



BARNSBURY
HOUSING ASSOCIATION

Barnsbury Housing Association

Annual Report and Financial Statements

Year ended 31 March 2025

Cooperative and Community Benefit Society Reg No. 18135R

Regulator of Social Housing Reg No. L2518

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Company Information

Chair	Robert (Sean) McLaughlin
Secretary	Susan French
Board Members	Annabel Gray Ben Kelly (appointed 19 September 2024) Chris Bell Chyrel Brown (resigned 19 September 2024) Jonathan Bunt (resigned 15 May 2025) Janice Walsh Katri Wilson (appointed 19 September 2024) Kenny Johnson (appointed 19 September 2024) Matthew Smith (appointed 19 September 2024) Liz Curran (appointed 14 March 2025) Micah Gold
Chief Executive	Susan French
Registered address	4-6 Colebrooke Place London N1 8HZ
Auditor	Price Bailey LLP Chartered Accountants and Statutory Auditor 8 th Floor Dashwood House 69 Old Broad Street London EC2M 1QS
Principal Solicitors	Lewis Silkin LLP 5 Chancery Lane London EC4A 1BL
Bankers	Royal Bank of Scotland Plc 60-62 Threadneedle Street London EC2R 8LA
Co-operative and Community Benefit Society Reg No.	18135R
Regulator of Social Housing Reg No.	L2518

Chair's Report

This is sadly the last time I will be making a statement for the accounts as my second three-year term as Chair ends this year. During my time as Chair external events – the fire at Grenfell, Brexit, global pandemic and war in Ukraine – have had a huge impact on every social housing provider. This year has been no exception. Changes in legislation and regulation arising from (among other things) the tragic death of Awaab Ishak, have encouraged us to examine our safety systems thoroughly. Political uncertainty following elections at home and around the world is affecting energy security and living costs. The rapid expansion of easily accessible Artificial Intelligence presents huge opportunities and risks. It has never been more important for social landlords to be close to their communities and mindful of the impact of world events.

We have spent a lot of time getting to know our residents better, through our Staying Connected visits. This new programme of hour-long visits to every tenant are part tenancy audit, part data-cleanse, part health-check (of residents, their homes and their finances), but also chance to check in at a time – post-pandemic, mid-cost of living crisis – when a lot of people need it.

They are proving to be something of a game-changer for us, and for some residents. With over half of visits completed, we have helped with access to over £34k of direct financial support. More importantly, we have linked residents – many who would never have asked for help until they reached crisis point – to services such as mental health, hoarding support and occupational therapy. One 84-year-old sheltered housing resident told us that his visit “changed my life”. As well as picking up adaptations he needed but wouldn't have asked for, we helped him apply for Attendance Allowance and a taxi card, neither of which he was aware of before. This means he is better off, able to visit friends and family, and can live safely in his home for longer.

We've also been checking the quality of kitchens and bathrooms and using the data we

find to prioritise our capital programme, as well as picking up any repairs residents hadn't reported.

Building safety has been an important theme for us this year. The Board commissioned Penningtons to review our compliance with the 'big 6' (electrical, water, fire, lifts, gas and asbestos safety) plus damp and mould. The audit provided clear pointers as to where we needed to improve, from having clear, auditable data reported to the Board via a new compliance tracker, to tightening up inspection regimes. The audit was a challenging and robust process and has left BHA in a much stronger position in terms of managing compliance – as well as providing the assurance that our residents are safe.

A key theme of the audit is data. As a small provider, while it is easier to know our residents and homes, we have many of the same challenges as larger providers. We are mid-way through an ambitious data project which will see us move towards “one version of the truth” by connecting our data across multiple operational areas and simplifying our approach to systems and workflows. This move to better quality data and systems has underpinned our shift to full service charge recovery over the last two years, helping to secure our financial future and making us more accountable to residents for the quality and value for money of our services.

We have also undertaken a full assurance mapping exercise this year. This sat alongside our work on building safety and looked at assurance across the wider organisation, finding reasonable levels of assurance across housing management and governance.

BHA was one of the early adopters of thinking about – and planning for – net zero. A survey had told us that over one third of residents were struggling with the cost of heating, a situation which has only got worse over recent years. We were therefore pleased to be awarded a £1m Social Housing Decarbonisation Funding grant in 2023 to improve homes on our Morland Mews estate.

Chair's Report

I'm pleased that that work is now coming to fruition: homes have been retrofitted to make them warmer and easier to heat. Mapping patterns of damp, mould and condensation across the estate showed that, in some cases, the cause was failed cavity wall insulation and, by flexing our programme, we have remedied this issue. Already residents are telling us that they are noticing the difference. Over the coming year, we will be turning our attention back to helping solve the problem of hard-to-treat heritage homes, hopefully using GLA Accelerator funding to develop solutions.

BHA has been fortunate that it is able to recruit and retain some great people, Board members as well as team members. Our ambitious approach to hybrid working helps us attract talented staff who live well outside the capital and who value the flexibility on offer. We balance this with a visible on-site team whose approachability and accessibility are much valued and who help to build connection and trust between BHA and our residents,

I am very proud of the impact BHA has had on the wellbeing of its residents during a very turbulent six years, demonstrating there is a key role for small associations in delivering excellent services and support, and setting an example of responding flexibly to the great wants of our time – energy security, isolation, inequality – for the rest of the sector to follow.

Sean McLaughlin



Sean McLaughlin (Jul 17, 2025, 1:13pm)

Chair

Date: 17th July 2025

Report of the Board

The Board of Management present their report and audited financial statements for the year ended 31 March 2025.

Principal Activities

The principal activities of Barnsbury Housing Association (“BHA”) are the management and development of social housing.

Set up in 1967 to help keep Islington affordable to people on low to modest incomes, BHA now owns 300 homes in and around Barnsbury. Many of our residents have been with us since the start and they value our high-quality homes and estates, our responsive service, and the strong sense of community.

We are a small organisation, serving a small community of residents in a defined area. Despite this, we feel we have an important contribution to make:

- to our residents - who value our community focus and personal service
- to Islington - through our commitment to retaining genuinely affordable homes in an area where people on low to moderate incomes are otherwise priced out, and by building new homes where many other landlords choose not to invest
- to the housing sector - by using our skills and resources to help find solutions to wider issues, such as making older properties more energy efficient and by striving to be a beacon of good practice

Our Vision is to create sustainable homes and thriving communities.

Our Purpose: we want to help create successful communities: places where people feel they belong, places where they can thrive.

At the heart of this is our role in providing a safe, warm, affordable, and secure home. We will do this by being a trusted landlord, known for providing great services and well-cared for and sustainable homes; by empowering residents to support their own communities to thrive; by being connected and open to ideas; and by putting residents at our heart.

Our Values: Our culture is about the shared values, beliefs and behaviours that determine how we do things, then the ways and systems of working that help to get those things done. Our values aim to put customers at our heart and provide the foundation for the culture of our organisation and how we work.

- We are respectful, caring and kind
- We are collaborative, and connected to our community and our residents
- We are creative, resourceful and ‘can do’
- We are inclusive and fair
- We keep our promises

Our Strategic Ambitions: Connect, Build, Anticipate - provide a framework for how we will deliver our vision and bring about long-lasting change for our residents and communities. Within each of our ambitions, we have medium term goals which set the priorities for our work each year.

