

**Registered Number: IP174**  
**Charity Registration Number: NIC106082**

**CRAIGOWEN HOUSING ASSOCIATION LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**CRAIGOWEN HOUSING ASSOCIATION LIMITED**

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**For the year ended 31 March 2023**

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**CRAIGOWEN HOUSING ASSOCIATION LIMITED**

**GENERAL INFORMATION**

**THE BOARD**

A Hamilton – Chairman  
N Carson  
W Rainey (Resigned 22/06/2022)  
C Horan (Resigned 22/06/2022)  
A Watt  
A Smyth  
M Woods  
R Buchanan  
P Farry  
H Logan  
S Clements (Appointed 22/06/2022)  
E Dixon (Appointed 22/06/2022)

**SECRETARY**

W McCreight

**REGISTERED OFFICE**

150 Hollywood Road  
Belfast  
BT4 1NY

**REGISTERED NUMBER**

IP174

**CHARITY REGISTERED NUMBER**

NIC 106082

**AUDITORS**

GMcG BELFAST  
Chartered Accountants & Statutory Auditor  
Alfred House  
19 Alfred Street  
Belfast  
BT2 8EQ

**SOLICITORS**

Edwards & Co  
28 Hill Street  
Belfast  
BT1 2LA

**BANKERS**

Bank of Ireland  
1 Donegall Square South  
Belfast  
BT1 5LR

Bank of Ireland  
4-8 High Street  
Belfast  
BT1 2BA

Ulster Bank  
11-16 Donegall Square East  
Belfast  
BT15UB

## **CRAIGOWEN HOUSING ASSOCIATION LIMITED**

### **CHAIRMAN'S FOREWORD**

**For the year ended 31 March 2023**

I have great pleasure in presenting the annual report and accounts for Craigowen Housing Association for the year ended 31 March 2023.

Craigowen Housing Association was established to provide and maintain housing accommodation for people with learning disabilities and for those who care for them, along with their families. We have 40 properties, all of which are located within the three Camphill Communities in Northern Ireland: Glencraig, Mourne Grange and Clanabogan, all of which offer a distinct and caring ethos of shared living for which the Camphill Communities are renowned.

During the course of the year we said goodbye to two of our longest serving Board Members, Mr Bill Rainey and Ms Carmel Horan. I would like to put on record the Board's gratitude for their advice and guidance over their many years of service. We also welcomed two new Members to our Board, Ms Lizzie Dixon and Mr Shane Clements.

We are clearly a very small Housing Association and our only source of income is from the rents collected from the people who live in our accommodation, our Villagers. The nature of our housing stock and the need to ensure that it meets the specific needs of our Villagers provides us with a number of challenges, not least of which is the need to set rents that are fair and affordable, but which provide sufficient income to fulfil our ongoing maintenance obligations. The Association has an established rent strategy agreed with each of the Communities and this is under review to ensure that rent charges are clearly set out equitably across each Community.

Although there remained challenges to service provision in the early part of the year due to the lingering impact of the Covid-19 pandemic, the Association was able to deliver its extensive planned and cyclical maintenance programme in full. In total we invested £446,945 on capital improvement and on planned and cyclical maintenance programmes in the course of the year. Some 48 projects were completed and material improvement made to the quality of Villagers' homes across the Camphill Communities.

The Board closely monitors the response times and quality of our response maintenance operations. In the course of the year we invested some £131,144 (£102,887 in 2021-2022) in responding to emergencies and the need for routine repairs. We have set time targets for completion of these categories of repair, unfortunately these were adversely impacted by the Covid pandemic at the beginning of 2022/23, but in the later months of the year we achieved above target results. Whilst our targets have not been fully met in this year, we are confident that we are currently achieving the high standards we have set. We understand the priority that is attached to a good responsive maintenance service by our Villagers and we continue to work hard to deliver a service which meets their expectations. We have ended our maintenance agreement with Clanmil Housing Association and have taken this in-house to ensure that we remain in full control of all maintenance services.

During the year the Board continued to explore the feasibility of a transfer of its engagements and assets to Camphill Community Trust (NI) as part of its consideration of the long term direction of the Association. After detailed and extensive consideration of the legal implications and financial consequences associated with this, the Board reluctantly concluded that it had no option but to shelve further consideration of the proposal.



**A Hamilton**  
**Chairman**

Date: 28.6.23

## **CRAIGOWEN HOUSING ASSOCIATION LIMITED**

### **REPORT OF THE BOARD**

**For the year ended 31 March 2023**

The Board present their report and the financial statements for the year ended 31 March 2023.

