

**Co-operative & Community Benefit Society
Registered Number: 20924R**

**Regulator of Social Housing
Registration Number: L1015**

Harrogate Flower Fund Homes Limited

Report and Financial Statements

For the year ended 31 December 2023

Harrogate Flower Fund Homes Limited

Report and Financial Statements For the year ended 31 December 2023

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Harrogate Flower Fund Homes Limited

Board Members, Registered Office and Advisers For the year ended 31 December 2023

Chair: Mr P Knowles

Honorary Treasurer: Mr M Helm

Board Members: Mr J Fordyce
Mr J W Pierce
Mr A Macready (appointed 20/06/2023)
Mr J Wallace
Mr C Warren
Mr C Whapples (Vice-Chair)

Honorary Secretary: Mr S Brook

Registered Office: 10 High Street
Harrogate
North Yorkshire
HG2 7HY

Registered Number: Co-operative & Community Benefit Society 20924R
Regulator of Social Housing (RSH) L1015

Auditors: Beever and Struthers
Statutory Auditor
One Express
1 George Leigh Street
Manchester
M4 5DL

Bankers: CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Nationwide Building Society
Kings Park Road
Moulton Park
Northampton
NN3 6NW

Triodos Bank NV
Deanery Road
Bristol
BS1 5AS

Funders: Harrogate Housing Association
10 High Street
Harrogate
North Yorkshire
HG2 7HY

Harrogate Flower Fund Homes Limited

Report of the Board

For the year ended 31 December 2023

Accounts

The Board of Harrogate Flower Fund Homes Limited presents its annual report and the audited financial statements for the year ended 31 December 2023.

Objects of the Association, principal activity and organisation of its work

The Association is registered under the Co-operative and Community Benefit Societies Act 2014, (Registration Number 20924R), and under the Housing Act 1974, (Registration Number L1015) with exempt charitable status under Schedule 3 of the Charities Act 2011.

Its charitable objects, under rules approved in May 2016, are to carry on for the benefit of the community:

- the business of providing and managing housing, including Social Housing, and providing assistance to help house people and associated facilities, amenities and services for poor people or for the relief of aged, disabled (whether physically or mentally) or chronically sick people;
- any other charitable object that can be carried out from time to time by a society registered as a provider of Social Housing with the Regulator.

Arising from the above the principal activity is the provision of rented accommodation for persons of limited means, at affordable rents. Rents are significantly below market levels at an average of £111.68 per week which is also well below the local housing allowance level for a one bedroomed dwelling of £120.82 per week. The properties owned by the Association have adaptations in place to help people with limited mobility. Wherever possible the Association ensures new residents require or will require in the near future the use of those adaptations.

The Association is organised so that the Board meets regularly to manage its affairs. It does not employ any paid staff but does use a managing agent, for the collection of rents and other management services, which is paid a fee for its work.

Board Members and their interests

The Board Members in office during the year and changes up to the date of issue of these accounts are listed on page 1.

Each Board Member holds one fully paid share of £1 in the Association.

The Board were saddened to hear of the death of John Corby during the year. He worked tirelessly in establishing the Association and acquiring its properties. He also undertook the management of the properties until the growing regulatory and legislative requirements necessitated the handover of the responsibility to Harrogate Housing Association in 2005. Recognising how the Association was originally funded, through funeral flowers, donations of £695 were made to the association in his memory.

Harrogate Flower Fund Homes Limited

Report of the Board

For the year ended 31 December 2023

Results and financial position

The results for the year are set out in the financial statements on pages 16 to 31.

The Association has experienced another year of strong financial performance with the Statement of Comprehensive Income showing a surplus for the year of £54,047. The reserves at the year-end stood at £1,923,574 in total, of which £31,861 are liquid reserves. The purchase and modernisation of Blythswood, to provide six additional affordable rented homes in line with the Association's objectives, means liquid reserves are much reduced from a number of years ago.

Activities and achievements

Harrogate Flower Fund Homes Limited has enjoyed a successful year, resulting in the continued provision of a high quality and affordable service from a strong financial base. Information on the Association can be found on its website at www.hffhltd.co.uk.

At the end of the year the Association had in ownership 32 flats and a two-bed house on three sites within the town of Harrogate. Ten flats and the two-bed house are at Steelgarth, 33 High Street, Starbeck, 16 flats are at Greengarth and Masongarth, Markenfield Road, Jennyfields and six flats are at Blythswood on Franklin Mount in the centre of Harrogate. All the dwellings are either one or two bedroom units suitable for single persons or couples with the majority of properties having level access showers, with some having access to a stair lift. None of the properties are high rise or have non-fire resistant cladding.

The Association supports the initiative for everyone in the United Kingdom to be able to live in decent housing and thus helps promote sustainable communities. This is achieved through close monitoring of the condition of properties by the Managing Agent as well as through annual inspections by the Board, by adopting a proactive day to day repairs service and by the continued investment in major repairs. All properties have a valid Landlords' Gas Safety Record as required by legislation and an electrical safety certificate which is less than 5 years old.

