

Woven Housing Association Limited

Report and Financial Statements

For the Year Ended 31 March 2024

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Board of Management

N McIvor	Chair
N Loughran	Vice- Chair
G McCabe	Treasurer
G Gilpin	Honorary Secretary
G Davidson	
M Alcorn	
L Allen	
E Martin	Retired March 2024
D McCavery	
M Stevenson	Retired May 2023

Committee Members

J Bourke
B Horowski
T Cole
T Curran
E McQuillan

Chief Executive and Secretary

D McKinney BA (Hons), Bsc (Hons), MaPS, PGCert, FInstLM

Registered office

Laganwood House
44 Newforge Lane
Belfast
BT9 5NW

Registered under the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969, (formerly the Industrial and Provident Societies Act (Northern Ireland) 1969)

Registered number

IP 000172

Registered with the Charities Commission for Northern Ireland NIC 103066

Board of Management and Advisers (cont'd)

Statutory Auditors

RBCA Ltd
Linenhall Exchange
26 Linenhall Street
Belfast
BT2 8BG

Bankers

Ulster Bank Ltd
11-16 Donegall Square East
Belfast
BT1 5UB

Solicitors

Edwards & Co
28 Hill Street
Belfast
BT1 2LA

Report of the Board of Management for the year ended 31 March 2024

Strategic Report

The Board presents its strategic report and the audited financial statements for the year ended 31 March 2024 of Woven Housing Association Limited (the "Association").

Principal Activities

The Association is a registered non-profit making housing association providing housing accommodation for those in need.

Company Profile

Woven Housing Association (formerly known as Habinteg Housing Association (Ulster) Ltd) was founded in 1976 and is a registered housing association in Northern Ireland. Woven plans, develops and manages 'integrated' housing schemes in both urban and rural areas throughout the region and works with a number of partner organisations in providing supported housing projects. The Association currently has over 2,400 properties at more than 100 locations and 16 partnership schemes.

Woven's Vision - 'Homes, Lives and Communities Woven as One' encapsulates the Association's central aim of providing housing which combines a range of dwelling types - family houses, apartments and bungalows - in order to appropriately meet the needs of the widest range of users, including older persons and persons with a disability. Quality, sustainable developments include large and medium sized suburban housing developments, inner city apartments, individual rural cottages and specialised housing schemes. Partnership projects include sensitively designed housing with care schemes, temporary accommodation for people who are homeless, and housing initiatives for people with additional support needs.

The standard and quality of these developments has been recognised at local and national level with an impressive list of high-profile awards, including the UK Housing Award for Outstanding Achievement in Social Housing in Northern Ireland, the RICS Award for the Northern Ireland region and a succession of NIHE Housing Council Awards for Best Scheme in Northern Ireland.

Woven is a Customer Service Excellence organisation still retaining the Standard. We are a Gold standard Investor In People Organisation. We continue to hold the following international Standards:

- ISO9001 Quality Management Systems.
- ISO14001 Environmental Management.
- ISO45001 Occupational Health and Safety.

Results and Performance

The surplus on ordinary activities for the year was £564,934 compared with a surplus of £541,107 for the previous year. The total Comprehensive income for the year is £415,934 against a figure from 2022/23 of £4,925,107.

For the 2023/24 Business year we continued to deliver our core services, maintaining our focus on our tenants, other customers and employees' needs. We responded to legislative changes, made funding decisions in a timely manner, and progressed our digital journey amid relocating all of our Holywood based staff and business to our new headquarters in Belfast.

Using our annual Business Operational Plan and Dashboard we outlined 26 external and internal KPIs and targets and monitored and reported on our performance on a quarterly basis to our Senior Management Team and Board. We have achieved significant success with these targets over the last 12 months.

Value for Money

The Association is a member of Housemark which provides benchmarking information to enable us to continue to measure our performance against our peers in Northern Ireland and throughout the United Kingdom. We will continue to challenge ourselves to make best use of the resources we have available when meeting customer needs.

Risks

The Board have reviewed the strategic and key risk register on a quarterly basis throughout the year. This covers inherent and residual risks for the key strategic areas within the organisation as well as further actions that the Association has put in place to minimise any potential impact. This will continue to be reviewed and amended by the Association.

Treasury Management Policy

The Association's aim is to keep cash balances to a minimum of £2,000,000 where possible and therefore keep loan interest charges to a minimum. This is achieved without compromising the Association's ability to meet its financial obligations as they fall due. During the period new loans of the value of £12,000,000 were drawn down. It is noted that the cash balances currently held will be utilised on new developments and to fund our planned maintenance programme.

All surpluses generated by the Association have been reinvested in order to maintain existing homes in good condition, develop new homes at rent levels as low as possible and to reduce borrowing requirements. The reserves that the Association has built up have largely been reinvested into its properties and are not, therefore, represented by cash balances.

Future Development

The Association's strategy is to increase the number of homes in management each year through a combination of house purchases and new developments on site. There are 146 new starts expected during 2024/25. We anticipate to hand over 278 new homes to new tenants throughout the year.