Report of the Board

Performance and Value for Money

In December 2022 the Board approved BHA's 2023-2026 Corporate Plan which sets out our ambitions for the three-year period. The targets we set in 2024-25 are driven by our Corporate Plan and our performance is set out below. This incorporates our approach to Value for Money ("VfM") which is to have policies, procedures and performance targets which provide an accountable, day to day framework for the economic, effective, and efficient delivery of our services.

We are not aiming to achieve the lowest costs for our operations, but rather to deliver quality services and homes that meet our residents' needs and deliver satisfaction, while protecting affordability to our residents and viability for BHA.

Our governance structure supports how we achieve VfM across BHA. The Board approves the Performance and Value for Money Report as set out in these Financial Statements. Every Board report considers the VfM implications of its topic and the Audit, Finance & Risk Committee acts on behalf of the Board to ensure that BHA obtains appropriate assurance through the internal and external audit functions.

This year we have incorporated both VfM statistics and Tenant Satisfaction Measures ("TSMs") into the way we measure ourselves and our performance.

Resident Perception & Satisfaction

We are focusing our efforts and resources on listening to our residents and we carried out a full satisfaction survey last year, incorporating the new TSMs for the first time. Compared to our last survey in 2019, it's clear our residents want more from us and we intended to rise to the challenge with stretched, but realistic, satisfaction targets set for our next survey in 2025-26.

TSMs Perception Measures	24-25 Performance	Benchmark	25-26 Target
Overall satisfaction	72.7%	78%	75%
Repairs satisfaction	77.7%	79%	79%
Time taken to complete most recent repair	79.2%	75%	75%
The home is well maintained	70.5%	78%	75%
The home is safe	73.0%	83%	77%
The landlord listens to tenant views and acts upon them	67.2%	68%	70%
The landlord keeps tenants informed about things that matter to them	77.3%	76%	78%
The landlord treats tenants fairly and with respect	78.3%	83%	80%
The landlord's approach to handling complaints	47.7%	41%	50%
The landlord keeps communal areas clean and well maintained	79.4%	72%	80%
The landlord makes a positive contribution to neighbourhoods	73.6%	70%	75%
The landlord's approach to handling anti-social behaviour	62.5%	65%	65%

It is fair to say that satisfaction has fallen across the sector so we are not alone but as a small, local housing association we want to make sure our residents are heard and we are held accountable for the standard of service we deliver. The table above shows our performance against the Regulator of Social Housing ("RSH") upper quartile benchmark, together with our proposed targets next year.

Overall, the survey has revealed some good levels of satisfaction and found several areas for improvements. The highest satisfaction areas are repairs completed in the last 12 months (78%), time taken to complete the last repair (79%), the upkeep of the communal areas (79%), our contribution to the neighbourhood (74%), the ease of dealing with BHA (79%), that we keep the residents informed (77%) and that we treat residents fairly and with respect (78%).

Report of the Board

The benchmarking shows that we perform quite well against national results (top or second quartile) but not so well against a small sample of London associations. We fall within the top quartile for three measures – time taken for last repair, communal areas being clean and well maintained and complaints handling. Satisfaction is lowest for complaints handling (48%), but compares well with other landlords being 14 percentage points above the median and in the top quartile.

We Connect

We Connect: Key Performance Measures	24-25 Target	24-25 Performance	Benchmark	25-26 Target
Stage 1 in timescale (TSM)	100%	93%	93%	95%
Stage 2 in timescale (TSM)	100%	100%	98%	100%
Stage 1 per 1000 homes (TSM)	-	50.2	65.1	-
Stage 1 per 1000 homes (TSM)	-	13.4	9.9	-
Staying Connected visits completed	299	122	-	141
New financial inclusion cases	15	50	-	25
Customer ideas implemented	10	1	-	5
Engagement opportunities	(new measure in 25/26)		-	10

Complaints

During the year we received 18 formal complaints, of which 15 were concluded at Stage 1 and 3 went to Stage 2. All except one complaint at stage one was responded to within the required timescales as per our Policy. In total we had 2 new Housing Ombudsman cases and 2 older cases that straddled across this financial year. At the end of the year, we had one new Housing Ombudsmen complaint outstanding. From this we were determined to have no maladministration findings on 2 of the cases and one was determined as a service failure, and we were ordered to pay in total £700, in compensation. We also had 3 service requests as per the Housing Ombudsman handling code requirements, all were closed in desired timescales to the resident's satisfaction.

From this year's complaints, there are no identifiable trends to the neighbourhoods, resident make up or protected characteristic make-up of the residents that made the complaints. It is difficult to pick out any general themes – most were specific issues. We continually learn from complaints and take them as positive feedback to ensure service improvements. We are making substantial progress with changing the culture of how we deal with complaints, and we are focussing on having improved productive and positive conversations with residents from the onset of a potential complaint. On a positive note, we received 17 compliments from residents, these were mainly complimenting the recruitment of a new Housing Officer, and the enhancement this has made to the service delivery, and our delivery of our repairs service.

Staying Connected

As part of the Tenant Satisfaction Measures, all providers must complete 100% tenancy audits on all their homes, this is delivered through our "Staying Connected" visits. At the start of 24-25 we aimed to complete a target of 299 Staying Connected visits by 31st March 2025, we realised through the year this target was not going to be achievable. However, at the year-end we had completed 159 visits. From these visits we have been able to analyse the make-up of our resident base, what matters most to residents and where our services should be targeted. The next stage is to review services in light of these findings.

Resident Engagement

We have seen increased engagement from residents compared to last year, mainly due to a new post of the Housing Officer based on our main site. The new resident surgeries have supported our residents in various ways, included funding, resident support fund awards, signposting and maximising benefits.

Report of the Board

Our community engagement programme continues and we have delivered several successful events, consultations (including on refuse management, rents and service charges), “meet the senior staff” days, coffee mornings, garden parties, fun days, cinema and theatre trips and joint estate walkabouts looking at our estates. For a second year running, we have been privileged to be selected by the Felix Project, who are community funded by HACT, to deliver another free food markets to our residents on low incomes. These markets have been a huge success And, on the back of this, we have been selected to be a partner of Islington Food Aid Fund, with a grant of £8,000.

Our Resident Voice (formally known as Residents Panel) continues to meet on a regular basis. It has delivered some excellent outcomes, including agreeing our new service standards, undertaking reviews of key policies, reviewing our risk register and communications plan and our reviews of our compliance with the Tenant Satisfaction Measures and Consumer Standards. Our Tenant and Residents Association at Highbury View continues to meet and has a full social diary of events delivered during the year. We also had a small number of residents supporting us in the recent Grounds Maintenance procurement, who were armed with questions on social value, value for money and a vision for the green spaces. This was a fantastic piece of resident engagement.

The Resident Support Fund and Bursary has supported 41 residents this year who are on low incomes or struggling financially. Through our interventions we have either saved, funded or gained residents funding totalling £34,497. We were also delighted to have supported one of our young residents with our Bursary Award. We granted £500 towards the costs of an educational trip to St. Vincent.

We continue to provide residents with regular newsletters and e-news bulletins, we have also published guide booklets on Anti-Social Behaviour and Hate Crime and useful guidance on tackling damp and mould. We have also published a suite of Service Standards across all key areas of our service delivery.

