

BAHAY KUBO HOUSING ASSOCIATION LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

BAHAY KUBO HOUSING ASSOCIATION LIMITED

SOCIETY INFORMATION

Management committee	Mr B Clutario (Chair)	
	Ms P Dimacali	
	Ms S Cueva	
	Mr N Camilon	
	Ms A Ojastro	
	Mr H Fadriquela (Secretary)	
	Mr M Siscar (Treasurer)	
	Ms H Bulusan	(Appointed 22 December 2023)
	Ms A Cauceran	(Appointed 22 December 2023)
Secretary	Mr H Fadriquela	
Society number	IP26575R	
HCA registered provider no.	4773	
Registered office	Room 101 Pelican House 138-148 Cambridge Heath Road Bethnal Green London E1 5QJ	
Auditor	Georgiades Charalambou & Co LLP 283 Green Lanes Palmers Green London N13 4XS	
Bankers	National Westminster Bank Plc 250 Bishopsgate London EC2M 4AA	
	Metro Bank Plc One Southampton Row London WC1B 5HA	

BAHAY KUBO HOUSING ASSOCIATION LIMITED

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BAHAY KUBO HOUSING ASSOCIATION LIMITED

REPORT OF THE COMMITTEE OF MANAGEMENT

FOR THE YEAR ENDED 31 MARCH 2024

The management committee present their annual report and financial statements for the year ended 31 March 2024.

Principal activities

The principal activity of the association continued to be that of:

- The management of properties, which at the moment are mostly short life properties.
- Referral to other housing associations/providers.
- Secure more properties through negotiations with other housing associations.

Results and review of the business

The results for the period are set out on page 8. The net surplus for the year under review amounted to £62,775 (2023: £110,533). The net aggregate reserves carried forward is £2,254,158 (2023: £2,191,383). This has been allocated to meet operational costs £231,609; major repairs £214,750; co-housing project £318,000; purchase of new property £350,000 and St Anne's housing project £350,000. Details are on page 17.

Principal risks and uncertainties

The management committee of Bahay Kubo Housing Association carried out a risk assessment of the association and the following were the point of concern:

Financial risk

- Risk: Owners of short life properties currently on the Bahay Kubo management could require handback
- Control: Seek to continue current leases and to obtain replacement leases.

Staffing issues

- Risk: Key staff can be tempted by better offers
- Control: Review terms and conditions, review appraisals
- Risk: Senior staff taking long-term absence due to sickness or accident
- Control: Review staff morale and review working conditions
- Acquire accident insurance cover for key personnel or senior staff
- A full risk map is part of our revised business plan

Reserve policy

Bahay Kubo Housing Association Treasury Management Policy

The management committee of Bahay Kubo Housing Association Limited agrees to a policy of treasury management. This policy will set aside 10% p.a. of its annual surplus towards a reserve for the specific use of long term repairs and maintenance of its properties.

The fixed reserve policy and future repairs and maintenance will be solely used for repairs and maintenance and no other use will be allowed unless agreed by a committee with a majority vote.

The Chair, Treasury and Director of the Association will be responsible for reviewing the reserves on a regular basis and report to the Board.

BAHAY KUBO HOUSING ASSOCIATION LIMITED

REPORT OF THE COMMITTEE OF MANAGEMENT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Members of the management committee

The members of the management committee who held office during the year and up to the date of signature of the financial statements were as follows:

Mr B Clutario (Chair)	
Ms F Yilmaz	(Resigned 30 June 2023)
Ms P Dimacali	
Ms S Cueva	
Mr N Camilon	
Ms A Ojastro	
Mr H Fadriquela (Secretary)	
Ms Michelle Turpin	(Resigned 30 June 2023)
Mr M Siscar (Treasurer)	
Ms H Bulusan	(Appointed 22 December 2023)
Ms A Cauceran	(Appointed 22 December 2023)

Value for money

Seeing to it that Value for Money (VFM) is ensured at all times is part of Bahay Kubo HA's practice and policy. Bahay Kubo HA's approach VFM as a way of achieving more – for both our current residents and our future residents. VFM is the careful balancing of the so-called three E's: economy, efficiency and effectiveness. In practical terms, it means spending less, spending well and spending wisely.