#### **Principal Activity**

The principal activities of the Association are to provide housing and related amenities for adults who have learning disabilities, and the staff caring for them and their dependents. The Association owns 24 properties; with 6 located in Camphill Community Glencraig, 10 in Camphill Community Mourne Grange, 6 in Camphill Community Clanabogan and 2 in Holywood. The Association also manages 16 properties which are leased from Camphill Community Trust (NI). Housing management services at all properties are carried out by the relevant Camphill Community who are the Managing Agents. The Association aims to provide good quality accommodation with proper levels of maintenance and investment over the long term at affordable rents.

#### **Status**

The Association is a registered society under the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 (Ref IP 174) and is a Registered Housing Association.

The Association is recognised as a charity by HMRC (Ref X01015) and became registered with the Charity Commission for Northern Ireland on 6 July 2017 (Charity Registration Number: NIC 106082).

#### **The Board**

The Board meets regularly throughout the year and has four sub-committees with specific responsibilities for finance, audit and risk, strategic direction, staffing and Board refreshment. There were eight Board meetings during the course of the year and the attendance was as follows:-

<b>Member</b>		<b>Attendances</b>	<b>Membership of Sub-committees</b>
N Carson		7	TFC, BR
W Rainey	Retired 22/6/22	2	FARC
A Smyth		8	SRC, BR
A Watt		6	SRC
M Woods		5	TFC
C Horan	Retired 22/6/22	0	
A Hamilton - Chair		7	TFC
R Buchanan		7	FARC, TFC, SRC
P Farry		4	FARC
H Logan		7	FARC
S Clements	Appointed 22/6/22	7	FARC
E Dixon	Appointed 22/6/22	5	BR

TFC – Taking forward committee

FARC – Finance, Audit & Risk committee

SRC – Staffing & Remuneration committee

BR – Board refreshment sub-group

Each year one third of members retire by rotation and are eligible for re-election.

Secretary - W McCreight.

## **CRAIGOWEN HOUSING ASSOCIATION LIMITED**

### **REPORT OF THE BOARD (Cont'd)** **For the year ended 31 March 2023**

#### **Governance**

During the year the Board continued with improvements in corporate governance. These improvements include: completion of a Board self-appraisal exercise, additional Board and staff training, the ongoing review of risk management, ongoing review of policies, and continued compliance with DfC regulatory standards. The Board currently has several Members who have served for over nine years and has begun a process to replace these Members. The Board intends to adopt a phased approach to refreshment and plans to replace 2 Members in 2024 and a further 2 in the following year. A Board sub-group has been formed to take this process forward.

#### **Impact of Covid -19**

During the year, as the Covid 19 pandemic and the restrictions it created eased, the Association was able to more fully provide the level of service required, although there remained challenges to service provision in the early part of the year due to the lingering impact of the pandemic. The Finance, Audit & Risk Committee has assessed the risks, and continues to monitor these.

#### **Maintenance**

The Association ceased its agreement with Clanmil Housing Association for the provision of response maintenance services on 31 December 2022 and for Statutory maintenance services on 31 March 2023, as the Board agreed to bring all maintenance provision under the full control of directly employed CHA staff. The Board is confident that this change will benefit Villagers and provide greater value for money.

The Board has continued with its extensive Planned maintenance programme and met all budget targets for this in the year.

#### **Response Maintenance Performance**

	Year ended 31 March 2023	Year ended 31 March 2022	Target
Total number of repair jobs	715	618	
% of emergency repairs completed in 24 hours	87%	79%	85%
% of urgent repairs completed in 4 days	73%	68%	80%
% of routine repairs completed in 20 days	77%	70%	80%

Response maintenance performance has improved significantly on the previous year, with emergency repairs achieving an 87% completion against the previous year 79%. While urgent and routine repairs were below their target of 80%, the Board is encouraged that the performance steadily improved over the course of the year and in fact all targets were surpassed for the last 4 months of 2023.

#### **Finance**

The Board has approved robust financial plans to ensure that its charitable aims are achievable and sustainable in the long term and continues to review and scrutinise monthly and quarterly financial reports.

## **CRAIGOWEN HOUSING ASSOCIATION LIMITED**

### **REPORT OF THE BOARD (Cont'd)** **For the year ended 31 March 2023**

#### **Staffing**

The Association believes that the optimum staffing level is four members of staff; General Manager, Finance Officer and two Maintenance Officers. The Association has been able to retain a complement of four staff since July 2021.