We Build

We Build: Key Performance Measures	24-25 Target	24-25 Performance	Benchmark	25-26 Target
Emergency repairs in target % (TSM)	95%	91%	89%	100%
Non-emergency in target % (TSM)	95%	90%	99%	95%
Decent Homes % of failures (TSM)	0%	1.3%	0%	0.5%
EPC C+ % of homes	67%	46%	76%	67%
Retrofit delivered # of homes	62	0	-	75
New homes delivered	0	0	-	0
Kitchens replaced #	7	3	-	6
Bathrooms replaced #	7	4	-	8
Boilers replaced #	7	3	-	5
Staff satisfaction	90%	92%	-	90%

Repairs

This has been a challenging year since our longstanding repairs and maintenance contractor become insolvent, impacting our repairs service towards the end of the year. We quickly found alternative solutions but some delays have occurred with repairs and capital works. However, the team handled this extremely well and it has enabled us to plan the future service and standards moving forward.

Earlier in the year, our programme of moving from 10-year to 5-year electrical certificates brought about higher than anticipated improvement works, which together with some expensive unanticipated roof repairs, meant our capital works budget needed reprioritising. As a results, we reduced the number of kitchens, bathroom and boiler replacement carried out in the year. We are undertaking full stock condition surveys due for completion in early 2025 which will provide us with a detailed overview of all future investment and will focus our spend on capital works for the coming years.

Report of the Board

1,150 responsive repairs were completed in the year (2024: 978) which is slightly higher than the industry standard. 90% were completed within agreed timescales. We have closed three disrepair cases during the year, with one remaining open. At the year-end there are 4 Decent Homes failures, due to damp and mould and works continue to tackle these problems with estimated completion July 2025.

Sustainability

Back in 2019 our Board took a decision to invest resources in developing our approach to net zero and energy efficiency. The background to this was that we knew that over one third of our residents struggled to afford to heat their homes and that 53% of our homes were EPC D or lower. This was confirmed in the recent resident's survey where, unsurprisingly, the proportion of residents concerned about the costs of heating their homes has increased.

We were successful in bidding for Social Housing Decarbonisation Funding (SHDF) for 63 homes on our Morland Mews estate, working as part of the North River Alliance – an approach which is delivering good value for money and shared learning. This grant, matched by £500k of our own funding, will see these homes upgraded to EPC-C with works due to complete during 2025. Works are progressing well and we have been able to increase the programme to 81 homes, within the grant ceiling. We also continue to look for an affordable and replicable solution for harder-to-treat older buildings. We also published our third ESG report, one of only a handful of small housing providers to do so.

We were also delighted to secure grant funding from the GLA to fund our garage conversion project at Morland Mews. Work will start in 2025-26.

Property Investment

Our homes are in one of London's most expensive boroughs, and many are listed buildings, meaning that the cost to maintain and repair our homes tends to be higher than that of our peers. Further, we choose to invest in the longevity and energy efficiency of our homes through capital works and retrofit projects. Reports of damp and mould cases have levelled off and we are managing to use the SHDF funding to target homes experiencing damp and mould across our main estate, Morland Mews. This has included a cavity wall extract and refill programme which is already making a noticeable difference to residents. We completed several capital projects during the year, including roofing works on four of our larger estates.

Resident consultation took place at six estates for choices for cyclical decorations, with works starting during 2025. Further, our Liverpool Road building (a recent s106 purchase) underwent major structural repairs to two flats, due to building defects. Fortunately, we were able to claim on the guarantee, as works took 12 months and cost over £600k.

Building Safety

Building Safety: Key Performance Measures	24-25 Target	24-25 Performance	Benchmark	25-26 Target
Gas safety checks % (TSM)	100%	100%	100%	100%
Fire safety checks % (TSM)	100%	100%	100%	100%
Asbestos safety checks % (TSM)	100%	97.9%	100%	100%
Water safety checks % (TSM)	100%	100%	100%	100%
Lift safety checks % (TSM)	100%	100%	100%	100%
Electrical Safety checks % (dwellings)	100%	100%	-	100%
Damp & Mould cases open > 3 months	-	23	-	0

During the year, we commissioned Penningtons to undertake a thorough audit of compliance (the big 6, plus damp and mould). The audit outcome provided limited assurance with 29 recommendations. Our action plan to address the recommendations as of the end of the year has been 65% completed, and from this we have introduced a robust compliance tracker to ensure transparency, accuracy and accountability.

Report of the Board

The review also highlighted some gaps in our policies, which are now all being reviewed with support from our board member responsible for Health and Safety.

Our Gas Safety position has improved since last year and we ended the year on 100% compliance. Electrical testing also stands at 100% and we continue to bring all our certificates within a 5-year cycle, with only a handful still to complete. Our asbestos reinspection programme stood at 97.9% due to 6 instances of no access at the year-end.

Fire Risk Assessments were in place at all schemes and new assessments are taking place in March to May 2025. So far, recommendations from the new assessments have been minimal. We also completed 42 repairs to home and communal fire doors and 38 were replaced, with a full review of all fire door completed in March.

We have also made significant progress in completion of our 117 Damp and Mould cases through the year, taking a pro-active view on early interventions and inspections. At the end of the year we had 31 open cases, with 23 over 3 months old. Each case has repairs planned or in progress.

Our Team

We continue to be a small, strong, forward-facing organisation, and the work we deliver has residents at its heart. We embrace and promote hybrid working, recognising the benefits in terms of both cost efficiency and staff satisfaction. With the embedding of our new experienced Housing Officer, our service delivery on the ground has gone from strength to strength, reflected in the number of compliments received during the year. We have invested in staff training over the year, with staff attending both inhouse and specialist training relevant to their role.

We Anticipate

We Anticipate: Key Performance Measures	24-25 Target	24-25 Performance	Benchmark	25-26 Target
ASB per 1000 homes (TSM)	-	16.7	56.5	-
Hate crime per 1000 homes (TSM)	-	0	1.2	-
Average relet days	21	38	98%	30
Current tenant social arrears	4.0%	5.7%	3.1%	4.0%
Rent collection rate	100%	97.7%	76%	100%
No. of accounts over £1k	40	43	-	35

ASB

We continue to work closely with our residents to tackle Anti-Social Behaviour (“ASB”) and we continue to see a positive shift in culture. While satisfaction with ASB case handling is low at 62.5% we are confident in the Tenant Satisfaction Survey in 2025 we will see increased satisfaction. As last year, we had 20 ASB cases reported, mainly for low level noise.

Income collection

At the end of the year our rent arrears have seen a slight increase to 5.7%. Although this is largely down to the timing of benefit payments, it is still too high. However, much work has gone on behind the scenes and residents in arrears of 4 weeks stood at 3.1%, down on last year’s 4.6%. The robust monitoring of arrears, coupled with the resident surgeries, has given us a greater insight into residents’ financial circumstances and enabled us to provide improved and targeted support.

Data & Systems

As a small organisation we want to offer a flexible and efficient service and we are investing in making sure the way we set up our business processes reflects this. Our Data Project aims to make sure our customer and property data is driving our decision making, and that our IT systems and processes are set up to reduce waste and duplication as far as possible. This investment means our overheads are likely to remain

Report of the Board

high relative to our peers, and this is also a reflection of the increased requirements of all housing associations being covered by a small staffing team.

