

Newington Housing Association (1975) Limited
Annual report and financial statements
For the year ended 31 March 2024

Newington Housing Association (1975) Limited

Annual report and financial statements for the year ended 31 March 2024

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Board of Management and advisers

Board of Management

Mrs L Vincent (Chair)
Mrs B Callaghan (Vice Chair)
Mr C McCarroll
Mr S McKenna
Mr P O'Flaherty
Mr P Privilege (resigned 18.09.23)
Mrs C Maginness
Mr G Walsh
Mr L Mooney
Ms B Hassan (resigned 03.10.23)
Mrs L Privilege
Mr M Bright
Mr N Kelly (resigned 20.02.24)
Mr M Glinwood
Mr S Drummond (Treasurer)
Mrs H Wilson (resigned 30.11.23)

Honorary Secretary

Mr A Kerr

Registered office

300 Limestone Road
Belfast
BT15 3AR

Registered under the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 – Number IP 158

Registered charity with the Charity Commission for Northern Ireland- Charity registration Number- 102477

Registered with the DfC (NI) – Number 13

Solicitors

Arthur Cox
Victoria House
Gloucester Street
Belfast BT1 4LS

Bankers

Danske Bank	AIB
1 Donegall Square West	31 - 35 High Street
Belfast	Belfast
County Antrim	County Antrim
BT1 6JS	BT1 2 AL

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

Board of Management and advisers

Independent auditors

Sumer Auditco NI Limited
Statutory Auditors
Glendinning House
6 Murray Street
Belfast
BT1 6DN

Strategic report of the Board of Management for the year ended 31 March 2024

The Board of Management presents its strategic report and the audited financial statements for the year ended 31 March 2024 of Newington Housing Association (1975) Limited (the Association).

Principal activities

Newington Housing Association (1975) Limited is a registered non-profit making housing association providing housing accommodation for those in need.

Group Structure

Newington Housing Association (1975) Limited is part of APEX Housing Association Limited group.

Board of Management

The Board of Management is a voluntary Committee who have responsibility for the strategic direction, general policy and management of the Association. The day-to-day management of operations is delegated to the Senior Management Team of the Association.

Governance

The Board of Management of Newington Housing Association (1975) Limited (“NHA”) consists of a minimum of 7 and a maximum of 18 board members (current membership is detailed on page 1). It is made up of the honorary officers, being the Chairperson, Vice-Chairperson, Hon. Treasurer and up to 15 other Trustees.

The good governance responsibilities of the Board are to set the organisation’s strategic aims and ensure that the necessary financial and human resources are in place for the organisation to meet its objectives and review management performance. In particular:

- overseeing the activities of the organisation, its strategic direction and planning processes, programme delivery, financial controls and performance measures;
- reviewing and guiding strategy;
- reviewing and approving strategic plans, annual budgets, programme plans and performance objectives, and risk management strategies and plans, as developed by the management team;
- monitoring implementation and performance, and overseeing major capital expenditure;
- ensuring that the organisational structure is appropriate for achieving the organisation’s strategic goals, and that the necessary policies, procedures and controls are in place to ensure that authority may be delegated by the Board without loss of accountability; and
- in general, approving and overseeing the maintenance of sound corporate governance and the accountability of the Board.

The Board meets at least 4 times per year and to assist it in carrying out its duties has delegated authority to four standing committees:

- Audit and Risk Committee;
- Finance and Corporate Services Committee;
- Assets Committee; and
- Communities Committee.

From time to time the Board may also form time-limited committees to deal with specific issues as required.

Strategic report of the Board of Management for the year ended 31 March 2024

Gender analysis

8 members of the Board of Management are male and 4 are female. The Association has 24 employees of which 10 are male and 14 are female.

Operational performance

The Association aims to operate efficiently and effectively, and outputs are monitored by the Board of Management who receive performance reports covering a variety of financial and non-financial performance information.

The Board has set a number of corporate strategy objectives in its 2023-26 Corporate Plan. These are:

- **Our Homes** - Provide high quality, sustainable and affordable homes by:
 - Maintaining our existing properties to the highest possible standard.
 - Identify and implement best practice in terms of environmental standards and sustainability.
 - Review and renew our Asset Management Strategy.
 - Continue to seek opportunities to meet the need for high quality social housing in North Belfast both through the acquisition and renovation of existing residential properties and through the development of new housing projects.
- **Our Services** – Provide high quality, sustainable and affordable homes by:
 - Review our existing services and ensure they continue to be fit for purpose.
 - Innovate and develop new services in order to meet the challenges our tenants and the community are likely to face in the future.
 - Provide both a quick response and value for money in all our services.
 - As a community-based Housing Association, continue to develop our wraparound/enabling services such as: access to welfare advice; signposting to other services; employability support; floating support; and family support hubs.
- **Our Tenants & Communities** – Newington will:
 - Promote effective tenant participation so that the voice of the tenant and their families informs all our work and our services.
 - Continue to lead and engage effectively with our tenants, their families, the community in North Belfast and our statutory partners in order to create safe, diverse, vibrant and confident communities.
 - Support tenants and their families to improve their quality of life.
 - Inform and influence public policy and debate around housing supply, housing quality, tenancy and other related issues.
 - Provide a respected voice to advocate on behalf of our tenants and the North Belfast community and raise awareness of the many challenges faced by our tenants and their families, with statutory agencies and political representatives
 - Promote and celebrate our tenants and communities
- **Our Team**- Newington will:
 - Continue to prioritise our financial sustainability and viability through good financial management practices.
 - Deliver Value for Money while not compromising on outcomes.
 - Ensure we provide the staff resource to meet the needs of the organisation.
 - Continue to invest in the skills and professionalism of our staff.
 - Prioritise the wellbeing of our employees and board members.
 - Improve communications both internally and externally and develop an effective communication strategy.
 - Celebrate our successes as an organisation.
 - Develop our Board by applying best practice in terms of Board governance, compliance and risk management, and ensuring our Board has the skills necessary to be effective.
 - Maintain the strategic relationship with APEX Group.

To deliver these strategic objectives annual business plans are developed and both Corporate & Business plan performance is monitored by the Board.

The management of financial resources is critical to the Association's ability to meet its objectives. Whilst the Association has a voluntary non-profit making status, the generation of an annual surplus is vital to ensure the on-going investment in new housing stock, to provide for longer-term maintenance obligations, to meet commitments to lenders, and to generally ensure adequate protection against unforeseen circumstances.

Strategic report of the Board of Management for the year ended 31 March 2024

Status

Newington Housing Association (1975) Limited is registered under the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 and is a Registered Housing Association.

Newington Housing Association (1975) Limited is a registered charity (Charity No. IP158).

Newington Housing Association (1975) Limited is registered with the Charity Commission for Northern Ireland (Registration No. NIC102477).

Regulation

The Association continues to meet its regulatory obligations with the Department for Communities Regulation Team and received a Rating of 1 (Standards Met) in its most recent Regulatory Judgement for the year 2022/23 issued in March 2024.

Review of Staffing Structure

The Board recognised that a full review of functions and staffing was necessary to ensure the structures were fit for purpose and to ensure value for money in service delivery. The review was completed in May 2023 and implementation of the recommendations was completed in July 2024.

Employee information

The Association's total staff costs increased from £998,108 in 2022/23 to £1,061,994 in 2023/24. Sickness absence levels decreased to 3.1% in 2023/24 (5.9% in 2022/23). There were 4 leavers and 8 new starts in the year.

