



**GLEBE HOUSING ASSOCIATION LIMITED**

**FINANCIAL STATEMENTS**

**For the year ended**

**31<sup>ST</sup> MARCH 2023**

**An exempt charity and society registered under  
The Co-operative and Community Benefit Societies Act 2014 (no. 19874R)**

# Glebe Housing Association Limited

## REPORTS AND FINANCIAL STATEMENTS

For the year ended 31 March 2023

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# Glebe Housing Association Limited

## REPORTS AND FINANCIAL STATEMENTS

For the year ended 31 March 2023

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### BOARD

Aida Filipovic  
Daniel Blake (resigned June 2022)  
Gordon Coates  
Helen Martin  
James Smith  
Laura Beales  
Michael Rourke Chair  
Patricia Michael Forrester

### CHIEF EXECUTIVE/ SECRETARY

Patricia Goan

### BANKERS

Lloyds Bank plc  
PO Box 1000  
Andover  
BX1 1LT

### AUDITOR

Beever and Struthers  
150 Minorities  
London  
EC3N 1LS

### REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

Bencurtis Park  
Corkscrew Hill  
West Wickham  
Kent BR4 9QD

### STATUTORY REGISTRATIONS

An exempt charity and society registered with  
the Co-operative and Community Benefit Societies  
(No 19874R)  
Regulator of Social Housing: No L0664

# Glebe Housing Association Limited

## REPORTS AND FINANCIAL STATEMENTS

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### BOARD REPORT

The Board presents its report together with the audited financial statements for the year ended 31 March 2023 for Glebe Housing Association Limited.

#### PRINCIPAL ACTIVITIES

Glebe Housing Association provides affordable rented and leasehold accommodation for older people in need of housing in West Wickham and Bromley.

Glebe Housing Association is a community-based housing association which has been providing sheltered housing and support to people in need since 1976. The Association currently manages 209 sheltered dwellings. It is an exempt charity registered under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing (RSH).

#### REVIEW OF THE YEAR

The Association ended the year with a surplus before pension adjustment of £11,461 and an operating surplus of £130,444. After considering the pension adjustment (an actuarial loss of £83,000) the overall position is a deficit of £71,539 for the year ended 31<sup>st</sup> March 2023.

Following the closure of Glebe Court Nursing Home in March 2022, our focus this year has been establishment of new staffing structure to support our core business of sheltered housing and the associated services; refurbishment works to generate additional units of housing; stabilising our costs in a challenging external environment.

#### Sheltered Housing and Leasehold Bungalows

The unique offering that Glebe Housing Association has is centred on the services delivered within the grounds of Bencurtis Park. When reporting last year, we had just lifted measures to prevent and control the spread of coronavirus. This year has seen a welcome return to normal with residents being able to enjoy the full range of facilities and activities within Bencurtis Park. This is an outline summary of what we have delivered over the year:

- Major flooring renewal contract across our 2 apartment blocks (129 apartments) with investment of £102,000 to improve flooring throughout the communal areas and all stairwells.
- Investment of £12,000 to upgrade our guest room to include ensuite facilities and development of new warden offices.
- Investment in Adams Hall renewal of the gas pipeline £11,500.
- Communal lighting upgrade Ashby Close £4,250.
- Provision of furniture for Adams Hall restaurant and upgrading of lighting in the kitchen. Refurbishment of storerooms for the kitchen.
- Demand for our sheltered housing rental accommodation and leasehold bungalows remains strong and our waiting lists are actively managed. There were four bungalow sales in the year.

# Glebe Housing Association Limited

## REPORTS AND FINANCIAL STATEMENTS

For the year ended 31 March 2023

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### REVIEW OF THE YEAR (*continued*)

#### Investing for the future

With the Board's approval, the Association's programme of investment delivered additional units for the Association:

- Investment in renovating redundant communal space to create six new sheltered housing units in Sarjeant Court and Willis Court.
- The flats above the Associations' offices in Glebe House were renovated to deliver two flats let at market rent.

#### Stabilising our costs

- A full staffing restructure was carried out following the closure of Glebe Court Nursing Home.
- Contracts associated with Glebe Court were wound down and CQC registration cancelled.
- The rise of inflation has added to cost pressures during the year which has meant controlling spend on maintenance whilst ensuring compliance and safety works are delivered.
- The Association was able to obtain energy support through the Energy Bill Relief Scheme with discounts passed on to residents.
- The Board recognised the impact of the cost-of-living crisis and therefore approved two cost-of-living payments to staff during the year.
- We are committed to delivering VFM and will develop long-term partnerships wherever possible to deliver efficiencies in provision of our services as well as cost savings.

#### Glebe Court

- There has been considerable interest in the asset as a nursing home and as a development site, but at the time of writing no decision has been made on its future use. We will update all stakeholders when we are able to do so.
- The Association has maintained and enhanced protection of the Glebe Court asset. This has included collaborating with the local police to use the building for police dog training.

#### External

- We participate in regular networking meetings in the sector including g320 and HfOP, to share ideas and compare good practice with other organisations.

# Glebe Housing Association Limited

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For the year ended 31 March 2023

### Value for Money (VFM) Metrics

For Glebe Housing, VFM means being effective in how we plan, manage and operate our business. It means making the best use of the resources available to us to provide value to our residents, our partners, stakeholders and funders. The value we provide is both financial and social.

The RSH asks that we publish performance evidence in our annual accounts against seven key metrics. The Value for Money Standard requires associations to report in their accounts how they have performed against their own metrics and how that performance compares to peers.

We continue to be members of the smaller housing associations' benchmarking group through Acuity SPBM. This allows us to benchmark our performance within our sectoral group of housing for older people where we perform well against the key areas of voids, arrears, and repairs. Our Resident Panel continues to scrutinise our performance and service delivery in key areas.

The table below highlights the RSH metrics, the previous year's performance, this year's target and performance, and the median for comparative housing associations:

| RSH Metric                                   | 2021/22 Outcome | 2022/23 Target | 2022/23 Outcome | SPBM Median |
|--|-----------------|----------------|-----------------|-------------|
| Reinvestment %                               | 1%              | 3%             | 5%              | 4%          |
| New supply delivered %                       | 0%              | 3%             | 3%              | 0%          |
| Gearing %                                    | 11%             | <60%           | 15%             | 7%          |
| EBITDA MRI interest cover %                  | -215%           | 186%           | 3%              | 406%        |
| Headline social housing cost per unit        | 6,774           | 8,313          | 8,704           | 5,755       |
| Operating margin (social housing lettings) % | 0%              | -13%           | -10%            | 14%         |
| Operating margin (overall) %                 | -10%            | 4%             | 5%              | 8%          |
| ROCE   | -3.4%           | 0.8%           | 1.1%            | 1.2%        |

Definitions of metrics can be found in the technical note issued by the RSH.

1. Reinvestment % - works to develop three additional units for rent commenced in February 2022 completing in summer 2022, with a further three units completed in December 2022. New flooring was laid throughout our main social housing accommodation block which completed in March 2023.
2. New supply delivered (social housing units) % - six new social housing units were delivered in the year. No newly built units were acquired during the year.
3. Gearing % - is the net debt as a percentage of the carrying value of housing properties. The gearing for 2022/23 increased as cash was used to invest in new supply to generate additional income. On 31 March 2023 the net debt was £1,345,765 and housing property was valued at £8,785,049. The cash balance of £1,291,472 compares to a long-term loan balance of £2,561,046.
4. EBITDA MRI interest cover % - is a key indicator for liquidity and investment capacity; it is the level of surplus generated compared to the interest payable. The metric for 2022/23 is low reflecting a sizeable investment in new social housing units and new flooring in the year.

# Glebe Housing Association Limited

## REPORTS AND FINANCIAL STATEMENTS

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5. **Headline social housing cost per unit** – the cost per unit of this metric has increased reflecting the investment in delivering six new social housing units in 2022/23 as well as new communal flooring in our main accommodation blocks. Compared to our peers the Association has invested more this year and therefore the cost per unit is higher than the SPBM median. Additionally, being a provider of supported housing will result in relatively higher costs being incurred compared to peers.
6. **Operating margin (social housing lettings) %** – the metric in 2022/23 was an improvement on 2020/21. A portion of management overheads previously allocated to Glebe Court Nursing Home are now included here, therefore the improvement reflects the cost control in the business.
7. **Operating margin (overall) %** – the metric in 2022/23 is positive because of completing four leasehold bungalow sales in the year. Residual costs remain for Glebe Court Nursing Home, and these are reflected in the metrics. It should be noted that in 2021/22 the losses at Glebe Court Nursing Home resulted in an operating deficit and therefore negative operating margin.
8. **ROCE** – the Association delivered an operating surplus in the year to give a Return of Capital Employed of 1.1% which is in line with the SPBM median of 1.2%.

