

THAME AND DISTRICT HOUSING ASSOCIATION LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

Richardsons
Statutory Auditors

THAME AND DISTRICT HOUSING ASSOCIATION LIMITED

CONTENTS

	Page
Board Members, Staff, Advisers and Bankers	2
Board Report	3-7
Report of the Independent Auditors	8-9
Statement of Comprehensive Income	10
Statement of Changes in Reserves	11
Statement of Financial Position	12
Statement of Cash Flows	13
Notes to the Financial Statements	14-23

THAME AND DISTRICT HOUSING ASSOCIATION LIMITED

BOARD MEMBERS, STAFF, ADVISERS AND BANKERS

FOR THE YEAR ENDED 31 MARCH 2023

Board Members

Chairman

Mr N A Tonge

Vice Chairman

Cllr A Midwinter – resigned 31/08/2022
Mr J Ellison

Other members

Mrs J Bowden (co-opted resident) – resigned 31/10/2022
Mr D Butler – resigned 14/03/2022
Cllr L Emery
Mr B Lipscombe
Mr C Miniati
Ms S Peplow
Mrs W Tonge
Ms M Smart – (co-opted resident) appointed 06/02/2023
Cllr H Fickling

Chief Executive and Secretary

Mr M Mellors

Registered office

Pearce Court
Windmill Road
Thame
Oxon OX9 2DJ

Auditors

External

Richardsons
30 Upper High Street
Thame
Oxfordshire
OX9 3EZ

Internal

The Risk Management Business Ltd
White House, 94 Wolfreton Lane
Willerby
East Riding Of Yorkshire
HU10 6PT

Principal solicitors

Lightfoots
1-3 High Street
Thame
Oxon OX9 2BX

Principal bankers

CAF Bank
125 Kings Hill Avenue
Kings Hill, West Malling
Kent
ME19 4JQ

HSBC Ltd
14 Upper High Street
Thame
Oxon
OX9 2DW

Regulator of Social Housing Registration Number: L1537

Co-operative and Community Benefit Societies Act 2014 Registration Number: MS16683R

THAME AND DISTRICT HOUSING ASSOCIATION LIMITED

BOARD REPORT FOR THE YEAR ENDED 31 MARCH 2023

The Board submits its report and the financial statements for the year ended 31 March 2023.

1. Principal Activities

- 1.1. The Association provides rented sheltered accommodation for older people on three sites in Thame, Oxfordshire and one in Waddesdon, Buckinghamshire. Accommodation is in self-contained flats (83) and bedsits (13). There are also 14 leasehold sheltered flats for older people at Summersbee Court, Windmill Road, Thame, Oxfordshire.
- 1.2. The Association continues to let a two-bedroom semi-detached house at 30 Windmill Road in Thame. It is intended that the premises should, in due course, be used for development of further development accommodation.

2. Board Members

During the year the following have been Board members:

Chairman: Mr N A Tonge

Vice Chairman: Cllr A Midwinter – resigned 31/08/2022
Mr J Ellison

Other members: Mrs J Bowden (co-opted resident) – resigned 31/10/2022
Mr D Butler – resigned 14/03/2022
Cllr L Emery
Mr B Lipscombe
Mr C Miniati
Ms S Peplow
Mrs W Tonge
Ms M Smart – (co-opted resident) - appointed 06/02/2023
Cllr H Fickling

3. Review of Business in the Year

- 3.1. A surplus of £44,893 was generated from the ordinary activities of the Association during the year.
- 3.2. Over £140,000 has been invested in two flats at Anstey Court in Waddesdon to bring these empty properties back into use, modernise them and make them more accessible. We are pleased that both flats are now occupied.
- 3.3. Costs across all sectors have increased. Whilst many of our suppliers are fixed to agreed price contracts, we have been subject to these gradually increasing upon renewal, and non-fixed costs increasing significantly.
- 3.4. Our energy costs were protected on fixed contracts for part of the year, but we have now entered new contracts which are much more costly. As residents service charges are only reviewed in October each year, the increased costs of this were born by the Association for part of that period.
- 3.5. Over £217,000 was spent on maintenance, planned and major works to our properties to maintain them to a high standard and avoid, wherever possible, more disruptive reactive maintenance. The performance level of maintenance continues to be high, with 100% (2022: 100%) of emergency, 96% (2022: 96%) of urgent jobs, and 100% (2022:100%) of routine jobs completed within the targets set.
- 3.6. Twenty lettings were made during the year, representing nearly a fifth of our properties, our highest proportion on record. Seven of these were due to transferring current residents, mainly due to increasing mobility problems. Seven further residents died, two moved into care and we had one abandonment. This level of vacancies resulted in substantial extra work for both administrative and maintenance teams. Flats are redecorated and refurbished, as required, prior to being re-let and we aim to have properties re-let within 28 days of becoming void. The average void period for the year was 30 days. This was slightly higher than target due to one property needing significant work, and another being void just before the Christmas period, when few people wish to move and engage in the letting process.
- 3.7. Rent arrears stood at 1.03% (2022: 1%), the majority of which is due to timing on Housing Benefit and Universal Credit payments made direct to the Association. One case of high arrears is currently scheduled for a court hearing, though the resident is now reducing this arrear and we hope this will resolve the issue.
- 3.8. Fairhive, a housing association based in Buckinghamshire, completed their development of 12 new flats for older people on land at Anstey Court that we gained planning permission for and sold onto them 4 years