Bahay Kubo HA operates regular improvement reviews to examine the services we provide in terms of cost, process, tenants expectations and demands, customer satisfaction and performance.

Value for Money Metric

In accordance with guidance from the Regulator of Social Housing published in June 2019, the Association reports its Value for Money ratios comparing these with a group of other co-operatives as follows:

		BKHA 2024	SPBM 2023	BKHA 2023
Reinvestment in development and capital works %		3.87	3.80	8.93
(the percentage of expenditure on improving existing properties against the total net cost to do properties)				
New supply demand delivered (Social housing units)%		0.00	0.00	0.00
New supply demand delivered (Non-social housing units)%		0.00	0.00	0.00
Gearing %		0.00	14.19	0.00
(the percentage of cash less loans against the cost less depreciation of housing properties)				
Interest cover including capitalised repairs %		0.00	177	0.00
(Earnings before interest, depreciation and improvement against interest payable)				
Social housing costs per unit £		5,387	5,495	4,747
(major categories of expenditure divided by number of units)				
Operating margin (Social housing lettings) %		-15.47	13.50	-6.92
Operating margin (Overall) %		23.14	13.22	29.47
(The percentage of operating surplus divided by turnover from letting)				
Return on capital employed %		3.79	2.00	5.04
(the percentage of operating surplus divided by total assets less current liabilities)				

BAHAY KUBO HOUSING ASSOCIATION LIMITED

REPORT OF THE COMMITTEE OF MANAGEMENT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Auditor

A resolution will be proposed at the Annual General Meeting to re-appoint Messrs. Georgiades Charalambou & Co LLP as auditors for the ensuing year.

Responsibilities of the management committee

The management committee members are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

The law governing registered societies requires the management committee to prepare financial statements for each financial year. Under that law the management committee has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the association and of the surplus or deficit of the association for that period. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departure 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 in business.

The management committee members are responsible for keeping adequate accounting records that are sufficient to show and explain the association's transactions and disclose with reasonable accuracy at any time the financial position of the association and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a member of committee at the date of approving this report is aware, there is no relevant audit information of which the association's auditor is unaware. Additionally, the members individually have taken all the necessary steps that they ought to have taken as members in order to make themselves aware of all relevant audit information and to establish that the association's auditor is aware of that information.

Corporate governance

The committee keep the governance arrangements under review to ensure that openness, accountability and control by the committee is maintained.

BAHAY KUBO HOUSING ASSOCIATION LIMITED

REPORT OF THE COMMITTEE OF MANAGEMENT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Responsibilities of internal control

The committee acknowledge their ultimate responsibility for ensuring that the association has in place a system of controls that is appropriate to the various business environments in which it operates. These controls are designed to give reasonable assurance with respect to:

- i. the reliability of financial information used within the association's publication.
- ii. the safeguarding of assets against unauthorised use or disposition.

It is the committee's responsibility to establish and maintain systems of internal financial controls. Such system can only provide reasonable and not absolute assurance against material financial mis-statement or loss. Key elements include ensuring that:

- i. formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the authorised use of association's assets.
- ii. financial budgets and outturns are prepared which allow the committee to monitor the association's performance and progress.
- iii. all significant new initiatives, major commitments and investments are subject to formal authorisation procedures by the committee.
- iv. all cheque or BACS payments are authorised by two out of the elected officers of the association.
- v. salary payments are checked by two of the officers.
- vi. experienced and suitably qualified staff take responsibility for important business functions.