## GOVERNANCE

We have a robust system of rules, codes, management policies and procedures to help maintain a high standard of governance and conduct and remain compliant with legal requirements.

### Code of Governance

The Association's Constitution is the National Housing Federation's (NHF) Model Rules 2015 as amended and approved by the Regulator in 2015. The Board was fully compliant with the 2015 Code throughout the year and working towards compliance with the new Code of Governance 2020 for March 2024. The Board follows the NHF Code of Conduct 2012. The Board also has its own code of conduct, Conduct Becoming.

The Association uses the main principles of the NHF codes in a way that is proportionate to its size. The governance code recognises that NHF members may choose other mechanisms to achieve compliance with the principles and provisions within the code based on the scale and complexity of individual organisations.

### Compliance with Governance and Financial Viability Standard

The Board confirms that the Association remains compliant with the RSH Governance and Financial Viability Standard with no breaches identified since the previous report was issued.

# **Glebe Housing Association Limited**

## **REPORTS AND FINANCIAL STATEMENTS**

For the year ended 31 March 2023

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### **BOARD**

The Board is made up of 8 members. Board members are non-executive and for legal purposes are considered directors.

The Association seeks to ensure that the Board, collectively, has the range of skills, qualities and experience required to conduct the affairs of the Association. Board members bring the required skills set to the Board to deliver on its plans.

Board members are drawn from a diverse range of backgrounds in business and professional life bringing a broad range of experience to Board decision making. The Board do not receive remuneration for their services to the Association and are only reimbursed for incidental expenses incurred in their role as Board Members. Clear distinctions exist between the role of the Board and the Executive Management Team (EMT) to which day to day management is delegated. Matters of policy, strategy and budget planning are prepared by the EMT for consideration and approval by Board members.

Board members act in the best interests of the Association, adopt high standards of probity and integrity and avoid conflicts of interest. They have a high record of attendance at formal meetings and regularly attend meetings and other functions as required. All members subscribe to the shared values of Glebe Housing Association. Our Board members evidence a proper understanding of the issues facing the community we serve and, using their wide knowledge and experience collectively steer the Association so that it fulfils its mission. Our Board membership includes one resident Board member.

The Annual General Meeting is held in the autumn of the year when Board members are elected or re-elected if applicable.

### **SHAREHOLDERS**

In September 2020 the Association updated its Shareholding Membership Policy. The new policy is not to extend the current shareholding membership. There are other ways to enable stakeholders, residents, and anyone interested in the Association to participate actively in the business - for example through customer feedback panels, resident scrutiny panels, resident groups and resident surveys.

In line with other Registered Providers, the aim of the policy is to move to a “closed membership” where only Board members are shareholders.



# Glebe Housing Association Limited

## REPORTS AND FINANCIAL STATEMENTS

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### **BUSINESS PLAN 2020 to 2024**

Our Business Plan has been developed in partnership with our board, staff and stakeholders. The external environment following the pandemic is now one of high inflation, high interest rates and labour skill shortages. Energy prices continue to impact the business. At a local level, we have the introduction of the Social Housing (regulation) Act, Building Safety Act, Fire Safety Act, the National Housing Federation Governance Code and Ombudsman Code.

Our business plan 2020-24 has been revised in light of the closure of Glebe Court nursing home. We remain financially stable and have maintained our reserves. We have good relationships with our lenders, and we will continue to sustain a stable position. It is crucial that we evaluate our services and ensure that we achieve value for money across our business. Our business plan continues to focus on four key objectives:

- Investment and Growth.
- Deliver efficient and effective housing and support services through improved organisational efficiencies.
- Remain financially strong whilst promoting and sustaining our services into the future.
- Improve our services through resident engagement.

Glebe is a well-known, locally embedded community housing provider. The London Borough of Bromley has a growing older population and demand for good quality housing with support services will continue to rise and we remain ready to meet that demand. We continue to support residents with our 24-hour onsite wardens and with communal services and facilities provided that are not available to many older residents in the wider community.

With this plan we will optimise our assets and financial capacity to support our development and growth. We aim to deliver more homes to meet demand for our services and shall do so by building our relationships with the local authority and our partner housing associations. In the year we delivered eight new units to our housing stock.

Progress against corporate priorities is reviewed regularly by the Board following presentation of strategic, operational, and financial updates.

# **Glebe Housing Association Limited**

## **REPORTS AND FINANCIAL STATEMENTS**

For the year ended 31 March 2023

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### **INTERNAL CONTROLS**

The Board of the Association has overall responsibility for establishing and maintaining the system of internal controls and for reviewing its effectiveness.

The system of internal controls is designed to manage, rather than eliminate risk and to provide reasonable assurance that key business objectives and expected outcomes will be achieved.

In meeting its responsibilities, the Board has adopted a risk-based approach to internal controls which are embedded within normal management and governance processes. The approach includes regular evaluation of the nature and extent of risks to which the Association is exposed and is consistent with good practice principles outlined in the regulatory and other guidance.

The process adopted by the Board in reviewing the effectiveness of the system of internal controls, together with some of the key elements of the control framework includes:

#### **Identification and Evaluation of Key Risks**

Management responsibility has been clearly defined for the identification, evaluation and control of significant risks. The Executive Management Team regularly considers these significant risks, creating and monitoring a risk map, which is reviewed and approved by both Audit and Risk Committee and the Board. The Chief Executive is responsible for reporting to the Board any significant changes affecting key risks. The risk register has been constantly updated over the past year with all the mitigations put in place.

#### **Monitoring Arrangements**

A process of control and self-assessment and regular management reporting on control issues provides assurance to the Executive Team and to the Board. This includes a rigorous procedure for ensuring that corrective action is taken in relation to any significant control issues. This covers all operational areas and is not limited to those with material impact on the financial statements. There are also regular Internal Audit reviews of key areas decided by the Board.

#### **Control environment and control procedures**

The Board retains responsibility for a defined range of issues covering strategic, operational, and financial and compliance issues including new business investment, treasury strategy, new investments projects, data protection, fraud prevention and detection and health and safety standards.

# **Glebe Housing Association Limited**

## **REPORTS AND FINANCIAL STATEMENTS**

For the year ended 31 March 2023

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### **Information and financial reporting systems**

#### **Key Policies**

The Board retains responsibility for reviewing and approving the key strategies and policies that are designed to provide effective control. Glebe Housing Association has a full set of policies and procedures which seek to safeguard the Association against risk.

The internal control framework and risk management process are subject to review by Glebe's internal auditor who is responsible for providing independent assurance to the Board. An internal audit was conducted and reported to Board in July 2022. The result of the internal audit work provided management and the Board with a substantial degree of assurance that the Association generally has good controls for the areas reviewed. Also, there were no high priority findings made for the areas reviewed.

The Board confirms that there is an on-going process for identifying, evaluating and managing significant risks faced by the Association. This process has been in place throughout the year under review, up to the date of this report and is reviewed regularly by the Board.

#### **Going Concern**

The Board considers the Association to have adequate resources, post closure of Glebe Court Nursing Home, which will ensure that the Association continues in operational existence for the foreseeable future, being a period of at least 12 months after the date on which the report and financial statements are signed. It is therefore appropriate to adopt the going concern basis in preparing these accounts. The Board has reviewed the business from the perspective of the core areas of rental income, sales, assets and liabilities, loan covenants, cash reserves and overall financial viability.

The Board has reviewed stress tests for the Association to satisfy itself of the ongoing viability of the Association. This assessment has been made to March 2025, and is based upon the Association's level of cash held on 31 March 2023, the annual budget for 2023-24, the business plan and longer-term cash flow projections.

The Association can report compliance with all loan covenants on 31 March 2023.

#### **Annual General Meeting**

The Association's annual general meeting will be held on 26 September 2023.

#### **Auditor**

Beever and Struthers have expressed a willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the Annual General Meeting.

# Glebe Housing Association Limited

## REPORTS AND FINANCIAL STATEMENTS

For the year ended 31 March 2023

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### **Statement of Board's responsibilities under the Co-operative and Community Benefit Societies Act 2014 for a registered provider of social housing/registered social landlord**

The Co-operative and Community Benefit Societies Act 2014 and registered social housing legislation require the Board 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 the surplus or deficit for that period. In preparing these financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently,
- make judgments 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 Board is responsible for instituting adequate systems of internal control and for:

- safeguarding assets,
- taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, The Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

### **Statement as to disclosure of information to auditors**

The Board has confirmed that, as far as it is aware, there is no relevant audit information of which the auditors are unaware. Each of the Board members has confirmed that they have taken all steps which they ought to have taken as members of the Board, to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.