THAME AND DISTRICT HOUSING ASSOCIATION LIMITED

BOARD REPORT FOR THE YEAR ENDED 31 MARCH 2023

ago. Our residents took part in an opening day over the Winter and we look forward to events to help these two groups of residents to get to know each other. We are pleased to have worked in partnership with Fairhive to develop these much needed new properties for older people in the area.

- 3.9. We also had to undertake some fire safety work to the kitchen and hallways at Anstey Court, following updated fire safety advice, which caused disruption to our residents there. Once this was completed, we purchased new furniture and fixtures for the lounge at the scheme, which residents are very happy with.
- 3.10. Development of five new flats adjacent to Pearce Court has started after much delay (due to Covid, planning delays and the funding process). This work is in two phases. Phase 1 is the creation of three flats in an existing, unused, former religious assembly building. We are pleased to have awarded a contract to JET construction for this work. We hope for this to be completed towards the end of Summer 2023. Phase 2 will be the development of two new build flats once phase 1 is complete.
- 3.11. We are grateful to both Homes England and South Oxfordshire District Council for providing significant funding to this development, in addition to the finance we raised through a loan from CAF bank. The grant income is being paid in several stages during the course of the project. This income, and the expenditure for the project is held in our 'Work In Progress' accounts so does not show in our income and expenditure accounts. Our reserves are thus fluctuating significantly as expenditure is incurred and grant funding later received. Our cash flow plans show that this should not cause any issues.
- 3.12. The bank loan from CAF bank has increased in cost due to steadily increasing interest rates, and once the building work is complete, we hope to pay this loan off early. We are retaining it at the moment to allow greater headroom in cash at hand due to the cashflow issue mentioned above.
- 3.13. We have invested in new heating systems at several 'blocks' of flats at Pearce Court. These new systems are far more efficient and allow boilers to shut off more frequently, reducing energy use and reducing wear and tear on the systems.
- 3.14. Following the refurbishment of the flats at Croft Court reported last year, we redecorated the communal areas this year using our in-house maintenance team and the scheme now looks much more modern and appealing.
- 3.15. We 'went live' with our new fire alarm system at the start of the year. Unfortunately, this came with a number of teething problems resulting in a greater number of false alarms. We have carried out extensive communication with residents, the fire service and our retained consultants on this issue and the problem is now hopefully resolved. We are also undertaking a range of fire and general safety work around schemes following a thorough audit to ensure the safety of our homes.
- 3.16. Leading up to the digitalisation of UK telephone lines, we installed our first digital telecare system, at Playford Court. This was a useful pilot as it highlighted issues that must be addressed in such installations. We will now roll this out across our schemes.
- 3.17. June Bowden, a resident board member for many years, stepped down from the Board in 2022. We welcome Margaret Smart to this role from 2023.
- 3.18. A number of staff changes have occurred in the year. Peter Phillips stepped down from his role as Treasurer following his 86th birthday and we thank him for his many years service to the Association. We are reviewing our requirements for financial support to ensure efficient operation of the Association following this.
- 3.19. We have undertaken a range of meetings with residents over the year and produce newsletters every couple of months. We support and encourage the Residents' Association, which is run by residents, and have a resident co-opted to our Board.
- 3.20. The refurbishment of two of our flats, and the development of 12 new ones by Fairhive HA, at Anstey Court in Waddesdon, along with the beginning of our project to develop five new flats at Pearce Court in Thame show our commitment to enable and undertake the creation of affordable new homes in the area. These developments have caused disruption and disturbance to current residents, and we thank them for their understanding during these works.

