

Bournville Village Trust Group

CONSOLIDATED FINANCIAL STATEMENTS

for the year ended

31 December 2024

Registered Charity No: 219260

Regulator of Social Housing No: L0702

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Bournville Village Trust

Board Members, Executive Directors, Advisors and Bankers

BVT Trustees

Chair	Caroline Cadbury - BSc (Hons), MA
Vice Chair	Prof. Philip Lumley BDS, FDSRCPS (Glas), MDentSci, PhD, FDSRCS (Eng), FDSRCS (Edin)
Other Trustees	Alison McKittrick - BA (Hons) Claudia Coulson - BA (Hons) Claire Bowman Alison Fisher Derek Douglas William Cadbury - MA (OXON), CGMA Nigel Cadbury - BA (Hons) Law (resigned 12th December 2024) Matthew Cadbury - MA, MSc, MBA, PhD (resigned 12th December 2024) George Woods - BA (Hons), PGDL (appointed 13th December 2024) Mark Cadbury - BSc (Hons) (appointed 13th December 2024)
Co-opted Independent Board Members	Kate Foley- BA (Hons), MA, MSc (appointed 10th October 2024) Adem Mahmoud - BA (Hons) (appointed 10th October 2024)

Bournville Works Housing Society Board Members

Chair	Caroline Cadbury - BSc (Hons), MA
Vice Chair	Prof. Philip Lumley BDS, FDSRCPS (Glas), MDentSci, PhD, FDSRCS (Eng), FDSRCS (Edin)
Other Board Members	Alison McKittrick - BA (Hons) Claudia Coulson - BA (Hons) Claire Bowman Alison Fisher Derek Douglas William Cadbury - MA (OXON), CGMA Nigel Cadbury - BA (Hons) Law (resigned 12th December 2024) Matthew Cadbury - MA, MSc, MBA, PhD (resigned 12th December 2024) Mark Cadbury - BSc (Hons) (appointed 13th December 2024)

Co-optees Kate Foley - BA (Hons), MA, MSc (appointed 10th October 2024)
Adem Mahmoud - BA (Hons) (appointed 10th October 2024)
George Woods - BA (Hons), PGDL (appointed 13th December 2024)

Bournville Village Developments

Director & Chair	Peter Richmond
Director	David Robinson BA (Hons), ACMA, CGMA, FRSA
Director	Greg Lakin - MRICS, MCIQB, PG DMS
Director	Arthur Tsang
Director & Company Secretary	Helen Harvey, BSc (Hons), MBA, FCIH, MCIPD
Director	Neil Ashford – MRICS

Bournville Village Enterprises

Director & Chair	Peter Richmond
Director	David Robinson BA (Hons), ACMA, CGMA, FRSA
Director	Greg Lakin - MRICS, MCIQB, PG DMS
Director	Arthur Tsang
Director & Company Secretary	Helen Harvey, BSc (Hons), MBA, FCIH, MCIPD
Director	Neil Ashford – MRICS

Executive Directors

Peter Richmond - Chief Executive
David Robinson BA (Hons), ACMA, CGMA, FRSA - Director of Finance & IT
Greg Lakin - MRICS, MCIQB, PG DMS – Director of Assets
Arthur Tsang – Director of Communities
Helen Harvey, BSc (Hons), MBA, FCIH, MCIPD- Director of People and Performance, and Company Secretary
Neil Ashford – MRICS – Director of Maintenance Services

Registered Office

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Registered Number

Registered Charity Number - 219260

Registered with the Regulator of Social Housing - L0702

Auditor

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The Colmore Building
20 Colmore Circus Queensway
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Bankers

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Solicitors

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Report of the Board

The Board presents its report and audited Financial Statements for the year ending 31st December 2024. This report is about 2024, a year in which our customers, colleagues and partners started to receive some minor respite from the economic crisis and very high levels of inflation we saw in 2023. However, for many in our communities making ends meet remains a severe challenge and for BVT costs rising quicker than income remains the reality. Whilst 2024 was a challenging economic year, much was achieved with positive performance and progress in many areas. We continued to work hard to build financial and organisational strength and were pleased to again be awarded the highest grading for governance (G1) and to maintain our (V2) viability rating. The Board accepts that this viability regrading reflects the challenging economic environment in which BVT is operating and the level of investment the Board is making and will continue to make into our homes. Whilst BVT will continue to operate with less financial headroom than we have had in the past, the Board is committed to acting on our customers voice and doing the right thing. This means continuing to invest in our homes and communities to create and sustain communities where people can thrive. Our long-term financial plans do make clear that in the medium term BVT will return to a stronger financial position but for now we are clear that the levels of investment we are making are right for BVT and our communities.

The information contained in this report together with the Operating and Financial Review complies with the requirements of the Housing Statement of Recommended Practice (Housing SORP 2018).

The Directors of Bournville Village Trust are defined as the Board of Trustees. The Board's responsibilities are set out in these Financial Statements. The statements should be read in conjunction with the audit report on pages 48-51.

Bournville Village Trust ("the Trust") is a charity registered with the Charity Commission and a registered social housing provider regulated by the Regulator of Social Housing. (Registered Charity No: 219260, Regulator of Social Housing Registered No: L0702)

About BVT

BVT is a values-led charitable trust, established by George Cadbury in 1900, working to create and sustain communities where people can thrive. We holistically manage estates, provide great homes and deliver community-support services that help people live successful lives. We also seek to make surpluses from some of our activities, ploughing this money back into our communities in Central and South Birmingham, and Telford.

Our Structure

The Bournville Village Trust Group comprises; -

- Bournville Village Trust (BVT) - Bournville Village Trust is the parent body, based in Bournville, Birmingham. BVT provides a range of social housing in South Birmingham, Central Birmingham and Telford. We provide estate management in Bournville, Lawley and Lightmoor, to over 7,000 households. We run a number of offices, shops, and health care facilities in our neighbourhoods to ensure our communities have the amenities they need. BVT also runs a small number of commercial premises outside our communities to provide a profit which we reinvest in our neighbourhoods. We manage around 3,000 acres of agricultural land that was gifted to BVT and that we use in line with the charitable aims of the original donation. We invest in, and work with, our communities to provide services and facilities which assist people to thrive. BVT also provides management and maintenance services to other registered providers and organisations.
- Bournville Almshouse Trust (BAT) - A linked charity, BAT is a charitable provider of social housing based in Bournville, Birmingham. BAT manages 97 properties in total, 33 of which are Almshouses. Preferential status is given to retired employees of Cadbury Brothers Limited (now known as Mondelez UK Limited), seeking affordable accommodation. The remaining 64 properties are Endowment Houses, surpluses from which help to support the contributions made by the residents of the Almshouses. BAT is accounted for as a restricted reserve within the BVT financial statements.
- Bournville Works Housing Society Ltd (BWHS) - A wholly owned subsidiary of BVT, BWHS is a Registered Provider owning 313 properties in Bournville. The Trustees of BVT are also the Board Members of BWHS. BWHS was founded in the same period as BVT and shares the values that BVT aspires to. The main difference between BVT and BWHS on founding was that the BWHS properties were specifically aimed at workers of Cadbury Brothers Limited (now known as Mondelez UK Limited). This remains the case today with priority given to current or retired employees of the company and their families.
- Bournville Village Developments Ltd (BVD) – A wholly owned subsidiary of BVT. BVD is a company that is used to co-ordinate the development of a modern urban village at Lightmoor in Telford.
- Bournville Village Enterprises Ltd (BVE) – A wholly owned subsidiary of BVT. A commercial trading subsidiary set up to undertake market rent activities. BVE leases properties from BVT, lets the homes at a market rent and then returns the profits to BVT as a year-end donation to invest in our socially rented homes and wider charitable purposes.

Operating and Financial Review

- The operating and financial review has been prepared in accordance with the applicable Accounting Standards in the United Kingdom and the Housing Statement of Recommended Practice (SORP 2018).

Operating Review

Our mission

Creating and sustaining communities where people can thrive.

At Bournville Village Trust, we want everyone to thrive and reach their full potential, and building a strong, values-led organisation is key to achieving our mission. We're now more resilient, focused and inspired than ever before; developing partnerships and co-creating with groups and organisations that share our values. Since 2020, we've spent time exploring and refreshing what we do and are now determined to deliver consistently great services and a great customer experience.

Partnership

We work with others to achieve great things.

Innovation

We look for new and better ways of doing things.

Our values

Our values guide everything we do. They define our culture, shape how we behave and influence our decisions.

Fairness

We treat people as individuals by exercising the right approach at the right time.

Quality

We are clear about what we do and we do it well.

Integrity

We do the right thing.

As one of the Midlands' longest serving independent charitable trusts, we work to deliver six aims (see our Corporate Plan 2023 -32 for more detail):

Our aims

All our work is focused on achieving six core aims.



Place-shaping

Creating and sustaining thriving, well-designed and connected neighbourhoods that are well-managed and sustainable.



Community building

Connecting people and organisations together to develop diverse, strong and engaged communities.



Championing people

Delivering support services and working in partnership with others, to help all people thrive.



Providing great homes

Providing safe and sustainable homes that meet people's needs and aspirations now and in the future.



Inspiring learning and sharing

Sharing our heritage and experience to inspire others, and listening and learning from those around us.



Building organisational strength

Building a strong, focused, and resilient organisation driven by our values.

More information about our aims and values is included within our corporate plan [BVT-Corporate-Plan-2023-2032.pdf](#)

Our Key Strategic Objectives

1. Place Shaping

To achieve our aim of creating and sustaining thriving, well-designed and connected neighbourhoods that are well-managed and sustainable, we will:

1. Deliver estate and stewardship services that continue to be shaped by customers and meet the needs and expectations of their neighbourhoods.
2. Maintain the quality and design of neighbourhoods using modern and responsive design guides that reflect best practice and are developed with customers and communities.
3. Ensure our parks and open spaces are welcoming and accessible, support people's health and wellbeing, and boost biodiversity.
4. Invest and protect the unique heritage found in the buildings and spaces in Bournville Village, ensuring they meet the needs of communities today and in the future.
5. Work in partnership with key place-shaping organisations to proactively influence regional and national agendas.
6. Realise the potential of parts of our agricultural estate to create great homes and new neighbourhoods.
7. Complete the development of Lightmoor Village in Telford.

How did we do in 2024?

- Finalised our Environmental Sustainability Strategy.
- In Lawley, embedded a new grounds maintenance service, led by BVT and Lawley residents through the wholly resident led management committee.
- Implemented the changes to the BVT Grounds Maintenance Service, following the comprehensive service review the previous year that has seen improvements in the quality of the service.
- Carried out a comprehensive service review of the services to the communal areas of our residential blocks and schemes, which has led to approval to invest in a new Estate Caretaker Service for our Birmingham neighbourhoods, based on the model established in Telford.
- Through a programmed approach, ensured that the grounds maintenance, estate services and block services reviews will be

implemented in a coordinated way to realise efficiencies and deliver better service for customers.

- Developed a Partnership Agreement for the Grounds Maintenance service that focuses on the quality of service and problem solving between teams, rather than the internal market approach previously adopted.
- Worked with partners to challenge initial plans by the Environment Agency to install flood defences in parks on the Bournville Estate.
- Organised the Bournville heritage open day with over a dozen partners and over 13,000 visitors.
- Our heritage consultation engaged our communities to learn how we should deliver our heritage service in the future.
- Continued the development of Lightmoor Village with more homes being made available to buy on the open market or to rent at affordable rates through BVT or other social landlords.

Where there is more to do.

- Implement new operating systems for the Grounds Maintenance team to improve productivity of the team and provide clear performance reporting systems.
- Implement recommendations from the residential block services review, including the Estate Caretaker team, new cleaning contracts and bulk refuse service.
- Improve the information for customers to be able to scrutinise the service in residential blocks and estates/stewardship areas so BVT can be held to account.
- Improve the customer journey to ensure all customer enquires are dealt with quickly and efficiently.

2. Community Building

To achieve our aim of connecting people and organisations together to develop diverse, strong and engaged communities, we will:

1. Understand the strengths, needs and aspirations of all the communities we work with through the production of bespoke neighbourhood plans.
2. Act as a neighbourhood facilitator by connecting and building strong partnerships to deliver a wide range of services and activities.
3. Establish local hubs where people from all backgrounds and partners can work together, build capacity and deliver or use services.

4. Provide a diverse range of opportunities for customers to be involved, influence and shape the services we provide.
5. Make sure there is a strong voluntary and community sector.
6. Support and develop capacity to community build across the whole organisation, nurturing new groups and accessing grant funding.
7. Ensure we have the skills within BVT to enable customers to shape our services.

How did we do in 2024?

- The Community Building Strategy has been delivered across 2024, resulting in activities across our neighbourhoods and in our Community Places that are important to our communities.
- Neighbourhood co-ordinators have now established regular drop-ins that are building relationships with both tenants and local community hubs.
- Built and strengthened partnerships across the neighbourhoods through partnership events, supporting community place holders grant fund – fishing pool was supported to secure funding to make the pond more secure and replenish fish (they were considering closing), grant funding to local groups to develop their services at Shenley Court Hall and Woodlands Park Hall. In Lightmoor and Lawley funding to support the youth partnership work, veterans support and baby loss groups.
- We supported the South Birmingham Community Muslim Association to establish its base in one of our neighbourhoods.
- Worked in partnership with others to deliver the dementia-friendly memory café, providing reminiscence opportunities through heritage.
- More groups have used/accessed community hubs. For example, Shenley Court Hall utilisation increased. All rooms have been refurbished including the new learning suite which has increased the potential of the hall. Also, the work in the Oak Tree Community Centre, Lightmoor has seen it increase income almost in line with expenditure for the first time ever due to increased bookings.
- Formal volunteering opportunities for BVT and partner events. For example, Lawley and Lightmoor summer festivals, Chinese new year, pride on the green, Christmas events and less formal volunteering activities like litter picks. In Lightmoor we have the youth partnership with Shenley Youth Community Association which has also provided volunteer opportunities and resulted in qualifications for those taking part.
- Contested elections were held for the first time for resident member places on the Estates & Stewardship Management Committees in Lawley and Lightmoor. Local residents engaged in a ballot process to elect their preferred candidates, who are all local residents, to strengthen the resident-led committees.

Where there is more to do.

- The Neighbourhood Plans for each area will be updated to reflect the most recent open-source data, and the views of the community gained from engagement events and the conversations with partners. This will make sure our resources are targeted to the greatest need.
- The Community Building Strategy will be reviewed, taking account of the neighbourhood plan data, our learning from the social value model we are using and consultation with partners. This will ensure our investment into this area is meeting our aims.
- Develop our approach to the management of our Community Places, increasing revenue, partnerships and the social return from the activities that are delivered.

3. Championing People

To achieve our aim of delivering support services and working in partnership with others to help all people thrive, we will:

1. Take an evidence-based approach to the work we do to champion people, using our bespoke neighbourhood plans.
2. Deliver services and programmes that support financial wellbeing to help reduce the impact of poverty.
3. Work in partnership with other agencies to deliver and develop services for families and young people.
4. Develop a range of youth services across our neighbourhoods in Birmingham and Telford.
5. Expand our work with older people beyond our sheltered schemes to support wider communities.

How did we do in 2024?

- Neighbourhood Co-ordinators are now working more closely with colleagues to develop and refine neighbourhood plans and are now accessing more tenants and identifying support needs.
- Well Winter targeted campaign to support older tenants with household costs.
- Established a support first approach to income and money advice, encouraging self-service by residents and focus on supporting residents who require support.

- Improved relations with external providers and local stakeholders for grant funding, debt advice and welfare benefit support. Secured £10k funding from Edward Cadbury Trust to establish a homeless prevention fund for Telford, continued work with The Project to provide targeted debt advice and started a new partnership with a Charity called 'LifeSkills' which works with Barclays to provide debt and financial advice.
- Created a learning hub at Shenley Court Hall around employment and learning, piloted a pre-employment course and delivered 2 job fairs (300 attendees).
- Our Heritage Past-Future youth programme provided a rich learning environment and a platform for young people to contribute to our communities.
- Welcomed thousands of school children to our award-winning museum education programme.
- Increased school holiday activities, youth provision and intergenerational work.

Where there is more to do.

- We will review the Championing People Strategy to set out our priorities for the next two years.
- Review the operating arrangements for our Sheltered housing and Extra Care schemes to improve the service and improve costs.
- Work with local authority commissioners to ensure we achieve the income target for our care-leavers scheme, The Holdings.

4. Providing Great Homes

To achieve our aim of providing safe and sustainable homes that meet people's needs and aspirations now and in the future, we will:

1. Ensure our homes are great places to live by listening to customers and investing the right resources into improving and maintaining our homes.
2. Manage our assets well including developing/redeveloping and disposing of properties to ensure we are offering the right types of homes to meet people's needs.
3. Develop our understanding of the best route to carbon neutrality for BVT and increase the speed of our journey towards a lower carbon future.
4. Work with customers to understand how they want us to deliver housing management and ensure we offer quality, value-for-money services.
5. Develop pathways to housing for groups who may find access to quality homes challenging, including innovative models such as community-led housing.

How did we do in 2024?

- Increasing customer engagement in the review and delivery of our services has been a key focus during the year. Examples include customer involvement in the comprehensive service review of our repairs service, for timber window and door replacements and sinking funds.
- Invested over £11.7m (see Note 1 Continued and Note 7A) on improvements to customers' homes and building safety this year, mobilising a variety of complex contracts that will continue to run for over five years. These include replacing boilers, fitting new kitchens, installing new front doors, upgrading homes with new windows & doors and 130 new fire doors.
- More effective use of customer insight and data to inform capital renewal programmes: BVT's teams have worked together gathering customer data and feedback into one local accessible data source.
- Implemented the first full year of the Customer Experience Strategy which included rollout of a corporate customer service training programme, an updated complaints procedure and development of a complaints learning workshop. The Customer Service team has also rolled out a number of service improvements including overflow systems to improve call answering and satisfaction measures.
- Stronger cross-team working to advocate on behalf of tenants. For example, at empty property stage, or for more complex maintenance issues/planned work.