The Association has had another successful, although quieter, year than the previous two. The Association has focussed on managing its assets effectively and efficiently with the aim of rebuilding its cash reserves and repaying the loan required for the refurbishment of Blythswood. The Board are pleased to confirm the loan was fully repaid during the year and cash reserves are growing. The Board took the decision to retain access to a loan facility of £75,000 to ensure there were sufficient funds available to cover any unforeseen costs. To date none have occurred and the Board will consider cancelling this facility during 2024. The loan and facility was made available by the Managing Agent and is on an arms length basis at commercial rates.

The Board would like to thank the Managing Agent for its support in delivering the Blythswood project and for successfully managing the Association during the year.

In respect of performance, income collection has remained strong with only £257 of current tenant arrears at the year end and no bad debts in the year. Administration and repair costs overall remained within budget. 95% of day to day repairs were completed within target with 100% customer satisfaction being obtained on call backs to 50% of the jobs. Void losses at only £212 for the year (or 0.1%) are also excellent.

Harrogate Flower Fund Homes Limited

Report of the Board

For the year ended 31 December 2023

The Association has continued to invest in its properties and has replaced five windows, undertaken roofing works at two sites and re-laid a rear yard to make it safer for tenants to enjoy. Work has also been undertaken on improving fire doors.

The day to day management of the properties and tenants is undertaken by the Managing Agent, Harrogate Housing Association Limited, from its offices in Harrogate. It also provides administration, governance, company secretarial and accounting services for the Board. It charges a fee per property for the services under a management agreement which was renewed until 30 September 2026 during the year

The Association received one new complaint during the year. The matter raised in the complaint was discussed in detail with the tenant and solutions where possible and practicable were put in place. The Association's Complaint Handling Code self assessment can be found at www.hhal.org.uk/about/managing-agent-roles/.

Fixed assets

The changes in fixed assets during the year are set out in notes 11 and 12 of the financial statements.

Political and charitable donations

During the year the Association made no political or charitable donations.

Funds available

The surplus being generated is adequate to support the running of the 33 existing homes and build cash reserves for investment in additional properties in the future.

Tenant engagement

It is important the views of tenants are considered when taking decisions and that high levels of tenant satisfaction are achieved. The Board has regular contact with tenants through meetings in the summer and at Christmas to which all tenants are invited. In addition a representative from the Managing Agent and a Board member visit tenants in September each year to inspect the condition of the properties and to identify what planned maintenance works are required. By adopting this approach the Board obtain, first hand, the views of tenants on the services they receive and the works that are required. All the landlord related matters arising from all these interactions have been actioned.

The Association undertook a tenant satisfaction survey during the year to more formally obtain statistics on satisfaction and collect the tenant satisfaction measures (TSM's) required by the Regulator. 64% of tenants returned the survey with an overall satisfaction level of 95% being obtained. This makes the Association a top quartile performer. The Board are also pleased to report that it was a top quartile performer across all the TSM's.

Harrogate Flower Fund Homes Limited

Report of the Board

For the year ended 31 December 2023

Future developments and opportunities

The Board re-affirmed its objective to rebuild its cash reserves before new acquisitions were actively sourced. The Board agreed this would be the position for a number of years.

Rebuilding cash reserves, though, would not be undertaken at the expense of investing in current properties when required. This investment over the next few years will include the upgrading of a number of flat doors to improve their fire credentials, the replacement of the roof at Blythwood and the replacement of a number of bathrooms, kitchens and boilers. The latter will be undertaken when a boiler fails as there is no price advantage to be obtained from undertaking replacement en mass. The Board will also explore the use of alternative heating solutions where appropriate.

The Board has updated its five year business plan. The plan shows the Association's income generation remains strong which will enable it to deliver on the strategy noted above.

The Board is not in favour of the disposal of properties under the voluntary right to buy scheme drawn up by the sector in response to Government policy as it will lead to a reduction in affordable rented properties for those on low incomes, especially in Harrogate. Once the scheme is finalised the Board will be in a better position to determine a way forward.

Value for money

The Association's definition of value for money is simple; it aims to deliver its objectives in the most cost effective way possible but ensuring it always provides quality homes and services which help its tenants remain independent.

The Board determined a number of years ago that the best value approach to managing and maintaining the properties, dealing with administrative tasks and the regulatory matters required for a registered provider was through the appointment of a managing agent. This was instead of direct employment of staff or the use of volunteers. By adopting this approach the range of skills, knowledge and IT systems at the disposal of the Association was significantly increased. Harrogate Housing Association Limited, a local registered provider itself, was appointed into this role. It provides a local office base, manages the repairs service, collects and administers rents and deals with all day to day tenant contact. It also provides administrative, accountancy/financial support and Company Secretarial services to the Association and Board.

As one of the main costs incurred by the Association the fee charged by the Managing Agent is reviewed regularly. The last review was undertaken in April 2023. The fee is based on the non-property related costs incurred by the Managing Agent spread over the number of properties they manage which is considered a fair and equitable approach by the Board. The April 2023 review resulted in a significant increase in the cost of the service as the underlying costs of the Managing Agent had increased. Using an open book approach evidence was provided that the Managing Agent was not covering its costs of delivering the service, that all staff were being moved to be paid a median salary for their role and an apprentice had been employed to mitigate succession risk.