#### **Tenant Participation**

Tenant participation remains a crucial element to the services provided by the Association. The Tenant Participation Strategy is continually monitored to ensure tenants are involved in the design, delivery and continuous improvement of services.

#### **Risk Management**

The Board has carried out a review of major risks to which the Association is exposed, and put in place systems and controls to mitigate the effects of these risks. This includes an assessment of the implications of key risks if they are not managed appropriately, the controls in place to manage the identified risks and the identification of further actions planned to minimise the risks. This system has been in place during the course of the year under review and is regularly reviewed by the Finance, Audit and Risk Committee and made available for Board review at each Board meeting.

The Association has also continued with its programme of review of existing policies regarding Finance and Risk Management, Health and Safety, Property Maintenance and Development and Employment and Communication. In the current year the Association has completed the implementation of the General Data Protection Regulations, and continued with the regular review and update of Policies.

#### **Results and Financial Review**

The Statement of Comprehensive Income shows that the Association generated £1,002,730 (2022 - £973,850) of income from collection of rents, Special Needs Management Allowance and amortisation and incurred expenditure of £1,073,188 (2022 - £1,012,249) on the maintenance and management of its properties, incurring an overall deficit of £59,725 (2022 - £38,229) in the year. At the balance sheet date, the Association had total reserves of £2,298,748 (2022 - £2,358,473) including revenue reserves of £1,234,063 (2022 - £1,293,788).

The Association continues to carry out a programme of maintenance and repairs to its properties and the total expenditure for the year was £399,259, with a further £178,830 of additions made to properties.

#### **Going Concern**

During the year the Board continued to explore the feasibility of a transfer of its engagements and assets to Camphill Community Trust (NI) as part of its consideration of the long term direction of the Association. After detailed and extensive consideration of the legal implications and financial consequences associated with this, the Board reluctantly concluded that it had no option but to shelve further consideration of the proposal.

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

## **CRAIGOWEN HOUSING ASSOCIATION LIMITED**

### **REPORT OF THE BOARD (Cont'd)** **For the year ended 31 March 2023**

#### **Statement of Board Members' Responsibilities**

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

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

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and enable it 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. It has general responsibility for taking reasonable steps to safeguard the assets of the Association and to prevent and detect fraud and other irregularities.

#### **Internal Control**

The Board has overall responsibility for the Association's systems of internal financial control and for reviewing the effectiveness of the systems. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable, and not absolute assurance against material misstatement or loss.

The process for identifying, evaluating and managing the significant risks faced by the Association is ongoing. The Board has reviewed the effectiveness of the Association's systems of internal control, this review has included the commission and participation in detailed review of existing internal control procedures and the business risks faced by the Association.

The key elements of the system which the Board has established to provide effective internal control include:

- The establishment of a Finance, Audit and Risk Committee which regularly reviews the overall financial position and the key risks facing the Association.
- The Committee updates the Board regularly on its review of matters relating to internal control and reports from the internal auditors.
- Detailed budgets are prepared which are reviewed in detail by the Committee and approved by the Board, with appropriate action taken when variances are identified.
- The establishment of a system of KPI's to monitor monthly performance of the provision of maintenance services.
- The Board maintains responsibility for overall strategy and the approval of all major expenditure.

**CRAIGOWEN HOUSING ASSOCIATION LIMITED**

**REPORT OF THE BOARD (Cont'd)**  
**For the year ended 31 March 2023**

**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; and
- They have taken all reasonable steps that they ought to have taken, as members of the Board, to make themselves aware of any relevant audit information and to establish that the Association's auditors are aware of that information.

**Auditors**

The Board has appointed GMcG BELFAST as the Association's auditors.

This report was approved by the Board on 28 June 2023 and signed on its behalf by:



**A Hamilton**  
**Chairman**

150 Holywood Road  
Belfast  
BT4 1NY

## **CRAIGOWEN HOUSING ASSOCIATION LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CRAIGOWEN HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2023**

We have audited the financial statements of Craigowen Housing Association Limited for the year ended 31 March 2023 which comprise of the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows, the Statement of Changes in Equity 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with requirements of the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 and the Registered Housing Associations (Accounting Requirements) Order (Northern Ireland) 1993.

#### **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 Financial Reporting Council'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.