Michael Rourke  
**Chair**

Date: 22 August 2023

# Glebe Housing Association Limited

## REPORTS AND FINANCIAL STATEMENTS

For the year ended 31 March 2023

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### INDEPENDENT AUDITOR'S REPORT TO GLEBE HOUSING ASSOCIATION LIMITED

#### Opinion

We have audited the financial statements of Glebe Housing Association Limited (the Association) for the year ended 31 March 2023 which comprise the Statement of Comprehensive Income, Statement of Changes in Reserves, Statement of Financial Position, Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies in note 1. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2023 and of the Association's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

#### Basis for opinion

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

#### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 with respect to going concern are described in the relevant sections of this report.

# Glebe Housing Association Limited

## REPORTS AND FINANCIAL STATEMENTS

For the year ended 31 March 2023

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### Other information

The other information comprises the information included in the Board Report, other than the financial statements and our auditor's report thereon. The Board 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.

In connection with our audit of the financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

We have nothing to report in respect of the following matters in relation to which the Co-operative and Community Benefit Societies Act 2014 or the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

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

### Responsibilities of the Board

As explained more fully in the Statement of Board's Responsibilities set out on page 12, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board 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 is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

# Glebe Housing Association Limited

## REPORTS AND FINANCIAL STATEMENTS

For the year ended 31 March 2023

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

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

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

- We obtained an understanding of laws and regulations that affect the Association, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Co-operative and Community Benefit Societies Act, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, tax legislation, health and safety legislation, and employment legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Board have in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws related to the construction and provision of social housing recognising the nature of the Association's activities and the regulated nature of the Association's activities.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.

# Glebe Housing Association Limited

## REPORTS AND FINANCIAL STATEMENTS

For the year ended 31 March 2023

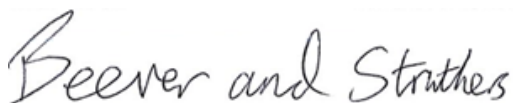
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- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

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

### Use of our report

This report is made solely to the Association, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014 and Section 128 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's members as a body for our audit work, for this report, or for the opinions we have formed.



**Beever and Struthers**  
**Chartered Accountants**  
**Statutory Auditor**

**150 Minories**  
**London**  
**EC3N 1LS**

**Date:** 25 August 2023



# Glebe Housing Association Limited

## STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2023

|   | Notes | 2023<br>Continuing<br>operations<br>£ | 2023<br>Discontinued<br>operations<br>£ | 2023<br>Total<br>£ | 2022<br>Continuing<br>operations<br>£ | 2022<br>Discontinued<br>operations<br>£ | 2022<br>Total<br>£ |
|---|-------|---------------------------------------|---|--------------------|---------------------------------------|---|--------------------|
| TURNOVER  | 2a    | 2,765,147                             | -                                       | 2,765,147          | 2,314,704                             | 1,773,602                               | 4,088,306          |
| Cost of sales                                       | 2a    | (1,133,485)                           | -                                       | (1,133,485)        | (843,073)                             | -                                       | (843,073)          |
| Operating costs                                     | 2a    | (1,471,898)                           | (29,320)                                | (1,501,218)        | (1,329,700)                           | (2,330,440)                             | (3,660,140)        |
| OPERATING SURPLUS / (DEFICIT)                       | 4     | 159,764                               | (29,320)                                | 130,444            | 141,931                               | (556,838)                               | (414,907)          |
| Interest receivable                                 | 5     | 13,580                                | -                                       | 13,580             | 1,682                                 | -                                       | 1,682              |
| Interest and finance costs payable                  | 6     | (132,563)                             | -                                       | (132,563)          | (82,277)                              | -                                       | (82,277)           |
| SURPLUS / (DEFICIT) FOR THE YEAR                    |       | 40,781                                | (29,320)                                | 11,461             | 61,336                                | (556,838)                               | (495,502)          |
| OTHER COMPREHENSIVE INCOME                          |       |                                       |   | -                  |                                       |   | -                  |
| Actuarial gain/(loss) in respect of pension schemes | 18    |                                       |   | (83,000)           |                                       |   | 206,000            |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR             |       |                                       |   | <u>(71,539)</u>    |                                       |   | <u>(289,502)</u>   |

The Association's operating surplus / (deficit) shown above has been separated to show that arising from continuing operations and discontinued operations.

The Financial Statements on pages 17 to 39 were approved and authorised for issue by the Board of Management on 22 August 2023 and were signed on its behalf by:



Michael Rourke  
Chair



Patricia Goan  
Secretary



Aida Filipovic  
Chair of Audit & Risk Committee

The notes on pages 21 to 39 form an integral part of these financial statements.

# Glebe Housing Association Limited

## STATEMENT OF CHANGES IN RESERVES

For the year ended 31 March 2023

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|   | Called up<br>share<br>capital<br>£ | Revenue<br>reserve<br>£ | Restricted<br>reserve<br>£ | Total<br>£       |
|---|------------------------------------|-------------------------|----------------------------|------------------|
| Balance at 1 April 2021                                   | 27                                 | 8,445,992               | 65,879                     | 8,511,898        |
| Shares forfeited during the year                          | (5)                                | -                       | -                          | (5)              |
| Surplus/(deficit) total comprehensive income for the year |                                    | (289,502)               | -                          | (289,502)        |
| <b>BALANCE AT 31 MARCH 2022</b>                           | <u>22</u>                          | <u>8,156,490</u>        | <u>65,879</u>              | <u>8,222,391</u> |
| Balance at 1 April 2022                                   | 22                                 | 8,156,490               | 65,879                     | 8,222,391        |
| Shares forfeited during the year                          | (3)                                | -                       | -                          | (3)              |
| Surplus/(deficit) total comprehensive income for the year |                                    | (51,170)                | (20,369)                   | (71,539)         |
| <b>BALANCE AT 31 MARCH 2023</b>                           | <u>19</u>                          | <u>8,105,320</u>        | <u>45,510</u>              | <u>8,150,849</u> |

The notes on pages 21 to 39 form an integral part of these financial statements.

# Glebe Housing Association Limited

## STATEMENT OF FINANCIAL POSITION

For the year ended 31 March 2023

|  | Notes | 2023<br>£               | 2022<br>£               |
|--|-------|-------------------------|-------------------------|
| <b>TANGIBLE FIXED ASSETS</b>                                   |       |                         |                         |
| Housing properties   | 9a    | 8,785,049               | 8,681,687               |
| Other fixed assets   | 9b    | <u>2,288,472</u>        | <u>2,273,046</u>        |
|  |       | <u>11,073,521</u>       | <u>10,954,733</u>       |
| <b>CURRENT ASSETS</b>  |       |                         |                         |
| Stocks and work in progress                                    | 10    | 5,462                   | 6,879                   |
| Debtors  | 11    | 76,841                  | 64,760                  |
| Current asset investments                                      | 12    | 525,581                 | 517,021                 |
| Cash at bank and in hand                                       |       | <u>765,891</u>          | <u>1,222,810</u>        |
|  |       | <u>1,373,775</u>        | <u>1,811,470</u>        |
| <b>CREDITORS: Amounts falling due within one year</b>          | 13    | (246,600)               | (387,519)               |
| <b>NET CURRENT ASSETS</b>                                      |       | <u>1,127,175</u>        | <u>1,423,951</u>        |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                   |       | 12,200,696              | 12,378,684              |
| <b>CREDITORS: Amounts falling due after more than one year</b> | 14    | (3,601,847)             | (3,695,293)             |
| <b>PROVISIONS FOR LIABILITIES</b>                              |       |                         |                         |
| Multi-employer pension scheme defined benefit liability        | 18    | (448,000)               | (461,000)               |
| <b>NET ASSETS</b>  |       | <u><u>8,150,849</u></u> | <u><u>8,222,391</u></u> |
| <b>CAPITAL AND RESERVES</b>                                    |       |                         |                         |
| Called up share capital  | 19    | 19                      | 22                      |
| Revenue reserve  | 20    | 8,105,320               | 8,156,490               |
| Restricted reserve   | 20    | <u>45,510</u>           | <u>65,879</u>           |
|  |       | <u>8,150,849</u>        | <u>8,222,391</u>        |

The Financial Statements on pages 17 to 39 were approved and authorised for issue by the Board of Management on 22 August 2023 and were signed on its behalf by:



Michael Rourke  
Chair



Patricia Goan  
Secretary



Aida Filipovic  
Chair of Audit & Risk Committee

The notes on pages 21 to 39 form an integral part of these financial statements.