THAME AND DISTRICT HOUSING ASSOCIATION LIMITED

BOARD REPORT FOR THE YEAR ENDED 31 MARCH 2023

4. Value for Money

- 4.1. The Regulator requires that Housing Associations publish their performance against a range of metrics set out by the Regulator. Housing Association Boards must also set, monitor and report on a suite of performance indicators. We report here performance against the indicators set by the Board, and our performance on the Regulator's metrics.
- 4.2. Regulatory metrics showing the Association's performance alongside the Housing for Older People benchmarking group.
- 4.3. As one of the very smallest housing associations taking part in the benchmarking, it is little surprise that our costs per unit are higher, as we have less units across which to disperse a range of fixed costs. Additionally, many variable costs disproportionately increase with size, thus getting relatively less expensive the more is consumed.
- 4.4. Our low operating margin is also a product of this, though is an area we will need to review to ensure long term viability in the face of increasing costs.

Metric	2022-23		2021-22	
	TDHA	Peergroup median	TDHA	Peergroup median
Reinvestment %	11	3.96	11	2.6
New supply delivered (Social housing units)	-	-	-	-
New supply delivered (Non-social housing units)	-	-	-	-
Gearing	-25	1.35	-20	5.36
EBITDA MRI (as a percentage of interest)	1,827.19	170	382.61	168
Headline social housing cost per unit	5,749.01	5,563	5,777.35	4,814.97
Operating margin (social housing lettings)	4.98	17.42	-1.72	10.56
Operating margin (overall)	6.51	8.7	-1.72	6.55
Return on Capital Employed (ROCE) %	2.21	1.8	-0.59	1.5

- 4.5. Achievement against performance indicators set and monitored by the Board:
- 4.6. Our repair targets vary according to priority, (1 day for emergency, 4 for urgent and 20 for routine) and we were well within these targets in all areas. The overall increase in average time is due to changing types of repair year on year, and a greater focus on efficiency and value for money regarding routine repairs.
- 4.7. The Rent arrears is now reported as an absolute, as opposed to an assumption based on what Housing Benefit or Universal Credit are likely to pay. We had two significant arrears cases in the year, which are a large proportion of our income, and additionally more residents of working age are moving onto UC, which is taking some time to process and come into payment. Most arrears are nevertheless due to the standard cycle of HB payments, which is usually several weeks in arrears, and paid 4 weekly, whereas our rents are charged monthly, meaning a small lag in payments at all but one point of every residents rent cycle.
- 4.8. Time to relet properties has increased significantly, and we are nearing achievement of our target. We have also reduced the amount of rent lost due to voids.

Indicator	Target	2023	2022
Average number of days to complete a repair	1-20	6.81	3.25
% of tenants satisfied with repairs service	95%	89%	100%
% properties with a valid gas safety certificate	100%	100%	100%
Rent arrears of current tenants as a proportion of the rent roll	5%	5.23%	1%
Rent collected as a proportion of rent available	99%	97.70%	99.41%
Average number of days to relet a void property	28	30	40
% of rent lost due to void properties	1.4%	0.73%	1.7%
% dwellings meeting the Decent Homes standard	100%	100%	100%

THAME AND DISTRICT HOUSING ASSOCIATION LIMITED

BOARD REPORT FOR THE YEAR ENDED 31 MARCH 2023

5. Statement of the Board's Responsibilities in Respect of the Financial Statements

The Co-operative and Community Benefit Societies Act 2014 and registered social housing legislation require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of the Income and Expenditure for the period of account.

5.1. In preparing these financial statements the Board is required to:-

- a) Select suitable accounting policies and then apply them consistently,
- b) Make judgements and estimates that are reasonable and prudent,
- c) State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- d) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

5.2. The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, and the Accounting Direction for Private Registered Providers of Social Housing 2019. It has general responsibility for taking reasonable steps to safeguard the assets of the Association and to prevent and detect fraud and other irregularities.

6. Code of Governance

6.1. The Board has adopted the recommendations of and substantially complies with the National Housing Federation's Excellence in Governance - Code for Members, 2015. There are areas where the Association has not fully complied with the code:

- Although no formal role profile is given to Board members, there is a broad range of specialities among Board members which provide the Association with a range of contributions on matters considered.
- An assessment of the competence and effectiveness of the Board is undertaken annually and the Board is of the opinion this is adequate.
- There are members who have served for longer than the recommended maximum of nine years. The Board has considered this and decided that the flexibility to retain the skills and experience of members for a longer period is in the best interests of the Association.