Financial Performance

A surplus of £417k has been generated in the year (2024: £241k) and capital expenditure incurred totalling £1.3m (2024: £0.6m). This includes £0.7m for our ongoing retrofit project at Morland Mews, which is match-funded with grant from the Social Housing Decarbonisation Fund.

We pitch ourselves as top performers in investing in our homes and making them more sustainable. We know this means some of our financial metrics will be lower than our peers because we are spending more with our long-term vision in mind. We compare our performance for the current and previous years and against our immediate peer group, the BM320. The peer group comprises of 9 comparable small London based associations.

The benchmarking shows that our investment in our existing homes is much higher than our peers. This is not unexpected and unlikely to change in future, since our stock is mostly listed, in a high value central London location, and our strategy is to invest in our homes and take the lead on sustainability and retrofit.

Our high levels of investment have impacted our financial metrics, especially when combined with the high-cost inflationary environment we have been in, and increased interest rates during the year. Our return on capital employed, EBITDA-MRI interest cover, operating margins and social housing cost per unit are all lower than our peers because of these factors.

Our costs per home remain high compared to our peers driven mainly by our high levels of investment in capital repairs and sustainability works. Overheads overall have been well controlled in the year and they are in line with the benchmark, reflecting our small, lean, organisation.

VfM: Performance Measures	22-23 Performance	23-24 Performance	24-25 Performance	Benchmark
Reinvestment %	7.4%	3.8%	8.1%	3.5%
New supply (social housing) %	0%	0%	0%	0%
New supply (non-social housing) %	0%	0%	0%	0%
Gearing %	21%	20%	22%	17%
EBITDA MRI Interest Cover %	(0.20)	1.42	(0.42)	1.84
EBITDA MRI % excl retrofit	(0.20)	2.05	1.92	1.84
Headline social housing cost per home	£8,044	£7,217	£10,455	£6,005
Headline cost £ excl retrofit	£8,044	£7,021	£8,011	£6,005
Operating margin (social) %	10%	22%	22%	19%
Operating margin (overall) %	10%	21%	25%	19%
Return on capital employed %	1.4%	3.1%	3.9%	2.7%
Housing management cost per home	£632	£619	£665	£579
Responsive & Voids cost per home	£752	£865	£759	£1,151
Major & Cyclical Works (inc capital & retrofit)	£4,018	£2,603	£5,266	£1,429
Overheads % turnover	19%	21%	18%	18%

Report of the Board

Principal risks and uncertainties

The process for identifying, evaluating, and managing risk is embedded throughout the organisation through a strong risk management culture, where staff are empowered to raise risks as they emerge. Significant risks which require involvement of the Leadership Team are monitored via the BHA's Risk Register and the top ten risks are reported to the Audit, Finance & Risk Committee and Board. Each risk is

evaluated for the probability of its materialising and for its potential impact, which could be financial, reputational, operational, or legal. BHA also conducts stress testing on its business plans to meet the Regulator's Governance and Financial Viability Standard, using the scenarios identified in the risk register.

The key risks presenting the greatest threat to BHA are outlined in the table below:

Key Risks	Controls in place to mitigate the risk
Health and Safety Compliance BHA is landlord and employer responsible for all aspects of health and safety ensuring our homes are safe to live in and BHA is a safe place for our staff. This includes addressing damp and mould issues in our homes.	Key health & safety monitors in place and is tracked monthly and a new more detailed tracker has been developed. These are reported quarterly to the Audit & Risk Committee and Board. Staff receive health & safety training appropriate for their role, and a staff H&S compliance group is in place. We have undertaken a thorough review with Penningtons in the year and working through their recommendations will strengthen our controls.
Data Quality and Cyber Security The quality of our data impacts the way we work and the decisions that we make at all levels of the organisation. As cyber-attacks across our sector become more frequent and sophisticated, BHA needs to remain vigilant and keep cyber security controls up to date	We are undertaking a data governance project with a view to defining what data we hold, where it is, how we keep it up to date and how we use it, with internal audits undertaken in 2024-25. Cyber security insurance in place which includes domain monitoring. Recent internal audit of IT security with all recommendations implemented. Financial Regulations updated to tighten controls around new suppliers and bank account amendments.
Under-Investment in Property Our homes are in one of London's most expensive Boroughs, and many are listed buildings, meaning that the cost to maintain and repair our homes is high and needs to be fully planned and funded	Full stock condition surveys are underway to provide a clear picture of the investment our properties need. Following this the financial plan will be updated to ensure the works required can be fully funded within the plan. The financial plan and Asset Management Strategy are over seen by the Board.
Zero Carbon Agenda Costs of implementation, complexity around retrofitting, skills and resource requirement. The agenda will require significant resident involvement, particularly if intrusive works are required.	High-level costings have been incorporated into BHA's plan and funding requirements are established. BHA's CEO is highly involved in policy discussions nationally. Retrofit works are underway on our main estate. A Board member with sustainability expertise has been appointed. We have successfully accessed Social Housing Decarbonisation Funding. Hard to treat properties involving planning restrictions have been identified and plans are underway to tackle them.
Development Project Controls With any large complex project there are inherent risks, and as BHA begins work at Morland Mews risks around cost control and neighbourhood relations are kept under review.	Steering group to be re-established with residents at Morland Mews. Planning permission secured and costs scrutinised by an Employers Agent. Project team in place. Fixed price contract under negotiation with contractors.

Report of the Board

Legal Status

BHA is registered under the Co-operative and Community Benefit Society Act 2014 and is a registered social landlord.

Corporate Governance

BHA ensures full compliance with the Regulator of Social Housing's Regulatory Framework as it relates to small social housing providers with fewer than 1,000 homes. The Board has adopted the National Housing Federation Code of Governance (2020 edition) and the National Housing Federation Model Rules 2015 to ensure full compliance. This includes Board self-assessment and independent assessment. The Board has adopted the National Housing Federation Code of Conduct and Board members confirm their compliance with the Code on an annual basis.

We review our compliance with the Code on an annual basis and confirm that we have complied with the Code and the Regulator's Governance and Financial Viability Standard in all areas.

Board

BHA's Board comprised of 11 members at the end of 2024-25. Chyrel Brown stood down at the AGM in September 2024 after completing her full term. Four new Board members were formally appointed at the September 2024 AGM, Ben Kelly, Katri Wilson, Kenny Johnson and Matthew Smith. Liz Curran also joined the Board on 14th March 2025 and will be taking over as Chair of the Audit, Finance & Risk Committee.

All members are non-executive and, for legal purposes, are regarded as directors. Members are recruited externally by a formal interview process and are drawn from a variety of backgrounds. BHA has two resident Board members.

The Board is responsible for the overall direction of BHA's affairs which are set out in the Board Terms of Reference. The day-to-day management of BHA is delegated to the Chief Executive and the staff team. The Board meets five or six times each year. The average attendance at Board meetings during the year was 79% (2024: 84%).

The Board is supported by two committees, the Audit, Finance & Risk Committee and a Remuneration Committee. The committees report back to the Board after each meeting where their recommendations are considered and approved as appropriate. We also conduct Board appraisals each year, with our triennial external review due in 2025.