# Glebe Housing Association Limited

## STATEMENT OF CASH FLOWS

For the year ended 31 March 2023

|  | <i>Notes</i>     | 2023             | 2022             |
|--|------------------|------------------|------------------|
| NET CASH GENERATED FROM OPERATING ACTIVITIES                   | (see note below) | 267,210          | (124,680)        |
| CASH FLOW FROM INVESTING ACTIVITIES                            |                  |                  |                  |
| Social housing grants received                                 |                  | -                | -                |
| Purchase of tangible fixed assets                              |                  | (534,977)        | (105,274)        |
| Fixed asset transfers  |                  | -                | 15,550           |
| Proceeds from sales of tangible fixed assets                   |                  | -                | -                |
| Interest received  | 5                | 13,580           | 1,682            |
| NET CASH USED IN INVESTING ACTIVITIES                          |                  | <u>(521,397)</u> | <u>(88,042)</u>  |
| CASH FLOW FROM FINANCING ACTIVITIES                            |                  |                  |                  |
| Interest paid  |                  | (106,034)        | (55,645)         |
| Bank borrowings  |                  | -                | -                |
| Repayment of bank borrowings                                   |                  | (88,135)         | (93,637)         |
| Shares issued/(forfeited)                                      |                  | (3)              | (5)              |
| NET CASH PROVIDED BY FINANCING ACTIVITIES                      |                  | <u>(194,172)</u> | <u>(149,287)</u> |
| NET DECREASE IN CASH AND CASH EQUIVALENTS                      |                  | (448,359)        | (362,009)        |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR         |                  | 1,739,831        | 2,101,840        |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR               |                  | <u>1,291,472</u> | <u>1,739,831</u> |
| CASH AND CASH EQUIVALENTS CONSISTS OF:                         |                  |                  |                  |
| Cash at bank and in hand                                       |                  | 765,891          | 1,222,810        |
| Current asset investments                                      |                  | 525,581          | 517,021          |
|  |                  | <u>1,291,472</u> | <u>1,739,831</u> |
| RECONCILIATION OF NET CASH GENERATED FROM OPERATING ACTIVITIES |                  |                  |                  |
| CASH FLOW FROM OPERATING ACTIVITIES                            |                  |                  |                  |
| Surplus for the year   |                  | 11,461           | (495,502)        |
| Depreciation charges   |                  | 333,359          | 378,456          |
| Loss on disposal of tangible fixed assets                      |                  | -                | -                |
| Decrease/(increase) in stock                                   |                  | 1,417            | (2,075)          |
| Decrease/(increase) in debtors                                 |                  | (12,081)         | 62,816           |
| Increase/(decrease) in creditors                               |                  | (51,357)         | (17,392)         |
| Pension costs less contributions payable                       |                  | (96,000)         | (89,000)         |
| Adjustments for investing or finance activities                |                  |                  |                  |
| Social housing grants utilised in the year                     |                  | (20,790)         | (20,790)         |
| Interest payable   |                  | 114,781          | 60,489           |
| Interest receivable  |                  | (13,580)         | (1,682)          |
|  |                  | <u>267,210</u>   | <u>(124,680)</u> |

The notes on pages 21 to 39 form an integral part of these financial statements.

# Glebe Housing Association Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

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### 1 PRINCIPAL ACCOUNTING POLICIES

#### LEGAL STATUS

Glebe Housing Association is a charity and society registered under The Co-operative and Community Benefit Societies Act 2014 with the Financial Conduct Authority (no. 19874R). It's registered and principal place of business is Bencurtis Park, Corkscrew Hill, West Wickham, Kent, BR4 9QD

#### BASIS OF PREPARATION

The financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102: The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Statement of Recommended Practice for Social Housing Providers 2018 (SORP), and with the Accounting Direction for private registered providers of social housing in England 2019. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008 and the Co-operative and Community Benefit Societies Act 2014. Glebe Housing Association is a public benefit entity in accordance with FRS 102. The financial statements have been prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling (£), which is the functional currency of the Association, and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### TURNOVER

Turnover is measured at the fair value of the consideration received or receivable net of VAT and trade discounts. The policies adopted for the recognition of turnover are as follows:

Turnover represents rental and service charge income receivable, income from sale of properties, restaurant takings and donations, net of value added tax, where applicable, which are recognised in the period for which they are receivable. Rental income is recognised when the property is available for let, net of voids.

Income from the sale of properties is recognised at the point of legal completion of the sale.

#### SERVICE CHARGES

Service charge income and costs are recognised on an accruals basis. The Group operates both fixed and variable service charges on a scheme by scheme basis in full consultation with residents. Where variable service charges are used the charges will include an allowance for the surplus or deficit from prior years, with the surplus being returned to residents by a reduced charge and a deficit being recovered by a higher charge. Until these are returned or recovered, they are held as creditors or debtors in the Statement of Financial Position.

Where periodic expenditure is required a provision may be built up over the years, in consultation with the residents; until these costs are incurred this liability is held in the Statement of Financial Position within long term creditors.

#### GOVERNMENT GRANTS

Social housing grants received from Homes England for capital projects are recognised at the fair value of the grant received or receivable. Where developments have been financed wholly or partly by social housing and other grants, the amount of the grant received has been included as deferred income using the accruals model and amortised over the useful economic life of the asset. This amortisation is recognised within turnover.

Grants received via the Coronavirus Job Retention Scheme are accounted for as Other Operating Income. They are recognised based on the performance model when the associated performance obligations are met.

# Glebe Housing Association Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

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### GLEBE COURT CONSERVATORY GRANT

During 2003 the Association received grants from the Glebe Court Residents Support Group covering the full costs of construction of the new conservatory at Glebe Court. These grants were accounted for as deferred income which was released to turnover to match the depreciation charge on the asset using the accruals model. Depreciation of the Glebe Court conservatory began in 2003/04 and is now fully depreciated.

### INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable. This is normally upon notification of the interest paid or payable by the Bank.

### TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost, less accumulated depreciation. Freehold land is not depreciated. Housing properties are maintained to a high standard, with both day to day and cyclical maintenance programme expenditure being charged in the accounts as incurred.

No value is included in the accounts in respect of freehold reversions attributable to bungalows sold on long

Where a housing property comprises two or more major components with substantially different useful economic lives (UELs), each component is accounted for separately and depreciated over its individual UEL. Expenditure relating to subsequent replacement or renewal of components is capitalised as incurred.

The Association depreciates freehold housing properties by component on a straight-line basis over the estimated UELs of the component categories. UELs for identified components are as follows:

| Component                           | Years |
|-------------------------------------|-------|
| Main fabric/structure               | 100   |
| Roofs - Pitched                     | 60    |
| Roofs - Flat                        | 25    |
| Windows & external doors            | 30    |
| Heating Systems (boilers)           | 15    |
| Heating Systems (radiators & pipes) | 30    |
| Kitchens                            | 20    |
| Bathrooms                           | 25    |
| Mechanical systems                  | 30    |
| Electrics                           | 30    |
| Lifts                               | 25    |
| Flooring                            | 12    |

Depreciation is charged on other tangible fixed assets on a straight-line basis over the expected economic useful lives which are as follows:

| Component                | Years |
|--------------------------|-------|
| Offices (Freehold)       | 60    |
| Motor vehicles           | 4     |
| Furniture and equipment  | 5-10  |
| Computer equipment       | 4     |
| Photovoltaic roof panels | 25    |

Assets under construction are carried at cost and are not depreciated until they are available for use.

Finance costs incurred in relation to the construction of tangible fixed assets are not capitalised.

Where the Association incurs significant incremental development overheads in connection with the management of developments these overheads are capitalised.

Continued on next page...

# Glebe Housing Association Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

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### TANGIBLE FIXED ASSETS continued

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in rental income over the lives of the properties, reduce future maintenance costs or result in a significant extension of the life of the property, are capitalised as improvements. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Freehold buildings are reviewed for impairment regularly. Impairments resulting in a major reduction in service potential are recognised in the Statement of Comprehensive income.

### STOCKS AND WORK IN PROGRESS

Stocks and work in progress are stated at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis.

### CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand and short-term investments shown as current asset investments.

### EMPLOYEE BENEFITS

The Association participates in the Social Housing Pension Scheme (SHPS), which is a funded multi-employer defined benefit scheme.

A liability for the Association's obligations under the plan is recognised net of plan assets. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

Further details of the SHPS and its assumptions are included at note 18.

### FINANCIAL INSTRUMENTS

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

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 amortised cost with bank loans measured at amortised cost using the effective interest method.

