 Summary of significant accounting policies

Status

The company is registered under the Companies Act 2006 and has been a registered charity since 21 April 1981. The charitable company registered with the Regulator of Social Housing as a housing provider on 2 June 2011.

General information and basis of preparation

Action Housing and Support Limited is a private registered provider of social housing in the United Kingdom. The address of the registered office is given in the company's information on page 1 of these financial statements. The nature of the company's operations and principal activities are the provision of social housing.

The company constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Statement of Recommended Practice for Social Housing Providers 2018, and with the Accounting Direction for private registered providers of social housing in England 2019. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008 and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the association, and rounded to the nearest £.

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

Going concern

The company has net assets of £584,655. This is a significant change from last years position of net liabilities of £1,561,841 and is largely due to the movement on the defined benefit pension liability of £1,384,000.

The trustees have prepared a three year financial plan showing forecasts of income, expenditure and cash flow for the period to 31 March 2025. The forecasts show that the company will generate future surpluses and has sufficient cash reserves to be able to continue its operations for the foreseeable future. Therefore, the Trustees believe it is appropriate for the financial statements to be prepared on the going concern basis.

Tangible fixed assets

Housing properties

Social housing properties are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended, such as the cost of acquiring land and buildings, developments costs, interest charges on loans during the development period and expenditure on improvements. Expenditure on improvements will only be capitalised when it results in incremental future benefits such as increasing rental income, reducing maintenance costs or resulting in a significant extension of the useful economic life of the property.

Major components of housing properties are depreciated at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

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FOR THE YEAR ENDED 31 MARCH 2022

| | |
|--------------------|-----------|
| Structure | 100 years |
| Roofs | 60 years |
| Kitchens | 10 years |
| Bathrooms | 15 years |
| Windows and doors | 20 years |
| Boilers and fires | 12 years |
| Electrics | 30 years |
| Mechanical systems | 20 years |

Freehold land is not depreciated. Housing properties under construction are not depreciated until they are in use and the useful economic lives of all tangible fixed assets are reviewed annually.

Other

Other tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

| | |
|----------------------------|------------------------|
| Land | Not depreciated |
| Buildings - freehold | 50 years straight line |
| Buildings - long leasehold | Over lease term |
| Office furniture | 5 years straight line |
| Office equipment | 4 years straight line |
| Computer equipment | 3 years straight line |

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date.

If such indication exists, the recoverable amount is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in expenditure through the statement of comprehensive income.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income and expenditure in other administrative expenses.

Rights of social landlords to have improvement works carried out to properties by a third party (such as a local authority) are recognised as prepayments where payment has occurred in advance of the works being carried out and receipts in advance from the same third party recognised as liabilities. Assets and liabilities or income and expenditure are not offset.

Stocks

Stocks of paint, papers, sheets, blankets, cutlery and crockery are not taken, and items are charged in the accounts as an expense when purchased. The trustees do not consider that the value of stock is either significant or material.

Leases

Rentals paid under operating leases are charged in the income and expenditure account as incurred.

Tax

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

Turnover

Turnover represents rental and service charges income receivable in the year net of rent and service charge losses from voids, revenue grants from the government (local authorities) and Homes England.

Grants

Government grants are received from Homes England in respect of housing properties. These grants are recognised at the fair value of the asset received or receivable. Where the assets are accounted for using the cost model then the government grant is accounted for using the accruals model. The difference between the fair value of the asset and the consideration is recognised as a liability and amortised over the useful economic life of the asset. This amortisation is recognised within turnover. Where the assets are accounted for using the valuation model then the government grant is accounted for using the performance model so that turnover is taken once the performance conditions have been met.

Government grants received as a contribution to revenue expenditure are recognised in the statement of comprehensive income on a systematic basis over the period in which the landlord recognises the related costs for which the grant is intended to compensate. The related expenditure is included under administrative expenses. Grants are recognised in the same period as the related expenditure provided the conditions for receipt have been satisfied and there is reasonable assurance that the grant will be received.

Social Housing Grants

Social Housing Grants (SHG) are made by Homes England to assist with acquisition or development. SHG grants are included in deferred income and released in line with the depreciation of the assets.

Pension costs

The company operates a defined benefit pension plan for the benefit of its employees. A liability for the company's obligations under the plan is recognised net of plan assets. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Restricted reserves

Restricted reserves are those reserves which are only expendable in accordance with the wishes of the funder or regulatory body. Restricted reserves include funds raised in response to a specific appeal. Revenue and expenditure cannot be directly set against restricted reserves but is taken through the income and expenditure account and then a transfer to restricted reserves is made as appropriate.

Judgements and key sources of estimation uncertainty

There are no judgements (apart from those involving estimates) which have been made in the process of applying the above accounting policies that have had significant effect on amounts recognised in the financial statements.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Property valuations – the carrying value of property and annual impairment reviews are subject to assessment involving estimates on future rental yield and state of repair of the properties.

South Yorkshire Pension Fund Liability – the present value of the liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. Any changes in these assumptions will impact the carrying value of the pension liability.

Loans and borrowings

Loans and borrowings are initially recognised at the transactions price including transactions costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a financial transaction it is measured at fair value.

Provisions

Provisions are recognised when the RP has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Provisions for cyclical maintenance or major works to existing stock are not made unless they represent commitments or obligations at the Balance Sheet date where there is no discretion to avoid or delay the expenditure.

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

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2 Turnover

| | 2022 £ | 2021 £ |
|---------------------|------------------|------------------|
| Rental income | 4,406,145 | 3,637,477 |
| Contracted income | 1,019,287 | 933,203 |
| Other grants | 16,000 | 13,190 |
| Commercial premises | 42,517 | 64,092 |
| Other income | 18,343 | 88,968 |
| Homes England | 181,164 | 66,735 |
| | <u>5,683,456</u> | <u>4,803,665</u> |
| Total | | |

Rental Income is included in the accounts after providing bad debts of £152,123 (2021: £76,187) and net of rental voids incurred during the year to the value of £403,044 (2021: £258,862).

Homes England and other grants income contains £69,599 (2021: £64,232) of amortised grant, the remainder relates to non-capitalised grant income.

3 Operating costs

| | Staff Costs £ | Other £ | Depreciation £ | Total 2022 £ | Total 2021 £ |
|----------------------------|------------------|------------------|-------------------|--------------------|--------------------|
| Housing and support | 735,099 | 239,302 | 72,828 | 1,047,229 | 1,100,366 |
| Housing management | 115,002 | 55,097 | 4,162 | 174,261 | 164,246 |
| Housing maintenance | 183,452 | 2,131,608 | 234,475 | 2,549,535 | 2,023,214 |
| Housing services | 357,402 | 10,275 | 4,162 | 371,839 | 348,567 |
| Client services: | | | | | |
| Project management | 58,304 | 79,292 | 12,485 | 150,081 | 173,021 |
| Administration expenditure | 359,526 | 210,426 | 6,241 | 576,193 | 498,138 |
| Governance costs | 21,853 | 17,124 | - | 38,977 | 30,623 |
| Pension finance costs | - | 115,000 | - | 115,000 | 109,000 |
| | <u>1,830,638</u> | <u>2,858,124</u> | <u>334,353</u> | <u>5,023,115</u> | <u>4,447,175</u> |
| 2021 | <u>1,616,412</u> | <u>2,563,397</u> | <u>267,366</u> | | |

Governance costs include the following:

| | 2022 £ | 2021 £ |
|--------------------------------|---------------|---------------|
| Salaries and office costs | 21,583 | 13,011 |
| Auditor's fees- audit services | 17,124 | 15,612 |
| Legal and professional fees | - | 2,000 |
| | <u>38,977</u> | <u>30,623</u> |

4 Accommodation owned, managed and in development

| | Number of units at start date 2022 | Number of units at end date 2021 |
|---------------------------------|---|---|
| <i>Social housing</i> | | |
| General needs housing | 117 | 124 |
| Sustainable tenancy | 19 | 26 |
| Supported housing | 28 | 6 |
| Total Social housing | 164 | 156 |
| <i>Non-social housing</i> | | |
| General needs housing | 18 | 30 |
| Sustainable tenancy | 102 | 147 |
| Supported housing | 151 | 89 |
| Total Non-Social housing | 271 | 266 |
| Total owned and managed | 435 | 422 |

5 Interest and other finance income and expenses

a) Interest receivable and similar income

| | 2022 £ | 2021 £ |
|--------------------------|-----------|-----------|
| Deposit account interest | 127 | 234 |

b) Interest payable and similar expenses

| | 2022 £ | 2021 £ |
|---------------------------|-----------|-----------|
| Bank loans and overdrafts | 59,538 | 64,278 |

c) Other finance costs

| | 2022 £ | 2021 £ |
|---|-----------|-----------|
| Interest on net defined benefit pension liability | 115,000 | 109,000 |

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

6 Surplus/(deficit)

Surplus/(deficit) is stated after charging:

| | 2022 £ | 2021 £ |
|--|------------------|----------------|
| Auditor's remuneration (including expenses and benefits in kind) for audit | 17,124 | 15,612 |
| Depreciation of housing properties and components | 222,169 | 204,876 |
| Depreciation of other tangible assets | 112,184 | 62,490 |
| Grants released against depreciation | (69,599) | (64,232) |
| Rent losses from bad debts | 152,123 | 76,187 |
| Operating lease rentals | <u>1,072,099</u> | <u>888,506</u> |

7. Trustee remuneration and benefits

During the current year one trustee was paid remuneration for their role as Chief Executive, not in their capacity as a Trustee. They resigned as a Trustee on 14 October 2021. Remuneration for this period was £60,290 (2021: £111,305). Employer pension contributions for this period totalled £9,564 (2021: £15,570).

Trustee expenses

There were no travel expenses paid to Trustees (2021 - £401 to 1 Trustee).

8. Board and key management personnel remuneration

The total remuneration for key management personnel, including employer's national insurance amounted to £231,059 (2021 - £177,537).

During the year total pensions of £34,563 (2021 - £23,041) were payable to key management personnel.

