

Registered No: IP000173

Grove Community Housing Association Limited
Report and Financial Statements
For the Year Ended 31 March 2025

Grove Community Housing Association Limited
Year Ended 31 March 2025

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**Grove Community Housing Association Limited
Year Ended 31 March 2025**

Board of Management and Advisers

Board of Management

Mr B Dunn (Chair)	
Mr J Chapman (Vice Chair)	Resigned 2 nd August 2024
Mr E Hunt	Resigned 1 st May 2024
Mr E Holmes	Resigned 16 th January 2025
Mr RV Chestnutt (Vice Chair)	
Mr R Arbutnot	Resigned 26 th March 2025
Mr D Ward	
Mr J Peel (Treasurer)	Resigned 12 th September 2025
Mr J Cochrane	
Mr M Wilkins	
Ms S Smyth	
Mr C McGivern (Treasurer)	
Ms F Tasmin	Appointed 24 th September 2024

Chief Executive and Secretary

Ms A Crawford

Registered office

171 York Road, Belfast, BT15 3HB

Registered number

Registered under the Co-operative and Community Benefit Societies Act (Northern Ireland) 2016 and Financial Conduct Authority, IP000173

Registered as a housing association with the Department for Communities (Northern Ireland), Registered Number R14

Registered as a charity with the Charity Commission for Northern Ireland, NIC 104573

Statutory Auditors

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

Bankers

Ulster Bank Limited
202-206 York Street
Belfast, BT15 1HY

Bank of Ireland
31 University Road
Belfast, BT7 1NH

Solicitors

Edwards & Co. Solicitors
28 Hill Street
Belfast, BT1 2LA

Quigg Golden Limited
18 Hill Street
Belfast, BT1 2LA

Accountants

Connon Associates Ltd
40 Liminary Road
Ballymena, BT42 3HN

Grove Community Housing Association Limited Year Ended 31 March 2025

Report of the Board of Management for the year ended 31 March 2025

The Board present their report together with the financial statements for the year ended 31 March 2025.

Principal activities

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

Financial results

The surplus for the year was £144,998 compared to a surplus of £259,390 for the previous year.

Board of Management

The Board of Management meets regularly throughout the year.

Going Concern

The Board has assessed its Forecasts under various scenarios, including a significant increase in inflation, energy and staffing costs, on its operating results and financial position and have a reasonable expectation that the Association has 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.

Value for Money

The Association is committed to delivering Value for Money (VfM) by continuous performance improvement. This is a key principle of the Association's business plan which aims to deliver VfM under its business objectives and Department for Communities (DfC) standards of Finance, Governance and Consumer. Achieving a balance of progress against the specific targets within our Strategic Plan and Business plan will ensure we remain true to our core mission and values and we believe, ensure success.

We continue to benchmark our services against our peers and other relevant measures, mainly from the NI Federation of Housing Associations (NIFHA) and DfC, to prioritise areas for focus.

The Association considers VfM in terms of the maximum outcomes for the minimum cost of service provision. The Association therefore strives to provide quality homes at reasonable cost. In 2024-25 the annual rent increase was 7%. The service charges were also reviewed to ensure all eligible costs were included and we strived to ensure the servicing contracts provided good value for money.

The Association activities that contribute to VfM include:

- Key performance indicators which encourage efficient and effective services and behaviours;
- Continual review of services and suppliers and investment in technology to enable procedures to be streamlined and improve compliance;
- Delivering maximum value to the customer while minimising costs;
- Working effectively and efficiently while maintaining and improving the service to our customers by making the best use of resources;
- Effective procurement of services including use of joint procurement with other Housing Associations to provide very competitive maintenance costs;

Grove Community Housing Association Limited Year Ended 31 March 2025

Report of the Board of Management for the year ended 31 March 2025 (cont'd)

- Tenant satisfaction surveys and engagement to assess quality of services provided from an end user perspective, thereby understanding their definition of value, and focusing on and doing the right things; and
- Ongoing investment in our properties, ensuring high standard accommodation and efficient, comfortable homes.

