

**ARK HOUSING ASSOCIATION NORTHERN IRELAND LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024**

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2024**

	<b>Note</b>	<b>2024 £</b>	<b>2023 £</b>
<b>Turnover</b>	2	6,783,783	5,570,707
<b>Operating costs</b>	2	(4,820,591)	(3,933,896)
Other Income		-	-
Gain/(Loss) on disposal of housing properties		23,878	13,908
<b>Operating Surplus</b>	7	1,987,070	1,650,719
Interest receivable and similar income	5	15,177	8,387
Interest payable and similar charges	6	(876,307)	(654,018)
Other finance costs	15	9,000	(34,000)
Additional Pension Service Costs	15	(3,000)	(260,000)
<b>Surplus on ordinary activities</b>		1,131,940	711,088
Actuarial (loss)/gain on pension scheme		(88,000)	1,755,000
<b>Total comprehensive income for the year</b>		<u>1,043,940</u>	<u>2,466,088</u>

All amounts above relate to continuing operations.

There is no material difference between the surplus for the year end and their historical cost equivalent.

Turnover includes £391,834 house sales income.

Operating costs include a transfer to Disposal Proceeds Fund of £367,956

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**STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDED 31 MARCH 2024**

	<b>Note</b>	<b>2024 £</b>	<b>2023 £</b>
Surplus for the financial year		1,131,940	711,088
Actuarial (loss)/gain on pension scheme	15	(88,000)	1,755,000
Issued share capital in year	16	-	2
Net changes in capital and reserve		1,043,940	2,466,090
Opening restricted reserve		142,582	98,100
Movement in Restricted Reserves in year		(98,100)	-
Opening revenue reserve		7,785,666	5,364,060
Opening Capital	16,17	52	50
Closing total capital and reserves		<u>8,874,140</u>	<u>7,928,300</u>

**ARK HOUSING ASSOCIATION NORTHERN IRELAND LIMITED**  
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**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024**

		<b>2024</b>	<b>2023</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
<b>FIXED ASSETS</b>			
Housing properties - depreciated cost	8	104,579,962	93,650,699
Other tangible fixed assets	9	870,710	897,389
		<u>105,450,672</u>	<u>94,548,088</u>
<b>NON CURRENT ASSETS</b>			
Pension	15	-	82,000
<b>CURRENT ASSETS</b>			
Debtors	10	6,368,278	1,773,846
Cash at bank and in hand		<u>1,880,134</u>	<u>1,254,295</u>
		8,248,412	3,028,141
<b>Creditors: amounts falling due within one year</b>	11	(16,676,832)	(13,142,186)
<b>Net Current (Liabilities)/Assets</b>		<u>(8,428,420)</u>	<u>(10,114,045)</u>
<b>Total Assets Less Current Liabilities</b>		<u>97,022,252</u>	<u>84,516,043</u>
<b>CREDITORS: amounts falling due after more than one year</b>			
Creditors	12	<u>(88,148,111)</u>	<u>(76,587,743)</u>
		<u>(88,148,111)</u>	<u>(76,587,743)</u>
<b>NET ASSETS</b>		<u>8,874,141</u>	<u>7,928,300</u>
<b>Capital and Reserves</b>			
Called up share capital	16	9	11
Capital reserve	17	43	41
Restricted reserves	19	56,979	142,582
Revenue reserve	18	<u>8,817,110</u>	<u>7,785,666</u>
<b>TOTAL FUNDS</b>		<u>8,874,141</u>	<u>7,928,300</u>

An undrawn Revolving Credit Facility balance of £12.5m is in place.