Staffing Structure

A new structure was approved in May 2023 with the amalgamation of the Housing & Communities and Property Services & Development Departments under one directorate lead by the Director of Communities. This directorate's functions were split into two teams. This staffing structure was fully implemented in July 2024.

The Communities Team, led by the Communities Manager, would focus on the services to the tenants and wider community and would be responsible for:

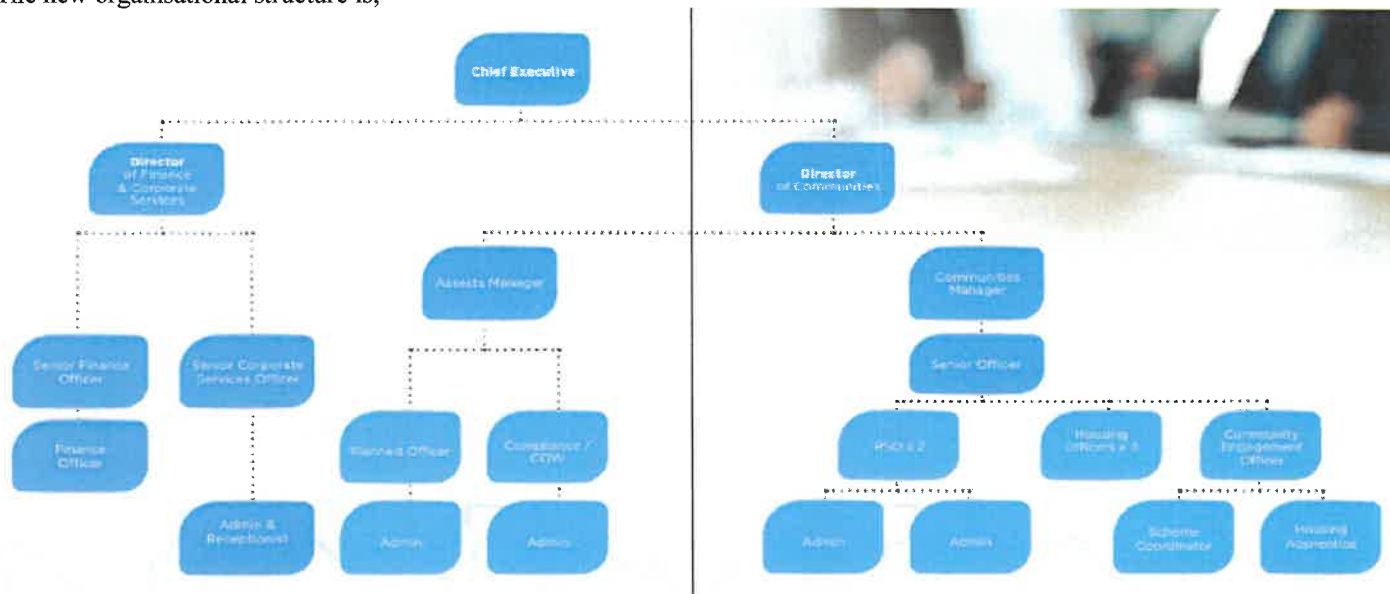
- Housing Management
- Response Maintenance
- Tenant Engagement
- Community Investment

The Asset Team will be led by an Assets Manager post. This department will be responsible for:

- The long-term viability of the property assets
- Technical advice to Senior Management Team
- Compliance
- Asset Management Strategy
- Planned Maintenance
- Development support
- Procurement (including response maintenance)
- Sustainability and environmental impact

Strategic report of the Board of Management for the year ended 31 March 2024

The new organisational structure is;



Housing Management Services

Allocations – During the year there were 41 relets of existing stock, 28 General Needs Allocations, 4 Sheltered Allocations, 7 direct exchanges and 2 tenancy successions.

Rent Collection & Debt Recovery – During the year 79% of the Association’s rental income was received directly from Housing Benefit, Universal Credit and other sources of benefits. The Association continues to proactively implement strategies and policies to, in the first instance try to prevent arrears occurring and to also recover outstanding arrears. The Association renewed the match-funded Welfare Advice post, which commenced in January 2020 for a further two-year period to March 2025. This post is important in providing advice and assistance on income and benefits to our tenants and the wider community. However, non-technical rent arrears increased from 3.6% 2 April 2023 to 4.0% at year end.

Arrears KPI

	01 April 2024	2 April 2023
Non-technical arrears as % of total income	4.0%	3.6%

Void stock on 31 March 2024 was 2.5% (31 March 2023: 2.0%).

Strategic report of the Board of Management for the year ended 31 March 2024

Value for Money (VFM)

Newington Housing Association (1975) Limited has defined VFM as a way to manage resources to provide quality services, homes and help create safe, sustainable and vibrant communities for people to live and work. VFM is based not only on minimum cost of the services provided but also on the maximum efficiency and effectiveness (outcomes) of the resources employed to deliver the service. VFM is about achieving the right balance between the three 'E's'- Economy, Efficiency and Effectiveness.

- **Economy** is the price paid for what goes into providing a service.
- **Efficiency** is a measure of productivity or how much is gained from what is put in.
- **Effectiveness** is a measure of the impact achieved and can be both qualitative and quantitative.

VFM is high when there is an optimum balance between all three 'E's', relatively low costs, high productivity and successful outcomes.

Social value within Newington Housing Association (1975) Limited is not limited to the outcomes that flow from housing assets or from the provision of housing services but by also supporting the local economy and community led organisations that deliver valuable service and support, which enhance communities and people's lives.

The Association wants to maintain VFM and be transparent about it. We have a clear aim of what we want to achieve, where our principles are and that our homes and services:

- Meet the needs of tenants and other service users at the right time and meet their expectations;
- Are of the right quality and are fit for purpose;
- Generate high levels of satisfaction and enhance our reputation and our track record; and
- Services are delivered from suppliers (internal or external) whose prices are competitive for the quality of service provided.

These principles improve our sustainability, viability and opportunities for the future.

A comparison of some of the primary indicators for 2023/24 is set out below along with the results of the HouseMark Sector Scorecard:

Indicator	Newington HA 2023/24	Newington HA 2022/23	UK Median
Operating margin	22.0	20.4%	18.50%
Gearing	22.1%	22.3%	45.40%
Return on Capital Employed	1.8	2.1	2.8
Headline Social Cost Per Unit	£3,937	£3,137	£4,475

Indicator	Newington HA 2023/24	Newington HA 2022/23
Interest Cover	155%	249%
Occupancy	98%	98.42%

Some examples of activities in 2023/24 where these Value for Money principles were applied are as follows:

Newington have signed up to three pre-procured framework providers, Fusion 21, Procurement for Housing & M3NHF Framework. This enables Newington to draw down service and works contracts which will ensure value for money.

Strategic report of the Board of Management for the year ended 31 March 2024

Value for Money (VFM) (continued)

During the year Newington has:

- Replaced 54 kitchens within our homes during the 2023/24 year
- 23 Gas boilers were upgraded within our existing homes
- 100% of all relevant properties within Newington ownership have undergone a regular fire risk assessment
- 4 additional homes were added to our stock profile
- Our average energy rating of our homes is 76, which exceeds the NI average energy rating of 65

Repairs and Maintenance

A Measured Term Contract (MTC) for reactive maintenance jointly procured with Apex Housing Association became operational on 1 June 2022 with NICOR being appointed. This framework, when coupled with a jointly procured Planned and Cyclical Maintenance Contractor Framework, ensures that contractors employed are the most efficient in terms of the balance between competitive pricing and quality of service.