Understanding VFM is as essential as managing and demonstrating it. The Association's Board leads the approach to value for money by setting the strategic vision and mission. The Association is also focused and determined to secure VFM into the future. We will continue to review opportunities for VFM in 2025-26, coupled with ongoing benchmarking within the sector.

Regulation

The Association's principal regulator is the Department for Communities (DfC). The Association complies with DfC's Regulatory Standards.

In April 2017 a new Regulatory Framework was introduced for the regulation of Registered Housing Association in Northern Ireland (RHAs). Under this approach, RHAs are assessed annually against 3 standards namely: Governance, Finance and Consumer. This has concluded that the overall engagement opinion and regulatory judgement rating for Grove Community Housing Association for 2023-24 is 1. It has assessed all three of the standards namely, Governance, Consumer and Finance as 'MET'. The Association will be reassessed following submission of the annual regulatory return at the end of September 2025. The Association continues to adopt a risk based approach in identifying and managing risk with a focus on outcomes rather than compliance. We prioritise the management and use of our resources and acknowledge our responsibility to stakeholders, particularly tenants and wider community.

Internal controls

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 reporting 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; and
- The Board review matters relating to internal control and receives reports on a regular basis from the external and internal auditors and from senior management.

**Grove Community Housing Association Limited
Year Ended 31 March 2025**

Report of the Board of Management for the year ended 31 March 2025 (cont'd)

Statement of the responsibilities of the Board of Management

The Board of Management is responsible for preparing the Board of Management's Report and the financial statements in accordance with applicable laws and regulations.

The Board of Management is required by law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of its surplus or deficit for that period. In preparing these financial statements, the Board of Management are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in operation.

The Board of Management are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Association and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act (Northern Ireland) 2016, (formerly the Industrial and Provident Societies Act (Northern Ireland) 1969). They are also responsible for safeguarding the assets of the Association and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

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

- 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 in order to make themselves aware of any relevant audit information and to establish that the Association's auditors are aware of that information.

Auditors

A resolution to reappoint Sumer Auditco NI Limited will be proposed at the Annual General Meeting.

On behalf of the Board of Management



Mr B Dunn (Chair)

Date: 16th September 2025



Mr C McGivern (Treasurer)

**Grove Community Housing Association Limited
Year Ended 31 March 2025**

**Independent Auditors' Report to the members of Grove Community
Housing Association Limited**

Opinion

We have audited the financial statements of Grove Community Housing Association Limited ("the Association") for the year ended 31 March 2025 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 2025 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.

**Grove Community Housing Association Limited
Year Ended 31 March 2025**

Independent Auditors' Report to the members of Grove Community Housing Association Limited (cont'd)

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.

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.

**Grove Community Housing Association Limited
Year Ended 31 March 2025**

Independent Auditors' Report to the members of Grove Community Housing Association Limited (cont'd)

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, tested a sample of journals to confirm they were appropriate and reviewed areas of judgement for indicators of bias to address these risks.

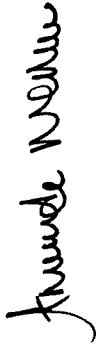
**Grove Community Housing Association Limited
Year Ended 31 March 2025**

Independent Auditors' Report to the members of Grove Community Housing Association 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.



**Amanda McMaw
Senior Statutory Auditor
for and on behalf of Sumer AuditCo NI Ltd
Statutory Auditors
Glendinning House
6 Murray Street
Belfast
BT1 6DN**

16 September 2025

Grove Community Housing Association Limited
Year Ended 31 March 2025

Statement of Comprehensive Income

For the year ended 31 March 2025

	Notes	2025	2024
		£	£
Turnover	3	1,505,800	1,427,345
Operating costs	3	(1,327,313)	(1,129,380)
Operating surplus	3	178,487	297,965
Gain / (loss) on disposal of fixed assets		83,324	(6,869)
Transfer from / (to) disposal proceeds fund	15	(90,952)	5,017
Other Income	3a	7,200	-
Interest and financing income		13,488	15,932
Interest and financing costs	6	(46,549)	(52,655)
Surplus for the year		144,998	259,390
Other comprehensive income			
Remeasurement of net defined benefit plan	18	196,000	105,000
Restriction on pension asset recognition	18	(195,000)	(111,000)
Total comprehensive income for the year		145,998	253,390

The results relate wholly to continuing activities.

