

**WOODVALE & SHANKILL COMMUNITY HOUSING**  
**ASSOCIATION LIMITED**

**REPORT AND**  
**FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2020**

**Woodvale & Shankill Community Housing Association Limited**  
**Annual Report and Financial Statements for the year ended 31 March 2020**

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## **Woodvale & Shankill Community Housing Association Limited**

### **Association Information**

#### **Board**

Mr T Fuller (Chairperson)  
Mr W Irvine  
Mr G Courtney  
Mr W Johnston  
Mr F Agnew  
Mrs S Chambers  
Mr A Bassett (Retired July 2020)  
Mr C Campbell

#### **Secretary**

Mrs S Chambers

#### **Registered Office**

91-95 Woodvale Road  
Belfast  
BT13 3BP

Registered under the Industrial and Provident Societies  
Act (Northern Ireland) 1969 IP 167

Registered with the DSD (NI) R15

Registered with the Charity Commission for Northern Ireland  
NIC 100843

HMRC charity registration XN45225

#### **Auditors**

MTS Chartered Accountants  
1 Lanyon Quay  
Belfast  
BT1 3LG

#### **Principal Bankers**

Danske Bank  
Donegall Square West  
Belfast  
BT1 6JS

#### **Solicitors**

BLM  
51 Adelaide Street  
Belfast  
BT2 8FE

# **Woodvale & Shankill Community Housing Association Limited**

## **Report of the Board for the year ended 31 March 2020**

The Board presents its report together with the financial statements for the year ended 31 March 2020.

### **Principal Activities**

The Group provides social housing accommodation for those in need, affordable housing and energy supplies.

### **Results**

The surplus on ordinary activities for the year was £818,040 compared with a surplus of £451,957 for the previous year.

### **Corporate Governance**

In the opinion of the Board, the Association is in compliance with the Best Practice issued by the NHF Code of Governance.

### **Board of Management**

The Board meets throughout the year and has committees with specific responsibilities for housing, finance and audit.

### **Going Concern**

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

### **Internal Financial Control**

The Board is responsible for the Association's systems of internal financial control and along with senior management is responsible for establishing and operating detailed control and report procedures. The systems of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement and loss.

The Board has reviewed the effectiveness of the Association's system of internal financial control. The review included consideration of the business risks facing the Association and of the existing internal financial control procedures. The key elements of the control system in operation are:

- The Board has adopted a formal schedule of matters reserved for its approval ensuring it maintains responsibility for overall strategy, approval of all property transactions and other major capital expenditure projects.
- There is an organisation structure with clearly defined lines of responsibility and delegation of authority.
- Detailed budgets are prepared covering the Association's businesses which are reviewed and approved by the Board. Actual results are compared against budget and appropriate action identified and initiated.
- The Board reviews matters relating to internal control and receives reports on a regular basis from the external and internal auditors and from senior management.
- The process for identifying, evaluating and managing the significant risks faced by the Association is ongoing, has been in place for the year under review and up to the date of approval of the annual report and accounts, and is regularly reviewed by the Board.

## **Woodvale & Shankill Community Housing Association Limited**

### **Report of the Board for the year ended 31 March 2020 *(continued)***

#### **Board's responsibilities**

The Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 and registered housing association legislation require the members of the Board of Management to prepare financial statements for each financial year which give a true and fair view of the state of the Association's affairs and of its surplus or deficit for that period. In preparing these statements the Board is required to:

- Select suitable accounting policies and apply them consistently
- Make judgements and estimates that are reasonable and prudent
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue to operate.

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

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

So far as each of the members of the Board is aware:

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

#### **Auditors**

A resolution to reappoint MTS Chartered Accountants will be proposed at the Annual General Meeting.

By order of the board



Chairperson

Belfast

Date: 8/12/20

## **Woodvale & Shankill Community Housing Association Limited**

### **Independent Auditors' Report to the members for the year ended 31 March 2020**

We have audited the financial statements of Woodvale & Shankill Community Housing Association Ltd for the year ended 31 March 2020 which comprise the statement of comprehensive income, the statement of changes in equity, the statement of financial position, the statement of cash flows and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Association's members, as a body, in accordance with Section 43 of the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 and the Registered Housing Associations (Accounting Requirements) Order (Northern Ireland) 1993. 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.

### **RESPECTIVE RESPONSIBILITIES OF THE BOARD OF MANAGEMENT AND THE AUDITORS**

As described more fully in the Board Responsibilities Statement, the Association's Board of Management is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), and for being satisfied they give a true and fair view.

It is our responsibility to audit and express an opinion on the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standard for Auditors.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with applicable law. We also report to you if, in our opinion, the report of the Board of Management is not consistent with the financial statements, if the Association has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding board members' remuneration and transactions with the Association is not disclosed.

