

Statement of Comprehensive Income

For the year ended 31 March 2023

	Notes	2023 £	2022 £
Turnover	3	6,600,858	6,143,818
Operating costs	3	6,072,461	5,463,959
Operating surplus / (deficit)		528,397	679,859
Gain / (loss) on disposal of fixed assets		-	1,310
Interest payable	7	(2,612)	(6,708)
Interest receivable		20,476	5,510
Finance costs		(49,905)	(50,504)
Surplus / (deficit) before tax		496,356	629,467
Taxation		-	-
Surplus / (deficit) after tax		496,356	629,467
Other comprehensive income		-	-
Unrealised surplus / (deficit) on revaluation of housing properties		-	-
Total comprehensive income for the year		496,356	629,467

The notes on pages 22 to 33 form part of these financial statements.

Alpha Housing (Northern Ireland) Ltd
Year Ended 31 March 2023

Statement of Changes in Equity

For the year ended 31 March 2023

	Share Capital	Capital reserve	Revenue reserve	Total
	£	£	£	£
Balance at 1 April 2022	20	69	13,480,266	13,480,355
Surplus / (deficit) for the year			496,356	496,356
Other comprehensive income				-
Transfers between reserves	(2)	2		-
Issue of share capital	4	(4)		-
Balance at 31 March 2023	22	67	13,976,622	13,976,711

The notes on pages 22 to 33 form part of these financial statements.

Statement of Financial Position

As at 31 March 2023

	Notes	2023 £	2022 £
Fixed assets			
Housing properties	12	31,937,841	30,515,760
Other tangible fixed assets	14	571,541	543,466
		32,509,382	31,059,226
Current assets			
Trade and other debtors	15	1,463,252	242,851
Cash and cash equivalents		1,852,649	3,609,098
		3,315,901	3,851,949
Less: Creditors: amounts falling due within one year	16	(2,573,924)	(2,234,590)
Net current assets / liabilities		741,977	1,617,359
Total assets less current liabilities		33,251,359	32,676,585
Creditors: amounts falling due after more than one year	16	(19,274,648)	(19,196,230)
Total net assets		13,976,711	13,480,355
Reserves			
Share capital	19	22	20
Revenue reserve		13,976,622	13,480,266
Capital reserve	20	67	69
Total reserves		13,976,711	13,480,355

These financial statements were approved by the Board of Management and authorised for issue on 21st September 2023 and signed on its behalf by:

Mr John Glass
Chairman

Irene Kingston
Secretary

Mr K Dempsey
Vice Chair

The notes on pages 22 to 33 form part of these financial statements.

Statement of Cash Flows

For the year ended 31 March 2023

	Notes	2023 £	2022 £
Net cash inflow / outflow from operating activities	A	469,949	1,692,478
Returns on investments and servicing of finance	B	(32,041)	(51,702)
Capital expenditure and financial investment	B	(2,163,514)	(2,115,919)
Cash inflow / outflow before use of liquid resources and financing		(1,725,606)	(475,143)
Financing	B	(30,843)	(45,443)
		(1,756,449)	(520,586)

Reconciliation of net cash flow

Cash at 1 April 2022	3,609,098	4,129,684
Increase / decrease in cash in period	(1,756,449)	(520,586)
Cash at 31 March 2023	<u>1,852,649</u>	<u>3,609,098</u>

The notes on pages 22 to 33 form part of these financial statements.

Notes to Statement of Cash Flows

For the year ended 31 March 2023

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

	2023	2022
	£	£
Operating surplus / deficit	528,397	679,859
Depreciation	1,617,738	1,733,628
Amortisation of grant	(843,533)	(835,444)
Movements in:		
Rent arrears	(7,388)	(6,932)
Other debtors	(760,995)	234,420
Creditors	(64,270)	(113,053)
Net cash inflow / outflow from operating activities	469,949	1,692,478

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

Returns on investment and servicing of finance	2023	2022
	£	£
Interest received	20,476	5,510
Bank charges	(52,517)	(57,212)
Net cash inflow / (outflow) for returns on investment and servicing of finance	(32,041)	(51,702)
Capital expenditure and financial investment		
Other fixed assets	(118,456)	-
Housing, land and buildings	(2,718,983)	(2,165,873)
Capital grant received	673,925	48,644
Proceeds from sale of tangible fixed assets	-	1,310
Net cash inflow / (outflow) for capital expenditure and financial investment	2,163,514	(2,115,919)
Financing		
Loan principal repayments	30,843	(45,443)
Net cash inflow / (outflow) from financing	30,843	(45,443)