The notes on pages 13 to 27 form part of these financial statements.

**Grove Community Housing Association Limited
Year Ended 31 March 2025**

Statement of Changes in Equity

For the year ended 31 March 2025

	2025	2025	2025	2025	2025
	Share	Capital	Revenue	Total	Total
	Capital	reserve	reserve	£	£
	£	£	£	£	£
Balance at 1 April	14	130	4,421,832	4,421,976	4,168,580
Surplus for the year	-	-	144,998	144,998	259,390
Remeasurement of the net defined benefit plan	-	-	196,000	196,000	105,000
Restriction on pension asset recognition	-	-	(195,000)	(195,000)	(111,000)
Movement in share capital	(5)	6	-	1	6
Balance at 31 March	9	136	4,567,830	4,567,975	4,421,976

The notes on pages 13 to 27 form part of these financial statements.

Grove Community Housing Association Limited
Year Ended 31 March 2025


Statement of Financial Position

As at 31 March 2025


	Notes	2025 £	2024 £
Fixed assets			
Housing properties	9	12,191,012	12,237,630
Other tangible fixed assets	11	561,960	539,858
		<u>12,752,972</u>	<u>12,777,488</u>
Current assets			
Trade and other debtors	12	97,830	88,342
Cash and cash equivalents		825,767	943,031
		<u>923,597</u>	<u>1,031,373</u>
Less: Creditors: amounts falling due within one year	13	965,807	850,277
Net current assets		<u>(42,210)</u>	<u>181,096</u>
Total assets less current liabilities		<u>12,710,762</u>	<u>12,958,584</u>
Creditors: amounts falling due after more than one year	13	8,142,787	8,536,608
Pension fund asset	18	-	-
Total net assets		<u>4,567,975</u>	<u>4,421,976</u>
Reserves			
Share capital	19	9	14
Revenue reserve	20	4,567,830	4,421,832
Capital reserve	21	136	130
Total reserves		<u>4,567,975</u>	<u>4,421,976</u>

These financial statements were approved by the Board of Management and authorised for issue on 16th September 2025 and are signed on its behalf by:

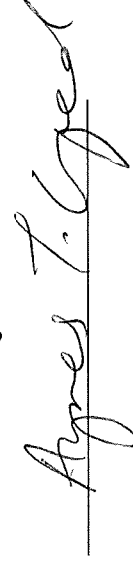
Mr B Dunn
 Director (Chair)



Mr C McGivern
 Director (Treasurer)



Ms A Crawford
 Secretary



The notes on pages 13 to 27 form part of these financial statements.

Registered No: IP000173

Grove Community Housing Association Limited
Year Ended 31 March 2025

Statement of Cash Flows

For the year ended 31 March 2025

	Notes	2025 £	2024 £
Cash flow from operating activities			
Surplus for the year		144,998	259,390
Adjustments for non-cash items:			
Depreciation of tangible fixed assets	9,11	252,506	243,268
Amortisation of HAG	14	(202,094)	(217,309)
Decrease / (increase) in trade and other debtors	12	(9,488)	20,832
Increase / (decrease) in trade and other creditors	13	34,162	(18,536)
Pension costs less contributions payable	18	2,000	9,000
Pension interest payments	18	(1,000)	(1,000)
(Gain) / Loss on fixed asset disposals		(83,324)	6,869
Transfer to disposal proceeds fund	15	90,952	(5,017)
Adjustments for investing or financing activities:			
Interest payable	6	47,549	53,655
Interest received		(13,488)	(15,932)
Net cash generated from operating activities		262,773	335,220
Cash flow from investing activities			
Purchase of tangible fixed assets	9,11	(230,369)	(569,890)
Grants received	14	618	5,017
Interest received		13,488	15,932
Net cash generated from / (used in) investing activities		(216,263)	(548,941)
Cash flow from financing activities			
Interest paid	6	(47,549)	(53,655)
Repayments of borrowings	13	(116,226)	(111,452)
Share capital issued	19	1	6
Net cash used in financing activities		(163,774)	(165,101)
Net change in cash and cash equivalents		(117,264)	(378,822)
Cash and cash equivalents at beginning of the year		943,031	1,321,853
Cash and cash equivalents at end of the year		825,767	943,031

The notes on pages 13 to 27 form part of these financial statements.