We review whether the statement on page 5 reflects the Association's compliance with the Department for Social Development's Code of Practice ("the Code") and we report whether the Board of Management has provided the disclosures required by the Code and whether the statement is not consistent with the information of which we are aware from our audit of the financial statements. We are not required to form an opinion on the effectiveness of the Association's system of internal control.

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Association's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Board; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially consistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent misstatements or inconsistencies we consider the implications for our report.

## **Woodvale & Shankill Community Housing Association Limited**

### **Independent Auditors' Report to the members for the year ended 31 March 2020**

#### **MATERIAL UNCERTAINTY RELATED TO GOING CONCERN**

We draw attention to note 1.16 in the financial statements, which indicates that the Association is involved in actions against two separate regulators. As stated in note 1.16, these events or conditions, along with the other matters as set forth in note 1.16, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### **OPINION**

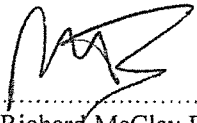
In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the Association's affairs at 31 March 2020 and of its surplus and cash flows for the year then ended;
- have been properly prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 and the Registered Housing Associations (Accounting Requirements) Order (Northern Ireland) 1993; and
- the information given in the Report of the Board of Management is consistent with the financial statements.

#### **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 Societies Act (Northern Ireland) 1969 require 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 need for our audit.

  
.....  
Mr Richard McClay FCA  
Senior Statutory Auditor  
For and on behalf of:  
MTS Chartered Accountants

1 Lanyon Quay  
Belfast  
BT1 3LG

Date: 8/12/2020

## **Woodvale & Shankill Community Housing Association Limited**

### **Consolidated Statement of Comprehensive Income Year ended 31 March 2020**

	Notes	2020 £	2019 £
Turnover	1.2	2,376,400	2,378,668
Operating costs	2	(1,638,892)	(1,629,640)
<b>Operating Surplus</b>	5	<b>737,508</b>	<b>749,028</b>
Interest receivable	3	739	1,078
Interest and finance costs	4	(16,486)	(20,856)
Exceptional costs	22	(44,721)	(174,293)
Additional pension service cost	15	(35,000)	(23,000)
Other finance income/(costs)	15	(34,000)	20,000
<b>Surplus on Ordinary Activities</b>		<b>608,040</b>	<b>551,957</b>
Re-measurement:			
Actuarial (loss)/gain on pension scheme	15	210,000	(100,000)
<b>Surplus for the Financial Year</b>	18	<b>818,040</b>	<b>451,957</b>

The turnover and expenses all relate to continuing operations of the Group.

### **Consolidated Statement of Changes in Reserves Year ended 31 March 2020**

	Notes	2020 £	2019 £
Surplus for the year		818,040	451,957
Movement in share capital		-	-
Movement in capital reserves		-	-
Net addition to capital and reserves		818,040	451,957
Opening total capital and reserves		14,550,842	14,098,885
Closing total capital and reserves		15,368,882	14,550,842



## **Woodvale & Shankill Community Housing Association Limited**

### **Association Statement of Comprehensive Income Year ended 31 March 2020**

	Notes	2020 £	2019 £
Turnover	1.2	2,295,171	2,259,506
Operating costs	2	(1,558,043)	(1,572,861)
<b>Operating Surplus</b>	5	737,128	686,645
Interest receivable	3	90,039	84,175
Interest and finance costs	4	(16,486)	(20,856)
Exceptional costs	22	(44,721)	(174,293)
Additional pension service cost	15	(35,000)	(23,000)
Other finance income (costs)	15	(34,000)	20,000
<b>Surplus on Ordinary Activities</b>		696,960	572,671
Actuarial (loss)/gain on pension scheme	15	210,000	(100,000)
<b>Surplus for the Financial Year</b>	18	906,960	472,671

The turnover and expenses all relate to continuing operations of the Association.

### **Association Statement of Changes in Reserves Year ended 31 March 2020**

	Notes	2020 £	2019 £
Surplus for the year		906,960	472,671
Movement in share capital		-	-
Movement in capital reserves		-	-
Net addition to capital and reserves		906,960	472,671
Opening total capital and reserves		14,639,204	14,166,533
Closing total capital and reserves		15,546,164	14,639,204