Internal Controls

The Board acknowledges its responsibility for ensuring we have in place a system of controls appropriate to the environment in which we operate. These controls are designed to give reasonable assurance with respect to:

- The reliability of financial information used within BHA or for publication;
- The maintenance of proper accounting records;
- The safeguarding of assets against unauthorised use or disposition;
- Bribery and money laundering legislation.

It is the Board's responsibility to establish and maintain systems of internal financial accountability. Such systems can only give reasonable and not absolute assurance against material misstatement or loss. Key elements include ensuring that:

Report of the Board

- Formal financial regulations are in place, including rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of BHA's assets;
- Forecasts and budgets are prepared which allow the Board to monitor the key business risks and financial objectives and progress towards financial plans set for the year;
- Quarterly accounts are prepared promptly, providing relevant up to date financial and other information. Significant variances from budget are investigated as appropriate;
- All significant new initiatives, major investment commitments and investment projects are subject to formal authorisation procedures through the Board;
- A thirty-year financial plan is prepared to ensure that BHA's finances remain viable in view of planned and potential development and expected future asset management costs. This plan is stress tested using various significant risk scenarios;
- The Risk Management strategy and identification of key risks is reviewed by the Audit, Finance & Risk Committee on a quarterly basis;

No weaknesses in financial control were found by the Board, which resulted in material losses, contingencies, or uncertainties, which would require disclosure in the financial statements or in the external auditors' report.

The Board is kept apprised of developments in the Internal Control environment and reviews the viability and efficacy of these controls at least annually.

Internal auditors carried out a review across seven areas during 2024-25 and their opinion based on the work undertaken was that there is reasonable assurance of an effective framework of governance, risk management and controls at BHA. In addition, no actual or suspected instances of fraud were identified through their work.

Statement of the responsibilities of the Board

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

Under the Co-operative and Community Benefit Societies Act 2014 and registered social housing legislation the Board is required to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under the Co-operative and Community Benefit Societies Act 2014 the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and surplus or deficit of BHA for that period. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice (SORP) Accounting by Registered Housing Providers 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 BHA will continue in business.

Report of the Board

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of BHA and enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014 and other applicable legislation and standards. It is also responsible for safeguarding the assets of BHA 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 on BHA's website.

Disclosure of information to auditor

Each of the Board members at the time when this Report of the Board is approved has confirmed that:

- so far as that Board member is aware, there is no relevant audit information of which BHA's auditor is unaware, and
- that Board member has taken all the steps that ought to have been taken as a Board member in order to be aware of any relevant audit information and to establish that BHA's auditor is aware of that information.

Statement of Viability and Going Concern

The Board is confident that the future prospects for BHA are sound. BHA's financial plan has been stress-tested for anticipated changes in its key assumptions which might arise as a result of various scenarios including cost inflations, changes to the rent setting regime, and an increase in works costs and capital cost. This has shown that BHA currently has sufficient capacity to endure a range of scenarios and continue to comply with its current loan covenants.

As at 31 March 2025, the Association had a cash balance of £1,040,437 (2024: £844,488). A new 5-year £3m facility has been arranged with CAF bank and at the year-end we had £2.5m undrawn funds, which is sufficient to cover our future commitments.

As such, the Board has a reasonable expectation that BHA has adequate resources to continue in operation for the foreseeable future, being a period of no less than one year from the date of approval of these financial statements. BHA therefore continues to adopt the going concern basis in preparing the Financial Statements.

This report of the Board was approved on 17 July 2025 and signed by order of the Board.



Susan French (Jul 17, 2025, 1:16pm)

S French
Secretary

Independent Auditors' Report to the Members of Barnsbury Housing Association Limited

Opinion

We have audited the financial statements of Barnsbury Housing Association Limited (the 'association') for the year ended 31 March 2025 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Reserves, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2025, and of its 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 in England 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 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.

Other information

The other information comprises the information included in the Report of the Board, other than the financial statements and our auditor's report thereon. The Board are responsible for the other information contained within the Report of the Board. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our

Independent Auditors' Report to the Members of Barnsbury Housing Association Limited

knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 where the Co-operative and Community Benefit Act 2014 requires us to report to you if, in our opinion:

the Association has not kept proper books of account, and not maintained a satisfactory system of control over its transactions, in accordance with the requirements of the legislation; or
the revenue account, any other accounts to which our report relates, and the balance sheet are not in agreement with the Association's books of account; or
we have not obtained all the information and explanations necessary for the purposes our audit.

Responsibilities of the Board

As explained more fully in the Board's responsibilities statement set out on page 15, 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 it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor 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.

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

Based on our understanding of the Association, and its sector, we identified that the principal risks of non-compliance with laws and regulations related to employment laws, pension legislation, health and safety regulations, anti-bribery, corruption, fraud, money laundering, Homes England requirements and Regulator of Social Housing requirements and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Co-operative and

Independent Auditors' Report to the Members of Barnsbury Housing Association Limited

Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing 2022.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified these included the following:

We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness.

We reviewed the accounting policies for evidence of management bias.

We reviewed minutes of Board meetings and agreed the financial statement disclosures to underlying supporting documentation.

We have made enquiries of management and officers of the Association regarding laws and regulations applicable to the organisation.

We reviewed the risk management processes and procedures in place.

We have reviewed any correspondence with the Association regulators and reviewed the procedures in place for the reporting of incidents to the Board including reporting to regulators if necessary.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Association's members, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. 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.



For and on behalf of
PRICE BAILEY LLP
Chartered Accountants & Statutory Auditors
8th Floor Dashwood House
69 Old Broad Street
London
EC2M 1QS

Date: 22 July 2025

Statement of Comprehensive Income

For the year ended 31 March 2025

	Note	2025 £	2024 £
Turnover	3	3,047,040	2,707,363
Operating costs	3	(2,286,813)	(2,140,713)
	5	<u>760,227</u>	<u>566,650</u>
Operating surplus (before fair value adjustments)			
Deficit on revaluation of investment property	12	(20,000)	-
		<u>740,227</u>	<u>566,650</u>
Operating surplus after fair value adjustments			
Finance income	6	11,210	1,782
Interest and financing costs	7	(334,437)	(326,891)
		<u>417,000</u>	<u>241,541</u>
Surplus and total comprehensive income for the year			

The results relate wholly to continuing operations.

The accompanying notes form part of these financial statements.

Statement of Changes in Reserves

	£
Balance at 1 April 2023	9,955,984
Total comprehensive income for the year ended 31 March 2024	241,541
Balance at 31 March 2024	10,197,525
Total comprehensive income for the year ended 31 March 2025	417,000
Balance at 31 March 2025	<u>10,614,525</u>

The income and expenditure reserve represents the cumulative surpluses and deficits of the Association.

The accompanying notes form part of these financial statements.