Grove Community Housing Association Limited
Year Ended 31 March 2025

Notes to the financial statements

1. Legal status

Grove Community Housing Association Limited is a housing association registered in Northern Ireland in the United Kingdom under the Credit Unions and Co-operative and Community Benefit Societies (Northern Ireland) Act 2016 (formerly known as the Industrial and Provident Societies Act (Northern Ireland) 1969). The registered office of the Association is 171 York Road, Belfast, BT15 3HB.

2. Accounting Policies

2.1 Basis of accounting

These financial statements have been prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' and the Statement of Recommended Practice for Registered Social Housing Providers.

The financial statements are presented in Sterling (£), which is the functional currency of the Association.

2.2 Revenue recognition

Revenue is recognised when the Association has entitlement to the funds and it is probable that the income will be received and the amount is reliably measured.

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

2.3 Government and other grants

Housing Association Grant (HAG) is receivable from the Northern Ireland Housing Executive (NIHE) and 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 below.

HAG released on sale of a property may be repayable but is normally available to be recycled and is credited to the Disposal Proceeds Fund and included in the Statement of Financial Position within Creditors.

HAG due is included as a current asset. HAG received in advance is included as a current liability.

HAG received in respect of revenue expenditure is credited to the income and expenditure account in the same period as the expenditure to which it relates.

Grove Community Housing Association Limited
Year Ended 31 March 2025

2.4 Tangible fixed assets

Housing properties

Housing stock are properties held for the provision of social housing or to otherwise provide social benefit and are accounted for within tangible fixed assets. Housing properties are principally available for rent and are stated at cost less accumulated depreciation and any accumulated impairment losses. Cost includes the cost of acquiring land and buildings, development costs 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 of Housing properties

The Association separately identifies the major components which comprise its housing properties, and charges depreciation, so as to write-down the cost of each component to its estimated residual value, on a straight line basis, over its estimated useful life.

The Association depreciates the major components of its housing properties over the following useful lives:

Land	-	Not depreciated
Structure	-	100 years
Kitchen	-	20 years
Bathroom	-	30 years
Windows and doors	-	30 years
Mechanical systems	-	30 years
Roof	-	60 years
Electrics	-	40 years
Boilers	-	14 years

Depreciation of other tangible fixed assets

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 as follows:

Office equipment	-	4 years
Office premises	-	50 years

2.5 Impairment

Housing properties are assessed annually for impairment indicators. Where indicators are identified an assessment for impairment is undertaken comparing the asset's carrying amount to its recoverable amount. Where the carrying amount of an asset is deemed to exceed its recoverable amount, the asset is written down to its recoverable amount, this is likely to be the fair value in use of the asset based on its service potential. The resulting

Grove Community Housing Association Limited Year Ended 31 March 2025

impairment loss is recognised as expenditure in income and expenditure. Where an asset is currently deemed not to be providing service potential to the association, its recoverable amount is its fair value less costs to sell.

Other assets are reviewed for impairment if there is an indication that impairment may have occurred.

2.6 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.

2.7 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.

2.8 Defined Benefits Pension

The Association participates in a defined benefit salary pension scheme. The underlying assets and liabilities of the scheme attributable to Grove Housing Association have been identified by actuaries. As a result, the Association recognises the scheme deficit or surplus 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.

2.9 Taxation

The Association is accepted as a charity by the HMRC. Income and capital gains of the Association are generally exempt from tax if applied for charitable purposes.

The Association is not registered for VAT. All of its income, including rental receipts, is exempt for VAT purposes.

2.10 Financial instruments

The Association only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.10 Judgements in applying accounting policies and key sources of estimation uncertainty

No judgments have been made in the process of applying the above accounting policies (apart from those involving estimates). There were no key assumptions made concerning the future and other key sources of estimation uncertainty at the reporting date that have

Grove Community Housing Association Limited
Year Ended 31 March 2025

a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

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.