Corporate Governance

In the opinion of the Board, the Association is in compliance with the Best Practice Code of Governance issued by the NHF and has complied with all DfC Regulatory Standards during the year.

The Board

The Board meets regularly throughout the year. There are various sub-committees who meet regularly throughout the year with specific responsibilities for development, housing management and maintenance, finance and corporate services, as well as audit and risk.

There were five Board meetings during the course of the year and the attendance was as follows:

Mr N McIvor	5	N Loughran	5
Mr G McCabe	5	Mr G Gilpin	3
Mr G Davidson	4	Ms M Alcorn	4
Ms L Allen	3	Ms E Martin	3
Mr D McCavery	2	Mr M Stevenson	1

Michael Stevenson retired in May 2023, and Elizabeth Martin retired in March 2024.

Ms N Loughran, Mr G McCabe and Mr G Davidson retire by rotation and are seeking re-election.

Audit and Risk Committee

The Association has an Audit and Risk Committee with clearly defined terms of reference. The committee comprises 2 members and meets at least 4 times a year. Any member is entitled to attend a committee meeting. The Audit and Risk Committee monitors financial reporting and accounting policies along with the adequacy of the Association's internal financial controls and provides a forum through which the Association's external and internal auditors report to the Board. The Board believes it has an objective and professional relationship with its auditors.

Going Concern

After making enquiries, the Board has a reasonable expectation that the Association had adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Internal Financial Control

The Board is responsible for the Association's systems of internal financial control and along with senior management, is responsible for establishing and operating detailed control and report procedures. The systems of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement and loss.

The Board has reviewed the effectiveness of the Association's system of internal financial control. The review included consideration of the business risks facing the association and of the existing internal financial control procedures. The key elements of the control system in operation are:

- the Board has adopted a formal schedule of matters reserved for its approval ensuring it maintains responsibility for overall strategy, approval of all property transactions and other major capital expenditure projects;
- there is an organisation structure with clearly defined lines of responsibility and delegation of authority;
- detailed budgets are prepared covering the Association's businesses which are reviewed and approved by the Board. Actual results are compared against budget and appropriate action identified and initiated; and
- the Audit and Risk Committee reviews matters relating to internal control and receives reports on a regular basis from the external and internal auditors and from senior management.

Compliance with Code of Best Practice

The auditors have confirmed that in their opinion, with respect to the Board's statements on internal financial control and going concern above, the members have provided the disclosures required by the Code and such statements are not inconsistent with the information of which they are aware from their audit work on the financial statements, and that the Board's statement on pages 3 to 7 appropriately reflects the Association's compliance with the other paragraphs of the Code. They have carried out their review in accordance with the relevant Bulletin issued by the Auditing Practices Board, which does not require them to perform any additional work necessary to express a separate opinion on the effectiveness of either the Association's system of internal financial control or corporate governance procedures, or on the ability of the Association to continue in operational existence.

Disclosure exemption

The company is currently involved in a number of disputes where it is not possible to determine the financial impact at this time. The information usually required in relation to Provisions, Contingent Liabilities and Contingent Assets is not disclosed on the grounds it could prejudice the outcome of these disputes.

Statement of the Board

The Board is required to prepare accounts for each financial period which 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 those accounts the Board is required to:

- select suitable accounting policies and then 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Association will continue to operate.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association. It is also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention of fraud and other irregularities.

Auditor

The Audit and Risk Committee recommended to the Board that Ross Boyd Chartered Accountants be re-appointed as the Association's external auditors and Ross Boyd Chartered Accountants have indicated a willingness to continue in office. A resolution concerning their reappointment will be proposed at the Annual General Meeting.

On behalf of the board



Neil McIvor
Chairman
11th September 2024

Independent Auditor's Report

Opinion

We have audited the financial statements of Woven Housing Association Limited for the year ended 31 March 2024, which comprise the Statement of Changes in Reserves, Statement of Cashflows and Notes to the Financial Statements including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice) and the 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 the company's affairs as at 31 March 2024 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the requirements of the Co-operative and Community Benefits Societies Act (Northern Ireland) 1969 (formerly the Industrial and Provident Societies Act (Northern Ireland) 1969), the Charities Act (Northern Ireland) 2008, The Charities (Accounts and Reports) Regulations (Northern Ireland) 2015 and the Registered Housing Associations (Accounting Requirements) Order (Northern Ireland) 1993.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Board of Management's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Board of Management have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Association's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent Auditor's Report (cont'd)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Responsibilities of the Board of Management

As explained more fully in the Board of Management responsibilities statement 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 the Board of Management determines 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 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 of Management either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experiences through discussion the Board of Management and other management (as required by auditing standards).
- We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting and taxation legislation. We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.

Independent Auditor's Report (cont'd)

- With the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect was limited to enquiry of the Board of Management.
- We communicated applicable laws and regulations throughout our audit team and remained alert to any indications of non-compliance throughout the audit.
- We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Other required reporting

Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

Charities (Accounts and Reports) Regulations (Northern Ireland) 2015 exception reporting

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

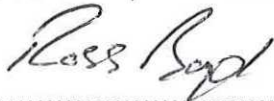
- Sufficient accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records; or
- We have not received all the information and explanations we require for our audit.

