

Annual Report

01 April 2023 - 31 March 2024



Room 101 Pelican House
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Chairperson's Statement

On behalf of the Management Board of Bahay Kubo Housing Association Ltd, I extend a warm welcome to you all to our Annual General Meeting.

This statement reflects on the accomplishments and challenges of BKHA during the 2023–2024 financial year—a period marked by resilience, progress, and collaboration as we continue our mission of providing quality housing services to the communities we serve.

Our Achievements

Over the past year, we successfully managed 43 properties in collaboration with mainstream housing associations, ensuring the availability of vital accommodations in London boroughs such as Bexley, Croydon, Hackney, Greenwich, Haringey, Enfield, Lewisham, and Waltham Forest.

In partnership with Yarychiv Property Management, we have maintained tenant support for an additional 159 properties, affirming our role as a trusted provider of affordable housing.

We are also proud to be a member of the Domestic Abuse Housing Alliance (DAHA), reaffirming our commitment to creating safe and supportive housing environments.

Challenges We Face

Despite these achievements, we are not immune to the challenges posed by a shifting housing landscape, rising living costs, and growing demand for affordable homes. Economic pressures have affected many of our tenants, leading to late payments and increasing arrears. If unaddressed, this could significantly impact the financial stability if not the survival of BKHA.

Additionally, small and medium-sized housing associations like ours face constraints in contributing to the development of new housing stock due to financial and business limitations.

The Path Forward

As we reaffirm our mission of providing affordable, quality housing to Filipinos and others in need, we must focus on:

1. Operational Efficiency maximizing the effective use of our resources and enhancing rent collection processes and reducing arrears.
2. Staff Development through building professional skills and knowledge to adapt to evolving challenges and cultivating a proactive and efficient working culture.
3. Strategic Governance by leveraging the expertise and experience of the Management Board to guide the association through these times
4. Partnerships and Growth by strengthening existing collaborations and exploring opportunities for joint projects to address the growing demand for affordable housing.

Finally, I would like to express my heartfelt gratitude to our tenants, partners, shareholders, members of the Management Board, and staff. Your trust, dedication, and collaboration are the cornerstones of our success.

Together, we are building not just homes, but vibrant communities where everyone can thrive.

Thank you.

Mr Benito Narciso M Clutario
Chairperson

Managing Director's Report

It is my privilege to present the Managing Director's report for the 2023–2024 financial year. This has been a year of renewed commitment to our mission of providing quality housing services to the community.

Key Activities and Milestones

This year was marked by significant achievements that advanced our mission of providing safe, secure, and affordable housing.

1. Property Management

We continued to oversee the management of 43 properties in collaboration with mainstream housing association partners. Through these partnerships and our close work with private landlords, we successfully delivered essential housing solutions across key London boroughs, including Bexley, Croydon, Hackney, Greenwich, Haringey, Enfield, Lewisham, and Waltham Forest.

2. Collaboration with Yarchiv Property Management

Our partnership with YPM remained a cornerstone of our housing efforts. This collaboration ensured the effective maintenance and management of 159 properties. By leveraging YPM's expertise and commitment, we upheld standards for tenant support and property upkeep, ensuring our properties remain safe, comfortable, and well-maintained for the residents we serve.

3. Tenant Engagement

This year, communication and engagement are enhanced with tenants. These efforts included regular visits to tenants' residences to discuss rent arrears and timely collections of monthly rent. By listening to tenants' voices, we were able to better understand their needs, address their concerns effectively, and foster stronger relationships within the communities we support.

4. Collaboration on Affordable Housing

In line with our mission to expand access to affordable housing, we continue to engage with Gida Housing Co-operative. This partnership and collaboration represent significant step toward addressing the pressing housing needs of low-income and marginalized communities.

Service Improvements and Challenges

We are proud of the strides we've made in improving our services this year. We can respond more efficiently to tenant needs. Based on records, there were 70 calls from tenants for repairs of the period, and we responded and addressed their needs 100%. Furthermore, our culturally sensitive approach continues to differentiate us, ensuring that we provide not only housing but also a sense of belonging and community.

However, challenges have not been absent. Rising living costs and the ongoing housing crisis have placed additional strain on both tenants and our organization. Limited resources and the increasing demand for affordable housing have required us to be innovative and strategic in our operations. While we have made progress, these challenges remind us of the importance of resilience and adaptability in achieving our mission.

Vision and Goals for the Upcoming Year

Looking ahead, Bahay Kubo Housing Association will focus on the following priorities:

1. **Expanding Housing Capacity:** We will actively seek new opportunities to increase the number of properties we manage, addressing the growing demand for affordable housing.
2. **Enhancing Tenant Support:** We aim to deepen our engagement with tenants, offering additional resources and services to support their well-being and stability.
3. **Sustainability:** We will prioritize financial and operational sustainability, ensuring that our organization remains resilient in the face of external challenges.

As we embark on another year, I remain confident in the collective strength of Bahay Kubo HA. Our dedicated staff, committed board members, and supportive stakeholders provide a solid foundation for achieving our vision.