2.1.1 Going concern

After making appropriate enquires, the Board of Management has a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in the financial statements.

3. Turnover, Operating costs and operating surplus

	Turnover	2025 Operating Costs	2024 Operating Surplus/ (deficit)
	£	£	£
Social Housing Activities (Note 4)	1,505,800	1,327,313	178,487
	<u>1,505,800</u>	<u>1,327,313</u>	<u>178,487</u>
			<u>297,965</u>

3a. Other Income

	2025	2024
	£	£
Rental Income	7,200	-
	<u>7,200</u>	<u>-</u>

Grove Community Housing Association Limited
Year Ended 31 March 2025

4. Turnover, operating costs and operating surplus from social housing activities

	2025	2024
	Total	Total
	£	£
Income		
Rent Receivable	1,170,921	1,095,170
Service Charges Receivable	16,193	9,942
Rates Receivable	121,934	116,710
Income from HAG	202,094	217,309
Less: Voids	(5,342)	(11,786)
Total Social Housing Income	1,505,800	1,427,345

Operating Costs		
Service Costs	11,683	13,468
Management costs	467,130	430,091
Rates Payable	122,016	116,474
Maintenance Administration costs	227,094	208,883
Cyclical Maintenance	163,329	14,580
Reactive Maintenance	90,847	73,282
Change of tenancy repairs	(7,716)	27,319
Bad debts written off	424	2,015
Depreciation of Housing Properties	230,116	223,685
Other Depreciation	22,390	19,583
Total Social Housing Expenditure	1,327,313	1,129,380

Operating surplus on social housing	178,487	297,965
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DfC Allowances		
Management allowances	85,140	85,140
Management costs	(467,130)	(430,091)
Deficit	(381,990)	(344,951)

Maintenance allowances	118,515	118,515
Planned and cyclical maintenance	(163,329)	(14,580)
Reactive maintenance	(90,847)	(73,282)
Surplus	(135,661)	30,653

Technical & Non-Technical Income		
Technical	957,605	795,220
Non-Technical	351,443	426,602
Total	1,309,048	1,221,822

Grove Community Housing Association Limited
Year Ended 31 March 2025

5. Surplus on ordinary activities

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

	2025	2024
	£	£
Depreciation – owned tangible fixed assets	252,506	243,268
Amortisation of grant	202,094	217,309
Auditor's remuneration		
- External audit of these financial statements	12,540	11,400
- Internal audit	2,635	8,072

6. Interest payable

Bank charges	1,139	989
Loan Interest	46,410	52,666
Pension Interest charges	(1,000)	(1,000)
	46,549	52,655

7. Employee information

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

	2025	2024
	No.	No.
Office	10	9
	10	9

Staff costs

	2025	2024
	£	£
Wages and salaries*	359,681	318,424
Social security costs	31,954	27,953
Pension costs	54,244	50,651
Pension service non-cash cost	2,000	9,000
	447,879	406,028

*Wages and salaries 2025 includes temporary agency staff costs.

Grove Community Housing Association Limited
Year Ended 31 March 2025

The aggregate remuneration, including benefits in kind and pension contributions, of key management personnel** of the Association during the year was:

	2025	2024
	£	£
Salary	120,217	68,068
Pension contributions	22,039	12,851
Aggregate remuneration	<u>142,256</u>	<u>80,919</u>

The number of key management personnel** to whom emoluments (excluding employer pension contributions) were paid during the year falls within each of the following bands:

	2025	2024
80,000 - 85,000	1	-
75,000 - 80,000	-	-
70,000 - 75,000	-	-
65,000 - 70,000	-	-
60,000 - 65,000	-	-
55,000 - 60,000	-	-
50,000 - 55,000	-	-
45,000 - 50,000	-	-
40,000 - 45,000	-	-
35,000 - 40,000	<u>1</u>	<u>1</u>
	<u>2</u>	<u>1</u>

** Key management personnel comprise the chief executive and director.

8. Board of Management remuneration

There was no remuneration paid to the board members of the Association (2024: £nil). Board members were paid out of pocket expenses totalling £1,766 (2024: £1,792).