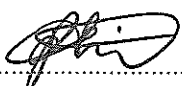
The committee reviews reports from staff, from the internal auditors and from the external auditors to provide reasonable assurance that the control procedures are in place and are being followed.

Forecasts and budgets are prepared which allow the committee to monitor key business risks and financial objectives and progress towards financial plans set for the year and medium term. Regular management accounts are prepared promptly, providing relevant, reliable and up to date financial and other information. Significant variances from budgets are investigated as appropriate:

Formal procedures have been established for instituting appropriate action to correct any weaknesses identified from the above reports, and are under constant review.

The committee have reviewed the effectiveness of the system of internal control in the association for the year ended 31 March 2023. The examination of the internal control revealed that no matters were discovered that require disclosure in the financial statements or in the auditor's report thereon.

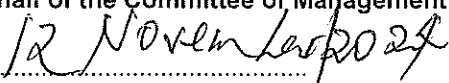
Approved by the management committee and signed on its behalf by



Mr B Clutario (Chair)

On behalf of the Committee of Management

Date:



BAHAY KUBO HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BAHAY KUBO HOUSING ASSOCIATION LIMITED

Opinion

We have audited the financial statements of Bahay Kubo Housing Association Limited (the 'society') for the year ended 31 March 2024 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 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 management committee'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 management committee with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The committee members are 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

We have nothing to report in respect of the following matters in relation to which the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- the society has not kept proper accounting records; or
- the society has not maintained a satisfactory system of control over its transactions; or
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we require for our audit.

BAHAY KUBO HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BAHAY KUBO HOUSING ASSOCIATION LIMITED

Responsibilities of committee members

As explained more fully in the Responsibilities of the management committee statement, the committee members are 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 committee members 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 committee members are 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 committee members either intend to liquidate the society 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:

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the association through discussions with management, and from our knowledge and experience of the housing sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the society, including the Co-operative and Community Benefit Societies Act 2014, Regulatory framework for registered providers, taxation legislation, data protection, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the association's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

BAHAY KUBO HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BAHAY KUBO HOUSING ASSOCIATION LIMITED

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in **note 2** were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- reading inspection reports by RSH;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including regulator of social housing and company's legal advisors.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatements due to fraud is higher than the risk of not detecting one from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentation, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Masud Abdul-Karim (Senior Statutory Auditor)
For and on behalf of Georgiades Charalambou & Co LLP
Chartered Certified Accountants
Statutory Auditor
283 Green Lanes
Palmers Green
London
N13 4XS

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BAHAY KUBO HOUSING ASSOCIATION LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2023 £
Income	3	456,923	375,069
Distribution costs		(253,460)	(257,132)
Administrative expenses		(295,358)	(153,550)
Other operating income		144,153	144,821
Operating surplus	5	52,258	109,208
Interest receivable and similar income	8	10,517	1,325
Surplus before taxation		62,775	110,533
Tax on surplus		-	-
Surplus for the financial year		62,775	110,533

The income and expenditure account has been prepared on the basis that all operations are continuing operations.

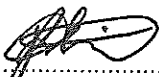
BAHAY KUBO HOUSING ASSOCIATION LIMITED

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	10		382,420		383,507
Current assets					
Debtors	11	85,378		68,316	
Cash at bank and in hand		1,952,606		1,839,521	
		<u>2,037,984</u>		<u>1,907,837</u>	
Creditors: amounts falling due within one year	12	(166,187)		(99,926)	
Net current assets			<u>1,871,797</u>		<u>1,807,911</u>
Net assets			<u><u>2,254,217</u></u>		<u><u>2,191,418</u></u>
Reserves					
Called up share capital	15		59		35
Income and expenditure account			<u>2,254,158</u>		<u>2,191,383</u>
Members' funds			<u><u>2,254,217</u></u>		<u><u>2,191,418</u></u>

The financial statements were approved by the board of directors and authorised for issue on 12/11/2024 and are signed on its behalf by:


Mr B Clutario (Chair)