The highest paid director received £99,835 (2021 - £90,200) remuneration. Employer pension contributions of £11,470 (2021 - £10,006) were paid into a personal pension scheme with no enhancements applied.

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

9 Staff costs

All employees were involved in direct charitable services, with a proportion of time of some staff taken up by administrative duties.

| | 2022 £ | 2021 £ |
|-----------------------|-----------|-----------|
| Wages and salaries | 1,485,435 | 1,230,143 |
| Social security costs | 130,113 | 98,920 |
| Other pension costs | 195,093 | 153,803 |
| | <hr/> | <hr/> |
| | 1,810,641 | 1,482,866 |
| Agency costs | 19,997 | 133,546 |
| | <hr/> | <hr/> |
| Total | 1,830,638 | 1,616,412 |

Other pension costs include £3,000 (2021 - £36,000), being the net pension costs movement as disclosed in note 17 to the accounts and in accordance with FRS 102.

The average number of employees, including members of the executive team, calculated on a full time equivalent basis was 58 employees (2021 - 49). Full time staff work 39 hours per week and each correspond to 1 FTE. Part time staff have their hours pro-rated.

One member of staff received a redundancy payment of £1,454 during the year (2021 – 3 employees totalling £9,715).

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

In the band £90,000 - £100,000 – 1 (2021: 1).

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

10 Tangible fixed assets – Housing properties for letting

| | Land and buildings £ | Leasehold improvements £ | Total £ |
|---------------------------|----------------------------|--------------------------------|------------|
| Cost: | | | |
| At 1 April 2021 | 6,841,905 | 1,103,620 | 7,945,525 |
| Additions | 565,507 | 181,047 | 746,554 |
| Disposals | (239,440) | (2,746) | (242,186) |
| At 31 March 2022 | 7,167,972 | 1,281,921 | 8,449,893 |
| Depreciation: | | | |
| At 1 April 2021 | 679,741 | 510,578 | 1,190,319 |
| Charge for the year | 100,429 | 121,740 | 222,169 |
| Depreciation on disposals | (55,265) | (1,398) | (56,663) |
| At 31 March 2022 | 724,905 | 630,920 | 1,355,825 |
| Net book value: | | | |
| At 31 March 2021 | 6,162,164 | 593,042 | 6,755,206 |
| At 31 March 2022 | 6,443,067 | 651,001 | 7,094,068 |

Tangible fixed assets – other

| | Freehold buildings £ | Leasehold improvements £ | Fixtures and fittings £ | Total £ |
|---------------------------|----------------------------|--------------------------------|-------------------------------|------------|
| Cost: | | | | |
| At 1 April 2021 | 901,568 | 70,165 | 1,349,790 | 2,321,523 |
| Additions | 5,090 | - | 91,996 | 97,086 |
| Disposals | - | - | (14,592) | (14,592) |
| At 31 March 2022 | 906,658 | 70,165 | 1,427,193 | 2,404,017 |
| Depreciation: | | | | |
| At 1 April 2021 | 256,796 | 70,165 | 1,177,733 | 1,504,694 |
| Charge for the year | 18,097 | - | 94,087 | 112,184 |
| Depreciation on disposals | - | - | (9,538) | (9,538) |
| At 31 March 2022 | 274,893 | 70,165 | 1,262,282 | 1,607,340 |
| Net book value: | | | | |
| At 31 March 2021 | 644,722 | - | 172,057 | 816,829 |
| At 31 March 2022 | 631,765 | - | 164,911 | 796,677 |

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

11 Debtors

| | 2022 £ | 2021 £ |
|---|------------------|-----------------|
| Trade debtors (gross social housing rent arrears) | 393,366 | 248,686 |
| Less: provision for doubtful debt | <u>(210,716)</u> | <u>(97,496)</u> |
| | 182,650 | 151,190 |
| Trade debtors (other) | 156,962 | 89,660 |
| Prepayments and accrued income | 410,528 | 291,684 |
| | <u>750,140</u> | <u>532,534</u> |

12 Creditors: amounts falling due within one year

| | 2022 £ | 2021 £ |
|--------------------------------|----------------|----------------|
| Bank loans | 94,662 | 71,702 |
| Trade creditors | 407,502 | 590,887 |
| Other tax and social security | 35,487 | 30,713 |
| Other creditors | 60,808 | 59,205 |
| Accruals and deferred income | 220,015 | 147,103 |
| Deferred income capital grants | 82,268 | 66,507 |
| | <u>900,742</u> | <u>966,117</u> |

Bank loans totalling £2,032,527 (2021 - £2,103,610) are secured by a first legal charge over freehold and leasehold residential properties owned by the charity. The above loans are repayable monthly over a 25 year period at rates of interest charged at 2.5% over the bank's base rate, with a bullet repayment at the end of year ten (2027).

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

13 Creditors: amounts falling due after more than one year

| | 2022 £ | 2021 £ |
|-----------------------------------|------------------|------------------|
| Bank loans | 1,937,865 | 2,031,908 |
| Other creditors | 233,300 | 275,900 |
| Deferred income re capital grants | <u>2,498,345</u> | <u>2,230,539</u> |
| | <u>4,669,510</u> | <u>4,538,347</u> |

Bank loans, other creditors and deferred income re capital grants include aggregate amounts of £3,798,614 (2021 - £3,756,167) which fall due after five years and which are payable by instalments.

14 Leases

Operating leases - lessee

Total future minimum lease payments under non-cancellable operating leases are as follows:

| | 2022 £ | 2021 £ |
|--|------------------|------------------|
| Not later than one year | 727,581 | 734,766 |
| Later than one and not later than five years | 963,998 | 1,166,469 |
| Later than five years | 382,645 | 474,563 |
| | <u>2,074,224</u> | <u>2,375,798</u> |

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

15 Reserves

| | BF 01.04.21 £ | Income £ | Expenditure £ | Transfers £ | Gains/ (losses) £ | CF 31.03.22 £ |
|--------------------------------------|---------------------|-------------|------------------|----------------|-------------------------|---------------------|
| Unrestricted reserves | | | | | | |
| General reserves | 3,305,275 | 5,493,999 | (4,815,439) | - | 43,566 | 4,027,401 |
| Pension reserves | (5,230,000) | - | (118,000) | - | 1,502,000 | (3,846,000) |
| | (1,924,725) | 5,493,999 | (4,933,439) | - | 1,545,566 | 181,401 |
| Restricted reserves | | | | | | |
| South Yorkshire Offender Partnership | 7,036 | - | - | - | - | 7,036 |
| Homes England | 328,927 | 170,333 | (139,956) | - | - | 359,304 |
| Derbyshire Domestic Abuse | 14,668 | - | - | - | - | 14,668 |
| Foundation Derbyshire | 2,000 | - | (270) | - | - | 1,730 |
| Open Gate Trust | 200 | - | 73 | - | - | 273 |
| Arbor PCC | 260 | 625 | - | - | - | 885 |
| Church on the Bus | 123 | - | - | - | - | 123 |
| Morrison's Foundation | 4,670 | - | (448) | - | - | 4,222 |
| Voluntary Action Rotherham | 5,000 | - | (5,000) | - | - | - |
| Anonymous | - | 1,000 | (987) | - | - | 13 |
| Mansfield District Council | - | 15,000 | - | - | - | 15,000 |
| RMBC Section 106 | - | 616 | (616) | - | - | - |
| Land Aid | - | 1,381 | (1,381) | - | - | - |
| Derby City | - | 629 | (629) | - | - | - |
| | 362,884 | 189,584 | (149,214) | - | - | 403,254 |
| Total reserves | (1,561,841) | 5,683,583 | (5,082,653) | - | 1,545,566 | 584,655 |

Restricted reserves consist of the following:

South Yorkshire Offender Partnership: Hope renovation project education and resources in Rotherham.

Homes England: Bringing empty homes into use within the private sector.

Derbyshire Domestic Abuse: The provision of resources to ensure that our support line in Derbyshire is accessible by all victims of domestic abuse including those from marginalised/isolated communities.

Foundation Derbyshire: To fund educational, developmental and life enhancing experiences as chosen by our young people in Chesterfield.

Open Gate Trust: Provision of Lifewise sessions at Newbold Court.

Arbor PCC: Crime reduction.

Church on the Bus: Microwaves for Newbold Court clients.

Morrison's Foundation: Newbold Court clients to assist them to sustain a tenancy or engage in client activities.

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

Voluntary Action Rotherham: Healthy eating.

Anonymous: To help individuals or families in need, due to hardship or distress, in Nottinghamshire.

Mansfield District Council: Works at the Carr Bank Pavillion to make the accommodation safe and comfortable.

RMBC Section 106: Conversion of premises to provide general needs affordable housing in Rotherham.

Land Aid: Conversion of premises to provide accommodation and raining facilities for young people in Rotherham.

Derby City: Capital grant to refurbish properties in Derby.