# **Woodvale & Shankill Community Housing Association Limited**

## **Consolidated Statement of Financial Position As at 31 March 2020**

	Notes	2020 £	2019 £
<b>Tangible Fixed Assets</b>			
Housing land and buildings:	8	29,404,652	28,867,369
Other fixed assets	9	854,394	576,777
		<u>30,259,046</u>	<u>29,444,146</u>
<b>Current Assets</b>			
Trade and other debtors	11	194,023	478,838
Cash and cash equivalents		325,253	476,581
		<u>519,276</u>	<u>955,419</u>
<b>Creditors: Amounts Falling Due Within One Year</b>	12	(1,086,145)	(1,095,884)
<b>Net Current Liabilities</b>		<u>(566,869)</u>	<u>(140,465)</u>
<b>Total Assets Less Current Liabilities</b>		<u>29,692,177</u>	<u>29,303,681</u>
<b>Creditors: Amounts Falling Due After More Than One Year</b>			
Creditors	12	14,026,295	14,314,839
Provision for liabilities	15	297,000	438,000
		<u>14,323,295</u>	<u>14,752,839</u>
<b>Total Net Assets</b>		<u>15,368,882</u>	<u>14,550,842</u>
<b>Capital and Reserves</b>			
Share capital	16	49	49
Capital reserves	17	14	14
Revenue reserves	18	15,368,819	14,550,779
<b>Total Reserves</b>		<u>15,368,882</u>	<u>14,550,842</u>

The financial statements on pages 6 to 25 were approved by the Board on the 8th Dec 2020 and are signed on their behalf by:

Chair



Board Member



## Woodvale & Shankill Community Housing Association Limited

### Association Statement of Financial Position As at 31 March 2020

	Notes	2020 £	2019 £
<b>Tangible Fixed Assets</b>			
Housing land and buildings:	8	26,891,534	26,322,275
Other fixed assets	9	831,702	543,831
Investments	10	2,577,386	2,577,011
		<u>30,300,622</u>	<u>29,443,117</u>
<b>Current Assets</b>			
Trade and other debtors	11	356,746	575,300
Cash and cash equivalents		275,419	425,840
		<u>632,165</u>	<u>1,001,140</u>
<b>Creditors: Amounts Falling Due Within One Year</b>	12	<u>(1,063,328)</u>	<u>(1,052,214)</u>
<b>Net Current Liabilities</b>		<u>(431,163)</u>	<u>(51,074)</u>
<b>Total Assets Less Current Liabilities</b>		<u>29,869,459</u>	<u>29,392,043</u>
<b>Creditors: Amounts Falling Due After More Than One Year</b>			
Creditors	12	14,026,295	14,314,839
Provision for liabilities	15	297,000	438,000
		<u>14,323,295</u>	<u>14,752,839</u>
<b>Total Net Assets</b>		<u>15,546,164</u>	<u>14,639,204</u>
<b>Capital and Reserves</b>			
Share capital	16	49	49
Capital reserves	17	14	14
Revenue reserves	18	15,546,101	14,639,141
<b>Total Reserves</b>		<u>15,546,164</u>	<u>14,639,204</u>

The financial statements on pages 6 to 25 were approved by the Board on the 8th Dec 2020 and are signed on their behalf by:



Chair



Board Member

**Woodvale & Shankill Community Housing Association Limited****Consolidated Statement of Cashflows  
Year ended 31 March 2020**

		2020	2019
	Notes	£	£
Net cash generated from operating activities	23	1,245,226	982,833
Cashflow from financing activities	23	(15,747)	(19,778)
Cashflow from investing activities	23	(1,341,353)	(1,288,995)
		<hr/> (111,874)	<hr/> (325,941)
Financing		(39,455)	(40,526)
Decrease in cash and cash equivalents		<hr/> (151,329)	<hr/> (366,467)
Cashflow from decrease in debt		39,455	40,526
Cash and cash equivalents at start of year		<hr/> 301,096	<hr/> 627,037
Cash and cash equivalents at end of year		<hr/> <hr/> 189,222	<hr/> <hr/> 301,096

# **Woodvale & Shankill Community Housing Association Limited**

## **Notes to the Financial Statements for the year ended 31 March 2020**

### **1. Accounting Policies**

#### **1.1 Basis of Accounting**

The financial statements have been prepared on the historical cost basis and in compliance with FRS 102, The Financial Reporting Standard applicable in the UK and the Housing SORP 2014: Statement of Recommended Practice for Social Housing Providers.

The financial statements are prepared in sterling, which is the functional currency of the entity. Monetary amounts are rounded to the nearest £.

The Association is a company limited by shares incorporated in Northern Ireland. The registered office is situated at 91-95 Woodvale Road, Belfast, BT13 3BP.

#### **1.2 Turnover**

Turnover represents rental income, heating charges, heating incentive income, service charges receivable net of voids and the release of capital grants, and is recognised in the period to which it relates.

#### **1.3 Other Tangible Fixed Assets and Depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is charged on a straight line basis over the expected useful economic lives of the assets at the following annual rates:

Furniture and equipment	: 10% - 33 1/3%
Plant & equipment	: 20%

#### **1.4 Housing Properties**

Housing properties are stated at cost less accumulated depreciation. Cost includes the cost of acquiring land and buildings, development costs and expenditure incurred in respect of improvements. All development costs directly attributable to bringing properties into management are identified and capitalised to schemes in construction during the year, this includes capitalising interest payments.