Our approach to how we maintain our assets and tenants' homes is set out in our Asset Management Strategy (AMS). The AMS emphasises the need to achieve VFM by identifying planned maintenance programmes therefore improving the quality of homes, increasing tenant satisfaction and reducing the cost of reactive repairs.

The annual KPI for Response Maintenance Performance for the year ended 31 March 2024 is included below:

Overall Jobs completed on time	86%
Type	% Jobs Completed on time
Immediate Call Out	99%
Emergency	95%
Urgent	83%
Routine	74%

During the year Newington has:

- Invested £296K through planned and cyclical maintenance improvements to our existing homes
- Invested £480K invested in maintaining our existing homes through response maintenance

Social Value, Tenant Participation, Community Engagement & Investment

At Newington, we are committed to ensuring that new and existing tenants are aware of the support available to assist them to sustain their tenancies. Mechanisms and procedures are in place to ensure that tenants are signposted or directly referred for financial, tenancy or personal support and these procedures are at the core of our day-to-day services.

By providing this service, it helps to maximise the use of the various essential services that are provided locally.

We continually strive to invest locally and believe we are making a real contribution to people's lives.

One of our main strategic priorities for 2023/04 was delivering on the commitments we have made within our new Tenant Participation & Community Involvement Strategy 2023 -2026 and new Community Investment Strategy 2023 - 2026. Our Community Engagement Officer's role, which is part funded from the Community Investment Fund, is extremely important to local community and voluntary groups within North Belfast and the postholder plays a pivotal role in ensuring we deliver on the commitments made.

Strategic report of the Board of Management for the year ended 31 March 2024

Partnership working with others at a local level

We have continued to sustain all our existing partnerships, whilst continuing to forge new ones with various community, voluntary and statutory organisations. This is to ensure our tenants receive the support to help them to fully integrate well within their new or existing surroundings.

Newington continued to attend various multi-agency partnership initiatives (i.e., Multi Agency/Community Safety Forums) to address any instances of Anti-Social Behaviour and/or hate crime in all areas where Newington provides homes.

The Association remained an active member of the North Belfast Smile Sure-Start's Management Committee.

Our Community Investment during 2023/24

Via our Community Investment Fund budget, which is set by our Board each year, we have supported a range of strategic and community activities to allow us to provide greater financial support and to make more positive differences, locally.

From April 2023, this budget was increased to 3% of total rent receivable and is in place to support a range of strategic and community activities and which allows us to provide greater financial support and to make a more positive difference, locally.

Via our Community Investment Fund, the Association spent £124k on various initiatives and projects.

We retained the provision of an independent Welfare Advice post during 2023/24. The post is now fully funded by Newington and the Welfare Advice worker is based within Tar Isteach. The Welfare Advice worker delivers advice and support services out of the Tar Isteach advice centre two days per week and at Newington's main office on the Limestone Road, one day per week.

The Association continued to work in partnership with our key stakeholders and partners to enhance the lives of those currently residing within existing well-established communities.

Newington continued to invest and support local communities through direct requests for funding, as well as funding to support a range of community activities for young people, families and our older tenants.

Tenant Views

We continued to promote initiatives that encourage tenant participation. Our Tenant Forum has now been in place since April 2017. During 2023/24, Forum members took part in various initiatives including organising and delivering community events, seasonal projects, training, the delivery of Newington's /Community Celebration Event, the development of our new Tenant Participation & Community Involvement Strategy and Community Investment Strategies for 2023 – 2026 and our new 3-Year Strategic Plan.

Our main highlights during 2023 – 2024

Between April 2023 and March 2024, the Association has delivered or financially supported the projects and initiatives that support our residents and the wider community.

The following is a breakdown of our Community Investment expenditure during 2023/2024:

Seasonal Events Funding	£3,500
Community Funding	£37,932
Financial support to local advice service at NLHO	£5,000
Community Training Events	£10,000
Brian Mullan Community Fund	£14,720
Youth Intervention (HFYC & NLYC)	£8,000
Student Bursary Scheme	£5,200
Camberwell Hub Project	£3,352
Kindness Fund	£7,155
Welfare Advice	£20,700
Grow NI (Camberwell Court)	£7,000
Community Engagement	£10,335
Total	£124,893

Newington continued to invest and support local groups, organisations and communities through direct requests for funding, as well as funding to support a range of community activities for young people, families, and our older tenants.

Strategic report of the Board of Management for the year ended 31 March 2024

Commitment to working with other Housing Associations

To further improve the Value for Money processes within NHA, there is a commitment to collaborative working with other Housing Associations and the Northern Ireland Federation of Housing Associations (NIFHA).

The Association attends the following meetings to share ideas, best practice, enhance services and to promote a positive image of individual HA's and the social housing sector in general.

- NIFHA Governance/CEO Forum
- North West Housing Forum
- NIFHA Finance Forum
- NIFHA Housing Association Managers Forum
- NIFHA - Comms Officers Forum
- Supporting/Empowering Communities - Tenant Participation Practitioners Network Group
- NIHE, NIFHA & HA's Operational Group

Risk Management

Responsibility for the identification of risks is clearly defined and operates through a rolling risk assessment process. Key risks facing the Association are considered by the Board of Management at each meeting and the Board has adopted a risk-aware strategic focus. The Association has invested in dedicated Risk Management Software to improve its risk management processes.

Performance in the sector is generally affected by government policies and changing legislation, the impact of the regulatory regime, changes in demographic, political or economic conditions or environmental risks. Some of the major factors which may affect the Association over the next year are:

- Financial uncertainty and increases in interest rates may restrict the level of investment in planned maintenance programmes to ensure compliance with existing financial covenants
- Reductions in government spending impacting the association directly through reduced levels of Housing Association Grant available and a possible reduction in funding to our community and statutory partners which may reduce programmes delivered in the community.
- Governance risk arising from inadequate skills mix on board.
- Difficulties with the supply chain may lead to problems with the availability of labour impacting on the Association's ability to carry out planned and reactive maintenance programmes and the potential impact on new build construction;
- Potential damage of reputation.

Measures are in place to control these risks, and the implementation of further mitigating actions is regularly monitored by the Board.

Performance in the year ended 31 March 2024

During the year the number of homes in management increased by 4 from 716 to 720. The Association's annual review of rental charges in April 2023 resulted in a 8.0% increase in the majority of rents.

The surplus on ordinary activities, before pension actuarial gain was £423,047 (2023: £448,787). The Association continues its programme of major repairs and improvements to properties and the total expenditure capitalised in the financial year was £387,912. The level of expenditure of this nature will fluctuate from year-to-year dependent on the age and condition of schemes and this has a significant impact on the amount of retained surplus in any one year.

Expected performance in the year ending 31 March 2025

The Association expects to maintain its level of operations and performance in 2024/25. A surplus of £449,622 is budgeted for the year after spending £1,513,882 on maintaining our houses with a further £537,820 spent on capital repairs.

Strategic report of the Board of Management for the year ended 31 March 2024

Financial sustainability

The Association has a robust framework of longer - term financial planning in place. The Board regularly considers the longer - term financial plan which covers a 35- year period. The plan includes sensitivity analysis and compares projected results to funders' covenants where applicable.