The financial statements on pages 21 to 42 were approved by the Board of Management on 24 June 2024 and were signed on its behalf by:

**Chair of the Board of Management**  
Mr Tom Doran

**Board Member**  
Mr Ian McAvoy




**Company Secretary**  
Mr James McShane



**ARK HOUSING ASSOCIATION NORTHERN IRELAND LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024**

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024**

	Note	2024 £	2023 £
Net cash generated from operating activities	23	2,682,343	5,123,078
Cash flow from Investing activities			
Purchase of housing properties		(11,851,499)	(21,382,826)
Purchase of other fixed assets		(44,507)	(30,666)
House Sales		516,070	200,959
Capital grants received		3,614,275	22,604,598
		<u>(7,765,661)</u>	<u>1,392,065</u>
Cash flow from financing activities			
Loan principal repayments		(396,171)	(390,673)
Loan (repayments)/advances received		7,000,000	(9,000,000)
Shares		-	2
Repayment of Restricted Reserves to NIHE		(98,100)	-
Interest Paid		(811,749)	(669,985)
Interest Received		15,177	8,387
Net cash from financing activities		<u>5,709,157</u>	<u>(10,052,269)</u>
<b>Net increase/(decrease) in cash</b>		<u>625,839</u>	<u>(3,537,126)</u>
Cash and cash equivalents at the beginning of the year		<u>1,254,295</u>	<u>4,791,421</u>
<b>Cash and cash equivalents at the end of the year</b>		<u><u>1,880,134</u></u>	<u><u>1,254,295</u></u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024**

**1 Accounting Policies**

**1.1 Basis of Accounting**

The financial statements have been prepared on the historical cost basis and in compliance with FRS 102, The Financial Reporting Standard applicable in the UK and the Housing SORP 2018: Statement of Recommended Practice for Social Housing Providers.

The financial statements are prepared in sterling, which is the functional currency of the entity. Monetary amounts are rounded to the nearest £.

The Association is a company limited by shares incorporated in Northern Ireland. The registered office is situated at Unit 1, Hawthorn Office Park, 43 Stockmans Way, Belfast, BT9 7ET.

**1.2 Turnover**

Turnover represents rental income, service charges receivable net of voids and the release of capital grants and is recognised in the period to which it relates.

**1.3 Other Tangible Fixed Assets and Depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is charged on a straight-line basis over the expected useful economic lives of the assets at the following annual rates: Furniture and equipment 10% - 33.3%.

Depreciation is charged on a straight-line basis for the new office over 30 years.

**1.4 Housing Properties**

Housing properties are stated at cost less accumulated depreciation. Cost includes the cost of acquiring land and buildings, development costs and expenditure incurred in respect of improvements. All development costs directly attributable to bringing properties into management are identified and capitalised to schemes in construction during the year.

Expenditure on improvements to existing properties, which enhances the economic benefits of the property or extends its useful life, is capitalised as part of the cost of the property. Other maintenance expenditure is written off to the Income and Expenditure Account as it is incurred.

Depreciation is charged on a straight-line basis over varying timescales, depending on the estimated useful life of the individual components. The major components and their estimated useful lives are listed below. Depreciation charged in the accounts is based on properties in management on the 1<sup>st</sup> April each year.

Land	Not depreciated
Structure (including roof)	100 years
Kitchen	20 years
Bathroom	25 years
Heating boiler	10/15 years
Heating system	30 years
Windows and doors	35 years
Electrics	35 years

Where there is evidence of impairment, the fixed assets are written down to the recoverable amount and any write down charged to operating surplus.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (CONT'D)**

**1 Accounting Policies (Cont'd)**

**1.5 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

**1.6 Housing Association Grant**

Grant received for property has been included under long term liabilities and is amortised over the estimated useful life of the component to which it relates on the same basis as the depreciation charge listed above under the accruals model. Such grants may be repayable under certain circumstances, primarily following the sale of housing property, but any amount repayable would be restricted to the net proceeds of the sale.

**1.7 Restricted Reserves**

The Association sets aside money raised for a specific purpose into a restricted reserve.