7. Public Benefit Entity

7.1. As a public benefit entity, the Association has complied with the applicable paragraphs of FRS 102.

8. Statement of the Association's System of Internal Control

8.1. The Board is responsible for the Association's management and internal control systems. These are designed to provide reasonable but not absolute assurance regarding:

- The safeguarding of assets against unauthorised use or disposition;
- and the maintenance of proper accounting records
- and the reliability of financial information used within the business or for publication

8.2. The Board discharges its responsibilities for internal financial control through the following key procedures:-

- A commitment to quality and competence and appropriate organisational structure with clearly defined lines of responsibility and delegation of authority which combine to create an appropriate control environment.
- Information systems for detailed financial reporting, budgeting and planning against which performance is monitored. The Board has set key performance indicators which are used to identify trends in current financial and non-financial data, as reported above.
- Financial control procedures based upon clearly defined responsibilities and authorities of the Board, the Committees, and delegation to staff members.
- Internal audit designed to cover key control systems, giving assurance to the Board, Audit Committee and Management that key financial and administrative systems have been the subject of an independent testing and review process. During the year we planned once again to use the services of The Risk Management Business Ltd to provide additional assurance on matters of internal control, however lockdown meant this has had to be rescheduled and is now expected to be carried out during the late spring/early summer.

8.3. The Board monitors that there are appropriate control procedures in place and that these procedures are being followed through the work of internal and external audit and Board member reviews.

THAME AND DISTRICT HOUSING ASSOCIATION LIMITED

BOARD REPORT FOR THE YEAR ENDED 31 MARCH 2023

8.4. The Board has reviewed the effectiveness of the systems of internal control for the period from 1 April 2022 to the date on which these accounts were approved. The review revealed no material weaknesses in internal financial control that required disclosure.

9. Statement as to Disclosure of Information to Auditors

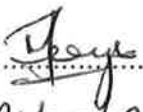
9.1. The Board members who held office at the date of approval of this Board report confirm that, so far as they are each aware, there is no relevant audit information of which the Association's auditors are unaware; and each Board member has taken all the steps that they ought to have taken as a Board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

10. Statement of Compliance

10.1. The Board confirms that this report has been prepared in accordance with the principles set out in Para 4.7 of the 2018 SORP for Registered Social Housing Providers.

By Order of the Board:-

Mr N A Tonge
Chairman

Date: 
21/08/2023

THAME AND DISTRICT HOUSING ASSOCIATION LIMITED
REPORT OF THE INDEPENDENT AUDITORS
TO THE BOARD MEMBERS OF
THAME AND DISTRICT HOUSING ASSOCIATION LIMITED

Opinion

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

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 as at 31 March 2023 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014, the Statement of Recommended Practice for Registered Social Housing Providers 2018, and the Accounting Direction for Social Housing in England from April 2019.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the Board with respect to going concern are described in the relevant sections of this report.

Other information

The Board is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Association and its environment obtained in the course of the audit, we have not identified material misstatements in the Board Report.

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 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.

**THAME AND DISTRICT HOUSING ASSOCIATION LIMITED
REPORT OF THE INDEPENDENT AUDITORS**

TO THE BOARD MEMBERS OF

THAME AND DISTRICT HOUSING ASSOCIATION LIMITED

Responsibilities of the Board Members

As explained more fully in the Statement of Board's Responsibilities set out on page 6, the Board is responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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.

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of the Association's staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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

Use of our report

This report is made solely to the Association's Board Members, as a body, in accordance with regulations made under 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 Board 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 Board Members as a body, for our audit work, for this report or for the opinions we have formed.

Richardsons Chartered Accountants
Statutory Auditors
30 Upper High Street
Thame
Oxfordshire
OX9 3EZ

Date:

THAME AND DISTRICT HOUSING ASSOCIATION LIMITED

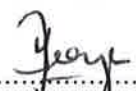
STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2023

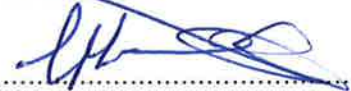
	Notes	2023 £	2022 £
Turnover	2	682,601	624,733
Operating expenditure	2	(638,140)	(639,526)
Operating surplus/(deficit)		<u>44,461</u>	<u>(14,793)</u>
Interest receivable		3,432	85
Interest and financing costs	4	(3,000)	(4,000)
Surplus/(deficit) on ordinary activities		<u>44,893</u>	<u>(18,708)</u>
Other comprehensive income			
Gain on disposal of land	5	-	-
Actuarial gains/(losses) in respect of pension schemes	14	(14,000)	63,000
Total comprehensive income/(deficit) for the year		<u><u>30,893</u></u>	<u><u>44,292</u></u>

The financial statements on pages 10-23 were approved and authorised for issue by the Board on and were signed on its behalf by:

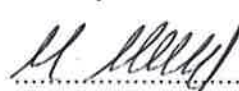
Chairman:


.....
Mr N A Tonge

Board Member:


.....
Mr C Miniati

Secretary:


.....
Mr M Mellors

The results relate wholly to continuing activities and the notes on pages 14 to 23 form an integral part of these accounts.

