

Rural Housing Association Ltd

Northern Ireland · Charity number 100886

Details

Status Received

Registered 2015-01-12

Register [View on the Charity Commission for Northern Ireland register](#)

Contact

Address Rural Housing Association
2 Killyclogher Road
Omagh
County Tyrone
BT79 0ax
BT79 0AX

Phone 02882246118

Email info@ruralhousing.co.uk

Website www.ruralhousing.co.uk

Activities

Purposes: The objects of the Association shall be: (a) To carry on for the benefit of the community, the business of providing housing and any associated amenities for persons in necessitous circumstances upon terms appropriate to their means. (b) To provide for elderly people in need thereof housing and any associated amenities specially adapted designed or adapted to meet the disabilities and requirements of such persons.

What the charity does: The prevention or relief of poverty, The advancement of citizenship or community development, The relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage

How the charity works: Accommodation/housing, Advice/advocacy/information, Community development, Disability, Environment/sustainable development/conservation, General charitable purposes, Rural development

Who the charity helps: General public, Homelessness, Older people, Physical disabilities, Tenants, Voluntary and community sector

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£4,881,174	£4,569,901	£-61,700,869	25

Trustees

Name	Role	Appointed
Ciaran Mckenna		
John Moss		
Margaret Rafferty		
Michaela Mccusker		
Mr Harry Gaffney		
Mr John Waddell		
Thomas Gallagher		
Tom Potter		

Rural Housing Association Ltd

Northern Ireland - Charity number 100886

Accounts



FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

Rural Housing Association Ltd

Tollgate House, 2 Killyclogher Road, Omagh, Co Tyrone, Northern Ireland, BT79 0AX

Company Registration No: IP000345

Charity Registration No: 100886

Association Information

<i>Board of Management</i>	John Waddell (Chair) Tom Potter (Vice Chair) Ciaran McKenna (BSC MBA) (Secretary) Michaela McCusker (Treasurer) Thomas Gallagher B Ed. Margaret Rafferty John Moss Harry Gaffney
<i>Chief Executive</i>	Mr Stephen Fisher PGDip, MSc, CIHCM
<i>Registered Office</i>	Tollgate House, 2 Killyclogher Road, Omagh, County Tyrone, BT79 0AX
<i>Head Office</i>	Tollgate House, 2 Killyclogher Road, Omagh, County Tyrone, BT79 0AX
<i>Bankers</i>	Danske Bank 5-7 Market Street, Omagh, County Tyrone BT78 1BN AIB 1-4 East Bridge Street, Enniskillen, County Fermanagh, BT74 7BT
<i>Solicitors</i>	McCaffrey & Co 8-10 Church Hill Omagh Co Tyrone BT78 1DQ
<i>Statutory Auditors</i>	McAleer Jackson Ltd Chartered Accountants & Registered Auditors Church House 24 Dublin Road Omagh Co Tyrone BT78 1HE
<i>Internal Auditors</i>	Wbg Services LLP Chartered Accountants & Registered Auditors 168 Bath Street Glasgow G2 4TP

Financial Statements for the Year Ended 31 March 2025

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Financial Statements for the Year Ended 31 March 2025

Report of the Board of Management

The Board present their report together with the audited financial statements for the year ended 31 March 2025.

Principal activities

Rural Housing Association was registered under the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 on 2 March 1992. The Association is a registered non-profit making housing association with the Department for Communities providing housing accommodation for those in need and is recognised as a charity with The Charity Commission for Northern Ireland and has charitable status with HMRC (HM Revenue & Customs). □

Business Review

Welcome to the Rural Housing Association's Annual Report for 2024/25. This year, we remained steadfast in our mission to deliver high-quality, environmentally sustainable, and affordable homes across rural communities in Northern Ireland. Despite a challenging financial landscape, including a significant reduction in funding for Housing Associations, we continued to grow and deliver vital housing solutions where they are most needed.

Navigating a Challenging Funding Environment

The year began without a confirmed budget for the Social Housing Development Programme (SHDP), creating considerable uncertainty. In response, we conducted a comprehensive risk analysis across all development schemes and worked closely with our partners at the Northern Ireland Housing Executive, who oversee funding for Housing Associations. The absence of confirmed secure, long-term funding remains a material risk and is actively monitored through our corporate risk register.

Despite these challenges, we are pleased to report that the majority of our development programme remained intact. We started work on 28 new additional homes during the year, whilst also continuing our existing onsite development schemes comprising 52 units. We ended the year with 17 new homes completed and handed over to our tenants in our rural communities.

Digital Transformation and Operational Efficiency

A major highlight of the year was the successful transformation of our digital infrastructure. We completed a full overhaul of our core software systems, investing in a new, integrated suite covering Housing, Finance, Property, and CRM functions. This new system went live in October 2024 and has already delivered:

- Significant staff time savings
- Seamless communication with our maintenance contractor
- A 24/7 tenant portal offering real-time access to services and information

We anticipate further efficiencies through the retirement of legacy systems and a full transition to cloud-based operations.

Putting Tenants First

Our tenants remain at the heart of everything we do. In the second half of the year, we renewed our focus on tenant engagement by revitalising participation panels and forums. These groups continue to play a vital role in shaping tenant policies before they reach Board level. We also secured new grant funding to support tenant welfare and expanded our Tenant Hardship Fund, which provides essential support for heating, electricity, rent, and other basic needs. We are especially proud to have a tenant representative serving as a full member of our Board of Management, ensuring the tenant voice is embedded at the highest level of governance.

Community Investment and Cross-Community Initiatives

Our commitment to community development continued through our Housing for All schemes in Sion Mills and Cushendall. Over the year, we delivered 23 initiatives aimed at strengthening cross-community relations as part of these five-year Good Relations Plan.

Our People, Our Strength

The dedication of our staff and voluntary Board members remains the cornerstone of our success. Their commitment ensures the effective delivery of our corporate strategy and business plans. Our hybrid working model—blending home and office-based work—continues to be both productive and efficient. The CEO and Senior Management Team review this arrangement annually to ensure performance targets are consistently met.

Financial Statements for the Year Ended 31 March 2025

Report of the Board of Management (continued)

Business Review cont'd

Financial Overview

During the financial year, the Association expanded our housing stock with the addition of 17 new units. Operating costs increased by £555,775 (2024 : £200,046), resulting in a reduced operating surplus of £1,117,623 (2024: £1,204,629). These figures reflect both the challenges and the resilience of our organisation in a difficult economic climate.

Interest payable was £857,417 (2024 : £717,679) resulting in an overall surplus for the financial year £311,273 (2024 : £344,201)

On the balance sheet housing properties at depreciated cost was £64.9m (2024 : £60m).

Average staff numbers for the year are currently at 25 (2024 : 24) and are not anticipated to increase significantly during the incoming financial year.

Looking Ahead

As we move into 2025/26, we remain focused on innovation, sustainability, and deepening our impact in rural communities. We are committed to building on this year's progress and continuing to deliver homes and services that make a real difference in people's lives.

Board of Management

The Association is governed by a voluntary Board of Management, which consists of 9 persons with a wide range of skills and experience in the private, voluntary and public sectors. The Board meet at least 6 times per year. The work of the Board includes deciding the strategic direction of the Association, monitoring and challenging the Chief Executive and Senior Management Team and receiving recommendations and decisions from four committees on policy and governance of the Association. The committees are the Audit, Risk and Governance committee, Technical committee, Housing Service committee and the Finance and General Purposes committee.

The Chief Executive is responsible for delivering the Board's strategic vision at an operational level with help of the Senior Management Team (SMT) which provide reports and policies to the various committees on a regular basis. The SMT is made up of Chief Executive and four departmental directors; Housing & Operations Director, Development & Property Assets Director, Finance Director & Business Development Director.

Internal Controls Assurance

The Board acknowledges its overall responsibility for establishing and maintaining the whole system of internal control and for reviewing its effectiveness. The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and to provide reasonable, and not absolute, assurance against material misstatement or loss.

The process for identifying, evaluating and managing the significant risks faced by the Association is on going, has been in place throughout the period commencing 1 April 2023 up to the date of approval of the annual report and financial statements. Key elements of the control framework include:

- Board approved terms of reference and delegated authorities for Audit Risk and Governance and Technical Sub-committees;
- clearly defined management responsibilities for the identification, evaluation and control of significant risks;
- a Risk Register and Business Continuity Plan exists to help manage and mitigate these risks;
- robust strategic and business planning processes, with detailed financial budgets and forecasts;
- a formal governance framework detailing standing orders, cyclic reporting processes and relationships between the Board, Sub-committees, Senior Management Team and staff;
- formal recruitment, retention, training and development policies for all staff;
- established authorisation and appraisal procedures for all significant new development initiatives and commitments;
- regular reporting to the appropriate committee on key business objectives, targets and outcomes; and
- Board approved whistleblowing and fraud policies.

The Board cannot delegate ultimate responsibility for the system of internal control, but it can, and has delegated authority to the Audit Risk and Governance Sub-committee to regularly review the effectiveness of the system of internal control. The Board receives regular reports from the Audit Risk and Governance Sub-committee together with minutes of meetings. The Audit Risk and Governance Sub-committee has received the annual report of the internal auditor, and has reported its findings to the Board.

Statement of Board of Management Responsibilities

The Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 and registered housing association legislation require the members of the Board of Management to prepare financial statements for each financial year that give a true and fair view of the state of the Association's affairs and of its surplus or deficit for that period. In preparing these financial statements the Board is required to:

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

The members of the Board of Management are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 and the Registered Housing Associations (Accounting Requirements) Order (Northern Ireland) 1993. They have general responsibility for taking reasonable steps to safeguard the assets of the Association and to prevent and detect fraud and other irregularities.

Financial Statements for the Year Ended 31 March 2025

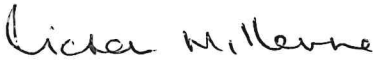
Report of the Board of Management (continued)

Statement of Disclosure to Auditors

So far as each of the members of the Board of Management at the date of approval of these financial statements is aware:

- there is no relevant information of which the Association's auditor is unaware.
- they have taken all reasonable steps that they ought to have taken as members of the Board of Management in order to make themselves aware of all relevant audit information and to establish that the Association's auditor is aware of that information.

On behalf of the Board


.....
Secretary

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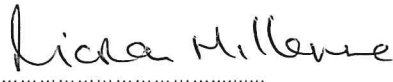
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On behalf of the Board



Secretary

Financial Statements for the Year Ended 31 March 2025

Auditor's Report to the Members of Rural Housing Association

Opinion

We have audited the financial statements of Rural Housing Association Limited (the 'Association') for the year ended 31 March 2025 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2025, and of its 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 Co-operative and Community Benefit Societies Act (Northern Ireland) 1969, the Housing (Northern Ireland) Order 1992, the Registered Housing Association (Accounting Requirements) Order (Northern Ireland) 1993 and Charities Act (Northern Ireland) 2008.

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 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 annual report, other than the financial statements and our Auditor's Report thereon. The Board are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Financial Statements for the Year Ended 31 March 2025

Auditor's Report to the Members of Rural Housing Association cont'd

Matters on which we are required to report by exception

Under the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept; 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.

We have nothing to report in this regard.

Under the Charities Act (Northern Ireland) 2008 and Regulation 9 of the Charities (Accounts and Reports) Regulations (Northern Ireland) 2015, we are required to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit; or
- the information given in the Report of the Board of Management and the Strategic Report is inconsistent in any material respect.

We have nothing to report in this regard.

Responsibilities of the Board

As explained more fully in the Statement of Board of Management Responsibilities statement set out on page 5, the Board (who are also the trustees of the Association for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102, 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 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.

A further description of an auditor's 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 auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

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, even though the audit is properly planned and executed in accordance with ISAs (UK). 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.

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

Based on our understanding of the Association and from our commercial knowledge and experience of the sector, we identified that the principal risks of non-compliance with laws and regulations related to compliance with Employment Law, Health & Safety and Environmental Regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements. We considered the experience and expertise of the engagement team to ensure that the team had appropriate competence and capabilities to identify or recognise non-compliance with the laws and regulation.

Financial Statements for the Year Ended 31 March 2025

Auditor's Report to the Members of Rural Housing Association cont'd

We evaluated the opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial performance and management bias through judgements and assumptions in significant accounting estimates, in particular in relation to significant one-off or unusual transactions.

Throughout our audit we exercise professional judgment and professional scepticism to consider potential deliberate omission or concealment of significant transactions, or incomplete/inaccurate disclosures in the financial statements. In response to these principal risks, our audit procedures included but were not limited to:

- enquiring from management details of the policies and procedures regarding compliance with laws and regulations, and details of known or suspected instances of non-compliance and whether they have knowledge of any actual, suspected or alleged fraud;
- obtaining an understanding of internal controls relevant to the audit that have been established to mitigate the risk related to fraud and error;
- discussion amongst the engagement team in relation to the identified laws and regulations and regarding the risk of fraud;
- identifying and testing journal entries to address the risk of inappropriate journals and management override of controls;
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- challenging assumptions and judgements made by management in the determination of significant accounting estimates; and
- review of the financial statement disclosures to underlying supporting documentation and inquiries of management, and evaluation of the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The primary responsibility for the prevention and detection of irregularities including fraud rests with those charged with governance and management.

Use of our report

This report is made solely to the Association's members, as a body, in accordance with section 43 of the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969, section 65 of the Charities Act (Northern Ireland) 2008, regulations made under section 66 of that Act (Part 4 of the Charities (Accounts and Reports) Regulations (Northern Ireland) 2015 and article 19 of the Housing (Northern Ireland) Order 1992. 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.

Michael Barnett (Senior Statutory Auditor)
for and on behalf of McAleer Jackson Ltd

Chartered Accountants and Statutory Auditors
Church House
24 Dublin Road
Omagh
BT79 0AH

25 June 2025

Statement of Comprehensive Income for the Year Ended 31 March 2025

	Note	2025 £	2024 (as restated) £
Turnover		4,849,107	4,380,337
Less operating costs		(3,731,484)	(3,175,708)
Operating surplus	2	1,117,623	1,204,629
Surplus on property disposals		-	586,870
Interest receivable	7	32,067	15,869
Interest payable and other charges	8	(857,417)	(717,679)
Financing (cost)/income	16	19,000	3,000
Transfer to disposal proceeds fund		-	(586,870)
Surplus on ordinary activities before taxation		311,273	505,819
Corporation tax on surplus	9	-	-
Surplus for the year after taxation		311,273	505,819
Other comprehensive income			
Actuarial gain/(loss) on pension scheme	16	632,000	347,000
Prior year adjustment		-	-
Total comprehensive income for the year		943,273	852,819

Continuing operations

None of the Association's activities were acquired or discontinued during the above two financial years.

Historical cost

The difference between the results as disclosed in the Statement of Comprehensive Income before tax, and retained surplus for the year, on an unmodified historical cost basis is not material.

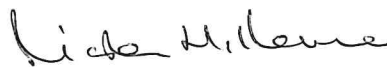
Statement of Financial Position as at 31 March 2025

	Note	2025		2024 (as restated)	
		£	£	£	£
Tangible fixed assets					
Housing properties	10a	65,090,248		60,750,354	
Other fixed assets	10b	<u>844,674</u>		<u>851,377</u>	
			65,934,922		61,601,731
Other non-current assets					
Pension asset	16		1,000,000		340,000
			<u>66,934,922</u>		<u>61,941,731</u>
Current assets					
Debtors and prepayments	12	1,886,315		4,377,713	
Cash and cash equivalents	13	<u>1,085,350</u>		<u>1,680,474</u>	
			2,971,665		6,058,186
Creditors: amounts falling due within 1 year	14	<u>(8,252,169)</u>		<u>(7,898,069)</u>	
Net current assets/(liabilities)			<u>(5,280,504)</u>		<u>(1,839,882)</u>
Total assets less current liabilities			61,654,418		60,101,849
Creditors: amounts falling due after more than 1 year	15		(53,448,700)		(52,839,405)
Provision for liabilities and charges					
Pension liability	16		-		-
Total net assets			<u>8,205,718</u>		<u>7,262,444</u>
Reserves					
Share capital	17		8		9
Capital reserves	18		37		35
Revenue reserves			<u>8,205,673</u>		<u>7,262,400</u>
Total Reserves			<u>8,205,718</u>		<u>7,262,444</u>

Approved by the Board of Management on 25 June 2025



Chairman



Honorary Secretary



Honorary Treasurer

Statement of changes in equity for the Year Ended 31 March 2025

	Share Capital £	Capital Reserves £	Revenue Reserves £	Total £
At 1 April 2023	9	34	6,409,581	6,409,624
Surplus/(deficit) for the year (as restated)	-	-	505,819	505,819
Actuarial gain/(loss) on pension scheme	-	-	347,000	347,000
Share issue	1	-	-	1
Share cancellation	(1)	1	-	-
At 31 March 2024 (as restated)	9	35	7,262,400	7,262,444
Surplus/(deficit) for the year	-	-	311,273	311,273
Actuarial gain/(loss) on pension scheme	-	-	632,000	632,000
Share issue	1	-	-	1
Share cancellation	(2)	2	-	-
At 31 March 2025	8	37	8,205,673	8,205,718

Statement of Cash Flows for the Year Ended 31 March 2025

	Note	£	2025 £	£	2024 £
Net cash flow from operating activities	19		1,931,757		2,201,015
Cash flow from investing activities					
Purchase of tangible fixed assets		(5,926,398)		(8,720,874)	
Proceeds from sale of tangible fixed assets		-		635,104	
Grants received		4,157,828		3,044,580	
Interest received		32,066		15,869	
			(1,736,504)		(5,025,321)
Cash flow from financing activities					
Interest paid		(864,333)		(842,151)	
New secured loans		1,000,000		5,000,000	
Repayments of borrowings		(926,045)		(840,719)	
Share capital		1		1	
			(790,377)		3,317,131
Net change in cash and cash equivalents			(595,124)		492,825
Cash and cash equivalents at 1 April			1,680,474		1,187,649
Cash and cash equivalents at 31 March	13		1,085,350		1,680,474

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

1 Accounting policies

Legal registration

The Association is registered within Northern Ireland under the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 and is a registered provider of social housing.

Basis of accounting

The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared in compliance with UK GAAP, including FRS102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the Statement of Recommended Practice for registered social housing providers (SORP 2018) issued by the National Federation of Housing Associations. The presentation of the financial statements complies with the Registered Housing Associations (Accounting Requirements) Order (Northern Ireland) 1993.

Turnover

Turnover comprises rental income net of voids, grants, other income and the release of capital grants.

The Association's rental income is reflected gross of income attributable to property rates.

Fixed assets

Housing properties are properties held for the provision of social housing or to otherwise provide social benefit. Housing properties are principally properties available for rent and are stated at cost less accumulated depreciation and impairment losses. Cost includes the cost of acquiring land and buildings, development costs, interest charges incurred during the development period.

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised as improvements.

Other fixed assets are stated at cost less accumulated depreciation.

Depreciation has been provided on the Association's Fixed Assets consistent with standard accounting practice at the following rates:

Fixed assets by class	Useful life	Method
Housing property :		
• Main fabric	100 Years	Straight line
• Roof structure & covering	70 Years	Straight line
• Windows & external doors	30 Years	Straight line
• Kitchen	20 Years	Straight line
• Bathroom/WCs	30 Years	Straight line
• Heating, ventilation & plumbing	30 Years	Straight line
• Electrics	40 Years	Straight line
Office building	60 Years	Straight line
Computer equipment	3 Years	Straight line
Office furniture & equipment	5 Years	Straight line

The depreciation charge is time apportioned in the month of addition and in the month of disposal. No depreciation is charged on either property under development or land.

Impairment

Housing properties are assessed annually for impairment indicators. Where indicators are identified an assessment for impairment is undertaken comparing the asset's carrying amount to its recoverable amount. Where the carrying amount of an asset is deemed to exceed its recoverable amount, the asset is written down to its recoverable amount, this is likely to be the fair value in use of the asset based on its service potential. The resulting impairment loss is recognised as expenditure in income and expenditure. Where an asset is currently deemed not to be providing service potential to the Association, its recoverable amount is its fair value less costs to sell.

Other assets are reviewed for impairment if there is an indication that impairment may have occurred.

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

1 Accounting policies (continued)

Housing Association financing

Capital development expenditure by the Association is financed partially by Housing Association Grant from the Department for Communities and from Private Sector Loan Finance (Mixed Funding). Current (revenue) expenditure associated with the management of the development programme is also supported by Housing Association Grant allowance, which is attributed to the Income and Expenditure account as appropriate. Administration expenditure associated with the management of the Association's property is charged directly against income from lettings.

Acquisition and development allowances

The amount of acquisition and development allowances (HAG) allowed by the Department for Communities are attributed to the cost of the property concerned. Credit is taken for allowances for administrative costs (associated with the management of the development programme) in the Statement of Comprehensive Income and a relevant proportion of administrative expenditure is charged against them.

Government and other grants

Where the cost of properties have been financed by a Housing Association Grant (HAG) paid from the Department for Communities, the grant is recognised in income over the expected useful life of the housing property structure and its individual components on a pro rata basis under the accruals model.

HAG and other grants received in respect of revenue expenditure is credited to the income and expenditure account in the same period as the expenditure to which it relates.

To the extent that Housing Association Grant is received in advance of the related expenditure, it has been included in Creditors: falling due within 1 year, to be attributed to appropriate capital and revenue expenditure in future accounting periods.

Interest receivable and interest payable

Interest receivable is recognised in the income and expenditure account as they accrue, using the effective interest method.

Interest on borrowings to finance the development of qualifying assets is capitalised to the extent that it represents interest on borrowings specifically allocated to financing the development programme, after the deduction of related grants received. Other interest payable is charged to the income and expenditure account as it accrues.

Disposal proceeds fund

The Disposal Proceeds Fund represents the net surplus on property sales together with grant, which has been set aside for the purpose of providing replacement properties in accordance with the Department for Communities regulations.

If the surpluses are not used within two years from their receipt they may be payable in part or in full to the Department for Communities.

Retirement benefits

The Association participates in an industry wide defined benefit final salary pension scheme. The underlying assets and liabilities of the scheme attributable to Rural Housing Association have been identified by actuaries. As a result the Association recognises the scheme deficit on the balance sheet at the year end. Actuarial gains and losses and returns on scheme assets are recognised in the statement of comprehensive income. Current and past service costs are recognised within operating surplus and interest on obligations is recognised as other finance costs.

Financial instruments

The Association only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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

1 Accounting policies (continued)

Going concern

The Association's business activities, its current financial position, and factors likely to affect its future development are set out within the annual report from the Board and within these financial statements.

The Association has in place long-term debt facilities which provide adequate resources to finance committed reinvestment and development programmes, along with the Association's day to day operations. The Association also has a long-term business plan which shows that it is able to service these debt facilities whilst continuing to comply with lenders' covenants. As at 31 March 2025 the Association had available cash reserves of £1.085m

The Board's assessment of going concern involves a number of subjective judgements including, but not limited to increased rent arrears, delayed rent collections, increasing inflation and interest rates, a reduction in property prices and costs associated with achieving energy efficiency homes. In making their assessment the Board have also considered the potential mitigations available to manage the potential impact on its cashflows and liquidity.

Stress tests have been run on the Association's business plan, which include the impact of sensitivities on the association's cash flow requirements, compliance with debt facilities, as well as covenant compliance. This stress testing found that the business plan is robust and does not affect the Association's ability to meet its obligations.

On this basis, the Board has a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. The Board have considered the foreseeable future for their going concern assessment to cover the period to 31 March 2027. On this basis, the Board continues to adopt the going concern basis in the financial statements.

Significant judgments and estimates

The following are the significant management judgements made in applying the accounting policies of the Association that have the most significant effect on the financial statements.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets including any components. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment, changes to the Decent Homes Standards and changes to energy efficiency requirements which may require more frequent replacement of key components.

Defined benefit obligation

Management's estimate of the defined benefit obligation is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the liability and the annual defined benefit expenses.

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

2 Turnover, operating costs and operating surplus/(deficit) from social housing activities

The whole of the Association's turnover is attributable in the United Kingdom and is derived from the principal activity of social housing.