Notes to Statement of Cash Flows (cont'd)

For the year ended 31 March 2023

C. Analysis of changes in net funds

	At 01/04/22 £	Cashflows £	Other Changes £	At 31/03/23 £
Cash in hand and at bank	3,609,098	(1,756,449)	-	1,852,649
Bank Loans	<u>(53,143)</u>	<u>(30,843)</u>	<u>-</u>	<u>(22,300)</u>
	<u>3,555,955</u>	<u>(1,787,292)</u>	<u>-</u>	<u>1,830,349</u>

Notes to the financial statements

1. Legal status

Alpha Housing (Northern Ireland) Ltd is a housing association registered in Northern Ireland in the United Kingdom under the Credit Unions and Co-operative and Community Benefit Societies Act (Northern Ireland) 2016 (formerly known as the Industrial and Provident Societies Act (Northern Ireland) 1969). The registered office of the Association is Alpha House, 6 Edgewater Road, Belfast, BT3 9JQ.

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 (£), 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 rental and service charge income, rates receivable and residential charges, net of voids, and release of Social Housing Grants.

Rental income for each rental period (rent week) is recognised in full on the first day of the rent week i.e. when the rent falls due.

2.3 Government and other grants

Social housing grant (SHG) or 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. SHG or HAG due is included as a current asset. SHG or HAG received in advance is included as a liability.

SHG or 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.

SHG or 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 using the following useful lives:

Land	- Not depreciated
Structure/main fabric	- 60 years
Roof	- 45 years
Bathroom	- 30 years
Mechanical systems	- 30 years
Electrics	- 30 years
Windows and doors	- 25 years
Kitchen	- 20 years
Lifts	- 20 years
Primary heating unit	- 15 years
Fire alarm system	- 15 years
Warden call system	- 10 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:

Leasehold building	- 60 years
Scheme furniture and equipment	- Between 3 and 5 years
Motor vehicles	- 4 years
Office furniture and equipment	- Between 4 and 10 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.

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

No judgements have been made in the process of applying the above accounting policies (apart from those involving estimates). There were no key assumptions made concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2.13 Going concern

After making appropriate enquiries, the Board of Management 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

	Operating Turnover	2023 £ Operating Costs	Operating Surplus/ (deficit)	2022 £ Operating Surplus/ (deficit)
Social Housing Activities (Note 4)	6,424,385	5,835,047	589,338	684,859
Non-Social Housing Activities (Note 5)	176,473	237,414	(60,941)	(5,000)
	6,600,858	6,072,461	528,397	679,859

Alpha Housing (Northern Ireland) Ltd
Year Ended 31 March 2023

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

	2023 £			2022 £
	General	Sheltered	Total	Total
Operating Income				
Rent Receivable	415,706	3,352,424	3,768,130	3,565,598
Service Charges Receivable	19,411	931,685	951,096	836,023
Rates Receivable	55,655	446,460	502,115	488,700
Support Charges Receivable - Supporting People	-	298,508	298,508	278,492
Support Charges Receivable - Tenants	-	148,031	148,031	123,649
Direct Emergency Funding - Covid 19	-	2,289	2,289	143,376
Income from SHG/HAG	64,615	737,298	801,913	792,359
Income from Other Grants	1,669	97,681	99,350	43,087
Less: Voids	(8,736)	(138,311)	(147,047)	(219,842)
Total Social Housing Income	548,320	5,876,065	6,424,385	6,051,442
Operating Costs				
Service Costs	15,527	1,016,271	1,031,798	806,014
Service Costs - Covid 19	-	-	-	-
Support Costs	-	508,794	508,794	452,699
Support Costs - Covid 19	-	7,227	7,227	34,536
Tenants Support	44	16,059	16,103	14,107
Management Costs	91,063	926,574	1,017,637	910,622
Rates Payable	55,655	449,899	505,554	486,818
Maintenance Administration costs	12,021	176,694	188,715	136,852
Planned & Cyclical Maintenance	8,515	341,520	350,035	53,936
Reactive Maintenance	54,142	644,409	698,551	646,507
Major Repairs (not capitalised)	5,378	71,700	77,078	139,020
Bad Debts Written Off	-	-	-	-
Depreciation of Housing Properties	153,498	1,373,859	1,527,357	1,660,666
Other Depreciation	56	13,709	13,765	11,013
Transfer to/(from) Tenants' Services Fund	(3,327)	(104,240)	(107,567)	13,793
Total Social Housing Expenditure	392,572	5,442,475	5,835,047	5,366,583
Operating surplus/(deficit) on social housing	155,748	433,590	589,338	684,859