## **CRAIGOWEN HOUSING ASSOCIATION LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CRAIGOWEN HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2023**

#### **Other Information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Board is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 requires us to report to you, if in our opinion:

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

#### **Responsibilities of the Board**

As explained more fully in the statement of board members' responsibilities set out on page 5, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **CRAIGOWEN HOUSING ASSOCIATION LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CRAIGOWEN HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2023**

#### **Auditors' 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.

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

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

In identifying and assessing potential risks of material misstatement in respect of irregularities, including fraud and non-compliances with laws and regulations, we considered the following:

- The nature of the industry and sector, control environment and business performance, including the Association's remuneration policies for directors, bonus levels and performance targets, if any;
- Results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- Any matters we identified having obtained and reviewed the Association's documentation of their policies and procedures relating to:
  - Identifying, evaluating and complying with laws and regulations and whether they were aware of any instance of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have and knowledge of any actual, suspected or alleged fraud; and
  - The internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- The matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the Association for fraud and identified the greatest potential for fraud in revenue recognition. In common with all audits under ISAs (UK), we also perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Association operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969, the Registered Housing Associations (Accounting Requirements) Order (Northern Ireland) 1993 and the Statement of Recommended Practice for Social Housing Providers 2018.

## **CRAIGOWEN HOUSING ASSOCIATION LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CRAIGOWEN HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2023**

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud (cont'd)**

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Association's ability to operate or to avoid a material penalty.

#### **Audit response to risks identified**

Our procedures to respond to the risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements
- Enquiring of management concerning actual and potential litigation and claims
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud
- Reading minutes of meetings of those charged with governance and reviewing correspondence with tax authorities; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

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

**CRAIGOWEN HOUSING ASSOCIATION LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CRAIGOWEN HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2023**

**Use of our report**

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 article 19 of The Housing (Northern Ireland) Order 1992. 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.



Mr Nigel Moore FCA  
Senior Statutory Auditor

28 JUNE '23  
Date

GMcG BELFAST  
Chartered Accountants & Statutory Auditor  
Alfred House  
19 Alfred Street  
Belfast  
BT2 8EQ

**CRAIGOWEN HOUSING ASSOCIATION LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME**

**For the year ended 31 March 2023**

	<b>Note</b>	<b>2023 £</b>	<b>2022 £</b>
<b>Turnover</b>	<b>20</b>	1,002,730	973,850
Operating costs	<b>20</b>	<u>(1,073,188)</u>	<u>(1,012,249)</u>
<b>Operating Deficit</b>	<b>20</b>	(70,458)	(38,399)
Interest receivable and similar income	<b>7</b>	10,468	170
Profit or loss on disposal		<u>265</u>	<u>-</u>
<b>Deficit on ordinary activities</b>		(59,725)	(38,229)
Net transfer (to)/from designated reserves		<u>-</u>	<u>-</u>
<b>Deficit for the year</b>		<u><u>(59,725)</u></u>	<u><u>(38,229)</u></u>

All amounts above relate to continuing operations of the Association.

The notes on pages 16 to 25 form part of these financial statements.

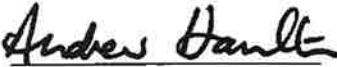
**CRAIGOWEN HOUSING ASSOCIATION LIMITED**

**BALANCE SHEET**

**As at 31 March 2023**

	Note	£	2023 £	£	2022 £
<b>FIXED ASSETS</b>					
Housing, land and buildings	8		4,743,593		4,804,508
Other fixed assets	9		<u>2,636</u>		<u>1,603</u>
			4,746,229		4,806,111
<b>CURRENT ASSETS</b>					
Debtors	12	48,995		99,548	
Cash at bank		<u>1,461,656</u>		<u>1,524,603</u>	
		<u>1,510,651</u>		<u>1,624,151</u>	
<b>CURRENT LIABILITIES</b>					
Creditors: amounts falling due within one year	13	<u>(593,678)</u>		<u>(541,195)</u>	
<b>NET CURRENT ASSETS</b>			<u>916,973</u>		<u>1,082,956</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			5,663,202		5,889,067
<b>CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>					
Housing Association Grant	10	(3,054,830)		(3,205,681)	
Deferred contribution	11	<u>(309,624)</u>		<u>(324,913)</u>	
			<u>(3,364,454)</u>		<u>(3,530,594)</u>
<b>NET ASSETS</b>			<u>2,298,748</u>		<u>2,358,473</u>
<b>CAPITAL AND RESERVES</b>					
Share Capital	14		7		7
Capital Reserve	15		31		31
Designated Reserve	16		1,064,647		1,064,647
Revenue Reserve	15		<u>1,234,063</u>		<u>1,293,788</u>
			<u>2,298,748</u>		<u>2,358,473</u>

The financial statements were approved by the Board on 28/6/23 and signed on its behalf by:

  
A Hamilton  
Chairman

  
R Buchanan  
Board Member

  
W McCreight  
Secretary

The notes on pages 16 to 25 form part of these financial statements.