Mr H Fadriqueza (Secretary)


Mr M Siscar (Treasurer)

Society Registration No. IP26575R

BAHAY KUBO HOUSING ASSOCIATION LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Share capital £	Income and expenditure £	Total £
Balance at 1 April 2022		35	2,080,850	2,080,885
Year ended 31 March 2023:				
Surplus and total comprehensive income		-	110,533	110,533
Balance at 31 March 2023		35	2,191,383	2,191,418
Year ended 31 March 2024:				
Surplus and total comprehensive income		-	62,775	62,775
Issue of share capital	16	24	-	24
Balance at 31 March 2024		59	2,254,158	2,254,217

BAHAY KUBO HOUSING ASSOCIATION LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from operations	18		94,259		143,115
Investing activities					
Purchase of tangible fixed assets		(4,869)		-	
Loans made		13,154		(7,154)	
Interest received		10,517		1,325	
Net cash generated from/(used in) investing activities			18,802		(5,829)
Financing activities					
Proceeds from issue of shares		24		-	
Net cash generated from/(used in) financing activities			24		-
Net increase in cash and cash equivalents			113,085		137,286
Cash and cash equivalents at beginning of year			1,839,521		1,702,235
Cash and cash equivalents at end of year			1,952,606		1,839,521

BAHAY KUBO HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Association information

Bahay Kubo Housing Association Limited is a registered society in England under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing as a Private Registered Provider of Social Housing. The registered office is Room 101, Pelican House, 138-148 Cambridge Heath Road, Bethnal Green, London, E1 5QJ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), Statement of recommended practice for Registered Social Providers 2018 (the SORP), the Co-operative and Community Benefit Societies Act 2014 and Accounting Direction for private registered providers of social housing in England from January 2019.

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the management committee have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the management committee continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income and expenditure

Income and expenses are included in the financial statements as they become receivable or due.

Rental income represents rents due from social housing activities during the period.

Management fees represents commission due on management of third party housing stock.

Expenses include VAT where applicable as the association cannot reclaim it.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line
Equipment	15% straight line
Fixtures and fittings	15% straight line
White goods	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

BAHAY KUBO HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

At each reporting period end date, the association reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.6 Cash and cash equivalents

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

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

1.8 Taxation

The association is exempt from corporation tax, it being an entity not carrying on a business for the purposes of making a profit.

1.9 Employee benefits

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

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

BAHAY KUBO HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the England and Wales.

4 Accommodation owned, managed and in development

	2024	2024	2023	2023
General need housing:	Owned	Managed	Owned	Managed
Social rent	-	39	-	39
Affordable rent	2	4	2	4
	<u>2</u>	<u>43</u>	<u>2</u>	<u>43</u>

5 Operating surplus

	2024	2023
Operating surplus for the year is stated after charging:	£	£
Depreciation of owned tangible fixed assets	<u>5,956</u>	<u>5,145</u>

6 Auditor's remuneration

	2024	2023
Fees payable to the company's auditor and associates:	£	£
For audit services		
Audit of the financial statements of the company	<u>7,000</u>	<u>6,600</u>

7 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

2024	2023
Number	Number
<u>6</u>	<u>4</u>

BAHAY KUBO HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

7 Employees (Continued)

Their aggregate remuneration comprised:

	2024 £	2023 £
Wages and salaries	128,527	98,471
Social security costs	5,822	4,411
Pension costs	1,802	661
	<u>136,151</u>	<u>103,543</u>

No employees received more than £60,000 as their employee package

No committee members were paid remuneration, expenses and fees (apart from already disclosed in note 8).