**Grove Community Housing Association Limited
Year Ended 31 March 2025**

9. Tangible fixed assets – Housing properties

	£
Cost or valuation	
At 1 April 2024	16,874,172
Additions	185,877
Disposals	<u>(15,097)</u>
At 31 March 2025	<u>17,044,952</u>
Depreciation	
At 1 April 2024	4,636,542
Charge for the year	230,116
Eliminated on disposal	<u>(12,718)</u>
At 31 March 2025	<u>4,853,940</u>
Net book value	
At 31 March 2025	<u>12,191,012</u>
At 31 March 2024	<u>12,237,630</u>

	2025	2024
	£	£
Net book value comprises		
Completed schemes	11,318,147	11,482,622
Properties under construction	872,865	755,008
	<u>12,191,012</u>	<u>12,237,630</u>

10. Housing Stock

Number of units owned and managed at year end

	2025	2024
	Properties	Properties
Self-Contained		
General Needs Housing	215	215
	<u>215</u>	<u>215</u>
Total Units Owned and Managed at year end	<u>215</u>	<u>215</u>

Grove Community Housing Association Limited
Year Ended 31 March 2025

11. Other tangible fixed assets

	Office premises	Office equipment	Garden	Total
	£	£	£	£
Cost or valuation				
At 1 April 2024	755,618	122,153	65,380	943,151
Additions	27,736	16,756	-	44,492
Disposals	-	-	-	-
At 31 March 2025	783,354	138,909	65,380	987,643
Depreciation				
At 1 April 2024	293,770	109,523	-	403,293
Charge for the year	15,244	7,146	-	22,390
Eliminated on disposal	-	-	-	-
At 31 March 2025	309,014	116,669	-	425,683
Net book value				
At 31 March 2025	474,340	22,240	65,380	561,960
At 31 March 2024	461,848	12,630	65,380	539,858

12. Debtors

	2025	2024
	£	£
Gross rental debtors – Technical	39,334	39,538
Gross rental debtors – Non-Technical	15,550	17,818
Provision for bad debt	(3,431)	(3,431)
Net rental debtors	51,453	53,925
Prepayments and accrued income	39,320	28,879
Other debtors	7,057	5,538
	97,830	88,342

Grove Community Housing Association Limited
Year Ended 31 March 2025

13. Creditors

<u>Amounts falling due within 1 year</u>	2025	2024
	£	£
Loans (see analysis below)	121,713	114,641
Deferred Housing Association Grant (note 14)	189,914	206,571
Disposal Proceeds Fund (note 15)	435,532	344,580
Accruals and deferred income	172,145	149,345
Rent and service charges received in advance	14,478	12,615
Trade creditors	30,332	12,319
Other taxes and social security	474	7,234
Other creditors	1,219	2,972
	<u>965,807</u>	<u>850,277</u>

<u>Amounts falling due after more than 1 year</u>	2025	2024
	£	£
Loans (see analysis below)	679,341	802,639
Deferred Housing Association Grant (note 14)	7,463,446	7,733,969
	<u>8,142,787</u>	<u>8,536,608</u>

Loans

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

	2025	2024
	£	£
Within one year	121,713	114,641
Between one and two years	121,396	114,324
Between two and five years	364,189	342,972
In five years or more	193,756	345,343
	<u>801,054</u>	<u>917,280</u>

Grove Community Housing Association Limited
Year Ended 31 March 2025

14. Deferred grant

	2025
	£
At 1 April	7,940,540
Grant received in the year	618
Released to income in the year	(202,094)
Eliminated on component disposals	(85,704)
At 31 March	<u><u>7,653,360</u></u>

Deferred grant is Housing Association Grant (HAG) originally received less accumulated amortisation.

15. Disposal Proceeds Fund

	2025
	£
At 1 April	344,580
House sales	-
Reversal of Expenditure***	90,952
At 31 March	<u><u>435,532</u></u>

The surplus on the disposal proceeds fund must be used within two years of the sale of the property.

*** This relates to the purchase of a property previously funded through DPF. This has been reversed as it was ineligible for DPF funding.