Harrogate Flower Fund Homes Limited

Report of the Board

For the year ended 31 December 2023

The cost of providing the service had consequently increased. After detailed scrutiny of the evidence the Board agreed the increase was justified and that the cost still delivered value for money for the broad range of services provided to the Association. The fee increased from £1,139 per property to £1,400. Under the new agreement this base fee will rise by CPI inflation over the following two years which affords some protection in costs for the Association as it has no control over the costs, on which the fee is based, incurred by the Managing Agent. It is hoped that growth of the Managing Agent before the next review will prevent further significant increases. The next review will be in September 2026. Tenant satisfaction with the service received from Harrogate Housing Association Limited remains high.

Using a managing agent has enabled the Association to “piggy back” with Harrogate Housing Association Limited to secure a cost effective repairs service which would not be available to it on its own. For example, both organisations use the same 24 hour emergency gas service and repairs company and the Association pays the same rates as Harrogate Housing Association Limited which has many more properties. The Association is also able to utilise the Harrogate Housing Association Limited 24 hour on call service and its approved contractors list for repairs. This list includes local trades people who do not charge VAT which results in savings as the VAT is an expense and not recoverable. By operating this way the Association is able to secure better rates than would be possible by working in isolation.

The metrics required under the value for money standard are as follows:-

VFM Standard metrics	2024 target	2023 target	2023	2022	2021	Sector median*
1 Reinvestment percentage	0.8%	0.6%	0.2%	8.4%	37.8%	3.7%
2a New supply delivered – social	0%	0%	0%	0%	18.2%	0.7%
2b New supply delivered – non social	0%	0%	0%	0%	0%	0%
3 Gearing	No net debt	No net debt	No net debt	1.7%	No debt	32.9%
4 EBITDA MRI interest cover	3,022%	933%	2,228%	2,144%	No debt	171%
5 Social housing costs per unit	£4,198	£3,003	£3,561	£2,811	£2,285	£5,721
6 Operating margin social housing	9.3%	21.3%	27.5%	32.2%	33.4%	18.7%
6 Operating margin overall	9.3%	21.3%	27.8%	34.0%	34.0%	16.8%
7 Return on capital employed	0.9%	1.9%	2.7%	2.8%	2.8%	2.1%

* Traditional registered providers with between 1,000 and 2,500 units as per the Regulator of Social Housing’s 2023 Global Accounts VFM metrics.

Harrogate Flower Fund Homes Limited

Report of the Board

For the year ended 31 December 2023

In addition to the above the Board monitors arrears, void loss and turnaround times and repairs performance. Customer satisfaction is gauged through the regular contact between Board members and tenants noted above and remains high. This was endorsed by the tenant satisfaction survey results. There were negligible rent arrears at the year end with the majority of tenants being in credit on their rent accounts (see notes 13 and 15). Void loss at £212 (0.1%) is low with every effort made to turnaround a void property very quickly. In the year 95% of repairs were completed on time with an average repair time of 12.5 days. There were also no bad debts in the year.

The size of the Association, at only 33 units, makes comparison against others difficult especially as the Regulator does not capture or publish any information on Associations with less than 1,000 properties. Very few associations the size of the Association subscribe to benchmarking clubs as the costs outweigh the benefits and are not therefore considered value for money. Given the information available through the Managing Agent the Association is performing in the top quartile in relation to arrears and voids. The table above includes some comparator information extracted from the published global accounts of the sector. In comparison to these measures the Association is performing well for its size.

It should be noted the number of properties managed means that some of the above metrics can change significantly year on year depending on the level of major works (e.g. bathroom or kitchen replacements) undertaken or the incidence of cyclical works (e.g. 5 year electric inspection certificates).

The 2023 metric actuals reflect the strategy adopted by the Board of using its surplus to build cash reserves and repay the loan, something it achieved during the year. The re-investment percentage was lower than the target as the Board adopted a policy of replacing central heating boilers when they failed rather than due to age which enabled them to concentrate on the above strategy. Metric 5 reflects the increase in the Managing Agents charges plus further insurance cost increases. Looking forward the 2024 target metrics, which are based on a conservative budget, reflect that twenty of the properties are due their 5 year periodic wiring inspection and the fire door improvement works noted above.

To finance the improvement works at Blythswood the Board chose to obtain loan finance from the Managing Agent as it delivered value for money for both parties. The Association benefitted from lower set up costs than would have been incurred if the loan had been obtained through a bank and the Managing Agent has obtained better returns on its surplus cash balances than it was obtaining in the deposit market – a positive outcome for both. The loan was repaid during the year at the earliest opportunity to reduce interest costs with part of the facility being cancelled which reduced the non utilisation fees. £75,000 of the facility has been retained to ensure the Association has access to funds should an unexpected cost arise. This will be cancelled once the cash reserves have increased sufficiently to cover any reasonable unidentified costs.

The Board monitor spend on a quarterly basis with variances from budget scrutinised and action taken where necessary to manage costs and deliver an excellent service to tenants.