Prior year reserves

| | BF 01.04.20 £ | Income £ | Expenditure £ | Transfers £ | Gains/ (losses) £ | CF 31.03.21 £ |
|--------------------------------------|---------------------|-------------|------------------|----------------|-------------------------|---------------------|
| Unrestricted reserves | | | | | | |
| General reserves | 2,897,825 | 4,726,477 | (4,319,027) | - | - | 3,305,275 |
| Pension reserves | (4,840,000) | - | (75,000) | - | (315,000) | (5,230,000) |
| | (1,942,175) | 4,726,477 | (4,394,027) | - | (315,000) | (1,924,725) |
| Restricted reserves | | | | | | |
| South Yorkshire Offender Partnership | 7,036 | - | - | - | - | 7,036 |
| Homes England | 379,559 | 61,205 | (111,837) | - | - | 328,927 |
| Derbyshire Domestic Abuse Foundation | 14,668 | - | - | - | - | 14,668 |
| Derbyshire | - | 2,000 | - | - | - | 2,000 |
| Open Gate Trust | 1,000 | - | (800) | - | - | 200 |
| Arbor PCC | 625 | - | (365) | - | - | 260 |
| Church on the Bus | - | 1,190 | (1,067) | - | - | 123 |
| Morrisons Foundation | - | 5,000 | (330) | - | - | 4,670 |
| Voluntary Action Rotherham | - | 5,000 | - | - | - | 5,000 |
| RMBC Section 106 | - | 616 | (616) | - | - | - |
| Land Aid | - | 1,381 | (1,381) | - | - | - |
| Derby City | - | 1,030 | (1,030) | - | - | - |
| | 402,888 | 77,422 | (117,426) | - | - | 362,884 |
| Total reserves | (1,539,287) | 4,803,899 | (4,511,453) | - | (315,000) | (1,561,841) |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

16 Notes to the cash flow statement

| Reconciliation of surplus for the year to cash flow from operating activities | 2022 £ | 2021 £ |
|---|----------------|-----------|
| Surplus for the year | 644,496 | 292,446 |
| Interest received | (127) | (234) |
| Interest paid | 60,037 | 64,278 |
| Depreciation and impairment of tangible fixed assets | 334,353 | 267,366 |
| Surplus on disposal of tangible fixed assets | (43,452) | - |
| Grants released | (69,712) | (66,733) |
| (Increase) / decrease in debtors | (217,606) | 56,767 |
| Increase / (decrease) in creditors | (146,696) | 177,050 |
| Defined benefit pension movements: | | |
| - Net interest cost | 115,000 | 109,000 |
| - Admin expenses | - | 2,000 |
| - Current service cost (less employer contributions) | 3,000 | (36,000) |
| - Settlements | - | - |
| - Past service cost | - | - |
| Net cash flow from operating activities | 679,293 | 865,940 |

Analysis of changes in net debt

| | At 1 April 2021 £ | Cash flows £ | At 31 March 2022 £ |
|------------------------|----------------------------|--------------------|-----------------------------|
| Cash at bank | 1,068,054 | 291,969 | 1,360,023 |
| Debt due within 1 year | (65,621) | (6,081) | (71,702) |
| Debt due after 1 year | (2,053,610) | 21,702 | (2,031,908) |
| | <u>(1,051,177)</u> | <u>307,589</u> | <u>(743,588)</u> |

17 Pensions and other post-retirement benefits

Defined benefit pension plans

Certain employees of Action Housing and Support Limited participate in the South Yorkshire Pension Fund, a defined benefit, funded statutory scheme administered by the South Yorkshire Pensions Authority in accordance with the Local Government Pension Scheme Regulations 1995. An actuarial valuation of this fund was carried out in accordance with the Regulations as at 31 March 2019.

The pension cost is assessed every three years in accordance with the advice of a qualified independent actuary. The assumptions and other data that have the most significant effect on the determination of the contributions are as follows:

The end of year figures for the market value of the assets and split of the assets between investment categories have been calculated as at 31 March 2022. The corresponding figures for the start of the year have been calculated as at 31 March 2022. The major assumptions used by the actuary were:

| | | | |
|---|----------------|------|-------|
| Latest full actuarial valuation | 31 March 2019 | | |
| Market value of assets at date of the last full valuation | £8,440 million | | |
| | | 2022 | 2021 |
| Rate of inflation | | 3.1% | 2.70% |
| Rate of increase in salaries | | 4.2% | 3.95% |
| Rate of increase in pensions | | 3.2% | 2.80% |
| Discount rate | | 2.7% | 2.20% |

17 Pensions and other post-retirement benefits (continued)

Expected rate of return on assets:

| | 2022 Expected rate of return | 2022 Value of assets £000 | 2022 Split of assets | 2021 Expected rate of return | 2021 Value of assets £000 | 2021 Split of assets |
|-------------------------------------|---------------------------------------|---------------------------------------|----------------------------|---------------------------------------|------------------------------------|----------------------------|
| Equities | 6.5% | 10,494 | 66% | 6.5% | 7,095 | 49.1% |
| Government bonds | 2.2% | 3,816 | 24% | 2.2% | 1,951 | 13.5% |
| Other bonds | 2.9% | - | - | 2.9% | 1,185 | 8.2% |
| Property | 5.9% | 1,430 | 9% | 5.9% | 1,315 | 9.1% |
| Cash/liquid | 0.5% | 159 | 1% | 0.5% | 202 | 1.4% |
| Other | 0.5% | - | - | 6.5% | 2,702 | 18.7% |
| Total market value of assets | | 15,899 | | | 14,450 | |
| Present value of scheme liabilities | | (19,745) | | | (19,680) | |
| Deficit in the scheme | | (3,846) | | | (5,230) | |

The current mortality assumptions include sufficient allowance for future improvement in mortality rates. The assumed life expectations on retirement aged 65 are:

| | 2022 | 2021 |
|--|------|------|
| Retiring today/current pensioners | | |
| Males | 22.6 | 22.5 |
| Females | 25.4 | 25.3 |
| Retiring in 20 years/future pensioners | | |
| Males | 24.1 | 24.0 |
| Females | 27.3 | 27.2 |

Balance sheet items as at 31 March:

| | 2022 £000 | 2021 £000 |
|---|-----------------|-----------------|
| Present value of funded benefit obligations | (19,725) | (19,661) |
| Present value of unfunded benefit obligations | (20) | (19) |
| | (19,745) | (19,680) |
| Fair value of plan assets | 15,899 | 14,450 |
| Deficit in the scheme | (3,846) | (5,230) |

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

17 Pensions and other post-retirement benefits (continued)

Components of pension costs for the period:

| | 2022 £'000 | 2021 £'000 |
|--------------------------------------|---------------|---------------|
| Current service cost | (201) | (147) |
| Employer contributions | 181 | 183 |
| Effect of curtailment or settlements | - | - |
| Past service cost | - | - |
| | <u>20</u> | <u>36</u> |
| Interest on pension liabilities | (318) | (387) |
| Expected return on assets | 1,079 | 278 |
| Administrative costs | - | (2) |
| | <u>761</u> | <u>(111)</u> |

Amounts recognised in the income and expenditure account:

| | 2022 £'000 | 2021 £'000 |
|--------------------------------------|---------------|---------------|
| Current service cost | (201) | (147) |
| Effect of curtailment or settlements | - | - |
| Past service cost | - | - |
| Net interest cost | (115) | (109) |
| Administrative costs | - | (2) |
| | <u>(316)</u> | <u>(258)</u> |

Amounts recognised in the statement of total recognised gains and losses:

| | 2022 £'000 | 2021 £'000 |
|----------------------------|---------------|---------------|
| Actuarial gains / (losses) | 1,502 | (315) |

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

17 Pensions and other post-retirement benefits (continued)

Change in benefit obligation during period to 31 March:

| | Unfunded benefits 2022 £'000 | All benefits 2022 £'000 | All benefits 2021 £'000 |
|---|---------------------------------------|----------------------------------|----------------------------------|
| Benefit obligation at 1 April | 19 | 19,680 | 16,888 |
| Current service cost | - | 201 | 147 |
| Interest on pension liability | - | 433 | 387 |
| Member contributions | - | 36 | 28 |
| Past service cost | - | - | - |
| Curtailements | - | - | - |
| Actuarial losses/(gains) on liabilities | - | - | 2,371 |
| Benefits/transfers paid | 1 | (182) | (141) |
| Remeasurements | - | (423) | - |
| | 20 | 19,745 | 19,680 |

Change in plan assets during period:

| | Unfunded benefits 2022 £'000 | All benefits 2022 £'000 | All benefits 2021 £'000 |
|--|---------------------------------------|----------------------------------|-------------------------------|
| Fair value of assets plan at 1 April | - | 14,450 | 12,048 |
| Expected return of plan assets | - | 1,397 | 278 |
| Actuarial (gains)/losses on assets | - | - | 2,056 |
| Administration expenses | - | - | (2) |
| Employer contributions | 1 | 197 | 183 |
| Member contributions | - | 36 | 28 |
| Benefits/transfers paid | (1) | (181) | (141) |
| Fair value of plan assets at end of period | - | 15,899 | 14,450 |
| Actual return on plan assets | - | 1,397 | 2,334 |
| Experience gains on assets | - | 318 | 410 |
| Experience gains / (losses) on liabilities | - | (65) | (2,781) |

The pension cost for the year was £430,000, (2021 - £390,000) excluding the adjustments required per FRS 102. The balance sheet includes £3,846,000 (2021 - £5,230,000) in respect of accrued pension costs.

18 Capital funding and commitments

| | 2022 £ | 2021 £ |
|--|-----------|-----------|
| Capital expenditure that has been contracted for but has not been provided for in the financial statements | - | 143,440 |

19 Related party transactions

WNTAI Services Ltd was engaged to provide interim data protection consultancy until this work could be absorbed by the new IT Manager. A Director of WNTAI Services Ltd is a close family member of a Trustee A Stott, who was in post until 14 October 2021. Fees for this work totalled £2,023 (2021: £1,425). At the year end, the balance owed to WNTAI Services Ltd was £nil (2021: £nil).

Niall Macpherson Property Services, owned by Trustee N Macpherson, provided technical consultancy services, to review the property portfolio for impairment. Fees for this work totalled £1,650 (2021: £nil), which are included in accruals.

An annual membership fee was paid to Women in Social Housing (WISH). WISH was engaged to provide management training which was contracted out to Compassionate Leaders. A Trustee, H Greig, was the Managing Director of WISH and resigned from WISH on 31 January 2022. Fees for annual corporate membership totalled £996 (2021: £nil).

ACTION HOUSING AND SUPPORT LIMITED

England & Wales - Charity number 511265

Accounts

Company Registration Number: 01548338 (England and Wales)
Homes England Number: 4660
Registered Charity Number: 511265

**ACTION HOUSING AND SUPPORT LIMITED
REPORTS AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021**

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

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FOR THE YEAR ENDED 31 MARCH 2021

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ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

TRUSTEES' REPORT INCORPORATING THE OPERATIONAL AND FINANCIAL REVIEW

FOR THE YEAR ENDED 31 MARCH 2021

The trustees, who are the non executive directors of the company, present their report with the audited financial statements of the charitable company for the year ended 31 March 2021.