**1.8 Retirement Benefits**

The Association participates in the NILGOSC defined benefit pension scheme. The underlying assets and liabilities of the scheme attributable to the Association 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. Assets are measured at market value at the balance sheet date. As a result, the Association either recognises the scheme deficit on the balance sheet at the year end, or in the case of an asset position, does not recognise this on the balance sheet, on the grounds of prudence. Actuarial gains and losses are included in the statement of comprehensive income. Current and past service costs, curtailments and settlements are recognised within operating surplus. Returns on scheme assets and interest on obligations are recognised as other finance costs.

**1.9 Disposal Proceeds Fund**

Surpluses from disposal of housing properties, including the Voluntary Purchase Grant, are transferred to the Disposal Proceeds Fund. The association is required to apply these surpluses within a specified period to housing projects as Recycled Housing Association Grant.

**1.10 Tenants' Services Fund**

For certain schemes the Association is required to charge the tenants for additional services provided, over and above those of the normal management and maintenance services. The Association levies an additional charge to the tenants for this. Annual surpluses are transferred to a fund to equalise the financial position over a period of time and deficits are written off in the year in which they occur.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (CONT'D)

**1 Accounting Policies(Cont'd)**

**1.11 Employee Benefits**

The costs of short-term employee benefits are recognised as a liability and an expense unless those costs are required to be recognised as part of the cost of stock or fixed assets. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.12 Cash and Cash Equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.13 Financial Instruments**

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

***Derecognition of financial assets***

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (CONT'D)

**1 Accounting Policies (Cont'd)**

***Classification of financial liabilities***

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

***Basic financial liabilities***

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

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

**1.4 Judgement and Key Sources of Estimation Uncertainty**

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

The association has recognised a defined benefit pension scheme liability in the balance sheet, the value of which has been prepared by an independent qualified actuary. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty.

The annual depreciation charge on fixed assets depends primarily on the estimated lives of each type of asset and estimates of residual values. The asset lives are regularly reviewed and are changed as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have a significant impact on depreciation and amortisation charges for the period. Details of the useful lives is included in the accounting policies.



**ARK HOUSING ASSOCIATION NORTHERN IRELAND LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (CONT'D)**

**2 Turnover, operating costs and operating surplus**

	2024			2023		
	Operating Turnover £	Operating Costs £	Operating Surplus/ (deficit) £	Operating Turnover £	Operating Costs £	Operating Surplus/ (deficit) £
Social Housing Activities	6,232,011	4,259,950	1,972,061	4,852,000	3,246,092	1,605,908
Non-Social Housing Activities	943,606	928,597	15,009	852,431	807,620	44,811
<b>Total</b>	<b>7,175,617</b>	<b>5,188,547</b>	<b>1,987,070</b>	<b>5,704,431</b>	<b>4,053,712</b>	<b>1,650,719</b>

**Income from Social Housing**

	Property Revenue £	Sheltered £	Supported £	2024 Total Social Housing £
Rent receivable	3,801,645	306,109	320,574	4,428,328
Service Charges Receivable	330,077	147,232	197,454	674,763
Support Charges and other	-	34,915	-	34,915
Other Operating Income	391,833	-	-	391,833
Gross Income	4,523,555	488,256	518,028	5,529,839
Voids	(54,095)	(4,038)	(8,827)	(66,960)
Net Income	4,469,460	484,218	509,201	5,462,879
Grant released	659,027	20,733	89,372	769,132
Total Income	5,128,487	504,951	598,573	6,232,011

**Operating Costs**

Services	262,452	122,809	155,578	540,839
Support	-	33,652	-	33,652
Rates Payable	432,983	45,864	-	478,847
Insurance	130,906	9,180	17,475	157,561
Management Costs	482,520	57,865	70,929	611,314
Maintenance Administration Costs	256,020	-	-	256,020
Planned and Cyclical Maintenance	70,874	10,629	6,726	88,229
Reactive Maintenance	289,586	31,513	50,094	371,193
Gardening	23,233	5,392	14,715	43,340
Component Disposals	28,460	4,590	-	33,050
Depreciation	1,084,810	72,608	120,532	1,277,950
Bad Debts	-	-	-	-
Other	367,955	-	-	367,955
Total Operating Costs	3,429,799	394,102	436,049	4,259,950