Financial assets and financial liabilities are measured at transaction price initially, plus, in the case of a financial asset or financial liability not at fair value through the Statement of Comprehensive Income, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial instruments held by the Group are classified as follows:

- Financial assets such as cash are held at cost
- Financial assets such as receivables and payables are classified as loans and receivables and held at amortised cost using the effective interest method,
- Financial liabilities such as loans are held at amortised cost using the effective interest method.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income in operating costs.

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method.

# Glebe Housing Association Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

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### IMPAIRMENT

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. Impairment of fixed assets is assessed at the level of each separate development. The key indicators considered are the obsolescence of the whole, or a significant part, of the asset, changes in government policy, regulation or legislation with material detrimental effects and changes in demand which are considered irreversible. If such indication exists, the recoverable amount is estimated and compared to the carrying amount. The recoverable amount is the higher of fair value less costs to sell, and value in use. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in expenditure through the statement of comprehensive income.

### JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Association's accounting policies, the Board is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The critical judgements and key sources of estimation uncertainty in applying the Association's accounting policies are as follows:

#### *Multi-employer defined benefit pension scheme:*

The cost of defined benefit pension plans and other post-employment benefits are determined using actuarial valuations. 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. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in the respective currency with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The underlying bonds are further reviewed for quality, and those having excessive credit spreads are removed from the population bonds on which the discount rate is based, on the basis that they do not represent high quality bonds. The mortality rate is based on publicly available mortality tables for the specific sector. Future salary increases and pension increases are based on expected future inflation rates for the respective sector. Further details are given in Note 18.

#### *Useful economic lives of tangible assets and components:*

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. The carrying value of tangible fixed assets at 31 March 2023 was £11,073,521.



# Glebe Housing Association Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

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*Useful economic lives of tangible assets and components:*

### *Impairment of housing properties*

In assessing whether there are any indications of impairment of housing properties the Association has estimated the recoverable amount, being the value in use in respect of service potential using depreciated replacement cost as the measure. In measuring depreciated replacement cost assumptions have been applied concerning the the cost of building replacements and the cost of purchasing replacement properties in the immediate locality for similar use.

The Group has identified a cash generating unit for impairment assessment purposes at a property scheme level.

### GOING CONCERN

The Board considers the Association to have adequate resources following the closure of Glebe Court Nursing Home in the year ended 31 March 2022. This has ensured that the Association continues in operational existence for the foreseeable future, being a period of at least 12 months after the date on which the report and financial statements are signed. It is therefore appropriate to adopt the going concern basis in preparing these accounts. The Board has reviewed the business from the perspective of the core areas of rental income, sales, care provision, assets and liabilities, loan covenants, cash reserves and overall financial viability.

The Board has reviewed stress tests for the Association to satisfy itself of the ongoing viability of the Association. This assessment has been made to March 2025, and is based upon the Association's level of cash held at 31 March 2023, the annual budget for 2023-24, the 5 year business plan and longer term cash flow projections.

The Board's is pleased to report that the Association is compliant with the financial covenants relating to loans with Lloyds Bank and Charity Bank for the year ended 31 March 2023.

The Board approved budget for 2023-24 will maintain compliance with the loan covenants at 31 March 2024.

### TAX

The Association is registered as a charity with HM Revenue & Customs. By virtue of S478 Corporation Tax Act 2010, the association is exempt from corporation tax. Should the Association become liable for corporation tax it will be calculated at the rate applicable on any surplus it generates from non-charitable activities.

# Glebe Housing Association Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 2 a TURNOVER, COST OF SALES, OPERATING COSTS AND OPERATING SURPLUS / (DEFICIT)

|  | Year ended 31 March 2023 |                           |                           |                                      |
|--|--------------------------|---------------------------|---------------------------|--------------------------------------|
|  | Turnover<br>£            | Cost of Sales<br>£        | Operating<br>Costs<br>£   | Operating<br>surplus/ (deficit)<br>£ |
| <b>Social housing lettings</b>         | <u>1,131,704</u>         | <u>-</u>                  | <u>(1,131,972)</u>        | <u>(268)</u>                         |
| <b>Other social housing activities</b> |                          |                           |                           |                                      |
| Leasehold bungalow services            | 153,298                  | -                         | (280,102)                 | (126,804)                            |
| Leasehold bungalow sales               | <u>1,355,000</u>         | <u>(1,093,350)</u>        | <u>-</u>                  | <u>261,650</u>                       |
|  | 1,508,298                | (1,093,350)               | (280,102)                 | 134,846                              |
| <b>Non-social housing activities</b>   |                          |                           |                           |                                      |
| Nursing home - Glebe Court             | -                        | -                         | (29,320)                  | (29,320)                             |
| Restaurant and leisure - Adams Hall    | 40,135                   | (40,135)                  | -                         | -                                    |
| Other                                  | <u>85,010</u>            | <u>-</u>                  | <u>(59,824)</u>           | <u>25,186</u>                        |
|  | 125,145                  | (40,135)                  | (89,144)                  | (4,134)                              |
| <b>TOTAL</b>                           | <u><u>2,765,147</u></u>  | <u><u>(1,133,485)</u></u> | <u><u>(1,501,218)</u></u> | <u><u>130,444</u></u>                |

|  | Year ended 31 March 2022 |                         |                           |                                      |
|--|--------------------------|-------------------------|---------------------------|--------------------------------------|
|  | Turnover<br>£            | Cost of Sales<br>£      | Operating<br>Costs<br>£   | Operating<br>surplus/ (deficit)<br>£ |
| <b>Social housing lettings</b>         | <u>1,104,373</u>         | <u>-</u>                | <u>(1,027,942)</u>        | <u>76,431</u>                        |
| <b>Other social housing activities</b> |                          |                         |                           |                                      |
| Leasehold bungalow services            | 160,128                  | -                       | (242,034)                 | (81,906)                             |
| Leasehold bungalow sales               | <u>947,000</u>           | <u>(806,809)</u>        | <u>-</u>                  | <u>140,191</u>                       |
|  | 1,107,128                | (806,809)               | (242,034)                 | 58,285                               |
| <b>Non-social housing activities</b>   |                          |                         |                           |                                      |
| Nursing home - Glebe Court             | 1,773,602                | -                       | (2,330,440)               | (556,838)                            |
| Restaurant and leisure - Adams Hall    | 36,265                   | (36,264)                | -                         | 1                                    |
| Other                                  | <u>66,938</u>            | <u>-</u>                | <u>(59,724)</u>           | <u>7,214</u>                         |
|  | 1,876,805                | (36,264)                | (2,390,164)               | (549,623)                            |
| <b>TOTAL</b>                           | <u><u>4,088,306</u></u>  | <u><u>(843,073)</u></u> | <u><u>(3,660,140)</u></u> | <u><u>(414,907)</u></u>              |

# Glebe Housing Association Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 2 b TURNOVER AND OPERATING COSTS FROM SOCIAL HOUSING LETTINGS

|   | <u>Total 2023</u><br>Sheltered<br>Housing (HfOP)<br>£ | <u>Total 2022</u><br>Sheltered<br>Housing (HfOP)<br>£ |
|---|---|---|
| <b>Income</b>   |   |   |
| Rent receivable net of identifiable service charge and voids  | 716,992   | 673,438   |
| Service charge receivable   | 393,922   | 410,145   |
| Amortised government grants   | 20,790  | 20,790  |
| <b>Turnover from Social Housing Lettings</b>  | <u>1,131,704</u>                                      | <u>1,104,373</u>                                      |
| <b>Operating costs</b>  |   |   |
| Management  | (349,241)   | (258,162)   |
| Services  | (280,289)   | (304,287)   |
| Routine maintenance   | (127,010)   | (76,108)  |
| Planned maintenance   | (61,867)  | (76,185)  |
| Major repairs expenditure   | (4,506)   | (16,164)  |
| Depreciation of Housing Properties  | (309,058)   | (297,036)   |
| <b>Operating costs on Social Housing Lettings</b>   | <u>(1,131,971)</u>                                    | <u>(1,027,942)</u>                                    |
| <b>Operating surplus/(deficit)</b>  | <u>(267)</u>  | <u>76,431</u>   |
| <b>Void losses</b> (being rental income lost as a result of property not being let, although it is available for letting) | <u>(12,957)</u>                                       | <u>(10,509)</u>                                       |

### 3 Accommodation owned and managed

|   | <u>Total 2023</u> | <u>Total 2022</u> |
|---|-------------------|-------------------|
| <b>Social Housing</b>                           |                   |                   |
| Sheltered Housing (HfOP)                        | 144               | 138               |
| Leasehold bungalows                             | 65                | 65                |
| <b>Total Social Housing Units</b>               | <u>209</u>        | <u>203</u>        |
| Market Rent                                     | 2                 | 0                 |
| Care Homes - Non Social                         | 0                 | 47                |
| <b>Total Owned and Managed</b>                  | <u>211</u>        | <u>250</u>        |
| <b>Accommodation in development at year end</b> |                   |                   |
| Sheltered Housing (HfOP)                        | 0                 | 3                 |
| Market Rent                                     | 0                 | 2                 |
|   | <u>0</u>          | <u>5</u>          |