THAME AND DISTRICT HOUSING ASSOCIATION LIMITED

STATEMENT OF CHANGES IN RESERVES

FOR THE YEAR ENDED 31 MARCH 2023

	Income & Expenditure reserve £	Restricted reserve £	Total reserves £
Balance as at 1 April 2022	1,635,428	85,654	1,721,082
Surplus from Statement of Comprehensive Income	19,891	11,002	30,893
Transfer between reserves	-	-	-
Balance at 31 March 2023	<u>1,655,319</u>	<u>96,656</u>	<u>1,751,975</u>

The notes on pages 14 to 23 form an integral part of these accounts.

THAME AND DISTRICT HOUSING ASSOCIATION LIMITED

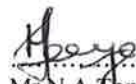
STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

	Notes	2023 £	2022 £
Fixed assets			
Tangible fixed assets	5	1,865,234	1,746,440
Current assets			
Trade and other debtors	6	324,888	136,603
Cash and cash equivalents		623,487	551,562
		<u>948,376</u>	<u>688,165</u>
Less creditors			
Amounts falling due within one year	7	(181,098)	(79,542)
Net current assets		<u>767,277</u>	<u>608,623</u>
Total assets less current liabilities		<u>2,632,511</u>	<u>2,355,063</u>
Creditors			
Amounts falling due after more than one year	8		
Deferred capital grant		(642,407)	(361,553)
CAF Bank loan		(128,120)	(153,416)
SHPS pension - defined benefit liability		(110,000)	(119,000)
		<u>(880,527)</u>	<u>(633,969)</u>
Total net assets		<u>1,751,984</u>	<u>1,721,094</u>
Capital and reserves			
Share capital	10	9	11
Income and expenditure reserve	11	1,655,319	1,635,429
Restricted reserve	11	96,656	85,654
Total Reserves		<u>1,751,984</u>	<u>1,721,094</u>

The financial statements on pages 10 to 23 were approved and authorised for issue by the Board on and were signed on its behalf by:

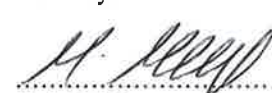
Chairman:


Mr N A Tonge

Board Member:


Mr C Miniati

Secretary:


Mr M Mellors

The notes on pages 14 to 23 form an integral part of these accounts.

THAME AND DISTRICT HOUSING ASSOCIATION LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023	2022
		£	£
Net cash generated from operating cash flows (see Note 1)		96,100	225,871
Cash flow from investing activities			
Interest received	3,432	85	85
		3,432	85
Cash flow from financing activities			
Interest paid	(3,000)	(4,162)	
New secured loans	-	-	
Repayments of borrowings	(24,605)	(24,628)	(28,790)
		(27,605)	
Net change in cash and cash equivalents		71,927	197,165
Cash and cash equivalents at beginning of the year		551,560	354,395
Cash and cash equivalents at the end of the year		<u>623,487</u>	<u>551,562</u>
Note 1			
Cash flow from operating activities			
Surplus/(deficit) for the year		44,891	(18,708)
Adjustments for non-cash items:			
Depreciation of tangible fixed assets	5	69,039	62,078
Share capital movement in year		(2)	(1)
Amortisation of government grants	9	(34,028)	(34,028)
Decrease/(increase) in debtors		(188,282)	484,924
Increase/(decrease) in creditors		100,864	(80,848)
Pension costs less contributions payable		(23,000)	-
Adjustments for investing or financing activities:			
Purchases of Property, Plant, and Equipment		(187,833)	(191,623)
Grants issued in the year		314,883	-
Interest payable		3,000	4,162
Interest received		(3,432)	(85)
		<u>96,100</u>	<u>225,871</u>

The notes on pages 13 to 22 form an integral part of these accounts.

THAME AND DISTRICT HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

Legal Status

Thame and District Housing Association is incorporated in England under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing as a Private Registered Provider of Social Housing.

1. PRINCIPAL ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with applicable Accounting Standards and the Statement of Recommended Practice for registered housing providers: Housing SORP 2018.

The financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

The accounts are prepared on the historical cost basis of accounting.