**CRAIGOWEN HOUSING ASSOCIATION LIMITED****STATEMENT OF CASH FLOWS**  
**For the year ended 31 March 2023**

	2023 £	2022 £
<b>Cash flows from operating activities</b>		
Deficit for the year	(59,725)	(38,229)
<b>Adjustments for:-</b>		
Depreciation of tangible assets	238,706	228,303
Grant amortisation	(166,140)	(166,140)
Interest received	(10,468)	(170)
Decrease in debtors	50,553	11,517
Increase/(decrease) in creditors	<u>52,483</u>	<u>(108,146)</u>
<b>Net cash generated from operating activities</b>	<u>105,409</u>	<u>(72,865)</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(181,224)	(257,129)
Proceeds from disposal of tangible fixed assets	2,400	-
Interest received	<u>10,468</u>	<u>170</u>
<b>Net cash from investing activities</b>	<u>(168,356)</u>	<u>(256,959)</u>
<b>Decrease in cash and cash equivalents</b>	(62,947)	(329,824)
Cash and cash equivalents at beginning of year	<u>1,524,603</u>	<u>1,854,427</u>
<b>Cash and cash equivalents at end of year</b>	<u>1,461,656</u>	<u>1,524,603</u>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	<u>1,461,656</u>	<u>1,524,603</u>
<b>Analysis of changes in net debt</b>		

	2022 £	Cash flows £	Other Non-Cash changes £	2023 £
Cash and cash equivalents	<u>1,524,603</u>	<u>(62,947)</u>	-	<u>1,461,656</u>
Total net funds	<u>1,524,603</u>	<u>(62,947)</u>	-	<u>1,461,656</u>

**CRAIGOWEN HOUSING ASSOCIATION LIMITED****STATEMENT OF CHANGES IN EQUITY****For the year ended 31 March 2023**

	Share Capital £	Capital Reserve £	Revenue Reserve £	Designated Reserve £	TOTAL £
At 1 April 2022	7	31	1,293,788	1,064,647	2,358,473
<b>Comprehensive income for the year</b>					
Deficit for the year	-	-	(59,725)	-	(59,725)
<b>At 31 March 2023</b>	<u>7</u>	<u>31</u>	<u>1,234,063</u>	<u>1,064,647</u>	<u>2,298,748</u>

**STATEMENT OF CHANGES IN EQUITY****For the year ended 31 March 2022**

	Share Capital £	Capital Reserve £	Revenue Reserve £	Designated Reserve £	TOTAL £
At 1 April 2021	7	31	1,332,017	1,064,647	2,396,702
<b>Comprehensive income for the year</b>					
Deficit for the year	-	-	(38,229)	-	(38,229)
<b>At 31 March 2022</b>	<u>7</u>	<u>31</u>	<u>1,293,788</u>	<u>1,064,647</u>	<u>2,358,473</u>

The notes on pages 16 to 25 form part of these financial statements.

## **CRAIGOWEN HOUSING ASSOCIATION LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 March 2023**

#### **1. General Information**

The principal activities of the Association are to provide special needs accommodation for adults who are mentally and/or physically handicapped, and to provide accommodation for staff, and their dependants. The Association is a registered society under the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969. The Association's principal place of business is its registered office at 150 Holywood Road, Belfast, BT4 1NY.

Craigowen Housing Association Limited constitutes a public benefit entity as defined by FRS 102.

#### **2. Accounting Policies**

##### **2.1 Basis of Preparation**

The financial statements have been prepared in accordance with Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The financial statements comply with the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969, the Registered Housing Associations (Accounting Requirements) Order (Northern Ireland) 1993 and the Statement of Recommended Practice for Social Housing Providers 2018.

The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1.

The financial statements have been prepared on a going concern basis under the historical cost convention unless otherwise specified within these accounting policies.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the association's accounting policies.

The following principal accounting policies have been applied:

##### **2.2 Going Concern**

The Board continues to adopt the going concern basis of accounting in preparing the financial statements. During the year the Board has continued investigating the long-term strategic options for the future direction of the Association. After making enquiries, the Board has a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

##### **2.3 Turnover**

Turnover represents income receivable from lettings, grants and other income. Rental income is recognised in the period to which it relates, and other income is recognised when the terms of revenue recognition have been met.