# Glebe Housing Association Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

|   | Year ended<br>31 March<br>2023                | Year ended<br>31 March<br>2022               |
|---|---|--|
| <b>4 OPERATING SURPLUS</b>                                  |   |  |
| This is stated after charging / (crediting):                | £   | £  |
| Depreciation and amounts written off tangible fixed assets: |   |  |
| Housing properties  | 303,703                                       | 297,036                                      |
| Other tangible fixed assets                                 | 29,656  | 81,420                                       |
| Auditor's remuneration (excluding VAT) - audit services     | 13,000  | 15,500                                       |
| Auditor's remuneration (excluding VAT) - non audit services | -   | 5,000  |
| Cost of stock recognised as an expense                      | 31,465  | 29,900                                       |
| CJRS (Coronavirus Job Retention Scheme)                     | -   | (6,217)                                      |
| Government grants distributed by London Borough of Bromley  | -   | (113,518)                                    |
|   | <u>                    </u>                   | <u>                    </u>                  |
| <b>5 INTEREST RECEIVABLE</b>                                |   |  |
| Bank deposit interest                                       | £<br>13,580                                   | £<br>1,682                                   |
|   | <u>                    </u>                   | <u>                    </u>                  |
| <b>6 INTEREST AND FINANCE COSTS PAYABLE</b>                 |   |  |
| Bank loan interest (note 15)                                | £<br>114,781                                  | £<br>60,489                                  |
| Pension scheme net interest and expenses (note 18)          | 17,782  | 21,788                                       |
|   | <u>                    </u><br><u>132,563</u> | <u>                    </u><br><u>82,277</u> |

# Glebe Housing Association Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 7 BOARD AND KEY MANAGEMENT PERSONNEL REMUNERATION

Key management personnel are defined as the people responsible for planning and directing the activities of the Association. Members of the Board of Management, the Chief Executive, Head of Finance, Head of Housing, Head of Asset Maintenance are considered to be key management personnel. No remuneration was payable to any member of the Board of Management who are all non-executives.

|   | Year ended<br>31 March<br>2023 | Year ended<br>31 March<br>2022 |
|---|--------------------------------|--------------------------------|
| The remuneration paid to key management personnel was:  | £                              | £                              |
| Emoluments (including pension contributions, employers NIC and benefits in kind)                    | 231,922                        | 333,795                        |
| Emoluments (excluding pension contributions and benefits in kind) paid to the highest paid employee | 109,320                        | 111,754                        |

The Association's Chief Executive is a member of the Social Housing Pension Scheme. The same pension terms applied to their membership of the Social Housing Pension Scheme (see note 16) as for other staff. The Association does not contribute to any individual pension arrangement for its Chief Executive. The Association has a NHF indemnity policy in place for Board and staff members. Aggregate pension contributions paid to the directors was £19,270 (2022: £14,000)

Emoluments band (including pension contribution and benefits in kind)

|                      |   |   |
|----------------------|---|---|
| £120,001 to £130,000 | 1 | 1 |
| £ 60,001 to £ 70,000 | 1 | 0 |

### 8 EMPLOYEE INFORMATION

|                                     | 2023<br>Number | 2022<br>Number |
|-------------------------------------|----------------|----------------|
| Average monthly number of employees |                |                |
| Administration                      | 9.5            | 11             |
| Care and nursing services           | 0              | 34             |
| Housing services                    | 15.4           | 18             |
|                                     | <u>24.9</u>    | <u>63</u>      |
| Full time                           | 9.3            | 33             |
| Part time                           | 15.6           | 30             |
|                                     | <u>24.9</u>    | <u>63</u>      |

The average number of persons employed during the year expressed in full time equivalents (35 hours per week) was:

|           |           |
|-----------|-----------|
| <u>15</u> | <u>50</u> |
|-----------|-----------|

|                       |                |                  |
|-----------------------|----------------|------------------|
| Staff costs:          | £              | £                |
| Wages and salaries    | 510,582        | 1,746,209        |
| Social security costs | 50,728         | 138,580          |
| Other pension costs   | 38,714         | 74,178           |
| Agency staff          | 66,279         | 489,045          |
|                       | <u>666,303</u> | <u>2,448,012</u> |

# Glebe Housing Association Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 9a TANGIBLE FIXED ASSETS - HOUSING PROPERTIES

|                                  | Completed<br>properties<br>£ | Assets in the<br>course of<br>construction<br>£ | Total<br>£        |
|----------------------------------|------------------------------|---|-------------------|
| <b>Cost</b>                      |                              |   |                   |
| At 1 April 2022                  | 10,431,135                   | 100,436   | 10,531,571        |
| Additions to existing properties | 407,065                      | -   | 407,065           |
| Transfers                        | 100,436                      | (100,436)                                       | -                 |
| Disposals                        | -                            | -   | -                 |
| At 31 March 2023                 | <u>10,938,636</u>            | <u>-</u>  | <u>10,938,636</u> |
| <b>Depreciation</b>              |                              |   |                   |
| At 1 April 2022                  | 1,849,884                    | -   | 1,849,884         |
| Charge for year                  | 303,703                      | -   | 303,703           |
| On disposals                     | -                            | -   | -                 |
| At 31 March 2023                 | <u>2,153,587</u>             | <u>-</u>  | <u>2,153,587</u>  |
| <b>Net Book Value</b>            |                              |   |                   |
| At 31 March 2023                 | <u>8,785,049</u>             | <u>-</u>  | <u>8,785,049</u>  |
| At 31 March 2022                 | <u>8,581,251</u>             | <u>100,436</u>                                  | <u>8,681,687</u>  |

All housing properties are freehold and land is not depreciated.

Works to existing properties are capitalised where an enhancement or upgrade is carried out on the property which leads to an increase in economic benefits for the Association.

Total expenditure for the year on work to existing freehold properties was £637,831 (2022: £367,773 ) of which £407,065 (2022: £105,104) has been capitalised and £230,766 (2022: £262,669) has been charged to comprehensive income.

Freehold property with a net book value of £901,756 (2022: £921,363) is subject to a fixed charge in respect of bank loans (See Note 14).

# Glebe Housing Association Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 9b OTHER TANGIBLE FIXED ASSETS

|                       | Glebe Court<br>Development<br>Freehold<br>£ | Other Property<br>£ | Plant<br>Machinery<br>Fixtures &<br>Vehicles<br>£ | Total<br>£       |
|-----------------------|---|---------------------|---|------------------|
| <b>Cost</b>           |   |                     |   |                  |
| At 1 April 2022       | 2,729,176                                   | 534,918             | 829,621   | 4,093,715        |
| Additions             | -   | 45,082              | -   | 45,082           |
| Work in progress      | -   | -                   | -   | -                |
| Disposals             | -   | -                   | -   | -                |
| At 31 March 2023      | <u>2,729,176</u>                            | <u>580,000</u>      | <u>829,621</u>                                    | <u>4,138,797</u> |
| <b>Depreciation</b>   |   |                     |   |                  |
| At 1 April 2022       | 967,549                                     | 131,571             | 721,549   | 1,820,669        |
| Charge for year       | 2,031                                       | 13,010              | 14,615  | 29,656           |
| Disposals             | -   | -                   | -   | -                |
| At 31 March 2023      | <u>969,580</u>                              | <u>144,581</u>      | <u>736,164</u>                                    | <u>1,850,325</u> |
| <b>Net Book Value</b> |   |                     |   |                  |
| At 31 March 2023      | <u>1,759,596</u>                            | <u>435,419</u>      | <u>93,457</u>                                     | <u>2,288,472</u> |
| At 31 March 2022      | <u>1,761,627</u>                            | <u>403,347</u>      | <u>108,072</u>                                    | <u>2,273,046</u> |

Freehold property with a net book value of £1,759,596 (2022: £1,761,627) is subject to a fixed charge in respect of bank loans (See Note 14).

Following the closure of Glebe Court Nursing Home in March 2022, the asset is being held at its depreciated book value at 31 March 2022. Further depreciation was suspended from 1st April 2022. A valuation of the asset at the point of closure is above the book value and therefore an impairment of the asset is not appropriate. A decision on the future use of the asset has not been taken.