Expenditure on improvements to existing properties, which enhances the economic benefits of the property or extends its useful life, is capitalised as part of the cost of the property. Other maintenance expenditure is written off to the Income and Expenditure Account as it is incurred.

Depreciation is charged on a straight-line basis over varying timescales, depending on the estimated useful life of the individual components. The major components and their estimated useful lives are listed below.

Land	Not depreciated
Structure (including roof)	100 years
Kitchen	20 years
Bathroom	25 years
Heating boiler	10 years
Heating system	30 years
Windows and doors	35 years
Electrics	35 years

Where there is evidence of impairment, the fixed assets are written down to the recoverable amount and any write down charged to operating surplus.

## **Woodvale & Shankill Community Housing Association Limited**

### **Notes to the Financial Statements for the year ended 31 March 2020**

#### **1. Accounting Policies *(continued)***

##### **1.5 Housing Association Grant**

Grant received for property has been included under long term liabilities and is amortised over the estimated useful life of the component to which it relates on the same basis as the depreciation charge listed above. Such grants may be repayable under certain circumstances, primarily following the sale of housing property, but any amount repayable would be restricted to the net proceeds of the sale.

##### **1.6 Investments**

Investments in subsidiary companies are recorded at cost.

##### **1.7 Retirement Benefits**

The Association participates in the NILGOSC defined benefit pension scheme. The underlying assets and liabilities of the scheme attributable to Woodvale & Shankill Community Housing are held separately from those of the Association. Pension scheme liabilities are measured on an actuarial basis using a projected unit method and are discounted to their present value. Assets are measured at market value at the balance sheet date. As a result the Association either recognises the scheme deficit on the balance sheet at the year end, or in the case of an asset position, does not recognise this on the balance sheet, on the grounds of prudence. Actuarial gains and losses are included in the statement of comprehensive income. Current and past service costs, curtailments and settlements are recognised within operating surplus. Returns on scheme assets and interest on obligations are recognised as other finance costs.

##### **1.8 Disposal Proceeds Fund**

Surpluses from disposal of housing properties, including the Voluntary Purchase Grant, are transferred to the Disposal Proceeds Fund. The association is required to apply these surpluses within a specified period to housing projects as Recycled Housing Association Grant.

##### **1.9 Tenants' Services Fund**

For certain schemes the Association is required to charge the tenants for additional services provided, over and above those of the normal management and maintenance services. The Association levies an additional charge to the tenants for this. Annual deficits are absorbed into operating surplus.

##### **1.10 Operating leases**

Costs under operating leases are charged to the income and expenditure account in the period to which they relate. Outstanding commitments are disclosed in the notes to the financial statements.

##### **1.11 Group Accounts**

The financial statements present information about the association as an individual undertaking and about its group.

# **Woodvale & Shankill Community Housing Association Limited**

## **Notes to the Financial Statements for the year ended 31 March 2020**

### **1. Accounting Policies *(continued)***

#### **1.12 Employee Benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.13 Judgement and Key Sources of Estimation Uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### **1.14 Cash and Cash Equivalents**

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

#### **1.15 Financial Instruments**

Financial instruments are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### ***Basic financial assets***

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

##### ***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

# **Woodvale & Shankill Community Housing Association Limited**

## **Notes to the Financial Statements for the year ended 31 March 2020**

### **1. Accounting Policies (continued)**

#### **1.15 Financial Instruments (continued)**

##### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### ***Basic financial liabilities***

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

#### **1.16 Going Concern**

The financial statements have been prepared under the going concern basis. The Board have considered both the financial position of the Association and ongoing actions being taken by the Association against two separate regulators. While the regulators are independent of each other the actions are connected. At the date of the signing of the audit report the outcome of these actions is undecided. Having considered these factors the Board are content the going concern basis is appropriate.