Where there is more to do.

- Implement the new Customer Service Offer and associated activities to ensure services are meeting the specific needs of customers, this will improve customer satisfaction around responding to enquires quickly and accurately.
- The Responsive Repairs service continues to be a challenge, there is high customer satisfaction with the work delivered by our operatives but dissatisfaction with the time taken to get the repair started. The comprehensive service review has identified a range of improvements to the service to tackle this, which will be implemented in 2025.
- In 2025 there will be a range of operational policy reviews undertaken, including income services, lettings and tenancy management. These are areas where we are performing well, so the reviews will seek to further improve the service.

5. Inspiring Learning and Sharing

To achieve our aim of sharing our heritage and experience to inspire others, and listening and learning from those around us, we will:

1. Share our learning and experience of being one of the Midlands longest serving independent charitable trusts to inspire others.
2. Interpret our heritage in the context of today to futureproof our Heritage Service and develop a greater understanding of our past.
3. Develop the breadth of Bournville's visitor experience in our heritage spaces and places.
4. Be outward looking; seeking out best practice to learn, develop and improve what we do and how.
5. Build better connections and partnerships to play a part in informing and influencing regional and national policy in our areas of expertise.

How did we do in 2024?

- We have hosted tours and been visited by a broad range of organisations including Incredible Edible CIC, Friends of Birmingham Museum Trust, National Trust, National Housing Federation, MHCLG and Danske Bank to name but a few. We have also hosted educational walks and talks throughout our Heritage Service programme of events including the Bournville Trail.
- Selly Manor was awarded the Sandford Award for excellence in education services.
- Estates and Stewardship Team nominated at the UK Housing Awards 2024 in category of Tenant Led Decision Making.
- Chair of Trustees spoke at a range of events, including the - Women's History Symposium in March 2024, CIH visit in May 2024, formal opening of the South Birmingham Muslim Community Association Hall and Masjid in September 2024.
- Involved with HACT research looking at importance of community assets and the role they play in the community – BVT is one of the organisations working with HACT to develop a Community Spaces research project which resulted in a national best practice report and a set of performance measures that HACT will promote as best practice.
- Shared our heritage with thousands of visitors, including welcoming academics, researchers and organisations.

- We hosted a CIH visit to look at history and share our values with colleagues who shape the agenda.
- Lead a Black Tudors heritage project to engage people from across our communities and tell untold stories.
- Hosted events with the University of Birmingham to learn lessons from our past and inform development in the future.
- Hosted academics, BVT representatives and organisations from across the country who came together for a seminar on The Politics of Housing and Community in Contemporary Britain: Bournville and Beyond then launched the review document of the 'Utopias In Crisis' project.
- Worked with photographer Stuart Whipps whose outdoor exhibition When We Build Again: Revisited was displayed on Bournville Village Green.
- Provided an accessible and affordable museum service that welcomed over 24,000 visitors in 2024.

Where there is more to do.

- Our heritage service will continue to increase grant income and manage the cost of the service and use the HACT social value tool to demonstrate good value for money.

6. Building Organisational Strength

To achieve our aim of building a strong, focused and resilient organisation driven by our values, we will:

1. Be an employer of choice, ensuring our recruitment, support, learning and development, and culture allow us to attract and keep the best.
2. Embed and clearly evidence our values in our colleagues' performance.
3. Provide staff with the technology and skills that enable us to deliver improved services.
4. Embed our continuous improvement model across BVT and clearly evidence value for money.
5. Implement our formal governance review and ensure the voice of customers is heard and influences decision-making.
6. Review and restate our risk appetite and continue to build our financial resilience.

7. Continue to operate and grow commercial activities in line with our values to generate a surplus that can be ploughed back into our communities.

How did we do in 2024?

- We continue to attract and retain staff. Some specialist and technical roles have been more difficult to fill, and we are looking at ways to provide in-house support and learning to help grow and develop less experienced candidates into these roles. Staff turnover has been stable. The 2024 staff satisfaction survey again produced positive results for BVT, 99% of staff said they understood BVTs corporate aims, with 97% inspired by them. More staff felt valued for the work they do, with 90% saying this, up from 81% in 2023. Overall, 98% of staff said they were satisfied with BVT as an employer.
- Invested in learning & development. For example, ICT staff achieving qualifications in cyber-security & digital change, 4 staff completed Chartered Institute of Housing (CIH) training to strengthen and upskill the team.
- Established robust data protection and cyber security processes and maintained our Cyber Essentials Plus accreditation.
- Utilised best of breed technology and transitioned all services into the Cloud (Microsoft Azure), all staff now using Azure Virtual Desktops which replaced Citrix.
- Issued ICT hardware that meets people's needs and supports hybrid working. For example, replaced over 120 Laptops and 100 mobile phones. The Housing and Neighbourhoods teams has started using the mobile working software Versa. 8 tablets have been issued to staff in the field which allows them to access the information they need at the point of contact.
- Achieved greater oversight of ICT running costs, allowing us to maximise VFM – Following the transition of Services into Microsoft Azure we now have greater granularity of how much it costs BVT to provision ICT systems and access to each member of staff.
- Developed a new ICT strategy with the ICT Strategy Group to ensure engagement and ensure it delivered what staff need.
- Launched a Continuous Improvement Group to oversee the implementation of continuous improvement across BVT through a mix of policy and process reviews and comprehensive service reviews.
- Established a Complaints & Compliments Learning Group to support embedding complaints improvements and learning.
- Continued the implementation of a formal governance review resulting in a more streamlined, effective and efficient governance structure.
- Established a small risk working group to work on embedding our risk appetite into our risk reporting.

Where there is more to do.

- Renew the Value for Money Strategy so that we further evolve our approach to embedding VfM in our operational services and key strategies, including Asset Management, Development, Community Building and our 30-year financial plan.
- Embedding the continuous improvement approach to improve the quality of service for customers, increase efficiency and manage costs, which will demonstrate achieving value for money.
- Increased customer engagement in the governance structure which will be further developed with recruitment to the Customer and Neighbourhoods Committee and through elections for a resident member of the Estate Management and Scheme Committee.

Financial Review

The Statement of Comprehensive Income for the year ended 31st December 2024, shows a group surplus of £9.3m compared to a group surplus of £3.8m for 2023. The main changes to note are: -

- In line with the requirements of the Housing SORP and in recognition that BVT has continued letting some properties on a Market Rented Basis, we have reviewed all of our properties to confirm that the category they sit under in our accounts is a fair representation of their purpose. Through this exercise we confirmed that all the homes we are letting on a market rented basis should be categorised as Investment Properties. Alongside this, in reviewing our commercial and agricultural assets, we have identified 4 shops which we continue holding for profit generation purposes, rather than to ensure our communities have access to important amenities in their neighbourhood. This means we have continued to categorise these 4 shops as Investment Properties too. All our other shops, offices and agricultural holdings remain in line with their original social purpose, but this review will be undertaken each year to ensure that remains the case. This review means that following an external revaluation exercise, we are now recognising £9.3m of assets as Investment Properties, up from £7m in 2023.
- Under accounting requirements, the Group has to account for the fair value of its portfolio of interest rate hedging instruments. Details of these hedging instruments are set out in note 17. The movement in the fair value of these hedging instruments over the course of the year is reflected in the Statement of Comprehensive Income. The movement for 2024 was a positive value of £3.8m compared to a negative movement of £1.3m for 2023. Such movements reflect the changing market expectations regarding future interest rates. This swing in

the valuation of our hedging instruments causes a significant increase in our surplus for 2024.

- In 2024 BVT sold more assets (housing properties, land and other assets), £1.6m compared to 2023 £420k. In 2024 BVT commenced the first of seven years in which a small number of our social housing stock will be sold as it becomes vacant. These are strategic asset sales designed to bring in additional income to support BVTs extensive investment programme in our existing housing stock and to divest stock that is uneconomic to return to social housing use or that may prove uneconomic to move to improved environmental standards. This small-scale sales programme is being carefully managed to minimise the effect on our communities but none the less the Board of BVT recognise it will impact those on our waiting list for homes and are working towards once again being able to develop new homes in our core communities in the medium term. (see Note 5a)

Whilst the above accounting action positively impacted our surplus position for 2024, we are happy that our underlying operational performance was strong and in line with expectations and not significantly altered from previous years. In 2024 (£31.8m) our turnover was up on 2023 (£29.9m), mainly due to rent increases, and our Group operating surplus was little altered from £6.7m in 2023 to £6.6m in 2024 (see Note 1). In line with our business plan, we saw our income from Market Rent properties rise in 2024 to £913k from £768k in 2023. However, along with many of our peers we saw the costs of running our homes rise considerably in 2024 and this took up all of our rental income increase and reduced our operating surplus. Routine maintenance costs rose from £3.8m in 2023 to £4.6m as the number of repairs reported rose significantly and as we strove to deal urgently with any issues around damp, mould and condensation reported to us or identified in our condition surveys and condition reviews. The costs of managing our homes rose from £4.2m to £4.6m and our planned maintenance revenue costs increased from £2.2m to £2.5m, particularly driven by our painting programmes. Also our recent heavy investment in our homes contributed to an increase in our depreciation charge from £4.3m to £4.7m.

Treasury Management

Trustees have approved a Treasury Policy which sets out the key treasury management policies and practices for the Group. This policy was renewed in 2024. It sets out clear guidelines for BVT on all treasury matters.

The Group had total housing loans of £89.7m at the end of 2024, compared to £86.3m at the end of 2023 (see Note 18). BVT also has further undrawn available facilities in place of £9m.

The BVT Group held a cash balance of £4.2m at the end of 2024, compared to £4.6m at the end of 2023 (see note 17a).

BVT uses stand-alone interest rate derivatives to manage the interest rate risk on the loan portfolio, having secured the required wider-range powers from our Regulator. All interest rate derivatives are authorised by the Finance and Investment Committee, in line with the overall strategy which is to hedge or fix at least 65% of the portfolio, with the overall level of hedging to be at a level that best supports the delivery of the BVT business plan.

As at 31 December 2024 the balance of the loan portfolio was 81% hedged/fixed and 19% variable.

Our Treasury Policy requires that adequate access to funds is available to enable BVT to meet its business and service objectives for at least the following 24 months. BVT utilise external treasury management support and advice to ensure we offer the best value for money possible in our Treasury Management. Having secured a new Rolling Credit Facility from Danske Bank in 2021, BVT has sufficient loan facilities in place to cover our business plan requirements until 2028.

Cash Flow Management

Cash flows for the year are set out in the Statement of Cash Flows in the financial statements. The Group has a strong cash inflow from operating activities. This is used to service the interest payments on the loans that have been taken out and also to partly fund the capital improvement programme. The balance of the capital improvement programme as well as the development programme are funded from capital receipts and loans.

Covenants

All loan covenants were met, and our 30-year financial forecast demonstrates that BVT can meet all future covenant requirements.

- ✓ Interest Cover on our tightest measure was 175% which exceeds the 100% requirement.
- ✓ Gearing was 48% against a maximum level of 66% (please note this calculation is different to the Gearing calculation required by the sector score card shown later in these accounts).
- ✓ Debt per unit was £27,513 per unit against a maximum of £36,116.

Principal Risks and Uncertainties

BVT has a mature risk management framework in action with the Board constantly horizon scanning and managing risk through a risk register. Risks are identified, quantified and managed through 1st line management actions, 2nd line internal oversight and 3rd line external assurance. This includes an extensive and robust internal audit programme delivered by Mazars during 2024, with RSM taking over the role of BVTs internal auditors in 2025.

The Board of BVT has agreed the following levels of risk appetite.

Averse	Avoidance of any risk exposures
Minimal	Ultra-safe, leading to only minimum risk exposure as far as practicably possible; a negligible/low likelihood of occurrence of the risk after application of controls
Cautious	Preference for safe, though accept there will be some risk exposure: a low/medium likelihood of occurrence of the risk after application of controls
Open	Willing to consider all potential options, subject to continued application and/or establishment of controls: recognising there could be a high risk of exposure
Hungry	Eager to be innovative and take on a very high level of risk, but only in the right circumstances.

All decision-making risks are considered in the context of the BVT's risk appetite. To assist this further the Board has identified a number of risk appetite themes, driven by the organisation values, mission and corporate aims, against which they have assigned a risk appetite level. With this knowledge the Board is more easily able to determine how it responds to risks associated with a decision and so make best use of mitigation resources.

BVT's risk appetite themes and descriptions were determined by the Board after considering key negative and positive events that might affect the achievement of the corporate aims. These are presented, in no particular order of priority, in the following statements.

- We have a **minimal** appetite for **legal and regulatory** risk and will take a comply or explain approach as appropriate as we consider the impact of legislation and/or regulation in decision making around all of our activities.
- We have a **cautious** appetite for **customer experience and service quality** risk. We want to innovate to drive improvements but will take a balanced approach to reduce any potential risk of damage to our existing customer services.
- We have a **minimal** appetite for **business transformation & change** risk and will focus on embedding our continuous improvement model to improve and transform what we do now.

- We have a **cautious** appetite for **asset management risk** and will focus our resources on investment in our existing stock with appropriate appraisal of disposal or replacement options. We will not seek development opportunities that could undermine this investment.
- We have a **cautious** appetite for **ICT/digital transformation** risk and will invest to protect data and systems. Where possible we will enhance service delivery through modest investment and smaller scale projects. We will be a follower rather than a leader in digital transformation.
- We have an **open** appetite for **profit for purpose** risk and are open to this where it could improve our financial position and where the opportunity aligns to our mission and aims values.
- We have a **cautious** appetite for **development & growth** risk whilst we focus our resources on existing asset investment and will only respond to nurturing future pipeline opportunities.
- We have a **cautious** appetite for **environmental sustainability** risk and will take incremental steps towards improving sustainability and reducing our carbon footprint. We will do this primarily through component renewals, low-carbon technology and bio-diversity projects. We will be a follower rather than a leader in this field.
- We have a **cautious** appetite for **financial resilience** risk and want to ensure our long-term future. We will consider investment e.g. in projects or existing assets where these deliver our mission and aims but will use our Financial Golden Rules to control risk exposure.
- We have a **cautious** appetite for **reputation** risk and will focus on delivering good quality services and achieving high levels of customer satisfaction. Our reputation includes being innovative and we will not be afraid to innovate to push forward to further our mission, aims and values.
- We have an **open** appetite for **people (employee)** risk and will innovate to remain an employer of choice, driven by our values and with a competitive offer but won't be afraid to make tough decisions in service of our mission and aims.

All decisions made by BVT are in line with the Board's stated risk appetite.

The Board of BVT considers the following to be significant risks faced by the Organisation, with significant control and mitigation actions having been brought to bear in these areas. These risks remain live on our risk register, with on-going work monitored.

- Access to Surveying Labour and Skills – BVT has identified that demand for surveyors and project managers is high. BVT has many strategies to recruit and retain the right staff, including competitive benchmarked pay and rewards, innovative recruitment and training and flexible employment.
- Data Security – BVT has a range of measures in place to keep data secure. This includes being Cyber Essentials Plus accredited, staff training, third party

monitoring and support, quality and up to date firewall and authentication systems and cyber insurance.

- Data Governance – BVT understands the key role accurate data plays in running our organisation. BVT has developed a data governance framework, KPI data integrity checks and deployed restrictions on who can access and amend data. Asset data is managed by a key officer and all staff are trained in GDPR requirements.
- Landlord Health and Safety - BVT has a range of measures to ensure compliance with the highest standards of landlord health and safety. These include a suite of KPI's, clear organisational responsibility and accountability for H&S, dedicated staff for building compliance, a separate category for damp and mould cases with correlation undertaken to match potential causation within our housing stock. BVT ensures regular independent internal audits are run against all aspects of landlord health and safety and takes learning from such audits with the utmost seriousness.
- Existing Stock Quality - BVT has many systems in place to ensure stock quality, including customer satisfaction feedback, regular monitoring, systematic stock condition surveys and regular feedback from BVT staff who cross the threshold of one of our Group's Homes. We have an extensive programme of investment in our homes and our 30 year component replacement programme is fully aligned with our business plan.
- Delivering our landlord services to customers and meeting expectations - the Group gathers customer insight data regularly (including STAR surveys). A customer Scrutiny Panel operates across the Group and there are many opportunities offered to engage with BVT in shaping services. We have a designated Customer Liaison Officer and all complaints are reviewed by our Complaints Learning Group to ensure we continuously improve. We have Neighbourhood Plans and Neighbourhood Co-ordinators in place and in Telford we have Resident led Management Committees.
- Counterparty Risk -. BVT directly delivers all housing management, asset management and repairs services so quality can be more easily assured and counter party risk is reduced. BVT also considers counter party risk in all financial arrangements, with detailed requirements set out in the Treasury Management Policy. Alongside this BVT seeks to reduce counter party risk in supply chains and support providers through quality procurement practices and business continuity planning.
- Financial Viability – BVT has a system of 30 year financial planning, early warning systems, trigger points for action and mitigation plans, along with clear procedures to ensure these plans are followed by Officers, Committees and the

Board. Budget compliance is monitored monthly, with the Board supported by a dedicated Finance and Investment Committee ensuring financial plans remain on track.