Going Concern

After making enquiries, the Board of Management has a reasonable expectation that the Association has adequate resources to continue in operational existence for at least 12 months from the date of this report. The financial statements have therefore been prepared on the going concern basis.

By order of the Board



A Kerr
Honorary Secretary
Date 17.9.24



Mrs L Vincent
Chair
Date 17.9.24

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

The Board of Management present their report and the audited financial statements for the year ended 31 March 2024 of Newington Housing Association (1975) Limited.

Board of Management

The Board of Management is a voluntary Committee who have responsibility for the strategic direction, general policy and management of the Association. The day-to-day management of operations is delegated to the Senior Management Team of the Association.

Performance in the year ended 31 March 2024 and expected performance in the year ended 31 March 2025

The sections on performance in the year ended 31 March 2024 and expected performance in the year ended 31 March 2025, which are in the strategic report, are included in this report by cross reference.

Treasury

The Association's treasury management policy facilitates the effective management of cash flows, borrowings, investments and the risks associated with these activities.

At 31 March 2024 the Association had bank loans outstanding of £17,671,328 (2023: £18,439,806) (note 18).

The Association was fully compliant with loan covenants during the year.

The Board is responsible for the management of interest rate risk and liquidity risk. The Association finances its operations through a combination of borrowing and the reinvestment of retained reserves. The amount of borrowings and its terms are reviewed and determined by the Board.

Interest rate risk

Exposure to fluctuating interest rates is managed by the composition of a balanced portfolio between fixed rate and variable rate loans.

Liquidity risk

The Association maintains a mixture of long-term and short-term loan finance that is designed to ensure there is sufficient funds to achieve business objectives and to facilitate planned growth.

Currency risk

The Association does not engage in foreign currency transactions and so is not exposed to exchange risk.

Regulation

The Association's principal regulator is the Department for Communities (DfC).

Environmental matters

The Association recognises its corporate responsibility to carry out its operations and development programme whilst minimising environmental impacts. The Board's continued aim is to comply with all applicable environmental legislation, prevent pollution and reduce waste wherever possible.

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

Donations

No donations for political purposes were made during the year (2023: £nil).

Statement of the responsibilities of the members of the Board of Management

The Board is responsible for preparing the financial statements in accordance with applicable laws and regulations.

The Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 and registered social housing legislation require the Board of Management to prepare financial statements for each financial year 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 financial statements the Board is required to:

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

The Members of the Board of Management are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 and the Registered Housing Associations (Accounting Requirements) Order (Northern Ireland) 1993. It has general responsibility for taking reasonable steps to safeguard the assets of the Association and detect fraud and other irregularities. They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure of information to auditors

So far as each of the members of the Board of Management at the date of approval of these financial statements is aware:

- There is no relevant audit information of which the Association's auditors are unaware; and
- They have taken all the steps that they ought to have taken as members of the Board of Management in order to make themselves aware of any relevant audit information and to establish that the Association's auditors are aware of that information.

Internal Control

The Board of Management has overall responsibility for the Association's internal control systems and for reviewing the effectiveness of these. Such systems can only provide the Board of Management with reasonable (and not absolute) assurance against material misstatement or loss as they are designed to manage the risk of failure to achieve business objectives rather than eliminate the risk completely.

Audit

The Association's internal auditors report directly to the Board on completion of each systems review and an annual summary report is produced by the internal auditors summarising the systems audit programme each year. The work of the external auditors also provides some assurance through the year-end audit and the provision of a report summarising their findings.

Board of Management

The members of the Board of Management of the Association are listed on page 1.

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

Independent auditors

In July 2024 our previous external auditors, ASM (B) Limited, transferred all of their external audit contracts to Sumer Auditco NI Limited. The board has agreed to the novation of the external audit contract to Sumer Auditco NI Limited. Sumer Auditco NI Limited have indicated their willingness to continue in office, and a resolution proposing their reappointment will be proposed at the Annual General Meeting.

By order of the Board



A Kerr
Honorary Secretary
Date 17/9/24



Mrs L Vincent
Chair
Date 17.9.24

Independent Auditors' Report to the members of Newington Housing Association (1975) Limited

Opinion

We have audited the financial statements of Newington Housing Association (1975) Limited ("the Association") for the year ended 31 March 2024 which comprises the statement of comprehensive income, the statement of changes in reserves, the statement of financial position and the related 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) and the Housing SORP: Statement of Recommended Practice for Social Housing Providers.

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 its surplus 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 Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 (formerly the Industrial and Provident Societies Act (Northern Ireland) 1969), with the requirements of Article 19 of the Housing (Northern Ireland) Order 1992, Registered Housing Associations (Accounting Requirements) Order (Northern Ireland) 1993, the Charities Act (Northern Ireland) 2008 and Regulation 9 of the Charities (Accounts and Reports) Regulations (Northern Ireland) 2015.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs UK) and applicable law. Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the financial statements section of our report.

We are independent of the Association 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 those 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 directors' 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 when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Board of Management 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 Report of the Board of Management other than the financial statements and our auditors' report thereon. The Board of Management is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in so doing, 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.

Independent Auditors' Report to the members of Newington Housing Association (1975) Limited (cont'd)

Matters on which we are required to report by exception

In light of our knowledge and understanding of the Association obtained in the course of the audit, we have not identified material misstatements in the Report of the Board of Management and the Strategic Report.

We have nothing to report in respect of the following matters where the Charities (Northern Ireland) Act 2008 and Regulation 9 of the Charities (Accounts and Reports) Regulations (Northern Ireland) 2015 require us to report to you if, in our opinion:

- the information given in the Report of the Board of Management and the Strategic Report is inconsistent in any material respect;
- 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 required to complete our audit.

We have nothing to report in this regard.

Under the Co-operative and Community Benefit Societies Act (Northern Ireland) 2016 (formerly the Industrial and Provident Societies Act (Northern Ireland) 1969) are required to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- we have not received all the information and explanations we require for our audit; or
- proper accounting records have not been kept by the Association; or
- the Association's financial statements are not in agreement with the accounting records.

We have nothing to report in this regard.

Responsibilities of the Board of Management

As explained more fully in the Board of Management's Statement of Responsibilities, the Board of Management is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. The Board of Management is also responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' 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 auditors' 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 considered the opportunities and incentives that may exist within the Association for fraud and identified the greatest potential for fraud in the following areas: management override of controls relating to posting of journals. To address those risks we discussed the risks with client management and designed audit procedures to test a sample of journals to confirm they were appropriate.

Independent Auditors' Report to the members of Newington Housing Association (1975) Limited (cont'd)

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 auditors' report.

Use of our report

This report is made solely to the Board of Management in accordance with section 43 of the Co-operative and Community Benefit Societies Act (Northern Ireland) 2016 (formerly the Industrial and Provident Societies Act (Northern Ireland) 1969) and article 19 of The Housing (Northern Ireland) Order 1992. Our audit work has been undertaken so that we might state to the Board of Management those matters we are required to state to them in an auditors' 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 Board of Management, for our audit work, for this report, or for the opinions we have formed.