REFERENCE AND ADMINISTRATIVE DETAILS

Company registration number: 01548338 (England and Wales)

Charity registration number: 511265

Homes England registration number: 4660

Members of the board: Mr Tony De'Ath (Chair)
Mr A Hopton (Vice Chair) (Resigned 14 December 2020)
Mr A Stott
Mr I Knowles
Mrs P Warnock
Mr Niall MacPherson (Appointed 14 December 2020)

Co-opted member: Ms H Greig (Appointed 14 December 2020)

Chief Executive: Mr A Stott (Appointed 1 April 2020)

Registered office: 6 Genesis Business Park
Sheffield Road
Rotherham
South Yorkshire
S60 1DX

Auditor: BHP LLP
2 Rutland Park
Sheffield
South Yorkshire
S10 2PD

Solicitor: Bailoran
West Hill House
Allerton Hill
Leeds
LS7 3QB

Solicitor: Ward Hadaway
5 Wellington Place
Leeds
LS1 4AP

Solicitor: Hill Dickinson
50 Fountain Street
Manchester
M2 2AS

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

TRUSTEES' REPORT INCORPORATING THE OPERATIONAL AND FINANCIAL REVIEW

FOR THE YEAR ENDED 31 MARCH 2021

Bankers: The Royal Bank of Scotland
PO Box 31
High Street
Rotherham
S60 1PS

Bankers: Metro Bank
58-64 Fargate
Sheffield
S1 2HE

Bankers: Unity Trust Bank plc
Nine Brindleyplace
Birmingham
B1 2HB

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

TRUSTEES' REPORT INCORPORATING THE OPERATIONAL AND FINANCIAL REVIEW

FOR THE YEAR ENDED 31 MARCH 2021

Principle Activities

The Trustees, who are the non executive directors of the company, present their report with the audited financial statements of the charitable company for the year ended 31 March 2021.

Action Housing and Support works for the public benefit through its principal activities of providing accommodation, support, education and employability training and related services to a wide variety of vulnerable people. Currently these activities are carried out in Yorkshire, Nottinghamshire and Derbyshire. The objective of the charity is expressed in its Articles of Association:

'To educate and train and relieve poverty and sickness among persons who are suffering or who have suffered a legal restriction on their liberty in any penal or correctional establishment or through any means whatever including issues with learning difficulties, mental health, drug and alcohol, woman escaping domestic abuse, young people with multiple needs, sex workers and other vulnerable persons who require assistance to achieve and or maintain independence, also including (but not limited to) any orders made under the Mental Health Act or some other similar legislation and the families of such persons in such ways as the Board think fit and to further and promote the study of and research into all aspects and methods of the prevention of crime and delinquency and to obtain and make records of and disseminate information concerning the same, and to promote, support or carry on either alone or in co-operation with any subsidiary company of the Association or any other body, authority, or person, any project or scheme in connection with any methods of the prevention of crime and delinquency and to provide monies for such purposes whether by way of loans, grants, advances, gifts or otherwise as the Board think fit;

To carry on for the benefit of the community the business of providing social housing and any associated amenities, services, advice or assistance.

To promote or carry out any other charitable purpose that can be carried out by a company registered as a social landlord with the Tenant Services Authority or such similar authority from time to time.

The aim of the company is to work to enable vulnerable people to establish a home and live responsibly in society.'

Organisational Status

Action Housing and Support is a Registered Charity and a Company Limited by Guarantee, without a share capital. Its governing instrument is the Articles of Association.

Action Housing and Support is also a Registered Housing Provider and these accounts are prepared in accordance with the Companies Act 2006, the Housing Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.

Internal Controls, Governance and Risk Management

A Board of Trustees governs the company. The Board exists to provide probity and governance to Action Housing and Support, set the strategic direction, ensure adherence to the Articles of Association, support the Executive Team as they run the business, appoint the Chief Executive and hold them to account, provide advice, scrutiny and fresh eyes, behaving as critical friends.

Our Governance Framework covers the principles by which our organisation is constituted. It also records who take decisions, and how the decisions taken are recorded, communicated and implemented. Our organisation is a values-led, 'not for profit' organisation, and all income goes into running the organisation and the services delivered by it.

The Trustees continually review the risks to which the charity is exposed. Systems are in place to mitigate those risks utilising our Risk Management Framework & Business Continuity Plan.

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

TRUSTEES' REPORT INCORPORATING THE OPERATIONAL AND FINANCIAL REVIEW

FOR THE YEAR ENDED 31 MARCH 2021

Recruitment and appointment to the Board of Trustees is by a formal process as defined within the Code of Governance. Trustees undergo a period of induction in which they meet staff and clients, and are encouraged to attend events designed to promote their understanding of good governance.

Board Membership and Responsibilities

The members below have served in office from 1 April 2020 to the date of this report, except where otherwise indicated:

Mr Tony De'Ath (Chair)
Mr A Hopton (Vice Chair) – Resigned 14 December 2020
Mr A Stott – Resigned 1 April 2020, Appointed 1 April 2020.
Mr I Knowles
Mrs P Warnock
Mr Niall MacPherson (Vice Chair) - Appointed 14 December 2020
Ms H Greig (CoOpted) – Appointed 14 December 2020

No remuneration is paid to Trustees, in their capacity as trustees, and as the company is limited by guarantee, none of the Trustees has any interest in the shares or retained reserves.

Strategic Report

Operational Review

Our activities focus on tenancy sustainment, the provision of accommodation, the prevention of offending and homelessness, the provision of domestic abuse services and supporting individuals to independent and self-sufficient living. The delivery of our services benefits individuals through the creation of opportunity, enabling them to realise their potential and lead fulfilling lives.

Our funding currently enables the services we provide to be delivered to residents or people living in:

- Rotherham
- Sheffield
- Mansfield
- Chesterfield
- Derby

In 2020/21 services were provided to more than 1,000 individuals with the duration of support ranging from responsive phone calls which in effect last minutes to detailed and specific support programmes lasting up to two years. We also continue to provide units of supported accommodation to people with complex needs together with the provision of specified accommodation.

Our general needs accommodation units number increased by 6% from 124 units to 131.

We have worked closely with Homes England and by further utilising their affordable homes programme and working in partnership with our local authorities partners we intend to further develop our housing stock both in supported accommodation and general needs in the coming years.

The impact of our work goes beyond those we help directly; it reduces the distress suffered by families, friends and the wider society. It reduces demands upon statutory services and the public purse in terms of a reduction in crime, anti-social behaviour, drug abuse, poor health and social exclusion, and assists in the building of cohesive neighbourhoods.

The primary income sources of the Charity are rental income and contracts with local authorities. As mentioned above, Homes England provided development funding this year to enable us to increase our housing stock. We also received a number of smaller grants, which were used to purchase equipment and deliver activities to our client group across our programmes.

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

TRUSTEES' REPORT INCORPORATING THE OPERATIONAL AND FINANCIAL REVIEW

FOR THE YEAR ENDED 31 MARCH 2021

Difficult strategic decisions had to be made in the previous year and as a result the organisation and its people adapted and responded positively and professionally. Despite the challenge and widespread disruption caused by the Covid pandemic the company managed to deliver its services effectively throughout the period.

The company maintained existing contracts built on the newly formed relationships with Mansfield council successfully working in partnership to house rough sleepers and won new contracts with Derby Homes delivering the housing first model of accommodation.

The organisation returned a reasonable surplus for the first time in 3 years and a viable 3-year business plan was approved by the board of trustees.

The plan focused on five key issues: -

- Quality of service and investment in the services provided.
- Investment in staff, their development and wellbeing.
- Investment in accommodation.
- Ensuring adequate reserves are accumulated and built upon.
- Strengthening the balance sheet of the organisation.

Trustees remain committed to the generation of income for the Charity and opportunity for our clients, but are clear that diversification must be appropriate and sustainable in the longer term. The Board continue to work with the senior team to ensure our continued success, development and growth.

Against this unprecedented climate, the charity's principal asset remains its staff and the Trustees acknowledge the contribution of every staff member and thank them for their work and commitment.

Financial Review

Action Housing & Support operates in a challenging financial environment and continues to experience restrictions on resources. Funding is on a contractual, cyclical basis and is often secured via competitive tender. Funding from the Communities and Local Government (administered by the local authorities) and in particular Housing Related Support, equates to 19% of all income. Our main source of income is via rental income from the units that we manage. This year we also received grant funding from Homes England and Derby City Council.

As a result of the challenges previously outlined, overall, the organisation returned a £292,446 surplus on activities before taxation (2020 - £397,735 deficit). This included £75,000 (2020 - £255,000) for FRS 102 pension adjustments. Without these non-cash adjustments, the operating surplus would have been £367,446 (2020 - £142,735 deficit).

The closing net liabilities at 31 March 2021 were £1,561,841 (2020 - £1,539,287) of which £362,884 (2020 - £402,888) was restricted funds and £3,305,275 (2020 - £2,897,825) was unrestricted reserves and £5,230,000 (2020 - £4,840,000) was a pension deficit reserve.

The trustees have prepared a three year financial plan showing forecasts of income, expenditure and cash flow for the period to 31 March 2024. The forecasts show that the company will generate future surpluses and has sufficient cash reserves to be able to continue its operations for the foreseeable future.

Reserves Policy

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission. The free reserves consist of unrestricted funds, net of fixed assets, and associated bank loans. Due to our strategic commitment to develop properties, which generate long-term income, our free reserves remain relatively low at £133,896 (2020 - £134,833). We have however been able to increase and grow the reserves in the past year, The level of reserves is monitored and reviewed by Trustees throughout the year as part of our ongoing management of risk. Our free reserves level is not assessed as a significant risk at present. We have in place a plan over the next three years to incrementally increase the level of free reserves held.