We have no exceptions to report arising from this responsibility.

Independent Auditor's Report (cont'd)

Use of our report

This report is made solely to the Board of Management, in accordance with Article 38 of the Co-Operative and Community Benefit Societies Act (Northern Ireland) 1969 (formerly the Industrial and Provident Societies Act (Northern Ireland) 1969). Our audit work has been undertaken so that we might state to the Board of Management 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 Board of Management and the Association as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Ross Boyd (Senior Statutory Auditor)
For and on behalf of RBCA Limited, Statutory Auditor

Linenhall Exchange
26 Linenhall Street
Belfast
BT2 8BG

11th September 2024

Statement of Comprehensive Income

For the year ended 31 March 2024

	Notes	2024 £	2023 £
Turnover	3	19,272,565	17,729,361
Operating costs	3	(16,312,700)	(15,865,189)
Operating surplus		2,959,865	1,864,172
Gain on property disposals		684,162	1,931,148
Transfer to disposal proceeds fund	15	(538,357)	(1,359,983)
Interest and financing income/(costs)		(2,563,736)	(1,811,230)
Other finance charges	20	23,000	(83,000)
Surplus before tax		564,934	541,107
Taxation		-	-
Surplus after tax		564,934	541,107
Other comprehensive income			
Actuarial gain/ (loss) in respect of pension scheme	20	(149,000)	4,384,000
Total comprehensive income for the year		415,934	4,925,107

The notes on pages 18 to 35 form part of these financial statements.

Statement of Changes in Equity

For the year ended 31 March 2024

	Share Capital	Capital reserve	Revenue reserve	Restricted reserve	Total
	£	£	£	£	£
Balance at 1 April 2023	10	84	31,111,131	0	31,111,225
Surplus / (deficit) for the year	-	-	572,803	(7,869)	564,934
Other comprehensive income	-	-	(149,000)	-	(149,000)
Transfers between reserves	(2)	2	(7,869)	7,869	-
Issued share capital	-	-	-	-	-
Balance at 31 March 2024	8	86	31,527,065	0	31,527,159

The notes on pages 18 to 35 form part of these financial statements.


Woven Housing Association Limited
Year Ended 31 March 2024

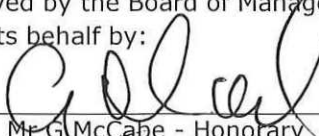
Statement of Financial Position

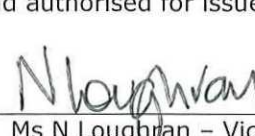
As at 31 March 2024

	Notes	2024 £	2023 £
Fixed assets			
Housing properties	10	223,689,177	207,839,650
Office premises	12	6,772,635	0
Other tangible fixed assets	12	275,158	6,986,664
		<u>230,736,970</u>	<u>214,826,314</u>
Current assets			
Trade and other debtors	13	9,403,979	3,741,701
Cash and cash equivalents		3,269,096	5,666,467
		<u>12,673,075</u>	<u>9,408,168</u>
Less: Creditors: amounts falling due within one year	14	(20,120,260)	(17,412,028)
Net current liabilities		<u>(7,447,185)</u>	<u>(8,003,860)</u>
Total assets less current liabilities		<u>223,289,785</u>	<u>206,822,454</u>
Creditors: amounts falling due after more than one year	14	(191,762,626)	(175,886,229)
Pension fund asset/(liability)	20	-	175,000
Total net assets		<u>31,527,159</u>	<u>31,111,225</u>
Reserves			
Share capital	22	8	10
Revenue reserves		31,527,065	31,111,131
Capital reserves	23	86	84
Restricted reserves	24	-	-
Total reserves		<u>31,527,159</u>	<u>31,111,225</u>

These financial statements were approved by the Board of Management and authorised for issue on 11 September 2024 and signed on its behalf by:


Mr N McIvor - Chair


Mr G McCabe - Honorary Secretary


Ms N Loughran - Vice Chair

The notes on pages 18 to 35 form part of these financial statements.

Statement of Cash Flows

For the year ended 31 March 2024

	Notes	2024 £	2023 £
Net cash inflow from operating activities	A	5,845,103	4,241,724
Returns on investments and servicing of finance	B	(2,563,736)	(1,811,230)
Capital expenditure and financial investment	B	(15,360,801)	(12,131,962)
Cash inflow / outflow before use of liquid resources and financing		(12,079,434)	(9,701,468)
Financing	B	9,682,063	10,692,235
		(2,397,371)	990,767

Reconciliation of net cash flow to movements in net debts (Note C)

Decrease in cash in period	(2,397,371)
Net funds at 1 April 2023	5,666,467
Net funds at 31 March 2024	3,269,096

The notes on pages 16 to 17 form part of this financial statement.

