

**ST MATTHEWS HOUSING ASSOCIATION LIMITED**

**REPORT AND**  
**FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2024**

# **St Matthews Housing Association Limited**

## **Board of Management**

Mr P Devlin (Chairperson)  
Mr F Woods (Treasurer)  
Mr P O'Ruanai  
Mr K Craig  
Mr P Donnelly  
Mrs P Brennan (Resigned June 2023)  
Ms L Fegan  
Mr D Brennan (Resigned June 2023)  
Mr J O'Donnell  
Mr C Devenny

## **Secretary**

Mr J Black

## **Registered Office**

58 Harper Street  
Belfast  
BT5 4EN

Registered under the Co-operative and Community  
Benefit Societies Act (Northern Ireland) 1969 No IP 177

Registered with the DfC (NI) Number 18

## **Auditors**

TMcD Accountancy Practice  
35 Ballylough Road  
Donaghcloney  
BT66 7PQ

## **Bankers**

Ulster Bank Limited  
11-16 Donegal Square East  
Belfast  
BT1 5UB

## **Solicitors**

Philip Armstrong Solicitors  
Oceanic House  
298 Antrim Road  
Glengormley  
BT36 5EG

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# **St Matthews Housing Association Limited**

## **Report of the Board of Management**

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

### **Principal activities**

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

### **Results**

The surplus reported in the Income & Expenditure Account for the period was £330,095 compared with a surplus of £258,396 for the previous period.

### **Board of Management**

The Board of Management meets regularly throughout the year. There are two committees who meet regularly throughout the year with specific responsibilities for finance and personnel and audit.

### **Going Concern**

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

### **Internal Financial Control**

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

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

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

# **St Matthews Housing Association Limited**

## **Report of the Board of Management** *(Continued)*

### **Statement of the Board of Management**

The Board of Management is required to prepare accounts for each financial period which give a true and fair view of the state of the Association's affairs and of its surplus or deficit for that period. In preparing those accounts the Board of Management is required to:-

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

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

### **Auditors**

A resolution to reappoint TMcD Accountancy Practice will be proposed at the Annual General Meeting.

By order of the Board



Chairperson

Belfast

Date: 30th July 2024

# **St Matthews Housing Association Limited**

## **Independent Auditors' Report to the Members for the Year Ended 31 March 2024**

We have audited the financial statements of St Matthews Housing Association Ltd for the year ended 31 March 2024 which comprise the statement of comprehensive income, the statement of changes in reserves, the statement of financial position, the statement of cashflows and the related notes, which include a description of the significant accounting policies.

In our opinion, the financial statements:

- give a true and fair view of the state of the association's affairs as at 31 March 2024 and of the association's surplus, and of the association's cashflows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law);
- have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 and the Registered Housing Associations (Accounting Requirements) Order (Northern Ireland) 1993.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We remained independent of the association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### **Conclusions relating to going concern**

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

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

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

### **Other information**

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

## **St Matthews Housing Association Limited**

### **Independent Auditors' Report to the Members for the Year Ended 31 March 2024** *(continued)*

#### **Matters on which we are required to report by exception**

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

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

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

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

We have nothing to report in this regard.

#### **Responsibilities of board**

As explained more fully in the board's responsibilities statement, the board members (who are also the trustees of the association for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and the regulatory framework applicable to the association and the industry in which it operates and considered the risk of acts by the association which were contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law)".

## **St Matthews Housing Association Limited**

### **Independent Auditors' Report to the Members for the Year Ended 31 March 2024** (continued)

We focused on laws and regulations that could give rise to material misstatement in the financial statements. Our tests included but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management;
- review of minutes of board meetings throughout the period; and
- considering the effectiveness of the control environment and monitoring compliance with laws and regulations.

We also communicated relevant identified laws and regulations and potential fraud risk to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

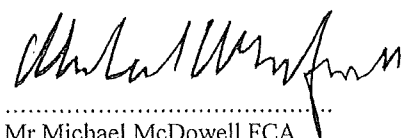
There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from events and transaction reflected in the financial statements, the less likely we would become aware of it. As in all of our audits we addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

#### **Use of this report**

This report is made solely to the association's board, as a body, in accordance with the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 and the Registered Housing Associations (Accounting Requirements) Order (Northern Ireland) 1993. Our audit work has been undertaken so that we might state to the association's board those matters we are required to state in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the association and the association's board as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Michael McDowell FCA  
Senior Statutory Auditor  
For and on behalf of:  
TMcD Accountancy Practice, Chartered Accountants