Brian Clerkin FCA
Senior Statutory Auditor
for and on behalf of Sumer Auditco NI Limited
Registered Auditors
Glendinning House
6 Murray Street
Belfast
BT1 6DN

17 September 2024

Statement of Comprehensive Income for the year ended 31 March 2024

	Note	2024 £	2023 £
Turnover	5	5,234,880	4,916,862
Operating costs	6	(4,083,455)	(3,913,064)
Operating surplus	7	1,151,425	1,003,798
Surplus arising from sale of housing property		62,404	397,613
Transfer to Disposal Proceeds Fund	17	2,028	(397,613)
Interest receivable and similar income	10	14,652	2,854
Interest payable and similar charges	11	(807,462)	(526,865)
Other finance costs	11	0	(31,000)
Surplus on ordinary activities		423,047	448,787
Actuarial gain/ (loss) in respect of pension schemes	24	246,000	1,511,000
Unrecognised Asset in respect of pension schemes	24	(305,000)	0
Total comprehensive income		364,047	1,959,787

All amounts above relate to continuing operations of the Association.

Statement of changes in reserves for the year ended 31 March 2024

		2024 £	2023 £
Surplus on ordinary activities for the financial year		423,047	448,787
Movement in share capital and capital reserve	19	0	6
Actuarial gain/ (loss) in respect of pension schemes	24	246,000	1,511,000
Unrecognised Asset in respect of pension schemes	24	(305,000)	0
Net addition to capital and reserves		364,047	1,959,793
Opening total capital and reserves		15,940,144	13,980,351
Closing total capital and reserves		16,304,191	15,940,144

Statement of Financial Position as at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Housing properties	12	65,598,356	65,841,997
Other tangible fixed assets	13	2,001,875	2,058,820
		67,600,231	67,900,817
Current assets			
Debtors	14	311,206	628,080
Cash at bank and in hand		1,299,881	1,340,676
		1,611,087	1,968,756
Creditors: amounts falling due within one year	15	(3,014,159)	(1,982,739)
Net current (liabilities)/ assets		(1,403,072)	(13,983)
Total assets less current liabilities		66,197,159	67,886,834
Creditors: amounts falling due after more than one year	16	(49,892,968)	(52,018,690)
Pension (liability) / Asset	24	0	72,000
Net assets		16,304,191	15,940,144
Capital and reserves			
Called up share capital	19	25	25
Capital reserve	20	192	192
Revenue reserve		16,303,974	15,939,927
Total funds		16,304,191	15,940,144

The financial statements on pages 17 to 39 were approved by the Board of Management on 17 September 2024 and were signed on its behalf by:



Mrs L Vincent
Chair



Mr A Kerr
Honorary Secretary



Mr C McCarroll
Board of Management

Notes to the financial statements for the year ended 31 March 2024

1 General information

The Association's principal activity during the financial year continues to be provision of social housing. The Association is registered under the under Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 and domiciled in the UK. The address of the registered office is 300 Limestone Road, Belfast, BT15 3AR.

2 Statement of compliance

These financial statements of Newington Housing Association (1975) Limited have been prepared on the going concern basis in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") under the historical cost convention, and in accordance with applicable accounting standards in the United Kingdom and Statement of Recommended Practice for Accounting by Registered Social Landlords (updated 2018). The principal accounting policies, which have been applied consistently throughout the year, are set out below. The presentation of the financial statements complies with the Registered Housing Associations (Accounting Requirements) Order (Northern Ireland) 1993.

3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The company has adopted FRS 102 in these financial statements.

Basis of preparation of financial statements

These financial statements are prepared on a going concern basis, under the historical cost convention. The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Association accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of and no objection to, the use of exemptions by the Association's shareholders.

The Association has taken advantage of the following exemptions:

- the Association has taken advantage of the exemption, under FRS 102 paragraph 1.12(b) from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, APEX Housing Association Limited, includes the Association's cash flows in its own consolidated financial statements; and
- from the financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, as the information is provided in the consolidated financial statement disclosures.

Notes to the financial statements for the year ended 31 March 2024**3 Summary of significant accounting policies (continued)****Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed by the Association and value added taxes. The Association bases its estimate of returns on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Where the consideration receivable in cash and cash equivalents is deferred and the arrangement constitutes a financing transaction, the fair value of the consideration is measured at the present value of all future receipts using the imputed rate of interest. The Association recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the Association retains no continuing involvement or control over the goods; (c) the amount of revenue can be measured reliably; (d) it is probable that future economic benefits will flow through the Association and (e) when the specific criteria relating to each of the Association's sales channels have been met, as described below.

i) Net rental income

Income includes rent and service charge income arising from the provision of housing accommodation and the amortisation of Housing Association Grant. Income is recognised in the period to which it relates.

ii) Other income

Other income is recognised in the Statement of comprehensive income when the terms of revenue recognition have been met.

Employee benefits

The Association provides a range of benefits to employees, including paid holiday arrangements and defined benefit pension plans.

i) Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

ii) Defined benefit plan

The Association operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. A defined benefit plan is a post-employment benefit other than a defined contribution plan.

The liability recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of each financial year less the fair value of the plan assets at the same date.

The defined benefit obligation is calculated annually by an external actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in Sterling and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of plan assets out of which the obligations are to be settled is measured in accordance with the Association's accounting policy for financial assets. For most plan assets this is the quoted price in an active market. Where quoted prices are not available appropriate valuation techniques are used to estimate the fair value.

Notes to the financial statements for the year ended 31 March 2024

3 Summary of significant accounting policies (continued)

Employee benefits (continued)

The cost of the defined benefit plan, recognised in profit or loss, except where included in the cost of an asset, comprises:

- (a) the increase in net defined benefit liability arising from employee service during the financial year; and
- (b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost on the net defined benefit liability is determined by multiplying the net defined benefit liability by the discount rate (both as determined at the start of the financial year, taking account of any changes in the net defined benefit liability during the financial year as a result of contribution and benefit payments). This cost is recognised in the Statement of Comprehensive Income as 'Other finance costs'.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income.

Tangible fixed assets

Housing properties

The Association operates a full component accounting policy in relation to the capitalisation and depreciation of its completed housing stock.

Other fixed assets

Other fixed assets are stated at cost.

Housing Association Grant and other grants

Housing Association Grant and other grants received as a contribution towards the capital costs of housing properties of the Association are included in 'Creditors: amounts falling due in less than one year' and 'Creditors: amounts falling due after more than one year' and are recognised in income over the useful life of the housing property structure and its individual components. Housing Association Grant received against revenue expenditure is credited to revenue in the period in which the related expenditure is charged.

Such grants, although treated as a grant for accounting purposes, 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.

Depreciation and Impairment

Housing properties

Housing properties are split between land, structure and major components which require periodic replacement. Replacement or refurbishment of such major components is capitalised and depreciated over the estimated useful life which has been set taking into account professional guidance and the Association's asset management strategy. In determining the remaining useful lives for the housing stock, the Association has taken account of views provided by both internal and external professional sources.

Freehold land is not subject to depreciation. Depreciation is charged so as to write down the cost or valuation of the freehold housing properties and major components on a straight-line basis over their expected useful economic lives.

Notes to the financial statements for the year ended 31 March 2024**3 Summary of significant accounting policies (continued)****Depreciation and Impairment (continued)****Housing properties**

Major components are treated as separable assets and depreciated over their expected useful economic lives or the lives of the structure to which they relate, if shorter, over the following periods:

Main fabric	100 years
Roof structure and coverings	80 years
Windows and external doors	30 years
Bathrooms	30 years
Mechanical systems (heating, ventilation, plumbing)	40 years
Boilers/flues	15 years
Kitchens	20 years
Electrics	40 years
Lift	30 years

Housing assets are depreciated in the month following acquisition, or in the case of a larger project, from the month of completion. Where there is evidence of impairment, the fixed assets are written down to the recoverable amount and any write down would be charged to operating surplus.