**Operating Surplus**

1,972,061

**ARK HOUSING ASSOCIATION NORTHERN IRELAND LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (CONT'D)**

**2 Turnover, operating costs and operating surplus (Cont'd)**

**Income from Social Housing**

	<b>Property Revenue</b>	<b>Sheltered</b>	<b>Supported</b>	<b>2023 Total Social Housing</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Rent receivable	3,040,615	267,567	295,459	3,603,641
Service Charges Receivable	230,282	117,618	167,673	515,573
Support Charges and other	-	32,807	-	32,807
Other Operating Income	133,724	-	-	133,724
Gross Income	3,404,621	417,992	463,132	4,285,745
Voids	(39,924)	(9,786)	(27,037)	(76,747)
Net Income	3,364,697	408,206	436,095	4,208,998
Grant released	517,975	29,807	95,220	643,002
Total Income	3,882,672	438,013	531,315	4,852,000

**Operating Costs**

Services	183,058	98,231	125,072	406,361
Support	-	28,655	-	28,655
Rates Payable	371,057	42,333	-	413,390
Insurance	104,135	8,763	15,693	128,591
Management Costs	295,164	53,022	65,468	413,654
Maintenance Administration Costs	249,430	-	-	249,430
Planned and Cyclical Maintenance	61,339	16,166	26,018	103,523
Reactive Maintenance	180,669	25,461	43,187	249,317
Gardening	21,769	3,549	13,803	39,121
Component Disposals	18,793	19,201	4,000	41,994
Depreciation	861,785	68,875	121,580	1,052,240
Bad Debts	-	-	-	-
Other	119,816	-	-	119,816
Total Operating Costs	2,467,015	364,256	414,821	3,246,092

**Operating Surplus**

**1,605,908**

**ARK HOUSING ASSOCIATION NORTHERN IRELAND LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (CONT'D)**

**2 Turnover, operating costs and operating (Cont'd)**

				<b>2024</b>
	<b>Property Revenue</b>	<b>Sheltered</b>	<b>Supported</b>	<b>Total Social Housing</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Technical	2,892,205	436,290	466,225	3,794,720
Non-technical	1,239,517	17,051	51,803	1,308,371
Total	<u>4,131,722</u>	<u>453,341</u>	<u>518,028</u>	<u>5,103,091</u>

				<b>2023</b>
	<b>Property Revenue</b>	<b>Sheltered</b>	<b>Supported</b>	<b>Total Social Housing</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Technical	2,289,628	370,166	416,819	3,076,613
Non-technical	981,269	15,019	46,313	1,042,601
Total	<u>3,270,897</u>	<u>385,185</u>	<u>463,132</u>	<u>4,119,214</u>

<b>DFC Allowances</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Management Allowances	260,964	222,552
Management Costs	(443,563)	(268,018)
<b>Deficit</b>	<u>(182,599)</u>	<u>(45,466)</u>
Maintenance Allowances	305,776	260,768
Planned and cyclical maintenance	(70,874)	(61,339)
Reactive Maintenance	(289,586)	(180,669)
<b>Surplus/(Deficit)</b>	<u>(54,684)</u>	<u>18,760</u>

**ARK HOUSING ASSOCIATION NORTHERN IRELAND LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (CONT'D)**

**2 Turnover, operating costs and operating surplus (Cont'd)**

**Turnover, operating and operating surplus from non-social housing activities**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Income	<u>943,606</u>	<u>852,431</u>
Total	<u>943,606</u>	<u>852,431</u>
Operating Costs		
Management Services	<u>928,597</u>	<u>807,620</u>
Total	<u>928,597</u>	<u>807,620</u>
Operating surplus	<u>15,009</u>	<u>44,811</u>

**Housing Stock**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Number of units owned on 31 March</b>		
General needs housing	659	562
Supported Housing	57	57
Sheltered Housing	74	74
Homeless	<u>24</u>	<u>24</u>
	<u>814</u>	<u>717</u>

**3 Board Members' emoluments**

Board members act in a voluntary capacity and as such, none were in receipt of emoluments during the financial year. Two members were reimbursed expenses totalling £132 during the year. (2023 – £216).