The Association prides itself on meeting the needs of its tenants wherever possible. This includes installing accessible adaptations even where no funding is available. This increases the repairs costs but reflects the purpose of the Association. By adopting this approach tenancies are sustained and low levels of voids occur. Under this approach the modernisation of Blythswood included the installation of level access showers instead of baths.

Harrogate Flower Fund Homes Limited

Report of the Board

For the year ended 31 December 2023

Systems are in operation by the Managing Agent to ensure quotes are obtained for any major work undertaken which delivers cost competitiveness.

As noted above the Association now has three principal sites, Markenfield Road, Steelgarth and Blythswood, all of which are in Harrogate. The properties are all well maintained, are easy to let (as evidenced by the low void loss), require no major works (as identified on the annual inspections) and are in good neighbourhoods. The Board has not identified any individual property or group of properties which are not contributing to the surplus being generated by the Association. Therefore it is the aim of the Association to retain its existing assets.

During 2023 the Board reviewed its strategic direction and considered if a different approach to delivering its purpose should be put in place. The Board confirmed there would be no changes in how the Association operates.

Governance arrangements

The Association has a Board which currently has eight members. The rules allow for the membership to be increased up to 15 or to be as low as seven. The Board met four times during the year and all meetings were quorate. The Board is responsible for setting the strategic direction of the Association and managing its day to day activities. The Board has delegated the latter to the Managing Agent, from which it receives regular reports on financial and operational performance.

Peter Knowles, the existing Chair, will step down at the annual general meeting in June. The remaining members of the Board would like to take this opportunity to formally thank Peter for his dedication and commitment to the Association over the last nine years which have seen a 22% increase in the number of properties under management and excellent tenant satisfaction. They wish him well for his future endeavours.

The Board member appraisals undertaken in the year identified a successor for the outgoing Chair, John Wallace. He will be appointed to the post following the annual general meeting.

The Board, given the size of the Association and the current mix of skills and experience, considers the current membership level to be sufficient to meet its needs. It is, however, mindful that the number will fall to the minimum level following the retirement noted above and would consider appointing additional members if suitable candidates are identified.

The Association has adopted the NHF's Code of Governance – Promoting Board Excellence for Housing Associations 2015. The Association remains compliant with that Code. The Board have confirmed they will not adopt the new 2020 code for the time being. The Association though has adopted the NHF Code of Conduct 2022.

The Board has reviewed the requirements of the Social Housing White Paper and with the help and support of the Managing Agent developed an action plan to prepare itself for the new regulatory regime it envisages.

Harrogate Flower Fund Homes Limited

Report of the Board

For the year ended 31 December 2023

Board Member responsibilities

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 income and expenditure for the period of account.

In preparing these financial statements, the Board is required to:

1. Select suitable accounting policies and then apply them consistently.
2. Make judgements and estimates that are reasonable and prudent.
3. State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
4. 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 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. It is also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the Association's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to Auditors

The Board members who held office at the date of approval of this Report confirm that, so far as they are each aware, there is no relevant audit information of which the Association's auditors are unaware; and each Board member has taken all the steps that they ought to have taken as a Board member to make themselves aware of any relevant audit information and to establish that the Association's auditors are aware of that information.

Statement on the Association's system of internal control

The Board acknowledges its overall responsibility, for establishing and maintaining the whole system of internal control and for reviewing annually its effectiveness.

The Board recognises that no system of internal control can provide absolute assurance or eliminate all risk. The system of internal control is designed to manage risk, and to provide reasonable assurance that the key business objectives and expected outcomes will be achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the Association's assets and interests.

Harrogate Flower Fund Homes Limited

Report of the Board

For the year ended 31 December 2023

In meeting its responsibilities, the Board has adopted a risk-based approach to internal controls, which are embedded within the normal management and governance process. This approach includes the regular evaluation of the nature and extent of risks to which the Association is exposed and is consistent with principles incorporated in the Regulator's guidance.

The process adopted by the Board in reviewing the effectiveness of the system of internal control, 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. There is a formal ongoing process of management review in each area of the Association's activities. The results continue to be reviewed by the Board on a regular basis. The Chief Executive of the Managing Agent is responsible for reporting significant risks or any changes in significant risks facing the Association to the Board within its reports.

Following the completion of the acquisition and works at Blythswood the main risks identified by the Board, together with the risk management plans, are:-

- Not achieving EPC C for all properties by 2030 – only the six properties at Blythswood have not already achieved this level. The planned roof replacement will improve the EPC ratings and new heating is also planned to be installed. Combined these will ensure that EPC C is reached by the deadline date
- The reliance on the Managing Agent and the associated counter party risk – review mechanisms have been put in place to alert the Board to any financial concerns which may arise for the Managing Agent. These review mechanisms will also identify if the Managing Agent is undertaking any merger activity which may result in the withdrawal of the services provided. A minimum six month notice period to cease services is included in the agreement with the Managing Agent
- Board member replenishment – the Association will have the minimum number of Board members following the annual general meeting. Work will be undertaken during the year to identify additional Board members. In an emergency the Board members of the Managing Agent would be available to be appointed to the Board

Monitoring and corrective action

The Board is responsible for ensuring the process of control through self-assessment is effective and that management reporting on control issues provides hierarchical assurance to successive levels of management and to the Board. This includes a rigorous procedure for ensuring that effective monitoring is in place and that corrective action is taken in relation to any significant control issues, particularly those with a material impact on the financial statements.