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

TRUSTEES' REPORT INCORPORATING THE OPERATIONAL AND FINANCIAL REVIEW

FOR THE YEAR ENDED 31 MARCH 2021

Key Risks

The main risks faced by the Charity are identified as:

- Reduction in public sector funding for services to support vulnerable people due to a continuing austerity environment. The main controls for this are dedicated business development resource, researching and identifying new opportunities and the maintenance of positive relationships and open dialogue with commissioners, enabling service redesign rather than decommission.
- Change in senior leadership. The board are committed to ensuring a new business strategy is in place underpinned by sustainable investment in resource capacity.
- Maintaining adequate cashflow, reducing contractual income and significant development activity. Main controls for this are active cashflow management and monitoring, careful budgeting, consideration of appropriate credit facilities and scrutiny and oversight by the Board of Trustees.
- Comprehensive risk management procedures, with risks reported to Board twice yearly for review.

Directors' Salaries

The Board of Trustees have overview of senior pay and terms and conditions. Salaries are benchmarked by use of the ACEVO pay survey and national CIPD pay survey information.

Investments

The company's investment powers are set out in its Articles of Association and allow the company to invest funds not immediately required in securities and property, subject to such conditions as may be required by law. Those responsible for financial management remain mindful of the current economic climate and the need to invest to secure maximum income whilst managing associated risk.

Plans for future periods

Building on the work already carried out, in the forthcoming year we aim to:

- Focus on the quality of service delivery
- Focus on our employment practices and improve the quality and capability of our staff
- Improve the quality of our housing stock
- With the recruitment of a new Chief Executive, consider the organisation's structure to ensure fitness for the future and the changing environment
- Increase the provision of specified accommodation
- Develop more units of accommodation for general needs tenants
- Develop and build ever-stronger strategic relationships, raising the profile of Action.

Events since the Balance Sheet date

There are no other important events that have occurred since the balance sheet date which affect the company.

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

TRUSTEES' REPORT INCORPORATING THE OPERATIONAL AND FINANCIAL REVIEW

FOR THE YEAR ENDED 31 MARCH 2021

Value for Money

Action Housing & Support has developed over the years by tendering for services in a continual, competitive cycle. This cycle ensures that services and the value they provide are reviewed and tested against the open market. It also continues to develop its property portfolio, which has resulted in the increased provision of both general needs accommodation and also supported accommodation to young people. During 2020/21, the organisation has focussed on delivering value for money through the following activity:

- Tendering for the supply of specific contract works suited to the organisation's capabilities.
- Realignment of managerial resources in proportion to support reductions in specific areas of work.

Value for money remains critical to the organisation and to the successful submission of tenders. Plans for 2021/22 include:

- Focus on performance and accountability of all budget holders
- Continue to review and retender all contracts and suppliers of services
- Continue to develop and implement systems and processes that will facilitate and support excellent customer service

To comply with the Regulator of Social Housing Value for Money Metrics requirement, Action Housing and Support has calculated the following data:

| | 2020 | 2019 |
|--|---------|---------|
| Metric 1 Reinvestment % | 3% | 6% |
| Metric 2 New supply delivered (social housing units) | 3% | 3% |
| Metric 3 Gearing % | 13% | 20% |
| Metric 4 Earnings before interest, tax and depreciation % | 806% | -408% |
| Metric 5 Headline Social cost per unit | £10,329 | £11,794 |
| Metric 6 Operating Margin % (social housing and overall the same) | 7% | -8% |
| Metric 7 Return on capital employed % | 4% | -4% |

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

TRUSTEES' REPORT INCORPORATING THE OPERATIONAL AND FINANCIAL REVIEW

FOR THE YEAR ENDED 31 MARCH 2021

Trustees' Responsibilities

The trustees (who are also directors of Action Housing and Support for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law and registered social housing legislation requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure of information to Auditor

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

The auditor, BHP LLP will be proposed for re-appointment at the forthcoming Annual General Meeting.

On Behalf of the Board

This report was approved by the Board on 16 August 2021 and has been signed on its behalf.

A De'Ath

A De'Ath (Aug 16, 2021, 15:30 GMT+1).....

T De'Ath – Trustee & Chair

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACTION HOUSING AND SUPPORT LIMITED

FOR THE YEAR ENDED 31 MARCH 2021

We have audited the financial statements of Action Housing and Support Limited (the 'association') for the year ended 31 March 2021 which comprise the Income and Expenditure Account, the Statement of Total Recognised Surpluses and Deficits, the Balance Sheet, the Statement of Changes in Reserves, the Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.

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's 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 trustees' report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the trustees' 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.

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACTION HOUSING AND SUPPORT LIMITED

FOR THE YEAR ENDED 31 MARCH 2021

Opinions on other matters 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 board report (incorporating the strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the board report (incorporating the strategic report) has 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 association and its environment obtained in the course of the audit, we have not identified material misstatements in the board report (incorporating the strategic 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; or

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

Responsibilities of the board

As explained more fully in the board's responsibilities statement set out on page 8, the Trustees (who are also the directors of the association for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the board 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 board is 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 board either intends to liquidate the association or to cease operations, or has 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:

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACTION HOUSING AND SUPPORT LIMITED

FOR THE YEAR ENDED 31 MARCH 2021

1. We gained an understanding of the legal and regulatory framework applicable to the association and the sector in which it operates, and considered the risk of such regulations, including fraud. We designed audit procedures to respond to the risk.
2. We focused on laws and regulations relevant to the association which could give rise to a material misstatement in the financial statements. Our testing included discussions with management, trustees, and those staff with direct responsibility for the compliance of laws and regulations. We also reviewed legal expenses.
3. We addressed the risk of management override of internal controls, including the testing of journals and review of the nominal ledger. We evaluated whether there was evidence of bias by management or the trustees that represented a risk of material misstatement due to fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. 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 Chapter 3 of Part 16 of the Companies Act 2006 and section 137 of the Housing and Regeneration Act 2008. 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.



Jane Marshall (Aug 16, 2021 16:59 GMT+1)

Jane Marshall (Senior Statutory Auditor)
for and on behalf of BHP LLP

Date: Aug 16, 2021

2 Rutland Park
Sheffield
S10 2PD

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

| | Note | 2021 £ | 2020 £ |
|---|------|----------------|------------------|
| Turnover | 2 | 4,803,665 | 4,244,495 |
| Cost of sales | 3 | (4,447,175) | (4,570,802) |
| Operating surplus / (deficit) | | 356,490 | (326,307) |
| Interest receivable and similar income | 5 | 234 | 1,443 |
| Bank loan interest payable | 5 | (64,278) | (72,871) |
| Surplus / (deficit) on ordinary activities before taxation | 6 | 292,446 | (397,735) |
| Tax on (deficit) on ordinary activities | | - | - |
| Surplus / (deficit) for the year | | 292,446 | (397,735) |

CONTINUING OPERATIONS

The results relate to wholly continuing activities.

On behalf of the Board

A De'Ath

A De'Ath (Aug 16, 2021 15:30 GMT+1)

T De'Ath, Director

Niall Macpherson

Niall Macpherson (Aug 16, 2021 15:38 GMT+1)

Niall MacPherson, Director

Date: Aug 16, 2021

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)
STATEMENT OF TOTAL RECOGNISED SURPLUSES AND DEFICITS
FOR THE YEAR ENDED 31 MARCH 2021

| | Note | 2021 £ | 2020 £ |
|---|------|------------------|-----------|
| Surplus / (deficit) for the year | 6 | 292,446 | (397,735) |
| Actuarial gains / (losses) arising on defined benefit pension | 17 | (315,000) | 1,343,000 |
| Operating (deficit) / surplus | | (22,554) | 945,265 |

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

BALANCE SHEET

FOR THE YEAR ENDED 31 MARCH 2021

| | Note | 2021 £ | 2020 £ |
|--|------|--------------------|-------------|
| Fixed assets | | | |
| Housing properties | 10 | 6,755,206 | 6,730,858 |
| Other tangible fixed assets | 10 | 816,829 | 743,562 |
| | | 7,572,035 | 7,474,420 |
| Current assets | | | |
| Debtors | 11 | 532,534 | 589,301 |
| Cash at bank and in hand | | 1,068,054 | 605,512 |
| | | 1,600,588 | 1,194,813 |
| Creditors: amounts falling due within one year | 12 | (966,117) | (739,736) |
| Net current assets | | 634,471 | 455,077 |
| Total assets less current liabilities | | 8,206,506 | 7,929,497 |
| Creditors: amounts falling due after more than one year | 13 | (4,538,347) | (4,628,784) |
| Defined benefit pension liability | 17 | (5,230,000) | (4,840,000) |
| Total net liabilities | | (1,561,841) | (1,539,287) |
| Reserves | | | |
| Unrestricted reserves | 15 | 3,305,275 | 2,897,825 |
| Pension reserves | 15 | (5,230,000) | (4,840,000) |
| Restricted reserve | 15 | 362,884 | 402,888 |
| Total Reserves | | (1,561,841) | (1,539,287) |

The financial statements were approved and authorised for issue by the Board on 16 August 2021.

Signed on behalf of the board

A De'Ath

A De'Ath (Aug 16, 2021 15:30 GMT+1)

T De'Ath, Director

Niall Macpherson

Niall Macpherson (Aug 16, 2021 15:38 GMT+1)

Niall MacPherson, Director

The notes on pages 17 to 34 form part of these accounts.