Notes to Statement of Cash Flows

For the year ended 31 March 2024

A. Reconciliation of operating surplus / (deficit) to operating cashflows

	2024	2023
	£	£
Operating surplus	2,959,865	1,864,172
Depreciation	4,491,225	4,138,840
Amortisation of grant	(2,588,359)	(2,309,639)
Movements in:		
Other debtors	(195,854)	(88,562)
Creditors less than one year	1,129,226	(128,087)
FRS 102 – pension adjustment	49,000	765,000
	<u>5,845,103</u>	<u>4,241,724</u>

B. Analysis of cash flows for headings netted in the cash flow statement.

Returns on investment and servicing of finance

	£	£
Interest received	45,521	
Loan and bank interest paid	(2,609,257)	
Net cash inflow / (outflow) for returns on investment and servicing of finance		<u>(2,563,736)</u>

Capital expenditure and financial investment

Other fixed assets	(125,652)	
Housing, land and buildings	(20,892,538)	
Capital grant received	4,973,227	
Proceeds from Disposals	684,162	
Major repairs spend	-	
Net cash inflow / (outflow) for capital expenditure and financial investment		<u>(15,360,801)</u>

Financing

Loan principal repayments	(2,317,937)	
Loan drawdowns	12,000,000	
Share capital issued	-	
Net cash inflow / (outflow) from financing		<u>9,682,063</u>

Notes to Statement of Cash Flows (cont'd)

For the year ended 31 March 2024

C. Analysis of changes in net funds

	At 01/04/23 £	Cashflows £	Other Changes £	At 31/03/24 £
Cash in hand and at bank	5,666,467	(2,397,371)	-	3,269,096
Debt due within one year	(3,316,875)	(739,659)	-	(2,577,216)
Debt due after more than one year	(53,588,393)	10,421,722	-	(64,010,115)
	<u>(51,238,801)</u>	<u>7,284,692</u>	<u>-</u>	<u>(63,318,235)</u>

Notes to the financial statements

1. Legal status

Woven Housing Association Limited changed its name from Habinteg Housing Association (Ulster) Limited within the financial year. Woven Housing Association Limited is a housing association registered in Northern Ireland in the United Kingdom under the Credit Unions and Co-operative and Community Benefit Societies (Northern Ireland) Act 2016 (formerly known as the Industrial and Provident Societies Act (Northern Ireland) 1969). The registered office of the Association is Laganwood House, 44 Newforge Lane, Belfast, BT9 5NW.

2. Accounting Policies

2.1 Basis of accounting

These financial statements have been prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' and the Statement of Recommended Practice ("SORP") for Registered Social Housing Providers.

The financial statements are presented in Sterling, rounded to the nearest pound (£), which is the functional currency of the Association.

2.2 Revenue recognition

Revenue is recognised when the Association has entitlement to the funds and it is probable that the income will be received and the amount is reliably measured.

Turnover includes income receivable from lettings, rates and service charges, fees receivable, grants and other income.

2.3 Government and other grants

Housing Association Grant (HAG) is receivable from the Northern Ireland Housing Executive (NIHE) and is recognised in income over the useful life of the housing property structure under the accruals model. HAG due is included as a current asset. HAG received in advance is included as a liability.

HAG 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.

HAG released on sale of a property may be repayable but is normally available to be recycled and is credited to the Disposal Proceeds Fund and included in the Statement of Financial Position within Creditors.

2.4 Tangible fixed assets

Housing properties

Housing stock are properties held for the provision of social housing or to otherwise provide social benefit and are accounted for within tangible fixed assets. Housing properties are principally available for rent and are stated at cost less accumulated depreciation and any accumulated 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.

Depreciation of Housing properties

The Association separately identifies the major components which comprise its housing properties, and charges depreciation, so as to write-down the cost of each component to its estimated residual value, on a straight line basis, over its estimated useful life.

The Association depreciates the major components of its housing properties over the following expected useful lives:

Land	-	Not depreciated
Structure/main fabric	-	Over 60 years
Roof	-	Over 50 years
Windows and doors	-	Over 15 years
Primary heating unit	-	Over 15 years
Kitchen	-	Over 15 years
Bathroom	-	Over 30 years
Mechanical systems	-	Over 30 years
Electrics	-	Over 30 years
Lifts	-	Over 20 years

Depreciation of other tangible fixed assets

For other tangible fixed assets, depreciation is charged on a straight-line basis over the expected useful lives of the assets to write off the cost, less estimated residual values over the following expected lives:

Land	-	Not depreciated
Office buildings	-	Over 50 years
Scheme furniture and equipment	-	Over 3 – 5 years
Motor vehicles	-	Over 4 years
Office furniture and equipment	-	Over 4 years

2.5 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.

2.6 Employee benefits

Defined Contribution Pension

The Association operates a defined contribution scheme for certain employees. A defined contribution plan is a pension plan under which the Association pays fixed contributions into a separate entity. Once the contributions have been paid the Association has no further payment obligations.

The contributions are recognised as an expense when they are due. Amounts not paid are included as accruals in the Statement of Financial Position. The assets of the plan are held separately from the Association in independently administered funds.