	General Needs Housing £	Total Social Housing £	Other Income £	2025 Total Income £	2024 (as restated) Total Income £
Operating Income					
Rent receivable	3,762,235	3,762,235	-	3,762,235	3,375,288
Rates receivable	512,432	512,432	-	512,432	443,291
Management allowance re adaptations	16,690	16,690	-	16,690	18,652
Interest received	-	-	32,067	32,067	15,869
Surplus on property disposal	-	-	-	-	586,870
Other income	33,750	33,750	-	33,750	4,752
Community development grants	-	-	-	-	41,531
Amortisation of grants	620,900	620,900	-	620,900	576,035
Less voids	(96,900)	(96,900)	-	(96,900)	(79,212)
Total Social Housing Income	4,849,106	4,849,106	32,067	4,881,173	4,983,076
Operating Costs					
Bad debts	(19,350)	(19,350)	-	(19,350)	(10,122)
Housing Management costs	(638,713)	(638,713)	-	(638,713)	(630,881)
Maintenance Administration	(434,595)	(434,595)	-	(434,595)	(397,879)
Planned and cyclical maintenance	(489,769)	(489,769)	-	(489,769)	(300,612)
Development expenses	(4,250)	(4,250)	-	(4,250)	(46,609)
Response maintenance	(585,717)	(585,717)	-	(585,717)	(393,203)
Major repairs	-	-	-	-	-
Depreciation	(1,097,901)	(1,097,901)	-	(1,097,901)	(997,440)
Rates	(461,189)	(461,189)	-	(461,189)	(398,962)
Total Social Housing Expenditure	(3,731,484)	(3,731,484)	-	(3,731,483)	(3,175,708)
Interest payable	-	-	(857,417)	(857,417)	(717,679)
Financing cost/income	-	-	19,000	19,000	3,000
Transfer to Disposal Proceeds Fund	-	-	-	-	(586,870)
Surplus on ordinary activities	1,117,622	1,117,622	(806,350)	311,273	505,819
DFC Allowances	2025				2024
Management Allowances £396 per unit	237,996				231,264
Management costs	(638,713)				(630,881)
Surplus / Deficit	(400,717)				(399,617)
Maintenance Allowances £464 per unit	278,864				270,976
Planned and cyclical maintenance	(489,769)				(300,612)
Response maintenance	(585,717)				(393,203)
Surplus / Deficit	(796,622)				(422,839)
Gross income from rents					
Technical	83.00%	3,122,655		82.00%	2,767,736
Non technical	17.00%	639,580		18.00%	607,552
Total		3,762,235			3,375,288
No of Properties		601			584

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

	2025 £	2024 £
3 Operating surplus		
Operating surplus is stated after charging/(crediting):		
Depreciation on tangible fixed assets	1,105,835	1,007,713
(Profit)/loss on disposal of other fixed assets	-	(25,772)
Auditors remuneration - External	11,995	12,349
Auditors remuneration - Internal	15,444	11,880
Amortisation of Government grants	(620,900)	(576,035)
	<u>1,512,474</u>	<u>1,420,944</u>

	2025	2024
4 Employee information		
The average monthly number of persons employed during the year was:	<u>25</u>	<u>24</u>

	2025 £	2024 £
5 Staff Costs		
Salaries	830,535	770,173
Social security costs	82,608	79,209
Pension costs	148,766	151,444
Private Health Care	7,413	5,552
	<u>1,069,321</u>	<u>1,006,378</u>

The aggregate remuneration, including benefits in kind and pension contributions, of key management personnel of the Association during the year was:

	2025 £	2024 £
Aggregate remuneration	<u>381,733</u>	<u>392,136</u>
	<u>381,733</u>	<u>392,136</u>

The number of management personnel to whom emoluments (including salary, employer national insurance, employer pension contributions and benefits in kind) were paid during the year falls within each of the following bands:

	2025 £	2024 £
40,000 - 60,000	1	
60,001 - 70,000	2	2
70,001 - 80,000	2	2
80,001 - 90,000	-	-
90,001 - 100,000	-	-
100,001 -130000	1	1

6 Board of Management remuneration

The Board members received no remuneration from the Association. Total expenses paid during the year to Board members amounted to £130 (2024: £96).

Rent received from one tenant Board members during the year amounted to £7,179 (2024: £6,612) equivalent to one board member.

7 Interest receivable

Bank interest	<u>32,067</u>	<u>15,869</u>
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Notes to the Financial Statements for the Year Ended 31 March 2025

	2025 £	2024 £
8 Interest payable and other charges		
Bank loans	857,417	717,679

9 Corporation tax

The Association became a registered charity reference XR23974 with effect from 13 October 2008. The Association is not liable to Corporation Tax from that date.

	2025 £	2024 (as restated) £
10 Fixed assets		
(a) Housing Land and Buildings cost		
At beginning of year	72,782,499	64,146,500
Additions during year	5,419,098	9,493,620
Disposals during year	0	(857,621)
At end of year	<u>78,201,597</u>	<u>72,782,499</u>
Depreciation		
At beginning of year	(12,032,145)	(11,250,592)
Charge for year	(1,079,204)	(978,827)
On disposals	0	197,274
At end of year	<u>(13,111,349)</u>	<u>(12,032,145)</u>
Net book value at end of year	<u>65,090,248</u>	<u>60,750,354</u>

The Housing Land and Building costs includes £5.2m of Assets Under Construction. The deeds of Housing Properties are used to secure mortgages with our various lenders.

Additions to Housing Land and Buildings includes £105,965 of capitalised interest cost (2024: £161,618).

(b) Other fixed assets

	Office	Computer Equipment	Office Equipment	TOTAL
Cost				
At beginning of year	1,116,777	107,596	55,210	1,279,583
Additions during year	14,498	5,435	0	19,933
Disposals during year	-	-	-	-
At end of year	<u>1,131,275</u>	<u>113,031</u>	<u>55,210</u>	<u>1,299,516</u>
Depreciation				
At beginning of year	(279,767)	(94,981)	(53,459)	(428,207)
Charge for year	(18,699)	(6,940)	(996)	(26,635)
On disposals	-	-	-	-
At end of year	<u>(298,466)</u>	<u>(101,921)</u>	<u>(54,455)</u>	<u>(454,842)</u>
Net book value at end of year	<u>832,809</u>	<u>11,110</u>	<u>755</u>	<u>844,674</u>
Net book value at beginning of year	<u>837,010</u>	<u>12,615</u>	<u>1,751</u>	<u>851,376</u>

11 Housing Stock

Number of units owned by the Association on 31 March 2025

	2025	2024
- General Needs Housing	<u>601</u>	<u>584</u>

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

		2025 £	2024 £
12 Debtors			
Tenant debt			
Rental debtors gross - technical	83.00%	149,388	170,833
Rental debtors gross - Non-technical	17.00%	30,598	42,708
		<u>179,986</u>	<u>213,541</u>
Less: provision for bad and doubtful debts		-	-
		<u>179,986</u>	<u>213,541</u>
HAG receivable		1,588,796	4,051,048
Interest receivable		-	-
Prepayments		80,861	90,550
Other debtors		36,672	22,574
		<u>1,886,315</u>	<u>4,377,713</u>
13 Cash and cash equivalents			
Bank deposit account		-	-
Current bank accounts		1,085,211	1,680,412
Cash on hand		139	62
		<u>1,085,350</u>	<u>1,680,474</u>
14 Creditors (due within 1 year)			
Tenant overpayment		29,001	28,085
Accruals		1,852,197	2,169,678
Other creditors		387,692	249,448
Loan interest		39,211	46,126
HAG paid in advance by DFC (see below)		4,365,748	4,043,581
Deferred Housing Association Grant (Note 15c)		620,900	435,896
Loan repayments due within 1 year (Note 15b)		957,420	925,255
		<u>8,252,169</u>	<u>7,898,069</u>
HAG paid in advance by DFC			
Opening balance		4,043,581	2,219,389
HAG receivable		2,688,162	6,314,169
Attributed to capital development		(2,365,995)	(4,489,977)
Transfer to revenue account		-	-
Balance at year end		<u>4,365,748</u>	<u>4,043,581</u>

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

	2025 £	2024 £
15 Creditors (falling due after more than 1 year)		
Disposal proceeds fund (a)	-	1,015,332
Bank loans (b)	19,303,706	19,261,917
Deferred income - capital grants (c)	34,144,994	32,562,156
	<u>53,448,700</u>	<u>52,839,405</u>
(a) Disposal proceeds fund		
Opening balance	1,015,332	566,585
Transfers in - surplus on disposals	-	418,870
- repayment of VPG discount	-	168,000
	<u>-</u>	<u>586,870</u>
Transfers out - replacement properties	(1,015,332)	(138,123)
Closing balance	<u>(0)</u>	<u>1,015,332</u>
(b) Bank loans		
Loans are secured on individual assets of the Association and are repayable as follows:		
Within one year or on demand	957,420	925,255
One year or more but less than two years	986,350	957,423
Two years or more but less than five years	3,021,106	1,993,477
Five years or more	15,296,250	16,311,017
	<u>20,261,126</u>	<u>20,187,172</u>
All bank loans are secured by way of mortgages upon the deeds of properties. All bank loans are fixed loans (excluding the Revolving Credit Facility) on a fixed quarterly repayment schedule drawn up by the lender. They bear interest rates ranging between 3.28% and 5.15%. We secured a Revolving Credit Facility in December 2022. The Revolving Credit Facility is provided on an interest only basis for 5 years (with an option to extend to 7 years) with the drawn balance to be repaid or converted to a Structured Term loan at expiry of the term. The Revolving Credit Facility is on a variable quarterly repayment schedule.		
(c) Deferred income - capital grants		
Housing Association grant		
At beginning of year	40,818,427	36,905,091
Attributed during year	1,373,410	4,351,854
From disposal proceeds fund	1,015,332	138,123
On disposals	-	(576,641)
At end of year	<u>43,207,169</u>	<u>40,818,427</u>
Other public grant	<u>58,766</u>	<u>58,766</u>
	<u>43,265,935</u>	<u>40,877,193</u>
Amortisation		
At beginning of year	(7,879,140)	(7,443,244)
Amortised in year	(620,900)	(576,035)
On disposals	-	140,139
At end of year	<u>(8,500,040)</u>	<u>(7,879,140)</u>
Net book value at start of year	<u>32,998,053</u>	<u>29,520,614</u>
Deferred Housing Association Grant falling due within 1 year	620,900	435,896
Deferred Housing Association Grant falling due after 1 year	34,144,994	32,562,156
Net book value at end of year	<u>34,765,894</u>	<u>32,998,052</u>

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

16 Provision for liabilities and charges

	2025 £	2024 £
Pension liability		
Opening balance	(340,000)	2,000
Current & past service cost	149,000	151,000
Employers contributions	(158,000)	(143,000)
Interest on net defined benefit liability/(asset)	(19,000)	(3,000)
Remeasurement (gains) / losses	(632,000)	(347,000)
Closing balance	<u>(1,000,000)</u>	<u>(340,000)</u>

17 Share capital

<u>8</u>	<u>9</u>
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The Association's Rules require each member to hold only one share of nominal value of one pound each in the Association. There were 8 members of the Association at 31 March 2024 (2024:9 members), 1 member joined and 2 retired from the Board of Management during the year.

18 Capital reserves

<u>37</u>	<u>35</u>
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The Capital reserve reflects the cumulative nominal value of shares cancelled by the Association.

19 Cash flow from operating activities

Surplus for the year	1,117,623	1,204,629
Adjustments for non-cash items:		
Depreciation of tangible assets	1,105,836	1,007,713
Amortisation of social housing grant	(620,900)	(576,035)
(Increase)/decrease in debtors	29,150	(41,971)
Increase/(decrease) in creditors	309,048	624,451
Pension costs less contributions payable	<u>(9,000)</u>	<u>8,000</u>
	814,134	1,022,158
Adjustments for investments or financing activities:		
(Profit)/loss on sale of tangible fixed assets	-	(25,772)
	<u>-</u>	<u>(25,772)</u>
Net cash inflow from operating activities	<u><u>1,931,757</u></u>	<u><u>2,201,015</u></u>

20 Capital Commitments

At the balance sheet date the Association was contractually committed to capital development expenditure of £13.7m (2024:£16.7m) with 94 committed units coming on board within the next two years. To fund our development programme, we have an undrawn Revolving Credit Facility balance of £12m and Housing Association Grant from the Social Housing Development Programme.

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

21 Contingent liabilities

There exists a contingent liability on the Association of the possibility of having to repay Housing Association Grant received on properties if any properties are sold. This also includes any grant written off through the implementation of component accounting. The possibility of reimbursement to the Department for Communities of the HAG released on build components replaced is considered to be unlikely as the housing properties are expected to continue to be made available for social housing.

22 Retirement benefits

The Association operates a defined benefit pension scheme for its employees with the assets held separately from those of the company. The scheme provides retirement benefits on the basis of members' average earnings but any member who joined before 31 March 2015 will be based on final salary. The fund is administered by the Northern Ireland Local Government Officers' Superannuation Committee. The funded nature of the Local Government Pension Scheme require the Employer and its employees to pay contributions into the fund, calculated at a level intended to balance the pension liabilities with investment assets.

A full actuarial valuation of the employer's Local Government Pension Scheme funded benefits was carried out as at 31 March 2022 by a qualified independent actuary. Adjustments to the valuation at that date have been made based on the following assumptions:

	2025	2024
Pension increases	2.5%	2.5%
Salary increases	4.0%	4.0%
CPI Inflation	2.5%	2.5%
Discount rate	5.8%	4.7%
Pension accounts revaluation rate	2.5%	2.5%

The mortality assumptions at the accounting date are based on actual mortality experience of members within the Fund based on analysis carried out as part of the 2022 Acturial Valuation, and allow for expected future motality improvements. Sample life expectancies at age 65 in normal health resulting from these mortality assumptions are shown below.

	2025	2024
	years	years
Males		
Member aged 65 at accounting date	21.6	21.7
Member aged 45 at accounting date	22.2	22.7
Females		
Member aged 65 at accounting date	24.5	24.6
Member aged 45 at accounting date	25.2	25.6

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

22 Retirement benefits (continued)

Reconciliation of scheme assets and liabilities

	Assets	Liabilities	Total
At 1 April 2024	2,999,000	(2,659,000)	340,000
Net Benefits paid out	(26,000)	26,000	-
Employer contributions	158,000		158,000
Employee contributions	51,000	(51,000)	-
Current service cost		(149,000)	(149,000)
Past service cost		-	-
Interest income on assets / (expense)	145,000	(126,000)	19,000
Remeasurement gains / (losses)			-
- Actuarial gains/(losses)		663,000	663,000
- Remeasurement gains/(losses) on assets excluding interest income	(31,000)		(31,000)
At 31 March 2025	3,296,000	(2,296,000)	1,000,000

Total recognised as an expense:

	2025	2024
Current service cost	149,000	151,000
Past service cost	-	-
Interest cost	(19,000)	3,000
	130,000	148,000

No amounts (2024: nil) were included in the cost of assets.

The fair value of the plan assets was:

	2025	2024
Equities	1,360,000	1,310,000
Property	313,000	291,000
Bonds - government	518,000	522,000
Bonds - corporate	129,000	126,000
Multi Asset Credit	429,000	399,000
Cash	353,000	168,000
Other	194,000	183,000
	3,296,000	2,999,000

The return on the plan assets was:

	2025	2024
Interest income	145,000	119,000
Return on plan assets less interest income	(31,000)	157,000
Total return on plan assets	114,000	276,000

23 Prior year adjustment - Capitalisation of interest

During the year, the Association has reviewed its accounting policy in relation to the treatment of interest costs incurred during the development of housing properties. As a result of this review, and in accordance with FRS 102 and the Housing SORP, the Association has changed its accounting policy to capitalise interest costs that are directly attributable to the acquisition and construction of qualifying assets (i.e. housing properties under development).

Under the previous policy, all interest costs were expensed to the Statement of Comprehensive Income as incurred. The new policy aligns with the requirements of FRS 102 and also aligns with sector best practice and improves comparability with peers. The change in accounting policy has been applied and as a result, the prior year comparative figures have been restated to reflect the capitalisation of prior year interest costs incurred during the development of housing properties.

The effect of the prior year adjustment is that the surplus for the year ended 31 March 2024 has increased by £161,618 due to the reversal of previously expensed interest which has now been capitalised within the cost of housing properties under construction. In addition, Housing properties (within tangible fixed assets) as at 31 March 2024 have increased by £161,618; and the opening reserves as at 1 April 2024 have increased by £161,618 to reflect the cumulative impact of the policy change. There is no impact on prior year or current year cash flows as a result of this change in accounting policy.

24 Events after end of reporting period

No events after the year end need to be reported.

Detailed Income and Expenditure Summary for the Financial Year Ended 31 March 2025

	2025		2024 (as restated)	
	£	£	£	£
INCOME				
Rent receivable		3,665,335		3,296,076
Rates receivable		512,432		443,291
		<u>4,177,767</u>		<u>3,739,367</u>
Other income		50,440		23,404
Community development grants		-		41,531
Amortisation of grants		620,900		576,035
TOTAL INCOME		<u>4,849,107</u>		<u>4,380,337</u>
EXPENDITURE (Before Admin Apportionment)				
Letting costs	2,275,799		1,819,385	
Rates	461,189		398,962	
	<u>2,736,988</u>		<u>2,218,347</u>	
Administration costs	1,295,412		1,213,873	
TOTAL EXPENDITURE		4,032,400		3,432,220
TRADING SURPLUS/(DEFICIT)		<u>816,707</u>		<u>948,117</u>
TRADING SURPLUS/(DEFICIT) (After Admin Apportionments)				
Letting	1,015,940		1,095,365	
Rates	51,243		44,329	
	<u>1,067,183</u>		<u>1,139,694</u>	
Administration		(250,476)		(191,577)
		<u>816,707</u>		<u>948,117</u>
FIXED ASSETS AND INTEREST				
Administration costs capitalised		300,916		256,512
Interest receivable		32,067		15,869
Interest payable		(857,417)		(717,679)
SURPLUS/(DEFICIT)		292,273		502,819
Disposal of property				
Sale proceeds	-		687,000	
Voluntary purchase grant	-		168,000	
	<u>-</u>		<u>855,000</u>	
Less				
Cost of property	-		831,416	
HAG eliminated	-		(581,799)	
Allowable costs	-		9,561	
Voluntary purchase grant allowance	-		8,952	
	<u>0</u>		<u>268,130</u>	
Net Surplus Transferred to DFP		-		586,870
		<u>292,273</u>		<u>1,089,689</u>

Detailed Income and Expenditure Summary for the Financial Year Ended 31 March 2025

	Note	2025		2024	
		£	£	£	£
Balance brought forward			292,273		1,089,689
Financing (cost)/ income					
Net interest on net scheme assets/liabilities		19,000		3,000	
Net return			19,000		3,000
			<u>311,273</u>		<u>1,092,689</u>
Corporation tax on tax adjusted surplus			-		-
Surplus/(deficit) after taxation	3		<u>311,273</u>		<u>1,092,689</u>
Transfer to disposal proceeds fund			-		(586,870)
			<u>311,273</u>		<u>505,819</u>

Administrative Expenditure for the Financial Year Ended 31 March 2025

	2025		2024	
	£	£	£	£
Administrative expenditure				
Salaries and wages	823,207		776,955	
Pension service cost	149,000		151,000	
Recruitment costs	868		6,638	
Travel and subsistence	12,356		18,886	
Stationery and publications	8,722		7,821	
Affiliation and membership	19,208		22,528	
Publicity and advertising	3,753		7,428	
Courses and conferences	14,235		7,060	
Office accommodation and services	136,858		85,893	
Equipment and fittings - depreciation	7,934		10,273	
Accountancy and audit	27,252		24,229	
Consultancy	7,021		2,038	
Legal & professional fees	6,151		47,384	
Insurance (Non Property)	17,578		16,522	
VPG administration allowance	-		(18,514)	
(Profit)/loss on disposal of fixed assets	-		(25,772)	
Vehicle lease charges	5,200		4,800	
General expenses	-		-	
Community development & Housing for All expenditure	47,434		64,296	
Tenant participation & Hardship	8,635		4,408	
	<u>1,295,412</u>		<u>1,213,873</u>	
Total Administrative expenditure				
	<u>1,295,412</u>		<u>1,213,873</u>	
Apportionments				
	%			
Housing Management	56.30%	559,901	58.44%	559,482
Property Maintenance	43.70%	434,595	41.56%	397,879
	100.00%	994,496	100.00%	957,361
Development and adaptations		300,916		256,512
		<u>1,295,412</u>		<u>1,213,873</u>

Rural Housing Association Ltd

Northern Ireland - Charity number 100886

Accounts



FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

Rural Housing Association Ltd

Tollgate House, 2 Killyclogher Road, Omagh, Co Tyrone, Northern Ireland, BT79 0AX

Company Registration No: NP000345

Charity Registration No: 100886

Association Information

<i>Board of Management</i>	John Waddell (Chair) Carol Follis BA (Hons) (Vice Chair) Ciaran McKenna (BSC MBA) (Secretary) Alistair McKane BA, Dip TP, MRTPI (Treasurer) Thomas Gallagher B Ed. Tom Potter Michaela McCusker Margaret Rafferty John Moss
<i>Chief Executive</i>	Mr Stephen Fisher PGDip, MSc, CIHCM
<i>Registered Office</i>	2 Killyclogher Road, Omagh, County Tyrone, BT79 0AX
<i>Head Office</i>	2 Killyclogher Road, Omagh, County Tyrone, BT79 0AX
<i>Bankers</i>	Danske Bank 5-7 Market Street, Omagh, County Tyrone BT78 1BN AIB 1-4 East Bridge Street, Enniskillen, County Fermanagh, BT74 7BT
<i>Solicitors</i>	McCaffrey & Co 8-10 Church Hill Omagh Co Tyrone BT78 1DQ
<i>Statutory Auditors</i>	McAleer Jackson Ltd Chartered Accountants & Registered Auditors Church House 24 Dublin Road Omagh Co Tyrone BT78 1HE
<i>Internal Auditors</i>	Wylie and Bissett Chartered Accountants & Registered Auditors 168 Bath Street Glasgow G2 4TP

Financial Statements for the Year Ended 31 March 2024

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Financial Statements for the Year Ended 31 March 2024

Report of the Board of Management

The Board present their report together with the audited financial statements for the year ended 31 March 2024.

Principal activities

Rural Housing Association was registered under the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 on 2 March 1992. The Association is a registered non-profit making housing association with the Department for Communities providing housing accommodation for those in need and is recognised as a charity with The Charity Commission for Northern Ireland and has charitable status with HMRC (HM Revenue & Customs).

Business Review

Welcome to our Annual Report for 2023/24. As we reflect on the past year, we at Rural Housing Association remain steadfast in our commitment to providing high-quality, environmentally friendly and affordable homes in rural communities. Despite the challenges posed by Covid, Brexit, and global events, our resolve remains unwavering and this year has been one of continued growth. By overcoming these many challenges our ambitious development programme has resulted in record development starts for us in one year and for that of the overall Rural Housing targets set by one of our main sponsors, the Northern Ireland Housing Executive.

Our strategic focus of an ambitious development programme is underpinned by our value for money processes and our aim to provide the highest quality homes for our tenants. To that effect our move away from traditional heating systems in new homes not only effectively heats the homes we provide for our tenants but also offers environmental benefits, cost savings and safety advantages with over 40 tenants already enjoying those benefits.

Last year was challenging for the Association as supply chains continued to require detailed management, financial pressures brought about by inflation particularly in maintenance and building, and a difficulty in recruiting staff for temporary cover.

Our customer satisfaction levels have remained high except in aspects of our maintenance service and it is with this in mind that new software systems have been identified and will be in place for October 2024. We will continue to engage with our tenants to gain an insight as to how we can improve the service and to work with our contractors to ensure their performance is held accountable.

The structural changes to the operational side of the Association have now been embedded for a full year and we are happy to report that they have all been successful with a new board and committee structure adding to a streamlined strategic reporting structure that fits well within the Association's Corporate Governance objectives.

The Association continues to focus on the welfare of our tenants. The Association availed of local and regional grants to provide outreach to tenants and helped in providing one to one welfare advice and sign posting. Most tenants, particularly the more vulnerable, are frequently contacted directly by staff members throughout the year to provide support. The board also agreed to extend the Association's hardship fund which helps tenants with heating, electrical costs, rent and other financial requirements.

The Association continues to provide support to its staff through its normal channels of welfare provision alongside extra training on home working, wellness training and social functions held through virtual and face to face channels means to ensure staff stayed connected at an informal level as well.

When setting its budgets for 2024, the Association, in line with mitigations identified in its Corporate Risk Register added weight to its cashflows for routine maintenance and planned maintenance schemes to ensure coverage for the continued rises in costs of materials and labour. It is anticipated that this prudent action should provide the Association with proper cover and ensure that inflationary pressures will not have an extreme impact on the Association as a going concern.

At the balance sheet date, the hybrid working policy had been fully implemented and assessed and monitored by management as being successful.

During the financial year the Association increased its level of properties bringing on 44 new units and selling 8 units through the House Sale Scheme (2023:6 new units, sold 6 units). Operating costs increased by £201,252 (2023: £236,252) while the operating surplus increased to £1,204,629 (2023:£1,021,312).

Interest payable was £879,297 (2023: £712,562) resulting in an overall surplus for the financial year of £344,201 (2022: £293,743).

Financial Statements for the Year Ended 31 March 2024

Report of the Board of Management (continued)

Business Review cont'd

On the balance sheet housing properties at depreciated cost was £60m (2023: £52m).

Average staff numbers for the year are currently at 24 (2023:23) and are not anticipated to increase significantly during the incoming financial year.

Statement of Board of Management Responsibilities

The Association is governed by a voluntary Board of Management, which consists of 9 persons with a wide range of skills and experience in the private, voluntary and public sectors. The Board meet at least 6 times per year. The work of the Board includes deciding the strategic direction of the Association, monitoring and challenging the Chief Executive and Senior Management Team and receiving recommendations and decisions from four committees on policy and governance of the Association. The committees are the Audit, Risk and Governance committee, Technical committee, Housing Service committee and the Finance and General Purposes Committee.

The Chief Executive is responsible for delivering the Board's strategic vision at an operational level with help of the Senior Management Team (SMT) which provide reports and policies to the various committees on a regular basis. The SMT is made up of Chief Executive and four departmental directors; Housing & Operations Director, Development & Property Assets Director, Finance Director & Business Development Director.

Internal Controls Assurance

The Board acknowledges its overall responsibility for establishing and maintaining the whole system of internal control and for reviewing its effectiveness. The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and to provide reasonable, and not absolute, assurance against material misstatement or loss.

The process for identifying, evaluating and managing the significant risks faced by the Association is on going, has been in place throughout the period commencing 1 April 2023 up to the date of approval of the annual report and financial statements. Key elements of the control framework include:

- Board approved terms of reference and delegated authorities for Audit Risk and Governance and Technical Sub-committees;
- clearly defined management responsibilities for the identification, evaluation and control of significant risks;
- a Risk Register and Business Continuity Plan exists to help manage and mitigate these risks;
- robust strategic and business planning processes, with detailed financial budgets and forecasts;
- a formal governance framework detailing standing orders, cyclic reporting processes and relationships between the Board, Sub-committees, Senior Management Team and staff;
- formal recruitment, retention, training and development policies for all staff;
- established authorisation and appraisal procedures for all significant new development initiatives and commitments;
- regular reporting to the appropriate committee on key business objectives, targets and outcomes; and
- Board approved whistleblowing and fraud policies.