Together, we will continue to build homes, empower communities, and make a lasting difference in the lives of those we serve.

Thank you for your trust and partnership as we strive for even greater impact in the year ahead.

Herbert Fadriquela
Managing Director

About Bahay Kubo Housing Association

Established in 1989, Bahay Kubo Housing Association Ltd is the only association that helps provide and gain access to affordable housing to the Filipino community in Greater London.

Vision

Bahay Kubo Housing Association is a recognised provider of high-quality homes and centre point of the Filipino community for their housing needs.

Mission

Bahay Kubo Housing Association believes that by providing affordable and quality housing, Filipinos, and anyone with housing needs will have a more secure living status. The security of a home is an important ingredient in improving the quality of life and will enable them to contribute to the wider community.

Objectives

1. To provide quality, affordable housing for the im/migrant communities. To provide professional service to ensure that residents' needs are met.
2. To provide effective and efficient repairs and maintenance service to our residents. To sponsor activities and events for and with the Filipino community in Britain.

Our aims

1. We aim to meet the housing needs of Filipinos by providing affordable and culturally appropriate housing services.
2. We aim to develop and provide temporary and permanent housing as well as advice and advocacy services for the Filipino community.
3. We aim to be efficient, viable and responsible community service organisation adopting a caring approach to both our residents and staff.

Key Performance Highlights

Property Maintenance and Repairs

Contractor Summary - for period between 01 Apr 2023 and 30 Apr 2024

Contractor Target Response Times

BKHA	Total	Day-to-Day	Urgent	Emergency	Cyclical	Appointment
% of total	3%	100%	0%	0%	0%	0%
No. of orders	2	2	0	0	0	0
No. over target	2	2	0	0	0	0
% in target	0%	0%				
L&Q Day to day repairs	Total	Day-to-Day	Urgent	Emergency	Cyclical	Appointment
% of total	1%	0%	0%	100%	0%	0%
No. of orders	1	0	0	1	0	0
No. over target	1	0	0	1	0	0
% in target	0%			0%		
London and Quadrant	Total	Day-to-Day	Urgent	Emergency	Cyclical	Appointment
% of total	57%	88%	10%	3%	0%	0%
No. of orders	40	35	4	1	0	0
No. over target	23	20	3	0	0	0
% in target	43%	43%	25%	100%		
Network Homes	Total	Day-to-Day	Urgent	Emergency	Cyclical	Appointment
% of total	7%	100%	0%	0%	0%	0%
No. of orders	5	5	0	0	0	0
No. over target	3	3	0	0	0	0
% in target	40%	40%				

Contractor Summary - for period between 01 Apr 2023 and 30 Apr 2024

TAF Heating and Plumbing	Total	Day-to-Day	Urgent	Emergency	Cyclical	Appointment
% of total	3%	100%	0%	0%	0%	0%
No. of orders	2	2	0	0	0	0
No. over target	1	1	0	0	0	0
% in target	50%	50%				
Yarychiv Maintenance	Total	Day-to-Day	Urgent	Emergency	Cyclical	Appointment
% of total	29%	90%	10%	0%	0%	0%
No. of orders	20	18	2	0	0	0
No. over target	15	13	2	0	0	0
% in target	25%	28%	0%			
Grand Total	Total	Day-to-Day	Urgent	Emergency	Cyclical	Appointment
No. of orders	70	62	6	2	0	0
No. over target	45	39	5	1	0	0
% in target	36%	37%	17%	50%		

Financial Overview

Statement of financial position

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
		2,037,984	1,907,837
Creditors: amounts falling due within one year	12	(166,187)	(99,926)
Net current assets		1,871,797	1,807,911
Net assets		2,254,217	2,191,418
Reserves			
Called up share capital	15	59	35
Income and expenditure account		2,254,158	2,191,383
Members' funds		2,254,217	2,191,418

External Auditor Statement

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.
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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.
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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 misstatement 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.

Compliance

In compliance with regulatory standards and performance targets BKHA reviewed and updated the following policies and procedures:

1. Health and Safety
2. Lone Working Policy
3. Client Risk Assessment
4. Data Protection
5. Equality & Diversity
6. Eviction & Tenure
7. Fire Safety
8. Safeguarding Vulnerable Adults
9. Substance abuse (legal compliance)
10. Whistle Blowing
11. Data Protection Policy
12. Complaints Policy and procedure
13. Resident-Tenant Domestic Abuse Policy
14. Staff Domestic Abuse Policy
15. Procedures for responding to domestic abuse

In addition, with Bahay Kubo Housing Association's accreditation as member of Domestic Abuse House Alliance, we have formulated the following policies and procedures as expression of BKHA commitment to protect residents from domestic abuse and ensuring that anyone experiencing abuse has access to appropriate support and safety measures.

1. Resident-Tenant Domestic Abuse Policy
2. Staff Domestic Abuse Policy
3. Procedures for responding to domestic abuse

Plans and Strategic Objectives

Key priorities for the next financial year and long-term goals.