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

DfC Allowances	2023	2022
	£	£
Management allowances	34,056	32,076
Management costs	(91,063)	(88,285)
Surplus/ (deficit)	(57,007)	(56,209)
Maintenance allowances	39,904	37,584
Planned and cyclical maintenance	(8,515)	(4,471)
Reactive maintenance	(54,142)	(49,264)
Maintenance administration	(12,021)	(10,479)
Surplus/ (deficit)	(34,774)	(26,630)

Technical & Non-Technical Income

	2023	2022
	£	£
Technical	3,498,295	3,212,609
Non-Technical	2,024,828	2,003,388
Total	5,523,123	5,215,997

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

	2023	2022
	£	£
Operating Income		
Development	176,473	92,376
Management Services	-	-
Other Income	-	-
Total Non-Social Housing Income	176,473	92,376
Operating Costs		
Development Costs	237,414	97,376
Pension charge / (credit)	-	-
Other Costs	-	-
Total Non-Social Housing Expenditure	237,414	97,376
Operating surplus/(deficit) on non-social housing	(60,941)	(5,000)

6. Surplus on ordinary activities

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

	2023	2022
	£	£
Depreciation – owned tangible fixed assets	1,617,738	1,733,626
Amortisation of grant / Release of capital grant	(843,533)	(835,444)
Auditor's remuneration		
- External audit of these financial statements	14,400	6,980
- Internal audit	10,710	9,180

7. Interest payable

	2023	2022
	£	£
Bank overdrafts	-	-
Bank loans	-	-
Other Loans	2,612	6,708
Total	2,612	6,708

8. Employee information

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

	2023	2022
	No.	No.
Administration	19	21
Housing, support and care	26	25
Total	45	46

<u>Staff costs</u>	2023	2022
	£	£
Wages and salaries	1,451,635	1,234,679
Social security costs	108,684	83,960
Pension costs	121,136	100,603
Total	1,681,455	1,419,242

The remuneration, including benefits in kind, of the management team of the Association during the year was:

	2023	2022
	£	£
Aggregate emoluments	369,152	275,935
Pension Contributions	39,952	32,226
Total	409,104	308,161

9. Employee information (cont'd)

The emoluments payable to the highest paid management team member (currently included within the above table) are as follows:

	2023	2022
	£	£
Aggregate emoluments	90,151	84,908
Pension Contributions	15,802	14,850
	<u>105,953</u>	<u>99,758</u>

10. Board of Management remuneration

There was no remuneration paid to the Board of Management of the Association (2021: £Nil). The Board of Management members were paid out of pocket expenses totalling £nil (2021: £nil).

The number of management team members to whom emoluments were paid during the year falls within each of the following bands:

	2023	2022
	No.	No.
100,000-105,000	1	
95,000- 100,000		1
75,000 – 80,000	1	
60,000 – 65,000	1	
55,000 – 60,000	1	
50-000 – 55,000	1	3
45,000 – 50,000	1	
25,000 – 30,000		1
15,000 – 20,000		1
5,000 – 10,000	1	
0-5,000		2
Total	<u>7</u>	<u>8</u>

11. Finance costs

	2023	2022
	£	£
Finance costs	49,905	50,504
	<u>49,905</u>	<u>50,504</u>

12. Tangible fixed assets – Housing properties

	Housing properties held for letting £
Cost or valuation	
At 1 April 2022	57,112,017
Additions	2,949,438
Disposals	(389,882)
At 31 March 2023	59,671,573
Completed	59,349,464
Work in progress	322,109
Depreciation and impairment	
At 1 April 2022	26,596,257
Charge for the year	1,527,357
Impairment charged in year	
Eliminated on disposal	(389,882)
At 31 March 2023	27,733,732
Net book value	
At 31 March 2023	31,937,841
At 31 March 2022	30,515,760