Defined Benefits Pension

The Association also participates in a defined benefit salary pension scheme through the Northern Ireland Local Government Officers Superannuation Committee. The assets of the scheme are held separately from those of the Association. Pension scheme liabilities are measured on an actuarial basis using a projected unit method and are discounted to their present value. Pension scheme assets are valued at market value at the balance sheet date.

2.7 Tenants' Services Fund

For certain schemes the Association is required to charge to the tenants an additional amount to fund the cost of common facilities. Annual surpluses or deficits are transferred to the Tenants' Services Fund to equalise the financial position over the lifetime of the scheme.

2.8 Disposal Proceeds Fund

The net surpluses, after loan repayments, that arise from the sale of property to tenants under the voluntary purchase grant arrangements, instituted by the Department for Communities, can be utilised by the Association. If the surpluses are not used within two years of their receipt they may be payable in part or in full to the Department for Communities.

2.9 Income tax

The Association is accepted as a charity by the HMRC. Income and capital gains of the Association are generally exempt from tax if applied for charitable purposes.

2.10 Value Added Tax

The Association is not registered for VAT. All of its income, including rental receipts, is exempt for VAT purposes.

2.11 Financial instruments

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

2.12 Judgements in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements made in the process of preparing the association financial statements are continually evaluated and are based on historical expenses and other factors, including expectations of future events that believed to be reasonable under the circumstances.

(a) Critical judgement in applying the entity's accounting policies.

There are no critical judgements in applying the entity's accounting policies.

(b) Critical accounting estimates and assumptions

The Board of Management makes estimates and assumptions concerning the future in the process of preparing the association financial statements. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of housing properties

The annual depreciation on housing properties is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reviewed annually. They are amended when necessary to reflect current estimates, based on future investments, economic utilisation and the physical condition of the assets.

(ii) Accruals

Accrued expenditure includes amounts relating to certain purchase orders issued by the Association. Actual amounts subsequently invoiced by suppliers may vary from amounts accrued due to subsequent work variations and other unforeseen circumstances. Purchase orders are accrued by the Association when it considers that a constructive obligation has been created and are valued with reference to agreed contractual rates and reflecting historical experience and current trends.

(iii) Bad debt provisions

Recoverability of trade debtors is part of the association's credit control process to regularly monitor the recoverability of trade debtors and make adequate provisions for any doubtful amounts. Bad debt provisions are calculated both on a specific and general basis, using all information available to the association at the time.

There are no other critical accounting estimates and assumptions.

2.13 Going concern

After making appropriate enquires, the Board has a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in the financial statements.

3. Turnover, Operating costs and operating surplus

		2024		2023
	Operating Turnover £	Operating Costs £	Operating Surplus/ (deficit) £	Operating Surplus/ (deficit) £
Social Housing Activities (Note 4)	18,486,376	15,359,184	3,127,192	2,146,091
Non-Social Housing Activities (Note 5)	786,189	953,516	(167,327)	(281,919)
	<u>19,272,565</u>	<u>16,312,700</u>	<u>2,959,865</u>	<u>1,864,172</u>

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

	General £	Sheltered £	Supporting People Restricted Funding £	Hostel £	Tenants Services £	2024 Total £	2023 Total £
Operating Income							
Rent Receivable	12,210,552	134,182				12,344,734	11,185,639
Service Charges Receivable		82,279		69,901	708,641	860,821	764,545
Rates Receivable	1,768,320	19,471				1,787,791	1,641,224
Supporting People income			12,790			12,790	12,043
Income from HAG	2,341,383	17,038		231,958		2,590,379	2,640,946
Income from Other Grants	194,212					194,212	199,648
Joint managed income				835,753		835,753	791,415
Exceptional Income						-	-
Less: Voids	(126,606)	(2,204)			(11,294)	(140,104)	(153,064)
Total Social Housing Income	16,387,861	250,766	12,790	1,137,612	697,347	18,486,376	17,082,396
Operating Costs							
Service Costs		86,689		64,546	747,587	898,822	791,505
Supporting People costs			20,659			20,659	17,154
Care Costs						-	-
Management costs	3,107,633			150,845		3,258,478	2,453,319
Rates Payable	1,589,326	20,268				1,609,594	1,476,885
Maintenance Administration costs	2,346,316					2,346,316	1,824,006
Planned & Cyclical Maintenance	367,862	4,043		5,869		377,774	656,913
Reactive Maintenance	2,238,156	35,073		238,514		2,511,743	2,657,301
Major Repairs (not capitalised)						-	-
Bad debts written off	74,469					74,469	42,637
Depreciation of Housing Properties	3,877,375	46,401		272,428		4,196,204	4,160,011
Component replacements	71,126	265		8,027		79,418	117,929
Pension fund non cash charge	49,000					49,000	765,000
Transfer (to)/from Tenants' Services Fund		(5,184)	(7,869)		(50,240)	(63,293)	(26,355)
Total Social Housing Expenditure	13,721,263	187,555	12,790	740,229	697,347	15,359,184	14,936,305
Operating surplus on social housing	2,666,598	63,211	0	397,383	0	3,127,192	2,146,091