Statement of Financial Position

At 31 March 2025

	Note	2025 £	2024 £
Tangible fixed assets			
Housing properties	11	18,075,608	17,197,544
Investment property	12	715,000	735,000
Other tangible fixed assets	13	50,050	51,960
		18,840,658	17,984,504
Current assets			
Debtors	14	320,549	198,448
Cash and cash equivalents		1,040,437	844,488
		1,360,986	1,042,936
		(823,016)	(809,670)
Creditors: Amounts falling due within one year	15		
Net current assets		537,970	233,266
Total assets less current liabilities		19,378,628	18,217,770
Creditors: Amounts falling due after more than one year	16	(8,764,085)	(8,020,230)
Total net assets		10,614,543	10,197,540
Capital and reserves			
Non-equity share capital	19	18	15
Reserves		10,614,525	10,197,525
Total capital and reserves		10,614,543	10,197,540

These financial statements were approved by the Board on 17 July 2025 and signed on its behalf by:



Sean McLaughlin (Jul 17, 2025, 1:13pm)



Susan French (Jul 17, 2025, 1:16pm)



Liz Curran (Jul 17, 2025, 2:42pm)

S McLaughlin
Chair

S French
Secretary

E Curran
Board Member

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the year ended 31 March 2025

	Note	2025 £	2024 £
Net cash generated from operating activities	20	921,017	904,281
Cash flow from investing activities			
Purchase of tangible fixed assets		(1,127,858)	(610,147)
Grants received		-	126,108
Interest received		11,210	1,782
Net cash flow from investing activities		(1,116,648)	(482,257)
Cash flow from financing activities			
Repayment of borrowings		(247,045)	(215,000)
New borrowings		950,000	300,000
Interest paid		(311,379)	(293,841)
Share capital (repaid)/received		3	(3)
Net cash flow from financing activities		391,579	(208,844)
Net change in cash and cash equivalents		195,948	213,180
Cash and cash equivalents at the beginning of the year		844,488	631,308
Cash and cash equivalents at the end of the year		1,040,436	844,488

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

I Legal status and principal activity

The Association is registered under the Co-operative and Community Benefit Society Act 2014 and is registered with the Homes and Communities Agency as a Registered Provider of social housing in England. The registered address is shown on page 3.

The Association's principal activity is the provision of social housing.

2 Accounting policies

Basis of accounting

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and in the preceding year.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council and the Statement of Recommended Practice for registered social housing providers 2018 (SORP), and comply with the Accounting Direction for private registered providers of social housing 2022. Barnsbury Housing Association Limited is a public benefit entity, as defined in FRS 102 and applies the relevant paragraphs prefixed 'PBE' in FRS 102.

These financial statements are presented in sterling (£).

Statement of Compliance

Barnsbury Housing Association Limited has prepared its financial statements in accordance with FRS 102 for both the current and preceding financial years.

Going concern

The Association's business activities, its current financial position and factors likely to affect its future development are set out within the Report of the Board. The Association has in place long-term debt facilities, which provide adequate resources to finance committed reinvestment and development programmes, along with the Association's day to day operations. The Association's financial plan has been stress-tested during the year for changes in key assumptions which might arise including cost inflations, changes to the rent setting regime, and an increase in works costs and capital cost. This has shown that the Association currently has sufficient capacity to endure a range of scenarios and continue to comply with its current loan covenants.

On this basis, the Board has a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

Significant management judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The following are the significant judgements made in applying the accounting policies of the Association that have the most significant effect on the financial statements.

Impairment

An annual review for impairment has been carried out. We estimated the recoverable amount of our housing properties as follows:

(i) We determined the level (the cash generating unit) at which the recoverable amount is to be assessed. The CGU was determined to be an individual scheme or block of properties.

- (ii) We assessed the recoverable amount of the CGU.
- (iii) We calculated the carrying amount of the CGU.
- (iv) We compared the carrying amount to the recoverable amount to determine if impairment has occurred.

The recoverable amount was determined by calculating a discounted cash flow. Based on this assessment, no impairment charge was deemed necessary.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Investment property

Since 2018-19 our former office property at 303B Upper Street has been let at market rent. Accordingly, it has been shown as an investment property at fair value. The initial valuation was carried out by a local estate agent based on the recent selling prices of similar properties in the same area. In valuing the property as at 31 March 2025, we have undertaken a formal valuation by JLL. See Note 12 for further information.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets. Uncertainties in these estimates relate to changes to Decent Homes Standards, which may require more frequent replacement of key components.

Turnover

Turnover comprises:

- a) rental income from resident's receivable in the period;
- b) amortisation of capital grants received over the useful life of the asset funded by the grant;
- c) revenue grants (if received);
- d) service charge income, and
- e) commercial rents.

Rental income is recognised from the point where properties become available for letting. Revenue grants are receivable when the conditions for the receipt of agreed grant funding have been met.

Financial Instruments

Financial instruments which meet the criteria of a basic financial instrument as defined in Section 11 of FRS 102 are accounted for under an amortised historic cost model.

Debtors

Short term debtors are measured at transaction price, less any impairment. Where deferral of payment terms has been agreed, and where material, the balance is shown at the present value, discounted at a market rate.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short term, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

Financial assets carried at amortised cost

Financial assets carried at amortised cost comprise rent arrears, trade and other receivables and cash and cash equivalents. Financial assets are initially recognised at fair value plus directly attributable transaction costs. After initial recognition, they are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. If there is objective evidence that there is an impairment loss, the amount of the loss

is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced accordingly.

A financial asset is derecognised when the contractual rights to the cash flows expire, or when the financial asset and all substantial risks and reward are transferred. If an arrangement constitutes a financing transaction, the financial asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial liabilities carried at amortised cost

These financial liabilities include trade and other payables and interest-bearing loans and borrowings. Non-current debt instruments which meet the necessary conditions in FRS 102, are initially recognised at fair value adjusted for any directly attributable transaction cost and subsequently measured at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance costs in the Statement of Comprehensive Income. Discounting is omitted where the effect of discounting is immaterial.

A financial liability is derecognised only when the contractual obligation is extinguished, that is, when the obligation is discharged, cancelled or expires.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Employee benefits

Short-term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred.

Pensions

The Association operates a defined contribution pension scheme. The pension costs for that scheme represent contributions payable by the Association in the year.

Housing Properties

Housing properties are properties held for the provision of social housing. They are principally properties available for rent and are stated at cost less accumulated depreciation and impairment losses. Cost includes the cost of acquiring land and buildings, development costs, interest charges incurred during the development period and expenditure incurred in respect of improvements.

Improvements are works which result in an increase in the net rental income, such as a reduction in future maintenance costs, or result in a significant extension in the useful economic life of the property in the business. Only the direct overhead costs associated with new developments or improvements are capitalised. Land donated by local authorities and others is added to cost at the market value of the land at the time of the donation.

Depreciation of Housing Properties

Freehold land and properties held for development are not depreciated. Depreciation is charged to write down the net book value of housing properties to their estimated residual value, on a straight-line basis, over their estimated useful economic lives in the business. Refurbishment or replacement of the major components is capitalised and depreciated over the estimated useful economic life of the component. The depreciable amount is arrived at on the basis of original cost less residual value.

The Association depreciates the major components at the following annual rates.

Structure	1%
Kitchens and bathrooms	5%
Boilers	7%
Lifts	4%
Windows & doors	4%
Electrics	2.5%

Leasehold properties

Leasehold properties are depreciated over the length of the lease except where the expected useful economic life of properties is shorter than the lease, when the lease and building elements are depreciated separately over their expected useful economic lives.

Impairment

Annually housing properties are assessed for impairment indicators. Where indicators are identified, and assessment for impairment is undertaken comparing the scheme's carrying amount to its recoverable amount. Where the carrying amount of a scheme is deemed to exceed its recoverable amount, the scheme is written down to its recoverable amount. Any such write down would be charged to income and expenditure.