35 Ballylough Road  
Donaghcloney  
BT66 7PQ

Date: 30th July 2024

## **St Matthew's Housing Association Limited**

### **Statement of Income - Income & Expenditure Account** **Year ended 31 March 2024**

	Notes	2024 £	2023 £
Turnover	2	1,446,852	1,332,005
Operating costs	2	(1,109,939)	(1,014,403)
<b>Operating Surplus</b>	2	336,913	317,602
Interest receivable	5	58,703	22,712
Interest payable	6	(59,521)	(31,918)
Other interest (charge)/income	17	2,000	(6,000)
Pension additional service cost	17	(8,000)	(44,000)
<b>Surplus on Ordinary Activities Before Taxation</b>		330,095	258,396
Tax on surplus on ordinary activities	8	-	-
<b>Surplus for the Year</b>	15	330,095	258,396

The turnover and expenses all relate to continuing operations.

## **St Matthew's Housing Association Limited**

### **Statement of Comprehensive Income and Retained Earnings** **Year ended 31 March 2024**

	Notes	2024 £	2023 £
Surplus reported		330,095	258,396
Actuarial gain on pension scheme	17	6,000	246,000
Total recognised gains since last annual report		<u>336,095</u>	<u>504,396</u>
Retained surplus at 1 April 2023		6,303,399	5,799,003
Retained surplus at 31 March 2024		<u><u>6,639,494</u></u>	<u><u>6,303,399</u></u>

### **Statement of Changes in Reserves** **Year ended 31 March 2024**

	Notes	2024 £	2023 £
Total recognised gains since last annual report		336,095	504,396
Opening total capital and reserves		6,303,757	5,799,361
Closing total capital and reserves		<u><u>6,639,852</u></u>	<u><u>6,303,757</u></u>

## **St Matthew's Housing Association Limited**

### **Statement of Financial Position (SoFP) - Balance Sheet As at 31 March 2024**

	Notes	2024 £	2023 £
<b>Tangible Fixed Assets</b>			
Housing land and buildings:	9		
Cost		20,929,420	20,055,911
Less: Depreciation		(5,244,541)	(5,048,080)
		<u>15,684,879</u>	<u>15,007,831</u>
Other fixed assets	10	238,369	28,135
		<u>15,923,248</u>	<u>15,035,966</u>
<b>Current Assets</b>			
Debtors	11	91,941	99,648
Cash and bank balances		1,891,979	1,577,635
		<u>1,983,920</u>	<u>1,677,283</u>
<b>Creditors: Amounts Falling Due Within One Year</b>			
Creditors	12	(395,348)	(301,822)
<b>Net Current Assets</b>			
		<u>1,588,572</u>	<u>1,375,461</u>
<b>Total Assets Less Current Liabilities</b>			
		<u>17,511,820</u>	<u>16,411,427</u>
<b>Creditors: Amounts Falling Due After More Than One Year</b>			
Deferred grant	9	9,967,730	9,103,411
Long term liabilities	12	904,238	1,004,259
Pension fund liability	17	-	-
		<u>10,871,968</u>	<u>10,107,670</u>
<b>Total Net Assets</b>			
		<u>6,639,852</u>	<u>6,303,757</u>
<b>Reserves</b>			
Share Capital	13	57	57
Capital Reserves	14	301	301
Revenue Reserves	15	6,639,494	6,303,399
		<u>6,639,852</u>	<u>6,303,757</u>

The financial statements were approved by the Board and are signed on their behalf by:

Chair 

Secretary



Date: 30th July 2024

Board Member



## **St Matthew's Housing Association Limited**

### **Cashflow Statement**

**Year ended 31 March 2024**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Net Cash Flows from Operating Activities (note 1)</b>	548,877	426,716
<b>Returns on Investments and Servicing of Finance (note 2)</b>	(818)	(9,206)
<b>Capital Expenditure and Investment (note 2)</b>	(206,455)	(847,775)
	<u>341,604</u>	<u>(430,265)</u>
<b>Financing (note 2)</b>	(27,260)	(149,146)
<b>Increase/(Decrease) in Bank and Cash</b>	<u>314,344</u>	<u>(579,411)</u>
<b>Reconciliation of Net Cashflow to Movement in Net Debt (note 3)</b>		
	<b>£</b>	<b>£</b>
Increase in cash in period	314,344	
Cash outflow from decrease in debt	27,260	
Movement in net debt in the period	<u>                    </u>	341,604
Net funds at 1 April 2023		814,364
Net funds at 31 March 2024		<u>1,155,968</u>