- Compliance with legal and regulatory requirements - BVT runs a compliance calendar, a legislation compliance list, has standing orders in place and seeks legal advice where necessary.
- Business Diversity – as a Charitable Trust BVT has a wide range of core services. Our Corporate Plan sets out the priorities and trade-offs between services, with our 30 year plan setting out our long term financial priorities. The Community Building Strategy, Championing People Strategy & Heritage Forward Plan set out parameters for these services. The Asset Management strategy covers all asset portfolios and the investment priorities in each. We have a Specialist Commercial Team to manage our commercial portfolio and heritage-based covenants, leases etc and our Agricultural Estate is managed by a third-party specialist agency.
- Development – BVT is in confidential discussions with various parties about future development opportunities and the Board has a number of strategies in place to identify and manage risk in this area as it emerges.

Environment Statement

As covered in our risk appetite, BVT has a cautious appetite for environmental sustainability risk. We are taking incremental steps and are currently focused on improving sustainability through component renewals.

BVT is committed to doing all we can to ensure as many as possible of our homes reach a minimum EPC rating of C by 2030 and we have financial plans in place to achieve this, although we will also need to seek additional funding support.

The Board sees this as a minimum standard and we are working to fully detail our journey towards carbon neutrality, with estimated costs already included in our 30-year financial plan. Clearly the historic nature of large elements of BVTs housing stock and the strict conservation area rules we must adhere to add a level of complexity to this journey, but the Board of BVT is committed to making this a reality.

Value for Money Statement

Approach to VfM

As a charitable trust with competing demands on our finite resources, we recognise the importance of achieving Value for Money (VfM). Our VfM strategy sets out our definition:

'To BVT, Value for Money means achieving our Corporate Plan, by using our resources in the most effective, efficient, and economic way, whilst ensuring we live our values in all that we deliver.'

In 2024, we worked in line with our updated 10-year Corporate Plan (2023 – 32). Developing and updating this plan was a vital component of our value for money approach as it enabled the Trustee Board to debate and reach agreement on the difficult trade-offs that need to be made between business health, asset investment, future growth & development and the delivery of operational services.

VfM is also embedded into our operational services as part of our approach to continuous improvement. Over the past four years we have developed a suite of performance measures for each service area that enables us to measure the effectiveness and efficiency of their operation. We are continuing to develop and enhance our economy measures at a service level. All KPIs and economy measures are captured in our planning and performance framework with front line staff actively involved in setting targets for their service area.

VfM Metrics

To help drive VfM in BVT we use the nine metrics set by the Regulator for Social Housing together with additional metrics. These complement a range of performance measurement tools in operation across BVT.

The table on the following 2 pages sets out our trends on past performance, our performance against targets in 2024 and our targets for 2025.

As we launched a new value for money framework in 2025 we have extended our table in these accounts, to cover some items that were not previously covered but which the Board wanted to set targets for in 2025. This does mean that for some new measures, we do not have comparable previous years data.

We reviewed our Peer Group in 2022 and are using the same Peer Group in 2024 to ensure consistency and we are confident it remains a fair and balanced group to judge ourselves against.

We have opted to choose associations based on the following characteristics.

- At least 50% of their homes are in the West Midlands.
- They are a traditional housing association, or any local authority stock transfer occurred at least 12 years ago.

- They have between 2,000 and 15,000 homes.
- No more than 5% of their stock is supported housing.
- No more than 15% of their stock is housing for older people.

This gave us a group of nine local housing associations who are known to us and against whom we believe we can fairly benchmark our performance. These Associations are.

Aspire Housing Limited
 Black Country Housing Group Limited
 Connexus Homes Limited
 Honeycomb Group Limited
 Rooftop Housing Group Limited
 The Pioneer Housing and Community Group Limited
 The Wrekin Housing Group Limited
 Trent & Dove Housing Limited
 WATMOS Community Homes

When reviewing the sector score card, it is important to note that BVT is comparing our December 2024 year end to the March 2024 year end of our Peer Group and the Sector as a whole. This is the most up to date information available for BVT to benchmark against, but the time difference is an important consideration, especially in a period of rising costs and increasing investment in existing stock levels being seen across the sector.

We use the RSH Value for Money Benchmarking Tool, supported by the HQN Benchmarking Tool and Housemark Results to benchmark and cross check our results.

We have in the past benchmarked using the median figures for our Peer Group and the Sector as a whole, however, as the sector has continued to consolidate, reducing the number of Social Housing Providers and increasing the impact the very large providers have on benchmarking within the sector, we have opted in 2024 to use the Sector Weighted Average where possible and appropriate. We believe this now offers a better route to assess the financial performance of the sector as whole and is a figure now provided as standard in the Regulator's and HQN benchmarking tools. If this is not possible or appropriate we note this in the following table.

Where we are benchmarking Tenant Satisfaction Measures (TSM), the benchmark will be the median of the sector or our Peers, as we are seeking to show our performance against other Landlords.

Metrics	2021 Actual	2022 Actual	2023 Actual	2024 Actual	2024 Target	2024 Peers	2024 Sector	Forecast 2025	Target 2025	Corporate Aim
Business Health										
*Operating Margin (all BVT activities)	17.10%	18.20%	22.30%	20.70%	21%	19.50%	16.90%	18.20%	18.20%	Org & Fin Health
*Operating Margin (social housing)	24.70%	27.60%	29.90%	26.40%	29%	20.90%	21.60%	29.70%	29.70%	Org & Fin Health
*Interest cover (EBITDA MRI%) (Sales Excluded)	181.20%	136.70%	112.10%	49.80%	92%**	101.30%	89%	32%	32%	Org & Fin Health
Development Capacity & Supply										
*New social housing supply delivered as % of current stock	0.30%	0.30%	0.60%	0.50%	0.30%	1.60%	1.70%	0%	0%	Providing Great Homes
*New non-social housing supply delivered as % of stock	0%	0%	0%	0%	0%	0.01%	0.18%	0%	0%	Providing Great Homes
*Gearing Ratio	52.10%	52.80%	53%	53.60%	53%	58%	48.10%	53%	53%	Org & Fin Health
Effective Asset Investment										
*Return on capital employed	3.30%	3%	3.80%	4%	3.40%	3.30%	2.50%	3.16%	3.16%	Org & Fin Health
*Reinvestment %	2.30%	3%	5.90%	7.20%	6.40%	9.40%	7.70%	5%	5%	Org & Fin Health
Outcomes Delivered										
Overall satisfaction with BVT as a landlord (TSM)	Not Collected	80%	77%	76%	80%	80%	73.20%	80%	80%	Providing Great Homes
Investment in Community Development (£)/(Benchmark provided by Housemark - Mean Average)	727,000	960,000	927,000	888,000	437,120	11,889	532,140	580,228	580,228	Community Building
Proportion of Residents Satisfied with time taken to complete the most recent repair (TSM)	No Data	No Data	76.60%	73.10%	77%	74%	69.40%	83%	83%	Providing Great Homes
Non - Emergency Repairs completed within target time set (TSM)	No Data	No Data	65.2%***	69.14%	85%	72%	80.20%	85%	85%	Providing Great Homes
Emergency Repairs completed within target time set (TSM)	No Data	No Data	97%***	98.70%	95%	96%	95.30%	95%	95%	Providing Great Homes
Compliance with Fire, Gas, Water and Lift Safety Requirements (%) - (TSM)	100%	100%	100%	100%	100%	100%	100%	100%	100%	Providing Great Homes
Number of tenants losing their home due to rent arrears. (Benchmark provided by Housemark - Median)	0%	0.05% (2 Tenants)	0%	0.08% (3 Tenants)	0%	0.11%	0.10%	0%	0%	Championing People

Operating Efficiencies	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978	1977	1976	1975	1974	1973	1972	1971	1970	1969	1968	1967	1966	1965	1964	1963	1962	1961	1960	1959	1958	1957	1956	1955	1954	1953	1952	1951	1950	1949	1948	1947	1946	1945	1944	1943	1942	1941	1940	1939	1938	1937	1936	1935	1934	1933	1932	1931	1930	1929	1928	1927	1926	1925	1924	1923	1922	1921	1920	1919	1918	1917	1916	1915	1914	1913	1912	1911	1910	1909	1908	1907	1906	1905	1904	1903	1902	1901	1900	1899	1898	1897	1896	1895	1894	1893	1892	1891	1890	1889	1888	1887	1886	1885	1884	1883	1882	1881	1880	1879	1878	1877	1876	1875	1874	1873	1872	1871	1870	1869	1868	1867	1866	1865	1864	1863	1862	1861	1860	1859	1858	1857	1856	1855	1854	1853	1852	1851	1850	1849	1848	1847	1846	1845	1844	1843	1842	1841	1840	1839	1838	1837	1836	1835	1834	1833	1832	1831	1830	1829	1828	1827	1826	1825	1824	1823	1822	1821	1820	1819	1818	1817	1816	1815	1814	1813	1812	1811	1810	1809	1808	1807	1806	1805	1804	1803	1802	1801	1800	1799	1798	1797	1796	1795	1794	1793	1792	1791	1790	1789	1788	1787	1786	1785	1784	1783	1782	1781	1780	1779	1778	1777	1776	1775	1774	1773	1772	1771	1770	1769	1768	1767	1766	1765	1764	1763	1762	1761	1760	1759	1758	1757	1756	1755	1754	1753	1752	1751	1750	1749	1748	1747	1746	1745	1744	1743	1742	1741	1740	1739	1738	1737	1736	1735	1734	1733	1732	1731	1730	1729	1728	1727	1726	1725	1724	1723	1722	1721	1720	1719	1718	1717	1716	1715	1714	1713	1712	1711	1710	1709	1708	1707	1706	1705	1704	1703	1702	1701	1700	1699	1698	1697	1696	1695	1694	1693	1692	1691	1690	1689	1688	1687	1686	1685	1684	1683	1682	1681	1680	1679	1678	1677	1676	1675	1674	1673	1672	1671	1670	1669	1668	1667	1666	1665	1664	1663	1662	1661	1660	1659	1658	1657	1656	1655	1654	1653	1652	1651	1650	1649	1648	1647	1646	1645	1644	1643	1642	1641	1640	1639	1638	1637	1636	1635	1634	1633	1632	1631	1630	1629	1628	1627	1626	1625	1624	1623	1622	1621	1620	1619	1618	1617	1616	1615	1614	1613	1612	1611	1610	1609	1608	1607	1606	1605	1604	1603	1602	1601	1600	1599	1598	1597	1596	1595	1594	1593	1592	1591	1590	1589	1588	1587	1586	1585	1584	1583	1582	1581	1580	1579	1578	1577	1576	1575	1574	1573	1572	1571	1570	1569	1568	1567	1566	1565	1564	1563	1562	1561	1560	1559	1558	1557	1556	1555	1554	1553	1552	1551	1550	1549	1548	1547	1546	1545	1544	1543	1542	1541	1540	1539	1538	1537	1536	1535	1534	1533	1532	1531	1530	1529	1528	1527	1526	1525	1524	1523	1522	1521	1520	1519	1518	1517	1516	1515	1514	1513	1512	1511	1510	1509	1508	1507	1506	1505	1504	1503	1502	1501	1500	1499	1498	1497	1496	1495	1494	1493	1492	1491	1490	1489	1488	1487	1486	1485	1484	1483	1482	1481	1480	1479	1478	1477	1476	1475	1474	1473	1472	1471	1470	1469	1468	1467	1466	1465	1464	1463	1462	1461	1460	1459	1458	1457	1456	1455	1454	1453	1452	1451	1450	1449	1448	1447	1446	1445	1444	1443	1442	1441	1440	1439	1438	1437	1436	1435	1434	1433	1432	1431	1430	1429	1428	1427	1426	1425	1424	1423	1422	1421	1420	1419	1418	1417	1416	1415	1414	1413	1412	1411	1410	1409	1408	1407	1406	1405	1404	1403	1402	1401	1400	1399	1398	1397	1396	1395	1394	1393	1392	1391	1390	1389	1388	1387	1386	1385	1384	1383	1382	1381	1380	1379	1378	1377	1376	1375	1374	1373	1372	1371	1370	1369	1368	1367	1366	1365	1364	1363	1362	1361	1360	1359	1358	1357	1356	1355	1354	1353	1352	1351	1350	1349	1348	1347	1346	1345	1344	1343	1342	1341	1340	1339	1338	1337	1336	1335	1334	1333	1332	1331	1330	1329	1328	1327	1326	1325	1324	1323	1322	1321	1320	1319	1318	1317	1316	1315	1314	1313	1312	1311	1310	1309	1308	1307	1306	1305	1304	1303	1302	1301	1300	1299	1298	1297	1296	1295	1294	1293	1292	1291	1290	1289	1288	1287	1286	1285	1284	1283	1282	1281	1280	1279	1278	1277	1276	1275	1274	1273	1272	1271	1270	1269	1268	1267	1266	1265	1264	1263	1262	1261	1260	1259	1258	1257	1256	1255	1254	1253	1252	1251	1250	1249	1248	1247	1246	1245	1244	1243	1242	1241	1240	1239	1238	1237	1236	1235	1234	1233	1232	1231	1230	1229	1228	1227	1226	1225	1224	1223	1222	1221	1220	1219	1218	1217	1216	1215	1214	1213	1212	1211	1210	1209	1208	1207	1206	1205	1204	1203	1202	1201	1200	1199	1198	1197	1196	1195	1194	1193	1192	1191	1190	1189	1188	1187	1186	1185	1184	1183	1182	1181	1180	1179	1178	1177	1176	1175	1174	1173	1172	1171	1170	1169	1168	1167	1166	1165	1164	1163	1162	1161	1160	1159	1158	1157	1156	1155	1154	1153	1152	1151	1150	1149	1148	1147	1146	1145	1144	1143	1142	1141	1140	1139	1138	1137	1136	1135	1134	1133	1132	1131	1130	1129	1128	1127	1126	1125	1124	1123	1122	1121	1120	1119	1118	1117	1116	1115	1114	1113	1112	1111	1110	1109	1108	1107	1106	1105	1104	1103	1102	1101	1100	1099	1098	1097	1096	1095	1094	1093	1092	1091	1090	1089	1088	1087	1086	1085	1084	1083	1082	1081	1080	1079	1078	1077	1076	1075	1074	1073	1072	1071	1070	1069	1068	1067	1066	1065	1064	1063	1062	1061	1060	1059	1058	1057	1056	1055	1054	1053	1052	1051	1050	1049	1048	1047	1046	1045	1044	1043	1042	1041	1040	1039	1038	1037	1036	1035	1034	1033	1032	1031	1030	1029	1028	1027	10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Review of Performance in 2024 and Targets for 2025

Overview of 2024

- 2024 was a challenging year for most organisations and BVT was no exception. We had hoped for a more settled period following the period of economic turbulence, extremely high inflation and rising borrowing costs, which would have been more conducive with our aim of settling into delivering the priorities in the Corporate Plan. However, we along with the sector continued to be impacted by a tight labour market, challenging supply chains and slowly falling inflation, which again made 2024 a challenging year.
- We saw relatively high levels of staff turnover in specific technical areas and there remained some difficulty in recruiting staff, particularly in technical roles and skilled maintenance roles. We continued to do all possible to improve the flexibility of our employment offer, seek new and innovative ways of recruiting, and ensure that BVT remained an employer of choice to compete in a difficult market. This clearly delivered for BVT as we were successful in filling all 59 vacancies that occurred during the year. Our drive to remain an employer of choice was rewarded with our staff survey results showing that 98% of our staff were satisfied with BVT as an employer, 97% were proud to tell people they work for BVT and 97% were inspired by our corporate aims.
- We continued to see higher numbers of repairs being reported and further newly identified damp, mould and condensation issues. This drove up levels of responsive repairs and saw a general increased demand on our customer services. Our new specialist damp, mould and condensation team, which was formed in 2023, performed well but we continue to require the deployment of additional resources to ensure our tenants receive the service they have a right to expect.
- Our customers continued to be impacted by the continuing cost-of-living crisis and sought increasing levels of support from BVT, especially for the services we provide around financial advice, energy efficiency advice and emergency financial crisis funds.
- The action we needed to undertake to ensure we met our customers' needs did impact on our costs. Our headline social housing cost per unit was £6,311 per unit against our target of £6,213, with additional repairs spending being the main driver of the increase.

Plans for 2025

- In line with our Corporate Plan 2023-2032 we will spend 2025 focusing on ensuring all of our services are of great quality and improving our customer's experience. This means our VFM actions are generally focused on service improvements, not financial savings. This is not to say we will not continue to ensure all the services we offer and the goods and services we buy are the best value we can achieve, but to highlight that we are not seeking to cut costs and reduce services, where doing so, would lower our service quality or lessen our ability to identify, develop and deliver improvements.
- Along with most other social housing providers and charitable trusts the Board of BVT has had to make some hard decisions and reach trade-offs between competing priorities. Overall, the Board decided that we must maintain our ambitious investment programme in our existing homes, make more money available for reactive repairs and customer services, as this was the clear message we received from listening to our tenant's voice. Alongside this we are continuing our drive to improve our environmental standing and planning our journey to carbon neutrality. To do this we had to keep costs low in other areas and maintain our corporate overhead at a very low level. The Board has also decided to strategically dispose of some poorly performing assets as they become vacant. This will be around £3m worth of properties in 2025, which may equate to around 10 homes. We will choose the small number of homes we will dispose of after considering how well they are performing financially, in terms of social value and their capacity to meet our future environmental expectations. How they sit in our geographic spread of homes, with our focus remaining on pepper potting tenure types to ensure our social housing blends seamlessly into our mixed tenure community. We will also consider the likely future use of any homes we sell, and whilst we cannot guarantee future use, we will seek to sell homes that are most likely to be attractive to owner occupiers and less likely to attract investors who may not be completely in tune with the wider community. Alongside this the Board will continue to convert a small number of vacant properties to market rent, further their drive for increased returns from our commercial assets and maintain new development spending at a lower level.