Company registration number: 01548338

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

STATEMENT IN CHANGES OF RESERVES

FOR THE YEAR ENDED 31 MARCH 2021

| | General reserve £ | Pension reserve £ | Restricted reserve £ | Total £ |
|--|----------------------------------|----------------------------------|-------------------------------------|---------------------------|
| At 1 April 2019 | 3,153,981 | (5,928,000) | 289,467 | (2,484,552) |
| (Deficit) / Surplus for the year | (256,156) | (255,000) | 113,421 | (397,735) |
| Remeasurement gain on defined benefit pension plan | - | 1,343,000 | - | 1,343,000 |
| Total comprehensive income at 31 March 2020 | <u>2,897,825</u> | <u>(4,840,000)</u> | <u>402,888</u> | <u>(1,539,287)</u> |
| Surplus / (Deficit) for the year | 407,450 | (75,000) | (40,004) | 292,446 |
| Remeasurement (loss) on defined benefit pension plan | - | (315,000) | - | (315,000) |
| Total comprehensive income at 31 March 2021 | <u><u>(5,230,000)</u></u> | <u><u>(5,230,000)</u></u> | <u><u>362,884</u></u> | <u><u>(1,561,841)</u></u> |

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

| | Note | 2021 £ | 2020 £ |
|---|------|------------------|-----------|
| Net cash flow from operating activities | 16 | 865,940 | 59,651 |
| Cash flow from investing activities | | | |
| Purchase of tangible fixed assets | | (364,982) | (487,305) |
| Social Housing Grants received | | 41,250 | 417,470 |
| Interest received | | 234 | 1,443 |
| Net cash flow from investing activities | | (323,498) | (68,392) |
| Cash flow from financing activities | | | |
| Proceeds from issue of new long-term loans | | 50,000 | - |
| Repayment of long term loans | | (65,622) | (59,560) |
| Interest paid | | (64,278) | (72,871) |
| Net cash flow from financing activities | | (79,900) | (132,431) |
| Net (decrease)/increase in cash and cash equivalents | | 462,542 | (141,172) |
| Cash and cash equivalents at 1 April | | 605,512 | 746,684 |
| Cash and cash equivalents at 31 March | | 1,068,054 | 605,512 |
| Cash and cash equivalents consists of: | | | |
| Cash at bank and in hand | | 1,068,054 | 605,512 |
| Cash and cash equivalents at 31 March | | 1,068,054 | 605,512 |

1 Summary of significant accounting policies

Status

The company is registered under the Companies Act 2006 and has been a registered charity since 21 April 1981. The charitable company registered with the Regulator of Social Housing as a housing provider on 2 June 2011.

General information and basis of preparation

Action Housing and Support Limited is a private registered provider of social housing in the United Kingdom. The address of the registered office is given in the company's information on page 1 of these financial statements. The nature of the company's operations and principal activities are the provision of social housing.

The company constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Statement of Recommended Practice for Social Housing Providers 2018, and with the Accounting Direction for private registered providers of social housing in England 2019. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008 and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the association, and rounded to the nearest £.

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

Going concern

The company has net liabilities of £1,561,841 due to the inclusion of the defined benefit pension liability of £5,230,000. Although this has turned the balance sheet negative it is not a liability which will crystallise in the near future. What is important is that the company can meet its pension contributions payments under this scheme as they fall due. The forecasts referred to below include these and the Trustees confirm that this is the case.

The trustees have prepared a three year financial plan showing forecasts of income, expenditure and cash flow for the period to 31 March 2024. The forecasts show that the company will generate future surpluses and has sufficient cash reserves to be able to continue its operations for the foreseeable future. Therefore, the Trustees believe it is appropriate for the financial statements to be prepared on the going concern basis.

Tangible fixed assets

Housing properties

Social housing properties are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended, such as the cost of acquiring land and buildings, developments costs, interest charges on loans during the development period and expenditure on improvements. Expenditure on improvements will only be capitalised when it results in incremental future benefits such as increasing rental income, reducing maintenance costs or resulting in a significant extension of the useful economic life of the property.

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Major components of housing properties are depreciated at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

| | |
|--------------------|-----------|
| Structure | 100 years |
| Roofs | 60 years |
| Kitchens | 10 years |
| Bathrooms | 15 years |
| Windows and doors | 20 years |
| Boilers and fires | 12 years |
| Electrics | 30 years |
| Mechanical systems | 20 years |

Freehold land is not depreciated. Housing properties under construction are not depreciated until they are in use and the useful economic lives of all tangible fixed assets are reviewed annually.

Other

Other tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

| | |
|----------------------------|------------------------|
| Land | Not depreciated |
| Buildings - freehold | 50 years straight line |
| Buildings - long leasehold | Over lease term |
| Office furniture | 5 years straight line |
| Office equipment | 4 years straight line |
| Computer equipment | 3 years straight line |

Impairment

All properties are considered for impairment annually and detailed reviews of assets for impairment are carried out if there is an indication that impairment has occurred or if they are not being depreciated.

Impairments that are a result of a major reduction in the service potential of a property are recognised in the income and expenditure account. Impairments that reflect general changes in price are, where the property is shown at a valuation, recognised in the statement of total recognised surpluses and deficits until the value of the asset falls to depreciated historical cost.

Further impairments, or the full impairment if the property has not been revalued, are then recognised in the income and expenditure account.

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income and expenditure in other administrative expenses.

Rights of social landlords to have improvement works carried out to properties by a third party (such as a local authority) are recognised as prepayments where payment has occurred in advance of the works being carried out and receipts in advance from the same third party recognised as liabilities. Assets and liabilities or income and expenditure are not offset.

Stocks

Stocks of paint, papers, sheets, blankets, cutlery and crockery are not taken, and items are charged in the accounts as an expense when purchased. The trustees do not consider that the value of stock is either significant or material.

Leases

Rentals paid under operating leases are charged in the income and expenditure account as incurred.

Tax

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

Turnover

Turnover represents rental and service charges income receivable in the year net of rent and service charge losses from voids, revenue grants from the government (local authorities) and the Homes England.

Grants

Grants receivable funding the general activities of the company are included in the year in which they are receivable.

Social Housing Grants

Social Housing Grants (SHG) are made by Homes England to assist with the acquisition or developments. SHG grants are included in deferred income and released in line with the depreciation of the assets.

Pension costs

The company operates a defined benefit pension scheme. An actuarial valuation was carried out at 31 March 2019 by a qualified independent actuary with a full valuation required every three years. The company's share of changes in the deficit is recognised on the balance sheet. The company's share of changes in the deficit is included in the income and expenditure account.

Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Restricted reserves

Restricted reserves are those reserves which are only expendable in accordance with the wishes of the funder or regulatory body. Restricted reserves include funds raised in response to a specific appeal. Revenue and expenditure cannot be directly set against restricted reserves but is taken through the income and expenditure account and then a transfer to restricted reserves is made as appropriate.

Judgements and key sources of estimation uncertainty

There are no judgements (apart from those involving estimates) which have been made in the process of applying the above accounting policies that have had significant effect on amounts recognised in the financial statements.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Property valuations – the carrying value of property and annual impairment reviews are subject to assessment involving estimates on future rental yield and state of repair of the properties.

South Yorkshire Pension Fund Liability – the present value of the liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. Any changes in these assumptions will impact the carrying value of the pension liability.

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

2 Turnover

| | 2021 £ | 2020 £ |
|---------------------|------------------|------------------|
| Rental income | 3,637,477 | 2,983,483 |
| Contracted income | 933,203 | 904,708 |
| Other grants | 13,190 | 25,625 |
| Commercial premises | 64,092 | 53,139 |
| Other income | 88,968 | 2,361 |
| Homes England | 66,735 | 241,611 |
| Statutory services | - | 33,568 |
| Total | 4,803,665 | 4,244,495 |

Rental Income is included in the accounts after providing bad debts of £76,187 (2020: £132,690) and net of rental voids incurred during the year to the value of £258,862 (2020: £330,825).

Homes England and other grants income contains £64,232 (2020: £55,103) of amortised grant, the remainder relates to non-capitalised grant income.

3 Operating costs

| | Staff Costs £ | Other £ | Depreciation £ | Total 2021 £ | Total 2020 £ |
|----------------------------|------------------|------------|-------------------|--------------------|--------------------|
| Housing and support | 724,526 | 337,727 | 38,113 | 1,100,366 | 1,286,236 |
| Housing management | 95,788 | 66,280 | 2,178 | 164,246 | 164,156 |
| Housing maintenance | 135,085 | 1,673,033 | 215,096 | 2,023,214 | 1,718,482 |
| Housing services | 329,452 | 16,937 | 2,178 | 348,567 | 361,154 |
| Client services: | | | | | |
| Project management | 63,541 | 102,946 | 6,534 | 173,021 | 219,220 |
| Administration expenditure | 255,009 | 239,862 | 3,267 | 498,138 | 645,030 |
| Governance costs | 13,011 | 17,612 | - | 30,623 | 31,524 |
| Pension finance costs | - | 109,000 | - | 109,000 | 145,000 |
| | 1,616,412 | 2,563,397 | 267,366 | 4,447,175 | 4,570,802 |
| 2020 | 1,998,921 | 2,302,442 | 269,439 | | |

Governance costs include the following:

| | 2021 £ | 2020 £ |
|--------------------------------|---------------|---------------|
| Salaries and office costs | 13,011 | 15,235 |
| Auditor's fees- audit services | 15,612 | 12,289 |
| Legal and professional fees | 2,000 | 4,000 |
| | 30,623 | 31,524 |

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

4 Accommodation owned, managed and in development

| | Number of units at start date 2021 | Number of units at end date 2020 |
|---------------------------------|---|---|
| <i>Social housing</i> | | |
| General needs housing | 131 | 124 |
| Sustainable tenancy | 26 | 26 |
| Supported housing | 6 | 6 |
| Total Social housing | 156 | 156 |
| <i>Non-social housing</i> | | |
| General needs housing | 30 | 30 |
| Sustainable tenancy | 147 | 116 |
| Supported housing | 89 | 89 |
| Total Non-Social housing | 266 | 235 |
| Total housing | 429 | 391 |

5 Interest and other finance income and expenses

a) Interest receivable and similar income

| | 2021 £ | 2020 £ |
|--------------------------|-------------------|-------------------|
| Deposit account interest | 234 | 1,443 |

b) Interest payable and similar expenses

| | 2021 £ | 2020 £ |
|---------------------------|-------------------|-------------------|
| Bank loans and overdrafts | 64,278 | 72,871 |

c) Other finance costs

| | 2021 £ | 2020 £ |
|---|-------------------|-------------------|
| Interest on net defined benefit pension liability | 109,000 | 145,000 |

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

6 Surplus/(deficit)

Surplus/(deficit) is stated after charging:

| | 2021 | 2020 |
|--|-----------------|----------|
| | £ | £ |
| Auditor's remuneration (including expenses and benefits in kind) for audit | 15,612 | 12,289 |
| Depreciation of housing properties and components | 204,876 | 186,815 |
| Depreciation of other tangible assets | 62,490 | 82,624 |
| Grants released against depreciation | (64,232) | (55,103) |
| Rent losses from bad debts | 76,187 | 132,690 |
| Operating lease rentals | 888,506 | 880,270 |

7. Trustee remuneration and benefits

During the current year one trustee was paid remuneration for their role as Chief Executive, not in their capacity as a Trustee. This is disclosed in the highest paid director information below. Employer pension contributions for this employee totalled £15,570 (2020: £Nil). Employer pension contributions were paid into a personal pension scheme with no enhancements applied.