**ARK HOUSING ASSOCIATION NORTHERN IRELAND LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (CONT'D)**

**4 Employee information**

	<b>2024</b>	<b>2023</b>
Average monthly number of persons employed during the financial year by activity:	<b>Number</b>	<b>Number</b>
Office	21	23
Support Staff	18	21
	<u>39</u>	<u>44</u>
<b>Staff Costs</b>	<b>£</b>	<b>£</b>
Wages and salaries	1,230,098	1,046,191
Social security costs	110,168	93,885
Other pension costs	220,016	189,116
Agency costs	102,878	108,297
	<u>1,663,160</u>	<u>1,437,489</u>
<b>Directors' Emoluments</b>		
Aggregate Emoluments	213,553	175,759
Pension contributions	35,298	34,273
	<u>248,851</u>	<u>210,032</u>
<b>CEO's Emoluments</b>		
Aggregate Emoluments	103,895	82,713
Pension contributions	17,320	16,129
	<u>121,215</u>	<u>98,842</u>
<b>Total Directors' Emoluments per Salary</b>	<b>Number</b>	<b>Number</b>
£120,000 - £125,000	1	-
£95,000 - £100,000	-	1
£85,000 - £90,000	2	-
£70,000 - £75,000	-	3
£65,000 - £70,000	1	-
	<u>4</u>	<u>4</u>

**5 Interest receivable and similar income**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Interest receivable	<u>15,177</u>	<u>8,387</u>

**6 Interest payable and similar charges**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Loan interest repayable	<u>876,307</u>	<u>654,018</u>

**ARK HOUSING ASSOCIATION NORTHERN IRELAND LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (CONT'D)**

**7 Operating Surplus**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>This is stated after</b>		
Depreciation	1,357,472	1,120,862
Amortisation of grant	(752,466)	(628,985)
Amortisation written off	(16,666)	(14,017)
Components written off	33,050	41,994
Operating Lease Rentals - land and buildings		-
Auditors' remuneration		
- audit services	9,000	8,580

**8 Tangible fixed assets - housing properties (land & buildings)**

	<b>2024</b>	<b>2023</b>
<b>Cost</b>		
At 1 April 2023	101,610,670	80,790,873
Additions	12,571,142	21,123,988
Disposals	(613,874)	(304,191)
<b>At 31 March 2024</b>	<u>113,567,938</u>	<u>101,610,670</u>
<b>Accumulated depreciation</b>		
At 1 April 2023	7,959,971	7,034,548
Charge for year	1,277,950	1,052,240
Disposals	(249,945)	(126,817)
<b>At 31 March 2024</b>	<u>8,987,976</u>	<u>7,959,971</u>
<b>NBV at 31 March 2024</b>	<u>104,579,962</u>	<u>93,650,699</u>
<b>Net Book Amount Comprises:</b>		
<b>Completed Schemes</b>	87,430,472	70,574,184
<b>Schemes in Progress</b>	<u>17,149,490</u>	<u>23,076,515</u>
	<u>104,579,962</u>	<u>93,650,699</u>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (CONT'D)**