Business Health

Performance in 2024

- Our operating margin for social housing reduced in 2024, as we saw costs necessarily rise for repairs but we remain ahead of the sector as a whole and our selected Peer Group. The Board of BVT is satisfied that the reasons for falling slightly short of target in this area are legitimate, match our corporate plan and indicate that we are delivering the value for money our tenants have a right to expect.

- Our EBITDA MRI Interest cover was below target but the published target was set in error. We included strategic asset sales in calculating our target, with strategic asset sales being new to BVT in 2024. We recognised after publication that we should have excluded such sales income from our calculation, and we apologise for any confusion this may cause. We have not restated the 2024 target as we wish to be transparent but the target for 2025 has been correctly calculated. As none of our Funders exclude strategic asset sales income from their covenant calculations, this error had no impact on BVT and our results were in line with our 30 year business plan.
- EBITDA MRI (excluding strategic asset sales) for 2024 and our target for 2025 are below our Peers and the Sector. The Board is fully aware of this and has chosen to prioritise investment in our existing homes over increased financial headroom. This decision was taken as a direct reaction to our Tenants voice, who have made clear to BVT that improvements to their homes are a priority. To guarantee our financial security the Board has ensured BVT is appropriately financed, have Bank Covenants that allow such a level of EBITDA MRI and that our business plan shows we return to greater financial headroom in due course.
- This all indicates that BVT is in a positive business health position, although we accept, that our heavy investment in our homes means we have less headroom to absorb new financial shocks that we have had in the past and will have in the future.

Priorities for 2025

- In setting our 2025 budget the Board of BVT accepted that our costs for repairs, investment in our homes and caretaking services would all rise, as we are determined to deliver what our customers want despite rising costs. This means we expect a slight reduction in some of our business health measures, but to stay well within parameters that are acceptable to our Board. As we have an extensive programme of investing in our homes for 2025 and beyond, we expect to see a further reduction in Interest Cover (EBITDA MRI) but have ensured this is well within our Bank Covenants and Golden Rules. We have all the financing in place to fund our programmes for the near future and our 30-year business plan clearly shows that BVT will see EBITDA MRI rise back above 100% in the medium term.

Development Capacity & Supply

Performance in 2024

- Our new development is centred on the completion of our Lightmoor urban village. In 2024 41 homes were completed, of which 18 were transferred to BVT for social rent.
- These 18 homes were slightly above the original BVT budget, as some were delayed from 2023. This pushed up our supply of new homes delivered to 0.48%, above our 0.29% target. However, this does not impact on the overall scheme size or the total number of units that will be handed to BVT by the scheme's completion.
- As BVT achieved less strategic asset sales than planned in 2024, with a small number delayed into 2025 due to mainly simple conveyancing delays, we did borrow more in 2024 than planned, pushing our Gearing above our original target. However, this will correct in 2025, as we will receive more strategic sales income and reduce our borrowing accordingly.
- BVT's Gearing ratio is higher than the sector weighted average but below our Peer Group. The Board is comfortable with our position.
- The Board is happy that BVT is doing all we reasonably can to deliver new homes, whilst having to balance this against the need to invest heavily in our existing stock, plan to bring our homes to EPC C by 2030 and planning for further extensive spending on our longer-term journey to carbon neutrality. Whilst BVT does not currently have the financial strength to develop as many new homes as we and our communities would like, we continue to build a pipeline of developable land for the near future and will return to expanded development as soon as our financial strength allows.

Priorities for 2025

- Whilst the Lightmoor development will continue in 2025, with developers delivering new homes to market, there will be no new stock received by BVT. In 2025 we will be focussing our efforts on completing the adoption of roads and drains and preparing for more new homes to come to BVT in 2026.

Effective Asset Management

Performance in 2024

- BVT again demonstrated a solid return on capital employed with our year end surplus over budget ensuring that we beat our target. The Board recognises that our out-performance of the 2024 budget for BVT was achieved mainly through not spending contingencies, which is a demonstration of our good financial management, but also through good returns on our non-housing activities. Along with most of the social housing sector we have seen costs and demands in our social housing activities rise.
- We were pleased that in 2024, despite supply chain and recruitment challenges, we delivered on the vast majority of our reinvestment programme, ensuring we delivered promised improvements to our tenants' homes.

Priorities for 2025

- During 2025 we will reach our target of 100% of our homes with a current stock condition survey, to add to the information we gather on our homes through other methods, such as assessments undertaken during the annual gas servicing.
- BVT is committed to bringing our homes to EPC C or above by 2030. Our extensive programme of investing in existing stock is helping us achieve this by providing secure and thermally efficient doors, high specification double glazed windows and energy efficient heating systems, which will move some of our homes that are just below an EPC C rating, to a C or above. As we have such an enhanced existing stock investment programme at present it was decided to prioritise this over a programme designed solely to drive more homes to EPC C status. Doing this also ensured our focus on our Tenants top priority and avoided the risk that we do not meet our tenants' expectations. This programme has also allowed us to employ a larger specialist Assets Team who are enhancing their knowledge of our homes and their expertise in working with contractors in our historic village and conservation areas. This main programme is well on the way to being completely delivered and in 2025 we will further develop our detailed delivery programme to bring as many of our homes as possible up to EPC 'C' by 2030. This is in line with the Board's stated risk appetite in this area. Whilst only a little over half of BVT's homes currently have an EPC rating of C or better, over 90% of our homes with a below C rating are in the D category, with many requiring relatively minor remedial work. We are now developing a clear EPC improvement programme, which will be on top of our existing

investment programme. In our 30 year financial plan we have budgeted to spend an average of £5,500 per property, to raise our D rated homes to C or above. We have set aside £12,000 each for the current one hundred and seventeen E rated homes, £14,500 each for the two homes rated F and £18,000 each for the three homes rated G. These figures are based on the average costs being seen across the sector. BVT will also be seeking grant funding from various sources to support this programme. It may prove that we have been overly prudent in our budgeting, as we work on delivery plans, but the Board wish to have contingency available to accommodate any supply chain issues.

Outcomes delivered

Performance in 2024

- In common with most of the sector we find our overall satisfaction rating reducing, with a reduction from 77% in 2023 to 76% in 2024. With our focus on service improvement and the customer experience we plan to see this rise back to 80% in 2025.
- As a Charitable Trust BVT has always sought to deliver a holistic service to our communities. We believe that supporting communities to thrive can only be achieved by working with them to establish what they require and how it can be delivered, and by working in partnership for the long term. This means BVT continues to invest more in community work than our Peers but our Board sees this a key part of our role and it is front and centre in our corporate plan. In setting the 2024 target we did not correctly include some non-direct expenditure, so the Board are clear that our 2024 spend was in line with target and no additional costs were in fact incurred, the target setting for 2025 has been corrected.
- In 2024 we invested further in our in-house repairs team, growing our number of operatives. However, we saw the number of repairs reported outstrip even this additional investment, so we fell short of our target for completing non-emergency repairs in our set timeframe. This has led us to undertake a comprehensive service review of our repairs function, involving customers throughout the review to establish how we can deliver the repairs that matter to them, quicker and increase their satisfaction with the service, whilst making sure it remains affordable. This comprehensive service review will complete in 2025.
- Ensuring our tenants safety is of course paramount to BVT, so we are pleased to have exceeded our target for completing Emergency repairs within 24 hours and to have outperformed the sector and our Peers in this important area.

- BVT does all possible to avoid any eviction occurring due to non-payment of rent. We engage with any tenant who is struggling financially, and we can usually find a solution that allows them to maintain their tenancy. Sadly, there are rare occasions where we cannot engage effectively and as an absolute last resort, we must seek possession of a home where rent is not being paid. Whilst we performed better than the sector and our Peers in preventing such evictions, we see any such event as deeply concerning and we continue to strive to find new ways to offer support and reach resolutions.

Priorities for 2025

- We will be looking to continue our historically high investment in improving our existing homes and we will continue to overcome the challenges we have with recruiting and retaining specialist asset management staff to ensure this is achieved.
- The comprehensive service review of our repairs service will be completed in early 2025, with extensive support from our tenants. Once complete the implementation of the action plan derived from the review will be a priority for 2025.
- In 2025 we will advance our work on social return measurements in relation to our investment in community activities. This will enhance our clarity on what delivers the best outcome for our communities.
- In 2025 our investment in communities will be smaller as some externally funded activities have ended and no further funding has been identified.

Operating Efficiencies

Performance in 2024

- Our headline social housing cost per unit rose in 2024 and we were marginally above our target. However, we believed we must deliver the services our tenants required despite higher levels of demand and continued high costs. We ended 2024 with a cost per property above our Peers and the sector weighted averages for March 2024, but we do believe all similar organisations will see rising prices push up their cost per unit, so a like-for-like measure at 2024 calendar year-end is likely to show we are closer to the sector average than we appear to be from these figures. We also know that our extensive Major Repairs Programme was the main driver for the variance (see below for more information).
- Our service charge costs are lower than average, but here we recognise that we are not charging for some services we deliver and

that there are some service level improvements our tenants will find beneficial, so we have a plan for change in 2025. We did see our expenditure on service charges go above target in 2024, but this is reflective of our drive to offer an improved service.

- Our maintenance cost per unit went above our target for 2024. However, as we identified the need to correct damp, mould and condensation issues and as we saw higher than ever numbers of repairs reported, this overspend was planned and agreed during the year, with the Board fully aware of the needs of our tenants and fully aware that BVT could match higher spending here with better financial performance in other areas. Our December 2024 figures do sit above both our Peer Group's, and the Sectors weighted average figures for March 2024 but through our networking we know that most of the sector saw the need to spend on repairs rise in 2024, so the Board remains confident we continue to deliver value for money. However, in recognition of our increased spending on repairs and reflective of how important repairs are to our tenants, we did launch a comprehensive service review of our repairs service in 2024, including extensive tenant consultation and this will be completed in 2025, with changes implemented as identified.
- In 2024 our major repairs cost per unit was £2,442 against a target of £2,691. This underspend was partly due to our challenges in recruiting qualified technical staff to run delivery programmes and also partly due to supply chain challenges, including the failure of a major supplier, which delayed one programme as our alternate supplier geared up to cover the shortfall. All work not delivered in 2024 will be caught up in our revised plan for future years.
- We continued to keep our overheads low in 2024, focussing all the resources we have on our frontline delivery of the corporate plan.
- We continue to outperform our Peers and the sector in having a low level of void loss, through low levels of tenant turn over and quick voids turn arounds.
- We again performed well in keeping rent arrears low and we are grateful to all our tenants for working with us and supporting us in challenging financial times.

Priorities for 2025

- We will not, in 2025, seek to reduce our headline social housing cost per unit and management cost per unit as we seek to embed our enhanced service levels that match our tenants voice.
- We will implement a comprehensive team of community caretakers and associated services to better deliver our services to our blocks and communal areas. This will start in 2025 and will be enhanced

during 2026 to take over some landlord compliance tasks, eventually delivering enhanced value for money by delivering a better service at lower cost.

- Our management cost per unit was slightly above our Peers but below the sector median. We expect to see this rise only slightly in line with general cost increases in 2025.
- We will deliver the recommendations derived from our comprehensive service review into our repairs service, ensuring our tenant consultation leads to change.
- We will continue our investment programme in our existing stock, delivering what we have promised our tenants and bringing up the environmental quality of our homes and reducing fuel poverty.
- With cost pressures on BVT at very high levels and to ensure we have sufficient funds to deliver our priorities we will again keep our overheads as a percentage of turnover very low. Our Target for 2025 is well below our Peers and below the sector weighted averages.
- Whilst financial pressure on our tenants is extremely high, we still expect to maintain rent collection levels in 2025 and to keep void loss low. In 2024 our rent loss due to voids was above our ambitious target, but in line with previous years. The Board is satisfied all possible was done to achieve the target and the 2025 target has been set to better reflect the resources available to deliver void turn arounds.

Constitution and Governance

BVT is governed by its Deed of Foundation which was amended in June 2021 to enable access to a wider pool of potential trustee candidates by reducing the number of family trustees from 9 to 6, removing the nominated positions from The University of Birmingham, The Society of Friends and Birmingham City Council and creating positions for up to 6 independent trustees (2 co-opted) to help to increase the diversity of BVT's trustees and to bring in the skills required by the Board.

The Board meets at least 4 times each year and is supported by a range of committees with delegations clearly set out in a suite of Terms of Reference approved by the Board. There are a number of governance policies and documents in place to support effective governance across the Group.

BVT adopted the National Housing Federation Code of Governance 2020 in March 2021 and completed an annual self-assessment of compliance with the new Code in early 2024. There is one key area of non-compliance with the Code relating to the terms of office of family trustees. The BVT Deed of Foundation does not apply set terms of office for family trustees, so Family trustees may serve longer terms than

those set out in the NHF code of governance. Family trustees are subject to annual re-appointment after serving 9 years on the Board which takes into consideration individual trustee's performance and the skills requirements of the Board and committees.

BVT assesses its Group compliance with the Regulator of Social Housing's Governance and Financial Viability Standards on an annual basis and certifies that it is compliant with these standards.

Employee Involvement

To provide for consultation between management and employees on matters of concern to employees, a Joint Consultative Committee (JCC), comprising staff members and managers, including the Chief Executive, meets at least 3 times per year. In 2024 the JCC discussed areas such as maternity, adoption and paternity, sickness absence, work related social events, equality, equity, diversity and inclusion (EDDI), employee wellbeing, hybrid working, employee protective clothing, personal and professional development and health and safety.

Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of BVT and in planning future activities. The Trustees have concluded that BVT's aims and objectives contribute benefits in many ways, including the following:

- provision of rented housing accommodation to those in housing need;
- provision of community facilities and services; and
- provision of advice and support to residents.

Statement of Board's Responsibilities in respect of the Board's report and the financial statements

Registered Provider legislation requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and BVT as at the end of the financial year and of the income and expenditure of the Group and BVT for that period. In preparing those financial statements, suitable accounting policies have been used, framed to the best of the Trustees' knowledge and belief, by reference to reasonable and prudent judgements and estimates and applied consistently. The Trustees prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Applicable accounting standards have been followed. The Trustees are also required to indicate where the financial

statements are prepared other than on the basis that the Group and BVT are going concerns.

The Trustees are responsible for ensuring that arrangements are made for keeping proper accounting records with respect to the Group's and BVT's transactions and assets and liabilities, and for maintaining a satisfactory system of control over the Group's and BVT's books of account and transactions. The financial statements have been prepared in accordance with the requirements of the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. The Trustees are also responsible for ensuring that arrangements are made to safeguard the assets of the Group and BVT and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the Group and financial information included on the Bournville Village Trust website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Political and Charitable Donations

BVT is a charitable organisation and as such we made no contributions to political organisations. To further the charitable aims of BVT we made charitable donations to other charitable organisations who have a connection to the Group, of £43,600 (2023: £34,430).

Alongside this BVT offered partner organisations, who furthered our charitable aims, accommodation that equals a benefit in kind donation valued at £7,800 (2023: £7,800).

Disclosure of Information to the Auditor

Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Auditor

The Trustees resolved that Beaver & Struthers LLP be reappointed as auditor for the BVT Group for the 2025 accounting year.

Annual Controls Assurance Statement 2024

Introduction

This statement sets out the evidence officers have collated on the effectiveness BVT's system of internal controls, which encompasses a number of elements that together facilitate an effective and efficient business, enabling BVT to respond to a variety of operational, financial, and commercial risks. These elements are:

- Policies and Procedures
- Data Breaches
- Business Planning, Budgeting and Performance Management/ Regular Reporting
- Corporate Risk & Assurance Register
- Operational Risk & Assurance
- Audit & Assurance Committee
- Internal Audit Programme
- External Audit Programme
- Third Party Reports
- Compliance with key laws and regulation
- Probity Reporting
-

Policies and Procedures

A series of policies and other documents underpin the internal control process and written procedures support these policies and documents where appropriate. These include rules, group standing orders and financial regulations that are regularly reviewed and approved by the Board. They are supported by other major documents and practices such as the Corporate Plan, code of conduct, a performance management framework, management delegation systems, employment contracts, appraisals and monitoring processes and one-to-one reviews.

The Audit & Assurance Committee approves the approval levels for all policies on an annual basis.

Data Breaches

BVT's Data Protection Officer manages and records all data breaches, both internal and external, that occur. On average, since we began recording, we have 6.5 data breaches each year. We have seen an increase during 2024, although it is not considered significant. 2 breaches related to documentation held on the Property Alterations Portal, so whilst counted separately both had the same root cause and this has now been rectified. Similarly, we had 2 breaches relating to the use of EasyPost, our mailing company. Again, the breaches are counted separately however the root cause was the same. This has now been resolved

with a written procedure for colleagues to follow. The process for reporting data breaches is set out in the Data Breach Notification Procedure.

There were no data breach incidents in 2024 that required informing the Information Commissioner's Office (ICO). There were four breaches where the Data Subject was informed.

Spam emails are always present and do continue to pose a risk. We have now achieved Cyber Essentials Plus accreditation and online training has been delivered to all staff to increase awareness of the issues that spam emails can cause.

We are continually learning from data breaches. There is no blame associated with breaches, and we actively encourage staff to report all instances they are involved in, with a key focus on learning from breaches to reduce the likelihood of further breaches occurring.

All staff continue to receive online Data Protection and ICT Security training which has given them a good understanding of our Data Protection policies and process and also their responsibilities when managing personal data, as well as useful information on ICT Security through our Cyber Essentials Plus training videos.

The Data Protection training is valid for two years and is automatically sent to staff when it is due. New staff undergo the training during their induction.