## **CRAIGOWEN HOUSING ASSOCIATION LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 March 2023**

#### **2. Accounting Policies (Cont'd)**

##### **2.4 Housing Association Grant (HAG)**

HAG received as a contribution towards revenue expenditure is credited to revenue in the period in which the related expenditure occurs. HAG received as a contribution towards the capital costs of housing properties is recognised in income over the useful life of the housing property structure and, where applicable, its individual components (excluding land) under the accruals model. Such grants, although treated as a grant for accounting purposes 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.

##### **2.5 Contribution from Camphill Communities Trust (NI)**

Contributions received from Camphill Communities Trust (NI) towards the capital costs of housing properties are reflected using grants received basis, in accordance with FRS 102 and recognised in income over the useful life of the housing properties.

##### **2.6 Special Needs Management Allowance**

Special Needs Management Allowance (SNMA) is credited to revenue in the period to which the relevant claim refers.

##### **2.7 Tangible Fixed Assets**

###### **Housing, Land and Buildings**

Social housing properties are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended such as the cost of acquiring land and buildings, developments costs and expenditure on improvements. Expenditure on improvements will only be capitalised when it results in incremental future benefits such as increasing rental income, reducing maintenance costs or resulting in a significant extension of the useful economic life of the property.

Major components of housing land and buildings are depreciated at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:-

Land	Not depreciated
Structure	50 years
Roofs	50 years
Lifts	30 years
Kitchens	20 years
Bathrooms	25 years
Doors	20 years
Windows	25 years
Electrics	25 years
Heating and plumbing	15 years
Fire alarm systems	15 years
Fire escapes	33 years

Fixtures, fittings and equipment of schemes 10 – 20 years

Housing properties under construction are not depreciated until they are in use and the useful economic lives of all tangible fixed assets are reviewed annually.

## **CRAIGOWEN HOUSING ASSOCIATION LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 March 2023**

#### **2. Accounting Policies (Cont'd)**

##### **2.7 Tangible Fixed Assets (Cont'd)**

###### **Other**

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

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Office fixtures, fittings and equipment	25% straight line
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##### **2.8 Impairment**

Annually housing properties are assessed for impairment indicators. Where indicators are identified an assessment for impairment is undertaken comparing the asset's carrying amount to its recoverable amount. Where the carrying amount of asset is deemed to exceed its recoverable amount, the asset is written down to its recoverable amount. This is likely to be the fair value in use of the asset based on its service potential. The resulting impairment loss is recognised as expenditure in the Statement of Comprehensive Income. Where an asset is currently deemed not to be providing service potential to the Association, its recoverable amount is its fair value less costs to sell.

Other assets are reviewed for impairment if there is an indication that impairment may have occurred.

##### **2.9 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### **2.10 Financial Instruments**

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

##### **2.11 Creditors**

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

##### **2.12 Pensions**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

##### **2.13 Interest income**

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

## **CRAIGOWEN HOUSING ASSOCIATION LIMITED**

### **NOTES TO THE ACCOUNTS**

**For the year ended 31 March 2023**

#### **2. Accounting Policies (Cont'd)**

##### **2.14 Taxation**

The Association is recognised as a charity by HMRC and is therefore entitled to the exemption from tax afforded by Section 505 (1) Income and Corporation Tax Act 1988. The Association is recognised as a charity by HMRC under reference number X01015.

##### **2.15 Sinking Fund**

This reserve is set aside from rental income and reflects the intention to replace the housing properties in the future.

##### **2.16 Judgements in applying accounting policies and key sources of estimation uncertainty**

No judgements have been made in the process of applying the above accounting policies (apart from those involving estimates). There were no key assumptions made concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### **3. Operating Surplus/(Deficit)**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Operating surplus is stated after charging:		
Depreciation of tangible assets	238,706	228,303
Auditors' remuneration - external	9,360	9,000
- internal	<u>6,156</u>	<u>2,970</u>

#### **4. Donated Facilities**

The Association holds 16 leasehold properties for an annual rent of £1, if demanded. The Association generated rental income of £88,151. (2022 - £89,570) in relation to these properties during the year.