Investment property

The investment property is shown at fair value, based on an independent valuation. This is re-assessed each year and any difference is taken to the Statement of Comprehensive Income.

Government Grants

Government grants include grants receivable from the Homes and Communities Agency, local authorities, and other government organisations. Such grants are recognised in income over the useful life of the housing property structure and, where applicable, its individual components (excluding land) under the accruals model. Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate, as long as all conditions for receiving the grant have been fulfilled.

Government grants are subordinated to the repayment of loans by agreement with the HCA. Grants released on sale of a property may be repayable but are normally available to be recycled and are credited to a Recycled Capital Grant Fund and included in the statement of financial position in creditors.

Other grants

These include grants from other organisations. Grants in respect of revenue expenditure are credited to income and expenditure account in the same period as the expenditure to which they relate.

Other tangible fixed assets and depreciation

Other tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided evenly on the cost of other tangible fixed assets to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land. The principal annual rates used for other assets are:

Freehold offices	10%
Furniture, fixtures and fittings	10%
Computers and office equipment	25%
Plant and equipment	20%

Cyclical repairs and maintenance

The Association's cyclical repairs and maintenance costs are charged to the income and expenditure account, as incurred.

Provisions for liabilities

Provisions are recognised when there is a present obligation as a result of a past event, and it is probable the settlement of that obligation will be required, and a reliable estimate of the obligation can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period.

The Association recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next twelve months. The provision is measured at the salary cost payable for the period of absence.

3 Particulars of turnover, operating costs and operating surplus

2025	Turnover	Operating costs	Operating surplus / (deficit)
	£	£	£
Social housing lettings	2,917,036	(2,281,225)	635,811
Non-social housing activities	130,004	(5,588)	124,416
	<u>3,047,040</u>	<u>(2,286,813)</u>	<u>760,227</u>
2024			
Social housing lettings	2,679,565	(2,096,352)	583,213
Non-social housing activities	27,798	(44,362)	(16,564)
	<u>2,707,363</u>	<u>(2,140,713)</u>	<u>566,650</u>

Income and expenditure from social housing lettings

	General needs housing 2025 £	2024 £
Rent receivable net of identifiable service charge	2,470,126	2,345,572
Service charge income	345,970	209,060
Amortisation of government and other grants	100,940	124,932
	<u>2,917,036</u>	<u>2,679,565</u>
Turnover from social housing lettings		
Management	334,245	464,377
Service charge costs	701,957	389,766
Routine maintenance	332,480	262,833
Planned & cyclical maintenance	528,548	491,046
Housing property depreciation	381,757	388,312
Development	2,237	100,018
	<u>2,281,225</u>	<u>2,096,352</u>
Operating cost on social housing lettings		
Operating surplus on social housing lettings	<u>635,811</u>	<u>583,213</u>
Void losses	<u>27,066</u>	<u>61,480</u>

4 Accommodation in management and development

	2025	2024
General housing		
Social rent	299	299
Investment property	1	1
	300	300
 Accommodation in development at the year-end	 6	 6

5 Operating surplus

	2025 £	2024 £
Operating surplus is arrived at after charging/(crediting):		
Amortisation of government and other grants	(100,940)	(124,932)
Depreciation of housing properties	359,857	348,008
Deficit on disposal of tangible fixed assets	21,900	40,304
Depreciation of other tangible fixed assets	40,462	35,538
Revaluation of investment property	(20,000)	-
Auditors' remuneration (excluding VAT):		
- for audit services	18,650	16,800

6 Interest receivable and similar income

	2025 £	2024 £
Interest receivable from cash deposits	11,210	1,782

7 Interest and finance costs

	2025 £	2024 £
Interest on loans	311,379	266,984
Costs of obtaining new loan and other charges	23,058	59,907
	334,437	326,891

8 Employees

Average monthly number of employees, including key management personnel noted below, expressed in full-time equivalents (calculated based on a standard working week of 35 hrs):

	2025 No.	2024 No.
Administration	4	3
Development	1	1
Housing, support and care	6	7
	11	11
Employee costs:	£	£
Wages and salaries	576,110	550,313
Social security costs	58,840	54,088
Other pension costs	43,857	41,080
Less: staff costs capitalised	(42,958)	(19,616)
	635,850	625,865

Employees who received remuneration in excess of £60,000 during the year were as follow:

	2025 No.	2024 No.
£80,001 - £90,000	1	-
£70,001 - £80,000	1	1
£60,001 - £70,000	2	1

The Association operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Association in an independently administered fund. The pension costs charge represents contributions payable by the Association to the fund and amount to £43,857 (2024: £41,080). Contributions of £5,804 were due to the fund at the year-end (2024: £5,851).

9 Key management personnel

Key management personnel are those people having authority and responsibility for planning, directing, and controlling the Association's activities, either directly or indirectly. This includes the Board and the Chief Executive. The Chief Executive works part-time (0.8 FTE).

The Chief Executive's emoluments (highest paid employee) include:

	2025 £	2024 £
Basic salary	82,807	78,864
Pension contributions	8,251	10,182

There are no special pension arrangements for the Chief Executive, who is an ordinary member of the defined contribution pension scheme

No emoluments were paid to Board directors during the year (2024: £nil). No expense allowances were paid during the year to members of the Board (2024: £nil). BHA provided Chartered Institute of Housing subscriptions for 1 Board member during the year (2024: 4) and access to Inside Housing for 1 Board member (2024: 1).

10 Taxation

The association has charitable status and benefits from various exemptions from taxation afforded by the tax legislation and is not therefore liable to corporation tax on income or gains falling within these exemptions. The association is not registered for Value Added Tax.

II Tangible fixed assets – housing properties

	Properties held for development	Properties held for letting	Total
	£	£	£
Cost			
At 1 April 2024	410,688	25,311,940	25,722,628
Works to existing properties	-	1,226,689	1,226,689
Disposal of components	-	(44,986)	(44,986)
Additions	33,132	-	33,132
At 31 March 2025	443,820	26,493,643	26,937,463
Depreciation			
At 1 April 2024	-	8,525,084	8,525,084
Charge for the year	-	359,857	359,857
On disposals	-	(23,086)	(23,086)
At 31 March 2025	-	8,861,855	8,861,855
Net book value			
At 31 March 2025	443,820	17,631,788	18,075,608
At 31 March 2024	410,688	16,786,856	17,197,544

Housing properties held for letting include long leasehold properties with a cost of £229,377 (2024: £229,377), accumulated depreciation of £68,543 (2024: £65,259) and net book value of £160,834 (2024: £164,118).

Expenditure on works to existing properties

	2025	2024
	£	£
Components capitalised	495,879	391,236
Retrofit sustainability works	730,810	184,863
Total works on existing properties capitalised	1,226,689	576,099
Amounts charged to the statement of comprehensive income	239,084	259,125
	1,465,773	835,224

II Tangible fixed assets – housing properties (continued)

Social housing assistance

	2025 £	2024 £
Total accumulated social housing grant received or receivable at 31 March:		
Recognised in the Statement of Comprehensive Income	6,218,618	5,991,570
Held as deferred income	3,967,722	4,068,662
Grants received in the year and held as deferred income	172,595	126,108
	10,358,935	10,186,340
Capital grant received	9,532,988	9,360,393
Revenue grant received	825,947	825,947
	10,358,935	10,186,340

Impairment

We consider individual schemes to be separate Cash Generating Units when assessing for impairment, in accordance with the requirements of FRS 102 and SORP 2018.