Business Planning, Budgeting and Performance Management/Reporting

The annual business planning and budgeting process for 2024 was based on achieving the strategic objectives in the Corporate Plan and managing the key risks that might impact on achieving this.

There was regular reporting of both risk and performance across BVT throughout the year. Standardised report templates are in place to ensure that information is presented clearly and consistently across key issues.

A robust, business-led approach to a quarterly performance reporting cycle and reporting from a suite of KPI measures is firmly established and includes specific suites of KPIs for employer and landlord health and safety compliance.

The advanced stress testing we have been running for some years was updated in line with our annual cycle. The detailed stress testing completed has enabled trustees to understand BVT's financial position clearly and also understand the impact of various financial scenarios on its financial viability and has resulted in very clear indicators for ensuring:

- a. there is access to sufficient liquidity at all times
- b. financial forecasts are based on appropriate and reasonable assumptions

- c. effective systems are in place to monitor and accurately report on the delivery of our plans
- d. the financial and other implications of risks to the delivery of plans are considered
- e. we monitor, report on and comply with our funders' covenants.

Risk & Assurance

A Risk & Assurance Register is compiled and updated by the Executive Team to help to facilitate the identification, assessment and ongoing monitoring of risks significant to the organisation, also considering the need for further mitigation.

The Register has been presented to the Audit & Assurance Committee and to the Board of Trustees each quarter in 2024.

A small working group of officers and trustees have been working on how to embed risk appetite and identifying improvements to the risk register and reporting. This work will complete in Q2, 2025.

Audit & Assurance Committee

The Audit & Assurance Committee alerts trustees to any emerging issues or concerns it has. In addition, the committee oversees internal audit, external audit and management responses as required in its review of internal controls. The committee is therefore well-placed to provide advice and assurance to trustees on the effectiveness of the internal control system, including the organisation's system for the management of risk including the scope and effectiveness of the strategy, policies and procedures.

Since the original Audit and Risk Committee was set up in 2017, it has developed its role and has become an established part of the oversight of internal controls, most recently in 2023 following the 2022 governance review where the committee became the Audit and Assurance Committee and refocused its role.

The committee has a mix of experienced and new trustees plus two very experienced independent committee members who bring valuable skills and experience to the committee.

The Committee met 4 times during 2024 and also held a joint meeting with the Finance and Investment Committee to review the annual financial statements and external audit report. The minutes of all these meetings have been presented to the Board of Trustees.

As part of good governance, the Chair and members of the Audit and Assurance Committee have regularly met with both our External and Internal Auditors without officers present to gain independent assurance on BVT's controls over its business.

Internal Audit Programme

Internal audit is an important element of the internal control process. Apart from its normal risk driven programme of work, including recommending improvements to service areas, internal audit is responsible for aspects of the annual review of the effectiveness of the internal control system within the organisation, giving an independent objective assessment of the effectiveness of the risk management and control processes operating at BVT.

The internal audit programme for 2024 was fully delivered and an Annual Internal Audit Assurance Report was presented to the Audit and Assurance Committee and to the Board of Trustees in March 2025. The Internal Audit opinion rating for BVT in 2024 was 'moderate' in terms of the overall adequacy and effectiveness of its framework of governance, risk management and control. This rating is on a scale of unsatisfactory, limited, moderate and substantial.

The Audit and Assurance Committee took a robust role in terms of ensuring scrutiny and oversight of both the tracking and implementation of internal audit recommendations through regular and more detailed reporting of any outstanding recommendations as part of the quarterly Risk and Assurance reports.

A tender took place in 2024 resulting in RSM being appointed as BVT's auditors from 2025. This change of auditor will bring fresh perspectives and experience to BVT's internal audit programme.

External Audit

External audit provides feedback to the Board of Trustees on the operation of the internal financial controls reviewed as part of the annual audit.

In May 2024, Beevers & Struthers issued their first Audit Findings Report, based on BVT's 2023 financial statements. Beevers & Struthers recommended that a formal impairment review should be prepared on an annual basis to support BVT's view that no impairment charge is required. BVT agreed with the recommendation and will conduct a formal impairment review as part of the annual accounts process each year from 2024 onwards. This will be done post year-end providing the review to Beever and Struthers during the audit.

There were no further recommendations identified during the course of the audit work.

BVT, BVD, BVE and BWHS all received a clean audit opinion and there have been no disagreements with management regarding financial reporting for the purpose of issuing the audit report.

Third Party Reports

External assessments and advice provide additional and useful assurance. Major sources include regulatory judgements and independent advice around governance, treasury management and health and safety.

External expertise and impartiality play an important role in supporting BVT to review and provide support to aspects of its work. During 2024 BVT used external parties to support the following:

- Consultants to support with agricultural estate opportunities, particularly the development of Groveley and Weatheroak (Comberton Management & Consultancy Limited)
- Celebrate Bournville project planning (Consultants Ifor Jones, Ruth Miller, Donald Insall Associates and Burrell Foley Fischer)
- Development related support (Aecom, Thornton & Firkin, Gowlings Solicitors and BG Projects)
- Support with the rent increase system (Aareon)
- Advice on market rent tenancies (Capsticks solicitors)
- Treasury Advice (Chathams)
- Organisational Development support, senior leadership development and management development training delivery
- Structural Surveys and Assessments including Reinforced Autoclaved Aerated Concrete (RAAC) inspections
- Environmental Sustainability Consultants (Savills and SHIFT Environmental)
- Fire Risk Assessments
- EPC inspections
- Stock Condition Consultants
- External Auditors (Beever & Struthers)
- Internal Auditors (Mazars)
- Retained Independent Health and Safety Consultant (PEMCO)
- Commercial valuations
- Commercial sales & marketing advice
- Commercial rents, lease terms and lettings
- Commercial dilapidations valuations and negotiations
- Commercial estate reinstatement valuations and a stock condition survey
- Market rent valuation and marketing through Estate Agents
- Comprehensive Service Review – Repairs – external consultant support
- Solicitors – various across BVT.

BVT built on achieving Cyber Essentials Accreditation in December 2021, by achieving Cyber Essentials Plus in 2022 and maintaining this. This is an externally verified accreditation that BVT's ICT security arrangements met the standards expected of the highest performing organisations in our industry sector.

BVT's last In-Depth Assessment (IDA) by the Regulator of Social Housing was completed in quarter 4 2021 and published in March 2022.

Compliance with key laws and regulation

We confirm our compliance with relevant legislation in a number of ways:

- Monthly KPI monitoring (a number of KPI targets are set to achieve legal compliance)
- Regular review of policies to ensure they reflect current legislation
- Constant scanning of trade press for updates and attendance at major conferences
- Horizon scanning as part of monthly Executive team risk discussions to identify any new legislation
- Internal and external audits
- Relevant employees are required to maintain professional accreditation, which includes remaining up to date with relevant statutory requirements
- Use of legal advisors for more complex legal issues that are either beyond the professional capacity of BVT employees, or to seek an opinion on our interpretation of legislation and attendance at legal briefings
- External competent advisor for health and safety
- Lists of relevant legislation provided annually to support this statement are provided to BVT's Audit & Assurance Committee and Board.

There is a section for compliance with relevant legislation in BVT's standard report template so that any issues or concerns are clearly highlighted to the Board and Committees.

In November 2024, BVT submitted a self-referral to the Regulator of Social Housing (RSH) following a severe maladministration determination from the Housing Ombudsman Service (HOS) in relation to a tenant complaint. Following its investigation, the RSH concluded that there was no evidence to indicate that there are serious failings in BVT's delivery of the outcomes of the RSH standards. It advised that it was not proposing to take any further action in relation to the referral. In reaching its conclusion RSH noted that BVT had fully complied with the HOS' orders within the prescribed timescales. It also noted that members of BVT's senior leadership team have met to discuss the HOS' findings and determine immediate actions and key learning for implementation and dissemination across the organisation to prevent reoccurrence.

A self-assessment of compliance with the Regulatory Standards was completed in quarter 1 2024. There was one area of non-compliance with the standards which is within the Governance and Financial Viability Standard. BVT does not fully comply with its adopted Code of Governance as there are no set terms of office for family trustees, but this does comply with BVT's Deed of Foundation. The self-assessment was approved by the Board of Trustees in March 2024.

The Regulator of Social Housing completed a financial stability check in quarter 4 2023 and subsequently regraded BVT from a V1 to a V2 rating and confirmed this again in December 2024. The regulator advised that the continued high

levels of investment in BVT's existing stock had reduced the EBITDA MRI interest cover metric significantly and as set out in our 30-year plan, would continue to keep us at a reduced level for several years to come. The Regulator explained that their internal working group recognised that BVT had put in place a treasury position that fully supported the business plan and that this was a clear indication of good governance and strong financial management. The Regulator made clear that they hold no concerns about BVT's ability to manage debt or maintain the investment levels we have set out. BVT is one of a number of registered providers who have been regraded to a V2 rating, which is still deemed as compliant by the regulator.

Learning from regulatory downgrades in the sector is included in the quarterly risk reports at Audit and Assurance Committee.

All regulatory returns were submitted to the Regulator of Social Housing in compliance with the set deadlines, including new returns regarding buildings above 11m in height.

Preparations for the new Regulator of Social Housing consumer regulation regime which came into effect in April 2024 began in December 2023. A compliance self-assessment was completed and an improvement plan has been in place throughout 2024.

All regulatory returns were submitted to the Charity Commission and Financial Conduct Authority (FCA) within the required deadlines.

In 2023, Ofsted compliance was confirmed for the Shenley Out of School Club. The Holdings met Ofsted compliance requirements in December 2024.

There is ongoing monitoring of BVT's activities to ensure compliance with Charity Commission charitable activity rules.

Probity Reports

Regular probity reports are presented to detail any entries in the following registers: Anti-Money Laundering, Fraud & Bribery, Gifts & Hospitality, Whistleblowing (non-safeguarding), Declarations of Interest, Disposals of assets or property over the value of £500.

There have been no issues of concern reported.

Effectiveness of Controls

Our risk and control mechanisms are generally effective. The annual internal controls certification process did not highlight any issues that were not previously identified through normal management processes.

The Executive team reviewed the effectiveness of the system of internal controls, including the sources of assurance agreed by the Board. There is sufficient

evidence to confirm that adequate systems of internal control are in place and operated throughout the year.

Reserves

All surpluses generated are reinvested to meet the Group's principal objectives, therefore, the reserves that the Group has accumulated have been largely invested in its housing and other properties and are not represented by cash balances. The rationale for certain restricted reserves is explained within the Accounting Policies section.

Fixed Assets

Details of the changes in fixed assets are set out in Notes 7A and 7B to the financial statements.

By order of the Trustees



Helen Harvey
Secretary
12th June 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOURNVILLE VILLAGE TRUST

Opinion

We have audited the financial statements of Bournville Village Trust ("the Trust") and its subsidiaries ("the Group") for the year ended 31 December 2024 which comprise the consolidated and trust statement of comprehensive income, the consolidated and trust statement of financial position, the consolidated and trust statement of changes in reserves, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Trust's affairs as at 31 December 2024 and of the Group's and the Trust's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Board with respect to going concern are described in the relevant sections of this report.

Other information

The Board are responsible for the other information. 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 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 including the Report or the Board, including the operating and financial review 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and its environment obtained during the course of the audit, we have not identified any material misstatements in the Report or the Board, including the operating and financial review.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Trust, or returns adequate for our audit have not been received from branches not visited by us; or
- the Trust's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Board members remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Board

As explained more fully in the statement of responsibilities of the Board set out on page 38 and 39, the Board is 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 members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board are responsible for assessing the Group and the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board either intend to liquidate the Group or the Trust or 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.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws and regulations that affect the Group and the Trust, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Charities Act, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, tax legislation, health and safety legislation, and employment legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Board have in place to prevent and detect fraud.
- We enquired of the Board about any incidences of fraud that had taken place during the accounting period.

- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws related to the construction and provision of social housing, recognising the nature of the Group's activities and the regulated nature of the Group's activities.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

Use of our report

This report is made solely to the members of the Trust, as a body, in accordance with the Housing and Regeneration Act 2008 and the Charities Act 2011. Our audit work has been undertaken so that we might state to the Trust's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the members as a body, for our audit work, for this report, or for the opinions we have formed.

Beever and Struthers

Lee Cartwright (Senior Statutory Auditor)
 For and on behalf of Beever and Struthers, statutory auditor
 20 Colmore Circus
 Queensway
 Birmingham
 B46AT
 Date: 17.06.25

Bournville Village Trust Group

CONSOLIDATED AND TRUST STATEMENTS OF COMPREHENSIVE INCOME for the year ended 31 December 2024

	Notes	Group		Trust	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000
TURNOVER	1	31,792	29,860	31,146	29,081
Operating expenditure	1	(25,216)	(23,198)	(24,728)	(22,686)
OPERATING SURPLUS	1	6,576	6,662	6,418	6,395
Surplus on sale of housing and other properties	5a	1,156	156	1,156	156
Surplus on the sale of land	5a	467	248	467	248
Surplus on sale of other fixed assets	5a	4	16	4	16
Interest receivable	3	48	184	174	367
Interest and financing costs	4	(4,658)	(4,544)	(4,879)	(4,727)
Movement in fair value of financial instruments	17	3,811	(1,346)	3,811	(1,346)
Movement in fair value of investment properties	8	1,947	2,395	1,947	2,395
SURPLUS ON ORDINARY ACTIVITIES	22	9,351	3,771	9,098	3,504

Bournville Village Trust Group

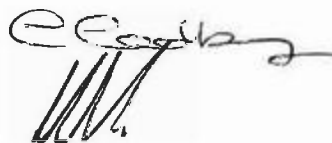
CONSOLIDATED AND TRUST STATEMENTS OF FINANCIAL POSITION as at 31 December 2024

	Notes	Group		Trust	
		2024	2023	2024	2023
		£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible assets					
Housing properties - Cost	7A	204,150	195,982	192,044	184,170
- Depreciation	7A	(45,560)	(42,994)	(41,103)	(38,813)
		<u>158,590</u>	<u>152,988</u>	<u>150,941</u>	<u>145,357</u>
Other fixed assets	7B	22,284	22,358	22,284	22,358
Investment properties	8	9,349	6,994	9,349	6,994
Fixed asset investments	9	0	0	8,400	8,400
Restricted cash	10	1,040	1,040	1,040	1,040
		<u>191,263</u>	<u>183,380</u>	<u>192,014</u>	<u>184,149</u>
CURRENT ASSETS					
Properties held for sale		338	0	338	0
Stock	11	635	1,454	1,195	1,261
Debtors	12	2,933	2,521	4,620	4,576
Cash at bank and in hand		4,158	4,605	3,719	4,273
		<u>8,064</u>	<u>8,580</u>	<u>9,872</u>	<u>10,110</u>
CREDITORS: Amounts falling due within one year	13	(10,222)	(11,430)	(14,774)	(15,446)
		<u>(2,158)</u>	<u>(2,850)</u>	<u>(4,902)</u>	<u>(5,336)</u>
NET CURRENT ASSETS					
		<u>189,105</u>	<u>180,530</u>	<u>187,112</u>	<u>178,813</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
CREDITORS: Amounts falling due after more than one year	14	(114,880)	(111,877)	(114,132)	(111,121)
Provisions for liabilities - pensions	19	0	0	0	0
Financial instruments at fair value	17	(1,606)	(5,417)	(1,606)	(5,417)
		<u>72,619</u>	<u>63,236</u>	<u>71,374</u>	<u>62,275</u>
TOTAL NET ASSETS					
CAPITAL AND RESERVES					
Restricted reserves	20	8,262	8,379	8,262	8,380
Endowments		696	696	696	696
Income and expenditure reserve	21	63,661	54,161	62,416	53,199
		<u>72,619</u>	<u>63,236</u>	<u>71,374</u>	<u>62,275</u>

The financial statements on pages 39 to 75 were approved by the Trustees and authorised for issue on 12 June 2025 and were signed on its behalf by:

C Cadbury - Chair

P Richmond - Chief Executive



Bournville Village Trust Group

STATEMENT OF CHANGES IN RESERVES as at 31 December 2024

Group	Income and expenditure reserve	Restricted reserve	Endowments	Total
	£ £'000	£ £'000	£ £'000	£ £'000
Balance at 1 January 2023	50,934	7,825	696	59,455
Surplus for the year	3,771	0	0	3,771
Transfer of restricted expenditure from unrestricted reserve	(555)	555	0	0
Gift aid received	11	0	0	11
Balance at 31 December 2023	<u>54,161</u>	<u>8,380</u>	<u>696</u>	<u>63,237</u>
Surplus for the year	9,351	0	0	9,351
Transfer of restricted expenditure from unrestricted reserve	118	(118)	0	0
Gift aid received	31	0	0	31
Balance as 31 December 2024	<u>63,661</u>	<u>8,262</u>	<u>696</u>	<u>72,619</u>

Trust	Income and expenditure reserve	Restricted reserve	Endowments	Total
	£ £'000	£ £'000	£ £'000	£ £'000
Balance at 1 January 2023	50,251	7,825	696	58,772
Surplus for the year	3,504	0	0	3,504
Transfer of restricted expenditure from unrestricted reserve	(555)	555	0	0
Balance at 31 December 2023	<u>53,200</u>	<u>8,380</u>	<u>696</u>	<u>62,276</u>
Surplus for the year	9,098	0	0	9,098
Transfer of restricted expenditure from unrestricted reserve	118	(118)	0	0
Balance as 31 December 2024	<u>62,416</u>	<u>8,262</u>	<u>696</u>	<u>71,374</u>

Bournville Village Trust Group

CONSOLIDATED AND TRUST STATEMENT OF CASH FLOWS for the year ended 31 December 2024

	Notes	Group		Trust	
		2024 £'000	2023 Restated £'000	2024 £'000	2023 Restated £'000
OPERATING ACTIVITIES					
Net cash generated from operations	21	6,263	6,774	5,159	5,760
Interest paid		(4,686)	(4,475)	(4,907)	(4,658)
NET CASH FROM OPERATING ACTIVITIES		1,577	2,299	252	1,102
CASH FLOW FROM INVESTING ACTIVITIES					
Acquisition and construction of tangible fixed assets		(12,100)	(9,441)	(11,715)	(9,238)
Net proceeds on disposal of tangible fixed assets		1,988	503	1,988	503
Capital grants repaid		0	0	0	0
Interest received		48	184	174	367
NET CASH USED IN INVESTING ACTIVITIES		(10,064)	(8,754)	(9,553)	(8,368)
CASH FLOW FROM FINANCING ACTIVITIES					
Loans received		7,000	7,000	7,000	7,000
Loan principal repayments		(3,516)	(3,600)	(3,516)	(3,600)
Interest paid		4,658	4,544	4,879	4,727
NET CASH USED IN FINANCING ACTIVITIES		8,142	7,944	8,363	8,127
NET DECREASE IN CASH AND CASH EQUIVALENTS		(345)	1,489	(938)	861
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		4,334	2,845	(541)	(1,402)
CASH AND CASH EQUIVALENTS AT END OF YEAR	21	3,989	4,334	(1,479)	(541)

Bournville Village Trust Group

ACCOUNTING POLICIES

LEGAL STATUS

Bournville Village Trust is an unincorporated charity and is an English registered social housing provider, and is a public benefit entity.