#### **5. Employee Information**

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
<b>Number of Employees</b>		
The average monthly number of employees during the year was:		
Administration and maintenance staff	<u>4</u>	<u>4</u>
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Staff costs</b>		
Wages and salaries	148,127	127,770
Social security costs	16,957	13,659
Other pension costs	4,824	3,421
Temporary staff	<u>2,147</u>	<u>724</u>
	<u>172,055</u>	<u>145,574</u>

**CRAIGOWEN HOUSING ASSOCIATION LIMITED**

**NOTES TO THE ACCOUNTS**

**For the year ended 31 March 2022**

**5. Employee Information (cont'd)**

The number of employees whose annual remuneration was £60,000 or more were:

	<b>2023 Number</b>	<b>2022 Number</b>
In the band £60,001 - £70,000	<u>1</u>	<u>1</u>

**6. Key Management Personnel**

Remuneration payable to key management personnel during the year was:-

	<b>2023 £</b>	<b>2022 £</b>
Aggregate emoluments	63,869	61,444
Pension contributions	<u>2,555</u>	<u>2,458</u>
	<u>66,424</u>	<u>63,902</u>

The Board serve in a voluntary capacity and are unpaid. No board members were reimbursed expenses during the year (2022 - £nil).

**7. Interest Receivable**

	<b>2023 £</b>	<b>2022 £</b>
Bank interest receivable	<u>10,468</u>	<u>170</u>

**CRAIGOWEN HOUSING ASSOCIATION LIMITED****NOTES TO THE ACCOUNTS****For the year ended 31 March 2023****8. Tangible Fixed Assets – Housing, Land and Buildings**

<b>Cost</b>	<b>Housing, Land &amp; Buildings £</b>	<b>Total £</b>
At 1 April 2022	9,880,887	9,880,887
Additions	178,830	178,830
Disposals	(2,665)	(2,665)
At 31 March 2023	<u>10,057,052</u>	<u>10,057,052</u>
<b>Depreciation</b>		
At 1 April 2022	5,076,379	5,076,379
Charge for year	237,345	237,345
Eliminated on disposals	(265)	(265)
At 31 March 2023	<u>5,313,459</u>	<u>5,313,459</u>
<b>Net Book Value</b>		
At 31 March 2023	<u>4,743,593</u>	<u>4,743,593</u>
At 31 March 2022	<u>4,804,508</u>	<u>4,804,508</u>

Housing includes a leasehold property at a cost of £694,102. It is the intention that freehold title of the land will be transferred to the Association in due course.

**9. Tangible Fixed Assets – Other**

	<b>Office fixtures, fittings and equipment £</b>	<b>Total £</b>
<b>Cost</b>		
At 1 April 2022	24,787	24,787
Additions	2,394	2,394
At 31 March 2023	<u>27,181</u>	<u>27,181</u>
<b>Depreciation</b>		
At 1 April 2022	23,184	23,184
Charge for year	1,361	1,361
At 31 March 2023	<u>24,545</u>	<u>24,545</u>
<b>Net Book Value</b>		
At 31 March 2023	<u>2,636</u>	<u>2,636</u>
At 31 March 2022	<u>1,603</u>	<u>1,603</u>

**CRAIGOWEN HOUSING ASSOCIATION LIMITED****NOTES TO THE ACCOUNTS****For the year ended 31 March 2023****10. Housing Association Grant**

	<b>2023</b> <b>£</b>	<b>2022</b> <b>£</b>
<b>Housing Association Grant</b>		
At 1 April 2022 and 31 March 2023	<u>7,542,568</u>	<u>7,542,568</u>
<b>Amortisation</b>		
At 1 April 2022	4,186,036	4,035,185
Charge for the year	<u>150,851</u>	<u>150,851</u>
At 31 March 2023	<u>4,336,887</u>	<u>4,186,036</u>
<b>Net Book Value</b>		
At 31 March 2023	<u>3,205,681</u>	<u>3,356,532</u>
Released within one year	150,851	150,851
Released after more than one year	<u>3,054,830</u>	<u>3,205,681</u>
	<u>3,205,681</u>	<u>3,356,532</u>

**11. Contribution from Camphill Communities Trust (NI)**

	<b>2023</b> <b>£</b>	<b>2022</b> <b>£</b>
<b>Contribution</b>		
At 1 April 2022 and 31 March 2023	<u>764,484</u>	<u>764,484</u>
<b>Amortisation</b>		
At 1 April 2022	424,281	408,992
Charge for the year	<u>15,289</u>	<u>15,289</u>
At 31 March 2023	<u>439,570</u>	<u>424,281</u>
<b>Net Book Value</b>		
At 31 March 2023	<u>324,914</u>	<u>340,203</u>
Released within one year	15,290	15,290
Released after more than one year	<u>309,624</u>	<u>324,913</u>
	<u>324,914</u>	<u>340,203</u>