The financial statements are prepared in sterling, which is the functional currency of the association. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared in compliance with FRS 102.

Social Housing Pension Scheme (SHPS): For the SHPS, the Association has been able to identify its share of the scheme assets and scheme liabilities from 1 April 2018 and therefore has applied defined benefit accounting from this date onwards. The scheme assets are measured at fair value. Scheme liabilities are measured on an actuarial basis using the projected unit credit method and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the statement of financial position. This has been recognised within the defined benefit pension liability on the face of the Statement of Financial Position. As at the year ended 31 March 2023, the net defined benefit pension deficit liability was £110,000 (2022: £119,000). The current service cost is charged against operating surplus. Past service costs are recognised in the current reporting period within the income and expenditure account. Interest is calculated on the net defined benefit liability. Remeasurements are reported in other comprehensive income. Refer to Note 14 for more details.

Going Concern

The Association's financial statements have been prepared on a going concern basis which assumes an ability to continue operation for the foreseeable future. The impact of Covid19 on the Association's business has been assessed and reviewed. No significant concerns have been noted and we consider it appropriate to continue to prepare the financial statements on a going concern basis.

Judgements and key sources of estimation uncertainty

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Pension benefits. The Association is a member of the Social Housing Pensions Scheme (SHPS), a multi-employer scheme, and details of their actuarial valuations are given in note 14. Since 2019 the Association has accounted for SHPS as a defined benefit scheme. There is no impact on the Association from GMP equalisation. See also the Statement of other Comprehensive Income, the Statement of Financial Position and in note 14.

Turnover

Turnover comprises rental income receivable, amortised capital grant, service charge income receivable, gains on sale of assets and other income. Rental income is recognised when the property is available for let, net of voids.

Service Charges

Service charge income and costs are recognised on an accruals basis. The Association operates fixed service charges on rental schemes and variable on its leasehold scheme.

THAME AND DISTRICT HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

Housing properties under construction are stated at cost and are not depreciated. These are reclassified as housing properties on practical completion of construction.

Freehold land is stated at cost and is not depreciated.

Depreciation is charged on a straight line/reduced balance basis over the expected economic useful lives of the assets at the following annual rates:

Furniture and fittings	-	10% to 20% RB
Office equipment	-	20% RB
Other equipment	-	10%
Computers	-	33 ¹ / ₃ %
Housing properties	-	2% SL
Car parks	-	6 ² / ₃ %
Motor vehicles	-	25% RB

Capitalisation of interest and administration costs

Interest on loans financing development is capitalised up to the date of the completion of the scheme and only when development activity is in progress.

Housing property and social housing grants

Where developments have been financed wholly or partly by Social Housing Grant, the amount of the grant is included as deferred income and recognised in turnover over the expected useful life of the structure of the properties, under the accruals model.

Social Housing Grant (SHG) can be recycled by the Association under certain conditions, if a property is sold, or if another relevant event takes place. In these cases the SHG can be used for projects approved by the Regulator of Social Housing (RSH). However, SHG may have to be repaid if certain conditions are not met. If a grant is not required to be recycled or repaid, any unamortised grant is recognised as turnover.

Other grants

Revenue grants received from government (including local authorities) are recognised as income in the period received or are deferred until the costs they are awarded to cover are incurred.

Sale of land and housing properties

The Association has a policy to sell land and/or housing properties where it is considered investment would be better in alternative properties.

Short-term debtors and creditors

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

Pension costs

The aggregate cost of providing retirement pensions and related benefits through SHPS is charged to expenses over the periods benefiting from the employees' services.

The disclosures in the accounts follow the requirements of Section 28 of FRS 102 in relation to defined benefit schemes in which the Association has a participating interest and in accordance with FRED 71.

THAME AND DISTRICT HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

2. TURNOVER, OPERATING EXPENDITURE AND OPERATING SURPLUS

	2023		
	Turnover	Operating costs	Operating Surplus
	£	£	£
Social housing lettings	671,599	647,497	35,104
Other activities			
Summersbee Court sinking fund contribution	11,002	-	-
Cancelled shares	-	-	-
Total	682,601	647,497	35,104
	2022		
	Turnover	Operating Costs	Operating Surplus
Social housing lettings	624,733	639,526	(14,793)
Other activities			
Summersbee Court sinking fund contribution	-	-	-
Cancelled shares	-	-	-
Total	624,733	639,526	(14,793)