**9 Other Tangible Fixed Assets**

	<b>House Furniture £</b>	<b>Office Fixtures &amp; Fittings £</b>	<b>New Office £</b>	<b>Office Refurb £</b>	<b>2024 Total £</b>	<b>2023 Total £</b>
Cost						
At 1 April 2023	22,301	124,662	606,705	309,035	1,062,703	1,050,018
Additions	-	52,844	-	-	52,844	12,685
Disposals	-	-	-	-	-	-
<b>At 31 March 2024</b>	<b>22,301</b>	<b>177,505</b>	<b>606,705</b>	<b>309,035</b>	<b>1,115,547</b>	<b>1,062,703</b>
Accumulated depreciation						
At 1 April 2023	22,301	40,759	40,446	61,808	165,314	96,692
Charge for the year	-	28,395	20,224	30,904	79,522	68,622
Disposals	-	-	-	-	-	-
<b>At 31 March 2024</b>	<b>22,301</b>	<b>69,154</b>	<b>60,670</b>	<b>92,712</b>	<b>244,836</b>	<b>165,314</b>
<b>Net book value</b>						
<b>At 31 March 2024</b>	<b>-</b>	<b>108,351</b>	<b>546,036</b>	<b>216,324</b>	<b>870,710</b>	<b>897,389</b>

	<b>2024 £</b>	<b>2023 £</b>
<b>10 Debtors</b>		
Rental Debtors - Gross technical	278,603	221,946
Rental Debtors - Gross non-technical	131,850	113,875
Provision for Bad Debts	(53,630)	(53,630)
Net Rental (including rates and service charges)	356,823	282,191
Other Debtors	96,465	124,870
Prepayments	103,798	75,919
Housing Association Grants Receivable	5,811,192	1,290,866
	<b>6,368,278</b>	<b>1,773,846</b>

**11 Creditors - amounts falling due within one year**

	<b>2024 £</b>	<b>2023 £</b>
Bank loans (note 14)	405,261	361,035
Rent, rates, service charges received in advance	59,932	75,907
Deferred Grant (note 13)	1,269,774	1,168,436
HAG in Advance	10,957,646	8,865,627
Contractors	233,992	336,259
Other Creditors	538,406	352,180
Accruals and Deferred Income	2,674,809	1,812,393
Payroll cost and Pension fund	49,241	50,533
Disposals proceeds fund	487,771	119,816
	<b>16,676,832</b>	<b>13,142,186</b>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (CONT'D)**

**12 Creditors - amounts falling due after more than one year**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Bank Loans (note 14)	25,929,134	19,334,396
Housing Association Grants (note 13)	<u>62,218,977</u>	<u>57,253,347</u>
	<u><u>88,148,111</u></u>	<u><u>76,587,743</u></u>

**13 Deferred Grant - Housing Association Grant**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Housing Association Grant</b>		
At 1 April 2023	63,815,233	61,985,670
Additions	6,042,582	2,000,744
Disposals	<u>(348,912)</u>	<u>(171,181)</u>
<b>At 31 March 2024</b>	<u><u>69,508,903</u></u>	<u><u>63,815,233</u></u>
<b>Accumulated Amortisation</b>		
At 1 April 2023	5,393,450	4,853,484
Charge for year	751,069	628,985
Disposals	<u>(124,367)</u>	<u>(89,019)</u>
<b>At 31 March 2024</b>	<u><u>6,020,152</u></u>	<u><u>5,393,450</u></u>
<b>NBV at 31 March 2024</b>	<u><u>63,488,751</u></u>	<u><u>58,421,783</u></u>
<b>Released within one year</b>	1,269,774	1,168,436
<b>Released after more than one year</b>	<u><u>62,218,977</u></u>	<u><u>57,253,347</u></u>
	<u><u>63,488,751</u></u>	<u><u>58,421,783</u></u>



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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (CONT'D)**

**14 Loans**

Loans are secured on individual assets of the Association and are repayable as follows:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Bank loans - Housing property and other loans		
Less than one year	405,261	361,035
Between one and two years	524,000	366,835
Between two and five years	1,744,613	1,274,875
After more than five years	<u>23,660,521</u>	<u>17,692,685</u>
	<u>26,334,395</u>	<u>19,695,430</u>

Bank loans include £12,379,692 of secured loans repayable after five years by quarterly instalments of £81,667. All RCF loans outstanding at the end of the applicable period, will be converted to term loan until the end of the facility term being repayable on amortised basis over 45 years. Bank loans bear interest at rates ranging between 2.27% and 6.44% at variable and fixed rates. All bank loans is secured by way of mortgages upon the deeds of approved portfolios of properties.