No impairment is considered necessary as at 31 March 2025.

12 Investment properties non-social housing properties held for letting

	2025 £	2024 £
Net book value		
At 1 April	735,000	735,000
Gain / (loss) on revaluation	(20,000)	-
At 31 March	715,000	735,000

The former office at 303B Upper Street is currently let at a market rent. The valuation of £715,000 at 31 March 2025 was undertaken by JLL and is based on market conditions with an active market, the price per square foot and selling price of similar properties in the same area.

13 Tangible Fixed Assets - Other

	Freehold offices £	Furniture, fixtures & fittings £	Computers & office equipment £	Plant & Equipment £	Total £
Cost					
At 1 April 2024	63,270	25,799	203,821	78,872	371,762
Additions	-	277	21,204	22,165	43,646
Disposals	-	(17,709)	(130,071)	-	(147,780)
At 31 March 2025	63,270	8,367	94,954	101,037	267,628
Depreciation					
At 1 April 2024	63,108	20,733	183,209	52,752	319,802
Charge for the year	162	1,534	17,666	21,100	40,462
Disposals	-	(15,737)	(126,949)	-	(142,686)
At 31 March 2025	63,270	6,530	73,926	73,852	217,578
Net book value					
At 31 March 2025	-	1,837	21,028	27,185	50,050
At 31 March 2024	162	5,066	20,612	26,120	51,960

14 Debtors

	2025 £	2024 £
Arrears of rent and service charges	206,732	151,822
Less: provision for bad and doubtful debts	(83,020)	(83,020)
	123,711	68,801
Prepayments and accrued income	196,837	129,647
	320,549	198,448

The difference between the net present value of arrears balances with a payment plan is not materially different from the actual balances. Therefore, no adjustment has been made in these financial statements.

15 Creditors: amounts falling due within one year

	2025 £	2024 £
Rent and service charges received in advance	65,511	69,268
Trade creditors	268,463	294,388
Accruals and deferred income	104,758	90,352
Taxation and social security	16,794	18,880
Other creditors	5,803	5,850
Deferred grant income (note 17)	100,932	100,932
Loan capital repayment (note 18)	260,755	230,000
	823,016	809,670

The balance above includes an accrual for holiday leave pay of £11,460 (2024: £9,588), which represents holiday balances accrued as a result of services rendered in the current period and which employees are entitled to carry forward. The accrual is measured as the salary cost payable for the period of absence.

16 Creditors: amounts falling due after more than one year

	2025 £	2024 £
Deferred grant income (note 17)	4,039,385	3,967,730
Debt (note 18)	4,724,700	4,052,500
	8,764,085	8,020,230

17 Deferred grant income

	2025 £	2024 £
At 1 April	4,068,662	4,067,486
Grants received in the year	172,595	126,108
Released to income in the year	(100,940)	(124,932)
	4,140,317	4,068,662
At 31 March		

	2025 £	2024 £
Amounts to be released within one year	100,932	100,932
Amounts to be released in more than one year	4,039,385	3,967,730
	4,140,317	4,068,662

18 Debt analysis

	2025 £	2024 £
Due within one year	260,755	230,000
Due after more than one year	4,724,700	4,052,500
	<u>4,985,455</u>	<u>4,282,500</u>
Within one year	260,755	230,000
Between one and two years	260,755	230,000
Between two and five years	794,765	690,000
After five years	3,669,180	3,132,500
	<u>4,985,455</u>	<u>4,282,500</u>

The loan from Virgin Bank plc stood at £4.5m (2024: £4.3m) and is secured by fixed charges on individual properties. The availability period ended in September 2024 and capital repayments commenced from December 2022. Interest is paid quarterly at 1.45% over Bank of England base rate.

A 5-year £3m facility with CAF Bank was agreed in October 2024 and at the year-end £0.5m was drawn (2024: £nil). The facility is secured by fixed charges on individual properties and capital repayments will commence in October 2029. Interest is paid monthly at 1.4% over Bank of England base rate, plus non-utilisation fees of 0.75% on the undrawn balance of the facility.

No adjustments have been made to the carrying value of these loans.

19 Non-equity share capital

	2025 £	2024 £
Number of members		
At 1 April	15	17
Joined during the year	5	-
Cancelled during the year	(2)	(3)
	<u>18</u>	<u>15</u>
At 31 March	18	15

The shares provide members with the right to vote at general meetings, but do not provide any rights to dividends or distributions on winding up. Each member agrees to contribute £nil in the event of winding up.

20 Cash flow from operating activities

	2025 £	2024 £
Surplus for the year	417,000	241,541
Depreciation of tangible fixed assets	424,299	423,850
Amortisation of government grants	(100,940)	(124,932)
Decrease/(increase) in debtors	(122,101)	53,605
Increase/(decrease) in trade and other creditors	(17,410)	18,158
Interest payable	311,379	293,841
Interest receivable	(11,210)	(1,782)
Loss on revaluation of investment properties	20,000	-
Cash generated from operations	921,017	904,281

21 Analysis of changes in net debt

	At 1 April 2024 £	Movement £	At 31 March 2025 £
Cash	844,488	213,180	1,040,437
Bank loans due within one year	(230,000)	(15,000)	(260,755)
Bank loans due over one year	(4,052,500)	(672,200)	(4,724,700)
	(3,438,012)	(507,006)	(3,945,018)

22 Financial commitments

Capital commitments are as follows.

	2025 £	2024 £
Expenditure approved by the Board and committed	239,247	144,233
Expenditure approved by the Board and not committed	2,512,305	3,020,029
	2,751,552	3,164,262

22 Financial commitments (continued)

Expenditure approved by the Board and committed at 31 March 2025 represents the continued retrofit works across the Association's properties for £0.2m, which is anticipated to be met by £0.2m of grant.

Expenditure approved by the Board but not contracted for at 31 March 2025 represents the approved cost of the proposals to develop some of the garages at Morland Mews into six new homes for £2.5m. It is anticipated that grants will be received of £1.2m for this project.

23 Related parties

The Association has 2 resident Board members (2024: 2). The rent and terms of their tenancies are on normal commercial terms. Rents received from the resident Board members are £18,733 (2024: £26,786) of which £nil (2024: £290) is included in amounts owing at the year end.

The Association has 1 Board member who was appointed as a member of the Board of Islington & Shoreditch Housing Association ("ISHA") on 4th December 2024. The Association has a long-standing working relationship with ISHA which predates this Board appointment. ISHA is the lead partner of the North River Alliance which provides development and retrofit services, and access to associated grants, on behalf of 12 north and east London associations, of which the Association is a member. ISHA also provides the Association with an out of hours repairs service.

The total amounts due and outstanding between the parties are as follows:

	2025 Income / (expenditure) £	2025 Amounts Outstanding £	2024 Income / (expenditure) £	2024 Amounts Outstanding £
Income due from ISHA	-	-	126,108	-
Costs payable to ISHA	(497,018)	(241)	(3,765)	(2,413)
	<u>(497,018)</u>	<u>(241)</u>	<u>122,343</u>	<u>(2,413)</u>

The Association maintains a register of interests for its Board Members and Leadership Team.

There are no other related party transactions to disclose.