Trustee expenses

Travel expenses totalling £401 (2020 - £869) were paid to 1 trustee (2020- 1 trustee).

8. Board and key management personnel remuneration

The total remuneration for key management personnel, including employer's national insurance amounted to £177,537 (2020 - £243,500).

During the year total pensions of £23,041 (2020 - £26,855) was payable to key management personnel.

The highest paid director received £100,206 (2020 - £129,033) remuneration (including employer's NI but excluding pension contributions).

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

9 Staff costs

All employees were involved in direct charitable services, with a proportion of time of some staff taken up by administrative duties.

| | 2021 | 2020 |
|-----------------------|------------------------|-----------------|
| | £ | £ |
| Wages and salaries | 1,230,143 | 1,442,775 |
| Social security costs | 98,920 | 100,704 |
| Other pension costs | 153,803 | 353,147 |
| | <hr/> 1,482,866 | <hr/> 1,896,626 |
| Agency costs | 133,546 | 102,295 |
| | <hr/> 1,616,412 | <hr/> 1,998,921 |

Other pension costs include (£36,000) (2020 - £106,000), being the net pension costs movement as disclosed in note 17 to the accounts and in accordance with FRS 102.

The average number of employees, including members of the executive team, calculated on a full time equivalent basis was 49 employees (2020 - 68).

Three members of staff received redundancy payments, totalling £9,715 (2020 – 5 employees totalling £13,990).

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

In the band £60,000 - £70,000 – nil (2020: 1)
In the band £100,000 - £110,000 – 1 (2020: 1)

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

10 Tangible fixed assets – Housing properties for letting

| | Land and buildings | Leasehold improvements | Total |
|---------------------|-------------------------------|-----------------------------------|--------------|
| | £ | £ | £ |
| Cost: | | | |
| At 1 April 2020 | 6,666,492 | 1,045,638 | 7,712,130 |
| Reclassification | (8,053) | 12,321 | 4,268 |
| Additions | 183,466 | 45,661 | 229,127 |
| | <hr/> | <hr/> | <hr/> |
| At 31 March 2021 | 6,841,905 | 1,103,620 | 7,945,525 |
| Depreciation: | | | |
| At 1 April 2020 | 586,027 | 395,245 | 981,272 |
| Reclassification | 509 | 3,662 | 4,171 |
| Charge for the year | 93,205 | 111,671 | 204,876 |
| | <hr/> | <hr/> | <hr/> |
| At 31 March 2021 | 679,741 | 510,578 | 1,190,319 |
| Net book value: | | | |
| At 31 March 2020 | <hr/> | <hr/> | <hr/> |
| | 6,080,465 | 650,393 | 6,730,858 |
| | <hr/> | <hr/> | <hr/> |
| At 31 March 2021 | 6,162,164 | 593,042 | 6,755,206 |
| | <hr/> | <hr/> | <hr/> |

Tangible fixed assets – other

| | Freehold buildings | Leasehold improvements | Fixtures and fittings | Total |
|---------------------|-------------------------------|-----------------------------------|----------------------------------|--------------|
| | £ | £ | £ | £ |
| Cost: | | | | |
| At 1 April 2020 | 901,208 | 73,015 | 1,213,935 | 2,188,158 |
| Reclassification | 360 | (2,850) | - | (2,490) |
| Additions | - | - | 135,855 | 135,855 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 March 2021 | 901,568 | 70,165 | 1,349,790 | 2,321,523 |
| Depreciation: | | | | |
| At 1 April 2020 | 238,664 | 72,648 | 1,133,284 | 1,444,596 |
| Reclassification | 90 | (2,483) | 1 | (2,392) |
| Charge for the year | 18,042 | - | 44,448 | 62,490 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 March 2021 | 256,796 | 70,165 | 1,177,733 | 1,504,694 |
| Net book value: | | | | |
| At 31 March 2020 | <hr/> | <hr/> | <hr/> | <hr/> |
| | 662,544 | 367 | 80,651 | 743,562 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 March 2021 | 644,772 | - | 172,057 | 816,829 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

11 Debtors

| | 2021 | 2020 |
|---|-----------------|-----------|
| | £ | £ |
| Trade debtors (gross social housing rent arrears) | 248,686 | 310,833 |
| Less: provision for doubtful debt | (97,496) | (158,324) |
| | 151,190 | 152,509 |
| Trade debtors (others) | 89,660 | 95,773 |
| Prepayments and accrued income | 291,684 | 341,019 |
| | 532,534 | 589,301 |

12 Creditors: amounts falling due within one year

| | 2021 | 2020 |
|--------------------------------|----------------|---------|
| | £ | £ |
| Bank loans | 71,702 | 65,621 |
| Trade creditors | 590,887 | 370,927 |
| Other tax and social security | 30,713 | 36,437 |
| Other creditors | 59,205 | 57,436 |
| Accruals and deferred income | 147,103 | 146,358 |
| Deferred income capital grants | 66,507 | 62,957 |
| | 966,117 | 739,736 |

Bank loans totalling £2,103,610 (2020 - £2,119,231) are secured by a first legal charge over freehold and leasehold residential properties owned by the charity. The above loans are repayable monthly over a 25 year period at rates of interest charged at 3% over the bank's base rate, with a bullet repayment at the end of year ten (2027).

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

13 Creditors: amounts falling due after more than one year

| | 2021 | 2020 |
|-----------------------------------|-------------------------|------------------|
| | £ | £ |
| Bank loans | 2,031,908 | 2,053,610 |
| Other creditors | 275,900 | 315,600 |
| Deferred income re capital grants | 2,230,539 | 2,259,574 |
| | <u>4,538,347</u> | <u>4,628,784</u> |

Bank loans, other creditors and deferred income re capital grants include aggregate amounts of £3,756,167 (2020 - £3,910,436) which fall due after five years and which are payable by instalments.

14 Leases

Operating leases - lessee

Total future minimum lease payments under non-cancellable operating leases are as follows:

| | 2021 | 2020 |
|--|-------------------------|------------------|
| | £ | £ |
| Not later than one year | 734,766 | 701,412 |
| Later than one and not later than five years | 1,166,469 | 1,290,069 |
| Later than five years | 474,563 | 447,585 |
| | <u>2,375,798</u> | <u>2,439,066</u> |

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

15 Reserves

| | BF 01.04.20 £ | Income £ | Expenditure £ | Transfers £ | Gains/ (losses) £ | CF 31.03.21 £ |
|--------------------------------------|---------------------|-------------|------------------|----------------|-------------------------|---------------------|
| Unrestricted reserves | | | | | | |
| General reserves | 2,897,825 | 4,726,477 | (4,319,027) | - | - | 3,305,275 |
| Pension reserves | (4,840,000) | - | (75,000) | - | (315,000) | (5,230,000) |
| | (1,942,175) | 4,726,477 | (4,394,027) | - | (315,000) | (1,924,725) |
| Restricted reserves | | | | | | |
| South Yorkshire Offender Partnership | 7,036 | - | - | - | - | 7,036 |
| Homes England | 379,559 | 61,205 | (111,837) | - | - | 328,927 |
| Derbyshire Domestic Abuse | 14,668 | - | - | - | - | 14,668 |
| Foundation Derbyshire | - | 2,000 | - | - | - | 2,000 |
| Open Gate Trust | 1,000 | - | (800) | - | - | 200 |
| Arbor PCC | 625 | - | (365) | - | - | 260 |
| Church on the Bus | - | 1,190 | (1,067) | - | - | 123 |
| Morrison's Foundation | - | 5,000 | (330) | - | - | 4,670 |
| Voluntary Action Rotherham | - | 5,000 | - | - | - | 5,000 |
| RMBC Section 106 | - | 616 | (616) | - | - | - |
| Land Aid | - | 1,381 | (1,381) | - | - | - |
| Derby City | - | 1,030 | (1,030) | - | - | - |
| | 402,888 | 77,422 | (117,426) | - | - | 362,884 |
| Total reserves | (1,539,287) | 4,803,899 | (4,511,453) | - | (315,000) | (1,561,841) |

Restricted reserves consist of the following:

South Yorkshire Offender Partnership: Hope renovation project education and resources in Rotherham.

Homes England: Bringing empty homes into use within the private sector.

Derbyshire Domestic Abuse: The provision of resources to ensure that our support line in Derbyshire is accessible by all victims of domestic abuse including those from marginalised/isolated communities.

Foundation Derbyshire: To fund educational, developmental and life enhancing experiences as chosen by our young people in Chesterfield.

Open Gate Trust: Provision of Lifewise sessions at Newbold Court.

Arbor PCC: Crime reduction.

Church on the Bus: Microwaves for Newbold Court clients.

Morrison's Foundation: Newbold Court.

Voluntary Action Rotherham: Healthy eating.

RMBC Section 106: Conversion of premises to provide general needs affordable housing in Rotherham.

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Land Aid: Conversion of premises to provide accommodation and raining facilities for young people in Rotherham.

Derby City: Capital grant to refurbish properties in Derby.