Unamortised finance costs of £265,223 (2023 - £300,359) associated with the secured loan are held against the outstanding balance measured at amortised cost using the effective interest method in accordance with FRS 102 Section 11.

**15 Retirement Benefits**

The Association's pension scheme forms part of the total fund administered by NILGOSC. Ark has contributed at a rate of 19.5% of pensionable salaries. Members have paid contributions at varying rates up to 8.50%.

Formal valuations are carried out at regular intervals by independent professionally qualified actuaries. The last formal valuation was carried out as at 31 March 2024.

**Assumptions**

	<b>2024</b>	<b>2023</b>	<b>2022</b>
	<b>(£000s)</b>	<b>(£000s)</b>	<b>(£000s)</b>
Rate of salary increase	4.10%	4.10%	4.50%
Pension increases in payment	2.60%	2.60%	3.00%
Discount rate	4.80%	4.60%	2.70%
Pension accounts revaluation rate	2.60%	2.60%	3.00%

**Mortality Rates**

	<b>2024</b>	<b>2023</b>
	<b>(Years)</b>	<b>(Years)</b>
Male - current pensioners	21.7	22.2
Male - future pensioners	22.7	23.2
Female - current pensioners	24.6	25.0
Female - future pensioners	25.6	26.0

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (CONT'D)**

**15 Retirement Benefits(continued)**

The assets in the scheme and the expected rate of return were: -

	<b>2023</b> <b>(£000s)</b>	<b>2023</b> <b>(£000s)</b>
Equities	1,752	1,575
Government bonds	662	782
Property	410	400
Corporate bonds	203	103
Multi Asset Credit	574	500
Other	265	229
Cash	547	225

**Reconciliation of funded status to balance sheet**

	<b>2024</b> <b>(£000s)</b>	<b>2023</b> <b>(£000s)</b>
Fair value of assets	4,413	3,814
Present value of scheme liabilities	3,958	3,732
Surplus/(deficit) in scheme	455	82
Related deferred tax liability	(455)	-
Net pension surplus/(deficit)	-	82

**Income and expenditure impact**

The following amounts have been recognised in the statements of comprehensive income:

	<b>2024</b> <b>(£000s)</b>	<b>2023</b> <b>(£000s)</b>
Current service cost	222	447
Interest on net liability	(9)	34
Income Statement Total	213	481
Asset (losses)/gains arising in the period	197	(449)
Liability gains/(losses) arising in the period	(285)	2,204
Other Comprehensive Income Statement Total	(88)	1,755

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (CONT'D)**

**15 Retirement Benefits (continued)**

**Changes to the present value of obligations**

	<b>31-Mar-24</b>	<b>31-Mar-23</b>
	<b>(£000s)</b>	<b>(£000s)</b>
Opening obligation	3,732	5,348
Current service cost	222	447
Past service cost	-	-
Interest expense on obligations	172	144
Contributions by participants	77	65
Actuarial (gain)/loss on liabilities	(170)	(2,204)
Net benefits paid out	(75)	(68)
Closing obligation	<u>3,958</u>	<u>3,732</u>

**Changes to the fair value of assets**

	<b>31-Mar-24</b>	<b>31-Mar-23</b>
	<b>(£000s)</b>	<b>(£000s)</b>
Opening fair value of assets	3,814	3,969
Interest income on assets	181	110
Remeasurement (losses)/gains	197	(449)
Contributions by employer	219	187
Contributions by participants	77	65
Net benefits paid out	(75)	(68)
Closing fair value of assets	<u>4,413</u>	<u>3,814</u>