2A. TURNOVER AND OPERATION EXPENDITURE FROM SOCIAL HOUSING LETTINGS	2023	2022
	£	£
Income		
Rents	388,763	362,538
Service charge income (including support)	248,808	228,167
Amortised government grants	34,028	34,028
Sinking fund	11,002	-
Turnover	682,601	624,733
Operating expenditure		
Services	127,287	120,340
Management	126,590	144,086
Support	51,098	54,964
Routine maintenance	59,637	61,200
Planned and major repairs	204,489	196,858
Depreciation of housing properties	65,358	62,078
Other depreciation	3,681	-
Operating expenditure	638,140	639,526
Operating surplus/(deficit)	44,461	(14,793)
Void Losses (being rental income lost as a result of property not being let, although it is available for letting)	16,024	26,226

THAME AND DISTRICT HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

11. RESERVES

	I&E reserve	Restricted reserve	Total reserves
	£	£	£
Balance as at 1 April 2022	1,635,429	85,654	1,721,083
Surplus for the year	19,891	11,002	30,893
Transfer between reserves	-	-	-
Balance as at 31 March 2023	<u>1,655,319</u>	<u>96,656</u>	<u>1,751,975</u>

Reserves are retained with the intention of pursuing further developments for social housing and for the upkeep and improvement of existing social housing stock.

The restricted reserve relates to a sinking fund set up for Summersbee Court for future planned and major repairs. Funds are transferred to the sinking fund whenever a flat is sold and transferred from the sinking fund when major repairs are carried out.

12. EMPLOYEE INFORMATION

The average number of persons employed by the Association during the year was:

	2023 Number	2022 Number
Office staff	5	5
Scheme managers	1	2
Maintenance	4	4
	<u>10</u>	<u>11</u>
Full time equivalent	5.50	6.50
Staff costs for the above persons	2023 £	2022 £
Wages and salaries	205,831	205,146
Social security costs	10,391	12,925
Pension costs	15,068	39,443
	<u>231,290</u>	<u>257,514</u>

13. DIRECTORS' REMUNERATION

	2023 £	2022 £
The aggregate emoluments paid to or receivable by non-executive directors, being support charges rebated by the Association for a tenant Board member under an agreement with all tenants at the scheme at a date which predates their membership of the Board.	-	483
Total emoluments paid to key management personnel of the Association.	59,235	75,143
The aggregate compensation paid to or receivable by directors (key management personnel)	Nil	Nil

THAME AND DISTRICT HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

13. DIRECTORS' REMUNERATION (continued)

No employee's remuneration exceeded £60,000 in the period.

The Chief Executive Officer is an ordinary member of the Social Housing Pension Scheme as detailed in note 14. The pension scheme is a final salary scheme funded by annual contributions by the employer and employee. No enhanced or special terms apply. There are no additional pension arrangements.

Directors (key management personnel) are defined as the members of the Board, the Treasurer, and the Chief Executive Officer.

14. PENSION OBLIGATIONS

The Pensions' Trust – Social Housing Pension Scheme

The company participates in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK.

The Scheme is classified as a 'last-man standing arrangement'. Therefore the Association is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the Scheme. Participating employers are legally required to meet their share of the Scheme deficit on an annuity purchase basis on withdrawal from the Scheme.

The Scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

On 1 April 2018, sufficient information became available for the Association in respect of SHPS to account for its obligation on a defined benefit basis. This change on transition resulted in a re-measurement difference of £56,000, which was recognised at the relevant date of application, on 1 April 2018, in other comprehensive income, and was therefore reflected in the year ended 31 March 2019. The most recent formal actuarial valuation was completed as at 30 September 2017 and rolled forward, allowing for the different financial assumptions required under FRS 102, to 31 March 2020 by a qualified independent actuary. The net defined benefit liability at the year ended 31 March 2023 is £110,000 (2022: £119,000). The 2017 triennial valuation of the scheme for funding purposes revealed a deficit of £1,522m. A Recovery Plan has been put in place with the aim of removing this deficit by 30 September 2026.