Control environment and control procedures

The Board retains responsibility for a defined range of issues covering strategic, operational, financial, and compliance issues including treasury strategy and new investment projects. Policies and procedures cover such issues as delegated authority, segregation of duties, accounting, treasury management, health and safety, data and asset protection and fraud prevention and detection.

Harrogate Flower Fund Homes Limited

Report of the Board

For the year ended 31 December 2023

Information and financial reporting systems

Financial reporting procedures include detailed budgets for the year ahead and forecasts for subsequent years. These are reviewed and approved by the Board. The Board also reviews key performance indicators regularly to assess progress towards the achievement of key business objectives, targets and outcomes. All payments are approved by the Honorary Treasurer.

Auditors

In accordance with the Co-operative and Community Benefit Societies Act 2014 a resolution to re-appoint Beever and Struthers as the Association's Auditors, will be proposed at the Annual General Meeting.

Governance and Financial Viability

The Board confirms that the Association complies with the Regulator of Social Housing's Governance and Financial Viability Standard.

Approved by the Board on 7 May 2024

Mr P Knowles
Chair

Harrogate Flower Fund Homes Limited

Independent Auditor's Report to Harrogate Flower Fund Homes Limited

Opinion

We have audited the financial statements of Harrogate Flower Fund Homes Limited (the Association) for the year ended 31 December 2023 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Reserves, the Statement of Cash Flows and the related notes. 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 December 2023 and of its incoming resources and application of resources, including its 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 Benefits Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction of Private Registered Providers of Social Housing 2019.

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.

Harrogate Flower Fund Homes Limited

Independent Auditor's Report to Harrogate Flower Fund Homes Limited

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 Co-operative and Community Benefits Societies Act 2014 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 proper accounting records; or
- the financial statements are not in agreement with the 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 Member Responsibilities set out on page 9, 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 determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Harrogate Flower Fund Homes Limited

Independent Auditor's Report to Harrogate Flower Fund Homes Limited

Auditor's responsibilities for the audit of the financial statements

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

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

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, regulations and guidance 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, regulations and guidance that we identified included the Co-operative and Community Benefits 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 2019, tax legislation and safety 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 was discussed within the audit team and tests were planned and performed to address these risks.
- We reviewed financial statements disclosures and supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Harrogate Flower Fund Homes Limited

Independent Auditor's Report to Harrogate Flower Fund Homes Limited

The extent to which the audit was considered capable of detecting irregularities including fraud (continued)

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Board and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Use of our report

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

Beever and Struthers
Statutory Auditor
One Express
1 George Leigh Street
Manchester
M4 5DL

Date: 17 May 2024

Harrogate Flower Fund Homes Limited

Statement of Comprehensive Income For the year ended 31 December 2023

	Notes	2023 £	2022 £
Turnover	3	206,279	184,870
Operating expenditure	3	(148,959)	(123,912)
Operating surplus		57,320	60,958
Interest receivable	5	547	83
Interest and financing costs	6	(3,820)	(4,062)
Surplus before taxation		54,047	56,979
Taxation	9	-	-
Surplus for the year	7	54,047	56,979
Total comprehensive income for the year		54,047	56,979

All of the above results derive from the continuing operations of the Association.

The notes on pages 20 to 31 form an integral part of these financial statements.

The financial statements on pages 16 to 31 were approved and authorised for issue by the Board on 7 May 2024 and were signed on its behalf by:-

Mr P Knowles Chair

Mr S Brook Secretary

Mr M Helm Treasurer

Harrogate Flower Fund Homes Limited

Statement of Financial Position As at 31 December 2023

	Notes	2023		2022	
Fixed assets		£	£	£	£
Tangible fixed assets – housing properties	11		2,123,729		2,154,487
Other tangible fixed assets	12		<u>1,431</u>		<u>-</u>
			2,125,160		2,154,487
Current assets					
Trade and other debtors	13	13,120		10,414	
Cash and cash equivalents	14	<u>40,431</u>		<u>48,847</u>	
		53,551		59,261	
<u>Less:</u>					
Creditors: amounts falling due within one year	15	<u>(21,690)</u>		<u>(21,573)</u>	
Net current assets			<u>31,861</u>		<u>37,688</u>
Total assets less current liabilities			2,157,021		2,192,175
Creditors: amounts falling due after more than one year	16		<u>(233,447)</u>		<u>(322,649)</u>
Total net assets			<u>1,923,574</u>		<u>1,869,526</u>
Reserves					
Non-equity share capital	18		23		25
Income and expenditure reserve			<u>1,923,551</u>		<u>1,869,501</u>
Total reserves			<u>1,923,574</u>		<u>1,869,526</u>

The notes on pages 20 to 31 form an integral part of these financial statements.