Other fixed assets

Depreciation of other fixed assets is charged on a straight-line basis over the estimated useful economic lives of the assets at the following annual rates:

Office premises	- 2% on cost
Office furniture and equipment	- 10% - 20% on cost
Computer equipment	- 25% on cost

Subsequent additions and major components

Subsequent costs, including major inspections, are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the Association and the cost can be measured reliably. The carrying amount of any replaced component is derecognised. Repairs, maintenance and minor inspection costs are expensed as incurred.

Derecognition

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal the difference between the net disposal proceeds and the carrying amount is recognised in the Statement of Comprehensive Income.

Leased assets

At inception the Association assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the Statement of comprehensive income on a straight-line basis over the period of the lease.

Cash and cash equivalents

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

Notes to the financial statements for the year ended 31 March 2024**3 Summary of significant accounting policies (continued)****Impairment of non-financial assets**

At each statement of financial position date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's (or asset's cash generating unit) continued use. These cash flows discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the assets.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Comprehensive Income, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in the Statement of Comprehensive Income.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the Statement of Comprehensive Income.

Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligations can be estimated reliably. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

Contingencies

Contingent liabilities, arising as a result of past events, are not recognised when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

i) Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances are initially recognised at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. 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 Statement of Comprehensive Income.

Notes to the financial statements for the year ended 31 March 2024**3 Summary of significant accounting policies (continued)****Financial instruments (continued)**

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 Statement of Comprehensive Income.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or, (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in Statement of Comprehensive Income, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

ii) Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans and loans from group companies, 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.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

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.

Disposal proceeds fund

The net surpluses, after loan repayments, that arise from the sale of property to tenants under the voluntary purchase grant arrangements instituted by the Department for Communities can be used by the Association to fund works on property that would not be eligible for Housing Association Grant or in certain circumstances, attract loan finance.

If the surpluses are not used within two years of their receipt they may be payable in part or in full to the Department for Communities.

Tenants' Services Fund

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

Revenue reserves

The Association's policy is to retain a level of revenue reserves which reflects its needs at the current time and in the foreseeable future. The reserves required are sufficient to meet committed running costs for a period equivalent to three months budgeted future expenditure and is in line with the group policy. The Board of Management reviews the adequacy of the revenue reserves level on an annual basis.

Notes to the financial statements for the year ended 31 March 2024

4 Critical accounting judgements and estimation uncertainty

Estimates and judgements made in the process of preparing the financial statements 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.

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

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

(b) Critical accounting estimates and assumptions

The Board of Management make estimates and assumptions concerning the future in the process of preparing the financial statements. The key estimates and assumptions that have been made in the preparation of these financial statements are as follows:

(i) Useful economic lives of housing properties

The annual depreciation on housing properties is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reviewed annually. They are amended when necessary to reflect current estimates, based on future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of housing properties and note 3 for the useful economic lives for each component of housing property.

5 Turnover

Turnover and results relate to the Association's main activities which are carried out in the United Kingdom. Turnover represents rental and service charge income and residential charges, net of voids. It also includes amortisation of the Housing Association Grant received from the Northern Ireland Housing Executive.

6 Operating costs

	2024	2023
	£	£
Direct property management costs	3,322,053	3,189,137
FRS 102 Pension costs	20,000	191,000
Administrative expenses	741,402	532,927
	4,083,455	3,913,064

Notes to the financial statements for the year ended 31 March 2024

7 Operating surplus

	2024	2023
	£	£
This is stated after charging/(crediting):		
Staff costs (note 8)	1,061,933	998,108
Depreciation	1,134,180	1,131,492
Amortisation of housing association grant	(654,444)	(662,680)
Loss on disposal of fixed assets	16,362	5,933
Auditors' remuneration – external audit	10,867	13,367

8 Employee information

	2024	2023
	£	£
Staff costs		
Wages and salaries	824,804	770,000
Social security costs	82,032	82,508
Other pension costs	155,096	145,600
FRS 102 Pension cost	20,000	191,000
	1,081,932	1,189,108

The above includes capitalised salaries of £81,908 (£50,955 2023).

	Number	Number
Average monthly number of persons employed during the financial year by activity:		
Administration	22	22

9 Directors' emoluments

Members of the Board of Management serve in a voluntary capacity and none were in receipt of emoluments during the year. The remuneration of the Senior Management Team of the Association (which includes the Chief Executive and the two Heads of Departments) during the year was:

	2024	2023
	£	£
Aggregate emoluments	203,660	251,366
Pension contributions	32,065	47,148
	235,725	298,514

The emoluments to the highest paid director (currently the Chief Executive who is included within the above table) are as follows:

	2024	2023
	£	£
Aggregate emoluments	80,156	74,030
Pension contributions	14,611	14,436
	94,767	88,466

Notes to the financial statements for the year ended 31 March 2024

9 Directors' emoluments (continued)

During the year the key management's emoluments (excluding pension contributions and social security costs) fell within the following band distributions:

	2024 Number	2023 Number
More than £10,000 but less than £15,000	0	1
More than £40,000 but less than £45,000	0	1
More than £55,000 but less than £60,000	1	1
More than £60,000 but less than £65,000	0	1
More than £65,000 but less than £70,000	1	0
More than £70,000 but less than £75,000	0	1
More than £80,000 but less than £85,000	1	0

10 Interest receivable and similar income

	2024 £	2023 £
Interest receivable	7,652	2,854
Defined benefit pension scheme net interest credit	7,000	0

11 Interest payable and similar charges and other finance costs

	2024 £	2023 £
On bank loans, overdrafts and other loans	807,462	526,865
Defined benefit pension scheme net interest cost	0	31,000
	807,462	557,865

12 Housing properties

	2024 £	2023 £
Cost		
At 1 April	79,249,000	79,240,767
Additions	848,527	495,043
Disposals	(213,796)	(486,810)
At 31 March	79,883,731	79,249,000
Accumulated Depreciation		
At 1 April	13,407,003	12,498,640
Charge for the year	1,067,591	1,064,586
Disposals	(189,219)	(156,223)
At 31 March	14,285,375	13,407,003
Net Book Value at 31 March	65,598,356	65,841,997

Notes to the financial statements for the year ended 31 March 2024

12 Housing properties (continued)

	2024	2023
	£	£
Housing Association Grant and other grants		
At 1 April	44,200,476	44,470,659
Additions	151,185	51,699
Disposals	(179,721)	(321,882)
At 31 March	44,171,940	44,200,476
Accumulated Amortisation		
At 1 April	10,027,954	9,504,664
Charge for the year	654,448	662,680
Disposals	(171,508)	(139,380)
At 31 March	10,510,894	10,027,964
Net Book Value at 31 March	33,661,046	34,172,512

13 Other tangible fixed assets

	Office premises £	Fixtures, fittings and office equipment £	Total £
Cost			
At 1 April 2023	2,141,903	158,021	2,299,924
Additions	0	9,644	9,644
Disposals	0	0	0
At 31 March 2024	2,141,903	167,665	2,309,568
Accumulated Depreciation			
At 1 April 2023	181,397	59,706	241,103
Charge for year	42,826	23,764	66,590
Disposals	0	0	0
At 31 March 2024	224,223	83,470	307,693
Net book amount			
At 31 March 2024	1,917,680	84,195	2,001,875
At 31 March 2023	1,960,506	98,315	2,058,821