Prior year reserves

| | BF 01.04.19 £ | Income £ | Expenditure £ | Transfers £ | Gains/ (losses) £ | CF 31.03.20 £ |
|------------------------------|--|---------------------------|--------------------------------|------------------------------|--|--|
| Unrestricted reserves | | | | | | |
| General reserves | 3,153,981 | 3,978,702 | (4,234,858) | - | - | 2,897,825 |
| Pension reserves | (5,928,000) | - | (255,000) | - | 1,343,000 | (4,840,000) |
| | (2,774,019) | 3,978,702 | (4,489,858) | - | 1,343,000 | (1,942,175) |
| Restricted reserves | | | | | | |
| Action for Street Kids | 806 | - | (806) | - | - | - |
| South Yorkshire | 7,036 | - | - | - | - | 7,036 |
| Offender Partnership | | | | | | |
| Homes England | 256,192 | 238,665 | (115,298) | - | - | 379,559 |
| Derbyshire Domestic Abuse | 25,420 | 24,000 | (34,752) | - | - | 14,668 |
| Foundation Derbyshire | 13 | - | (13) | - | - | - |
| Open Gate Trust | - | 1,000 | - | - | - | 1,000 |
| Arbor PCC | - | 625 | - | - | - | 625 |
| RMBC Section 106 | - | 616 | (616) | - | - | - |
| Land Aid | - | 1,300 | (1,300) | - | - | - |
| Derby City | - | 1,030 | (1,030) | - | - | - |
| | 289,467 | 267,236 | (153,815) | - | - | 402,888 |
| Total reserves | (2,484,552) | 4,245,938 | (4,643,673) | - | 1,343,000 | (1,539,287) |

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

16 Notes to the cash flow statement

| | | |
|---|-----------------|------------------|
| Reconciliation of operating (deficit)/surplus to cash flow from operating activities | 2021 | 2020 |
| | £ | £ |
| Surplus / (Deficit) for the year | 292,446 | (397,735) |
| Interest received | (234) | (1,443) |
| Interest paid | 64,278 | 72,871 |
| Depreciation and impairment of tangible fixed assets | 267,366 | 269,439 |
| Grants released | (66,733) | (241,613) |
| (Increase) / decrease in debtors | 56,767 | (144,234) |
| Increase / (decrease) in creditors | 177,050 | 247,366 |
| Defined benefit pension movements: | | |
| - Net interest cost | 109,000 | 145,000 |
| - Admin expenses | 2,000 | 4,000 |
| - Current service cost (less employer contributions) | (36,000) | (34,000) |
| - Settlements | - | 21,000 |
| - Past service cost | - | 119,000 |
| Net cash flow from operating activities | 865,940 | 59,651 |

Analysis of changes in net debt

| | At 1 April 2020 £ | Cash flows £ | At 31 March 2021 £ |
|------------------------|----------------------------|--------------------|-----------------------------|
| Cash at bank | 605,512 | 462,542 | 1,068,054 |
| Debt due within 1 year | (71,702) | 6,081 | (65,621) |
| Debt due after 1 year | (2,031,908) | (21,702) | (2,053,610) |
| | <u>(1,490,098)</u> | <u>446,921</u> | <u>(1,051,177)</u> |

17 Pensions and other post-retirement benefits

Defined benefit pension plans

Certain employees of Action Housing and Support Limited participate in the South Yorkshire Pension Fund, a defined benefit, funded statutory scheme administered by the South Yorkshire Pensions Authority in accordance with the Local Government Pension Scheme Regulations 1995. An actuarial valuation of this fund was carried out in accordance with the Regulations as at 31 March 2019.

The pension cost is assessed every three years in accordance with the advice of a qualified independent actuary. The assumptions and other data that have the most significant effect on the determination of the contributions are as follows:

The end of year figures for the market value of the assets and split of the assets between investment categories have been calculated as at 31 March 2021. The corresponding figures for the start of the year have been calculated as at 31 March 2020. The major assumptions used by the actuary were:

Latest full actuarial valuation 31 March 2019
Market value of assets at date of the last full valuation £8,440 million

| | 2021 | 2020 |
|------------------------------|--------------|-------|
| Rate of inflation | 2.70% | 2.10% |
| Rate of increase in salaries | 3.95% | 3.35% |
| Rate of increase in pensions | 2.80% | 2.20% |
| Discount rate | 2.20% | 2.30% |

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

17 Pensions and other post-retirement benefits (continued)

Expected rate of return on assets:

| | 2021 Expected rate of return | 2021 Value of assets £000 | 2021 Split of assets | 2020 Expected rate of return | 2020 Value of assets £000 | 2020 Split of assets |
|-------------------------------------|---|--|-------------------------------------|---|--|-------------------------------------|
| Equities | 6.5% | 7,095 | 49.1% | 6.5% | 6,230 | 51.7% |
| Government bonds | 2.2% | 1,951 | 13.5% | 2.2% | 1,626 | 13.5% |
| Other bonds | 2.9% | 1,185 | 8.2% | 2.9% | 880 | 7.3% |
| Property | 5.9% | 1,315 | 9.1% | 5.9% | 1,084 | 9.0% |
| Cash/liquid | 0.5% | 202 | 1.4% | 0.5% | 361 | 3.0% |
| Other | 6.5% | 2,702 | 18.7% | 6.5% | 1,867 | 15.5% |
| | | 14,450 | | | 12,048 | |
| Total market value of assets | | | | | | |
| Present value of scheme liabilities | | (19,680) | | | (16,888) | |
| | | (5,230) | | | (4,840) | |
| Deficit in the scheme | | (5,230) | | | (4,840) | |

The current mortality assumptions include sufficient allowance for future improvement in mortality rates. The assumed life expectations on retirement aged 65 are:

| | 2021 | 2020 |
|--|-------------|-------------|
| Retiring today/current pensioners | | |
| Males | 22.5 | 22.4 |
| Females | 25.3 | 25.2 |
| Retiring in 20 years/future pensioners | | |
| Males | 24.0 | 23.9 |
| Females | 27.2 | 27.1 |

Balance sheet items as at 31 March:

| | 2021 £000 | 2020 £000 |
|---|----------------------|----------------------|
| Present value of funded benefit obligations | (19,661) | (16,869) |
| Present value of unfunded benefit obligations | (19) | (19) |
| | (19,680) | (16,888) |
| Fair value of plan assets | 14,450 | 12,048 |
| | (5,230) | (4,840) |
| Deficit in the scheme | (5,230) | (4,840) |

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

17 Pensions and other post-retirement benefits (continued)

Components of pension costs for the period:

| | 2021 | 2020 |
|--------------------------------------|--------------|-------|
| | £'000 | £'000 |
| Current service cost | (147) | (240) |
| Employer contributions | 183 | 274 |
| Effect of curtailment or settlements | - | (21) |
| Past service cost | - | (119) |
| | 36 | (106) |
| Interest on pension liabilities | (387) | (461) |
| Expected return on assets | 278 | 316 |
| Administrative costs | (2) | (4) |
| | (111) | (149) |

Amounts recognised in the income and expenditure account:

| | 2021 | 2020 |
|--------------------------------------|--------------|-------|
| | £'000 | £'000 |
| Current service cost | (147) | (240) |
| Effect of curtailment or settlements | - | (21) |
| Past service cost | - | (119) |
| Net interest cost | (109) | (145) |
| Administrative costs | (2) | (4) |
| | (258) | (529) |

Amounts recognised in the statement of total recognised gains and losses:

| | 2021 | 2020 |
|----------------------------|--------------|-------|
| | £'000 | £'000 |
| Actuarial gains / (losses) | (315) | 1,343 |

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

17 Pensions and other post-retirement benefits (continued)

Change in benefit obligation during period to 31 March:

| | Unfunded benefits 2021 £'000 | All benefits 2021 £'000 | All benefits 2020 £'000 |
|---|---|--|--|
| Benefit obligation at 1 April | 19 | 16,888 | 18,525 |
| Current service cost | - | 147 | 240 |
| Interest on pension liability | - | 387 | 461 |
| Member contributions | - | 28 | 51 |
| Past service cost | - | 0 | 119 |
| Curtailments | - | 0 | 21 |
| Actuarial losses/(gains) on liabilities | 1 | 2,371 | (2,252) |
| Benefits/transfers paid | (1) | (141) | (277) |
| | <u>19</u> | <u>19,680</u> | <u>16,888</u> |

Change in plan assets during period:

| | Unfunded benefits 2021 £'000 | All benefits 2021 £'000 | All benefits 2020 £'000 |
|--|---|--|--|
| Fair value of assets plan at 1 April | - | 12,048 | 12,597 |
| Expected return of plan assets | - | 278 | 316 |
| Actuarial (gains)/losses on assets | - | 2,056 | (909) |
| Administration expenses | - | (2) | (4) |
| Employer contributions | 1 | 183 | 274 |
| Member contributions | - | 28 | 51 |
| Benefits/transfers paid | (1) | (141) | (277) |
| | <u>-</u> | <u>14,450</u> | <u>12,048</u> |
| Fair value of plan assets at end of period | - | 14,450 | 12,048 |
| Actual return on plan assets | - | 2,334 | (375) |
| Experience gains on assets | - | 410 | 1,927 |
| Experience gains / (losses) on liabilities | - | (2,781) | 325 |

The pension cost for the year was £390,000, (2020 - £529,000) excluding the adjustments required per FRS 102. The balance sheet includes £5,230,000, (2020 - £4,840,000) in respect of accrued pension costs.

18 Capital funding and commitments

| | 2021 £ | 2020 £ |
|--|-------------------|-------------------|
| Capital expenditure that has been contracted for but has not been provided for in the financial statements | <u>143,440</u> | <u>60,413</u> |

ACTION HOUSING AND SUPPORT LIMITED (BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

19 Related party transactions

Following the resignation of the Director of Assets, H3 Design (Andrew Hopton – Trustee) was engaged to ensure continuity of corporate memory and to boost senior staff level capacity. Fees for this role totalled £51,058 (2020: £20,844). At the year end, the balance owed to H3 Design was £0 (2020: £8,562).

WNTAI Services Ltd was engaged to provide interim data protection consultancy until this work could be absorbed by the new IT Manager. A Director of WINTAI Services Ltd is a close family member of a Trustee. Fees for this work totalled £1,425 (2020: £nil). At the year end, the balance owed to WINTAI Services Ltd was £nil (2020: £nil).