The financial statements on pages 16 to 31 were approved and authorised for issue by the Board on 7 May 2024 and were signed on its behalf by:-

Mr P Knowles Chair

Mr S Brook Secretary

Mr M Helm Treasurer

Harrogate Flower Fund Homes Limited

Statement of Changes in Reserves For the year ended 31 December 2023

	Non-equity share capital £	Income and Expenditure Reserve £	Total £
Balance at 1 January 2022	38	1,812,507	1,812,545
Total comprehensive income for the year	-	56,979	56,979
Shares issued during the year	2	-	2
Member share contributions	(15)	15	-
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2022	25	1,869,501	1,869,526
Total comprehensive income for the year	-	54,047	54,047
Shares issued during the year	1	-	1
Member share contributions	(3)	3	-
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2023	23	1,923,551	1,923,574

The notes on pages 20 to 31 form an integral part of these financial statements.

Harrogate Flower Fund Homes Limited

Statement of Cash Flows For the year ended 31 December 2023

	2023		2022	
	£	£	£	£
Net cash generated from operating activities (see Note 1 below)		86,868		90,011
Cash flow from investing activities				
Purchase of tangible fixed assets	(7,276)		(181,296)	
Interest received	547		83	
Members contribution	<u>1</u>		<u>2</u>	
		(6,728)		(181,211)
Cash flow from financing activities				
Interest and financing costs	(3,556)		(4,271)	
Loan draw down	-		85,000	
Loan repayment	<u>(85,000)</u>		<u>-</u>	
		<u>(88,556)</u>		<u>80,729</u>
Net change in cash and cash equivalents		(8,416)		(10,471)
Cash and cash equivalents at beginning of the year		<u>48,847</u>		<u>59,318</u>
Cash and cash equivalents at end of the year		<u>40,431</u>		<u>48,847</u>
Note 1				
Surplus for the year		54,047		56,979
Adjustments for non-cash items:				
Depreciation of tangible fixed assets		36,603		35,367
Amortisation of government grants		(4,202)		(4,205)
Increase in trade and other debtors		(2,970)		(2,279)
Increase in trade and other creditors		117		170
Adjustments for investing or financing activities:				
Interest and financing costs		3,820		4,062
Interest received		<u>(547)</u>		<u>(83)</u>
Net cash generated from operating activities		<u>86,868</u>		<u>90,011</u>

The notes on pages 20 to 31 form an integral part of these financial statements.

Harrogate Flower Fund Homes Limited

Notes to the Financial Statements For the year ended 31 December 2023

1. General information

The Association is incorporated in England under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing as a Private Registered Provider of Social Housing. The registered office is 10 High Street, Harrogate, North Yorkshire, HG2 7HY.

2. Principal accounting policies

Basis of accounting

The financial statements have been prepared in accordance with applicable United Kingdom Generally Accepted Accounting Practice (UK GAAP) and the Statement of Recommended Practice for registered housing providers: Housing SORP 2018.

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 2019. The accounts are prepared on the historical cost basis of accounting and are presented in pounds sterling.

The financial statements have been prepared in compliance with FRS 102. In complying with FRS 102 the Association meets the definition of a public benefit entity.

Going concern

The financial statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future. No significant concerns have been noted and we consider it appropriate to continue to prepare the financial statements on a going concern basis based on the Association's business plan.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

a. Categorisation of housing properties

The Association has undertaken a detailed review of the intended use of all housing properties. In determining the intended use, the Association has considered whether the asset is held for social benefit or to earn commercial rentals.

b. Impairment

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

Harrogate Flower Fund Homes Limited

Notes to the Financial Statements For the year ended 31 December 2023

2. Principal accounting policies (continued)

c. Impairment of non-financial assets

Reviews for impairment of housing properties are carried out when a trigger has occurred and any impairment loss in a cash generating unit is recognised by a charge to the Statement of Comprehensive Income. Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use. A cash generating unit is normally a group of properties at scheme level whose cash income can be separately identified. The Association has assessed that no trigger for an impairment review has occurred.

Other key sources of estimation and assumptions:

a. Tangible fixed assets

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.

Turnover and revenue recognition

Turnover represents rental income receivable and amortised capital grant and is recognised in relation to the period when the goods or services have been supplied. Rental income is recognised when the property is available for let, net of voids.

Service charges

Service charge income and costs are recognised on an accruals basis.

Taxation

The Association has charitable status and is therefore exempt from UK corporation tax on charitable activities.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, less accumulated depreciation.

Freehold land is not depreciated.

Housing properties

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.

Harrogate Flower Fund Homes Limited

Notes to the Financial Statements For the year ended 31 December 2023

2. Principal accounting policies (continued)

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:

Structure	80 years
Roofs	70 years
Windows and doors	30 years
Gas boilers and fires	15 years
Electric heating	20 years
Kitchens	20 years
Bathrooms, mechanical systems, electrics	30 years
Stair lifts	10 years
Envirovents, Eurovents and loft heaters	10 years

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

Office and other equipment	5 years
----------------------------	---------

Property managed by agents

Where the Association carries the majority of the financial risk on property managed by agents, income arising from the property is included in the Statement of Comprehensive Income.

The assets and associated liabilities are included in the Association's Statement of Financial Position.

Short-term debtors and creditors

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 other operating expenses.