The Board cannot delegate ultimate responsibility for the system of internal control, but it can, and has delegated authority to the Audit Risk and Governance Sub-committee to regularly review the effectiveness of the system of internal control. The Board receives regular reports from the Audit Risk and Governance Sub-committee together with minutes of meetings. The Audit Risk and Governance Sub-committee has received the annual report of the internal auditor, and has reported its findings to the Board.

The Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 and registered housing association legislation require the members of the Board of Management to prepare financial statements for each financial year that give a true and fair view of the state of the Association's affairs and of its surplus or deficit for that period. In preparing these financial statements the Board is required to:

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

Financial Statements for the Year Ended 31 March 2024

Report of the Board of Management (continued)

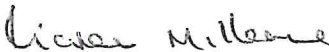
The members of the Board of Management are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 and the Registered Housing Associations (Accounting Requirements) Order (Northern Ireland) 1993. They have general responsibility for taking reasonable steps to safeguard the assets of the Association and to prevent and detect fraud and other irregularities.

Statement of Disclosure to Auditors

So far as each of the members of the Board of Management at the date of approval of these financial statements is aware:

- there is no relevant information of which the Association's auditor is unaware.
- they have taken all reasonable steps that they ought to have taken as members of the Board of Management in order to make themselves aware of all relevant audit information and to establish that the Association's auditor is aware of that information.

On behalf of the Board



.....

Secretary

Financial Statements for the Year Ended 31 March 2024

Auditor's Report to the Members of Rural Housing Association

Opinion

We have audited the financial statements of Rural Housing Association Limited (the 'Association') for the year ended 31 March 2024 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2024, and of 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 Co-operative and Community Benefit Societies Act (Northern Ireland) 1969, the Housing (Northern Ireland) Order 1992, the Registered Housing Association (Accounting Requirements) Order (Northern Ireland) 1993 and Charities Act (Northern Ireland) 2008.

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 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 annual report, other than the financial statements and our Auditor's Report thereon. The Board are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Financial Statements for the Year Ended 31 March 2024

Auditor's Report to the Members of Rural Housing Association cont'd

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the association and its environment obtained in the course of the audit, we have not identified material misstatements in the Board Report.

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; 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.

Respective responsibilities of the Board of Management and Auditor

As explained more fully in the Statement of Board of Management Responsibilities statement set out on page 5, the Board (who are also the trustees of the Association for the purposes of charity 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 mis-statement in respect of irregularities including fraud and non-compliance with laws and regulations, was as follows:

- We identified the laws and regulations applicable to the Association through discussions with management and from our commercial knowledge and experience of the sector;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.

We assessed the susceptibility of the Association's financial statements to material mis-statement, 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;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations and;
- 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;
- Investigated the rationale behind any 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 statements disclosures to underlying supporting documentation;
- Reading the minutes of meetings to those charged with governance;
- Enquiring of management as to actual and potential litigation and claims;
- Reviewing correspondence with HMRC, relevant regulators and the Association's legal advisors.

Financial Statements for the Year Ended 31 March 2024

Auditor's Report to the Members of Rural Housing Association cont'd

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. 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 section 43 of the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969, section 65 of the Charities Act (Northern Ireland) 2008, regulations made under section 66 of that Act (Part 4 of the Charities (Accounts and Reports) Regulations (Northern Ireland) 2015 and article 19 of the Housing (Northern Ireland) Order 1992. 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.

Michael Barnett (Senior Statutory Auditor)
for and on behalf of McAleer Jackson Ltd

Chartered Accountants and Statutory Auditors
Church House
24 Dublin Road
Omagh
BT79 0AH

26 June 2024

Statement of Comprehensive Income for the Year Ended 31 March 2024

	Note	2024 £	2023 £
Turnover		4,380,337	3,996,974
Less operating costs		(3,175,708)	(2,975,662)
Operating surplus	2	1,204,629	1,021,312
Surplus on property disposals		586,870	493,355
Interest receivable	7	15,869	3,993
Interest payable and other charges	8	(879,297)	(712,562)
Financing (cost)/income	16	3,000	(19,000)
Transfer to disposal proceeds fund		(586,870)	(493,355)
Surplus on ordinary activities before taxation		344,201	293,743
Corporation tax on surplus	9	-	-
Surplus for the year after taxation		344,201	293,743
Other comprehensive income			
Actuarial gain/(loss) on pension scheme	16	347,000	955,000
Prior year adjustment		-	-
Total comprehensive income for the year		691,201	1,248,743

Continuing operations

None of the Association's activities were acquired or discontinued during the above two financial years.

Historical cost

The difference between the results as disclosed in the Statement of Comprehensive Income before tax, and retained surplus for the year, on an unmodified historical cost basis is not material.

Statement of Financial Position as at 31 March 2024

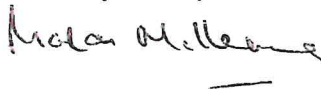
	Note	2024 £	2023 £
Tangible fixed assets			
Housing properties	10a	60,588,736	52,734,290
Other fixed assets	10b	<u>851,377</u>	<u>869,371</u>
		61,440,113	53,603,661
Other non-current assets			
Pension asset	16	340,000	-
		61,780,113	53,603,661
Current assets			
Debtors and prepayments	12	4,377,713	1,204,277
Cash and cash equivalents	13	<u>1,680,474</u>	<u>1,187,649</u>
		6,058,187	2,391,926
Creditors: amounts falling due within 1 year	14	<u>(7,898,069)</u>	<u>(4,773,790)</u>
Net current assets/(liabilities)		<u>(1,839,882)</u>	<u>(2,381,864)</u>
Total assets less current liabilities		59,940,231	51,221,797
Creditors: amounts falling due after more than 1 year	15	(52,839,405)	(44,810,173)
Provision for liabilities and charges			
Pension liability	16	-	(2,000)
Total net assets		<u>7,100,826</u>	<u>6,409,624</u>
Reserves			
Share capital	17	9	9
Capital reserves	18	35	34
Revenue reserves		<u>7,100,782</u>	<u>6,409,581</u>
Total Reserves		<u>7,100,826</u>	<u>6,409,624</u>

Approved by the Board of Management on 26 June 2024

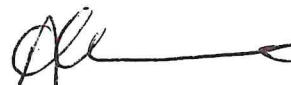
Chairman



Honorary Secretary



Honorary Treasurer



Statement of changes in equity for the Year Ended 31 March 2024

	Share Capital £	Capital Reserves £	Revenue Reserves £	Total £
At 1 April 2022	12	30	5,160,838	5,160,880
Surplus/(deficit) for the year	-	-	293,743	293,743
Actuarial gain/(loss) on pension scheme	-	-	955,000	955,000
Share issue	1	-	-	1
Share cancellation	(4)	4	-	-
At 31 March 2023	9	34	6,409,581	6,409,624
Surplus/(deficit) for the year	-	-	344,201	344,201
Actuarial gain/(loss) on pension scheme	-	-	347,000	347,000
Share issue	1	-	-	1
Share cancellation	(1)	1	-	-
At 31 March 2024	9	35	7,100,782	7,100,826

Statement of Cash Flows for the Year Ended 31 March 2024

	Note	£	2024 £	£	2023 £
Net cash flow from operating activities	19		2,201,015		1,897,386
Cash flow from investing activities					
Purchase of tangible fixed assets		(8,720,874)		(4,399,153)	
Proceeds from sale of tangible fixed assets		635,104		719,845	
Grants received		3,044,580		1,348,194	
Interest received		15,869		3,993	
			(5,025,321)		(2,327,121)
Cash flow from financing activities					
Interest paid		(842,151)		(719,326)	
New secured loans		5,000,000		8,139,000	
Repayments of borrowings		(840,719)		(6,499,193)	
Share capital		1		1	
			3,317,131		920,482
Net change in cash and cash equivalents			492,825		490,747
Cash and cash equivalents at 1 April			1,187,649		696,902
Cash and cash equivalents at 31 March	13		1,680,474		1,187,649

Notes to the Financial Statements for the Year Ended 31 March 2024

1 Accounting policies

Legal registration

The Association is registered within Northern Ireland under the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 and is a registered provider of social housing.

Basis of accounting

The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared in compliance with UK GAAP, including FRS102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the Statement of Recommended Practice for registered social housing providers (SORP 2018) issued by the National Federation of Housing Associations. The presentation of the financial statements complies with the Registered Housing Associations (Accounting Requirements) Order (Northern Ireland) 1993.

Turnover

Turnover comprises rental income, grants and other income.

The Association's rental income is reflected net of income attributable to property rates.

Fixed assets

Housing properties are properties held for the provision of social housing or to otherwise provide social benefit. Housing properties are principally properties available for rent and are stated at cost less accumulated depreciation and impairment losses. Cost includes the cost of acquiring land and buildings, development costs, interest charges incurred during the development period.

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised as improvements.

Other fixed assets are stated at cost less accumulated depreciation.

Depreciation has been provided on the Association's Fixed Assets consistent with standard accounting practice at the following rates:

Fixed assets by class	Useful life	Method
Housing property :		
- Main fabric	100 Years	Straight line
- Roof structure & covering	70 Years	Straight line
- Windows & external doors	30 Years	Straight line
- Kitchen	20 Years	Straight line
- Bathroom/WCs	30 Years	Straight line
- Heating, ventilation & plumbing	30 Years	Straight line
- Electrics	40 Years	Straight line
Office building	60 Years	Straight line
Computer equipment	3 Years	Straight line
Office furniture & equipment	5 Years	Straight line

The depreciation charge is time apportioned in the month of addition and in the month of disposal. No depreciation is charged on either property under development or land.

Impairment

Housing properties are assessed annually for impairment indicators. Where indicators are identified an assessment for impairment is undertaken comparing the asset's carrying amount to its recoverable amount. Where the carrying amount of an asset is deemed to exceed its recoverable amount, the asset is written down to its recoverable amount, this is likely to be the fair value in use of the asset based on its service potential. The resulting impairment loss is recognised as expenditure in income and expenditure. Where an asset is currently deemed not to be providing service potential to the Association, its recoverable amount is its fair value less costs to sell.

Other assets are reviewed for impairment if there is an indication that impairment may have occurred.

Notes to the Financial Statements for the Year Ended 31 March 2024

1 Accounting policies (continued)

Housing Association financing

Capital development expenditure by the Association is financed partially by Housing Association Grant from the Department for Communities and from Private Sector Loan Finance (Mixed Funding). Current (revenue) expenditure associated with the management of the development programme is also supported by Housing Association Grant allowance, which is attributed to the Income and Expenditure account as appropriate. Administration expenditure associated with the management of the Association's property is charged directly against income from lettings.

Acquisition and development allowances

The amount of acquisition and development allowances (HAG) allowed by the Department for Communities are attributed to the cost of the property concerned. Credit is taken for allowances for administrative costs (associated with the management of the development programme) in the Statement of Comprehensive Income and a relevant proportion of administrative expenditure is charged against them.

Government and other grants

Where the cost of properties have been financed by a Housing Association Grant (HAG) paid from the Department for Communities, the grant is recognised in income over the expected useful life of the housing property structure and its individual components on a pro rata basis under the accruals model.

HAG and other grants received in respect of revenue expenditure is credited to the income and expenditure account in the same period as the expenditure to which it relates.

To the extent that Housing Association Grant is received in advance of the related expenditure, it has been included in Creditors: falling due within 1 year, to be attributed to appropriate capital and revenue expenditure in future accounting periods.

Disposal proceeds fund

The Disposal Proceeds Fund represents the net surplus on property sales together with grant, which has been set aside for the purpose of providing replacement properties in accordance with the Department for Communities regulations.

If the surpluses are not used within two years from their receipt they may be payable in part or in full to the Department for Communities.

Retirement benefits

The Association participates in an industry wide defined benefit final salary pension scheme. The underlying assets and liabilities of the scheme attributable to Rural Housing Association have been identified by actuaries. As a result the Association recognises the scheme deficit on the balance sheet at the year end. Actuarial gains and losses and returns on scheme assets are recognised in the statement of comprehensive income. Current and past service costs are recognised within operating surplus and interest on obligations is recognised as other finance costs.

Financial instruments

The Association only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Notes to the Financial Statements for the Year Ended 31 March 2024

1 Accounting policies (continued)

Going concern

The Association's business activities, its current financial position, and factors likely to affect its future development are set out within the annual report from the Board and within these financial statements.

The Association has in place long-term debt facilities which provide adequate resources to finance committed reinvestment and development programmes, along with the Association's day to day operations. The Association also has a long-term business plan which shows that it is able to service these debt facilities whilst continuing to comply with lenders' covenants. As at 31 March 2024 the Association had available cash reserves of £1.6m

The Board's assessment of going concern involves a number of subjective judgements including, but not limited to increased rent arrears, delayed rent collections, increasing inflation and interest rates, a reduction in property prices and costs associated with achieving energy efficiency homes. In making their assessment the Board have also considered the potential mitigations available to manage the potential impact on its cashflows and liquidity.

Stress tests have been run on the Association's business plan, which include the impact of sensitivities on the association's cash flow requirements, compliance with debt facilities, as well as covenant compliance. This stress testing found that the business plan is robust and does not affect the Association's ability to meet its obligations.

On this basis, the Board has a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. The Board have considered the foreseeable future for their going concern assessment to cover the period to 31 March 2026. On this basis, the Board continues to adopt the going concern basis in the financial statements.

Significant judgments and estimates

The following are the significant management judgements made in applying the accounting policies of the Association that have the most significant effect on the financial statements.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets including any components. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment, changes to the Decent Homes Standards and changes to energy efficiency requirements which may require more frequent replacement of key components.

Defined benefit obligation

Management's estimate of the defined benefit obligation is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the liability and the annual defined benefit expenses.

Notes to the Financial Statements for the Year Ended 31 March 2024

2 Turnover, operating costs and operating surplus/(deficit) from social housing activities

The whole of the Association's turnover is attributable in the United Kingdom and is derived from the principal activity of social housing.

				2024	2023
	General Needs Housing £	Total Social Housing £	Other Income £	Total Income £	Total Income £
Operating Income					
Rent receivable	3,375,288	3,375,288	-	3,375,288	3,044,033
Rates receivable	443,291	443,291	-	443,291	405,343
Management allowance re adaptations	18,652	18,652	-	18,652	(75)
Interest received	-	-	15,869	15,869	3,993
Surplus on property disposal	-	-	586,870	586,870	493,355
Other income	4,752	4,752	-	4,752	5,870
Community development grants	41,531	41,531	-	41,531	24,103
Amortisation of grants	576,035	576,035	-	576,035	542,954
Less voids	(79,212)	(79,212)	-	(79,212)	(25,254)
Total Social Housing Income	4,380,338	4,380,337	602,739	4,983,076	4,494,322
Operating Costs					
Bad debts	(10,122)	(10,122)	-	(10,122)	(4,677)
Housing Management costs	(630,880)	(630,880)	-	(630,880)	(687,898)
Maintenance Administration	(397,879)	(397,879)	-	(397,879)	(410,411)
Planned and cyclical maintenance	(300,612)	(300,612)	-	(300,612)	(241,086)
Development expenses	(46,609)	(46,609)	-	(46,609)	(7,378)
Response maintenance	(393,203)	(393,203)	-	(393,203)	(370,544)
Major repairs	-	-	-	-	-
Depreciation	(997,440)	(997,440)	-	(997,440)	(888,859)
Rates	(398,962)	(398,962)	-	(398,962)	(364,809)
Total Social Housing Expenditure	(3,175,708)	(3,175,708)	-	(3,175,707)	(2,975,662)
Interest payable	-	-	(879,297)	(879,297)	(712,562)
Financing cost/income	-	-	3,000	3,000	(19,000)
Transfer to Disposal Proceeds Fund	-	-	(586,870)	(586,870)	(493,355)
Surplus on ordinary activities	1,204,629	1,204,629	(860,428)	344,201	293,743
DFC Allowances					
Management Allowances £396 per unit	231,264				217,008
Management costs	(630,880)				(687,898)
Surplus / Deficit	(399,616)				(470,890)
Maintenance Allowances £464 per unit	270,976				254,272
Planned and cyclical maintenance	(300,612)				(241,086)
Response maintenance	(393,203)				(370,544)
Surplus / Deficit	(422,839)				(357,358)
Gross income from rents					
Technical	82.00%	2,767,736		82.00%	2,496,107
Non technical	18.00%	607,552		18.00%	547,926
Total		3,375,288			3,044,033
No of Properties		584			548

Notes to the Financial Statements for the Year Ended 31 March 2024

	2024 £	2023 £
3 Operating surplus		
Operating surplus is stated after charging/(crediting):		
Depreciation on tangible fixed assets	1,007,713	900,539
(Profit)/loss on disposal of other fixed assets	(25,772)	(7,177)
Auditors remuneration - External	12,349	11,424
Auditors remuneration - Internal	11,880	13,339
Amortisation of Government grants	(576,035)	(542,954)
	<u> </u>	<u> </u>

	2024	2023
4 Employee information		
The average monthly number of persons employed during the year was:	<u> 24 </u>	<u> 23 </u>

	2024 £	2023 £
5 Staff Costs		
Salaries	770,173	670,940
Social security costs	79,209	68,841
Pension costs	151,444	289,231
Private Health Care	5,552	4,514
	<u>1,006,378</u>	<u>1,033,526</u>

The aggregate remuneration, including benefits in kind and pension contributions, of key management personnel of the Association during the year was:

	2024 £	2023 £
Aggregate remuneration	<u> 392,136 </u>	<u> 324,901 </u>
	<u> 392,136 </u>	<u> 324,901 </u>

The number of management personnel to whom emoluments (including salary, employer national insurance, employer pension contributions and benefits in kind) were paid during the year falls within each of the following bands:

	2024 £	2023 £
60,000 - 70,000	2	1
70,000 - 80,000	2	-
80,000 - 90,000	-	-
90,000 - 100,000	-	1
100,000 -120000	1	-

6 Board of Management remuneration

The Board members received no remuneration from the Association. Total expenses paid during the year to Board members amounted to £96 (2023: £443).

Rent received from one tenant Board members during the year amounted to £6,612 (2023: £11,545 equivalent to two board members).

7 Interest receivable

Bank interest	<u> 15,869 </u>	<u> 3,993 </u>
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Notes to the Financial Statements for the Year Ended 31 March 2024

	2024 £	2023 £
8 Interest payable and other charges		
Bank loans	879,298	712,562

9 Corporation tax

The Association became a registered charity reference XR23974 with effect from 13 October 2008. The Association is not liable to Corporation Tax from that date.

	2024 £	2023 £
10 Fixed assets		
(a) Housing Land and Buildings cost		
At beginning of year	63,984,882	60,097,735
Additions during year	9,493,620	4,487,752
Disposals during year	(857,621)	(600,605)
At end of year	<u>72,620,881</u>	<u>63,984,882</u>
Depreciation		
At beginning of year	(11,250,592)	(10,515,274)
Charge for year	(978,827)	(870,246)
On disposals	197,274	134,928
At end of year	<u>(12,032,145)</u>	<u>(11,250,592)</u>
Net book value at end of year	<u>60,588,736</u>	<u>52,734,290</u>

The Housing Land and Building costs includes £4.4m of Assets Under Construction. The deeds of Housing Properties are used to secure mortgages with our various lenders.

(b) Other fixed assets

	Office	Computer Equipment	Office Equipment	TOTAL
Cost				
At beginning of year	1,116,777	97,108	54,807	1,268,692
Additions during year	-	10,488	404	10,892
Disposals during year	-	-	-	-
At end of year	<u>1,116,777</u>	<u>107,596</u>	<u>55,211</u>	<u>1,279,584</u>
Depreciation				
At beginning of year	(261,154)	(86,898)	(51,269)	(399,321)
Charge for year	(18,613)	(8,083)	(2,190)	(28,886)
On disposals	-	-	-	-
At end of year	<u>(279,767)</u>	<u>(94,981)</u>	<u>(53,459)</u>	<u>(428,207)</u>
Net book value at end of year	<u>837,010</u>	<u>12,615</u>	<u>1,752</u>	<u>851,377</u>
Net book value at beginning of year	<u>855,623</u>	<u>10,210</u>	<u>3,538</u>	<u>869,371</u>

11 Housing Stock

Number of units owned by the Association on 31 March 2024
- General Needs Housing

	2024	2023
	<u>584</u>	<u>548</u>

Notes to the Financial Statements for the Year Ended 31 March 2024

	2024 £	2023 £
12 Debtors		
Tenant debt		
Rental debtors gross - technical	170,833	129,892
Rental debtors gross - Non-technical	42,708	32,473
	<u>213,541</u>	<u>162,365</u>
Less: provision for bad and doubtful debts	-	(4,677)
	<u>213,541</u>	<u>157,688</u>
HAG receivable	4,051,048	919,583
Interest receivable	-	-
Prepayments	90,550	50,569
Other debtors	22,574	76,437
	<u>4,377,713</u>	<u>1,204,277</u>
13 Cash and cash equivalents		
Bank deposit account	-	503,082
Current bank accounts	1,680,412	684,266
Cash on hand	62	301
	<u>1,680,474</u>	<u>1,187,649</u>
14 Creditors (due within 1 year)		
Tenant overpayment	28,085	27,657
Accruals	2,169,678	986,576
Other creditors	249,448	226,272
Loan interest	46,126	8,979
HAG paid in advance by DFC (see below)	4,043,581	2,219,389
Deferred Housing Association Grant (Note 15c)	435,896	464,357
Loan repayments due within 1 year (Note 15b)	925,255	840,560
	<u>7,898,069</u>	<u>4,773,790</u>
HAG paid in advance by DFC		
Opening balance	2,219,389	2,484,382
HAG receivable	6,314,169	2,003,535
Attributed to capital development	(4,489,977)	(2,268,528)
Transfer to revenue account		
Balance at year end	<u>4,043,581</u>	<u>2,219,389</u>

Notes to the Financial Statements for the Year Ended 31 March 2024

		2024 £	2023 £
15 Creditors (falling due after more than 1 year)			
Disposal proceeds fund	(a)	1,015,332	566,585
Bank loans	(b)	19,261,917	15,187,332
Deferred income - capital grants	(c)	32,562,156	29,056,256
		<u>52,839,405</u>	<u>44,810,173</u>
(a) Disposal proceeds fund			
Opening balance		566,585	114,817
Transfers in - surplus on disposals		418,870	349,355
- repayment of VPG discount		168,000	144,000
		<u>586,870</u>	<u>493,355</u>
Transfers out - replacement properties		(138,123)	(41,587)
Closing balance		<u>1,015,332</u>	<u>566,585</u>
(b) Bank loans			
Loans are secured on individual assets of the Association and are repayable as follows:			
Within one year or on demand		925,255	840,860
One year or more but less than two years		957,423	838,469
Two years or more but less than five years		1,993,477	1,767,773
Five years or more		16,311,017	12,581,090
		<u>20,187,172</u>	<u>16,028,192</u>
All bank loans are secured by way of mortgages upon the deeds of properties. All bank loans are fixed loans (excluding the Revolving Credit Facility) on a fixed quarterly repayment schedule drawn up by the lender. They bear interest rates ranging between 3.28% and 5.15%. We secured a Revolving Credit Facility in December 2022. The Revolving Credit Facility is provided on an interest only basis for 5 years (with an option to extend to 7 years) with the drawn balance to be repaid or converted to a Structured Term loan at expiry of the term. The Revolving Credit Facility is on a variable quarterly repayment schedule.			
(c) Deferred income - capital grants			
Housing Association grant			
At beginning of year		36,905,091	34,961,523
Attributed during year		4,351,854	2,226,941
From disposal proceeds fund		138,123	41,587
On disposals		(576,641)	(324,960)
At end of year		<u>40,818,427</u>	<u>36,905,091</u>
Other public grant		<u>58,766</u>	<u>58,766</u>
		<u>40,877,193</u>	<u>36,963,857</u>
Amortisation			
At beginning of year		(7,443,244)	(6,978,886)
Amortised in year		(576,035)	(542,954)
On disposals		140,139	78,596
At end of year		<u>(7,879,140)</u>	<u>(7,443,244)</u>
Net book value at start of year		<u>29,520,614</u>	<u>28,041,403</u>
Deferred Housing Association Grant falling due within 1 year		435,896	464,357
Deferred Housing Association Grant falling due after 1 year		32,562,156	29,056,256
Net book value at end of year		<u>32,998,052</u>	<u>29,520,614</u>

Notes to the Financial Statements for the Year Ended 31 March 2024

16 Provision for liabilities and charges

	2024 £	2023 £
Pension (asset) / liability		
Opening balance	2,000	776,000
Current & past service cost	151,000	287,000
Employers contributions	(143,000)	(125,000)
Interest on net defined benefit liability/(asset)	(3,000)	19,000
Remeasurement (gains) / losses	(347,000)	(955,000)
Closing balance	<u>(340,000)</u>	<u>2,000</u>

17 Share capital

<u>9</u>	<u>9</u>
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The Association's Rules require each member to hold only one share of nominal value of one pound each in the Association. There were 9 members of the Association at 31 March 2024 (2023:9 members), 1 member joined and 1 retired from the Board of Management during the year.

18 Capital reserves

<u>35</u>	<u>34</u>
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The Capital reserve reflects the cumulative nominal value of shares cancelled by the Association.

19 Cash flow from operating activities

Surplus for the year	1,204,629	1,021,312
Adjustments for non-cash items:		
Depreciation of tangible assets	1,007,713	900,539
Amortisation of social housing grant	(576,035)	(542,954)
(Increase)/decrease in debtors	(41,971)	(67,498)
Increase/(decrease) in creditors	624,451	431,164
Pension costs less contributions payable	<u>8,000</u>	<u>162,000</u>
	1,022,158	883,251
Adjustments for investments or financing activities:		
(Profit)/loss on sale of tangible fixed assets	(25,772)	(7,177)
	<u>(25,772)</u>	<u>(7,177)</u>
Net cash inflow from operating activities	<u><u>2,201,015</u></u>	<u><u>1,897,386</u></u>

20 Capital Commitments

At the balance sheet date the Association was contractually committed to capital development expenditure of £16.7m (2023:£24.5m) with 76 committed units coming on board within the next two years. To fund our development programme, we have an undrawn Revolving Credit Facility balance of £13m, surpluses with the Disposal Proceeds Fund and Housing Association Grant from the Social Housing Development Programme.