**CRAIGOWEN HOUSING ASSOCIATION LIMITED**

**NOTES TO THE ACCOUNTS**

**For the year ended 31 March 2023**

**12. Debtors**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Other Debtors	4,904	62,507
Prepayments	10,557	10,455
Accrued Income	<u>33,534</u>	<u>26,586</u>
	<u>48,995</u>	<u>99,548</u>

**13. Creditors: amounts falling due within one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade Creditors	72,657	25,953
Accruals	302,842	292,017
Other Creditors	52,038	57,084
Housing Association Grant (Note 10)	150,851	150,851
Deferred Contribution (Note 11)	<u>15,290</u>	<u>15,290</u>
	<u>593,678</u>	<u>541,195</u>

**14. Share Capital**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
7 Ordinary shares of £1 each	<u>7</u>	<u>7</u>

**15. Reserves**

	<b>Capital Reserve</b>	<b>Revenue Reserve</b>	<b>Designated Reserves (Note 16)</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 1 April 2022</b>	31	1,293,788	1,064,647	2,358,466
Deficit for the year	<u>-</u>	<u>(59,725)</u>	<u>-</u>	<u>(59,725)</u>
<b>At 31 March 2023</b>	<u>31</u>	<u>1,234,063</u>	<u>1,064,647</u>	<u>2,298,741</u>

The reserves of the association as set out above are in line with the associations reserve policy.

## **CRAIGOWEN HOUSING ASSOCIATION LIMITED**

### **NOTES TO THE ACCOUNTS**

**For the year ended 31 March 2023**

#### **16. Designated Reserves**

	<b>Sinking Fund £</b>	<b>Total £</b>
<b>At 1 April 2022</b>	1,064,647	1,064,647
Transfer from Income & Expenditure	<u>-</u>	<u>-</u>
<b>At 31 March 2023</b>	<u>1,064,647</u>	<u>1,064,647</u>

This reserve is set aside from rental income and reflects the intention to replace the housing properties in the future.

#### **17. Pension commitments**

The company operates a defined contribution pension scheme in respect of the staff. The scheme and its assets are held by independent managers. The pension cost charge represents contributions payable by the company to the fund and amounted to £4,824 (2022 - £3,421).

#### **18. Contingent Liabilities**

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

#### **19. Related Party Transactions**

No transactions with related parties, as defined under FRS 102, were undertaken in the current or prior year.

# **CRAIGOWEN HOUSING ASSOCIATION LIMITED**

## **NOTES TO THE ACCOUNTS**

**For the year ended 31 March 2023**

### **20. Turnover, Operating Costs and Operating Surplus from Social Housing Activities**

	<b>2023 Supported Housing £</b>	<b>2023 Total Social Housing £</b>	<b>2022 Total Social Housing £</b>
<b>Income from Social Housing Lettings</b>			
Rent receivable net of service charges	756,977	756,977	736,303
Special Needs Management Allowance	94,283	94,283	94,283
<b>Gross Income from rents and service charges</b>	<b>851,260</b>	<b>851,260</b>	<b>830,586</b>
Less voids	(14,670)	(14,670)	(22,876)
Bad debts (rent and service charges)	-	-	-
<b>Net Income from rents and service charges</b>	<b>836,590</b>	<b>836,590</b>	<b>807,710</b>
Amortisation	166,140	166,140	166,140
<b>Total Social Housing Income</b>	<b><u>1,002,730</u></b>	<b><u>1,002,730</u></b>	<b><u>973,850</u></b>
<b>Operating costs</b>			
Management services	45,000	45,000	45,000
Special Needs Management Allowance	94,283	94,283	94,283
Planned and cyclical maintenance	268,115	268,115	283,826
Reactive maintenance	131,144	131,144	102,887
Management charges	295,940	295,940	257,950
Depreciation of Social Housing	<u>238,706</u>	<u>238,706</u>	<u>228,303</u>
<b>Total operating costs</b>	<b><u>1,073,188</u></b>	<b><u>1,073,188</u></b>	<b><u>1,012,249</u></b>
<b>Operating Deficit</b>	<b><u>(70,458)</u></b>	<b><u>(70,458)</u></b>	<b><u>(38,399)</u></b>

### **21. Housing Stock**

	<b>2023 £</b>	<b>2022 £</b>
Number of units owned by the Association on 31 March 2023:-		
- Supported Housing	24	24
Number of units leased by the Association on 31 March 2023:-		
- Supported Housing	<u>16</u>	<u>16</u>
	<u>40</u>	<u>40</u>

Housing management services at all properties are carried out by the relevant Camphill Community who are the Managing Agent.