## **Woodvale & Shankill Community Housing Association Limited**

### **Notes to the financial statements for the year ended 31 March 2020**

	<b>Group</b>		<b>Association</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>2 Operating Costs</b>				
Direct costs	1,108,912	1,177,602	1,062,011	1,130,701
Administrative expenses	529,980	452,038	496,032	442,160
	<u>1,638,892</u>	<u>1,629,640</u>	<u>1,558,043</u>	<u>1,572,861</u>
<b>3 Interest Receivable</b>				
Interest receivable	739	1,078	90,039	84,175
	<u>739</u>	<u>1,078</u>	<u>90,039</u>	<u>84,175</u>
<b>4 Interest and Finance Costs</b>				
Bank charges	946	1,093	946	1,093
Housing loans	15,540	19,763	15,540	19,763
	<u>16,486</u>	<u>20,856</u>	<u>16,486</u>	<u>20,856</u>
<b>5 Surplus On Ordinary Activities Before Taxation</b>				
Surplus on ordinary activities before taxation is stated after charging:				
Depreciation	529,967	525,670	483,066	478,769
Grant released	(255,957)	(259,437)	(255,957)	(259,437)
Auditors' remuneration - audit work	9,000	9,000	9,000	9,000
	<u>282,010</u>	<u>265,233</u>	<u>236,109</u>	<u>228,332</u>
<b>6 Taxation</b>				
No provision for current or deferred taxation is necessary due to the charitable status of the Association.				
<b>7 Employee Information</b>	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
The average weekly number of persons employed during the year was:	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>
Office	9	9	8	8
Support staff	13	12	13	12
Maintenance staff	14	14	2	2
	<u>36</u>	<u>35</u>	<u>23</u>	<u>22</u>
Staff costs	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Salaries	713,210	735,859	436,758	448,954
Social security costs	53,207	55,686	33,503	35,543
Other pension costs	31,821	31,741	29,630	28,908
	<u>798,238</u>	<u>823,286</u>	<u>499,891</u>	<u>513,405</u>

## Woodvale & Shankill Community Housing Association Limited

### Notes to the financial statements for the year ended 31 March 2020

#### 7 Employee Information *continued*

	Group		Association	
	2020	2019	2020	2019
	£	£	£	£
<b>Management Services</b>				
Equivalent aggregate emoluments (excluding VAT)	88,571	81,904	88,571	81,904

#### **Board Members' Emoluments**

Board Members act in a voluntary capacity and none were in receipt of emoluments or expenses during the year.

#### 8 Tangible Fixed Assets - Housing Land and Buildings

	Group		Association	
	2020	2019	2020	2019
	£	£	£	£
<b>Cost</b>				
At 1 April	35,460,325	34,636,886	32,830,297	32,006,858
Additions	1,012,422	1,032,305	1,007,751	1,032,305
Transferred to other fixed assets	-	(110,933)	-	(110,933)
Disposals	-	(97,933)	-	(97,933)
At 31 March	36,472,747	35,460,325	33,838,048	32,830,297
Completed	32,146,593	32,146,593	29,431,068	29,431,068
Work in progress	4,326,154	3,313,732	4,406,980	3,399,229
<b>Depreciation</b>				
At 1 April	6,592,956	6,118,464	6,508,022	6,070,177
Charge for year	475,139	479,364	438,492	442,717
Disposals	-	(4,872)	-	(4,872)
At 31 March	7,068,095	6,592,956	6,946,514	6,508,022
<b>Net Book Value</b>				
At 31 March	29,404,652	28,867,369	26,891,534	26,322,275

## Woodvale & Shankill Community Housing Association Limited

### Notes to the financial statements for the year ended 31 March 2020

#### 9 Other Tangible Fixed Assets - Group

	Tenants' furnishings/ equipment	Motor vehicles and plant	Office premises and equipment	Total
Cost	£	£	£	£
At 1 April 2019	114,190	117,702	584,699	816,591
Additions	-	-	332,445	332,445
At 31 March 2020	114,190	117,702	917,144	1,149,036
<b>Depreciation</b>				
At 1 April 2019	40,785	53,050	145,979	239,814
Charge for year	11,879	23,540	19,409	54,828
At 31 March 2020	52,664	76,590	165,388	294,642
<b>Net Book Value</b>				
At 31 March 2020	61,526	41,112	751,756	854,394
At 31 March 2019	73,405	64,652	438,720	576,777

#### Other Tangible Fixed Assets - Association

	Tenants' furnishings/ equipment	Motor vehicles and plant	Office premises and equipment	Total
Cost	£	£	£	£
At 1 April 2019	114,190	66,432	584,699	765,321
Additions	-	-	332,445	332,445
At 31 March 2020	114,190	66,432	917,144	1,097,766
<b>Depreciation</b>				
At 1 April 2019	40,785	34,726	145,979	221,490
Charge for year	11,879	13,286	19,409	44,574
At 31 March 2020	52,664	48,012	165,388	266,064
<b>Net Book Value</b>				
At 31 March 2020	61,526	18,420	751,756	831,702
At 31 March 2019	73,405	31,706	438,720	543,831

## **Woodvale & Shankill Community Housing Association Limited**

### **Notes to the financial statements for the year ended 31 March 2020**

	<b>Group</b>		<b>Association</b>	
<b>10 Investments</b>	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 April	-	-	2,577,011	2,508,754
Additions	-	-	375	68,257
At 31 March	-	-	2,577,386	2,577,011
The investments are analysed as further:				
Shares in subsidiaries	-	-	4	4
Loans to subsidiaries	-	-	2,577,382	2,577,007
	-	-	2,577,386	2,577,011