## **St Matthew's Housing Association Limited**

### **Notes to the Cashflow Statement**

#### **Year ended 31 March 2024**

#### **1. Reconciliation of Operating Surplus to Operating Cashflows**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Operating surplus	336,913	317,602
Surplus on property disposal	(15,265)	(9,691)
Depreciation	315,428	329,646
Amortisation of grant	(199,780)	(178,359)
Movements in:		
Rental debtors	18,170	9,322
Other debtors	(10,463)	(1,265)
Creditors less than one year	103,874	(40,539)
	<u>548,877</u>	<u>426,716</u>

#### **2. Analysis of Cashflows in the Cashflow Statement**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Returns on Investments and Servicing of Finance</b>		
Investment income received	58,703	22,712
Interest paid	(59,521)	(31,918)
	<u>(818)</u>	<u>(9,206)</u>
<b>Capital Expenditure and Investment</b>		
Capital expenditure	(1,039,244)	(949,383)
Capital grants received	967,821	7,980
Other fixed assets	(215,934)	(7,459)
Sale of fixed assets	80,902	101,087
	<u>(206,455)</u>	<u>(847,775)</u>
<b>Financing</b>		
Share capital	-	-
New loans	736,011	-
Loan principal repayments	(763,271)	(149,146)
	<u>(27,260)</u>	<u>(149,146)</u>

#### **3. Analysis of Changes in Net Debt**

	<b>At 31/03/23</b>	<b>Cashflows</b>	<b>At 31/03/24</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Bank and cash balances	1,577,635	314,344	1,891,979
Loans	(763,271)	27,260	(736,011)
	<u>814,364</u>	<u>341,604</u>	<u>1,155,968</u>

# **St Matthews Housing Association Limited**

## **Notes to the Financial Statements** **Year Ended 31 March 2024**

### **1. Accounting Policies**

#### *1.1 Basis of Accounting*

The financial statements have been prepared on the historical cost basis and in compliance with FRS 102, The Financial Reporting Standard applicable in the UK and the Housing SORP 2014:Statement of Recommended Practice for Social Housing Providers. The financial statements are prepared in sterling, which is the functional currency of the entity.

#### *1.2 Turnover*

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

#### *1.3 Other Fixed Assets and Depreciation*

Tangible fixed assets, except housing properties, are stated at cost less accumulated depreciation. Depreciation is charged on a straight-line basis over the expected useful economic lives of the assets at the following annual rates:

Office furniture and equipment:	10.00%
Computer equipment:	20.00%
Office premises:	2.50%

#### *1.4 Housing Properties*

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

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

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

Land	Not depreciated		
Structure (including roof)	100 years	Heating systems	25 years
Kitchen	20 years	Doors	30 years
Bathroom	25 years	Electrics	30 years
Windows	30 years		

#### *Impairment of Fixed Assets*

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

# **St Matthews Housing Association Limited**

## **Notes to the Financial Statements Year Ended 31 March 2024**

### **1. Accounting Policies (continued)**

#### *1.5 Housing Association Grant*

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

#### *1.6 Cash and Cash Equivalents*

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

#### *1.7 Retirement benefits*

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

#### *1.8 Disposal Proceeds Fund*

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

#### *1.9 Employee Benefits*

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

#### *1.10 Judgement and Key Sources of Estimation Uncertainty*

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

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

# **St Matthews Housing Association Limited**

## **Notes to the Financial Statements Year Ended 31 March 2024**

### **1. Accounting Policies (continued)**

#### *1.11 Financial Instruments*

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

#### *Basic financial assets*

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

#### *Impairment of financial assets*

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

#### *Derecognition of financial assets*

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

#### *Classification of financial liabilities*

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

#### *Basic financial liabilities*

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

#### *Derecognition of financial liabilities*

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

## **St Matthew's Housing Association Limited**

### **Notes to the Financial Statements**

#### **Year ended 31 March 2024**

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

	2024	2024	Operating	2023
	Turnover	Operating	surplus	Operating
	£	costs	£	surplus
		£	£	£
Social Housing Activities	1,332,763	997,751	335,012	318,011
Non-Social Housing Activities	114,089	112,188	1,901	32,080
Totals	<u>1,446,852</u>	<u>1,109,939</u>	<u>336,913</u>	<u>350,091</u>