16. Capital commitments

	2025	2024
	£	£
Capital expenditure	-	-

Contracted for but not provided in the Financial Statements

17. Contingent Liabilities

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

Grove Community Housing Association Limited Year Ended 31 March 2025

18. Pension commitments

The Association contributes to the Northern Ireland Local Government Officers Superannuation Scheme (NILGOSC). This is a funded defined benefit plan with benefits earned up to 31 March 2015 being linked to final salary. Benefits after 31 March 2015 are based on a Career Average Revalued Earning scheme. Details of the benefits earned over the period covered by this disclosure are set out in 'The Local Government Pension Scheme Regulations (Northern Ireland) 2014' (as amended) and The Local Government Pension Scheme (Amendment and Transitional Provisions) Regulations (Northern Ireland) 2014' (as amended).

The funded nature of the scheme requires participating employers and their employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. Information on the framework for calculating contributions to be paid is set out in 'The Local Government Pension Scheme Regulations (Northern Ireland) 2014' and the Fund's Funding Strategy Statement. The last actuarial valuation was at 31 March 2022 and the contributions to be paid until 31 March 2026 resulting from the valuation are set out in the Fund's Rates and Adjustments Certificate. The Committee is responsible for the governance of the Fund.

Assets

The assets allocated to the Employer in the Fund are notional and are assumed to be invested in line with the investments of the Fund for the purposes of calculating the return over the accounting period. The Fund holds a significant proportion of its assets in liquid investments. As a consequence there will be no significant restriction on realising assets if a large payment is required to be paid from the Fund in relation to an employer's liabilities. The assets are invested in a diversified spread of investments and the approximate split of assets for the Fund as a whole is shown in the disclosures. The Committee may invest a small proportion of the Fund's investments in the assets of some of the employers participating in the Fund if it forms part of their balanced investment strategy.

Risks associated with the Fund in relation to accounting

1. Asset volatility

The liabilities used for accounting purposes are calculated using a discount rate set with reference to corporate bond yields at the accounting date. If assets underperform this yield will create a deficit in the accounts. The Fund holds a significant proportion of growth assets which, while expected to outperform corporate bonds in the long term, creates volatility and risk in the short term in relation to the accounting figures.

2. Changes in Bond Yield

A decrease in corporate bond yields will increase the value placed on the liabilities for accounting purposes although this will be marginally offset by the increase in the assets as a result (to the extent the Fund invests in corporate bonds).

3. Inflation Risk

The majority of the pension liabilities are linked to either pay or price inflation. Higher inflation expectations will lead to a higher liability value. The assets are not perfectly correlated with inflation meaning that an increase in inflation will increase the deficit.

Grove Community Housing Association Limited
Year Ended 31 March 2025

4. Life expectancy

The majority of the Fund's obligations are to provide benefits for the life of the member following retirement, so increases in life expectancy will result in an increase in the liabilities.

5. Existing employers

Employers which leave the Fund (or their guarantor) may have to make an exit payment to meet any shortfall in assets against their pension liabilities. If the Employer (or guarantor) is not able to meet this exit payment the liability may in certain circumstances fall on other employers in the Fund. Further, the assets at exit in respect of 'orphan liabilities' may, in retrospect, not be sufficient to meet the liabilities. This risk may fall on other employers. 'Orphan liabilities' are currently a small proportion of the overall liabilities in the Fund.

Professional Qualifications

The pension valuation was prepared by an independent qualified actuary.

Results under FRS 102

At 31st March 2025 there is a net pension asset before consideration of a surplus restriction under paragraph 28 of FRS 102. The maximum economic benefit which can be recognised in the accounts, referred to as the asset ceiling, has been calculated in accordance with IFRIC 14. As the asset ceiling is less than the net pension asset, the net pension asset has been restricted to the asset ceiling.