8 Interest receivable and similar income

	2024 £	2023 £
Interest income		
Interest on bank deposits	10,517	1,325
	<u>10,517</u>	<u>1,325</u>

	2024 £	2023 £
Investment income includes the following:		
Interest on financial assets not measured at fair value through surplus or deficit	10,517	1,325
	<u>10,517</u>	<u>1,325</u>

9 Key management personnel remuneration

	2024 £	2023 £
Remuneration for qualifying services	47,594	52,041
	<u>47,594</u>	<u>52,041</u>

Remuneration disclosed above include the following amounts paid to the highest paid member:

	2024 £	2023 £
Remuneration for qualifying services	47,594	52,041
	<u>47,594</u>	<u>52,041</u>

BAHAY KUBO HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

10 Tangible fixed assets

	Freehold land and buildings	Equipment	Fixtures and fittings	White goods	Total
	£	£	£	£	£
Cost					
At 1 April 2023	450,501	15,357	15,466	43,710	525,034
Additions	-	4,869	-	-	4,869
At 31 March 2024	450,501	20,226	15,466	43,710	529,903
Depreciation and impairment					
At 1 April 2023	66,994	15,357	15,466	43,710	141,527
Depreciation charged in the year	5,145	811	-	-	5,956
At 31 March 2024	72,139	16,168	15,466	43,710	147,483
Carrying amount					
At 31 March 2024	378,362	4,058	-	-	382,420
At 31 March 2023	383,507	-	-	-	383,507

11 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Rental debtors	141,940	116,203
Less: provision for bad and doubtful debts	(64,556)	(64,556)
Other debtors	2,695	15,849
Prepayments	5,299	820
	85,378	68,316

12 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Prepaid rents		11,223	3,184
Trade creditors		6,691	7,479
Taxation and social security		2,970	2,588
Deferred income	13	81,711	53,273
Other creditors		5,700	6,148
Accruals and deferred income		57,892	27,254
		166,187	99,926

BAHAY KUBO HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

13 Deferred income

	2024 £	2023 £
Other deferred income	81,711	53,273

14 Retirement benefit schemes

Defined contribution schemes	2024 £	2023 £
Charge to profit or loss in respect of defined contribution schemes	1,802	661

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

15 Members' liability

Each member holds one non-redeemable and non-transferrable share of £1.00. The share carry no right to interest, dividends or bonuses and there are no provisions for distribution on winding-up. Each share has one vote. The liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the association on winding up such amounts as may be required not exceeding £1.

16 Share capital

	2024 Number	2023 Number	2024 £	2023 £
Ordinary share capital Issued and fully paid fully paid shares of £1.00 each	59	35	59	35

17 Reconciliation of movement in General reserve

	Balance b/f £	Surplus/ (Deficit) £	Transfers In £	Out £	2024 Total £
General reserve	343,518	-	62,454	-	405,972
Surplus for the year	-	62,775	-	(62,775)	-
Tangible fixed assets	383,506	-	-	(5,956)	377,550
Operational allocation	231,609	-	-	-	231,609
Major repairs	214,750	-	6,278	-	221,027
Co-housing project	318,000	-	-	-	318,000
Purchase new property	350,000	-	-	-	350,000
St Anne's housing project	350,000	-	-	-	350,000
	<u>2,191,383</u>	<u>62,775</u>	<u>68,731</u>	<u>(68,731)</u>	<u>2,254,158</u>

Operational allocation represents designated fund set aside to cover any redundancies or unexpected winding down cost should the need arise.

BAHAY KUBO HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

18 Cash generated from operations

	2024 £	2023 £
Surplus for the year after tax	62,775	110,533
Adjustments for:		
Investment income	(10,517)	(1,325)
Depreciation and impairment of tangible fixed assets	5,956	5,145
Movements in working capital:		
(Increase)/decrease in debtors	(30,216)	19,837
Increase/(decrease) in creditors	37,823	(44,348)
Increase in deferred income	28,438	53,273
Cash generated from operations	94,259	143,115

19 Analysis of changes in net funds

	1 April 2023 £	Cash flows £	31 March 2024 £
Cash at bank and in hand	1,839,521	113,085	1,952,606