Notes to the Financial Statements for the Year Ended 31 March 2024

21 Contingent liabilities

There exists a contingent liability on the Association of the possibility of having to repay Housing Association Grant received on properties if any properties are sold. This also includes any grant written off through the implementation of component accounting. The possibility of reimbursement to the Department for Communities of the HAG released on build components replaced is considered to be unlikely as the housing properties are expected to continue to be made available for social housing.

22 Retirement benefits

The Association operates a defined benefit pension scheme for its employees with the assets held separately from those of the company. The scheme provides retirement benefits on the basis of members' average earnings but any member who joined before 31 March 2015 will be based on final salary. The fund is administered by the Northern Ireland Local Government Officers' Superannuation Committee. The funded nature of the Local Government Pension Scheme require the Employer and its employees to pay contributions into the fund, calculated at a level intended to balance the pension liabilities with investment assets.

A full actuarial valuation of the employer's Local Government Pension Scheme funded benefits was carried out as at 31 March 2022 by a qualified independent actuary. Adjustments to the valuation at that date have been made based on the following assumptions:

	2024	2023
Pension increases	2.5%	2.6%
Salary increases	4.0%	4.1%
CPI Inflation	2.5%	2.6%
Discount rate	4.7%	4.5%
Pension accounts revaluation rate	2.5%	2.6%

The mortality assumptions at the accounting date are based on actual mortality experience of members within the Fund based on analysis carried out as part of the 2022 Actuarial Valuation, and allow for expected future mortality improvements. Sample life expectancies at age 65 in normal health resulting from these mortality assumptions are shown below.

	2024 years	2023 years
Males		
Member aged 65 at accounting date	21.7	22.2
Member aged 45 at accounting date	22.7	23.2
Females		
Member aged 65 at accounting date	24.6	25.0
Member aged 45 at accounting date	25.6	26.0

Notes to the Financial Statements for the Year Ended 31 March 2024

22 Retirement benefits (continued)

Reconciliation of scheme assets and liabilities

	Assets	Liabilities	Total
At 1 April 2023	2,554,000	(2,556,000)	(2,000)
Benefits paid	(24,000)	24,000	-
Employer contributions	143,000		143,000
Employee contributions	50,000	(50,000)	-
Current service cost		(151,000)	(151,000)
Past service cost		-	-
Interest income / (expense)	119,000	(116,000)	3,000
Remeasurement gains / (losses)			-
- Actuarial gains/(losses)		190,000	190,000
- Return on plan assets excluding interest income	157,000		157,000
At 31 March 2024	2,999,000	(2,659,000)	340,000

Total recognised as an expense:

	2024	2023
Current service cost	151,000	287,000
Past service cost	-	-
Interest cost	(3,000)	19,000
	148,000	306,000

No amounts (2023: nil) were included in the cost of assets.

The fair value of the plan assets was:

	2024	2023
Equities	1,310,000	1,021,000
Property	291,000	286,000
Bonds - government	522,000	526,000
Bonds - corporate	126,000	77,000
Multi Asset Credit	399,000	340,000
Cash	168,000	166,000
Other	183,000	138,000
	2,999,000	2,554,000

The return on the plan assets was:

	2024	2023
Interest income	119,000	68,000
Return on plan assets less interest income	157,000	(93,000)
Total return on plan assets	276,000	(25,000)

23 Events after end of reporting period

No events after the year end need to be reported.

Detailed Income and Expenditure Summary for the Financial Year Ended 31 March 2024

	2024		2023	
	£	£	£	£
INCOME				
Rent receivable		3,296,076		3,018,779
Rates receivable		443,291		405,343
		<u>3,739,367</u>		<u>3,424,122</u>
Other income		23,404		5,795
Community development grants		41,531		24,103
Amortisation of grants		576,035		542,954
TOTAL INCOME		<u>4,380,337</u>		<u>3,996,974</u>
EXPENDITURE (Before Admin Apportionment)				
Letting costs	1,819,385		1,572,573	
Rates	398,962		364,809	
	<u>2,218,347</u>		<u>1,937,382</u>	
Administration costs	1,213,873		1,236,360	
TOTAL EXPENDITURE		<u>3,432,220</u>		<u>3,173,742</u>
TRADING SURPLUS/(DEFICIT)		<u>948,117</u>		<u>823,232</u>
TRADING SURPLUS/(DEFICIT) (After Admin Apportionments)				
Letting	1,095,365		950,880	
Rates	44,329		40,534	
	<u>1,139,694</u>		<u>991,414</u>	
Administration		(191,577)		(168,182)
		<u>948,117</u>		<u>823,232</u>
FIXED ASSETS AND INTEREST				
Administration costs capitalised		256,512		198,080
Interest receivable		15,869		3,993
Interest payable		(879,298)		(712,562)
SURPLUS/(DEFICIT)		<u>341,201</u>		<u>312,743</u>
Disposal of property				
Sale proceeds	687,000		588,500	
Voluntary purchase grant	168,000		144,000	
	<u>855,000</u>		<u>732,500</u>	
Less				
Cost of property	831,416		564,449	
HAG eliminated	(581,799)		(337,958)	
Allowable costs	9,561		6,168	
Voluntary purchase grant allowance	8,952		6,486	
	<u>268,130</u>		<u>239,145</u>	
Net Surplus Transferred to DFP		<u>586,870</u>		<u>493,355</u>
		<u>928,071</u>		<u>806,098</u>

Detailed Income and Expenditure Summary for the Financial Year Ended 31 March 2024

	Note	2024		2023	
		£	£	£	£
Balance brought forward			928,071		806,098
Financing (cost)/ income					
Net interest on net scheme assets/liabilities		3,000		(19,000)	
Net return			3,000		(19,000)
			<u>931,071</u>		<u>787,098</u>
Corporation tax on tax adjusted surplus			-		-
Surplus/(deficit) after taxation	3		<u>931,071</u>		<u>787,098</u>
Transfer to disposal proceeds fund			(586,870)		(493,355)
			<u>344,201</u>		<u>293,743</u>

Administrative Expenditure for the Financial Year Ended 31 March 2024

	2024		2023	
	£	£	£	£
Administrative expenditure				
Salaries and wages	776,955		703,098	
Pension service cost	151,000		287,000	
Recruitment costs	6,638		4,986	
Travel and subsistence	18,886		15,774	
Stationery and publications	7,821		4,420	
Affiliation and membership	22,528		18,699	
Publicity and advertising	7,428		10,183	
Courses and conferences	7,060		7,671	
Office accommodation and services	85,893		70,594	
Equipment and fittings - depreciation	10,273		11,680	
Accountancy and audit	24,229		24,763	
Consultancy	2,038		25,526	
Legal & professional fees	47,384		17,683	
Insurance (Non Property)	16,522		16,232	
VPG administration allowance	(18,514)		(12,654)	
(Profit)/loss on disposal of fixed assets	(25,772)		(7,177)	
Vehicle lease charges	4,800		6,615	
General expenses	-		-	
Community development expenditure	64,296		28,639	
Tenant participation	4,408		2,628	
	<u>1,213,873</u>		<u>1,236,360</u>	
Total Administrative expenditure				
	<u>1,213,873</u>		<u>1,236,360</u>	
Apportionments				
	%			
Housing Management	58.44%	559,482	60.47%	627,869
Property Maintenance	41.56%	397,879	39.53%	410,411
	<u>100.00%</u>	<u>957,361</u>	<u>100.00%</u>	<u>1,038,280</u>
Development and adaptations		256,512		198,080
		<u>1,213,873</u>		<u>1,236,360</u>

Rural Housing Association Ltd

Northern Ireland - Charity number 100886

Annual report



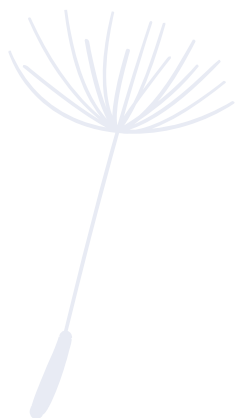
rural
housing
association

ANNUAL REPORT AND
FINANCIAL ACCOUNTS 2023/24



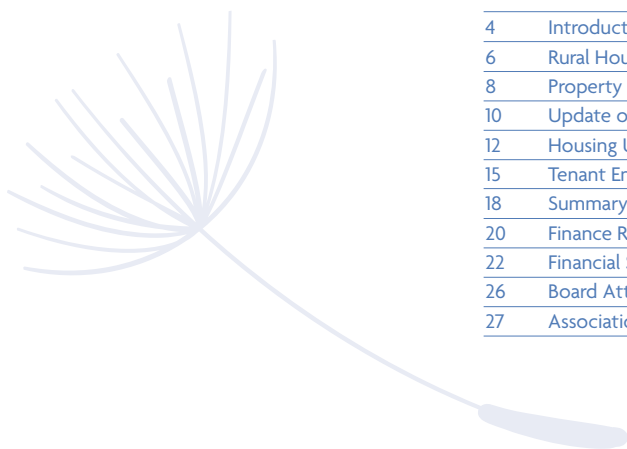


Our Annual Report provides an overview of our work showcasing some of our achievements throughout the past year. We present this Annual Report together with our audited financial statements for 2023/24.



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Rural's mission is to continue to provide good quality affordable homes in rural areas and to support this, the Association remains committed to delivering value for money for its customers through the provision of high-quality services in an efficient and effective manner.

If you, or someone you know would like this Annual Report in large print, in Braille or translated into another language please contact Stephen Fisher on 028 8224 6118 or email info@ruralhousing.co.uk

1 Introduction - Chair and Chief Executive Report



John Waddell, Chair
Stephen Fisher, Chief Executive

WELCOME TO OUR ANNUAL REPORT FOR 2023/24

As we reflect on the past year, we at Rural Housing Association remain steadfast in our commitment to providing high-quality, environmentally friendly and affordable homes in rural communities. Despite the challenges posed by Covid, Brexit, and global events, our resolve remains unwavering, and this year has been one of continued growth. By overcoming these many challenges our ambitious development programme has resulted in record development starts for us in one year and for that of the overall Rural Housing targets set by one of our main sponsors, the Northern Ireland Housing Executive.

Our strategic focus of an ambitious development programme is underpinned by our value for money processes and our aim to provide the highest quality homes for our tenants. To that effect our move away from traditional heating systems in new homes not only effectively heats the homes we provide for our tenants but also offers environmental benefits, cost savings and safety advantages with over 40 tenants already enjoying those benefits.

Last year was challenging for the Association as supply chains continued to require detailed management, financial pressures brought about by inflation particularly in maintenance and building, and a difficulty in recruiting staff for temporary cover.

Our customer satisfaction levels have remained high except in aspects of our maintenance service, and it is with this in mind that new

software systems have been identified and will be in place for October 2024. We will continue to engage with our tenants to gain an insight as to how we can improve the service and to work with our contractors to ensure their performance is held accountable.

The structural changes to the operational side of the Association have now been embedded for a full year and we are happy to report that they have all been successful with a new board and committee structure adding to a streamlined strategic reporting structure that fits well within the Association's Corporate Governance objectives.

Universal Credit continues to be rolled out as the full migration of cases from Housing Benefit to Universal Credit continues for our tenants. The Association continues to focus on the welfare of our tenants and has availed of local and regional grants to provide outreach to tenants. Most tenants, particularly the more vulnerable, are frequently contacted directly by staff members throughout the year to provide support and sign posting to other services. The board also agreed to extend the Association's hardship fund which helps tenants with heating, electrical costs, rent and other financial requirements.

The Association continues to provide support to its staff through its normal channels of welfare provision alongside extra training on home working, wellness training and social functions held through virtual and face to face channels means to ensure staff stay connected at an informal level as well.

When setting its budgets for 2024, the Association, in line with mitigations identified in its Corporate Risk Register added weight to its cash flows for routine maintenance and planned maintenance schemes to ensure coverage for the continued rises in costs of materials and labour. It is anticipated that this prudent action should provide the Association with proper cover and ensure that inflationary pressures will not have an extreme impact on the Association as a going concern.

At the balance sheet date, the hybrid working policy had been fully implemented and during the financial year the Association increased its level of properties bringing on 44 new units and selling 8 units through the House Sale Scheme

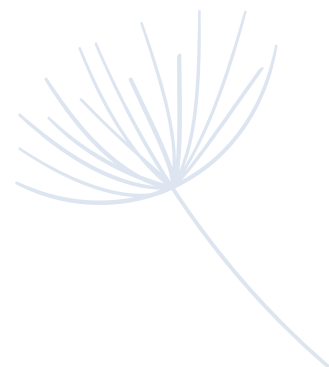
(2023:6 new units, sold 6 units). Operating costs increased by £200,046 (2023: £236,252) while the operating surplus increased to £1,204,629 (2023: £1,021,312). Interest payable was £879,297 (2023: £712,562) resulting in an overall surplus for the financial year of £344,201 (2023: £293,743).

Every year we are subject to controls and checks. Our internal auditors provide assurance to the board and this year again most of our audits were passed with high grades. Our Departmental Sponsors, the Department for Communities (DFC) also graded us at the highest level (Grade 1), while our external auditors continue to provide assurance to the board on our financial and governance controls.

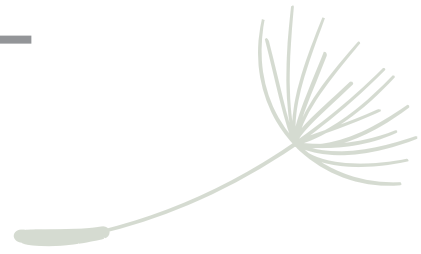
We also thank the many stakeholders without whom none of this would be possible. Our banks, Danske bank and AIB, our many consultants and external advisors, our response maintenance contractors, NICOR, all our design teams and development contractors who continue to provide us with the quality and workmanship that reflects highly on Rural Housing Association ethos.

We are sponsored by the Department for Communities who provide grant funding through their agents, the Northern Ireland Housing Executive. We would like to thank both organisations for their continued commitment to the aims of Rural Housing Association and for sharing our unique vision, along with NIFHA who continue to promote our mission.

Last, but not least, a huge thank you to all the board and staff of Rural Housing Association. In the background the hard work of the staff continues to help shine a light on all things rural and shows us as a unique housing association with a bright future.







2 Rural Housing at a Glance

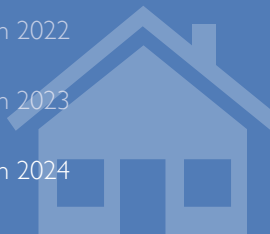
NUMBER OF HOMES

528 March 2021

548 March 2022

548 March 2023

584 March 2024



GRANTS RECEIVED (HAG)

£1,624,319 March 2021

£4,130,569 March 2022

£2,003,535 March 2023

£6,314,169 March 2024



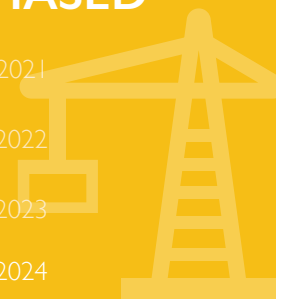
NEW HOMES COMPLETED/ PURCHASED

9 March 2021

21 March 2022

6 March 2023

44 March 2024



NUMBER OF STAFF

21 March 2021

22 March 2022

23 March 2023

24 March 2024



DEVELOPMENT SPEND

£1,716,817 March 2021

£2,833,551 March 2022

£3,887,146 March 2023

£7,034,053 March 2024



NEW HOMES ANTICIPATED

9 March 2021

50 March 2022

43 March 2023

77 March 2024



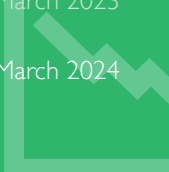
TURNOVER

£3,743,17 March 2021

£3,966,944 March 2022

£3,996,974 March 2023

£4,380,337 March 2024



SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION

£427,855 March 2021

£577,752 March 2022

£293,743 March 2023

£344,201 March 2024



HOMES SOLD

2 March 2021

1 March 2022

6 March 2023

8 March 2024







3 Property Management Update

Rural Housing Association is committed to ensuring our Housing stock is well maintained for the needs of our tenants.

Much of our planned maintenance work concentrates on the replacement of kitchens, bathrooms and windows when programmed.



EXPENDITURE FOR MAINTENANCE PROGRAMMES 2023/24

Expenditure for Maintenance Programmes	Actual Expenditure	
	2023/24	2022/23
Planned Maintenance	£477,572.07	£118,235.00
Response Maintenance	£476,030.00	£442,506.00
Cyclical	£273,932.24	£166,451.00
Total	£1,227,534.00	£727,192.00



PERFORMANCE

Over the course of the year, we have continued our planned and cyclical maintenance programmes and detailed below are details of the financial investment made in helping to ensure our houses are in the best condition. We are pleased to report high tenant satisfaction levels in this area.

RHA PERFORMANCE	Completion Times Expressed as %
Emergency Response Maintenance repairs	99%
Urgent Response	88%
Response Routine Repairs	87%



Beechwood Kitchen

Adaptations

During the year, we carried out 8 minor adaptations at a cost of £22,126.81 which were completed within target timescales. 100% of tenants reported that they were satisfied with the work and level of service from the Association.



REPAIRS & MAINTENANCE PERFORMANCE 2023/24 - RESPONSE WORKS ORDERS AND % DELIVERED

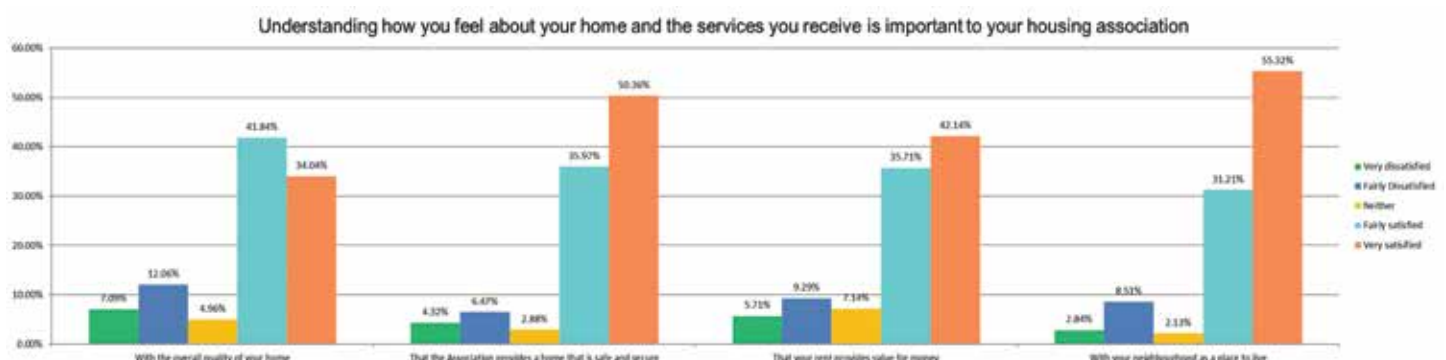
Emergency (24 Hours)		Urgent (4 Days)		Routine 2 (20 Days)	
Total No Jobs	Total Complete within Target	Total No Jobs	Total Complete within Target	Total No Jobs	Total Complete within Target
872	871	775	684	729	634
Target KPI	Actual KPI	Target KPI	Actual KPI	Target KPI	Actual KPI
95%	99%	85%	88%	85%	87%

TENANT SATISFACTION SURVEY 2023.24

Our Tenant Satisfaction Survey was completed with all Tenants in 2023. The results of the survey showed us that tenants' top two priorities were repairs and maintenance and the overall quality of their home. This drives the priorities that we seek to deliver and where we spend the income we receive.

From our recent survey undertaken, 86% of tenants were satisfied that the Association provides a home that is safe and secure, 76% were satisfied with the quality of the home, 78% were satisfied that their rent provides value for money and 87% were satisfied with their neighbourhoods as a place to live.

We know from the tenant priorities outlined that our repairs and maintenance service is one of the most important services we provide and is the area where we must spend more. During 2023 the Association completed about 2,542 repairs. Customer feedback from our Tenant Satisfaction Survey in 2023 has been clear that we have room to improve on the repairs & maintenance service. Customers have expressed dissatisfaction about repairs not being done correctly and not done on time. Contractors have continued to experience difficulties with the supply of certain materials. The Association remains committed to addressing these issues with our contractors and have an improvement plan in place.





4 UPDATE ON NEW DEVELOPMENTS 2023/24



New scheme at Lisnaskea

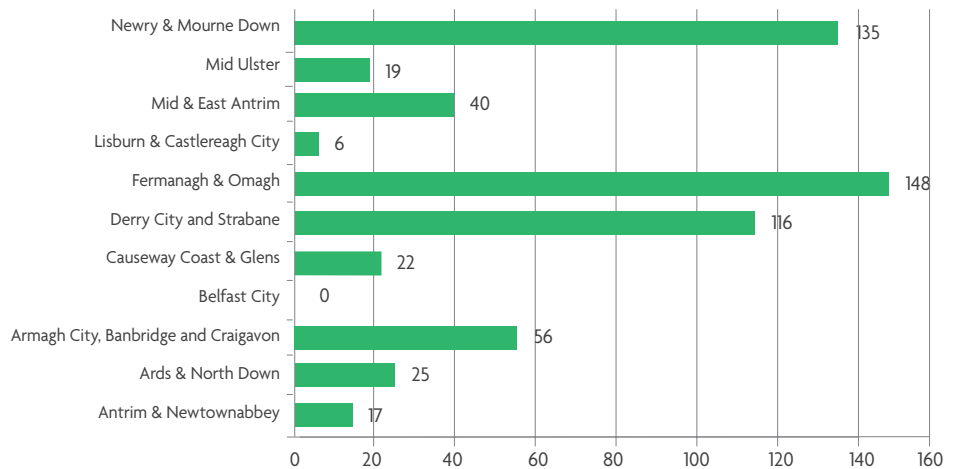
During the financial year 2023/24, Rural added to its stock profile and on 31st March 2024 we had 584 units of social housing units geographically spread throughout Northern Ireland as indicated in the table opposite.

The Right to Buy Scheme for tenants of Registered Housing Associations including Rural Housing Association has ended on 27 August 2022.

The Association completed a 26-unit scheme in Ahoghill, a 7 unit apartment scheme in Randalstown and a 9 unit scheme in Beechwood providing much needed accommodation for local people in the area.

2023/24 saw the ongoing development of Rural Housing Association's latest scheme in the village of Sion Mills, which includes the addition of fifteen new social homes/apartments.

OUR STOCK - RURAL HOUSING ASSOCIATION STOCK TABLE AT 31/3/2024



New scheme at Sion Mills - Linen Mill Court

OTHER SIGNIFICANT DEVELOPMENTS UNDERWAY

CUSHENDALL (34 UNITS AT CUSENDALL)

Rural Housing has ambitious plans for 2024/25, as we build new homes in Rathlin and Cushendall.

The Cushendall scheme, designed by Studiorogers Architects, comprises 34 new homes and has also been selected as a Housing for All scheme, which will see additional funding for the delivery of good relations activities across the local area. We are looking forward to working with local residents and tenants over the coming years, to support ongoing community investment work in the Cushendall area.

2023 saw the ongoing development of Rural Housing Association's latest scheme, Rathlin, which will see the addition of 10 new social homes to the island and is due to be completed mid - November 2024. The scheme was brought forward as part of a Rural Needs Test, with Lowry Construction being appointed as the contractor for the development. The new-build scheme, which has been designed by architects Studio Rogers, is part funded through the Department for Communities (HAG) and Danske Bank.

As part of Lowry and Rural Housing Association's community engagement work in the area, a school competition to name the new scheme was hosted by St Mary's PS.

Alongside Lowry Construction, Rural Housing jointly funded a thoroughly enjoyable trip to Rathlin Island through its 'Housing for All' Good Relations Plan. Pupils and staff from Edwards Primary School sailed from Ballycastle to visit and study the area.



Pupils and staff from Edwards Primary School sailed from Ballycastle to Rathlin



RURAL HOUSING NEED TESTS

This year Rural Housing Association hosted two Rural Housing Needs Tests in partnership with the Housing Executive. The areas covered in the tests included Moneyglass and a joint test covering Ardboe, Ballinderry and Moortown. The aim of these Rural Housing Need Tests is to identify where there is a hidden need for social or affordable housing in rural communities. As part of the test people in housing need, who wish to live in a rural community but who have not yet registered with the Housing Executive for a home in that area, are encouraged to put their name down on the Housing Waiting List. Following the completion of the test the Housing Waiting List for each rural community is reviewed to see if the need for social housing has increased in that area, with the aim of increasing social housing supply in these rural communities.



New scheme at Cushendall



New Building Development at Rathlin



Study trip - Rathlin Steps



5 Housing Update 2023/24

HOUSING ALLOCATIONS - GENERAL NEEDS ACCOMMODATION

All Rural Housing Association Allocations are made of the Northern Ireland Common Waiting list. During the year, Rural Housing Association had 62 lettings. This included a combination of 19 re-lets, 2 exchanges and 41 new lets in Ahoghill, Randalstown and Lisnaskea.

Our Target: Allocate re-lets within 35 Days at year end		
4.4.2023 to 31.3.2024	Re-let time representing under 1% of our total Not achieved annual rental income.	Our total void loss was 1.70%

INCOME MANAGEMENT

We are mindful of the difficulties many of our tenants face given the current cost of living crisis and rising household costs. We are doing as much as we can to support those experiencing difficulties with financial hardship assistance, support and signposting to other services. Our staff have stayed in close contact with tenants as much as possible, particularly those who are vulnerable and isolated, and this has helped us target support where it is needed.