The shares represent the holding of 100% of the ordinary share capital of the following subsidiaries:

	<b>Description of activities</b>	<b>Country of incorporation</b>
WGS Property Enterprises Ltd	Contractor	Northern Ireland
WGS Green Energy Ltd	Energy provider	Northern Ireland
WGS Residential Ltd	Affordable housing	Northern Ireland
WGS New Developments Ltd	Contractor	Northern Ireland

All loans to subsidiaries are secured and carry an interest charge of base rate plus 1.65%. The Association also charges its subsidiaries for Association resources expended on subsidiary activity. All transactions are at arms length and comply with DfC guidance on group structures.

	<b>Group</b>		<b>Association</b>	
<b>11 Trade and other debtors</b>	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Arrears of rent - technical	69,453	37,172	69,453	37,172
Arrears of rent - non-technical	63,804	46,520	63,804	46,520
Provision for bad debts	(52,198)	(40,198)	(52,198)	(40,198)
	81,059	43,494	81,059	43,494
Housing association grant receivable	-	284,293	-	284,293
Prepayments and accrued income	94,874	114,616	37,996	63,300
Subsidiary companies	-	-	233,992	172,304
Other debtors	18,090	36,435	3,699	11,909
	194,023	478,838	356,746	575,300

# **Woodvale & Shankill Community Housing Association Limited**

## **Notes to the financial statements for the year ended 31 March 2020**

<b>12 Creditors</b>	<b>Group</b>		<b>Association</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>				
Trade creditors and accruals	128,391	131,448	105,574	87,778
Rents received in advance	53,745	60,515	53,745	60,515
Disposal proceeds fund	841,892	841,892	841,892	841,892
Other creditors	25,465	22,023	25,465	22,023
Loans (see note 14)	36,652	40,006	36,652	40,006
	<u>1,086,145</u>	<u>1,095,884</u>	<u>1,063,328</u>	<u>1,052,214</u>
<b>Amounts falling due after more than one year:</b>				
Deferred grant (see note 13)	13,685,520	13,937,963	13,685,520	13,937,963
Disposal proceeds fund	241,396	241,396	241,396	241,396
Loans (see note 14)	99,379	135,480	99,379	135,480
	<u>14,026,295</u>	<u>14,314,839</u>	<u>14,026,295</u>	<u>14,314,839</u>
<b>13 Deferred Grant</b>				
<b>Housing Association Grant</b>				
At 1 April	19,134,993	19,188,059	19,134,993	19,188,059
Additions	3,514	3,775	3,514	3,775
Disposals	-	(56,841)	-	(56,841)
At 31 March	<u>19,138,507</u>	<u>19,134,993</u>	<u>19,138,507</u>	<u>19,134,993</u>
<b>Amortisation</b>				
At 1 April	5,197,030	4,959,483	5,197,030	4,959,483
Released in year	255,957	259,437	255,957	259,437
Disposals	-	(21,890)	-	(21,890)
At 31 March	<u>5,452,987</u>	<u>5,197,030</u>	<u>5,452,987</u>	<u>5,197,030</u>
<b>Net Book Value</b>				
At 31 March	<u>13,685,520</u>	<u>13,937,963</u>	<u>13,685,520</u>	<u>13,937,963</u>

## **Woodvale & Shankill Community Housing Association Limited**

### **Notes to the financial statements for the year ended 31 March 2020**

#### **14 Loans**

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

	<b>Group</b>		<b>Association</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
In one year or less	36,652	40,006	36,652	40,006
Between one and two years	40,737	36,652	40,737	36,652
Between two and five years	58,642	95,008	58,642	95,008
In five years or more	-	3,820	-	3,820
	<hr/>	<hr/>	<hr/>	<hr/>
Housing loans	136,031	175,486	136,031	175,486
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Bank debt is secured by way of mortgages upon the deeds of the related properties financed by loans and bear interest at fixed and variable rates.

#### **15 Retirement Benefits - Group and Association**

The Association's pension scheme forms part of the total fund administered by NILGOSC. WSCHA has contributed at a rate of 20% of pensionable salaries, and will remain at this rate until such time as the Association is advised otherwise. Members have paid contributions at varying rates up to 8.50%.

Formal valuations are carried out at regular intervals by independent professionally qualified actuaries. The last formal valuation was carried out as at 31 March 2016.