Reconciliation of funded status to balance sheet

	2025	2024
	£	£
Fair value of assets	1,433,000	1,349,000
Present value of funded defined benefit obligation	(1,122,000)	(1,238,000)
Funded status	311,000	111,000
Unrecognised asset	(311,000)	(111,000)
Asset recognised on the balance sheet	-	-

Changes to the fair value of assets

	2025	2024
	£	£
At 1 April	1,349,000	1,208,000
Interest income on assets	65,000	57,000
Re-measurement gains / (losses) on assets	(5,000)	60,000
Contributions by employer	50,000	50,000
Contributions by participants	22,000	19,000
Net benefits paid out	(48,000)	(45,000)
At 31 March	1,433,000	1,349,000

Grove Community Housing Association Limited
Year Ended 31 March 2025

Changes to the present value of defined benefits obligations

	2025	2024
	£	£
At 1 April	1,238,000	1,194,000
Current service cost	52,000	59,000
Interest expense on defined benefit obligation	59,000	56,000
Contributions by participants	22,000	19,000
Actuarial (gains) / losses on liabilities	(201,000)	(45,000)
Net benefits paid out	(48,000)	(45,000)
At 31 March	1,122,000	1,238,000

Amounts recognised in the income statement

	2025	2024
	£	£
Operating costs: - current service cost	52,000	59,000
Financing cost: - Interest income on assets	(6,000)	(1,000)
- Interest on unrecognised asset	5,000	-
Total expense recognised in income statement	51,000	58,000

Amounts recognised in other comprehensive income

	2025	2024
	£	£
Asset gains / (losses) arising during the period	(5,000)	60,000
Actuarial gains / (losses) due to changes in financial assumptions	193,000	39,000
Actuarial gains / (losses) due to changes in demographic assumptions	9,000	20,000
Actuarial gains / (losses) due to liability experience	(1,000)	(14,000)
Adjustment gain / (loss) due to restriction of surplus	(195,000)	(111,000)
Total amount recognised in other comprehensive income	1,000	(6,000)

The principal actuarial assumptions used by the actuary at the year-end were as follows:

Key assumptions	2025	2024
	% p.a.	% p.a.
Discount rate	5.80%	4.80%
CPI inflation	2.50%	2.60%
Pension increases	2.50%	2.60%
Pension accounts revaluation rate	2.50%	2.60%
Salary increases	4.00%	4.10%

The main assumptions relating to member longevity at the balance sheet date are as follows:

Mortality assumptions	2025	2024
	Years	Years
Male pensioner member aged 65 at accounting date	21.6	21.7
Male active member aged 45 at accounting date	22.2	22.7
Female pensioner member aged 65 at accounting date	24.5	24.6
Female active member aged 45 at accounting date	25.2	25.6

Grove Community Housing Association Limited
Year Ended 31 March 2025

Asset Allocation	Value at 31 March 2025		Value at 31 March 2024	
	%	£M	%	£M
Equities	40.2%	0.576	39.7%	0.537
Property	10.0%	0.143	9.3%	0.125
Government bonds	15.4%	0.221	15.0%	0.202
Corporate bonds	3.6%	0.052	4.6%	0.062
Multi Asset Credit	13.4%	0.192	13.0%	0.175
Cash	11.4%	0.163	12.4%	0.167
Other	6.0%	0.086	6.0%	0.081
Total	100.0%	1.433	100.0%	1.349

19. Share capital

Ordinary shares of £1 each fully paid:

	2025	2024
	£	£
At 1 April	14	8
Issued in the year	1	6
Transferred to capital reserves	(6)	-
31 March	<u>9</u>	<u>14</u>

20. Revenue reserves

At 1 April
Surplus for the year
Remeasurement of net defined benefit plan
Restriction on pension asset recognition
At 31 March

	2025	2024
	£	£
At 1 April	4,421,832	4,168,442
Surplus for the year	144,998	259,390
Remeasurement of net defined benefit plan	196,000	105,000
Restriction on pension asset recognition	(195,000)	(111,000)
At 31 March	<u>4,567,830</u>	<u>4,421,832</u>

21. Capital reserves

At 1 April
Transferred from share capital
At 31 March

	2025	2024
	£	£
At 1 April	130	130
Transferred from share capital	6	-
At 31 March	<u>136</u>	<u>130</u>

22. Related party transactions

No transactions with related parties were undertaken such as are required to be disclosed under section 33 of FRS 102.