Harrogate Flower Fund Homes Limited

Notes to the Financial Statements For the year ended 31 December 2023

2. Principal accounting policies (continued)

Social Housing and other government grants

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

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

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

Financial Instruments

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

Impairment of Financial Assets

Financial assets are assessed at each reporting date to determine whether there is any objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

Harrogate Flower Fund Homes Limited

Notes to the Financial Statements For the year ended 31 December 2023

3. Particulars of turnover, operating expenditure and operating surplus

		2023	
	Turnover	Operating	Operating
	£	Expenditure	Surplus
		£	£
Social housing lettings (see note 4)	205,584	(148,959)	56,625
Non-social housing activities			
Donations	695	-	695
	<hr/>	<hr/>	<hr/>
Total	206,279	(148,959)	57,320
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		2022	
	Turnover	Operating	Operating
	£	Expenditure	Surplus
		£	£
Social housing lettings (see note 4)	181,300	(123,008)	58,292
Non-social housing activities			
Market rented property	3,570	(904)	2,666
	<hr/>	<hr/>	<hr/>
Total	184,870	(123,912)	60,958
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Harrogate Flower Fund Homes Limited

Notes to the Financial Statements For the year ended 31 December 2023

4. Particulars of turnover and operating expenditure from social housing lettings	General needs housing £	Total 2023 £	Total 2022 £
Income			
Rent receivable net of identifiable service charges and net of voids	184,321	184,321	162,281
Service charge income	17,061	17,061	14,814
Amortised government grants	4,202	4,202	4,205
Total turnover from social housing lettings	205,584	205,584	181,300
Operating expenditure			
Management	64,067	64,067	49,966
Service charge costs	15,024	15,024	16,128
Routine maintenance	21,946	21,946	17,026
Planned maintenance	2,160	2,160	4,521
Major repairs expenditure	9,318	9,318	-
Bad debts	-	-	-
Depreciation of housing properties	36,444	36,444	35,367
Total operating expenditure on social housing lettings	148,959	148,959	123,008
Operating surplus on social housing lettings	56,625	56,625	58,292
Voids losses (being rental and service charge income lost as a result of property not being let, although it is available for letting)	212	212	1,390
5. Interest receivable		2023	2022
		£	£
Bank interest received		547	83
6. Interest and financing costs		2023	2022
		£	£
Loan interest		3,556	3,798
Costs associated with financing (amortised set up costs)		264	264
		3,820	4,062

The loan interest above represents the interest and non utilisation cost of the loan and facility from Harrogate Housing Association. The loan was repaid during the year and the facility reduced from £150,000 to £75,000.

Harrogate Flower Fund Homes Limited

Notes to the Financial Statements For the year ended 31 December 2023

7. Surplus for the year	2023	2022
	£	£
Is stated after charging/(crediting):		
Auditor's remuneration (excluding VAT):		
In their capacity as auditors	4,990	4,675
In respect of other services	345	325
Depreciation of housing properties	36,444	35,367
Depreciation of other fixed assets	159	-
Amortisation of government grants	(4,202)	(4,205)
	=====	=====
8. Accommodation managed by others	2023	2022
	Number of	Number of
	properties	properties
General needs housing	33	33
	=====	=====

9. Taxation

The Association has charitable status and is therefore exempt from UK corporation tax on charitable activities.

10. Employees and Key Management Personnel

The Association has no employees (2022 – None). Key management personnel are defined as the Members of the Board. The day to day management of the properties is undertaken by Harrogate Housing Association Limited from their offices in Harrogate.

No Board member received any remuneration in the year (2022 – £Nil).

No Board member received expenses in the year (2022 – £Nil).

Harrogate Flower Fund Homes Limited

Notes to the Financial Statements For the year ended 31 December 2023

11. Tangible fixed assets – housing properties	Social housing	Housing properties total
	£	£
Cost		
At 1 January 2023	2,617,250	2,617,250
Replacement of components	5,686	5,686
Disposal of components	(1,922)	(1,922)
	<hr/>	<hr/>
At 31 December 2023	2,621,014	2,621,014
	<hr/>	<hr/>
Depreciation		
At 1 January 2023	462,763	462,763
Charge for the year	36,444	36,444
Eliminated on disposals	(1,922)	(1,922)
	<hr/>	<hr/>
At 31 December 2023	497,285	497,285
	<hr/>	<hr/>
Net book value		
At 31 December 2023	2,123,729	2,123,729
	<hr/>	<hr/>
At 31 December 2022	2,154,487	2,154,487
	<hr/> <hr/>	<hr/> <hr/>
Housing properties comprise:		
Freeholds		2,123,729
Long leasehold		<hr/> -
		<hr/> 2,123,729
		<hr/> <hr/>

Harrogate Flower Fund Homes Limited

Notes to the Financial Statements For the year ended 31 December 2023

12. Other tangible fixed assets

Cost	Equipmen t £	Other fixed assets total £
At 1 January 2023	-	-
Additions	1,590	1,590
Disposals	-	-
	<hr/>	<hr/>
At 31 December 2023	1,590	1,590
	<hr/>	<hr/>
Depreciation		
At 1 January 2023	-	-
Charge for the year	159	159
Disposals	-	-
	<hr/>	<hr/>
At 31 December 2023	159	159
	<hr/>	<hr/>
Net book value		
At 31 December 2023	1,431	1,431
	<hr/>	<hr/>
At 31 December 2022	-	-
	<hr/> <hr/>	<hr/> <hr/>