<b>Assumptions</b>	<b>2020</b>	<b>2019</b>
Rate of salary increase	2.94%	3.62%
Pension increases in payment	1.44%	2.12%
Discount rate	2.27%	2.34%
Pension accounts revaluation rate	1.44%	2.12%
<b>Fair value of assets and obligations of scheme are:</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Equities	318,000	580,000
Government Bonds	307,000	97,000
Property	109,000	103,000
Cash	43,000	10,000
	<hr/>	<hr/>
Total market value of assets	777,000	790,000
Present value of scheme liabilities	(1,074,000)	(1,228,000)
	<hr/>	<hr/>
Deficit in scheme	(297,000)	(438,000)
Related deferred tax liability	-	-
	<hr/>	<hr/>
Net pension deficit	(297,000)	(438,000)
	<hr/> <hr/>	<hr/> <hr/>

## Woodvale & Shankill Community Housing Association Limited

### Notes to the financial statements for the year ended 31 March 2020

#### 15 Retirement Benefits (continued)

Reconciliation of scheme assets and liabilities	Assets £'000	Liabilities £'000	Total £'000
At start of period	790,000	(1,228,000)	(438,000)
Benefits paid	(45,000)	45,000	-
Service cost	-	(64,000)	(64,000)
Contributions from employer	29,000	-	29,000
Contributions from employees	9,000	(9,000)	-
Interest income/(expense)	18,000	(29,000)	(11,000)
Returns on assets (excluding interest income)	(23,000)	-	(23,000)
Actuarial (loss) or gain	-	210,000	210,000
	<u>778,000</u>	<u>(1,075,000)</u>	<u>(297,000)</u>

The following amounts have been recognised in the performance statements for the year.

	2020 £	2019 £
<b>Analysis of the amount charged to operating surplus</b>		
Current service cost	35,000	23,000
Employer contributions	31,000	31,000
Total operating charge	<u>66,000</u>	<u>54,000</u>
<b>Analysis of the amount shown as other finance costs</b>		
Interest on pension assets	18,000	19,000
Return on pension assets	(23,000)	31,000
Interest on pension liabilities	(29,000)	(30,000)
Net return	<u>(34,000)</u>	<u>20,000</u>
<b>Amount recognised in the statement of comprehensive income (SoCI)</b>		
Actuarial (loss)/gain in SoCI	210,000	(100,000)
<b>Return on plan assets</b>		
Interest income	18,000	20,000
Return on plan assets (excluding interest income)	(23,000)	31,000
	<u>(5,000)</u>	<u>51,000</u>
<b>Mortality rates</b>		
<i>Male</i>		
Current pensioners	86.8 years	88.4 years
Future pensioners	88.2 years	90.7 years
<i>Female</i>		
Current pensioners	90.0 years	91.0 years
Future pensioners	91.4 years	93.3 years

## **Woodvale & Shankill Community Housing Association Limited**

### **Notes to the financial statements for the year ended 31 March 2020**

	<b>Group</b>		<b>Association</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>16 Share Capital</b>				
Ordinary shares of £1 each fully paid:				
At 1 April and 31 March	49	49	49	49
	=====	=====	=====	=====
<b>17 Capital Reserve</b>				
At 1 April and 31 March	14	14	14	14
	=====	=====	=====	=====
<b>18 Revenue Reserves</b>				
At 1 April and 31 March	14,550,779	14,098,822	14,639,141	14,166,470
Surplus for the year	608,040	551,957	696,960	572,671
Actuarial (loss)/gain	210,000	(100,000)	210,000	(100,000)
	=====	=====	=====	=====
At 31 March	15,368,819	14,550,779	15,546,101	14,639,141
	=====	=====	=====	=====

#### **19 Contingent Liability**

There exists a contingent liability on the Group of the possibility of having to repay grants received on properties if any properties are sold. This also includes any grants written off through the implementation of component accounting.

#### **20 Commitments**

##### *Capital Commitments*

There are capital commitments amounting to £Nil.

#### **21 Related Party Disclosures**

	<b>Group</b>		<b>Association</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tenant - rental income	4,595	4,504	4,595	4,504
Management services	88,571	81,904	88,571	81,904
Accountancy services (net of VAT)	5,000	5,000	5,000	5,000
Employee loans	-	1,922	-	1,922
	=====	=====	=====	=====

Transactions with subsidiary companies have not been disclosed in accordance with available exemptions for 100% owned subsidiary companies.