**Actual return on assets**

	<b>31-Mar-24</b>	<b>31-Mar-23</b>
	<b>(£000s)</b>	<b>(£000s)</b>
Interest income on assets	181	110
Remeasurement (losses)/gains	197	(449)
Actual return on assets	<u>378</u>	<u>(339)</u>

**ARK HOUSING ASSOCIATION NORTHERN IRELAND LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (CONT'D)**

**16 Called up Share Capital**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Ordinary shares of £1 each, full paid		
At 1 April 2023	11	9
Transferred to capital reserve	<u>(2)</u>	<u>2</u>
<b>At 31 March 2024</b>	<b><u>9</u></b>	<b><u>11</u></b>

**17 Capital Reserve**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
At 1 April 2023	41	41
Transferred from share capital	<u>2</u>	<u>-</u>
<b>At 31 March 2024</b>	<b><u>43</u></b>	<b><u>41</u></b>

**18 Revenue Reserve**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
At 1 April 2023	7,785,666	5,364,060
Surplus for the year	1,119,444	666,606
Actuarial gain	<u>(88,000)</u>	<u>1,755,000</u>
<b>At 31 March 2024</b>	<b><u>8,817,110</u></b>	<b><u>7,785,666</u></b>

**19 Restricted Reserve**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
At 1 April 2023	142,582	98,100
Refund to NIHE Supporting People (2021/22)	(98,100)	-
Surplus in year	<u>12,497</u>	<u>44,482</u>
<b>At 31 March 2024</b>	<b><u>56,979</u></b>	<b><u>142,582</u></b>

The restricted reserve are funds from NIHE Supporting People for specific purposes relating to sheltered and homeless services.

**20 Contingent liabilities**

There exists a contingent liability on the Association of the possibility of having to repay grants received on properties if any properties are sold. This also includes any grants written off through the implementation of component accounting.

**ARK HOUSING ASSOCIATION NORTHERN IRELAND LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (CONT'D)**

**21 Commitments**

*Capital Commitments*

Capital commitments amounting to £32,828,542 (2023 - £33,610,082) have been contracted for as at 31 March 2024. These commitments will be financed through a combination of HAG, loans and the Association's reserves.

*Operating Lease Commitments*

At the year end the Association had no commitments under operating leases (2023 -Nil).

**22 Related party disclosures**

No transactions with related parties were undertaken such as are required to be disclosed under UK GAAP.

**23 Notes to the Cash Flow Statement**

	2024 £	2023 £
<b>Net cash inflow from operating activities</b>		
Operating surplus for the year	1,987,070	1,650,719
Depreciation of tangible fixed assets	1,357,472	1,120,862
Amortisation of grant	(752,466)	(628,985)
Amortisation written off	(16,666)	(14,017)
Components written off	33,050	41,994
Movement in debtors	(38,970)	2,497,936
Movement in creditors less than one year	112,853	454,569
	<u>2,682,343</u>	<u>5,123,078</u>

**24 Analysis of Changes to Net Debt**

	2023 £	Cashflows £	Other non-cash changes £	2024 £
Long-term borrowings	(19,334,396)	(6,545,719)	(49,018)	(25,929,133)
Short-term borrowings	(361,035)	(58,110)	13,884	(405,261)
Total Liabilities	<u>(19,695,431)</u>	<u>(6,603,829)</u>	<u>(35,134)</u>	<u>(26,334,394)</u>
Cash and Cash Equivalents	<u>1,254,295</u>	<u>625,839</u>	<u>-</u>	<u>1,880,134</u>
Total net debt	<u>(18,441,136)</u>	<u>(5,977,990)</u>	<u>(35,134)</u>	<u>(24,454,260)</u>