Harrogate Flower Fund Homes Limited

Notes to the Financial Statements For the year ended 31 December 2023

13. Trade and other debtors	2023	2022
	£	£
Amounts falling due within one year:		
Rental debtors	257	12
Prepayments and accrued income	6,163	4,867
Other debtors	6,700	5,535
	<u>13,120</u>	<u>10,414</u>
	<u><u>13,120</u></u>	<u><u>10,414</u></u>
14. Cash and cash equivalents	2023	2022
	£	£
Cash at bank	40,431	48,847
	<u>40,431</u>	<u>48,847</u>
	<u><u>40,431</u></u>	<u><u>48,847</u></u>
15. Creditors: amounts falling due within one year	2023	2022
	£	£
Trade creditors	3,853	2,627
Rents and service charges paid in advance	5,353	6,448
Accruals and deferred income	6,975	6,969
Other creditors	1,304	1,324
Unamortised government grants (Note 17)	4,205	4,205
	<u>21,690</u>	<u>21,573</u>
	<u><u>21,690</u></u>	<u><u>21,573</u></u>
16. Creditors: amounts falling due after more than one year	2023	2022
	£	£
Loan balances	-	85,000
Unamortised government grants (Note 17)	233,447	237,649
	<u>233,447</u>	<u>237,649</u>
Total	<u>233,447</u>	<u>322,649</u>
	<u><u>233,447</u></u>	<u><u>322,649</u></u>
Loan balances can be analysed as follows:		
	2023	2022
	£	£
Within one year	-	-
Between one and two years	-	-
Between two and five years	-	85,000
In more than five years	-	-
	<u>-</u>	<u>85,000</u>
Total	<u><u>-</u></u>	<u><u>85,000</u></u>

Harrogate Flower Fund Homes Limited

Notes to the Financial Statements For the year ended 31 December 2023

16. Creditors: amounts falling due after more than one year (continued)

Harrogate Housing Association has provided a variable rate full revolving loan facility to the association on an arms length basis on normal commercial terms. The facility was £150,000 at the start of the year which has been reduced by the Association to £75,000 in the year. The outstanding balance was repaid during the year as a result of the positive financial performance of the Association.

17. Deferred income

The amount of unamortised government grants at the year-end relate to social housing grant which is amortised in accordance with the stated accounting policy.

	2023 £	2022 £
Unamortised government grant		
At start of year	241,854	246,059
Released to income in the year	(4,202)	(4,205)
	<u>237,652</u>	<u>241,854</u>
Amounts due to be released < 1 year	4,205	4,205
Amounts due to be released > 1 year	233,447	237,649
	<u>237,652</u>	<u>241,854</u>

18. Non-equity share capital

	2023 £	2022 £
Allotted, issued and fully paid:		
At 1 January	25	38
Issued during the year	1	2
Surrendered during the year	(3)	(15)
	<u>23</u>	<u>25</u>

The par value of each share is £1.

The shares do not have a right to any dividend or distribution in a winding up, and are not redeemable. Each share has full voting rights.

19. Capital commitments

At the balance sheet date there were no contracted capital commitments (2022 – £Nil). There were also no other capital commitments (2022 - £Nil).

20. Contingent liabilities

At the balance sheet date there were no contingent liabilities (2022 – £Nil).

Harrogate Flower Fund Homes Limited

Notes to the Financial Statements For the year ended 31 December 2023

21. Grant and financial assistance	2023	2022
	£	£
The total accumulated government grant and financial assistance received or receivable at 31 December	336,380	336,380
Held as deferred capital grant	237,652	241,854
Recognised as income in the Statement of Comprehensive Income	98,728	94,526
	336,380	336,380

22. Related party transactions

Related parties consist of the Board members and Harrogate Housing Association Limited, the managing agent.

No Board member received any expenses in the year (2022 – £Nil) and there were no tenant board members in 2023 (2022 – None).

During the year the Association purchased services from Harrogate Housing Association Limited totalling £49,445 (2022 – £40,544). At the balance sheet date nothing (2022 - £Nil) was owed to Harrogate Housing Association Limited. The non utilisation fee of £1,317 (2022 - £1,094) and interest of £2,239 (2022 – £2,704) on the loan facility provided by Harrogate Housing Association is included. None of the fee (2022 - None) and none of the interest (2022 – None) was owed by the Association at the year end. The loan facility was £150,000 at the start of the year but reduced to £75,000 by the end of the year. It has been made on an arms length basis on normal commercial terms.

23. Analysis of changes in net debt

	At 1 January 2023	Cash flows	Other non- cash changes	At 31 December 2023
Cash at bank	48,847	(8,416)	-	40,431
	48,847	(8,416)	-	40,431

24. Accommodation in management

All the property is owned by the Association but managed by other bodies

	2023	2022
	No.	No.
Under management at the end of year:		
General needs housing – social rent	27	27
General needs housing – intermediate rent	6	6
	33	33