We have established a Hardship Fund to assist tenants who are experiencing financial hardship as a result of the ongoing Cost of Living crisis. To date we have released approximately £7,000 in grants directly to tenants who have needed additional financial support.

We remain focussed on protecting our rental income and arrears have been carefully managed by our Housing Team who have continued to support our tenants and sign post them to Universal Credit for help with housing costs, and other financial supports available.

Rent arrears remain steady with 82% of rental income coming through the Government welfare payments.

We collected 99% of our rental income. As of 31st March 2024, the Technical Arrears figure stood at 1.62% which includes all outstanding UC and HB payments and the Non-Technical Arrears figure was reported at 7.36%.

Our Target	Results for 2023/24	Previous Year Results (2022/23)
Technical Arrears Achieve Current Tenant arrear of 5% at year-end	1.62%	4.53%
Non-Technical Arrears Achieve Current Tenant arrear of 5% at year-end	7.36%	7.52%
Reduce Past Tenant Arrears/ Write-offs to < 2%	3.05%	0.31%

As of 31st March 2024, the Former Tenant Arrears figure stood at £20,792 (3.05% of rent receivable).

Tenancy fraud is a serious offence as it prevents people with genuine need from accessing social housing in our communities. We continue to work hard to address this issue and we rely on tenants and other stakeholders to inform us about any suspicious activity in the areas where we work.

In **2023/24** we had **5** properties recovered by the Association due to Abandonment.

RENTAL CHARGES

The Association's Housing Stock is funded by rental income. Earlier this year we wrote to all tenants to let them know about our proposed rent increase for 2023/24 and provided tenants with a rent consultation document outlining our proposed costs and proposed rent for the forthcoming year.

Average rents charged 2023/24	
One bedroom	£88.67
Two bedrooms	£105.33
Three bedrooms	£118.11
Four bedrooms	£129.34
Five bedrooms	£142.38

Tenants were advised that any comments made, or correspondence received regarding the proposed rent increase would be presented to our Board of Management who would consider this feedback prior to making the final decision on the proposal for the rental increase. Following the consultation process and review the Association increased its rents by 4.95% for the 2023/24 year.

COMPLAINTS ANALYSIS

There were 7 formal complaints recorded relating to the level of service from 1 April 2023 to 31 March 2024. All of these complaints were resolved within target.

Antisocial behaviour (ASB) can seriously affect the quality of life for tenants and their families and can have a negative impact on neighbourhoods and communities. We believe that our homes and estates should be places where people like living and feel safe. No one should feel intimidated or harassed in the neighbourhood where they live.

There was a total of 212 Complaints recorded relating to Anti-Social Behaviour during this period and none of the complaints had escalated to the formal complaints process. Most Anti-Social Behaviour complaints were resolved either by telephoning or visiting the complainant and alleged offender or sending out warning letters as per our policies and procedures for dealing with Anti Social Behaviour.



MR. WHIPPY

SLUSH

Try A
99
Flake

COOL MILKSHAKE	COOL MILKSHAKE	COOL MILKSHAKE	COOL MILKSHAKE	COOL MILKSHAKE	COOL MILKSHAKE
COOL MILKSHAKE	COOL MILKSHAKE	COOL MILKSHAKE	COOL MILKSHAKE	COOL MILKSHAKE	COOL MILKSHAKE
COOL MILKSHAKE	COOL MILKSHAKE	COOL MILKSHAKE	COOL MILKSHAKE	COOL MILKSHAKE	COOL MILKSHAKE
COOL MILKSHAKE	COOL MILKSHAKE	COOL MILKSHAKE	COOL MILKSHAKE	COOL MILKSHAKE	COOL MILKSHAKE

COOL
DRINK





6 Tenant Engagement Activities

One of our most important priorities is to continually review our approach to tenant engagement and to ensure all our tenants have an active role in the decisions that affect them. To this end, we continue to promote tenant engagement and look forward to working with residents across our schemes in Northern Ireland. One of our Panel members, Margaret Rafferty, Co Fermanagh continues to represent the tenants on our Board of Management.

SOME OF RURAL HOUSING ASSOCIATION'S OTHER TENANT ENGAGEMENT ACTIVITIES INCLUDES:

HOUSING FOR ALL/ SHARED NEIGHBOURHOODS, SION MILLS

Rural Housing Association continues to deliver our Housing for All (Shared Neighbourhoods) Programme in Old Mill Court, Sion Mills.

Housing for All schemes receive funding from the Department for Communities (DfC) and the Housing Executive to deliver a five-year good relations plan for each scheme. This good relations plan aims to help build relationships between tenants of the shared neighbourhood and surrounding residents.

Over the last year, we have delivered a variety

of good relations 'bridging' projects aimed at building more connected and inclusive communities, including a series of heritage projects exploring the history of the dance halls and the Sion Mills railway, as well as arts-based projects working with seniors and young people in the Sion Mills area. As part of our Housing for All programme in Sion Mills we also continue to deliver 'bonding' events within the grounds of Old Mill Court, where tenants have the opportunity to spend time with their neighbours, helping build relationships within the scheme.

Rural Housing Association is pleased to confirm, we have expanded our Housing for All, Shared Neighbourhoods programme, with a second Housing for All scheme in Sion Mills which tenants moved into in April 2024 and work has commenced, on the development of a new shared neighbourhood in Cushendall.



Cashel Community Garden

CASHEL COMMUNITY GARDEN

Rural Housing Association has partnered with The Conservation Volunteers (TCV) to create a community garden on an unused green space attached to our Cashel Crescent scheme in Cashel.

This community garden initiative is funded through the National Lottery's Living Places and Spaces Fund.



Housing for all





CIH AWARDS 2024

Rural Housing Association was shortlisted for a CIH Award 2024 in the Excellence in Housing Innovation Category for our Randalstown scheme, which is one of the first social housing schemes to utilise a communal ground source heat pump system. Staff and stakeholders attended a ceremony at Mansion House, Dublin on 14th March 2024 to celebrate the Association's Achievements.

RURAL COMMUNITIES CONNECT PROJECT

Rural Housing Association in partnership with Rathfriland Regeneration and Hilltown Community Association received funding from The Executive Office's Central Good Relations Fund for the delivery of a community relations project aimed at building relationships and connecting residents from both Hilltown and Rathfriland.

As part of the project Hilltown and Rathfriland benefited from the delivery of a series of intergenerational projects including a parent and toddler project, over 55s social club, a diversity schools project in partnership with Wheelworks, a project exploring how local music has influenced musical styles across the globe, and a shared history project looking at key elements of our shared past. Alongside these, there were a series of collaborative cultural events, celebrating the music, food and history associated with N. Ireland, including St Patrick's Day Celebrations, a Burn's Night Dinner and a musical extravaganza, showcasing music and sounds from across the world!

This project was put forward for a Community Relations Council/ TEO Good Relations Award 2024 and was selected as runner up in the Connecting Communities Project Award, demonstrating the positive impact the project had within the local area.



Randalstown Scheme



Randalstown Kitchen



Randalstown Scheme



Hilltown Meeting



Hilltown and Rathfriland intergenerational projects



Newry Tenant Participation Panel

TENANT PARTICIPATION

Rural Housing Association continues to host tenant panel meetings, both online and in-person. This year Tenant Panel Members had the opportunity to help the Association design our new Tenant Participation Action Plan and Strategy for 2023/26.



Newry Tenant Participation Panel



8 Summary of SMART Targets

Measurement		Target Date	Target	Achieved
Surplus for Year The difference between income and expenditure for the year		Mar-24	£317,563	£344,201
Prompt Payment Days (normal)		Mar-24	30 days or within contract terms if shorter	Achieved
Prompt Payment Days (contractor)		Monthly	14 days	Achieved
Gearing Ratio		Monthly	<50%	Achieved
Interest Cover		Monthly	>1.35	Achieved
Interest Cover		Monthly	<1.1	Achieved
Current Ratio		Monthly	1.00 or higher	0.77
Non-Technical Arrears Arrears owing directly from tenants as a % of rental income expected directly from tenants		Mar-24	5%	1.62%
Technical Arrears		Mar-24	5%	7.36%
Arrears Write-Offs Amount of arrears that are not collectable as a % of total rental income		Mar-24	2%	3.05%
Tenants 13 weeks in arrears		Mar-24	3%	Achieved
Past Tenant Arrears Arrears owing from ex-tenants as a % of total rental income		Mar-24	2%	Achieved
Maintenance Costs How much it costs the Association to maintain its properties from day to day		Monthly	Monthly Budget - 5%+5%	Not Achieved
Repair Relet Costs How much it costs the Association to bring vacated properties back into lettable condition		Monthly	Monthly Budget - 5%+5%	Not Achieved
Repair Relet Time How quickly the Association can get repairs done on a vacant property		Mar-24	21 Days	Not Achieved

Measurement		Target Date	Target	Achieved
Allocation of Relets How quickly the Association can fill a vacant property		Mar-24	35 Days	Not Achieved
Voids The cost of vacancies as a % of total rental income		Mar-24	2.0%	Achieved
Complaints Deal effectively with 90% complaints within time limits		Mar-24	90%	Achieved
Anti-Social Behaviour Deal effectively with 90% complaints within time limits		Mar-24	90%	Achieved
TBUC Scheme Identify and initiate within development plan (scheme numbers)		Mar-24	1 new scheme	Achieved
Grant Aid Identify and claim new grant aid for tenants and local communities (measured in numbers of tenants or residents engaged with fund)		Mar-24	50 additional tenants or local residents are engaged through new grant funding in community activities	Achieved
Latent Demand How many latent demand tests are carried out with RHA as the lead housing association		Mar-24	5 additional latent demand tests completed in rural areas	Achieved
Web Site How much traffic directed to RHA website		Monthly	1000 per month	Achieved
Social Media Active Followers Facebook and Twitter measured in number of people New Followers/Total Followers * 100		Monthly	Extra 100 per month	Achieved
Social Media Applause Rate – Interaction with social media posts Likes/Followers * 100		Monthly	At least 1100	Achieved
Tenant Portal Number of tenants registered		Monthly	At least 10 additions	Achieved
Tenant Portal Self Service Score		Monthly	50% rate of success (logins v action)	Achieved
Tenant Portal Satisfaction Rate		Annually	90% positive	Achieved
Tenant Portal Cost Reduction		Annually	Savings of 10% using PWC standard costings	Achieved



9 Finance Update

For 2023/24 the Association continues to see modest growth of the development programme accompanied by consolidation of all aspects of the company's business.

The Association's Income & Expenditure Account confirmed an increase in turnover and a net surplus for the year of £344,201 compared to £293,743 for the previous year, bringing its accumulated revenue reserves to £7,100,782.

Tangible Fixed Assets (Housing Properties) reported at March 2024 were £60,588,736 compared to £52,734,290 for the previous year. During the financial year the Association added 44 additional units of accommodation. Operating costs increased by £200,046 (2023: £236,252) whilst the operating surplus increased to £1,204,629 (2023: £1,021,312). Turnover is reported at £4,380,337 compared to £3,966,974 for the previous year. The Association sold 8 properties during the year.

Details from our financial accounts for 2023/24 are provided on pages 22 to 25.

KEY HIGHLIGHTS

	Mar-24	Mar-23	Mar-22
Number of Homes	584	548	548
Number of Staff	24	23	22
Turnover	£4,380,337	£3,996,974	£3,966,944
Surplus on Ordinary Activities before Taxation	£344,201	£293,743	£577,752
Development spend	£7,034,053	£3,887,146	£2,833,551
Grants Received (HAG)	£6,314,169	£2,003,535	£4,130,569
New Homes Completed/Purchased	44	6	21
New Homes Anticipated	77	43	50
Homes Sold	8	6	1



Brook Court

10

Statement of Comprehensive Income for the Year Ended 31 March 2024

	Note	2024 £	2023 £
Turnover		4,380,337	3,996,974
Less operating costs		(3,175,708)	(2,975,662)
Operating surplus	2	1,204,629	1,021,312
Surplus on property disposals		586,869	493,355
Interest receivable	7	15,869	3,993
Interest payable and other charges	8	(879,297)	(712,562)
Financing (cost)/income	16	3,000	(19,000)
Transfer to disposal proceeds fund		(586,870)	(493,355)
Surplus on ordinary activities before taxation		344,201	293,743
Corporation tax on surplus	9	-	-
Surplus for the year after taxation		344,201	293,743
Other comprehensive income			
Actuarial gain/(loss) on pension scheme	16	347,000	955,000
Prior year adjustment		-	-
Total comprehensive income for the year		691,201	1,248,743

Continuing operations

None of the Association's activities were acquired or discontinued during the above two financial years.

Historical cost

The difference between the results as disclosed in the Statement of Comprehensive Income before tax, and retained surplus for the year, on an unmodified historical cost basis is not material.

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Statement of Cash Flows for the Year Ended 31 March 2024

	Note	2024 £	2023 £
Net cash flow from operating activities	19	2,201,015	1,897,386
Cash flow from investing activities			
Purchase of tangible fixed assets	(8,720,874)	(4,399,153)	
Proceeds from sale of tangible fixed assets	635,104	719,845	
Grants received	3,044,580	1,348,194	
Interest received	15,869	3,993	
		(5,025,321)	(2,327,121)
Cash flow from financing activities			
Interest paid	(842,151)	(719,326)	
New secured loans	5,000,000	8,139,000	
Repayments of borrowings	(840,719)	(6,499,193)	
Share capital	1	1	
		3,317,131	920,482
Net change in cash and cash equivalents		492,825	490,747
Cash and cash equivalents at 1 April		1,187,649	696,902
Cash and cash equivalents at 31 March	13	1,680,474	1,187,649

[Statement of Comprehensive Income](#)[Statement of Cash Flows](#)[Statement of Financial Position](#)[Statement of Changes in Equity](#)[Board Attendance Details](#)[Association Information](#)

12 Statement of Financial Position as at 31 March 2024

	Note		2024 £	2023 £
Tangible fixed assets				
Housing properties at cost	10a	60,588,736		52,734,290
Other fixed assets	10b	851,377		869,371
			61,440,113	53,603,661
Other Non-Current Asset	16	340,000	61,780,113	
Current assets				
Debtors and prepayments	12	4,377,713		1,204,277
Cash and cash equivalents	13	1,680,474		1,187,649
		6,058,187		2,391,926
Creditors: amount falling due within 1 year	14	(7,898,069)		(4,773,790)
Net current assets/(liabilities)			(1,839,882)	(2,381,864)
Total assets less current liabilities			59,940,231	51,221,797
Creditors: amounts falling due after more than 1 year)	15		(52,839,405)	(44,810,173)
Provision for liabilities and charges				
Pension liability	16		0	(2,000)
Total net assets			7,100,826	6,409,624
Reserves				
Share capital	17		9	9
Capital reserves	18		35	34
Revenue reserves			7,100,782	6,409,581
Total Reserves			7,100,826	6,409,624

Approved by the Board of Management on 29 June 2024

Chairman

Honorary Secretary

Honorary Treasurer

13

Statement of changes in equity for the Year Ended 31 March 2024

	Share Capital	Capital Reserves	Revenue Reserves	Total
	£	£	£	£
At 1 April 2022	12	30	5,160,838	5,160,880
Surplus/(deficit) for the year	-	-	293,743	293,743
Actuarial gain/(loss) on pension scheme	-	-	955,000	955,000
Share issue	1	-	-	1
Share cancellation	-4	4	-	-
At 31 March 2023	9	34	6,409,581	6,409,624
Surplus/(deficit) for the year	-	-	344,201	344,201
Actuarial gain/(loss) on pension scheme	-	-	347,000	347,000
Share issue	1	-	-	1
Share cancellation	-1	1	-	-
At 31 March 2024	9	35	7,100,782	7,100,826

14 Board Attendance Details

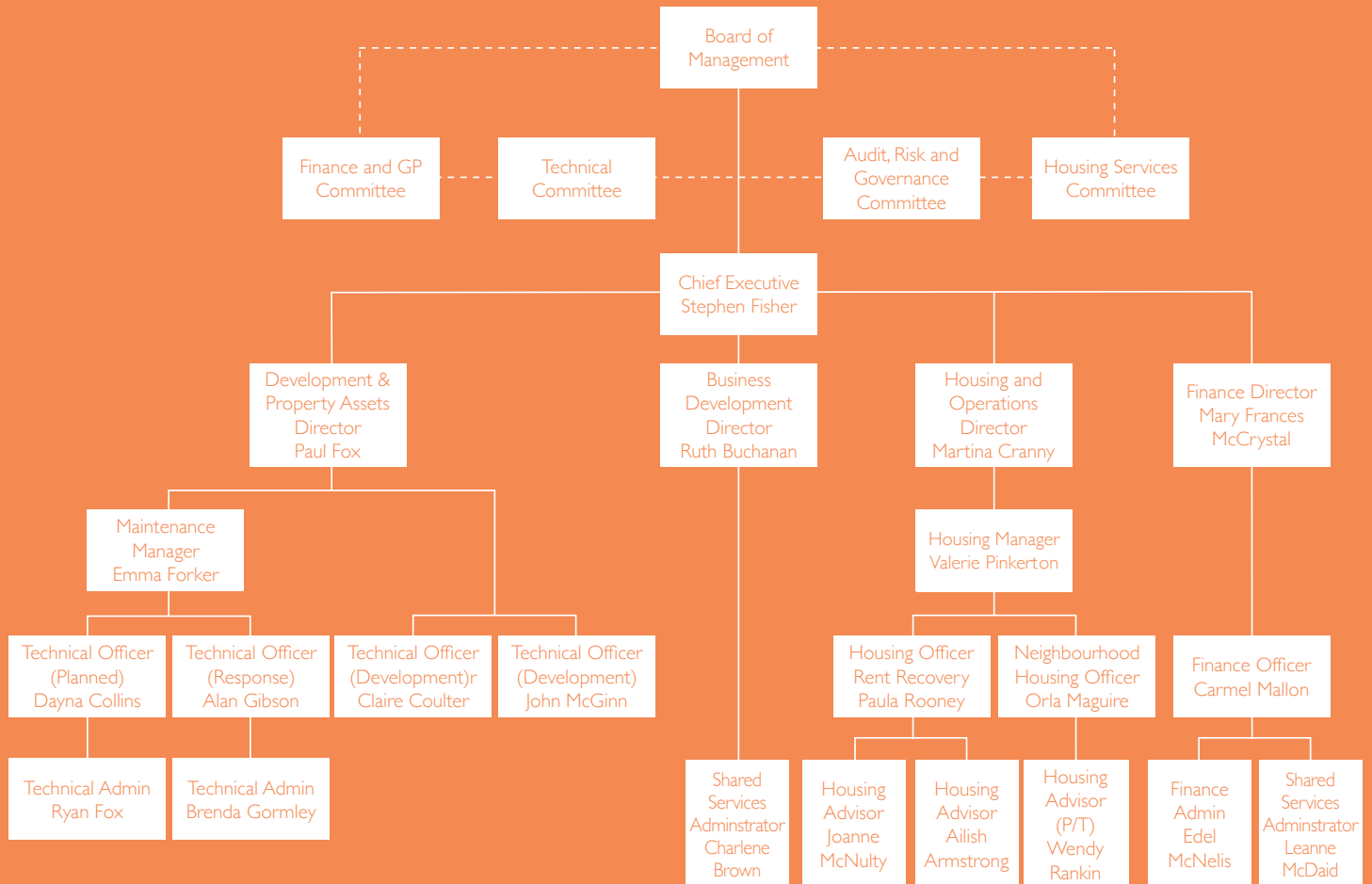
Name	Date joined	To Date	Length of Service	Board Meetings		Committee Meetings		Joined	Retired
				Possible	Attended	Possible	Attended		
Alastair McKane	19/06/2015	31/03/2024	8 years	8	7	9	9		
Carol Follis	24/03/2015	31/03/2024	9 years	8	1	4	3		
Ciaran McKenna	28/06/2023	31/03/2024	1 year	4	4	1	1	28/06/2023	
Tommy Gallagher	15/11/2017	31/03/2024	6 years	8	4	4	2		
John Waddell	18/05/2016	31/03/2024	7 years	8	8	N/A	N/A		
Tom Potter	26/01/2022	31/03/2024	2 years	8	7	9	8		
Margaret Rafferty	26/01/2022	31/03/2024	2 years	8	8	5	4		
Michaela McCusker	26/01/2022	31/03/2024	2 years	8	8	10	8		
John Moss	01/03/2023	31/03/2024	1 year	8	6	4	3		
Rory O'Brien	20/02/2014	31/03/2024	9 years	4	1	2	1		28/06/2023

Remuneration of Board Members

Rural Housing Association does not remunerate Board members and their time is given on a voluntary basis.

Travel expenses are paid to members at the appropriate Rural Housing Association rate. Total expenses paid were: £96 (2023: £443)

15 Association Information



Board Members

John Waddell (Chair)
 Carol Follis (Vice Chair)
 Ciaran McKenna (Secretary)
 Alistair McKane (Treasurer)
 Tommy Gallagher

Margaret Rafferty
 Michaela McCusker
 Tom Potter
 John Moss

Staff

Chief Executive
 Development & Property Assets Director
 Housing and Operations Director
 Finance Director
 Business Development Director
 Housing Manager
 Maintenance Manager
 Technical Officer (Response)
 Technical Officer (Development)
 Technical Officer (Development)
 Technical Officer (Planned)
 Finance Officer
 Neighbourhood Housing Officer
 Housing Officer Rent Recovery
 Housing Advisor
 Housing Advisor
 Housing Advisor (P/T)
 Housing Advisor (P/T)
 Shared Services Administrator
 Shared Services Administrator (P/T)
 Finance Administrator
 Technical Administrator
 Technical Administrator

Stephen Fisher, PGDip, MSc, CIHCM
 Paul Fox BSc (Hons) MRICS
 Martina Cranny BSc (Hons) PGDip, MBA, CIHCM
 Mary Frances McCrystal BSc(Hons), ACMA
 Ruth Buchanan BA (Hons) MSc
 Valerie Pinkerton BA (Hons) CIHCM PGDip
 Emma Forker BSc (Hons)
 Alan Gibson BSc (Hons)
 Claire Coulter BSc (Hons)
 John McGinn
 Dayna Collins
 Carmel Mallon BA (Hons) IATI
 Orla Maguire BSc (Hons)
 Paula Rooney BA (Hons)
 Joanne McNulty
 Ailish Armstrong
 Wendy Rankin BA (Hons)
 Bernadette Cargill
 Charlene Brown BA (Hons)
 Leanne McDaid BA (Hons) PGDip
 Edel McNelis
 Brenda Gormley
 Ryan Fox BSc (Hons)

Registered Office

Tollgate House, 2 Killyclogher Road, Omagh, BT79 0AX

Bankers

Danske Bank, 5-7 Market Street, Omagh, Co Tyrone, BT78 1BN
 AIB, 8 High Street, Omagh, County Tyrone BT78 1BH

Solicitors

McCaffrey & Co, 8-10 Church Hill, Omagh, Co Tyrone, BT78 1DQ

External Auditors

McAleer Jackson, Chartered Accountant & Registered Auditor,
 24 Dublin Road, Omagh, BT78 1HE

Internal Auditors

Wylie & Bisset, 168 Bath St, Glasgow G2 4TP

Registrations

- Registered under the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 on 2 March 1992.
- Registered under the Housing (NI) Order 1981 on 19 March 1992, Registration No. R52
- Registered under the Data Protection Act 1984, Registration No X3917434
- Affiliated to the Northern Ireland Federation of Housing Associations
- Registered as a Charity with Charity Commission for Northern Ireland on 12 January 2015 Registration No. NIC100886
- Accepted as a Charity by HM Revenue & Custom on 16 October 2009



RHA: 2 Killyclogher Road, Omagh
Co Tyrone, BT9 0AX
Tel: 028 8224 6118
E-mail: info@ruralhousing.co.uk
Web: www.ruralhousing.co.uk

 Facebook.com/ruralhousing
 twitter.com/ruralhousingni



Rural Housing Association Ltd

Northern Ireland - Charity number 100886

Annual return

Rural Housing Association Ltd Independent Auditor's Report to the Members of Rural Housing Association Ltd for the Year Ended 31 March 2024 &

Opinion

We have audited the financial statements of Rural Housing Association Limited (the 'Association') for the year ended 31 March 2024 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2024, and of 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 Co-operative and Community Benefit Societies Act (Northern Ireland) 1969, the Housing (Northern Ireland) Order 1992, the Registered Housing Association (Accounting Requirements) Order (Northern Ireland) 1993 and Charities Act (Northern Ireland) 2008.

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 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 annual report, other than the financial statements and our Auditor's Report thereon. The Board are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the association and its environment obtained in the course of the audit, we have not identified material misstatements in the Board Report. We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; 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.

Responsibilities of the Board of Management and Auditor

As explained more fully in the Statement of Board of Management Responsibilities statement set out on page 5, the Board (who are also the trustees of the Association for the purposes of charity 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 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 mis-statement in respect of irregularities including fraud and non-compliance with laws and regulations, was as follows:

- We identified the laws and regulations applicable to the Association through discussions with management and from our commercial knowledge and experience of the sector;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.

We assessed the susceptibility of the Association's financial statements to material mis-statement, 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;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations and;
- 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;
- Investigated the rationale behind any 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 statements disclosures to underlying supporting documentation;
- Reading the minutes of meetings to those charged with governance;
- Enquiring of management as to actual and potential litigation and claims;
- Reviewing correspondence with regulators and the Association's legal advisors.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our

conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. 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 section 43 of the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969, section 65 of the Charities Act (Northern Ireland) 2008, regulations made under section 66 of that Act (Part 4 of the Charities (Accounts and Reports) Regulations (Northern Ireland) 2015 and article 19 of the Housing (Northern Ireland) Order 1992. 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.