#### **Turnover, operating costs and operating surplus from social housing activities**

	2024		2023
	General	Total	Total
	Needs	£	£
	£	£	£
<b>Income from Social Housing</b>			
Rent receivable net of rates	1,130,140	1,130,140	1,052,914
Service charges receivable	15,911	15,911	14,827
Grant released	199,780	199,780	178,359
Gross income	<u>1,345,831</u>	<u>1,345,831</u>	<u>1,246,100</u>
Voids	(13,068)	(13,068)	(10,158)
Net income	<u>1,332,763</u>	<u>1,332,763</u>	<u>1,235,942</u>
<b>Operating costs</b>			
Services	19,334	19,334	24,500
Rates	154,313	154,313	143,138
Management	171,560	171,560	150,365
Maintenance admin	148,235	148,235	129,558
Planned and cyclical maintenance	68,572	68,572	56,172
Reactive maintenance	105,086	105,086	84,798
Bad debts	6,000	6,000	6,000
Depreciation of properties	309,729	309,729	323,400
Total costs	<u>997,751</u>	<u>997,751</u>	<u>917,931</u>
Operating surplus	<u>335,012</u>	<u>335,012</u>	<u>318,011</u>

## **St Matthew's Housing Association Limited**

### **Notes to the Financial Statements**

**Year ended 31 March 2024**

#### **2. Turnover, operating costs and operating surplus (continued)**

	<b>General Needs</b>	
	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>DfC Allowances</b>		
Management allowances	81,972	81,576
Management costs	171,560	150,365
Surplus/(deficit)	<u>(89,588)</u>	<u>(68,789)</u>
Maintenance allowances	96,048	95,584
Planned/cyclical maintenance	68,572	56,172
Reactive maintenance	105,086	84,798
Surplus/(deficit)	<u>(77,610)</u>	<u>(45,386)</u>
<b>Gross income from rents and service charges</b>		
Technical	731,865	683,874
Non-technical	401,118	373,709
Total	<u>1,132,983</u>	<u>1,057,583</u>
<b>Turnover, operating costs and operating surplus from non-social housing activities</b>		
	<b>2024</b>	<b>2023</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Income</b>		
Development	98,824	86,372
Surplus on property disposal	15,265	9,691
Total	<u>114,089</u>	<u>96,063</u>
<b>Operating costs</b>		
Development	98,824	86,372
Other	13,364	10,100
Total	<u>112,188</u>	<u>96,472</u>
<b>Operating surplus</b>	<u>1,901</u>	<u>(409)</u>

## **St Matthew's Housing Association Limited**

### **Notes to the Financial Statements**

#### **Year ended 31 March 2024**

#### **2. Turnover, operating costs and operating surplus (continued)**

<b>Housing stock</b>	<b>2024</b>	<b>2023</b>
	<b>No.</b>	<b>No.</b>
Number of units owned at 31 March:		
General needs housing	207	206
Sheltered housing	-	-
Supported housing	-	-
	<hr/>	<hr/>
Total owned	207	206
	<hr/>	<hr/>
Number of units managed but not owned at 31 March:		
General needs housing	-	-
Sheltered housing	-	-
Supported housing	-	-
	<hr/>	<hr/>
Total managed	-	-
	<hr/>	<hr/>
Total units owned and managed at 31 March	207	206
	<hr/> <hr/>	<hr/> <hr/>

#### **3. Board Members' Emoluments**

Board Members act in a voluntary capacity and none were in receipt of emoluments during the year.

#### **4. Employee Information**

	<b>2024</b>	<b>2023</b>
	<b>No.</b>	<b>No.</b>
The average weekly number of persons employed during the year was:		
Office	7	6
	<hr/> <hr/>	<hr/> <hr/>
<b>Staff costs</b>	<b>£</b>	<b>£</b>
Salaries	232,291	204,305
Social security costs	23,332	21,767
Other pension costs	41,514	37,422
	<hr/>	<hr/>
	297,138	263,494
	<hr/> <hr/>	<hr/> <hr/>
<b>Director's Emoluments</b>		
Aggregate emoluments	66,952	63,877
Pension contributions	12,364	12,150
	<hr/>	<hr/>
Total emoluments	79,316	76,027
	<hr/> <hr/>	<hr/> <hr/>