# Glebe Housing Association Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

| <b>10 STOCKS AND WORK IN PROGRESS</b>  | 2023<br>£        | 2022<br>£        |
|--|------------------|------------------|
| Goods for resale   | 5,462            | 6,879            |
|  | <u>5,462</u>     | <u>6,879</u>     |
| <b>11 DEBTORS</b>  |                  |                  |
| Rent and service charge debtors  | 26,173           | 24,954           |
| Prepayments and accrued income   | 50,668           | 39,806           |
|  | <u>76,841</u>    | <u>64,760</u>    |
| <b>12 CURRENT ASSET INVESTMENTS</b>  |                  |                  |
| Short term deposits  | 525,581          | 517,021          |
|  | <u>525,581</u>   | <u>517,021</u>   |
| <p>Short term deposits have a maturity at the balance sheet date of 95 days (2022 - 95 days) and an average interest rate of 1.66% (2022 - 0.25%).</p> |                  |                  |
| <b>13 CREDITORS: Amounts falling due within one year</b>   |                  |                  |
| Bank loans (note 15)   | 76,191           | 85,920           |
| Trade Creditors  | 11,293           | 46,496           |
| Other creditors  | 28,878           | 14,478           |
| Other taxation and social security   | 13,092           | 20,587           |
| Accruals   | 96,356           | 197,218          |
| Deferred income:   |                  |                  |
| Glebe Court Conservatory   | -                | 2,030            |
| Social Housing Grant   | 20,790           | 20,790           |
|  | <u>246,600</u>   | <u>387,519</u>   |
| <b>14 CREDITORS: Amounts falling due in more than one year</b>   |                  |                  |
| Bank loans (note 15)   | 2,561,046        | 2,633,702        |
| Deferred income:   |                  |                  |
| Glebe Court Conservatory   | -                | -                |
| Social Housing Grant (note 16)   | 1,040,801        | 1,061,591        |
|  | <u>3,601,847</u> | <u>3,695,293</u> |



# Glebe Housing Association Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 15 BANK LOANS

One bank loan is secured by a fixed charge over Glebe Court freehold property. The bank loan terms of repayment are that the Borrower shall repay part of the loan as capital and interest over the 5 year term with the second part being paid in full by a single instalment on the final repayment date of 25th June 2025. Interest on both parts is payable as the aggregate of a margin of 1.75% above Base Rate. Arrangement fees of £23,750 will be amortised monthly over the loan period.

A second bank loan is secured by a fixed charge over Ashby Close freehold property. The bank loan terms of repayment are that the Borrower shall repay the loan as capital and interest over the 25 year term.

Interest is payable as the aggregate of a margin of 1.75% above Base Rate. Arrangement fees of £10,000 will be amortised monthly over the first 10 years of the loan period.

|                                   | 2023             | 2022             |
|-----------------------------------|------------------|------------------|
|                                   | £                | £                |
| Repayable within one year         | 76,191           | 85,920           |
| Repayable within 2 - 5 years      | 1,758,202        | 1,849,753        |
| Repayable after more than 5 years | 802,844          | 783,946          |
|                                   | <u>2,637,237</u> | <u>2,719,620</u> |

### 16 DEFERRED CAPITAL GRANT INCOME

|                                    | 2023             | 2022             |
|------------------------------------|------------------|------------------|
|                                    | £                | £                |
| At 1 April                         | 1,082,381        | 1,103,171        |
| Released to the income in the year | (20,790)         | (20,790)         |
| At 31 March                        | <u>1,061,591</u> | <u>1,082,381</u> |

|  |                  |                  |
|--|------------------|------------------|
| Amounts to be released within one year       | 20,790           | 20,790           |
| Amounts to be released in more than one year | 1,040,801        | 1,061,591        |
|  | <u>1,061,591</u> | <u>1,082,381</u> |

The total accumulated amount of social housing grants received at 31 March 2023 was £2,102,003 (2022: £2,102,003) which is repayable under certain circumstances.

### 17 FINANCIAL INSTRUMENTS

The Association's financial instruments may be analysed as follows:

|  | 2023             | 2022             |
|--|------------------|------------------|
|  | £                | £                |
| <b>Financial Assets</b>                                  |                  |                  |
| <b>Financial Assets measured at cost</b>                 |                  |                  |
| Cash and cash equivalents                                | 1,291,472        | 1,739,831        |
| <b>Financial Assets measured at amortised cost</b>       |                  |                  |
| Rent and service charge debtors                          | 26,173           | 24,954           |
| <b>Total Financial Assets</b>                            | <u>1,317,645</u> | <u>1,764,785</u> |
| <b>Financial Liabilities</b>                             |                  |                  |
| <b>Financial Liabilities measured at amortised cost:</b> |                  |                  |
| Trade creditors  | 11,293           | 46,496           |
| Other creditors  | 28,878           | 14,478           |
| Bank loans   | 2,637,237        | 2,719,622        |
| <b>Total Financial Liabilities</b>                       | <u>2,677,408</u> | <u>2,780,596</u> |

# Glebe Housing Association Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 18 PENSION COMMITMENTS

The Association participates in the TPT Retirement Solutions - Social Housing Pension Scheme (SHPS), a multi-employer pension scheme which provides benefits to non-associated participating employers. The scheme is classed as a 'last man standing' arrangement. Therefore, the association is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

The most recent formal actuarial valuation was completed as at 30 September 2020 and rolled forward, allowing for the different financial assumptions required under FRS 102, to 31 March 2023 by a qualified independent actuary.

Under the defined benefit pension accounting approach, the SHPS net deficit as at 1 April 2022 is £461,000 and £448,000 as at 31 March 2023.

#### Present values of defined benefit obligation, fair value of assets and defined benefit asset (liability)

|  | Year ended<br>31/03/2023 | Year ended<br>31/03/2022 |
|--|--------------------------|--------------------------|
| Fair value of plan assets                          | 2,278,000                | 3,263,000                |
| Present value of defined benefit obligation        | 2,726,000                | 3,724,000                |
| Surplus (deficit) in plan                          | (448,000)                | (461,000)                |
| Unrecognised surplus                               | -                        | -                        |
| Defined benefit asset (liability) to be recognised | (448,000)                | (461,000)                |

#### Reconciliation of opening and closing balances of the defined benefit obligation

|  | Year ended<br>31/03/2023 | Year ended<br>31/03/2022 |
|--|--------------------------|--------------------------|
| Defined benefit obligation at start of period                      | 3,724,000                | 3,986,000                |
| Expenses   | 7,000                    | 7,000                    |
| Interest expense   | 102,000                  | 84,000                   |
| Contributions by plan participants                                 | -                        | -                        |
| Actuarial losses (gains) due to scheme experience                  | 45,000                   | 126,000                  |
| Actuarial losses (gains) due to changes in demographic assumptions | (9,000)                  | (71,000)                 |
| Actuarial losses (gains) due to changes in financial assumptions   | (996,000)                | (266,000)                |
| Benefits paid and expenses   | (147,000)                | (142,000)                |
| Defined benefit obligation at end of period                        | 2,726,000                | 3,724,000                |

# Glebe Housing Association Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 18 PENSION COMMITMENTS (continued)

|   | Year ended<br>31/03/2023 | Year ended<br>31/03/2022 |
|---|--------------------------|--------------------------|
| Fair value of plan assets at start of period  | 3,263,000                | 3,230,000                |
| Interest income   | 91,000                   | 69,000                   |
| Experience on plan assets (excluding amounts included in interest income) - gain (loss) | (1,043,000)              | (5,000)                  |
| Contributions by the employer   | 114,000                  | 111,000                  |
| Benefits paid and expenses  | (147,000)                | (142,000)                |
| Fair value of plan assets at end of period  | <u>2,278,000</u>         | <u>3,263,000</u>         |

The actual return on the plan assets (including any changes in share of assets) over the period from 31 March 2022 to 31 March 2023 was £952,000.