Notes to the financial statements for the year ended 31 March 2024

14 Debtors

	2024	2023
	£	£
Rental debtors gross - Technical	221,695	106,972
Rental debtors gross - Non-technical	62,530	115,781
Provision for bad debts	(140,870)	(89,828)
Net rental (including rates, service charges) debtors	143,355	132,925
Other debtors	79,067	421,858
Prepayments and accrued income	88,784	73,297
	311,206	628,080

15 Creditors: amounts falling due within one year

	2024	2023
	£	£
Loans- banks (note 18)	785,586	767,490
Other creditors	-	66,770
Taxation and social security	270	-
Amounts owed to parent undertakings (note 26)	45,166	42,847
Disposal Proceeds fund (note 17)	839,831	-
Accruals and deferred income	689,486	437,625
Housing Association Grant (note 12)	653,820	668,007
	3,014,159	1,982,739

16 Creditors: amounts falling due after more than one year

	2024	2023
	£	£
Loans (note 18)	16,885,742	17,672,316
Disposal Proceeds fund (note 17)	-	841,859
Housing Association Grant (note 12)	33,007,226	33,504,515
	49,892,968	52,018,690

The Association expects to utilise the Disposals Proceeds Fund within the timescales allowed by the Department For Communities.

Notes to the financial statements for the year ended 31 March 2024

17 Disposals Proceeds Fund

	2024	2023
	£	£
At 1 April	841,859	444,246
Transfers in from house sales	(2,028)	397,613
Utilised against development schemes	-	-
At 31 March	839,831	841,859

18 Loans

	2024	2023
	£	£
Bank loans - Housing property		
Less than one year, or on demand (Note 15)	785,586	767,490
Between one and two years	3,474,673	3,467,490
Between two and five years	4,530,186	4,553,826
After more than five years	8,880,883	9,651,000
	17,671,328	18,439,806

Repayment Terms	Interest Rate	2024	2023
		£	£
Quarterly repayments over a period of 20 years commencing 2018	2.65% fixed	2,988,576	3,133,018
Quarterly repayments over a period of 25 years commencing 2001	6.016% fixed	136,914	181,439
Quarterly repayments over a period of 25 years commencing 2003	1.35% + SONIA	37,558	75,033
Quarterly repayments over a period of 25 years commencing 2004	6.016% fixed	368,363	426,505
Quarterly repayments over a period of 25 years commencing 2004	6.016% fixed	305,773	356,842
Quarterly repayments over a period of 20 years commencing 2019	6.3% fixed	2,765,110	2,878,738
Quarterly repayments over a period of 20 years commencing 2019	2.1% fixed	2,781,146	2,889,159
Quarterly repayments over a period of 20 years commencing 2019	2.3% fixed	5,587,888	5,799,072
Revolving credit facility	2.0% + SONIA	2,700,000	2,700,000
		17,671,328	18,439,806

Security

The banks hold security charges over the related mortgaged housing properties.

Notes to the financial statements for the year ended 31 March 2024

19 Called up share capital

	2024	2023
	£	£
Ordinary shares of £1 each, fully paid		
At 1 April	25	19
Additions	-	6
At 31 March	25	25

20 Capital reserve

	2024	2023
	£	£
At 31 March	192	192

21 Turnover, operating costs and operating surplus - Association

Turnover, operating costs and operating surplus	2024			2023		
	Operating turnover £	Operating costs £	Operating surplus £	Operating turnover £	Operating costs £	Operating surplus £
Social Housing Activities	5,234,880	(4,083,455)	1,151,425	4,916,862	(3,913,064)	1,003,798
Non-Social Housing Activities	-	-	-	-	-	-
Total	5,234,880	(4,083,455)	1,151,425	4,916,862	(3,913,064)	1,003,798

22 Housing Stock

Number of units owned on 31 March	2024	2023
Self-Contained	Number	Number
General needs housing	629	625
Supported Housing	13	13
Other	78	78
Total Units Owned and Managed at the year end	720	716

Notes to the financial statements for the year ended 31 March 2024

23 Turnover, operating costs and operating surplus or deficit from social and non-social housing activities - Association

Social Housing Activities	General Needs Housing £	Sheltered Housing £	Other Supported £	2024 Total £
Operating income				
Rent and rates receivable net of service charges	4,065,564	359,370	34,568	4,459,502
Service charges receivable	33,290	109,261	13,870	156,421
Other-support income	0	16,411	0	16,411
Income from HAG	591,889	41,999	20,556	654,444
Gross social housing income	4,690,743	527,041	68,994	5,286,778
Less voids	(32,181)	(19,717)	0	(51,898)
Total social housing income	4,658,562	507,324	68,994	5,234,880
Operating Costs				
Services	79,654	108,550	4,170	192,374
Supporting people costs	0	27,779	0	27,779
Management costs	778,514	96,541	16,090	891,145
Maintenance administration costs	576,700	71,515	11,919	660,134
Bad Debts (rent and service charges)	3,939	0	0	3,939
Planned and cyclical maintenance	105,493	20,848	4,270	130,611
Reactive maintenance	518,348	48,363	11,132	577,843
Major Repairs	4,740	63,544	0	68,284
Depreciation of social housing	968,587	80,783	18,221	1,067,591
Other costs	(5,403)	(670)	(112)	(6,185)
Rates paid	433,434	36,506	0	469,940
Total social housing expenditure	3,464,006	553,759	65,690	4,083,455
Operating Surplus/(Deficit) on social housing	1,194,556	(46,435)	3,304	1,151,425

Notes to the financial statements for the year ended 31 March 2024

23 Turnover, operating costs and operating surplus or deficit from social and non-social housing activities - Association (continued)

Social Housing Activities	General Needs Housing £	Sheltered Housing £	Other Supported £	2023 Total £
<i>Operating income</i>				
Rent and rates receivable net of service charges	3,797,738	335,198	32,008	4,164,944
Service charges receivable	26,774	82,104	13,466	122,344
Other-support income	-	15,463	-	15,463
Income from HAG	599,236	42,890	20,555	662,681
Gross social housing income	4,423,748	475,655	66,029	4,965,432
Less voids	(41,792)	(6,778)	-	(48,570)
Total social housing income	4,381,956	468,877	66,029	4,916,862
<i>Operating Costs</i>				
Services	110,432	30,182	0	140,614
Supporting people costs	-2	21,893	0	21,891
Management costs	629,049	78,505	13,084	720,638
Maintenance administration costs	550,360	68,685	11,447	630,492
Bad Debts (rent and service charges)	8,289	0	0	8,289
Planned and cyclical maintenance	221,196	12,315	3,063	236,574
Reactive maintenance	362,372	44,172	19,687	426,231
Depreciation of social housing	965,734	81,033	17,820	1,064,587
Other costs	192,080	23,972	3,995	220,047
Rates paid	409,542	34,159	0	443,701
Total social housing expenditure	3,449,052	394,915	69,097	3,913,064
Operating Surplus/(Deficit) on social housing	932,904	73,961	(3,067)	1,003,798

Notes to the financial statements for the year ended 31 March 2024

23 Turnover, operating costs and operating surplus or deficit from social and non-social housing activities - Association (continued)

Social Housing Activities (continued)