Michael Barnett (Senior Statutory Auditor)
for and on behalf of McAleer Jackson Ltd

Chartered Accountants and Statutory Auditors
Church House
24 Dublin Road
Omagh
BT79 0AH

26 June 2024

Rural Housing Association Ltd

Northern Ireland - Charity number 100886

Accounts



FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

Rural Housing Association
2 Killyclogher Road, Omagh, County Tyrone, BT79 0AX

Association Information

<i>Board of Management</i>	John Waddell (Chair) Carol Follis BA (Hons) (Vice Chair) Rory O'Brien BSc (Hons) (Secretary) Alistair McKane BA, Dip TP, MRTPI (Treasurer) Thomas Gallagher B Ed. Tom Potter Michaela McCusker Margaret Rafferty John Moss
<i>Chief Executive</i>	Mr Stephen Fisher PGDip, MSc, CIHCM
<i>Registered Office</i>	2 Killyclogher Road, Omagh, County Tyrone, BT79 0AX
<i>Head Office</i>	2 Killyclogher Road, Omagh, County Tyrone, BT79 0AX
<i>Bankers</i>	Danske Bank 5-7 Market Street, Omagh, County Tyrone BT78 1BN AIB 1-4 East Bridge Street, Enniskillen, County Fermanagh, BT74 7BT
<i>Solicitors</i>	McCaffrey & Co 8-10 Church Hill Omagh Co Tyrone BT78 1DQ
<i>Statutory Auditors</i>	McAleer Jackson Ltd Chartered Accountants & Registered Auditors Church House 24 Dublin Road Omagh Co Tyrone BT78 1HE
<i>Internal Auditors</i>	Wylie and Bissett Chartered Accountants & Registered Auditors 168 Bath Street Glasgow G2 4TP

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Income and Expenditure from Lettings for the Financial Year Ended 31 March 2023	Page	26
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Report of the Board of Management

The Board present their report together with the audited financial statements for the year ended 31 March 2023.

Principal activities

Rural Housing Association was registered under the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 on 2 March 1992. The Association is a registered non-profit making housing association with the Department for Communities providing housing accommodation for those in need and is recognised as a charity with The Charity Commission for Northern Ireland and has charitable status with HMRC (HM Revenue & Customs).

Business Review

Much has changed for the Association, its staff and tenants over the last year and our Corporate Strategy, which was agreed in 2021, provides a clear picture for the organisation going forward.

As part of our strategic review in 2021 a full organisational review was carried out during 2022/23. That has brought about two new Committees under the Board, Finance and General Purposes Committee and Housing Services Committee. Both Committees will complement the main Board and provide further assurance in all aspects of the operations of the Association. Further to the committee additions, the organisation staffing structure was fully reviewed. This review was to ensure the Association's operational setup was fit for purpose for the coming years with an expected development programme of over 300 new homes. Four new Departmental Directors have been put in place with Housing and Technical Departments seeing new posts created for middle managers, and Business Development Department getting a new full time administrative post. These changes were all complete before March 2023 and provide the Association with the workforce and experience to develop, manage and maintain a high volume of new homes over the next few years.

One of the main aspects the Association focussed on over the last year was the welfare of tenants. The Association availed of local and regional grants to provide outreach to tenants in the form of food parcels alongside providing one to one welfare advice and sign posting. Most tenants, and in particular the more vulnerable, were frequently contacted directly by staff members throughout the year to provide support. The Association implemented a hardship fund for its tenants, providing much needed financial support to the most needed cases.

The Association also provided support to its staff through its normal channels of welfare provision alongside extra training on home working, wellness training and social functions held through virtual and face to face means to ensure staff stayed connected at an informal level as well.

When setting its budgets for 2023/24 the Association, in line with mitigations identified in its Corporate Risk Register added weight to its cashflows for routine maintenance and planned maintenance schemes to ensure coverage for anticipated rises in costs of materials and labour due to Brexit and a post covid economy of high demand. It is anticipated that this prudent action should provide the Association with proper cover and ensure that inflationary pressures will not have an extreme impact on the Association as a going concern.

At the balance sheet date, the Hybrid working policy had been fully implemented and Covid restrictions eased in accordance with Departmental guidance.

During the financial year the Association maintained its level of properties bringing on 6 new units and selling 6 units through the House Sale Scheme (2022: 21 units) (2021: 7 units). Operating costs increased by £236,252 (2022: £97,100) while the operating surplus increased to £1,021,312 (2022: £1,227,534).

Interest payable was £712,562 (2022: £629,499) resulting in an overall surplus for the financial year of £293,743 (2021: £577,752).

Report of the Board of Management (continued)

Business Review cont'd

On the balance sheet housing properties at depreciated cost was £52m (2022: £49m).

Average staff numbers for the year are currently at 23 and are not anticipated to increase significantly during the incoming financial year.

Internal Controls Assurance

The Board acknowledges its overall responsibility for establishing and maintaining the whole system of internal control and for reviewing its effectiveness. The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and to provide reasonable, and not absolute, assurance against material misstatement or loss.

The process for identifying, evaluating and managing the significant risks faced by the Association is on going, has been in place throughout the period commencing 1 April 2022 up to the date of approval of the annual report and financial statements. Key elements of the control framework include:

- Board approved terms of reference and delegated authorities for Audit Risk and Governance and Technical Sub-committees;
- clearly defined management responsibilities for the identification, evaluation and control of significant risks;
- a Risk Register and Business Continuity Plan exists to help manage and mitigate these risks;
- robust strategic and business planning processes, with detailed financial budgets and forecasts;
- a formal governance framework detailing standing orders, cyclic reporting processes and relationships between the Board, Sub-committees, Senior Management Team and staff;
- formal recruitment, retention, training and development policies for all staff;
- established authorisation and appraisal procedures for all significant new development initiatives and commitments;

- regular reporting to the appropriate committee on key business objectives, targets and outcomes; and
- Board approved whistleblowing and fraud policies.

The Board cannot delegate ultimate responsibility for the system of internal control, but it can, and has delegated authority to the Audit Risk and Governance Sub-committee to regularly review the effectiveness of the system of internal control. The Board receives regular reports from the Audit Risk and Governance Sub-committee together with minutes of meetings. The Audit Risk and Governance Sub-committee has received the annual report of the internal auditor, and has reported its findings to the Board.

Statement of Board of Management Responsibilities

The Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 and registered housing association legislation require the members of the Board of Management to prepare financial statements for each financial year that give a true and fair view of the state of the Association's affairs and of its surplus or deficit for that period. In preparing these financial statements the Board is required to:

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

The members of the Board of Management are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 and the Registered Housing Associations (Accounting Requirements) Order (Northern Ireland) 1993. They have general responsibility for taking reasonable steps to safeguard the assets of the Association and to prevent and detect fraud and other irregularities.

*Rural Housing Association Ltd
2 Killyclogher Road, Omagh, County Tyrone, BT79 0AX
Financial Statements for the Year Ended 31 March 2023*

Report of the Board of Management (continued)

Statement of Disclosure to Auditors

So far as each of the members of the Board of Management at the date of approval of these financial statements is aware:

- there is no relevant information of which the Association's auditor is unaware.
- they have taken all reasonable steps that they ought to have taken as members of the Board of Management in order to make themselves aware of all relevant audit information and to establish that the Association's auditor is aware of that information.

On behalf of the Board



Secretary

Auditor's Report to the Members of Rural Housing Association

Opinion

We have audited the financial statements of Rural Housing Association Limited for the year ended 31 March 2023 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of changes in equity, the Statement of Cash Flows and the related notes to the financial statements, including a summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) and the Housing SORP 2018 - Statement of Recommended Practice for social housing providers issued by the National Housing Federation.

In our opinion the financial statements:

- give a true and fair view of the state of affairs of the Association at 31 March 2023 and of its surplus for the year ended;
-
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969, the Housing (Northern Ireland) Order 1992, the Registered Housing Associations (Accounting Requirements) Order (Northern Ireland) 1993 and Statement of Recommended Practice 2018 Accounting by Registered Social Landlords.

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 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 of Managements' 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 of Management with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report other than the financial statements and our Auditor's Report thereon. The Board of Management are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Auditor's Report to the Members of Rural Housing Association cont'd

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Association and its environment obtained in the course of the audit, we have not identified any material misstatements in the report of the Board of Management.

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the association; or
- the financial statements are not in agreement with the accounting records and returns; or
- a satisfactory system of internal control over transactions has not been maintained; or
- we have not received all the information and explanations we require for our audit.

Respective responsibilities of the Board of Management and Auditor

As described in the Report of the Board of Management on page 4 the Board of Management are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they 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 of Management are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless management either intends to liquidate the company 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 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 mis-statement in respect of irregularities including fraud and non-compliance with laws and regulations, was as follows:

- We identified the laws and regulations applicable to the Association through discussions with management and from our commercial knowledge and experience of the sector;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.

We assessed the susceptibility of the company's financial statements to material mis-statement, 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;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations and;
- 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;
- Investigated the rationale behind any 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 statements disclosures to underlying supporting documentation;
- Reading the minutes of meetings to those charged with governance;
- Enquiring of management as to actual and potential litigation and claims;
- Reviewing correspondence with HMRC, relevant regulators and the Association's legal advisors.

Auditor's Report to the Members of Rural Housing Association cont'd

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

Further information regarding the scope of our responsibilities as auditor

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board members.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the Board's members, as a body, in accordance with section 43 of the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969. Our audit work has been undertaken so that we might state to the Board'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.

Michael Barnett (Senior Statutory Auditor)
for and on behalf of McAleer Jackson Ltd

Chartered Accountants and Statutory Auditors
Church House
24 Dublin Road
Omagh
BT79 0AH

28 June 2023

Statement of Comprehensive Income for the Year Ended 31 March 2023

	Note	2023 £	2022 £
Turnover		3,996,974	3,966,944
Less operating costs		(2,975,662)	(2,739,410)
Operating surplus	2	1,021,312	1,227,534
Surplus on property disposals		493,355	73,180
Interest receivable	7	3,993	717
Interest payable and other charges	8	(712,562)	(629,499)
Financing (cost)/income	16	(19,000)	(21,000)
Transfer to disposal proceeds fund		(493,355)	(73,180)
Surplus on ordinary activities before taxation		293,743	577,752
Corporation tax on surplus	9	-	-
Surplus for the year after taxation		293,743	577,752
Other comprehensive income			
Actuarial gain/(loss) on pension scheme	16	955,000	488,000
Prior year adjustment		-	-
Total comprehensive income for the year		1,248,743	1,065,752

Continuing operations

None of the Association's activities were acquired or discontinued during the above two financial years.

Historical cost

The difference between the results as disclosed in the Statement of Comprehensive Income before tax, and retained surplus for the year, on an unmodified historical cost basis is not material.

Statement of Financial Position as at 31 March 2023

	Note	2023 £	2022 £
Tangible fixed assets			
Housing properties	10a	52,734,290	49,582,461
Other fixed assets	10b	<u>869,371</u>	<u>896,155</u>
		53,603,661	50,478,616
Current assets			
Debtors and prepayments	12	1,204,277	523,026
Cash and cash equivalents	13	1,187,649	696,902
		<u>2,391,926</u>	<u>1,219,928</u>
Creditors: amounts falling due within 1 year	14	<u>(4,773,790)</u>	<u>(4,531,780)</u>
Net current assets/(liabilities)		<u>(2,381,864)</u>	<u>(3,311,852)</u>
Total assets less current liabilities		51,221,797	47,166,764
Creditors: amounts falling due after more than 1 year	15	(44,810,173)	(41,229,883)
Provision for liabilities and charges			
Pension liability	16	(2,000)	(776,000)
Total net assets		<u>6,409,624</u>	<u>5,160,880</u>
Reserves			
Share capital	17	9	12
Capital reserves	18	34	30
Revenue reserves		6,409,581	5,160,838
Total Reserves		<u>6,409,624</u>	<u>5,160,880</u>

Approved by the Board of Management on 28 June 2023

Chairman



Honorary Secretary



Honorary Treasurer



Statement of changes in equity for the Year Ended 31 March 2023

	Share Capital £	Capital Reserves £	Revenue Reserves £	Total £
At 1 April 2021	8	29	4,095,086	4,095,123
Surplus/(deficit) for the year	-	-	577,752	577,752
Actuarial gain/(loss) on pension scheme	-	-	488,000	488,000
Share issue	5	-	-	5
Share cancellation	(1)	1	-	-
At 31 March 2022	12	30	5,160,838	5,160,880
Surplus/(deficit) for the year	-	-	293,743	293,743
Actuarial gain/(loss) on pension scheme	-	-	955,000	955,000
Share issue	1	-	-	1
Share cancellation	(4)	4	-	-
At 31 March 2023	9	34	6,409,581	6,409,624

Statement of Cash Flows for the Year Ended 31 March 2023

	Note	£	2023 £	£	2022 £
Net cash flow from operating activities	19		1,897,386		1,899,121
Cash flow from investing activities					
Purchase of tangible fixed assets		(4,399,153)		(5,341,957)	
Proceeds from sale of tangible fixed assets		719,845		69,150	
Grants received		1,348,194		3,746,100	
Interest received		3,993		717	
			(2,327,121)		(1,525,990)
Cash flow from financing activities					
Interest paid		(719,326)		(628,744)	
New secured loans		8,139,000		1,000,000	
Repayments of borrowings		(6,499,193)		(740,615)	
Share capital		1		5	
			920,482		(369,354)
Net change in cash and cash equivalents			490,747		3,777
Cash and cash equivalents at 1 April			696,902		693,125
Cash and cash equivalents at 31 March	13		1,187,649		696,902

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

1 Accounting policies

Legal registration

The Association is registered under the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 and is a registered provider of social housing .

Basis of accounting

The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared in compliance with UK GAAP, including FRS102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the Statement of Recommended Practice for registered social housing providers (SORP 2018) issued by the National Federation of Housing Associations. The presentation of the financial statements complies with the Registered Housing Associations (Accounting Requirements) Order (Northern Ireland) 1993.

Turnover

Turnover comprises rental income, grants and other income.

The Association's rental income is reflected net of income attributable to property rates.

Fixed assets

Housing properties are properties held for the provision of social housing or to otherwise provide social benefit. Housing properties are principally properties available for rent and are stated at cost less accumulated depreciation and impairment losses. Cost includes the cost of acquiring land and buildings, development costs, interest charges incurred during the development period.

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised as improvements.

Other fixed assets are stated at cost less accumulated depreciation.

Depreciation has been provided on the Association's Fixed Assets consistent with standard accounting practice at the following rates:

Fixed assets by class	Useful life	Method
Housing property :		
- Main fabric	100 Years	Straight line
- Roof structure & covering	70 Years	Straight line
- Windows & external doors	30 Years	Straight line
- Kitchen	20 Years	Straight line
- Bathroom/WCs	30 Years	Straight line
- Heating, ventilation & plumbing	30 Years	Straight line
- Electrics	40 Years	Straight line
Office building	60 Years	Straight line
Computer equipment	3 Years	Straight line
Office furniture & equipment	5 Years	Straight line

The depreciation charge is time apportioned in the month of addition and in the month of disposal. No depreciation is charged on either property under development or land.

Impairment

Housing properties are assessed annually for impairment indicators. Where indicators are identified an assessment for impairment is undertaken comparing the asset's carrying amount to its recoverable amount. Where the carrying amount of an asset is deemed to exceed its recoverable amount, the asset is written down to its recoverable amount, this is likely to be the fair value in use of the asset based on its service potential. The resulting impairment loss is recognised as expenditure in income and expenditure. Where an asset is currently deemed not to be providing service potential to the Association, its recoverable amount is its fair value less costs to sell.

Other assets are reviewed for impairment if there is an indication that impairment may have occurred.

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

1 Accounting policies (continued)

Housing Association financing

Capital development expenditure by the Association is financed partially by Housing Association Grant from the Department for Communities and from Private Sector Loan Finance (Mixed Funding). Current (revenue) expenditure associated with the management of the development programme is also supported by Housing Association Grant allowance, which is attributed to the Income and Expenditure account as appropriate. Administration expenditure associated with the management of the Association's property is charged directly against income from lettings.

Acquisition and development allowances

The amount of acquisition and development allowances (HAG) allowed by the Department for Communities are attributed to the cost of the property concerned. Credit is taken for allowances for administrative costs (associated with the management of the development programme) in the Statement of Comprehensive Income and a relevant proportion of administrative expenditure is charged against them.

Government and other grants

Where the cost of properties have been financed by a Housing Association Grant (HAG) paid from the Department for Communities, the grant is recognised in income over the expected useful life of the housing property structure and its individual components on a pro rata basis under the accruals model.

HAG and other grants received in respect of revenue expenditure is credited to the income and expenditure account in the same period as the expenditure to which it relates.

To the extent that Housing Association Grant is received in advance of the related expenditure, it has been included in Creditors: falling due within 1 year, to be attributed to appropriate capital and revenue expenditure in future accounting periods.

Disposal proceeds fund

The Disposal Proceeds Fund represents the net surplus on property sales together with grant, which has been set aside for the purpose of providing replacement properties in accordance with the Department for Communities regulations.

If the surpluses are not used within two years from their receipt they may be payable in part or in full to the Department for Communities.

Retirement benefits

The Association participates in an industry wide defined benefit final salary pension scheme. The underlying assets and liabilities of the scheme attributable to Rural Housing Association have been identified by actuaries. As a result the Association recognises the scheme deficit on the balance sheet at the year end. Actuarial gains and losses and returns on scheme assets are recognised in the statement of comprehensive income. Current and past service costs are recognised within operating surplus and interest on obligations is recognised as other finance costs.

Financial instruments

The Association only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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

1 Accounting policies (continued)

Going concern

The Association's business activities, its current financial position, and factors likely to affect its future development are set out within the annual report from the board and within these financial statements.

The Association has in place long-term debt facilities which provide adequate resources to finance committed reinvestment and development programmes, along with the group's day to day operations. The group also has a long-term business plan which shows that it is able to service these debt facilities whilst continuing to comply with lenders' covenants. As at 31 March 2023 the Association had available cash reserves of £1.2m

The Board's assessment of going concern involves a number of subjective judgements including, but not limited to increased rent arrears, delayed rent collections, increasing inflation and interest rates, a reduction in property prices and costs associated with achieving energy efficiency homes. In making their assessment the board have also considered the potential mitigations available to manage the potential impact on its cashflows and liquidity.

Stress tests have been run on the Associations business plan, which include the impact of sensitivities on the association's cash flow requirements, compliance with debt facilities, as well as covenant compliance. This stress testing found that the business plan is robust and does not affect the Association's ability to meet its obligations.

On this basis, the Board has a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. The board have considered the foreseeable future for their going concern assessment to cover the period to 31 March 2025. On this basis, the Board continues to adopt the going concern basis in the financial statements.

Significant judgments and estimates

The following are the significant management judgements made in applying the accounting policies of the group that have the most significant effect on the financial statements.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets including any components. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment, changes to the Decent Homes Standards and changes to energy efficiency requirements which may require more frequent replacement of key components

Defined benefit obligation

Management's estimate of the defined benefit obligation is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the liability and the annual defined benefit expenses

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

2 Turnover, operating costs and operating surplus/(deficit) from social housing activities

The whole of the association's turnover is attributable in the United Kingdom and is derived from the principal activity of social housing.

				2023	2022
	General Needs Housing £	Total Social Housing £	Other Income £	Total Income £	Total Income £
Operating Income					
Rent receivable	3,044,033	3,044,033	-	3,044,033	2,903,923
Rates receivable	405,343	405,343	-	405,343	387,959
Management allowance re adaptations	(75)	(75)	-	(75)	3,566
Interest received	-	-	3,993	3,993	717
Surplus on property disposal	-	-	493,355	493,355	73,180
Other income	5,870	5,870	-	5,870	131,142
Community development grants	24,103	24,103	-	24,103	57,908
Amortisation of grants	542,954	542,954	-	542,954	510,683
Less voids	(25,254)	(25,254)	-	(25,254)	(28,237)
Total Social Housing Income	3,996,974	3,996,974	497,348	4,494,322	4,040,841
Operating Costs					
Bad debts	(4,677)	(4,677)	-	(4,677)	(7,766)
Housing Management costs	(687,898)	(687,898)	-	(687,898)	(680,738)
Maintenance Administration	(410,411)	(410,411)	-	(410,411)	(384,400)
Planned and cyclical maintenance	(241,086)	(241,086)	-	(241,086)	(160,071)
Development expenses	(7,378)	(7,378)	-	(7,378)	(10,418)
Response maintenance	(370,544)	(370,544)	-	(370,544)	(291,905)
Major repairs	-	-	-	-	-
Depreciation	(888,859)	(888,859)	-	(888,859)	(854,949)
Rates	(364,809)	(364,809)	-	(364,809)	(349,163)
Total Social Housing Expenditure	(2,975,662)	(2,975,662)	-	(2,975,662)	(2,739,410)
Interest payable	-	-	(712,562)	(712,562)	(629,499)
Financing cost/income	-	-	(19,000)	(19,000)	(21,000)
Transfer to Disposal Proceeds Fund	-	-	(493,355)	(493,355)	(73,180)
Surplus on ordinary activities	1,021,312	1,021,312	(727,569)	293,743	577,752
DFC Allowances					
Management Allowances £396 per unit	217,008				217,008
Management costs	687,898				680,738
Surplus / Deficit	(470,890)				(463,730)
Maintenance Allowances £464 per unit	254,272				254,272
Planned and cyclical maintenance	241,086				160,071
Response maintenance	370,544				291,905
Surplus / Deficit	(357,358)				(197,704)
Gross income from rents					
Technical	82.00%	2,496,107			2,381,216
Non technical	18.00%	547,926			522,707
Total		3,044,033			2,903,923
No of Properties		548			548

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

	2023 £	2022 £
3 Operating surplus		
Operating surplus is stated after charging/(crediting):		
Depreciation on tangible fixed assets	900,539	871,750
(Profit)/loss on disposal of other fixed assets	(7,177)	(3,388)
Auditors remuneration	24,763	24,414
Amortisation of Government grants	(542,954)	(510,683)
	<u>900,539</u>	<u>871,750</u>

	2023	2022
4 Employee information		
The average monthly number of persons employed during the year was:	<u>23</u>	<u>22</u>

	2023 £	2022 £
5 Staff Costs		
Salaries	670,940	602,214
Social security costs	68,841	57,755
Pension costs	289,231	310,003
Private Health Care	4,514	
	<u>1,033,526</u>	<u>969,972</u>

The aggregate remuneration, including benefits in kind and pension contributions, of key management personnel of the Association during the year was:

	2023 £	2022 £
Aggregate remuneration	<u>324,901</u>	<u>296,409</u>
	<u>324,901</u>	<u>296,409</u>

The number of management personnel to whom emoluments (including salary, employer pension contributions and benefits in kind) were paid during the year falls within each of the following bands:

	2023 £	2022 £
60,000 - 70,000	1	-
70,000 - 80,000	-	-
80,000 - 90,000	-	1
90,000 - 100,000	<u>1</u>	<u>-</u>

6 Board of Management remuneration

The Board members received no remuneration from the Association. Total expenses paid during the year to Board members amounted to £443 (2022: £0).

Rent received from two tenant Board members during the year amounted to £11,545 (2022: £0).

7 Interest receivable

Bank interest	<u>3,993</u>	<u>717</u>
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Notes to the Financial Statements for the Year Ended 31 March 2023

	2023 £	2022 £
8 Interest payable and other charges		
Bank loans	712,562	629,499
	<u>712,562</u>	<u>629,499</u>

9 Corporation tax

The Association became a registered charity reference XR23974 with effect from 13 October 2008. The Association is not liable to Corporation Tax from that date.