The principal activities and operations are disclosed in the Report of the Board of Trustees.

The address of the Trust's registered office and principal place of business is

350 Bournville Lane
Bournville
Birmingham
B30 1QY

BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS102"), the Housing SORP 2018 "Statement of Recommended Practice for Registered Housing Providers" and they comply with the Accounting Direction for Private Registered Providers of Social Housing 2022. They are prepared under the historical cost convention, modified to include certain financial instruments at fair value.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate those of the Trust and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes. All financial statements are made up to 31 December 2024.

All intra group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

GOING CONCERN

Under the governance requirements, the Trustees confirm that the 30 year financial plan they have in place, along with no refinancing concerns and positive robust stress testing and mitigation plans, means they have reasonable expectation that the Group and Trust have adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

TURNOVER AND REVENUE RECOGNITION

Turnover represents rents and service charges receivable in respect of tenanted leasehold and freehold properties, and amounts invoiced in respect of the provision of services to third parties (net of VAT). It also includes turnover from shared ownership first tranche sales, donations, proceeds from land sales, income for release of covenant restrictions, revenue grants receivable in the period, income from community activities and income from Selly Manor Museum.

Rental income is recognised from the point when properties under development reach practical completion or otherwise become available for letting, net of any voids. Income from first tranche sales and land sales is recognised at the point of legal completion of the transaction. Services to third parties are recognised at the point of service delivery.

OTHER INCOME

Interest income is accrued on a time-apportioned basis, by reference to the principal outstanding at the effective interest rate.

Profit Share

BVT worked with the Extra Care Charitable Trust to develop an extra care scheme for older people on land owned by BVT in Bournville. The scheme is managed and run by the Extra Care Charitable Trust, but as part of the development arrangement BVT is entitled to a share of the profits on care provision within the scheme and of the surplus on property buy back and sales.

Bournville Village Trust Group

ACCOUNTING POLICIES (continued)

TANGIBLE FIXED ASSETS - HOUSING PROPERTIES

Housing properties are properties for the provision of social housing and are principally properties available for rent and shared ownership. Completed housing and shared ownership properties are stated at cost less accumulated depreciation and impairment losses. Agriculture, commercial, community, communal, and office buildings are stated at cost less accumulated depreciation and impairment losses.

Cost includes the cost of acquiring land and buildings, and expenditure 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 enhance the economic benefits of the assets, are capitalised as improvements. Such enhancements can occur if improvements result in either:

- An increase in rental income;
- A material reduction in future maintenance costs;
- A significant extension to the life of the property.

Shared ownership properties are split proportionally between fixed assets and current assets based on the element relating to expected first tranche sales. The first tranche proportion is classed as a current asset and related sales proceeds are included in turnover. The remaining element is classed as a fixed asset and included in housing properties at cost, less any provisions needed for depreciation or impairment. Where the first tranche has been sold prior to the acquisition of properties, these are included in fixed assets only.

SOCIAL HOUSING AND OTHER GOVERNMENT GRANTS

Where developments have been financed wholly or partly by social housing and other grants, the amount of the grant received has been included as deferred income and recognised in Turnover over the estimated useful life of the associated asset structure (not land), under the accruals model. Social Housing Grant (SHG) received for items of cost written off in the Statement of Comprehensive Income Account is included as part of Turnover.

When SHG in respect of housing properties in the course of construction exceeds the total cost to date of those housing properties, the excess is shown as a current liability.

SHG must be recycled by the Association under certain conditions, if a property is sold, or if another relevant event takes place. In these cases, the SHG can be used for projects approved by Homes England. However, SHG may have to be repaid if certain conditions are not met. If grant is not required to be recycled or repaid, any unamortised grant is recognised as Turnover. In certain circumstances, SHG may be repayable, and, in that event, is recorded as a subordinated unsecured repayable debt.

DEPRECIATION OF HOUSING PROPERTIES

Housing properties are split between land, structure and other major components that require replacement over time. The land element of housing properties and housing under the course of construction are not depreciated.

The group separately identifies the major components of 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 the following years:

	Years
Structure	100 -150
Kitchen	20
Bathroom	30
Windows	30
Central Heating	30
Boilers	15
Rewiring	30
Front/Rear Doors	30
Roofs	60
Door Entry Systems	15
Sewerage	20

BVT considers each commercial and agricultural property and asset individually and applies the most appropriate depreciation rate to the asset, based on a fair assessment of its useful economic life.

Bournville Village Trust Group

ACCOUNTING POLICIES (continued)

In 2020 the Group reviewed its depreciation policy and changed the useful economic lives of kitchens, windows, central heating and boilers. This was part of a complete review of our asset management strategy encompassing best practice and reviewing life cycles of components based on changes in technology and product quality. We also listened to the views of our tenants which led to a decision to replace components on a more frequent basis. This means that depreciation on these components replaced prior to 2020 is calculated on net book value at 31st December 2019 on a straight line basis over the remaining useful economic life.

IMPAIRMENT OF FIXED ASSETS

An assessment is made at each reporting date of whether there are indications that a fixed asset (including housing properties) may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the group estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use of the asset based on its service potential, are recognised as impairment losses in the income and expenditure account.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in income and expenditure. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

OTHER TANGIBLE FIXED ASSETS

Tangible fixed assets are initially measured at cost, net of depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land and investment properties, at rates calculated to write off the cost of each asset to its estimated residual value on a straight line basis over its expected useful life as follows:

Computer Equipment	4 years
Fixtures and Fittings	4 years

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Properties classed within agricultural estates, commercial buildings, community buildings and offices are split between land, structure and other major components that require replacement over time. The land element of these properties is not depreciated. The group separately identifies the major components of these properties and charges depreciation on these in line with the depreciation of housing properties.

The 2020 review of depreciation policy and change in useful economic lives of kitchens, windows, central heating and boilers also applied to these assets. This means that depreciation on these components replaced prior to 2020 is calculated on net book value at 31st December 2019 on a straight line basis over the remaining useful economic life.

PROPERTIES UNDER CONSTRUCTION

Properties in the course of construction are carried at cost, less any identifiable impairment loss. Cost includes professional fees and other directly attributable costs that are necessary to bring the property to its operating condition. Depreciation commences when the properties are ready for their intended use.

BORROWING COSTS

Borrowing costs are expensed as incurred unless they are capitalised if directly attributable to a development scheme. Borrowing costs are capitalised from the start of construction through to the time the development is completed and handed over as available for occupation. Costs directly connected with the raising of finance are deducted from loans and written off evenly over the life of the loan in the income and expenditure account.

Bournville Village Trust Group

ACCOUNTING POLICIES (continued)

INVESTMENT PROPERTIES

Investment properties consist of commercial properties and market rented properties not held for social benefit or for use in the business. Investment properties are measured at cost on initial recognition and subsequently carried at fair value determined annually by qualified valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in income or expenditure.

FIXED ASSET INVESTMENTS

There are two elements to fixed asset investments. Investment of Subsidiary represents the fair value of the proceeds for the acquisition of BWHS as at 4 January 2011 when the organisation became a subsidiary of BVT. This became deemed cost going forward. The THFC Interest Service Reserve equates to an investment required under the terms of our THFC loan and the funds are currently invested in bank deposit accounts. The interest reserve is stated at cost with any accrued interest being credited to the statement of comprehensive income.

STOCKS AND WORK IN PROGRESS

Stocks and work in progress are stated at the lower of cost and net realisable value.

Long-term projects, notably the Lightmoor project undertaken through Bournville Village Developments are assessed on a contract-by-contract basis and reflected in the Income and Expenditure Account by recording turnover and related costs as contract activity progresses. Turnover is ascertained in a manner appropriate to the stage of completion of the contract, and credit taken for surplus earned to date when the outcome of the contract can be assessed with reasonable certainty. The amount by which turnover exceeds payments on account is classified as "amounts recoverable on contracts" and included in debtors; to the extent that payments on account exceed relevant turnover, the excess is included as a creditor. The amount of long term contracts, at cost net of amounts transferred to cost of sales, less provision for foreseeable losses and payments on account not matched with turnover, is included within stocks.

VALUE ADDED TAX

Bournville Village Trust and Bournville Village Developments Ltd are both registered for VAT purposes. BWHS and BVE are not VAT Registered.

Bournville Village Trust is only able to recover a relatively small percentage of VAT on its expenditure, as the majority of its income is exempt for VAT purposes. Therefore, expenditure is shown inclusive of VAT with the input VAT recovered deducted from relevant expenditure.

Bournville Village Developments Limited is able to recover all VAT on its expenditure. As a result, expenditure is shown net of VAT and VAT recoverable shown as a debtor.

Bournville Works Housing Society is not registered for VAT purposes and is therefore unable to recover any VAT on its expenditure. Therefore, expenditure is shown inclusive of VAT.

Bournville Village Enterprises is not registered for VAT purposes and is therefore unable to recover any VAT on its expenditure. Therefore, expenditure is shown inclusive of VAT.

LEASES

OPERATING LEASES

Annual rentals are charged to income and expenditure on a straight line basis over the lease term.

EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense.

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Bournville Village Trust Group

ACCOUNTING POLICIES (continued)

RETIREMENT BENEFITS

Defined contribution plans

For defined contribution schemes the amount charged to income and expenditure is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Defined benefit plans

The group does not participate in any active defined benefit plans.

BVT is a member of the closed Cadbury Mondelez Pension Fund, there are no active members and no contributions are paid. A liability is recognised for payments arising from an agreement with the multi-employer plan that determines how the group will fund a deficit. Contributions are discounted when they are not expected to be settled wholly within 12 months of the period end. The rate used to discount the contributions to their present value is based on market yields for high quality corporate bonds with terms and currencies consistent with those at the end benefit obligations.

FINANCIAL INSTRUMENTS

BVT has elected to apply the provisions of sections 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument, and are offset only when the Group currently has a legally enforceable right to set off the recognised amounts and intends to settle on a net basis, or to realise the asset and settle the liability simultaneously.

FINANCIAL ASSETS

Debtors

Rental and trade debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Rental debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with rental or trade debtors constitutes a financing transaction, the debtor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

A provision for impairment of debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the rental or trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Bournville Village Trust Group

ACCOUNTING POLICIES (continued)

FINANCIAL LIABILITIES

Trade creditors

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a trade creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but the control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to fair value, at each reporting date. Fair value gains and losses are recognised through income and expenditure.

PROVISIONS

Provisions are recognised when the group has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Bournville Village Trust Group

ACCOUNTING POLICIES (continued)

RESERVES

The group establishes restricted funds for the specific purposes where their use is subject to restrictions imposed by third parties.

RESTRICTED RESERVES (NOTE 20)

- i) **FUTURE MAINTENANCE RESERVE**
This reserve represents the combined total of all the sinking funds that BVT holds to fund our future maintenance commitments in the areas in which we work.
- ii) **BAT RESERVE**
This reserve represents the net assets of Bournville Almshouse Trust, which under a Uniting Direction from the Charity Commission, is now accounted through this restricted reserve.
- iii) **ELIZA BEECH FUND**
This reserve represents funds to provide residents of BAT with excursions and other entertainment.
- iv) **SHROPSHIRE PROJECT RESERVE**
Some community events generate income to fund specific projects or events that otherwise wouldn't happen.
- v) **COMMUNITY INFRASTRUCTURE RESERVE**
This is a fund holding funds that may only be used for the advancement of Lawley Village.
- vi) **EILEEN HEWER RESERVE**
This fund is used to pay for activities the resident representatives of Lawley select for community advancement.
- vii) **LVCA RESERVE**
The Lawley Village Community Association may call on this fund to support community activity.
- viii) **LIGHTMOOR VAN RESERVE**
Lightmoor Village are funding a van purchased by BVT.
- ix) **BIO-DIVERSITY RESERVE**
This fund holds a donation for the advancement of bio-diversity in Bournville
- x) **LIBRARY FUND RESERVE**
This fund holds a donation received to support the BVT Library and Archive.

ENDOWMENT RESERVES

This reserve represents the permanent endowment of the charity as bequeathed by the Founder.

Bournville Village Trust Group

ACCOUNTING POLICIES (continued)

CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives as per the accounting policy note. The useful economic lives of property components are in line with the current maintenance programme and are re-assessed annually to take into account technological innovation and product life cycles.

Impairment of non-financial assets

Reviews for impairment of housing properties are carried out when a trigger has occurred and any impairment loss in a cash generating unit is recognised by a charge to the Statement of Comprehensive Income. Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use. A cash generating unit is normally a group of properties at scheme level whose cash income can be separately identified.

Development expenditure

Development expenditure is capitalised in line with the accounting policy. Initial capitalisation of costs is based on management's judgement that a development scheme is likely to proceed. Costs capitalised in this way are regularly reviewed and any cost identified as abortive are charged in the Statement of Comprehensive Income.

Debtors

Debtors are based on the amounts outstanding in our ledgers at the end of the financial year, less any provision for bad debts. The provision for rent arrears is based on all former tenants arrears plus 75% of all current tenant arrears that remain outstanding for more than 8 weeks.

Balances due from group undertakings are assessed at the end of each year to ensure that the debt is recoverable in full. If there is any doubt that the debt will be fully recovered, a provision would be made, to reduce the debt to the anticipated recoverable amount.

Valuation of Stand Alone Financial Derivatives

BVT holds Stand Alone Financial Derivatives (Swaps) for the purposes of hedging interest rates on our loans. These Swaps are required to be included in these accounts at their "Fair Value". To calculate this "Fair Value" we use our independent Treasury Advisors Chatham Financial, who are industry experts in their field. It is this "Fair Value" calculated by Chatham Financial that included in these accounts.

Treatment of Agricultural Estates, Properties let to Commercial Organisations and Market Rented Homes

BVT was gifted, by Cadbury Family members, over many years sections of land and properties that now make up our Agricultural Estates. Whilst there are no detailed records of the expectations of the donors in relation to BVT's use of much of these holdings, we believe that we understand through our continued relationship with members of the Cadbury Family that the purpose behind the donation was that BVT would hold and use the land not for simple commercial gain, but to prevent the inappropriate use of the land and the unsympathetic development of green belt. As simple commercial gain is not our primary purpose for holding this land, we do not treat this land as Investment Holdings.

Bournville Village Trust Group

ACCOUNTING POLICIES (continued)

BVT also owns property we lease to Tenants who use these sites to provide "commercial" services, such as shops, health care centres, offices. The reason BVT owns these properties is to ensure our communities have access to important amenities in their neighbourhood. This means BVT do not simply seek the maximum income from these holdings, but instead prioritises the benefit any prospective Tenants' business can bring to our communities. As this is the case, we do not treat these properties as Investment Properties in these accounts. Following a review of all "commercial" assets in 2022, it was decided that 4 shops owned by BVT were no longer held for direct social benefit reasons, as we no longer owned homes in the community which forms the shops local catchment area. We have, therefore, revalued this shops and moved them to Investment Properties in these accounts.

BVT also owns a small number (58) Market Rented homes, which it operates directly and not through BVE. These homes are let to Tenants at a weekly rent that is above our standard Social Rent, but well below the true market rent for the area. As we are not operating these homes on a fully commercial basis, but instead to give people access to affordable high quality homes and to increase the tenure types in our communities, and given that the number is not material in relation to our overall rented homes numbers, we do not treat these as Investment Properties in our accounts. In relation to those homes BVT does let at a full market rent, these are leased to BVE and accounted for as Investment Properties in these accounts.