With the current housing stock capacity of owning 2 properties and managing 41 properties consisting of a house, flats and self-contained accommodation through social housing scheme, BKHA cannot provide answer to the Filipino community's growing need in housing, along with other BAME communities in Greater London.

Unfortunately, at the current situation, BKHA can only avail a limited number of units from the 56 properties that GIDA Housing Cooperative is having at St Anne Haringey Housing Project.

In the meantime, BKHA who ventured in the private leasing scheme since October 2016 is managing 159 units of dwellings with different landlords for a fixed management fee to deliver certain property management services on their behalf.

With limited resources and rich experience in the housing sector, Bahay Kubo Housing Association shall pursue the following Strategic Objectives for 2024-2029.

1. Housing Growth and Development

Currently, Bahay Kubo HA owns 2 properties and manages 40 properties on behalf of Sovereign Network Home, London and Quadrant, One Housing Group and ARHAG.

Within the next 5 years, BKHA shall increase the housing stock by 15% by developing or acquiring new properties.

To realise this target, BKHA shall:

- A. Actively engage with GIDA Housing Cooperative and Ubele Initiatives to the affordable housing project at St Anne's Haringey.
- B. BKHA shall also engage with other social housing associations/cooperatives and local authorities.
- C. To acquire or manage additional properties as Safehouse and accommodation utilizing BKHA's membership to the Domestic Abuse Housing Alliance (DAHA).
- D. Acquire additional properties using Rent-To-Own scheme outside London.

2. Tenant Engagement and Support

Bahay Kubo HA recognizes that tenant engagement and support are very important as we firmly believe in the value of meaningful engagement with tenants, not only to improve service delivery but also to meet regulatory requirements and ensure the long-term sustainability of housing operations.

Within the next 5 years, BKHA shall continue to strengthen tenant engagement by increasing their active participation in decision-making processes, improving satisfaction rates, and supporting vulnerable tenants.

3. Organisational Capability Enhancement, Financial Sustainability & Efficiency

BKHA in the next five years will cover the following important areas:

A. Organizational Capability Enhancement shall focus on:

- i. **Staff Training & Development.** BKHA shall Invest in continuous professional development of staff. This includes training in housing management, tenant services, legal compliance, and financial skills to ensure the team stays competent and can address emerging challenges.
- ii. **Leadership Development.** Strengthen leadership at all levels to foster a culture of accountability, innovation, and collaboration. BKHA shall introduce mentorship programs or leadership coaching to build strategic decision-making capacity.
- iii. **Partnership Building.** Collaborate with other housing associations, local authorities, and community organizations to share knowledge, resources, and best practices.
- iv. **Governance & Compliance.** Strengthen governance structures to ensure transparency, ethical practices, and compliance with regulatory frameworks. Regularly update policies to meet evolving housing standards.

B. Financial Sustainability and Efficiency on the other hand will involve strategic initiatives to ensure BKHA long-term strong financial position by increasing operating efficiencies and securing diversified income streams while delivering quality housing services. Financial sustainability and efficiency are vital for BKHA as it seek to explore grant funding opportunities. By demonstrating sound financial management, effective resource allocation, and a commitment to delivering positive social outcomes, BKHA can enhance its appeal to funders and increase its chances of securing grants.

Phases:

Strategic Objectives for 2024-2029			Year 1 2025	Year 2 2026	Year 3 2027	Year 4 2028	Year 5 2029
Housing Growth and Development	Sell the 2 BKHA-owned properties and use the funds to increase the number of housing stock through the purchase of new properties						
	Actively engage with GIDA Housing Cooperative and Ubele Initiatives to the affordable housing project at St Anne's Haringey.						
	BKHA shall also engage with other social housing associations/cooperatives and local authorities.						
	To acquire or manage additional properties as Safehouse and accommodation utilizing BKHA's membership to the Domestic Abuse Housing Alliance (DAHA).						
	Acquire additional properties using Rent-To-Own scheme outside London.						
Tenant Engagement and Support	Ensure tenants representation in the Management Board.						
	Provide support for tenants to understand their rights and responsibilities.						
	Ensure after-service feedback to make sure tenants are satisfied with the services they received.						
Organisational Capability Enhancement, Financial Sustainability & Efficiency	Organizational Capability Enhancement	Staff Training & Development					
		Leadership Development					
		Partnership Building					
		Governance & Compliance					
	Financial Sustainability and Efficiency	Operational Efficiency					
		Cost centre analysis					
		Budgeting and forecasting					

Appendices

A. Annual Report and Audited Financial Statement

Policies on:

1. Health and Safety
2. Lone Working Policy
3. Client Risk Assessment
4. Data Protection
5. Equality & Diversity
6. Eviction & Tenure
7. Fire Safety
8. Safeguarding Vulnerable Adults
9. Substance Abuse
10. Whistle Blowing
11. Data Protection Policy
12. Complaints Policy and procedure
13. Resident-Tenant Domestic Abuse Policy
14. Staff Domestic Abuse Policy
15. Procedures for responding to domestic abuse

For inquiries, suggestions of additional copies of this report, please send you email to info@bahaykubo.org.uk