	2023 £	2022 £
10 Fixed assets		
(a) Housing land and buildings cost		
At beginning of year	60,097,735	54,818,540
Additions during year	4,487,752	5,330,369
Disposals during year	(600,605)	(51,174)
At end of year	<u>63,984,882</u>	<u>60,097,735</u>
Depreciation		
At beginning of year	(10,515,274)	(9,694,372)
Charge for year	(870,246)	(836,336)
On disposals	134,928	15,434
At end of year	<u>(11,250,592)</u>	<u>(10,515,274)</u>
Net book value at end of year	<u>52,734,290</u>	<u>49,582,461</u>

(b) Other fixed assets

	Office	Computer Equipment	Office Equipment	TOTAL
Cost				
At beginning of year	1,116,777	94,597	53,807	1,265,181
Additions during year	-	2,511	1,000	3,511
Disposals during year	-	-	-	-
At end of year	<u>1,116,777</u>	<u>97,108</u>	<u>54,807</u>	<u>1,268,692</u>
Depreciation				
At beginning of year	(242,541)	(77,484)	(49,003)	(369,026)
Charge for year	(18,613)	(9,414)	(2,266)	(30,293)
On disposals	-	-	-	-
At end of year	<u>(261,154)</u>	<u>(86,898)</u>	<u>(51,269)</u>	<u>(399,319)</u>
Net book value at end of year	<u>855,623</u>	<u>10,210</u>	<u>3,538</u>	<u>869,371</u>
Net book value at beginning of year	<u>874,236</u>	<u>17,113</u>	<u>4,804</u>	<u>896,153</u>

11 Housing Stock

Number of units owned by the Association on 31 March 2023
- General Needs Housing

	2023	2022
	<u>548</u>	<u>548</u>

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

	2023 £	2022 £
12 Debtors		
Tenant debt		
Rental debtors gross - technical	129,892	129,006
Rental debtors gross - Non-technical	32,473	32,251
	<u>162,365</u>	<u>161,257</u>
Less: provision for bad and doubtful debts	(4,677)	(7,766)
	<u>157,688</u>	<u>153,491</u>
HAG receivable	919,583	305,830
Interest receivable	-	-
Prepayments	50,569	33,984
Other debtors	76,437	29,721
	<u>1,204,277</u>	<u>523,026</u>
13 Cash and cash equivalents		
Bank deposit account	503,082	-
Current bank accounts	684,266	696,537
Cash on hand	301	365
	<u>1,187,649</u>	<u>696,902</u>
14 Creditors (due within 1 year)		
Tenant overpayment	27,657	34,767
Accruals	986,576	574,193
Other creditors	226,272	108,273
Loan interest	8,979	15,743
HAG paid in advance by DFC (see below)	2,219,389	2,484,382
Deferred Housing Association Grant (Note 15)	464,357	500,598
Loan repayments due within 1 year (Note 15)	840,560	813,824
	<u>4,773,790</u>	<u>4,531,780</u>
HAG paid in advance by DFC		
Opening balance	2,484,382	1,904,073
HAG receivable	2,003,535	3,089,852
Attributed to capital development	(2,268,528)	(2,505,977)
Transfer to revenue account	-	(3,566)
Balance at year end	<u>2,219,389</u>	<u>2,484,382</u>

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

		2023 £	2022 £
15 Creditors (falling due after more than 1 year)			
Disposal proceeds fund	(a)	566,585	114,817
Bank loans	(b)	15,187,332	13,574,262
Deferred income - capital grants	(c)	29,056,256	27,540,805
		<u>44,810,173</u>	<u>41,229,883</u>
(a) Disposal proceeds fund			
Opening balance		114,817	422,541
Transfers in - surplus on disposals	349,355		49,180
- repayment of VPG discount	144,000		24,000
		<u>493,355</u>	<u>73,180</u>
Transfers out - replacement properties		(41,587)	(380,904)
Closing balance		<u>566,585</u>	<u>114,817</u>
(b) Bank loans			
Based on the lenders earliest repayment date, borrowings are repayable as follows:			
Within one year or on demand		840,860	813,824
One year or more but less than two years		838,469	4,464,950
Two years or more but less than five years		1,767,773	1,999,069
Five years or more		12,581,090	7,110,243
		<u>16,028,192</u>	<u>14,388,086</u>
All bank loans are secured by way of mortgages upon the deeds of properties. All bank loans bear interest rates ranging between 3.28% and 5.08% at fixed rates, except for a Revolving Credit Facility which was secured in December 2022. The Revolving Credit Facility is provided on an interest only basis for 5 years (with an option to extend to 7 years) with the drawn balance to be repaid or converted to a structured term loan at expiry of the 7 years.			
(c) Deferred income - capital grants			
Housing Association grant			
At beginning of year		34,961,523	32,484,787
Attributed during year		2,226,941	2,125,075
From disposal proceeds fund		41,587	380,903
On disposals		(324,960)	(29,242)
At end of year		<u>36,905,091</u>	<u>34,961,523</u>
Other public grant		<u>58,766</u>	<u>58,766</u>
		<u>36,963,857</u>	<u>35,020,289</u>
Amortisation			
At beginning of year		(6,978,886)	(6,478,288)
Amortised in year		(542,954)	(510,683)
On disposals		78,596	10,085
At end of year		<u>(7,443,244)</u>	<u>(6,978,886)</u>
Net book value at start of year		<u>28,041,403</u>	<u>26,065,265</u>
Deferred Housing Association Grant falling due within 1 year		464,357	500,598
Deferred Housing Association Grant falling due after 1 year		29,056,256	27,540,805
Net book value at end of year		<u>29,520,614</u>	<u>28,041,403</u>

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

16 Provision for liabilities and charges

	2023 £	2022 £
Pension liability		
Opening balance	776,000	1,046,000
Current & past service cost	287,000	308,000
Employers contributions	(125,000)	(111,000)
Interest on net defined benefit liability/(asset)	19,000	21,000
Remeasurement (gains) / losses	(955,000)	(488,000)
Closing balance	<u>2,000</u>	<u>776,000</u>

17 Share capital

<u>9</u>	<u>12</u>
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The Association's Rules require each member to hold only one share of nominal value of one pound each in the Association. There were 9 members of the Association at 31 March 2023 (2022:12 members), 1 member joined and 4 retired from the Board of Management during the year.

18 Capital reserves

<u>34</u>	<u>30</u>
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The Capital reserve reflects the cumulative nominal value of shares cancelled by the Association.

19 Cash flow from operating activities

Surplus for the year	1,021,312	1,227,534
Adjustments for non-cash items:		
Depreciation of tangible assets	900,539	871,750
Amortisation of social housing grant	(542,954)	(510,683)
(Increase)/decrease in debtors	(67,498)	21,002
Increase/(decrease) in creditors	431,164	95,906
Pension costs less contributions payable	<u>162,000</u>	<u>197,000</u>
	883,251	674,975
Adjustments for investments or financing activities:		
(Profit)/loss on sale of tangible fixed assets	(7,177)	(3,388)
	<u>(7,177)</u>	<u>(3,388)</u>
Net cash inflow from operating activities	<u><u>1,897,386</u></u>	<u><u>1,899,121</u></u>

20 Capital Commitments

At the balance sheet date the Association was contractually committed to capital development expenditure of £24.5m (2022 : £19.7m).

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

21 Contingent liabilities

There exists a contingent liability on the Association of the possibility of having to repay Housing Association Grant received on properties if any properties are sold. This also includes any grant written off through the implementation of component accounting. The possibility of reimbursement to the Department for Communities of the HAG released on build components replaced is considered to be unlikely as the housing properties are expected to continue to be made available for social housing.

22 Retirement benefits

The Association operates a defined benefit pension scheme for its employees with the assets held separately from those of the company. The scheme provides retirement benefits on the basis of members' average earnings but any member who joined before 31 March 2015 will be based on final salary. The fund is administered by the Northern Ireland Local Government Officers' Superannuation Committee. The funded nature of the Local Government Pension Scheme require the Employer and its employees to pay contributions into the fund, calculated at a level intended to balance the pension liabilities with investment assets.

A full actuarial valuation of the employer's Local Government Pension Scheme funded benefits was carried out as at 31 March 2022 by a qualified independent actuary. Adjustments to the valuation at that date have been made based on the following assumptions:

	2023	2022
Pension increases	2.6%	2.9%
Salary increases	4.1%	2.9%
CPI Inflation	2.6%	2.9%
Discount rate	4.5%	2.7%
Pension accounts revaluation rate	2.6%	2.9%

The mortality assumptions at the accounting date are based on actual mortality experience of members within the Fund based on analysis carried out as part of the 2022 Actuarial Valuation, and allow for expected future mortality improvements.

Sample life expectancies at age 65 in normal health resulting from these mortality assumptions are shown below.

	2023 years	2022 years
Males		
Member aged 65 at accounting date	22.2	21.8
Member aged 45 at accounting date	23.2	23.2
Females		
Member aged 65 at accounting date	25.0	25.0
Member aged 45 at accounting date	26.0	26.4

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

22 Retirement benefits (continued)

Reconciliation of scheme assets and liabilities

	Assets	Liabilities	Total
At 1 April 2022	2,433,000	(3,209,000)	(776,000)
Benefits paid	(21,000)	21,000	-
Employer contributions	125,000		125,000
Employee contributions	42,000	(42,000)	-
Current service cost		(287,000)	(287,000)
Past service cost		-	-
Interest income / (expense)	68,000	(87,000)	(19,000)
Remeasurement gains / (losses)			-
- Actuarial gains/(losses)		1,048,000	1,048,000
- Return on plan assets excluding interest income	(93,000)		(93,000)
At 31 March 2023	2,554,000	(2,556,000)	(2,000)

Total recognised as an expense:

	2023	2022
Current service cost	287,000	308,000
Past service cost	-	-
Interest cost	19,000	21,000
	306,000	329,000

No amounts (2022: nil) were included in the cost of assets.

The fair value of the plan assets was:

	2023	2022
Equities	1,021,000	1,044,000
Property	286,000	243,000
Bonds - government	526,000	601,000
Bonds - corporate	77,000	54,000
Multi Asset Credit	340,000	319,000
Cash	166,000	97,000
Other	138,000	75,000
	2,554,000	2,433,000

The return on the plan assets was:

	2023	2022
Interest income	68,000	47,000
Return on plan assets less interest income	(93,000)	73,000
Total return on plan assets	(25,000)	120,000

23 Events after end of reporting period

No events after the year end need to be reported.

Detailed Income and Expenditure Summary for the Financial Year Ended 31 March 2023

	2023		2022	
	£	£	£	£
INCOME				
Rent receivable		3,018,779		2,875,686
Rates receivable		405,343		387,959
		<u>3,424,122</u>		<u>3,263,645</u>
Other income		5,795		134,708
Community development grants		24,103		57,908
Amortisation of grants		542,954		510,683
TOTAL INCOME		<u>3,996,974</u>		<u>3,966,944</u>
EXPENDITURE (Before Admin Apportionment)				
Letting costs	1,572,573		1,375,196	
Rates	364,809		349,163	
	<u>1,937,382</u>		<u>1,724,359</u>	
Administration costs	<u>1,236,360</u>		<u>1,198,063</u>	
TOTAL EXPENDITURE		<u>3,173,742</u>		<u>2,922,422</u>
TRADING SURPLUS/(DEFICIT)		<u>823,232</u>		<u>1,044,522</u>
TRADING SURPLUS/(DEFICIT) (After Admin Apportionments)				
Letting	950,880		996,122	
Rates	40,534		38,796	
	<u>991,414</u>		<u>1,034,918</u>	
Administration		(168,182)		9,604
		<u>823,232</u>		<u>1,044,522</u>
FIXED ASSETS AND INTEREST				
Administration costs capitalised		198,080		183,012
Interest receivable		3,993		717
Interest payable		(712,562)		(629,499)
SURPLUS/(DEFICIT)		<u>312,743</u>		<u>598,752</u>
Disposal of property				
Sale proceeds	588,500		71,000	
Voluntary purchase grant	144,000		24,000	
	<u>732,500</u>		<u>95,000</u>	
Less				
Cost of property	564,449		49,150	
HAG eliminated	(337,958)		(29,180)	
Allowable costs	6,168		959	
Voluntary purchase grant allowance	6,486		891	
	<u>239,145</u>		<u>21,820</u>	
Net Surplus Transferred to DFP		<u>493,355</u>		<u>73,180</u>
		<u>806,098</u>		<u>671,932</u>

Detailed Income and Expenditure Summary for the Financial Year Ended 31 March 2023

	Note	2023	2022
		£	£
Balance brought forward		806,098	671,932
Financing (cost)/ income			
Net interest on net scheme assets/liabilities		(19,000)	(21,000)
Net return		(19,000)	(21,000)
		<u>787,098</u>	<u>650,932</u>
Corporation tax on tax adjusted surplus		-	-
Surplus/(deficit) after taxation	3	<u>787,098</u>	<u>650,932</u>
Transfer to disposal proceeds fund		(493,355)	(73,180)
		<u>293,743</u>	<u>577,752</u>

Income and Expenditure from Lettings for Financial Year Ended 31 March 2023

	2023		2022	
	£	£	£	£
Income				
Rental income receivable		3,044,033		2,903,923
Less loss of income from voids		(25,254)		(28,237)
		<u>3,018,779</u>		<u>2,875,686</u>
Rates		405,343		387,959
		<u>3,424,122</u>		<u>3,263,645</u>
Amortisation of Grants		542,954		510,683
Total Income		<u>3,967,076</u>		<u>3,774,328</u>
Less operating (property management) expenditure				
Bad debt	4,677		7,766	
Insurance	60,029		50,087	
Development expenses	7,378		10,418	
Housing (response) maintenance	370,544		291,905	
External cyclical and planned maintenance	241,086		160,071	
Property depreciation	888,859		854,949	
Rates	364,809		349,163	
		<u></u>		<u></u>
Total operating costs		(1,937,382)		(1,724,359)
Rent surplus (before admin & interest payable)		<u>2,029,694</u>		<u>2,049,969</u>
Administration apportionment		(1,038,280)		(1,015,051)
Rent surplus (before interest payable)		<u>991,414</u>		<u>1,034,918</u>

Administrative Expenditure for the Financial Year Ended 31 March 2023

	2023		2022	
	£	£	£	£
Administrative expenditure				
Salaries and wages	703,098		656,571	
Pension service cost	287,000		308,000	
Recruitment costs	4,986		4,040	
Travel and subsistence	15,774		14,349	
Stationery and publications	4,420		7,215	
Affiliation and membership	18,699		14,204	
Publicity and advertising	10,183		7,466	
Courses and conferences	7,671		12,246	
Office accommodation and services	70,594		69,366	
Equipment and fittings - depreciation	11,680		16,801	
Accountancy and audit	24,763		24,414	
Consultancy	25,526		8,200	
Legal & professional fees	17,683		14,793	
Insurance (Non Property)	16,232		14,316	
VPG administration allowance	(12,654)		(1,850)	
(Profit)/loss on disposal of fixed assets	(7,177)		(3,388)	
Vehicle lease charges	6,615		4,800	
General expenses	-		-	
Community development expenditure	28,639		25,310	
Tenant participation	2,628		1,210	
	<u>1,236,360</u>		<u>1,198,063</u>	

Apportionments

	%		
Housing Management	60.47%	627,869	630,651
Property Maintenance	39.53%	410,411	384,400
	100.00%	1,038,280	1,015,051
Development and adaptations		198,080	183,012
		<u>1,236,360</u>	<u>1,198,063</u>

Rural Housing Association Ltd

Northern Ireland - Charity number 100886

Annual report

Building Rural Communities

rural
housing
association

ANNUAL REPORT AND
FINANCIAL ACCOUNTS 2022/23



“

Our Annual Report provides an overview of our work showcasing some of our achievements through the past year. We present this Annual Report together with our audited financial statements for 2022/23.

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Rural's mission is to continue to provide good quality affordable homes in rural areas and to support this, the Association remains committed to delivering value for money for its customers through the provision of high-quality services in an efficient and effective manner.

If you, or someone you know would like this Annual Report in large print, in Braille or translated into another language please contact Stephen Fisher on 028 8224 6118 or email info@ruralhousing.co.uk

1 Introduction - Chair and Chief Executive Report



John Waddell, Chair
Stephen Fisher, Chief Executive

WELCOME TO OUR ANNUAL REPORT FOR 2022/23

Just last year, we marked the 30th anniversary of the Association and reflected on the Association's achievements over the years and its future plans. Our events showcased how the Association has played a key role in the provision of social housing and services in rural areas over this period of time.

Much has changed for the Association, its staff, and tenants over the last number of years and our Corporate Strategy, which was agreed in 2021, has helped pave our plans for the organisation going forward. As part of our strategic review in 2021, a full organisational review was carried out during 2022. That has brought about two new Committees under the Board, the Finance and General Purposes Committee and the Housing Services Committee. Both Committees have complemented the main Board, ensuring a strong oversight of both Finance and Housing related activities thus providing further assurance in all aspects of the operations of the Association.

Further to these changes the organisation staffing structure was also fully reviewed by an external consultant. This review was designed to ensure the Association's operational setup was fit for purpose for the coming years with an expected development programme of over 300 new homes. As a result of the review, four new departmental Directors have been put in place with Housing and the Technical departments seeing new posts created for middle managers, and the Business Development Department getting a new full time administrative post. These changes were all complete before March 2023 and we hope will provide the Association with

the manpower and experience to develop, manage and maintain a high volume of new homes over the next few years.

A big thank you to all the staff who cooperated with the reorganisation and made it a seamless process and many congratulations to those who have seen a promotion within the organisation.

Our staff numbers now stand at 23. In April 2022 we were sorry to lose Fergal McKenna from our housing department. Fergal has been replaced by Ashling Fuller in May 2022, whose unique experience in housing will provide further expertise to the department. We were also lucky to welcome Ailish Armstrong to our housing department. Ailish comes with a wealth of experience from the NIHE and we wish her well in her new role.

The Association's activities are overseen by our Board of Management which is made up of voluntary members. The Board who meets quarterly works to ensure effective management of the Association and fulfilment of our mission 'to enable people to thrive through the provision of high quality, affordable homes'. Both Ciaran McKenna (Past Chair) and Neville Armstrong (Past Chair) retired from the Board in 2022 and we were all sorry to see them step down after nine years of their expertise on the Board and Committees.

The financial statements reflect the financial performance and financial position of Rural Housing Association for the year ended 31 March 2023. I am pleased to report a strong financial position with continued growth and turnover now just under £4 million and a surplus for the year of £293,743, taking our total comprehensive income to over £1.2 million. The Association maintained its level of properties of 548 at the year end, bringing on 6 new units and selling 6 units through the House Sale Scheme. There are approximately 10 House Sales currently in the scheme, however with a very healthy development programme (and the end of the House Sales Scheme in August 2022) we hope to see unprecedented increases in the numbers of our homes over the next 3 years and beyond. With excellent financial controls in place, we will see our balance sheet continue to improve.

The last financial year has been challenging for us all with Covid, Brexit and the war in Ukraine continuing to create pressures to our business, suppliers, and funders. A tougher economic climate, high inflation and business practises have converged into a business landscape which will continue to put

significant pressure on cashflows and budgets over the next year as well.

Our hybrid model of working for staff is now embedded in the organisation and we will need to carefully measure our performance to ensure customer service and internal processes continue to be of the highest standard.

One of our most important priorities is to continually review our approach to tenant engagement and to ensure all our tenants have an active role in the decisions that affect them. To this end, we continue to promote engagement and look forward to working with tenants across our schemes in Northern Ireland. Included in this report are some examples of the work we have undertaken with our tenants and their local communities in the past year. We are also very mindful of the cost-of-living crisis and the increasing food and energy prices and we are fully committed to helping our tenants manage their way through these difficult times. We are pleased to report that the hardship fund and other initiatives set up by the Association at the end of last year has provided much needed respite for some of those who needed extra support.

Every year we are subject to controls and checks. Our internal auditors provide assurance to the board and this year again all audits were passed with high grades. Our Departmental Sponsors, the Department for Communities (DfC) also graded us at the highest level (Grade 1), while our external auditors continue to provide assurance to the board on our financial and governance controls.

We also thank the many stakeholders without whom none of this would be possible. Our banks, Danske bank and AIB, our many consultants and external advisors, our response maintenance contractors, NICOR, all our design teams and development contractors who continue to provide us with the quality and workmanship that reflects highly on Rural Housing Association's ethos.

We are sponsored by the Department for Communities who provide grant funding through their agents, the Northern Ireland Housing Executive. We would like to thank both organisations for their continued commitment to the aims of Rural Housing Association and for sharing our unique vision.

Finally, we would like to thank you all our Board members and staff for their commitment, dedication and hard work through those years.



2 Rural Housing at a Glance

NUMBER OF HOMES

548 March 2023
548 March 2022
528 March 2021

GRANTS RECEIVED (HAG)

£2,003,535 March 2023
£4,130,569 March 2022
£1,624,319 March 2021

NEW HOMES COMPLETED/ PURCHASED

6 March 2023
21 March 2022
9 March 2021

NUMBER OF STAFF

23 March 2023
22 March 2022
21 March 2021

DEVELOPMENT SPEND

£3,887,146 March 2023
£2,833,551 March 2022
£1,716,817 March 2021

NEW HOMES ANTICIPATED

43 March 2023
50 March 2022
(19 ESP & 31 New Build)
9 March 2021

TURNOVER

£3,996,974 March 2023
£3,966,944 March 2022
£3,743,173 March 2021

SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION

£293,743 March 2023
£577,752 March 2022
£427,855 March 2021

HOMES SOLD

6 March 2023
1 March 2022
2 March 2021





3 Property Management Update

Rural Housing Association is committed to ensuring our Housing stock is well maintained for the needs of our tenants..

Much of our planned maintenance work concentrates on the replacement of kitchens, bathrooms and windows when programmed.

PERFORMANCE

Over the course of the year, we have continued our planned and cyclical maintenance programmes and detailed below is details of the financial investment made in helping to ensure our houses are in the best condition. We are pleased to report high tenant satisfaction levels in this area.

EXPENDITURE FOR MAINTENANCE PROGRAMMES 2022/23

Expenditure for Maintenance Programmes 2022/23	Actual Expenditure
Planned Maintenance	£118,235
Response Maintenance	£442,506
Cyclical	£166,451
Total	£727,192

RHA Performance	Completion Times Expressed as %
Emergency Response Maintenance repairs	96%
Urgent Response	79%
Response Routine Repairs	84%
Gas Servicing	100%
Boiler Servicing	51%

Tenant Satisfaction Survey

The Association is currently compiling our Tenant Satisfaction Survey. Feedback from residents is valuable to us as it helps us to identify problems, improve services offered and get a better understanding of what our tenants want. The results of the Tenant Satisfaction Survey for 2023 will be reported in our Annual Tenant Newsletter due to be published in December 2023.

Adaptations

During the year, we carried out 7 minor adaptations at a cost of £12,049.00 which were completed within target timescales. 100% of tenants reported that they were satisfied with the work and level of service from the Association.

REPAIRS & MAINTENANCE PERFORMANCE 2022/23 - RESPONSE WORKS ORDERS AND % DELIVERED

Emergency (24 Hours)		Urgent (4 Days)		Routine 1 (10 Days)		Routine 2 (20 Days)	
Total Number of Jobs	Total number of Jobs completed within Target	Total Number of Jobs	Total number of Jobs completed within Target	Total Number of Jobs	Total number of Jobs completed within Target	Total Number of Jobs	Total number of Jobs completed within Target
826	798	753	597	636	570	202	158
Target KPI completion expressed as %							
96%		79%		90%		78%	

4 Update on New Developments 2022/23

In March 2023, the Association completed a 6-unit scheme at Doagh providing much needed accommodation for local people in the area. This scheme was designed by GM Design Associates and built by Hugh J O Boyle and reflects the principles of our Rural Design Guide, which aims to deliver social housing schemes, reflecting the rural character of local communities.



Our Randalstown Scheme is complete. This scheme is located on the site of the 'Old Bakery', with architects GM Design Associates working hard to capture some of the design features of the original building in the architecture of the new scheme. Bell Contracts & Co Ltd, our contractors for the scheme, have brought this vision to life, in the development of a scheme that reflects the principles of our Rural Design Guide for Social Housing. This scheme will see the addition of nine much-needed homes to the town. We are looking forward to welcoming our new tenants in the coming weeks. This scheme was jointly funded through the Department for Communities & Dankse Bank.



New Scheme at Ahoghill

2022/23 saw the ongoing development of Rural Housing Association's latest scheme in the village of Ahoghill, which includes the addition of twenty-six new social homes/apartments to the village. The scheme was brought forward as part of a Design and Build competitive tender, with architects Studiorogers and M J McBride being appointed as the contractor for the scheme.

This new-build scheme, which has been designed, is part funded through the Department for Communities (HAG) and Dankse Bank.



Other Significant Developments Underway:

CUSHENDALL (34 Units at Cusendall)

We are delighted to announce we have been granted planning permission for 34 new homes in Cushendall. This scheme, designed by Studiorogers Architects, has also been selected as a Housing for All scheme, which will see additional funding for the delivery of good relations activities across the local area. We are looking forward to working with local residents and tenants over the coming years, to support ongoing community investment work in the Cushendall area.

RATHLIN

Work is ongoing with our 10 new homes being built at Church Bay on Rathlin Island.

BALLYHOLLAND

(14 Units at Harmony Heights, Ballyholland)

Design & Build Schemes

LISNASKEA

(9 Units at Nuttfield Road, Lisnaskea)

SION MILLS

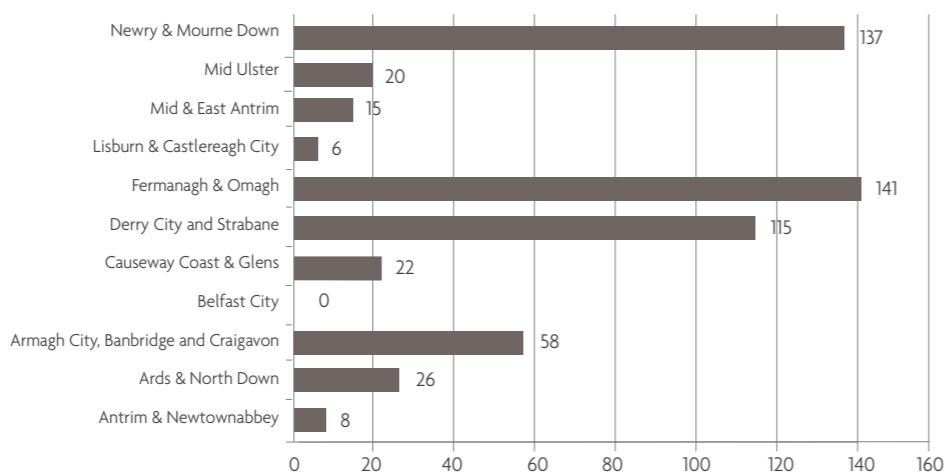
(15 Units at Melmount Road, Sion Mills)



RURAL HOUSING NEEDS TESTS

This year Rural Housing Association hosted two Rural Housing Needs Tests in partnership with the Housing Executive. The areas covered in the tests included Clabby and Newtownbutler. The aim of these Rural Housing Need Tests is to identify where there is a hidden need for social or affordable housing in rural communities.

OUR STOCK - RURAL HOUSING ASSOCIATION STOCK TABLE AT 31/3/2023



We are committed to building new modern affordable homes in communities where people are proud to live. Rural Housing has ambitious plans for 2023/24, as we build new homes in Lisnaskea, Rathlin, Cushendall, Sion Mills & Ballyholland.

During the financial year 2022/23, Rural added to its stock profile and on 31st March 2023 we had 548 units of social housing units geographically spread throughout Northern Ireland as indicated in the table opposite. The Association sold 6 of its properties through the Right to Buy Scheme during the year.



5 Housing Update 2022/23

HOUSING ALLOCATIONS - GENERAL NEEDS ACCOMMODATION

During the year, Rural Housing Association had 35 lettings (Combination of New lets and Re-lets).

Our Target: Allocate re-lets within 35 Days at year end		
4.4.2022 to 31.3.2023	Re-let time Not achieved	Our total void loss was £25,254 representing under 1% of our total annual rental income.

INCOME MANAGEMENT

We are mindful of the difficulties many of our tenants face given the current cost of living crisis and rising household costs. We are doing as much as we can to support those experiencing difficulties with financial hardship assistance, support and signposting to other services.