Bournville Village Trust Group

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2024

1 TURNOVER, COST OF SALES, OPERATING COSTS AND OPERATING SURPLUS

Continuing activities - Group

	2024			2023		
	Turnover	Operating Costs	Operating Surplus/ (Deficit)	Turnover	Operating Costs	Operating Surplus/ (Deficit)
	£'000	£'000	£'000	£'000	£'000	£'000
Social Housing Activities						
Income and expenditure from social housing lettings	24,815	(18,403)	6,412	23,016	(16,211)	6,805
Other Social Housing Activities						
Services to third parties	654	(563)	91	980	(644)	336
Profit share arrangement	519	(25)	494	505	(25)	480
Community activities	276	(891)	(615)	297	(927)	(630)
Non Social Housing Activities						
Market renting	991	(289)	702	794	(197)	597
Agricultural lettings	642	(539)	103	597	(584)	13
Estate management	2,166	(3,195)	(1,029)	1,958	(3,158)	(1,200)
Commercial lettings	1,338	(964)	374	1,348	(1,072)	276
Selly Manor museum	207	(271)	(64)	186	(266)	(80)
Land transactions	125	(22)	103	108	(5)	103
Pension fund costs	0	0	0	0	(33)	(33)
Services to third parties	59	(54)	5	71	(76)	(5)
TOTAL	31,792	(25,216)	6,576	29,860	(23,198)	6,662

Bournville Village Trust Group

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2024

1 TURNOVER, COST OF SALES, OPERATING COSTS AND OPERATING SURPLUS

Continuing activities - Trust

	2024			2023		
	Turnover	Operating Costs	Operating Surplus/ (Deficit)	Turnover	Operating Costs	Operating Surplus/ (Deficit)
	£'000	£'000	£'000	£'000	£'000	£'000
Social Housing Activities						
Income and expenditure from social housing lettings	23,040	(17,426)	5,614	21,383	(15,426)	5,957
Other Social Housing Activities						
Services to third parties	1,818	(1,152)	666	1,821	(937)	884
Profit share arrangement	519	(25)	494	505	(25)	480
Community activities	276	(891)	(615)	297	(927)	(630)
Non-Social Housing Activities						
Market renting	913	(211)	702	768	(182)	586
Agricultural lettings	642	(539)	103	597	(584)	13
Estate management	2,231	(3,195)	(964)	2,002	(3,158)	(1,156)
Commercial lettings	1,338	(964)	374	1,348	(1,072)	276
Selly Manor museum	207	(271)	(64)	186	(266)	(80)
Land transactions	103	0	103	103	0	103
Pension fund costs	0	0	0	0	(33)	(33)
Services to third parties	59	(54)	5	71	(76)	(5)
TOTAL	31,146	(24,728)	6,418	29,081	(22,686)	6,395

Bournville Village Trust Group

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2024

1 TURNOVER, COST OF SALES, OPERATING COSTS AND OPERATING SURPLUS (continued)

Particulars of income and expenditure from social housing lettings - Group

	2024				
	General needs housing £'000	Supported housing accommodation £'000	Housing for older people £'000	Shared ownership accommodation £'000	Total £'000
TURNOVER FROM SOCIAL HOUSING LETTINGS					
Rent receivable net of voids	21,076	0	1,399	453	22,928
Service charges receivable	346	0	1,003	4	1,353
Care and support charges	0	231	0	0	231
NET RENTAL INCOME	21,422	231	2,402	457	24,512
Social housing grant amortisation	183	0	110	10	303
TURNOVER FROM SOCIAL HOUSING LETTINGS	21,605	231	2,512	467	24,815
EXPENDITURE ON SOCIAL HOUSING LETTINGS					
Management	4,004	88	513	40	4,645
Service charge costs	506	0	1,082	0	1,588
Care and support costs	0	144	0	0	144
Routine maintenance	4,403	24	218	0	4,645
Planned maintenance	2,314	0	187	0	2,501
Major repairs expenditure	139	0	0	0	139
Bad debts	36	(4)	7	0	39
Depreciation of properties	4,056	10	536	90	4,692
Depreciation of fixtures and fittings	4	0	6	0	10
OPERATING COSTS ON SOCIAL HOUSING LETTINGS	15,462	262	2,549	130	18,403
OPERATING SURPLUS/ (DEFICIT) ON SOCIAL HOUSING LETTINGS	6,143	(31)	(37)	337	6,412
Rent loss due to voids	116	7	34	0	157

Bournville Village Trust Group

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2024

1 TURNOVER, COST OF SALES, OPERATING COSTS AND OPERATING SURPLUS (continued)

Particulars of income and expenditure from social housing lettings - Group

	2023				Total £'000
	General needs housing £'000	Supported housing accommodation £'000	Housing for older people £'000	Shared ownership accommodation £'000	
TURNOVER FROM SOCIAL HOUSING LETTINGS					
Rent receivable net of voids	19,534	0	1,313	426	21,273
Service charges receivable	278	0	963	5	1,246
Care and support charges	0	197	0	0	197
NET RENTAL INCOME	19,812	197	2,276	431	22,716
Social housing grant amortisation	183	0	110	7	300
TURNOVER FROM SOCIAL HOUSING LETTINGS	19,995	197	2,386	438	23,016
EXPENDITURE ON SOCIAL HOUSING LETTINGS					
Management	3,389	90	518	160	4,157
Service charge costs	418	0	943	0	1,361
Care and support costs	0	114	0	0	114
Routine maintenance	3,646	30	174	0	3,850
Planned maintenance	1,829	0	366	0	2,195
Major repairs expenditure	196	0	0	0	196
Bad debts	(27)	3	0	0	(24)
Depreciation of properties	3,827	11	418	91	4,347
Depreciation of fixtures and fittings	11	1	3	0	15
OPERATING COSTS ON SOCIAL HOUSING LETTINGS	13,289	249	2,422	251	16,211
OPERATING SURPLUS / (DEFICIT) ON SOCIAL HOUSING LETTINGS	6,706	(52)	(36)	187	6,805
Rent loss due to voids	120	12	16	0	148

Bournville Village Trust Group

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2024

1 TURNOVER, COST OF SALES, OPERATING COSTS AND OPERATING SURPLUS (continued)

Particulars of income and expenditure from social housing lettings - Trust

	2024				Total £'000
	General needs housing £'000	Supported housing accommodation £'000	Housing for older people £'000	Shared ownership accommodation £'000	
TURNOVER FROM SOCIAL HOUSING LETTINGS					
Rent receivable net of voids	19,309	0	1,399	453	21,161
Service charges receivable	346	0	1,003	4	1,353
Care and support charges	0	231	0	0	231
NET RENTAL INCOME	19,655	231	2,402	457	22,745
Social housing grant amortisation	175	0	110	10	295
TURNOVER FROM SOCIAL HOUSING LETTINGS	19,830	231	2,512	467	23,040
EXPENDITURE ON SOCIAL HOUSING LETTINGS					
Management	3,798	88	513	40	4,439
Service charge costs	506	0	1,082	0	1,588
Care and support costs	0	144	0	0	144
Routine maintenance	4,149	24	218	0	4,391
Planned maintenance	2,231	0	187	0	2,418
Major repairs expenditure	80	0	0	0	80
Bad debts	27	(4)	7	0	30
Depreciation of properties	3,690	10	536	90	4,326
Depreciation of fixtures and fittings	4	0	6	0	10
OPERATING COSTS ON SOCIAL HOUSING LETTINGS	14,485	262	2,549	130	17,426
OPERATING SURPLUS/ (DEFICIT) ON SOCIAL HOUSING LETTINGS	5,345	(31)	(37)	337	5,614
Rent loss due to voids	112	7	34	0	153

Bournville Village Trust Group

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2024

1 TURNOVER, COST OF SALES, OPERATING COSTS AND OPERATING SURPLUS (continued)

Particulars of income and expenditure from social housing lettings - Trust

	2023				Total £'000
	General needs housing £'000	Supported housing accommodation £'000	Housing for older people £'000	Shared ownership accommodation £'000	
TURNOVER FROM SOCIAL HOUSING LETTINGS					
Rent receivable net of voids	17,909	0	1,313	426	19,648
Service charges receivable	278	0	963	5	1,246
Care and support charges	0	197	0	0	197
NET RENTAL INCOME	18,187	197	2,276	431	21,091
Social housing grant amortisation	175	0	110	7	292
TURNOVER FROM SOCIAL HOUSING LETTINGS	18,362	197	2,386	438	21,383
EXPENDITURE ON SOCIAL HOUSING LETTINGS					
Management	3,216	90	518	160	3,984
Service charge costs	418	0	943	0	1,361
Care and support costs	0	114	0	0	114
Routine maintenance	3,471	30	174	0	3,675
Planned maintenance	1,757	0	366	0	2,123
Major repairs expenditure	177	0	0	0	177
Bad debts	(25)	3	0	0	(22)
Depreciation of properties	3,479	11	418	91	3,999
Depreciation of fixtures and fittings	11	1	3	0	15
OPERATING COSTS ON SOCIAL HOUSING LETTINGS	12,504	249	2,422	251	15,426
OPERATING SURPLUS/ (DEFICIT) ON SOCIAL HOUSING LETTINGS	5,858	(52)	(36)	187	5,957
Rent loss due to voids	115	12	16	0	143

Bournville Village Trust Group

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2024

2 ACCOMMODATION IN MANAGEMENT AND DEVELOPMENT

	Group		Trust	
	2024 Number	2023 Number	2024 Number	2023 Number
UNITS OWNED AT YEAR END:				
General needs housing	3,365	3,367	3,052	3,054
Shared ownership	136	137	136	137
Supported Housing	9	9	9	9
Housing for older people	262	262	262	262
Market rented	95	84	95	84
	<u>3,867</u>	<u>3,859</u>	<u>3,554</u>	<u>3,546</u>
UNITS IN MANAGEMENT AT YEAR END:				
General needs housing	3,456	3,462	3,456	3,462
Shared ownership	136	137	136	137
Supported Housing	9	9	9	9
Housing for older people	262	262	262	262
Market rented	95	84	95	84
	<u>3,958</u>	<u>3,954</u>	<u>3,958</u>	<u>3,954</u>

The above numbers include 44 (2023:44) units owned by BVT but managed by other associations.

3 INTEREST RECEIVABLE AND SIMILAR INCOME

	Group		Trust	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Interest on bank deposits	48	184	48	184
Interest on intercompany loans	0	0	126	183
	<u>48</u>	<u>184</u>	<u>174</u>	<u>367</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	Group		Trust	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Interest arising on:				
Bank loans and overdrafts	4,658	4,537	4,879	4,720
Interest & Financing Costs - Pensions	0	7	0	7
	<u>4,658</u>	<u>4,544</u>	<u>4,879</u>	<u>4,727</u>

Bournville Village Trust Group

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2024

5 OPERATING SURPLUS	Group		Trust	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Operating surplus is stated after charging /(crediting)				
Depreciation of other tangible fixed assets owned	133	134	133	134
Depreciation of housing properties	4,272	4,139	3,912	3,793
Net book value of component disposals of housing properties	420	208	524	206
Depreciation of non-housing properties	457	452	457	452
Net book value of component disposals of non-housing properties	11	10	11	10
Operating lease rentals	204	191	204	191
Amortisation of capital grant	(306)	(305)	(298)	(297)

Fees payable to Beevers and Struthers and its associates in respect of both audit and non-audit services are as follows:

Audit services - statutory audit of the company	64	60	47	46
Other services:				
All other non-audit services	0	0	0	0

5a SURPLUS ON SALE OF FIXED ASSETS

Group & Trust	2024			2023		
	Sale of Housing Properties £'000	Sale of Land £'000	Sale of Other Fixed Assets £'000	Sale of Housing Properties £'000	Sale of Land £'000	Sale of Other Fixed Assets £'000
Disposal proceeds	1,525	467	21	236	248	19
Carrying value of fixed assets	(344)	0	(17)	(80)	0	(3)
Cost of sales	(25)	0	0	0	0	0
Surplus/(deficit)	1,156	467	4	156	248	16

Bournville Village Trust Group

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2024

6 EMPLOYEES

The average monthly number of persons (including directors) employed by the Trust and Group expressed in full time equivalents during the year was:

	Group		Trust	
	2024	2023 Restated	2024	2023 Restated
	No.	No.	No.	No.
Office and management	149	144	149	144
Maintenance	83	79	83	79
	232	223	232	223

The above figures are calculated on the number of staff employed in the Group and Trust, working a standard 37 hour working week for the majority of staff and a standard 39 hour week for maintenance staff. The calculation has been done on a month by month basis and then averaged out over the course of the year.

Staff costs for the above persons:

	Group		Trust	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Wages and salaries	9,567	8,841	9,567	8,841
Redundancy Payments	3	18	3	18
Social security costs	976	872	976	872
Defined benefit pension cost	0	0	0	0
Defined contribution pension cost	876	800	876	800
Other pension costs	0	33	0	33
	11,422	10,564	11,422	10,564

The full time equivalent number of staff who received remuneration over £60,000 (including directors):

	Group & Trust	
	2024 No.	2023 No.
£60,000 - £70,000	15	7
£70,001 - £80,000	8	7
£80,001 - £90,000	4	2
£90,001 - £100,000	1	1
£100,001 - £110,000	0	1
£110,001 - £120,000	1	3
£120,001 - £130,000	3	0
£130,001 - £140,000	0	1
£140,001 - £150,000	1	0
£150,001 - £160,000	0	1
£160,001 - £170,00	1	0

The bandings above include redundancy payments as detailed in staff costs above.

Bournville Village Trust Group

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2024

Executive Team Members

In respect of the directors (BVT executive team) who are considered to be the key Management Personnel of Bournville Village Trust:

Executive Team Members

	Group		Trust	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Remuneration and fees	667	629	667	629
Company contributions to pension schemes	66	63	66	63
Money value of benefits in kind	54	52	54	52
	<u>787</u>	<u>744</u>	<u>787</u>	<u>744</u>

	Group		Trust	
	2024 No.	2023 No.	2024 No.	2023 No.

The number of Executive Team Members to whom retirement benefits are accruing under:

	Restated		Restated	
Defined contribution schemes	6	6	6	6

	Group		Trust	
	2024 £	2023 £	2024 £	2023 £
Directors Remuneration per unit owned/managed	<u>223</u>	<u>208</u>	<u>223</u>	<u>208</u>

	Highest paid employee	
	2024 £'000	2023 £'000
Remuneration	150	143
Company contributions to pension schemes	14	13
	<u>164</u>	<u>156</u>

The highest paid Executive Team Member in 2024 was the Chief Executive.

The Chief Executive is a member of the BVT Pensionsaver scheme and BVT made pension contributions of £14,071 in 2024 (2023: £13,439).

	Group		Trust	
	2024 £	2023 £	2024 £	2023 £
Remuneration of the highest paid Director per unit owned/managed	<u>38</u>	<u>38</u>	<u>38</u>	<u>38</u>

No other payments are made to Trustees other than expenses (travel and subsistence) as detailed below.

	2024 £	2023 £
Trustee payments comprise of:		
Trustee expenses	<u>5,229</u>	<u>4,908</u>

Bournville Village Trust Group

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2024

7A TANGIBLE FIXED ASSETS - HOUSING PROPERTIES (Predominantly freehold) - GROUP

	Housing properties held for letting £'000	Shared ownership properties £'000	Properties in the course of construction £'000	2024 Total £'000
Cost				
At 1 January	188,018	7,739	225	195,982
Additions	0	0	11	11
Component replacements and improvements	9,260	0	0	9,260
Properties acquired	2,183	0	0	2,183
Component disposals	(2,049)	0	0	(2,049)
Property disposals	(361)	(76)	0	(437)
Transfer to current assets	(443)	0	0	(443)
Transfer to investment properties	(357)	0	0	(357)
At 31 December	196,251	7,663	236	204,150
Depreciation and impairment				
At 1 January	(41,895)	(1,099)	0	(42,994)
Charge for year	(4,182)	(90)	0	(4,272)
Component disposals	1,474	0	0	1,474
Property disposals	83	10	0	93
Transfer to current assets	99	0	0	99
Transfer to investment properties	40	0	0	40
At 31 December	(44,381)	(1,179)	0	(45,560)
NET BOOK VALUE				
At 31 December 2024	151,870	6,484	236	158,590
At 31 December 2023	146,123	6,640	225	152,988

Bournville Village Trust Group

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2024

7A TANGIBLE FIXED ASSETS - HOUSING PROPERTIES (Predominantly freehold) - TRUST

	Housing properties held for letting £'000	Shared ownership properties £'000	Properties in the course of construction £'000	2024 Total £'000
Cost				
At 1 January	176,206	7,739	225	184,170
Additions	0	0	11	11
Component replacements and improvements	8,875	0	0	8,875
Properties acquired	2,183	0	0	2,183
Component disposals	(1,958)	0	0	(1,958)
Property disposals	(361)	(76)	0	(437)
Transfer to current assets	(443)	0	0	(443)
Transfer to investment properties	(357)	0	0	(357)
At 31 December	184,145	7,663	236	192,044
Depreciation and Impairment				
At 1 January	(37,714)	(1,099)	0	(38,813)
Charge for year	(3,822)	(90)	0	(3,912)
Component disposals	1,390	0	0	1,390
Property disposals	83	10	0	93
Transfer to current assets	99	0	0	99
Transfer to investment properties	40	0	0	40
At 31 December	(39,924)	(1,179)	0	(41,103)
NET BOOK VALUE				
At 31 December 2024	144,221	6,484	236	150,941
At 31 December 2023	138,492	6,640	225	145,357

Bournville Village Trust Group

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2024

7A EXPENDITURE ON WORKS TO EXISTING PROPERTIES

	Group		Trust	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Improvement work capitalised	14	190	14	173
Components capitalised	8,872	6,196	8,861	6,010
Amounts charged to income and expenditure	7,264	6,242	6,889	5,975
	<u>16,150</u>	<u>12,628</u>	<u>15,764</u>	<u>12,158</u>

TOTAL GRANTS RECEIVED

	Group		Trust	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Total cumulative amounts received or receivable at 31 December:				
Capital grant	34,980	35,949	34,980	34,995

FINANCE COSTS

	Group		Trust	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Aggregate amount of finance costs included in the cost of housing properties and communal areas in note 7b	2,800	2,800	2,800	2,800
	<u>2,800</u>	<u>2,800</u>	<u>2,800</u>	<u>2,800</u>