FAIR VALUE OF PLAN ASSETS, PRESENT VALUE OF DEFINED BENEFIT OBLIGATION, AND DEFINED BENEFIT ASSET (LIABILITY)

	31 March 2023 (£000s)	31 March 2022 (£000s)
Fair value of plan assets	507	782
Present value of defined benefit obligation	617	901
Surplus (deficit) in plan	(110)	(119)
Unrecognised surplus	-	-
Defined benefit asset (liability) to be recognised	(110)	(119)
Deferred tax	-	-
Net defined benefit asset (liability) to be recognised	(110)	(119)

RECONCILIATION OF THE IMPACT OF THE ASSET CEILING

	Period from 31 March 2022 to 31 March 2023 (£000s)
Impact of asset ceiling at start of period	-
Effect of the asset ceiling included in net interest cost	-
Actuarial losses (gains) on asset ceiling	-
Impact of asset ceiling at end of period	-

THAME AND DISTRICT HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE DEFINED BENEFIT OBLIGATION

	Period from 31 March 2022 to 31 March 2023 (£000s)
Defined benefit obligation at start of period	901
Current service cost	-
Expenses	2
Interest expense	25
Member contributions	-
Actuarial losses (gains) due to scheme experience	(41)
Actuarial losses (gains) due to changes in demographic assumptions	(2)
Actuarial losses (gains) due to changes in financial assumptions	(238)
Benefits paid and expenses	(30)
Liabilities acquired in a business combination	-
Liabilities extinguished on settlements	-
Losses (gains) on curtailments	-
Losses (gains) due to benefit changes	-
Exchange rate changes	-
Defined benefit obligation at end of period	617

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE FAIR VALUE OF PLAN ASSETS

	Period from 31 March 2022 to 31 March 2023 (£000s)
Fair value of plan assets at start of period	782
Interest income	22
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	(295)
Contributions by the employer	28
Contributions by plan participants	-
Benefits paid and expenses	(30)
Assets acquired in a business combination	-
Assets distributed on settlements	-
Exchange rate changes	-
Fair value of plan assets at end of period	507

The actual return on plan assets (including any changes in share of assets) over the period from 31 March 2021 to 31 March 2023 was £273,000.

DEFINED BENEFIT COSTS RECOGNISED IN STATEMENT OF COMPREHENSIVE INCOME (SoCI)

	Period from 31 March 2022 to 31 March 2023 (£000s)
Current service cost	-
Expenses	2
Net interest expense	3
Losses (gains) on business combinations	-
Losses (gains) on settlements	-
Losses (gains) on curtailments	-
Losses (gains) due to benefit changes	-
Defined benefit costs recognised in Statement of Comprehensive Income (SoCI)	5

THAME AND DISTRICT HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

DEFINED BENEFIT COSTS RECOGNISED IN OTHER COMPREHENSIVE INCOME

	Period from 31 March 2022 to 31 March 2023 (£000s)
Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)	(295)
Experience gains and losses arising on the plan liabilities - gain (loss)	41
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	2
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	238
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	(14)
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) - gain (loss)	-
Total amount recognised in Other Comprehensive Income - gain (loss)	(14)

ASSETS

	31 March 2023 (£000s)	31 March 2022 (£000s)
Global Equity	9	150
Absolute Return	5	31
Distressed Opportunities	15	28
Credit Relative Value	19	26
Alternative Risk Premia	1	26
Fund of Hedge Funds	-	-
Emerging Markets Debt	3	23
Risk Sharing	37	26
Insurance-Linked Securities	13	18
Property	22	21
Infrastructure	58	56
Private Debt	23	20
Opportunistic Illiquid Credit	22	26
High Yield	2	7
Opportunistic Credit	-	3
Cash	4	3
Corporate Bond Fund	-	52
Liquid Credit	-	-
Long Lease Property	15	20
Secured Income	23	29
Liability Driven Investment	234	218
Currency Hedging	1	(3)
Net Current Assets	1	2
Total assets	507	782

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

KEY ASSUMPTIONS

	31 March 2023 % per annum	31 March 2022 % per annum
Discount Rate	4.88%	2.79%
Inflation (RPI)	3.20%	3.59%
Inflation (CPI)	2.74%	3.20%
Salary Growth	3.74%	4.20%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

THAME AND DISTRICT HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

The mortality assumptions adopted at 31 March 2022 imply the following life expectancies:

	Life expectancy at age 65 (Years)
Male retiring in 2023	21.0
Female retiring in 2023	23.4
Male retiring in 2043	22.2
Female retiring in 2043	24.9

15. RELATED PARTIES

The Board has tenant members who hold tenancy agreements/leases on normal terms and cannot use their position to their advantage. Rent and service charges charged to the tenant Board members was £2,976 (2022: £5,906). There were no arrears on their tenancies at the reporting period end (2022: £Nil).

16. SOCIAL HOUSING UNITS

	2023	2022
Number of units of accommodation in management	111	111

17. CAPITAL COMMITMENTS

There were capital commitments totalling £391,536 as at 31 March 2023 (2022: £52,092).

18. PUBLIC BENEFIT ENTITY

As a public benefit entity, the Association has complied with the applicable paragraphs of FRS 102.