The association has one director whose emoluments (excluding pension contributions) fall into the following range:

More than £60,001 but not more than £65,000	-	1
More than £65,001 but not more than £75,000	1	-
	<hr/> <hr/>	<hr/> <hr/>

## **St Matthew's Housing Association Limited**

### **Notes to the Financial Statements**

**Year ended 31 March 2024**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>5. Interest Receivable</b>		
Interest receivable from unlisted investments	58,703	22,712
	<u>=====</u>	<u>=====</u>
<b>6. Interest Payable</b>		
On bank loans, overdrafts and other loans:		
Bank	1,463	1,429
Loans	58,058	30,489
	<u>=====</u>	<u>=====</u>
	59,521	31,918
	<u>=====</u>	<u>=====</u>
<b>7. Surplus on ordinary activities before taxation</b>		
Surplus on ordinary activities before taxation is stated after charging:		
Depreciation - owned tangible fixed assets	314,058	318,226
Amortisation of grant	(199,780)	(178,359)
Auditors' remuneration - audit work	8,000	8,000
Auditors' remuneration - non-audit work	1,500	1,000
Internal auditors' remuneration	9,600	8,500
	<u>=====</u>	<u>=====</u>

### **8. Taxation**

No provision for current or deferred taxation is necessary due to the charitable status of the association.

## **St Matthew's Housing Association Limited**

### **Notes to the Financial Statements**

#### **Year ended 31 March 2024**

#### **9. Tangible Fixed Assets - Housing Land and Buildings**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Cost</b>		
At beginning of year	20,055,911	19,188,477
Additions	1,039,244	949,383
Eliminated on disposal	(165,735)	(81,949)
	<u>20,929,420</u>	<u>20,055,911</u>
<b>Depreciation</b>		
At beginning of year	5,048,080	4,788,783
Charge for year	308,358	311,980
Eliminated on disposal	(111,897)	(42,683)
	<u>5,244,541</u>	<u>5,048,080</u>
<b>Net Book Value</b>		
At end of year	<u>15,684,879</u>	<u>15,007,831</u>
<b>Net Book Value Comprises</b>		
Completed schemes	13,821,080	13,789,867
Schemes in progress	1,863,799	1,217,964
	<u>15,684,879</u>	<u>15,007,831</u>
<b>HAG and Other Grants</b>		
At beginning of year	12,566,698	12,390,793
Additions	967,821	7,980
Re-cycled from DPF account	158,958	221,473
Eliminated on disposal	(118,686)	(53,548)
	<u>13,574,791</u>	<u>12,566,698</u>
<b>Amortisation</b>		
At beginning of year	3,298,287	3,155,287
Released in year	190,822	168,691
Disposals	(73,048)	(25,691)
	<u>3,416,061</u>	<u>3,298,287</u>
<b>Net Book Value</b>		
At 31 March	<u>10,158,730</u>	<u>9,268,411</u>
<b>Released within one year</b>	191,000	165,000
<b>Released after one year</b>	9,967,730	9,103,411
	<u>10,158,730</u>	<u>9,268,411</u>

## **St Matthew's Housing Association Limited**

### **Notes to the Financial Statements Year ended 31 March 2024**

#### **10. Other Tangible Fixed Assets**

	Office premises	Office equipment	Total
<b>Cost</b>	<b>£</b>	<b>£</b>	<b>£</b>
At beginning of year	39,454	108,626	148,080
Additions	215,934	-	215,934
At end of year	<u>255,388</u>	<u>108,626</u>	<u>364,014</u>
<b>Depreciation</b>			
At beginning of year	31,528	88,417	119,945
Charge for year	984	4,716	5,700
At end of year	<u>32,512</u>	<u>93,133</u>	<u>125,645</u>
<b>Net Book Value</b>			
At end of year	<u>222,876</u>	<u>15,493</u>	<u>238,369</u>
At beginning of year	<u>7,926</u>	<u>20,209</u>	<u>28,135</u>

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>11. Debtors</b>		
Arrears of rent - technical	33,504	30,605
Arrears of rent - non-technical	60,214	75,283
Less: provision for bad and doubtful debts	<u>(71,062)</u>	<u>(65,062)</u>
	22,656	40,826
HAG receivable	-	-
Prepayments and accrued income	54,397	23,211
Other debtors	14,888	35,611
	<u>91,941</u>	<u>99,648</u>