Bournville Village Trust Group

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2024

7B TANGIBLE FIXED ASSETS - OTHER

Group & Trust	Agricultural estates £'000	Commercial buildings £'000	Community buildings £'000	Offices £'000	Communal areas £'000	Computer £'000	Fixtures and fittings £'000	2024 Total £'000
Cost								
At 1 January	5,751	13,296	3,117	4,735	2,185	1,165	1,010	31,259
Component replacements	128	0	0	0	0	0	0	128
Additions	0	220	7	0	0	79	110	416
Disposals	0	0	0	0	0	(160)	(123)	(283)
Component disposal	(4)	(54)	0	0	0	0	0	(58)
At 31 December	5,875	13,462	3,124	4,735	2,185	1,084	997	31,462
Depreciation and impairment:								
At 1 January	(1,644)	(3,714)	(488)	(1,056)	0	(1,050)	(939)	(8,901)
Charge for year	(126)	(198)	(36)	(97)	0	(70)	(63)	(590)
Released on disposal	0	0	0	0	0	147	119	266
Component disposal	3	44	0	0	0	0	0	47
At 31 December	(1,767)	(3,868)	(524)	(1,153)	0	(983)	(883)	(9,178)
Carrying amount:								
At 31 December 2024	4,108	9,594	2,600	3,582	2,185	101	114	22,284
At 31 December 2023	4,107	9,582	2,629	3,679	2,185	105	71	22,358

Bournville Village Trust Group

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2023

8 INVESTMENT PROPERTIES

Group & Trust

	Commercial Properties £'000	Market Rented Properties £'000	Total £'000
At 1 January 2024	430	6,564	6,994
Transfer from housing properties	0	318	318
Component Disposal in year	0	(12)	(12)
Capital Improvements	0	102	102
Revaluations	10	1,937	1,947
At 31 December 2024	440	8,909	9,349

The Group's commercial investment properties are valued annually on 31 December at fair value by Savills, an independent, professionally qualified valuer. The valuations were undertaken in accordance with the current RICS Valuation – Global Standards, incorporating the IVS, and the RICS Valuation – Global Standards – UK National Supplement published by the Royal Institution of Chartered Surveyors (commonly known as the "Red Book"). In valuing investment properties, a discounted cash flow methodology was adopted with the following key assumptions:

Discount rate	7%
Exit yield	10%

The Group's market rented investment properties are valued annually on 31 December at fair value by JLL Limited, an independent, professionally qualified valuer. The valuations were undertaken in accordance with the current RICS Valuation – Global Standards, incorporating the IVS, and the RICS Valuation – Global Standards – UK National Supplement published by the Royal Institution of Chartered Surveyors (commonly known as the "Red Book"). In valuing investment properties, a discounted cash flow methodology was adopted with the following key assumptions:

Discount rate	7%
Exit yield	5%
Level of long term annual rent increases	5.5% years 1 & 2 and 4% in subsequent years

If investment property had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

Group & Trust - 2024

	Commercial Properties £'000	Market Rented Properties £'000	Total £'000
Historic cost	160	1,284	1,444
Accumulated depreciation	(62)	(231)	(293)
	98	1,053	1,151

Group & Trust - 2023

	Commercial Properties £'000	Market Rented Properties £'000	Total £'000
Historic cost	160	825	985
Accumulated depreciation	(60)	(172)	(232)
	100	653	753

Bournville Village Trust Group

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2024

9	FIXED ASSET INVESTMENTS	2024 £'000	2023 £'000
	Group		
	Investment in subsidiary	0	0
	Trust		
	Investment in subsidiary	8,400	8,400
10	RESTRICTED CASH		
	Group & Trust		
		2024 £'000	2023 £'000
	At 1 January	1,040	1,040
	Interest credited	0	0
	At 31 December 2024	1,040	1,040
11	STOCK	2024 £'000	2023 £'000
	Group		
	Materials and consumables	3	16
	Work in progress	632	1,438
		635	1,454
	Trust		
	Materials and consumables	3	16
	Work in progress	1,192	1,245
		1,195	1,261

Bournville Village Trust Group

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2024

12 DEBTORS	Group		Trust	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Amounts falling due within one year:				
Gross Rental Arrears				
Housing	920	830	859	780
Non-housing	503	518	503	518
Market rented	14	12	14	8
Supported housing	29	131	29	131
Shared ownership	23	22	23	22
Less: Provision for bad and doubtful debts	(655)	(596)	(644)	(594)
	834	917	784	865
Balance due from managed associations	0	0	0	0
Balance due from group undertakings	0	0	1,297	1,792
Prepayments and accrued income	900	478	900	478
Other debtors	1,199	1,126	1,639	1,441
	2,933	2,521	4,620	4,576

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	Group		Trust	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Housing loans (note 18)	3,612	3,516	3,612	3,516
Rent and service charges received in advance	835	919	799	869
Recycled capital grant funds (note 15)	0	0	0	0
Deferred capital grants (note 16)	305	306	297	298
Trade creditors	421	215	417	215
Balances due to managed associations	169	261	169	261
Balance due to group undertakings	0	0	5,029	4,553
Other taxation and social security costs	218	203	218	203
VAT	226	226	223	212
Other creditors	299	408	299	408
Accruals and deferred income	4,137	5,376	3,711	4,911
	10,222	11,430	14,774	15,446

Bournville Village Trust Group

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2024

14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Trust	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Debt (note 18)	86,136	82,747	86,136	82,747
Loan arrangement fees	(520)	(541)	(520)	(541)
Deferred Income	0	103	0	103
Recycled Capital Grant Fund (note 15)	16	15	16	15
Deferred capital grant (note 16)	29,248	29,553	28,500	28,797
	<u>114,880</u>	<u>111,877</u>	<u>114,132</u>	<u>111,121</u>

Included in creditors are the following debt related items:

	Group		Trust	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Amounts repayable by instalments falling due in less than five years	17,753	18,013	17,753	18,013
Amounts repayable by instalments falling due after more than five years	36,994	40,250	36,994	40,250
Amounts repayable other than by instalments falling due after more than five years	35,000	28,000	35,000	28,000
Less amounts repayable in less than one year	(3,612)	(3,516)	(3,612)	(3,516)
	<u>86,135</u>	<u>82,747</u>	<u>86,135</u>	<u>82,747</u>

15 RECYCLED CAPITAL GRANT FUND

Funds pertaining to its activities within areas covered by:

	Group		Trust	
	HCA 2024 £'000	HCA 2023 £'000	HCA 2024 £'000	HCA 2023 £'000
Opening balance				
Inputs to RCGF:				
As at 1 January	15	103	15	103
Grants recycled	0	15	0	15
Interest accrued	1	0	1	0
Grants repaid	0	0	0	0
Grants Withdrawn	0	(103)	0	(103)
	<u>16</u>	<u>15</u>	<u>16</u>	<u>15</u>
Closing balance				
Amounts 3 years old or older where repayment may be required:	0	0	0	0

Bournville Village Trust Group

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2024

16 DEFERRED CAPITAL GRANTS

	Group		Trust	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
As at 1 January	29,860	30,074	29,095	29,301
Amortisation in year	(306)	(305)	(298)	(297)
Transfer from/(to) recycled capital grant fund	0	91	0	91
As at 31 December	29,554	29,860	28,797	29,095

17 FINANCIAL INSTRUMENTS

Group and Trust

	2024 £'000	2023 £'000
Financial liabilities:		
Measured at fair value through profit or loss		
At 1 January	5,417	4,071
Movement during year	(3,811)	1,346
At 31 December	1,606	5,417

Interest rate swaps

The Group has taken out a number of interest rate hedging arrangements as part of the Treasury Management Strategy which seeks to achieve a mix of fixed and variable rate loans within the overall portfolio. All of the hedging instruments are stand alone interest rate swaps which have been taken out over the last 15 years and which have fixed rates of interest varying between 4.14% and 5.81%. At 31 December 2024, the total nominal value of interest rate hedging instruments was £51.5m (2023 £51.5m).

The fair value of these hedging instruments has been calculated by BVT's Treasury Management advisors, Chatham Financial.

17a Financial assets

	Group		Trust	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Debt instruments measured at amortised cost:				
Rent debtors	1,493	1,512	1,429	1,459
Other debtors	1,412	1,446	1,416	1,449
Cash	4,158	4,605	3,719	4,273
	7,063	7,563	6,564	7,181
Financial liabilities				
Measured at amortised cost:				
Housing loans	89,747	86,263	89,747	86,263
Trade Creditors	421	215	417	215
Balances Due to Managed Associations	169	261	169	261
Balances Due to Group Companies	0	0	5,029	4,553
Other Creditors	3,787	4,861	2,949	4,059
	94,124	91,600	98,311	95,351

Bournville Village Trust Group

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2024

18 BORROWINGS

	Group		Trust	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Creditors: amounts falling due within one year:				
Relating to housing loans	3,612	3,516	3,612	3,516
	<hr/>	<hr/>	<hr/>	<hr/>
	3,612	3,516	3,612	3,516
	<hr/>	<hr/>	<hr/>	<hr/>
Creditors: amounts falling after more than one year:				
Relating to housing loans	86,136	82,747	86,136	82,747
	<hr/>	<hr/>	<hr/>	<hr/>
	86,136	82,747	86,136	82,747
	<hr/>	<hr/>	<hr/>	<hr/>
Total	89,748	86,263	89,748	86,263
	<hr/>	<hr/>	<hr/>	<hr/>

Housing loans are secured by specific charges on the Group's housing properties and are repayable at rates of interest between 5.25% and 12.86%. The net book value of assets secured to lenders is £85,667,000.

Of the amounts due in more than five years or more, £20,000,000 (2023: £20,000,000) is wholly repayable by lump sum in more than five years. The remainder is repayable by instalments.

19 PROVISIONS FOR LIABILITIES Group and Trust

	2024 Pension £'000	2023 Pension £'000
As at 1 January	0	322
Utilised in year	0	(329)
Unwinding of discount	0	7
Increase in payment obligation	0	0
	<hr/>	<hr/>
As at 31 December	0	0
	<hr/>	<hr/>

In 2019 BVT agreed with the Trustees of the Cadbury Mondelez Pension Fund to make payments, against a schedule ending in 2023, to assist in de-risking the historic pension scheme. A provision of a sufficient amount to cover these agreed payments was retained during this period.

Bournville Village Trust Group

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

20	RESTRICTED RESERVES GROUP AND TRUST	Future Maintenance Reserve £'000	BAT Reserve £'000	Eliza Beech Fund £'000	Shropshire Project Reserve £'000	Community Infrastructure Reserve £'000	Eileen Hewer Reserve £'000	LVCA Lightmoor Van Reserve £'000	Bio Diversity Reserve £'000	Library Fund Reserve £'000	2024 Total £'000	2023 Total £'000
	At 1 January	4,639	3,434	8	45	194	26	5	8	18	8,380	7,824
	Income	1,057	643	1	0	8	13	1	0	10	1,733	1,809
	Expenditure	(612)	(877)	(2)	0	(56)	(12)	(1)	0	0	(1,563)	(1,253)
	Transfer to I&E Reserve	0	(234)	(1)	(45)	0	0	0	(8)	0	(288)	(1,253)
	Net transfer from Income and Expenditure Reserve	445	(468)	(2)	(45)	(48)	1	0	(8)	10	(118)	(687)
	At 31 December	5,084	2,966	6	0	146	27	5	0	28	8,262	7,127

Bournville Village Trust Group

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2024

23 ANALYSIS OF CHANGES IN NET DEBT

Group	At 1 Jan 2024 £'000	Cash flows £'000	Other non cash changes £'000	At 31 Dec 2024 £'000
Cash and cash equivalents:				
Cash at bank	4,605	(447)	0	4,158
Demand deposits included within creditors falling due in less than one year (note 13)	(261)	92	0	(169)
	<u>4,344</u>	<u>(355)</u>	<u>0</u>	<u>3,989</u>
Borrowings:				
Debt due within one year	(3,516)	3,516	(3,612)	(3,612)
Debt due after one year	(82,747)	(11,658)	8,270	(86,136)
	<u>(86,263)</u>	<u>(8,142)</u>	<u>4,658</u>	<u>(89,748)</u>
Total	(81,919)	(8,497)	4,658	(85,759)
Trust	At 1 Jan 2024 £'000	Cash flows £'000	Other non cash changes £'000	At 31 Dec 2024 £'000
Cash and cash equivalents:				
Cash at bank	4,273	(554)	0	3,719
Demand deposits included within creditors falling due in less than one year (note 13)	(4,814)	(384)	0	(5,198)
	<u>(541)</u>	<u>(938)</u>	<u>0</u>	<u>(1,479)</u>
Borrowings:				
Debt due within one year	(3,516)	3,516	(3,612)	(3,612)
Debt due after one year	(82,747)	(11,879)	8,491	(86,136)
	<u>(86,263)</u>	<u>(8,363)</u>	<u>4,879</u>	<u>(89,748)</u>
Total	(86,804)	(9,301)	4,879	(91,227)

24 CAPITAL COMMITMENTS

	Group		Trust	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Capital expenditure contracted for but not provided for in the financial statements	<u>2,304</u>	<u>3,600</u>	<u>2,304</u>	<u>3,600</u>
Expenditure authorised by Trustees but not contracted	<u>9,670</u>	<u>9,895</u>	<u>9,176</u>	<u>9,157</u>

The above commitments will be funded through revenue surpluses and capital receipts.

Bournville Village Trust Group

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2024

25 OTHER FINANCIAL COMMITMENTS - GROUP AND TRUST

The total future minimum lease payments under non-cancellable operating leases for fixed assets are as follows:

Group and Trust	Other 2024 £'000	Other 2023 £'000
Amounts due:		
Within one year	99	99
Between one and five years	112	168
More than five years	0	0
	211	267

26 RETIREMENT BENEFITS

Historically BVT staff were able to join the Cadbury Mondelez Pension Scheme, a multi employer defined benefit scheme. This offer of membership ended on April 2010, new staff are eligible to join the BVT Pensionsaver scheme, which is a defined contribution scheme set up through Legal & General.

In July 2021 all versions of the Cadbury Mondelez pension fund closed. BVT allowed current staff members to transfer to the defined contribution scheme with Legal and General. This means BVT no longer pay any contributions to the Cadbury Mondelez Pension Scheme on behalf of staff. A triennial valuation of the scheme was conducted as at 5th April 2022 and the scheme was found to be in surplus (£143m)

In 2019 all scheme members agreed to follow the Principal Employer in making additional payments into the scheme to allow the Trustees to further de-risk the scheme for the protection of all Employers and Members. BVT made additional contributions of £121,000 in 2021, £330,000 in 2022 and £330,000 in 2023. BVT has not been asked to make any further contributions.

For the BVT Pensionsaver scheme, the Group paid contributions at the rate of 10% of pensionable pay for the year, with members contributing as much as they liked subject to a minimum contribution of 4% of pensionable pay.

The best estimate of contributions to be paid to the schemes for 2025 is £1.09m

It is not possible to identify the share of underlying assets and liabilities of the Cadbury Mondelez Pension Fund belonging to individual participating employers.

Due to the nature of the schemes, the Income and Expenditure account charge for the year under FRS102 represents the employer contribution payable.

Bournville Village Trust Group

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2024

27 CONTINGENT LIABILITIES

There are no contingent liabilities known at the balance sheet date.

28 RELATED PARTY TRANSACTIONS

BVT owns 100% of the issued share capital amounting to £100, of Bournville Village Developments Limited (BVD), a company incorporated in England and Wales. BVD is engaged in the co-ordination and construction of an urban village at Lightmoor in Telford. BVT helps to fund some of the working capital requirements of BVD and has agreed a loan facility for this purpose. As at 31/12/24, the outstanding balance on the loan stood at £1.3m (2023 £1.73m).

Each BVT Trustee owns 1 share out of the total 279 shares in issue of Bournville Works Housing Society Ltd (BWHS), a charitable Registered Provider of social housing, registered under the Cooperative and Community Benefit Societies Act 2014. BWHS became a subsidiary of BVT in 2011 and in 2016 put in place a coterminous board arrangement whereby the Trustees of BVT took over from the BWHS Management Committee.

BVT owns 100% of the issued share capital amounting to £100, of Bournville Village Enterprises Limited (BVE), a company incorporated in England and Wales. BVE is engaged in the market renting of properties leased from BVT.

Exemption has been taken under FRS102 from the requirement to disclose transactions with subsidiaries.

BVT gives regular annual grants to Avoncroft Museum, a Registered Charity, from surpluses made on rental income from commercial properties granted to BVT by the Croft Trust, which previously owned Avoncroft Museum. This support continued in 2024 at £15,000 per annum. Also in 2020 following a request for urgent financial support and support at the Board level made by Avoncroft Museum to BVT, David Robinson (Finance Director) joined the Trustee Board of Avoncroft in an unpaid position.

Bournville Village Trust Group

INCOME AND EXPENDITURE ACCOUNT FOR BAT RESERVE for the year ended 31 December 2024

INCOME	2024 £'000	2023 £'000
Income from lettings		
Rental income	568	534
Service charge income	65	47
	<u>633</u>	<u>581</u>
Market rent	591	553
Interest receivable	0	135
Other income	42	29
Grant Amortisation	9	9
	<u>642</u>	<u>726</u>
	<u>642</u>	<u>726</u>
EXPENDITURE		
Services	44	58
Management	247	257
Routine maintenance	192	92
Planned maintenance	141	44
Rent (recoveries)/losses from bad debts	1	0
Depreciation of housing properties	251	98
Depreciation of other fixed assets	0	0
	<u>876</u>	<u>549</u>
	<u>876</u>	<u>549</u>
Surplus for the year	<u>(234)</u>	<u>177</u>

This page is for the information of the committee only and does not form part of the statutory accounts.