#### Defined benefit costs recognised in Statement of Comprehensive Income (SoCI)

|  | Year ended<br>31/03/2023 | Year ended<br>31/03/2022 |
|--|--------------------------|--------------------------|
| Expenses   | 7,000                    | 7,000                    |
| Net interest expense   | 11,000                   | 15,000                   |
| Defined benefit costs recognised in statement of comprehensive income (SoCI) | <u>18,000</u>            | <u>22,000</u>            |

#### Defined benefit costs recognised in Other Comprehensive Income

|  | Year ended<br>31/03/2023 | Year ended<br>31/03/2022 |
|--|--------------------------|--------------------------|
| Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)                                      | (1,043,000)              | (5,000)                  |
| Experience gains and losses arising on the plan liabilities - gain (loss)  | (45,000)                 | (126,000)                |
| Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss) | 9,000                    | 71,000                   |
| Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)   | 996,000                  | 266,000                  |
| Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)          | <u>(83,000)</u>          | <u>206,000</u>           |
| Total amount recognised in other comprehensive income - gain (loss)  | <u>(83,000)</u>          | <u>206,000</u>           |

# Glebe Housing Association Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 18 PENSION COMMITMENTS (continued)

#### Assets

|                               | Year ended<br>31/03/2023 | Year ended<br>31/03/2022 |
|-------------------------------|--------------------------|--------------------------|
| Global Equity                 | 43,000                   | 626,000                  |
| Absolute Return               | 25,000                   | 131,000                  |
| Distressed Opportunities      | 69,000                   | 117,000                  |
| Credit Relative Value         | 86,000                   | 108,000                  |
| Alternative Risk Premia       | 4,000                    | 108,000                  |
| Fund of Hedge Funds           | 0                        | 0                        |
| Emerging Markets Debt         | 12,000                   | 95,000                   |
| Risk Sharing                  | 168,000                  | 107,000                  |
| Insurance-Linked Securities   | 58,000                   | 76,000                   |
| Property                      | 98,000                   | 88,000                   |
| Infrastructure                | 260,000                  | 232,000                  |
| Private Debt                  | 101,000                  | 84,000                   |
| Opportunistic Illiquid Credit | 97,000                   | 110,000                  |
| High Yield                    | 8,000                    | 28,000                   |
| Opportunistic Credit          | 0                        | 12,000                   |
| Cash                          | 16,000                   | 11,000                   |
| Corporate Bond Fund           | 0                        | 218,000                  |
| Liquid Credit                 | 0                        | 0                        |
| Long Lease Property           | 69,000                   | 84,000                   |
| Secured Income                | 105,000                  | 122,000                  |
| Over 15 Year Gilts            | 0                        | 0                        |
| Index Linked All Stock Gilts  | 0                        | 0                        |
| Liability Driven Investment   | 1,049,000                | 910,000                  |
| Currency Hedging              | 4,000                    | (13,000)                 |
| Net Current Assets            | 6,000                    | 9,000                    |
| Total Assets                  | 2,278,000                | 3,263,000                |

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

#### Key assumptions

|   | Year ended<br>31/03/2023<br>% per annum | Year ended<br>31/03/2022<br>% per annum |
|---|---|---|
| Discount Rate   | 4.88%                                   | 2.79%                                   |
| Inflation (RPI)   | 3.20%                                   | 3.59%                                   |
| Inflation (CPI)   | 2.74%                                   | 3.20%                                   |
| Salary Growth   | 3.74%                                   | 4.20%                                   |
| Allowance for commutation of pension for cash at retirement | 75% of<br>maximum<br>allowance          | 75% of<br>maximum<br>allowance          |

# Glebe Housing Association Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 18 PENSION COMMITMENTS (continued)

The mortality assumptions adopted at 31 March 2023 imply the following life expectancies:

|                         | Life<br>expectancy at<br>(Years) |
|-------------------------|----------------------------------|
| Male retiring in 2022   | 21.0                             |
| Female retiring in 2022 | 23.4                             |
| Male retiring in 2042   | 22.2                             |
| Female retiring in 2042 | 24.9                             |

Contributions paid by the Association for its members of the defined contribution section of the scheme amounted to £38,716 (2022: £74,178).

The numbers of employees for whom contributions were made during the year were as follows:

|                              | At 31 March: | 2023      | 2022      |
|------------------------------|--------------|-----------|-----------|
| Defined contribution section |              | 23        | 75        |
|                              | Total        | <u>23</u> | <u>75</u> |

Entry to the DB section was closed on 31 March 2013. Accrual of further benefits for DB section members ceased on 31 March 2016 with transfer to the defined contribution section offered to them from that date.

### 19 SHARE CAPITAL

|                                    | 2023       | 2022       |
|------------------------------------|------------|------------|
|                                    | £          | £          |
| At 1 April 2022                    | 22         | 27         |
| (Forfeited)/issued during the year | <u>(3)</u> | <u>(5)</u> |
| At 31 March 2023                   | <u>19</u>  | <u>22</u>  |

The Association has ordinary share capital of 19 shares of £1 each. The Association's shareholders do not receive a dividend from their shareholdings. Its rules prohibit a distribution to shareholders on winding up. When a shareholder ceases to be a member, that person's share is forfeited and the amount paid thereon becomes the property of the Association.

Shareholders are entitled to attend the Annual General Meeting and receive a copy of the Association's Annual Report and information on the accounts, and stand for election to the Board or any committee.

# Glebe Housing Association Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 20 RESERVES

|                                      | At 1 April<br>2022<br>£ | Income<br>£      | Expenditure<br>£   | At 31 March<br>2023<br>£ |
|--------------------------------------|-------------------------|------------------|--------------------|--------------------------|
| Revenue reserve                      | 8,156,490               | 2,778,727        | (2,829,897)        | 8,105,320                |
| Restricted reserve:                  |                         |                  |                    |                          |
| Friends of Glebe Housing Association | 65,879                  | -                | (20,369)           | 45,510                   |
| Total funds                          | <u>8,222,369</u>        | <u>2,778,727</u> | <u>(2,850,266)</u> | <u>8,150,830</u>         |

Restricted reserves consist of a donation received in a prior year for the benefit of the residents of Glebe Housing Association. All fund expenditure is agreed with the Friends of Glebe Housing Association. Expenditure of £20,369 was agreed in the year to 31 March 2023.

|                                      | At 1 April<br>2021<br>£ | Income<br>£      | Expenditure<br>£   | At 31 March<br>2022<br>£ |
|--------------------------------------|-------------------------|------------------|--------------------|--------------------------|
| Revenue reserve                      | 8,445,992               | 4,089,988        | (4,379,490)        | 8,156,490                |
| Restricted reserve:                  |                         |                  |                    |                          |
| Friends of Glebe Housing Association | 65,879                  | -                | -                  | 65,879                   |
| Total funds                          | <u>8,511,871</u>        | <u>4,089,988</u> | <u>(4,379,490)</u> | <u>8,222,369</u>         |

### 21 RELATED PARTY TRANSACTIONS

One Board member has close family who are residents. One Board member is a resident. Transactions are made at arm's length, on normal commercial terms and Board members cannot use their position to their advantage.

During the periods of relevant Board membership, rents and service charges paid by the related party residents amounted to £9,380 (2022: £9,445). No amounts were outstanding from any of the related parties at either year end.

One Board member, Daniel Blake, is a director of Florence that provided agency care staff to Glebe Court. Transactions were at arms length under normal commercial terms and the Board member cannot use their position to their advantage. Amounts paid to Florence in the year were £0 (2022: £159,289). No amounts were owed to Florence at year end. Mr. Blake resigned from the Board in June 2022.

### 22 TAXATION

The Association is an exempt charity for taxation purposes and, accordingly, its income and gains are not chargeable to taxation to the extent that these are applied for charitable purposes and arise from primary purpose charitable activities.

### 23 CAPITAL COMMITMENTS

|   | 2023<br>£ | 2022<br>£     |
|---|-----------|---------------|
| Expenditure contracted for but not provided in the accounts | -         | -             |
| Expenditure authorised by the board, but not contracted     | -         | 26,968        |
|   | <u>-</u>  | <u>26,968</u> |

The expenditure will be funded from the Association's existing loan facilities and cash reserves.

# Glebe Housing Association Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

### 24 ANALYSIS OF CHANGES IN NET DEBT

|   | 2023                    | 2022                  |
|---|-------------------------|-----------------------|
| RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT |                         |                       |
| Decrease / (increase) in cash at bank                   | 456,919                 | 363,424               |
| Current asset investments                               | (8,560)                 | (1,414)               |
| Loan advances received                                  | -                       | -                     |
| Capitalised loan interest                               | -                       | -                     |
| Loan redemption payments                                | (82,385)                | (96,302)              |
| TOTAL   | <u>365,974</u>          | <u>265,708</u>        |
| Net Debt at 01 April                                    | 979,791                 | 714,083               |
| Net Debt at 31 March                                    | <u><u>1,345,765</u></u> | <u><u>979,791</u></u> |

### ANALYSIS OF CHANGES IN NET DEBT

|  | At<br>01/04/2022        | Cash<br>Flows           | At<br>31/03/2023          |
|--|-------------------------|-------------------------|---------------------------|
| Cash at bank and in hand                   | 1,222,810               | (456,919)               | 765,891                   |
| Current asset investments                  | 517,021                 | 8,560                   | 525,581                   |
| Loans falling due within one year          | (85,920)                | 9,729                   | (76,191)                  |
| Loans falling due after more than one year | (2,633,702)             | 72,656                  | (2,561,046)               |
| TOTAL                                      | <u><u>(979,791)</u></u> | <u><u>(365,974)</u></u> | <u><u>(1,345,765)</u></u> |