4. Turnover, operating costs and operating surplus/(deficit) from social housing activities (cont'd)

DfC Allowances	2024	2023
	£	£
Management allowances	912,780	873,576
Management costs	(3,107,633)	(2,357,377)
Surplus/ (deficit)	<u>(2,194,853)</u>	<u>(1,483,801)</u>
Maintenance allowances	1,069,520	1,023,584
Planned and cyclical maintenance	(367,862)	(522,459)
Reactive maintenance	(2,238,156)	(2,350,994)
Surplus/ (deficit)	<u>(1,536,498)</u>	<u>(1,849,869)</u>

Technical & Non-Technical Income

	2024	2023
	£	£
Technical	10,875,405	10,596,274
Non-Technical	4,117,941	2,995,134
Total	<u>14,993,346</u>	<u>13,591,408</u>

5. Turnover, operating costs and operating surplus/(deficit) from non-social housing activities

	2024	2023
	£	£
Operating Income		
Development	786,189	646,965
Total Non-Social Housing Income	<u>786,189</u>	<u>646,965</u>
Operating Costs		
Development Costs	786,189	646,965
Other costs not capitalised	147,428	236,838
Aborted scheme costs	19,899	45,081
Total Non-Social Housing Expenditure	<u>953,516</u>	<u>928,884</u>
Operating (deficit) on non-social housing	<u>(167,327)</u>	<u>(281,919)</u>

6. Surplus on ordinary activities

Surplus on ordinary activities is stated after charging/(crediting):

	2024	2023
	£	£
Depreciation – owned tangible fixed assets	4,196,204	4,160,011
Amortisation of grant / Release of capital grant	(2,590,379)	(2,507,332)
Auditor's remuneration		
- External audit of these financial statements	8,967	9,995
- Internal audit	14,891	7,584
	<u> </u>	<u> </u>

7. Interest payable

	2024	2023
	£	£
On housing property loans	2,581,787	1,648,513
Bank interest and charges	27,470	170,906
	<u>2,609,257</u>	<u>1,819,419</u>

8. Employee information

Average weekly number of employees during the financial year expressed as full-time equivalents is as follows:

	2024	2023
	No.	No.
Administration	85	88
Housing, support and care	13	6
	<u>98</u>	<u>94</u>

Staff costs

	2024	2023
	£	£
Wages and salaries	3,658,750	3,283,605
Social security costs	368,607	333,688
Pension costs (excluding non-cash costs)	653,956	584,775
	<u>4,681,313</u>	<u>4,202,068</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	437,935	428,116
	<u>437,935</u>	<u>428,116</u>

8. Employee information (cont'd)

The total remuneration payable to the highest paid Director, excluding pension contributions but including benefits in kind was:

	2024	2023
	£	£
Aggregate remuneration	109,183	96,750
	<u>109,183</u>	<u>96,750</u>

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

	2024	2023
	£	£
45,000 – 50,000	1	-
65,000 – 70,000	-	4
75,000 – 80,000	2	-
80,000 – 85,000	1	-
95,000 – 100,000	-	1
105,000 – 110,000	1	-
	<u>5</u>	<u>5</u>

9. Board of Management remuneration

Board members were paid out of pocket expenses totalling £1,453 (2023: £nil)

10. Tangible fixed assets – Housing properties

	Housing properties held for letting £
Cost or valuation	
At 1 April 2023	264,139,342
Additions	20,892,538
Transfer to other tangible fixed assets	(204,525)
Disposals	(1,103,854)
At 31 March 2024	<u>283,723,501</u>
Completed	<u>243,221,522</u>
Work in progress	<u>40,501,979</u>
Depreciation and impairment	
At 1 April 2023	56,299,692
Charge for the year	4,196,204
Impairment charged in year	-
Eliminated on disposal	(461,572)
At 31 March 2024	<u>60,034,324</u>
Net book value	
At 31 March 2024	<u><u>223,689,177</u></u>
At 31 March 2023	<u><u>207,839,650</u></u>

11. Housing Stock

Number of units owned and managed at year end

Self-Contained	2024 Properties	2023 Properties
General Needs Housing	2,270	2,206
Supported Housing	-	-
Sheltered Housing	35	35
Hostel bed spaces	68	61
	<u>2,373</u>	<u>2,302</u>
 Non Self-Contained	 2024 Bedspaces	 2023 Bedspaces
General Needs Housing	-	-
Supported Housing	-	-
Hostel bed spaces	172	179
	<u>172</u>	<u>179</u>
 Total Units Owned and Managed at year end	 <u>2,545</u>	 <u>2,481</u>

Number of units managed (but not owned) at year end

Self-Contained	2024 Properties	2023 Properties
General Needs Housing	-	-
Supported Housing	-	-
Sheltered Housing	-	-
	<u>-</u>	<u>-</u>
 Non Self-Contained	 2024 Bedspaces	 2023 Bedspaces
General Needs Housing	-	-
Supported Housing	-	-
Sheltered Housing	-	-
	<u>-</u>	<u>-</u>
 Total Units Managed at year end	 <u>-</u>	 <u>-</u>