#### **22 Exceptional Items**

	<b>Group and Association</b>	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Costs attributable to actions involving the regulator.	44,721	12,079
Redundancy costs	-	17,230
Relocation costs	-	144,984
	=====	=====
	44,721	174,293
	=====	=====



# **Woodvale & Shankill Community Housing Association Limited**

## **Notes to the financial statements for the year ended 31 March 2020**

### **23 Notes to the Cashflow Statement**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Cashflow from operating activities</b>		
Operating surplus for the year	737,508	749,028
Surplus (loss) on disposal of fixed assets	-	44,148
Other costs	(44,721)	(29,399)
Depreciation of tangible fixed assets	529,967	525,670
Grant released	(255,957)	(259,437)
Movements in:		
Rental debtors	(37,565)	(4,871)
Other debtors	322,380	39,030
Creditors less than one year	(6,386)	(81,336)
	<u>1,245,226</u>	<u>982,833</u>
<b>Cashflow from financing activities</b>		
Interest received	739	1,078
Interest paid	(16,486)	(20,856)
	<u>(15,747)</u>	<u>(19,778)</u>
<b>Cashflow from investing activities</b>		
Purchase of housing properties	(1,012,422)	(1,032,305)
Capital grants received	3,514	3,775
Other fixed assets	(332,445)	(336,510)
Disposal of fixed assets	-	76,044
	<u>(1,341,353)</u>	<u>(1,288,995)</u>
<b>Financing</b>		
Share capital	-	-
Loans repaid	(39,455)	(40,526)
	<u>(39,455)</u>	<u>(40,526)</u>

### **Analysis of Net Debt**

	<b>At 31/03/19</b>	<b>Cashflows</b>	<b>At 31/03/20</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Bank and cash balances	476,581	(151,328)	325,253
Loans	(175,486)	39,455	(136,031)
	<u>301,095</u>	<u>(111,873)</u>	<u>189,222</u>

## **Woodvale & Shankill Community Housing Association Limited**

### **Notes to the financial statements for the year ended 31 March 2020**

#### **24 Association turnover, operating costs and operating surplus**

	<b>2020</b>			<b>2019</b>
	<b>Turnover</b>	<b>Operating costs</b>	<b>Operating surplus (deficit)</b>	<b>Operating surplus</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Social Housing Activities	2,295,171	1,558,043	737,128	703,663
Non-Social Housing Activities	-	-	-	(17,018)
<b>Totals</b>	<b>2,295,171</b>	<b>1,558,043</b>	<b>737,128</b>	<b>686,645</b>

#### **Turnover, operating costs and operating surplus from social housing activities**

	<b>2020</b>			<b>2019</b>
	<b>General Needs</b>	<b>Sheltered</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income from Social Housing</b>				
Rent and rates receivable	1,561,589	343,154	1,904,743	1,860,922
Service charges receivable	-	158,641	158,641	160,423
Support income	-	25,897	25,897	24,032
Grant released	219,402	36,555	255,957	259,437
Gross income	1,780,991	564,247	2,345,238	2,304,814
Voids	(34,150)	(15,917)	(50,067)	(28,290)
Net income	1,746,841	548,330	2,295,171	2,276,524
<b>Operating costs</b>				
Services	-	178,411	178,411	181,507
Supporting People	-	41,849	41,849	43,812
Management costs	216,575	56,680	273,255	239,370
Rates payable	166,611	36,612	203,223	180,678
Maintenance administration costs	195,949	26,828	222,777	202,790
Planned and cyclical maintenance	51,872	14,344	66,216	134,562
Reactive maintenance	101,220	6,616	107,836	126,366
Bad debts	12,000	-	12,000	9,326
Depreciation	384,366	54,126	438,492	442,717
Other costs	13,984	-	13,984	11,733
Total operating costs	1,142,577	415,466	1,558,043	1,572,861
Operating surplus	604,264	132,864	737,128	703,663

## **Woodvale & Shankill Community Housing Association Limited**

### **Notes to the financial statements for the year ended 31 March 2020**

#### **24 Association turnover, operating costs and operating surplus (continued)**

	2020			2019
	General Needs £	Sheltered £	Total £	Total £
<b>DSD Allowances</b>				
Management allowances	106,128	37,620	143,748	143,748
Management costs	(216,575)	(56,680)	(216,575)	(203,501)
Deficit	(110,447)	(19,060)	(72,827)	(59,753)
Maintenance allowances	124,352	44,080	168,432	168,432
Planned and cyclical maintenance	(51,872)	(14,344)	(66,216)	(104,966)
Reactive maintenance	(101,220)	(6,616)	(107,836)	(110,200)
Deficit	(28,740)	23,120	(5,620)	(46,734)
<b>Gross income from rents and service charges</b>				
Technical	858,874	290,231	1,149,105	1,329,495
Non-technical	702,715	237,461	940,176	715,882
Total	1,561,589	527,692	2,089,281	2,045,377

<b>Housing stock</b>	<b>2020 No.</b>	<b>2019 No.</b>
Number of units owned at 31 March:		
General needs housing	363	363
Sheltered housing	95	95
Supported housing	-	-
Total owned	458	458

#### **25 Events after the reporting period**

After the year end the Association converted £2,150,000 of loans to subsidiaries into share capital in those companies.