We remain focussed on protecting our rental income and arrears have been carefully managed by engaging and supporting our tenants, sign posting them to Universal Credit for help with housing costs, and other financial supports available.

Rent arrears remain steady with 82% of rental income coming through the Government welfare payments.

We collected 99% of our rental income. As of 31st March 2023, the Technical Arrears figure stood at 4.53% which includes all outstanding UC and HB payments and the Non-Technical Arrears figure was reported at 7.52%.

Our Target	Results for 2022/23	Previous Year Results (2021/22)
Technical Arrears Achieve Current Tenant arrear of 5% at year-end	4.53%	4.58%
Non-Technical Arrears Achieve Current Tenant arrear of 5% at year-end	7.52%	5.39%
Reduce Past Tenant Arrears/Write-offs to < 2%	0.31%	1.37%

As of 31st March 2023, the Former Tenant Arrears figure stood at £7,374 (0.72% of rent receivable).

Antisocial behaviour (ASB) can seriously affect the quality of life for tenants and their families and can have a negative impact on neighbourhoods and communities. We believe that our homes and estates should be places where people like living and feel safe. No one should feel intimidated or harassed in the neighbourhood where they live.

RENTAL CHARGES

The Association's Housing Stock is funded by rental income. Earlier this year we wrote to all tenants to let them know about our proposed rent increase for 2023/24 and provided tenants with a rent consultation document outlining our proposed costs and proposed rent for the forthcoming year.

Average rents charged 2023	
One bedroom	£82.78
Two bedrooms	£100.02
Three bedrooms	£112.44
Four bedrooms	£123.25
Five bedrooms	£131.90
Average	£107.69

Tenants were advised that any comments made, or correspondence received regarding the proposed rent increase would be presented to our Board of Management who would consider this feedback prior to making the final decision on the proposal for the rental increase. Following the consultation process the Association increased its rents by 4.95% for the 2023/24 year.

COMPLAINTS ANALYSIS

There were 17 formal complaints recorded relating to the level of service from 1 April 2022 to 31 March 2023. All of these were resolved within target.

There was a total of 158 Complaints recorded relating to Anti-Social Behaviour during this period and none of the complaints had escalated to the formal complaints process. Most Anti-Social Behaviour complaints were resolved either by telephoning the complainant and alleged offender or sending out warning letters as per our policies and procedures for dealing with Anti-Social Behaviour.



6 Tenant Engagement Activities

One of our most important priorities is to continually review our approach to tenant engagement and to ensure all our tenants have an active role in the decisions that affect them. To this end, we continue to promote engagement in many of our schemes and neighbourhoods and look forward to working with tenants across our schemes in Northern Ireland.

Below are some examples of the work we have undertaken with our tenants and their local communities in the past year.

HOUSING FOR ALL / SHARED NEIGHBOURHOODS, SION MILLS

Rural Housing Association continues to deliver our Housing for All (Shared Neighbourhoods) Programme in Old Mill Court, Sion Mills. Housing for All schemes receive funding from the Department for Communities and the Housing Executive to deliver a five-year good relations plan for each scheme. Over the last year, we have delivered a variety of good relations 'bridging' projects aimed at building more connected and inclusive communities, including a series of heritage projects exploring the history of the dance halls and the Sion Mills railway, as well as arts-based projects working with seniors and young people in the Sion Mills area.

HOUSING FOR ALL SCHEMES / SION MILLS / CUSHENDALL

Rural Housing Association is pleased to confirm we will be expanding our Housing for All, Shared Neighbourhoods programme, with a second Housing for All scheme scheduled for Sion Mills in Autumn 2023 and work commencing later this year, on the development of a new shared neighbourhood in Cushendall.



Strawberry Fair, Sion Mills 2023



ENERGY HARDSHIP BOOKLET

Rural Housing Association as part of the Northern Ireland Community Investment Network have produced a Cost-of-Living Guide for tenants. The guide provides a series of tips and advice for tenants on how they can save money within the home and reduce household bills.

Copies of this Cost-of-Living are available by emailing: info@ruralhousing.co.uk



IN CHARGE OF CHANGE PROJECT, CO. FERMANAGH

Rural Housing Association received funding through the Public Health Agency's Clear Project to deliver a health and wellbeing project in the Knocks/Brookeborough area of County Fermanagh. The project was designed in partnership with our Tenant Board Representative and Tenant Panel Member, Margaret Rafferty and is an example of how Rural Housing Association's tenants are bringing about positive change in their local areas.

The In Charge of Change project addresses the topic of mental and emotional wellbeing through a series of facilitated workshops. The project included support and advice for local women on topics such as positive mental health, coping with anxiety, dealing with the menopause and keeping healthy through exercise and diet, with sessions including yoga, cookery classes, mindfulness techniques and alternative therapies.



WOODVALE COMMUNITY GARDEN

Rural Housing Association partnered with The Conservation Volunteers (TCV) to create a community garden on an unused green space attached to our Woodvale Manor scheme in Eglinton.

This community garden initiative was funded through the National Lottery's Living Spaces and Places Fund.



CASHEL COMMUNITY GARDEN, GARRISON

Rural Housing Association are pleased to announce our Community Garden initiative will be extended to Cashel Crescent, Co Fermanagh this coming year, as we have been awarded additional funding through the Living Spaces and Places Fund.

TRAMWAY TALES PROJECT

Rural Housing Association's Tramway Tales Project is an intergenerational project working with adults and children in Sion Mills, Victoria Bridge and Castleterg. The project explores the heritage connected to the local area, helping increase participants' knowledge and understanding of their own local history and how it connects these three rural communities. The project was funded through the National Lottery Heritage Fund and brings to life the story of the tramway, which connected the rural towns and villages of Castleterg, Spamount, Crew and Fyfin to Victoria Bridge.



AHOGHILL SCHOOL COMPETITION

As part of our community engagement work, with our new scheme in the Ahoghill area, our contractors M J McBride and Rural Housing Association's facilitated a school competition with Fourtowns Primary School to name the new scheme. The winner of the competition was announced at a special assembly on Friday the 7th October. The winning pupil pictured above was Jay Cameron, who chose the name Brook Court.



TENANT PARTICIPATION

Rural Housing Association continues to host tenant panel meetings, both online and in-person. This year Tenant Panel Members had the opportunity to participate in an autumn wreath making workshop with "Oh So Fabulous" as well as digital skills training with Ignite IT. Alongside these skills development sessions Tenant Panel Members also worked alongside RHA staff to review and update our Tenant Participation Strategy and Tenant Action Plan for the forthcoming years.

RURAL HOUSING CELEBRATES 30 YEARS

Rural Housing Association celebrated thirty years of service in 2022. On Monday 3rd October, we hosted a special celebration event at the Ulster American Folk Park, to mark the Association's achievements over the last 30 years.

The event was attended by tenants, local MLAs, councillors, and representatives from across the finance, housing, construction and community sector.

Thirty years on, we have remained true to the values of our founding members, continuing our mission to increase social housing supply across rural communities. We are particularly proud of our development programme, which through high quality housing schemes designed to reflect the character and heritage of rural communities, is helping retain the unique rural character of our small towns and villages, whilst addressing the need for increased social housing at a local level.



8

Summary of SMART Targets

Measurement		Target Date	Target	Achieved
Surplus for Year The difference between income and expenditure for the year		Mar - 2023	£250,093	Achieved £293,743
Prompt Payment Days (normal)		Mar - 2023	30 days or within contract term if shorter	Achieved
Prompt Payment Days (new build)		Mar - 2023	14 days	Achieved
Gearing Ratio		Monthly	<50%	Achieved
Interest Cover		Monthly	>1.35	Achieved
Interest Cover		Monthly	<1.1	Achieved
Current Ratio		Monthly	1.00 or higher	0.50
Non-Technical Arrears Arrears owing directly from tenants as a % of rental income expected directly from tenants		Mar - 2023	5%	7.52%
Technical Arrears		Mar - 2023	5%	4.53%
Arrears Write-Offs Amount of arrears that are not collectable as a % of total rental income		Mar - 2023	2%	Achieved
Tenants 13 weeks in arrears		Mar - 2023	3%	Achieved
Past Tenant Arrears Arrears owing from ex-tenants as a % of total rental income		Mar - 2023	2%	Achieved
Maintenance Costs How much it costs the Association to maintain its properties from day to day		Monthly	Monthly Budget - 5%+5%	Not Achieved
Repair Relet Costs How much it costs the Association to bring vacated properties back into lettable condition		Monthly	Monthly Budget - 5%+5%	Not Achieved
Repair Relet Time How quickly the Association can get repairs done on a vacant property		Mar - 2023	14 Days	Not Achieved

Measurement		Target Date	Target	Achieved
Allocation of Relets How quickly the Association can fill a vacant property		Mar - 2022	35 Days	Not Achieved
Voids The cost of vacancies as a % of total rental income		Mar - 2022	2%	Achieved
Complaints Deal effectively with 90% complaints within time limits		Mar - 2022	90%	Achieved
Anti-Social Behaviour Deal effectively with 90% complaints within time limits		Mar - 2022	90%	Achieved

Finance Update

For 2022/23 the Association continues to see modest growth of the development programme accompanied by consolidation of all aspects of the company's business.

The Association's Income & Expenditure Account confirmed an increase in turnover and a net surplus for the year of £293,743 compared to £577,752 for the previous year, bringing its accumulated revenue reserves to £6,409,624.

Tangible Fixed Assets (Housing Properties) reported at March 2023 were £52,734,929 compared to £49,582,461 for the previous year. During the financial year the Association added 6 additional units of accommodation. Operating costs increased by £236,252 (2022: £97,100) whilst the operating surplus increased to £1,021,312 (2022: £1,227,534). Turnover is reported at £3,996,974 compared to £3,966,944 for the previous year. The Association sold 6 property during the year.

Details from our financial accounts for 2022/23 are provided on pages 19 to 21.

KEY HIGHLIGHTS

	March 2023	March 2022	March 2021
Number of Homes	548	548	528
Number of Staff	23	22	21
Turnover	£3,996,974	£3,966,944	3,743,173
Surplus	£293,743	£577,752	427,855
Development Spend	£3,887,146	£2,833,551	1,716,817
Grants Received	£3,003,535	£4,130,569	1,624,319
New Homes Completed/Purchased	6	21	9 (6 ESPS & 3 New Build)
New Homes Anticipated	43	50 (19 ESP & 31 New Build)	9 (6 ESPS & 3 New Build)
Homes Sold	6	1	2

National Housing Federation Code of Governance Compliance

- The adoption of the 2020 National Housing Federation Code of Governance ('the Code') was approved by the Board in April 2021 along with an action plan to address areas of non-compliance.
- There were no actions identified to ensure compliance with the Code.
- There are two areas of non-compliance with the Code identified but both were due to the Association rules which take precedent.

10 Statement of Comprehensive Income for the Year ended 31 March 2023

	Note	2023 £	2022 £
Turnover		3,996,974	3,966,944
Less operating costs		-2,975,662	-2,739,410
Operating surplus	2	1,021,312	1,227,534
Surplus on property disposals		493,355	73,180
Interest receivable	7	3,993	717
Interest payable and other charges	8	-712,562	-629,499
Financing (cost)/income	16	-19,000	-21,000
Transfer to disposal proceeds fund		-493,355	-73,180
Surplus on ordinary activities before taxation		293,743	577,752
Corporation tax on surplus	9	-	-
Surplus for the year after taxation		293,743	577,752
Other comprehensive income			
Actuarial gain/(loss) on pension scheme	16	955,000	488,000
Prior year adjustment		-	-
Total comprehensive income for the year		1,248,743	1,065,752

Continuing operations

None of the Association's activities were acquired or discontinued during the above two financial years.

Historical cost

The difference between the results as disclosed in the Statement of Comprehensive Income before tax, and retained surplus for the year, on an unmodified historical cost basis is not material.

11 Statement of Cash Flows for the Year ended 31 March 2023

	Note	2023 £	2022 £
Net cash flow from operating activities	19	1,897,386	1,899,121
Cash flow from investing activities			
Purchase of tangible fixed assets		-4,399,153	-5,341,957
Proceeds from sale of tangible fixed assets		719,845	69,150
Grants received		1,348,194	3,746,100
Interest received		3,993	717
		-232,712	-1,525,990
Cash flow from financing activities			
Interest paid		-719,326	-628,744
New secured loans		8,139,000	1,000,000
Repayments of borrowings		-6,499,193	-740,615
Share capital		1	5
		920,482	-369,354
Net change in cash and cash equivalents		490,747	3,777
Cash and cash equivalents at 1 April		696,902	693,125
Cash and cash equivalents at 31 March	13	1,187,649	696,902

12 Statement of Financial Position as at 31 March 2023

	Note	2023 £	2022 £
Tangible fixed assets			
Housing properties at cost	10a	52,734,290	49,582,461
Other fixed assets	10b	869,371	896,155
		53,603,661	50,478,816
Current assets			
Debtors and prepayments	12	1,204,277	523,026
Cash and cash equivalents	13	1,187,649	696,902
		2,391,926	1,219,928
Creditors: amount falling due within 1 year	14	-4,773,790	-4,531,780
Net current assets/(liabilities)		-2,381,864	-3,311,852
Total assets less current liabilities		51,221,797	47,166,764
Creditors: amounts falling due after more than 1 year)	15	44,810,173	41,229,883
Provision for liabilities and charges			
Pension liability	16	-2,000)	-776,000
Total net assets		6,409,624	5,160,880
Reserves			
Share capital	17	9	12
Capital reserves	18	34	30
Revenue reserves		6,409,581	5,160,838
Total Reserves		6,409,624	5,160,880

Approved by the Board of Management on 28 June 2023

Chairman

Honorary Secretary

Honorary Treasurer

13 Statement of Changes in Equity for the Year ended 31 March 2023

	Share Capital £	Capital Reserves £	Revenue Reserves £	Total £
At 1 April 2021	8	29	4,095,086	4,095,123
Surplus/(deficit) for the year	-	-	577,752	577,752
Actuarial gain/(loss) on pension scheme	-	-	488,000	488,000
Share issue	5	-	-	5
Share cancellation	-1	1	-	-
At 31 March 2022	12	30	5,160,838	5,160,880
Surplus/(deficit) for the year	-	-	293,743	293,743
Actuarial gain/(loss) on pension scheme	-	-	955,000	955,000
Share issue	1	-	-	1
Share cancellation	-4	4	-	-
At 31 March 2023	9	34	6,409,581	6,409,624

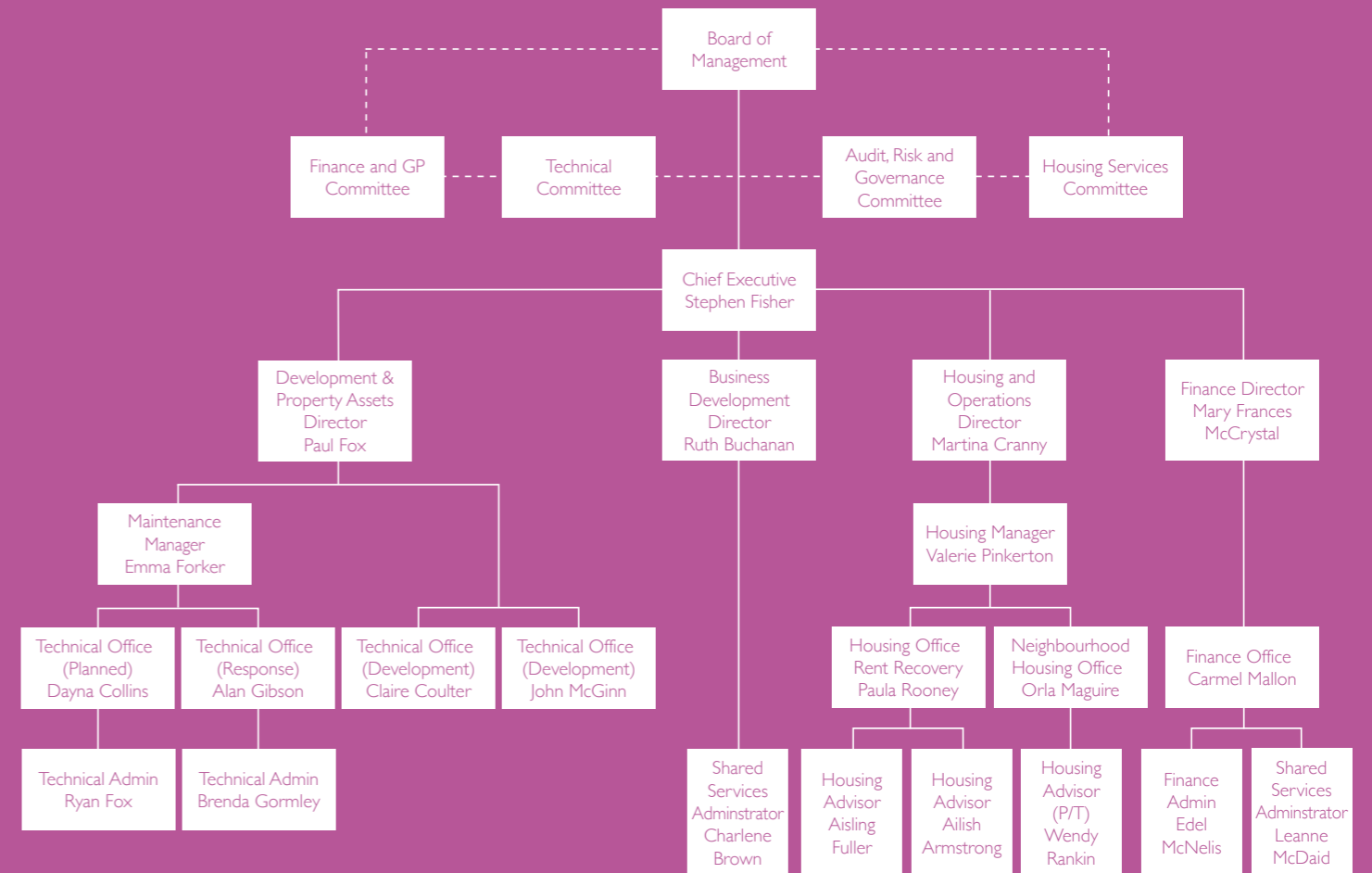
14 Board Attendance Details

Name	Date joined	Length of Service	Board Meetings		Committee Meetings	
			Meetings Held	% Attendance	Meetings Held	Attended
Alastair McKane	19/06/2015	7 years	7	71.00	6	5
Carol Follis	24/03/2015	8 years	7	100.00	4	4
Rory O'Brien	20/02/2014	9 years	7	14.00	4	2
Tommy Gallagher	15/11/2017	5 years	7	71.00	4	1
John Waddell	18/05/2016	6 years	7	100.00	N/A	N/A
Tom Potter	26/01/2022	1 year	7	100.00	5	6
Margaret Rafferty	26/01/2022	1 year	7	100.00	2	2
Michaela McCusker	26/01/2022	1 year	7	100.00	4	4
John Moss	01/03/2023	1 month	N/A	N/A	N/A	N/A
Neville Armstrong	09/01/2013	Retired 29th June 2022				
Ciaran McKenna	12/09/2012	Retired 29th June 2022				
Ryan Brady	26/01/2022	Retired 14 September 2022				
Claire McKeefry	26/01/2022	Retired 25th Jan 2023				

Remuneration of Board Members

Rural Housing Association does not remunerate Board members and their time is given on a voluntary basis. Travel expenses are paid to members at the appropriate Rural Housing Association rate. Total expenses paid were: £443 (2022:-£0)

15 Association Information



Board Members

John Waddell (Chair)
 Carol Follis (Vice Chair)
 Rory O'Brien (Secretary)
 Alastair McKane (Treasurer)
 Tommy Gallagher

Margaret Rafferty
 Michaela McCusker
 Tom Potter
 John Moss

Staff

Chief Executive
 Development & Property Assets Director
 Housing and Operations Director
 Finance Director
 Business Development Director
 Housing Manager
 Maintenance Manager
 Technical Officer (Response)
 Technical Officer (Development)
 Technical Officer (Development)
 Technical Officer (Planned)
 Finance Officer
 Neighbourhood Housing Officer
 Housing Officer Rent Recovery
 Housing Advisor
 Housing Advisor
 Housing Advisor (P/T)
 Shared Services Administrator
 Shared Services Administrator (P/T)
 Finance Administrator
 Technical Administrator
 Technical Administrator

Stephen Fisher, PGDip, MSc, CIHCM
 Paul Fox BSc (Hons) MRICS
 Martina Cranny BSc (Hons) PGDip, MBA, CIHCM
 Mary Frances McCrystal BSc(Hons), ACMA
 Ruth Buchanan BA (Hons) MSc
 Valerie Pinkerton BA (Hons) CIHCM PGDip
 Emma Forker BSc (Hons)
 Alan Gibson BSc (Hons)
 Claire Coulter BSc (Hons)
 John McGinn
 Dayna Collins
 Carmel Mallon BA (Hons) IATI
 Orla Maguire BSc (Hons)
 Paula Rooney BA (Hons)
 Aisling Fuller BSc (Hons)
 Ailish Armstrong
 Wendy Rankin BA (Hons)
 Charlene Brown BA (Hons)
 Leanne McDaid BA (Hons) PGDip
 Edel McNelis
 Brenda Gormley
 Ryan Fox BSc (Hons)

Registered Office

Tollgate House, 2 Killyclogher Road, Omagh, BT79 0AX

Bankers

Danske Bank, 5-7 Market Street, Omagh, Co Tyrone, BT78 1BN
 AIB, 8 High Street, Omagh, County Tyrone BT78 1BH

Solicitors

McCaffrey & Co, 8-10 Church Hill, Omagh, Co Tyrone, BT78 1DQ

External Auditors

McAlear Jackson, Chartered Accountant & Registered Auditor, 24 Dublin Road, Omagh, BT78 1HE

Internal Auditors

Wylie & Bisset, 168 Bath St, Glasgow G2 4TP

Registrations

- Registered under the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 on 2 March 1992.
- Registered under the Housing (NI) Order 1981 on 19 March 1992, Registration No. R52
- Registered under the Data Protection Act 1984, Registration No X3917434
- Affiliated to the Northern Ireland Federation of Housing Associations
- Registered as a Charity with Charity Commission for Northern Ireland on 12 January 2015 Registration No. NIC100886
- Accepted as a Charity by HM Revenue & Custom on 16 October 2009



RHA: 2 Killyclogher Road, Omagh
Co Tyrone, BT79 0AX
Tel: 028 8224 6118
E-mail: info@ruralhousing.co.uk
Web: www.ruralhousing.co.uk

 Find us on:
facebook
[Facebook.com/ruralhousing](https://www.facebook.com/ruralhousing)


twitter.com/ruralhousingni



Rural Housing Association Ltd

Northern Ireland - Charity number 100886

Annual return

McAleer Jackson Limited
Chartered Accountants
Church House
24 Dublin Road
OMAGH
Co Tyrone BT78 1HE

Date: 27 June 2023

Dear Sirs

RURAL HOUSING ASSOCIATION – 2023 AUDIT

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the Rural Housing Association ('RHA') financial statements for the year ended 31 March 2023. These enquiries have included inspection of supporting documentation where appropriate, and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

General

1. We have fulfilled our responsibilities as members of the Board, as set out in the terms of your engagement letter dated 14 March 2023, under the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 and for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.
2. All the transactions undertaken by the RHA have been properly reflected and recorded in the accounting records.
3. All the accounting records have been made available to you for the purpose of your audit. We have provided you with unrestricted access to all appropriate persons within the RHA, and with all other records and related information requested, including minutes of all Board, general and management meetings, and correspondence with the RHA's regulatory body.
4. The financial statements are free of material misstatements, including omissions.
5. The effects of uncorrected misstatements (as set out in the appendix to the audit completion summary) are immaterial both individually and in total.

Internal control and fraud

6. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error, and we believe that we have appropriately fulfilled these responsibilities. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.

Rural Housing Association, Tollgate House, 2 Killyclogher Road, Omagh, Co. Tyrone BT79 0AX.

Tel: (028) 8224 6118 Web: www.ruralhousing.co.uk Email: info@ruralhousing.co.uk

7. We have disclosed to you all instances of known or suspected fraud affecting the RHA involving management, employees who have a significant role in internal control or others where fraud could have a material effect on the financial statements.

8. We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the RHA's financial statements communicated by current or former employees, analysts, regulators or others.

Assets and liabilities

9. The RHA has satisfactory title to all assets and there are no liens or encumbrances on the RHA's assets, except for those that are disclosed in the notes to the financial statements.

10. We are satisfied that the accruals reported in the financial statements of £986,876 and other creditors of £226,272 are accurate and complete.

11. We are satisfied that the net book value of housing land and buildings in the accounts of £52,734,290 is fairly valued and no impairment is required in the year to 31 March 2023.

12. All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.

13. We have no plans or intentions that may materially alter the carrying value and, where relevant, the fair value measurements or classification of assets and liabilities reflected in the financial statements.

14. We have not breached any covenants which might affect any outstanding loans.

Accounting estimates

15. The methods, data and significant assumptions used by us in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement and disclosure that is reasonable in the context of the applicable financial reporting framework.

Loans and arrangements

16. The company has not granted any advances or credits to, or made guarantees on behalf of the Board of Management other than those disclosed in the financial statements.

Legal claims

17. We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for and disclosed in the financial statements.

Laws and regulations

18. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

Related parties

19. Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with the requirements of company law or accounting standards.

Subsequent events

20. All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

Going concern


21. We believe that the RHA's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the RHA's needs. We also confirm our plans for future action(s) required to enable the RHA to continue as a going concern are feasible. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the RHA's ability to continue as a going concern need to be made in the financial statements.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

The directors have taken all the steps that they ought to have taken as a directors in order to make themselves aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully





Signed on behalf of the Board of Management