12. Other tangible fixed assets

	Office Premises	Computers and office equipment	Assets under Construction	Total
	£	£	£	£
Cost or valuation				
At 1 April 2023	-	937,602	6,825,516	7,763,118
Additions	-	74,986	-	74,986
Transfer from housing properties	6,875,761	154,125	(6,825,516)	204,370
Disposals	-	-	-	-
At 31 March 2024	6,875,761	1,166,713	-	8,042,474
Depreciation				
At 1 April 2023	-	776,454	-	776,454
Charge for the year	103,126	115,101	-	218,227
Eliminated on disposal	-	-	-	-
At 31 March 2024	103,126	891,555	-	994,681
Net book value				
At 31 March 2024	6,772,635	275,158	-	7,047,793
At 31 March 2023	-	161,148	6,825,516	6,986,664

The Asset under construction relates to the Association's new Headquarters building which it brought into use in April 2023. All costs have been transferred from Housing properties to Office premises and Computers & Office Equipment and are being depreciated in line with the Associations depreciation policy.

13. Debtors

	2024 £	2023 £
Gross rental debtors – Technical	785,844	649,245
Gross rental debtors – Non-Technical	795,919	686,495
Provision for bad debt	(438,396)	(400,356)
Net rental debtors	1,143,367	935,384
Housing Association Grant receivable	7,976,124	2,509,700
Prepayments and accrued income	203,025	129,171
Other debtors	81,463	167,446
	9,403,979	3,741,701

14. Creditors

Amounts falling due within 1 year

	2024	2023
	£	£
Loans	2,577,216	3,316,875
Housing Association Grant in advance	7,580,307	6,448,833
Revenue Grant in advance	219,256	323,481
Deferred Housing Association Grant (Note 16)	2,590,379	2,640,946
Disposal Proceeds Fund (Note 15)	3,115,112	1,755,129
Accruals and deferred income	3,610,470	2,007,832
Rent and service charges received in advance	376,254	291,836
Tenants' Services Fund (schemes undercharged and payable)	44,884	108,177
Trade and other creditors	6,382	518,919
	<u>20,120,260</u>	<u>17,412,028</u>

Amounts falling due after more than 1 year

	2024	2023
	£	£
Loans (see analysis below)	64,010,115	53,588,393
Deferred Housing Association Grant (Note 16)	127,214,154	120,937,853
Disposal Proceeds Fund (Note 15)	538,357	1,359,983
	<u>191,762,626</u>	<u>175,886,229</u>

Loans

	2024	2023
	£	£
Within one year	2,577,216	3,316,875
Between one and five years	26,481,820	21,649,168
In five years or more	37,528,295	31,939,225
	<u>66,587,331</u>	<u>56,905,268</u>

Loans are secured on individual assets of the Association and are in instalments as set out above.

The Board are content that there are sufficient funds to cover any short term loan repayments.

15. Disposal Proceeds Fund

	2024	2023
	£	£
Balance brought forward	3,115,112	2,256,126
Transferred into fund	538,357	1,359,983
Recycled into Social Housing Grant	-	-
Expenditure	-	(500,997)
Balance carried forward	<u>3,653,469</u>	<u>3,115,112</u>

16. Deferred grant

	2024	2023
	£	£
At 1 April	130,027,631	125,851,146
Grant received/receivable in the year	10,335,598	8,499,940
Released to income in the year	(2,590,379)	(2,640,946)
Eliminated on housing unit disposals	(388,010)	(1,632,509)
Grants written off	-	(50,000)
At 31 March	<u>137,384,840</u>	<u>130,027,631</u>

17. Capital commitments

At 31 March 2024 the Association had capital commitments as follows:

	2024	2023
	£	£
Contracted for but not provided in the financial statements	34,092,804	43,881,833
Expenditure authorised by the Board of Management, but not contracted	-	-
	<u>34,092,804</u>	<u>43,881,833</u>

The Association anticipates that this expenditure will be funded by Housing Association Grant from the Department for Communities and by private finance, both external and internal.

18. Contingent Liabilities

There exists a contingent liability in respect of Housing Association Grant received by the company. The possibility of reimbursement to the Department for Communities is considered unlikely as the housing properties are expected to continue to be made available for social housing for the foreseeable future.

In addition, the company is currently involved in legal action with a supplier. The outcome of the case, including any potential financial liability, remains uncertain and as such, no provision has been made in the financial statements. The Board of Management will continue to monitor the case closely.

19. Disclosure exemption

The company is currently involved in a number of disputes where it is not possible to determine the financial impact at this time. The information usually required in relation to Provisions, Contingent Liabilities and Contingent Assets is not disclosed on the grounds it could prejudice the outcome of these disputes.

20. Pension commitments

Contributions to the fund, both employer and employee, are at rates specified by NILGOSC.