13. Housing Stock

Number of units owned and managed at year end

Self-Contained	2023 Properties	2022 Properties (Restated)
General Needs Housing	86	86
Supported Housing		-
Sheltered Housing	896	882
Shared Ownership/ Affordable Housing		-
	982	968
Total Units Owned and Managed at year end	982	968

14. Other tangible fixed assets

	Leasehold building	Furniture and equipment	Motor vehicles	Total
	£	£	£	£
Cost or valuation				
At 1 April 2022	665,988	434,095	34,399	1,134,482
Additions		74,071	44,385	118,456
Disposals				
At 31 March 2023	<u>665,988</u>	<u>508,166</u>	<u>78,784</u>	<u>1,252,938</u>
Depreciation				
At 1 April 2022	211,775	368,341	10,900	591,016
Charge for the year	18,567	51,968	19,846	90,381
Eliminated on disposal	-	-	-	-
At 31 March 2023	<u>230,342</u>	<u>420,309</u>	<u>30,746</u>	<u>681,397</u>
Net book value				
At 31 March 2023	<u>435,646</u>	<u>87,857</u>	<u>48,038</u>	<u>571,541</u>
At 31 March 2022	<u>454,213</u>	<u>65,754</u>	<u>23,499</u>	<u>543,466</u>

15. Debtors

	2023	2022
	£	£
Gross rental debtors – Technical	91,019	83,859
Gross rental debtors – Non-Technical	14,038	13,810
Provision for bad debt	(10,197)	(10,528)
Net rental debtors	94,860	87,141
Housing Association Grant receivable	1,085,977	25,641
Prepayments and accrued income	212,876	75,646
Other debtors	69,539	54,423
	<u>1,463,252</u>	<u>242,851</u>

16. Creditors

Amounts falling due within 1 year

	2023	2022
	£	£
Loans	22,300	30,844
Housing Association Grant in advance	780,604	384,409
Deferred Housing Association Grant	858,768	849,373
Disposal Proceeds Fund	-	-
Accruals and deferred income	372,294	170,576
Rent and service charges received in advance	45,105	154,491
Tenants' Services Fund	56,747	164,315
Trade Creditors	381,980	445,325
Other creditors	56,126	35,257
Total	<u>2,573,924</u>	<u>2,234,590</u>

Amounts falling due after more than 1 year

	2023	2022
	£	£
Loans (see analysis below)	-	22,299
Deferred Housing Association Grant	19,274,648	19,173,931
	<u>19,274,648</u>	<u>19,196,230</u>

Loans

	2023	2022
	£	£
Within one year	22,300	30,844
Between one and two years	-	22,299
Between two and five years	-	-
In five years or more	-	-
	<u>22,300</u>	<u>53,143</u>

Loans are secured by specific charges on the Association's properties and are repayable at varying rates of interest in instalments due as above.

17. Deferred grant

	2023	2022
	£	£
At 1 April	20,023,304	20,289,603
Grant recognised in the year	953,649	569,145
Released to income in the year	(843,553)	(835,444)
At 31 March	<u>20,133,400</u>	<u>20,023,304</u>

18. Capital commitments

At 31 March 2023 the Association had capital commitments as follows:

	2023	2022
	£	£
Contracted for but not provided in the financial statements	1,827,500	934,323
	<u>1,827,500</u>	<u>934,323</u>

19. Contingent Liabilities

The Association released Housing Association Grant to income during the year in accordance with the Housing SORP. The possibility of reimbursement to the Department for Communities is considered to be unlikely as the housing properties are expected to continue to be made available for social housing for the foreseeable future.

20. Share capital

Ordinary shares of £1 each fully paid:

	2023	2022
	£	£
At 1 April 2022	20	19
Issued in the year		
Shares Issued	4	6
Transferred to capital reserve	(2)	(5)
At 31 March 2023	<u>22</u>	<u>20</u>

21. Capital reserves

	2023	2022
	£	£
At 1 April 2022	69	70
Shares Issued	(4)	(6)
Transferred from share capital	2	5
At 31 March 2023	<u>67</u>	<u>69</u>

22. Related party transactions

There were no related party transactions during the year.