#### **12. Creditors**

##### **Amounts falling due within one year:**

Accruals and deferred income	190,741	84,473
Rents received in advance	13,607	16,001
Deferred grant (note 9)	191,000	165,000
Loan	-	36,348
	<u>395,348</u>	<u>301,822</u>

## **St Matthew's Housing Association Limited**

### **Notes to the Financial Statements Year ended 31 March 2024**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>12. Creditors (continued)</b>		
Amounts falling due after more than one year:		
Loans	736,011	726,923
Disposal proceeds fund	168,227	277,336
	<u>904,238</u>	<u>1,004,259</u>

#### **Loans**

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

In one year or less	-	36,348
Between one and two years	-	36,348
Between two and five years	736,011	109,044
In five years or more	-	581,531
	<u>736,011</u>	<u>763,271</u>

Bank debt is secured by way of mortgages upon the deeds of the related properties financed by loans and bear interest at a variable rate in the range 5.50% to 6.50%.

<b>13. Share Capital</b>	<b>£</b>
Ordinary shares of £1 each fully paid:	
Balance brought forward	57
Balance carried forward	<u>57</u>

<b>14. Capital Reserves</b>	
Balance brought forward	301
Balance carried forward	<u>301</u>

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>15. Revenue Reserves</b>		
Balance brought forward	6,303,399	5,799,003
Surplus for year	330,095	258,396
Actuarial gain for the year	6,000	246,000
Balance carried forward	<u>6,639,494</u>	<u>6,303,399</u>

# **St Matthew's Housing Association Limited**

## **Notes to the Financial Statements**

### **Year ended 31 March 2024**

#### **16. Related Party Transactions**

The following balances in debtors exist with related parties:

	<b>2024</b>	<b>2023</b>
	£	£
Technical rent arrears	-	290
Car loan	2,777	6,110

Interest is charged on loans.

#### **17. Retirement Benefits**

The Association's pension scheme forms part of the total fund administered by NILGOSC. St Matthew's has contributed at a rate of 19% of pensionable salaries. Members have paid contributions at the rates up to 8.5%.

Formal valuations are carried out at regular intervals by independent professionally qualified actuaries. The last formal valuation was carried out as at 31 March 2022.

	<b>2024</b>	<b>2023</b>
<b>Assumptions</b>		
Rate of salary increase	2.90%	2.90%
Pension increases in payment	2.90%	2.90%
Discount rate	4.90%	4.70%
Rate of inflation	3.20%	3.20%
<b>Assets and Liabilities</b>		
	£	£
Total value of assets	1,633,000	1,456,000
Present value of funded liabilities	1,420,000	1,398,000
Asset/(deficit)	213,000	58,000
Asset not recognised	(213,000)	(58,000)
Net pension asset (liability)	-	-
<b>Average expected future life at age 65 for:</b>		
Male currently aged 65	21.1 years	21.8 years
Female currently aged 65	24.0 years	24.6 years
Male currently aged 45	21.7 years	22.5 years
Female currently aged 45	24.7 years	25.4 years

## **St Matthew's Housing Association Limited**

### **Notes to the Financial Statements**

#### **Year ended 31 March 2024**

#### **17. Retirement Benefits** *(continued)*

The following amounts have been recognised in the performance statements for the period to 31 March 2023.

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Analysis of the amount charged to operating profit</b>		
Service cost	50,000	81,000
Past service cost	-	-
Settlements and curtailments	-	-
Total operating charge	<u>50,000</u>	<u>81,000</u>
<b>Analysis of the amount credited to financing of provisions</b>		
Expected return	69,000	43,000
Interest on pension liabilities	(67,000)	(49,000)
Net finance charge	<u>2,000</u>	<u>(6,000)</u>
<b>Amount recognised in the statement of total recognised gains and losses (STRGL)</b>		
Actuarial (loss) gain in STRGL	<u>6,000</u>	<u>246,000</u>
<b>Movement in surplus during the year</b>		
Deficit at 1 April	-	(196,000)
Total operating charge	(50,000)	(81,000)
Contributions by employer	42,000	37,000
Net finance charge	2,000	(6,000)
Actuarial (loss) gain in STRGL	6,000	246,000
Deficit at 31 March	<u>-</u>	<u>-</u>

#### **18. Capital Commitments**

There are capital commitments totalling £3,777,338 that have been contracted for.

#### **19. Contingent Liability**

There exists a contingent liability on the Association of the possibility of having to repay grants received on properties if any property is sold.