Formal valuations are carried out at regular intervals by independent professionally qualified actuaries. The date of the last full actuarial valuation of the employer's LGPS funded benefits was 31 March 2022.

	31/03/24	31/03/23	31/03/22
Assumptions			
Rate of salary increase	4.1%	4.2%	3.5%
Pension increases in payment	2.6%	2.7%	3.0%
Discount rate	4.8%	4.7%	2.7%
Rate of inflation	2.6%	2.7%	3.0%
DEFINED BENEFIT SECTION			
Assets of the scheme:			
	2024	2023	2022
	£	£	£
Equities	6,371,000	5,054,000	5,420,000
Property	1,414,000	1,415,000	1,263,000
Gilts	2,537,000	2,602,000	3,121,000
Corporate bonds	612,000	379,000	278,000
Cash and other	3,644,000	3,183,000	2,552,000
Total assets	14,578,000	12,633,000	12,634,000
Actuarial liabilities	(13,144,000)	(12,458,000)	(15,995,000)
Surplus/(deficit)	1,434,000	175,000	(3,361,000)
Related deferred tax liability	-	-	-
Net pension asset/(liability)	1,434,000	175,000	(3,361,000)

20. Pension commitments (cont'd)

The following amounts have been recognised in the performance statements for the year to 31 March 2024.

	2024	2023
	£	£
Analysis of the amount charged to operating surplus		
Current service cost	(702,000)	(1,349,000)
Past service charge	-	-
	<hr/>	<hr/>
Total service charge	(702,000)	(1,349,000)
Employer contributions	653,000	584,000
	<hr/>	<hr/>
Non-cash operating charge	(49,000)	(765,000)
	<hr/>	<hr/>
Total expense recognised in operating surplus	0	(1,349,000)
	<hr/>	<hr/>
Analysis of the amount credited to finance costs		
Interest expense on defined benefit obligation	(585,000)	(431,000)
Interest income on assets	608,000	348,000
	<hr/>	<hr/>
Net (charge)	23,000	(83,000)
	<hr/>	<hr/>
Amount recognised in other comprehensive income	-	-
Asset gains/(losses) arising during the period	746,000	(881,000)
Actuarial gains/(losses) arising during the period	704,000	6,585,000
Liability gains/(losses) arising during the period	(165,000)	(1,320,000)
Adjustment gain/(loss) due to restriction of surplus	(1,434,000)	-
	<hr/>	<hr/>
Actuarial gain/ (loss) in statement of changes in equity	(149,000)	4,384,000
	<hr/>	<hr/>
Movement in deficit during the year		
Surplus(Deficit) at 1 April	175,000	(3,361,000)
Non-cash operating charge	(49,000)	(765,000)
Financing charge	23,000	(83,000)
Amount recognised in other comprehensive income	(149,000)	4,384,000
	<hr/>	<hr/>
Surplus/(Deficit) at 31 March	0	175,000
	<hr/>	<hr/>

20. Pension commitments (cont'd)

	At 31/03/24 £	At 31/03/23 £
Asset and liability reconciliation		
Liabilities at 1 April	12,458,000	15,995,000
Service cost	702,000	1,349,000
Interest cost	585,000	431,000
Employee contributions	223,000	199,000
Actuarial losses/(gains)	(1,109,000)	(5,265,000)
Benefits paid	285,000	(251,000)
Liabilities at 31 March	13,144,000	12,458,000
Assets at 1 April	12,633,000	12,634,000
Interest income on assets	608,000	348,000
Remeasurement gains/(losses) on assets	746,000	(881,000)
Employer contributions	653,000	584,000
Employee contributions	223,000	199,000
Actuarial gains/(losses)	-	-
Benefits paid	(285,000)	(251,000)
Assets at 31 March	14,578,000	12,633,000

21. Leasing commitments

Operating leases

The total of the Association's future minimum lease payments under non-cancellable operating leases was:

	2024 £	2023 £
Within one year	40,493	40,493
Between one and five years	98,971	98,972
In five years or more	-	-
	<u>139,464</u>	<u>139,465</u>

22. Share capital

Ordinary shares of £1 each fully paid:

	2024 £	2023 £
At 1 April	10	11
Issued in the year	-	2
Transferred to capital reserve	(2)	(3)
At 31 March	8	10

23. Capital reserves

	2024	2023
	£	£
At 1 April	84	81
Transferred from share capital	2	3
At 31 March	86	84

24. Restricted reserves

	2024	2023
	£	£
At 1 April	-	1,883
(Deficit)	(7,869)	(5,111)
Transfer to/(from) revenue reserves	7,869	3,228
At 31 March	-	-

The restricted reserves above relate to the Supporting People surplus/ (deficit) at the Association's sheltered scheme. This account has historically shown a deficit each year except for the year ending March 2021 in which we reported a small surplus. In the current year we have reported a deficit and offset this against last year's surplus carried forward. As any cumulative surplus may be required to be paid back this will continue to be reported separately in restricted reserves.

25. Related party transactions

During the year the Association had no transactions with related parties.