	General Needs Housing £	Sheltered Housing £	Other Supported £	2024 Total £
<i>DfC Allowances</i>				
Management allowances	249,084	30,888	5,148	285,120
Management costs	(778,514)	(96,541)	(16,090)	(891,145)
Deficit	(529,430)	(65,653)	(10,942)	(606,025)
<i>Maintenance Allowances</i>				
Maintenance Allowances	351,734	43,617	7,270	402,621
Planned and cyclical maintenance	(105,493)	(20,848)	(4,270)	(130,611)
Reactive maintenance	(518,3487)	(48,363)	(11,133)	(577,843)
Deficit	(272,106)	(25,594)	(8,133)	(305,833)
Technical and Non-Technical Income				
Technical	3,193,887	377,952	14,093	3,585,932
Non-Technical	904,966	107,090	34,346	1,046,402
Total	4,098,853	485,042	48,439	4,632,334
<hr/>				
	General Needs Housing £	Sheltered Housing £	Other Supported £	2023 Total £
<i>DfC Allowances</i>				
Management allowances	247,500	30,888	5,148	283,536
Management costs	(629,049)	(78,505)	(13,084)	(720,638)
Deficit	(381,549)	(47,617)	(7,936)	(437,102)
<i>Maintenance Allowances</i>				
Maintenance Allowances	348,639	43,510	7,252	399,401
Planned and cyclical maintenance	(221,196)	(12,315)	(3,063)	(236,574)
Reactive maintenance	(362,372)	(44,172)	(19,687)	(426,231)
Deficit	(234,929)	(12,977)	(15,498)	(263,404)
Technical and Non-Technical Income				
Technical	2,980,117	337,217	11,128	3,328,462
Non-Technical	844,396	95,548	34,346	974,290
Total	3,824,513	432,765	45,474	4,302,752

Notes to the financial statements for the year ended 31 March 2024

23 Turnover, operating costs and operating surplus or deficit from social and non-social housing activities - Association (continued)

The Association did not carry out any non-social housing activities during the current or previous financial year.

The Association received £16,411 (2023: £15,464) during the year from the Northern Ireland Housing Executive as restricted funds in respect of Supporting People. The costs associated with Supporting People during the year were £20,848 (2023: £21,893). The net deficit was funded from the Association's general reserves.

24 Pension liability

The net pension deficit and surplus amounts shown below under FRS102 section 28 'Retirement benefits' do not represent a shortfall or surplus which impacts on short term cash funding. The amount shown below is calculated to comply with the Financial Reporting Standard, the specific requirements of which differ from the basis on which pension liabilities are actuarially calculated for the purpose of the ongoing funding of the scheme. The Financial Reporting Standard requires:

- (i) actuarial deficiencies to be recognised immediately as a "liability" in the financial statements rather than being spread forward over employees' remaining service lives;
- (ii) the actuary, in valuing the scheme's liabilities, is required to use a bond yield as the discount rate for valuing future liabilities, rather than a rate that reflects the expected return on the scheme's particular asset portfolio, with the result of an apparent increase in the present value of future longer term liabilities.

FRS102 section 28 figures relate to employees and ex-employees who are members of the NILGOSC pension scheme.

A full Actuarial Valuation of the scheme was carried out as at 31 March 2022.

The major assumptions used by the actuary were:

	2024	2023
Rate of increase in salaries	4.1%	4.1%
Rate of increase in pensions in payment	2.6%	2.6%
Discount rate	4.7%	4.6%
Inflation assumption	2.6%	2.6%

The mortality assumptions used were as follows:

	2024	2023
	Years	Years
Average expected future life at age 65 for - male currently aged 65	21.7	22.2
- female currently aged 65	24.6	25.0
- male currently aged 45	22.7	23.2
- female currently aged 45	25.6	26.0

Notes to the financial statements for the year ended 31 March 2024

24 Pension liability (continued)

The assets in the scheme and the expected rates of return were:

	2024 £	2023 £
Equities	1,482,000	1,347,000
Property	347,000	343,000
Bonds	1,217,000	1,185,000
Cash	463,000	193,000
Other	224,000	196,000
Total market value of assets	3,733,000	3,264,000
Present value of scheme liabilities	(3,428,000)	(3,192,000)
Net pension surplus	305,000	72,000

Reconciliation of present value of scheme liabilities	2024 £	2023 £
At 1 April	3,192,000	4,371,000
Service cost	175,000	337,000
Member contributions	48,000	48,000
Interest on scheme liabilities	147,000	118,000
Actuarial (gains)/ losses	(79,000)	(1,632,000)
Benefits paid	(55,000)	(50,000)
At 31 March	3,428,000	3,192,000

Reconciliation of fair value of scheme assets	2024 £	2023 £
At 1 April	3,264,000	3,154,000
Expected return on scheme assets	154,000	87,000
Actuarial (losses)/gains	168,000	(121,000)
Employer contributions	154,000	146,000
Member contributions	48,000	48,000
Benefits paid	(55,000)	-
At 31 March	3,733,000	3,314,000

Analysis of amounts charged/ (credited) to income and expenditure:

	2024 £	2023 £
Current service cost	175,000	337,000
Expected return on pension scheme assets	(154,000)	(87,000)
Interest on pension scheme liabilities	147,000	118,000
	168,000	368,000

Notes to the financial statements for the year ended 31 March 2024

24 Pension liability (continued)

Amounts for current and previous three years:

	2024	2023	2023	2021
	£	£	£	£
Fair value of employer assets	3,733,000	3,264,000	3,154,000	2,926,000
Present value of defined benefit obligation	(3,428,000)	(3,192,000)	(4,371,000)	(4,255,000)
Funded Status	305,000	72,000	(1,217,000)	(1,329,000)
Unrecognised Asset	(305,000)	-	-	-
Surplus/(Deficit)	-	72,000	(1,217,000)	(1,329,000)

Actuarial gains and losses credited/(charged) to the statement of comprehensive income:

	2024	2023
	£	£
Actual gains	246,000	1,511,000
Impact of non-recognition of pension scheme assets	(305,000)	0
	(59,000)	1,511,000

25 Contingent liabilities

The accumulated position of total Housing Association Grant released at 31 March 2024 is £10,510,894 (note 12). The amount of Housing Association grant amortised and recognised as income in the year to 31 March 2024 is £654,448. The possibility of any reimbursement to the Department for Communities is considered to be unlikely as the housing properties are expected to continue to be made available for social housing for the foreseeable future.

26 Related parties

The Association has identified the following transactions which must be disclosed under the terms of section 33 of FRS 102.

	2024	2023
	£	£
APEX Housing Association Limited		
Amounts owed (to)/ by APEX Housing Association Limited at 1 April	(42,847)	(42,847)
Invoices due to APEX Housing Association Limited	(2,319)	(2,319)
Amounts paid to Apex Housing Limited	-	2,319
Amount owed to parent undertaking at 31 March (note 15)	(45,166)	(42,847)

Notes to the financial statements for the year ended 31 March 2024

27 Ultimate Controlling Party

The immediate parent company and the ultimate parent company for the group is APEX Housing Association Limited.

The parent undertaking of the smallest and largest group of undertakings, of which this association is a member, and for which consolidated financial statements are prepared is APEX Housing Association Limited, an association incorporated in Northern Ireland. Copies of the consolidated financial statements are available to the public upon request from 10 Butcher Street, Londonderry, BT48 6HL. The association considers the Board of Management in APEX Housing Association Limited to be their ultimate controlling party.

