Leeds Federated Housing Association Limited

Report and Financial Statements

Year Ended

31 March 2024

CO-OPERATIVE AND COMMUNITY BENEFIT SOCIETY NUMBER
IP21457R
HOMES ENGLAND REGISTERED NUMBER LH0989

Leeds Federated Housing Association Limited

Report and financial statements
for the year ended 31 March 2024

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Board Members

Kim Brear (Chair)

Claire Stone

Jaedon Green

Martin Warhurst (resigned 21st September 2023)

Robin Machell (resigned 21st September 2023)

Innocent Moyo

Dedra Otchere-Darko

Stephen Dungworth

Rob Young (resigned 21st September 2023)

Chris Simpson

Naseer Ahmed (appointed 21st September 2023)

Charlotte Green (appointed 21st September 2023)

David Royston, Co-Optee (appointed 23rd November 2023)

Executive Directors

Matthew Walker	Chief Executive
Stephen Blundell	Director of Operations
Jason Ridley	Director of Finance and IT

Secretary

Megan Henderson

Registered office

The Tannery, 91 Kirkstall Road, Leeds, LS3 1HS

Registered number

Leeds Federated Housing Association Limited is registered under the Co-Operative and Community Benefit Act 2014 No. IP21457R and registered by Homes England No. LH0989

Auditors

BDO LLP, 29 Wellington Street, Leeds, LS1 4DL

Bankers

Virgin Money, 94-96 Briggate, Leeds, LS1 6NP

The Board of Leeds Federated Housing Association Limited is pleased to present its report together with the audited financial statements of the Group and the Association for the year ended 31 March 2024. The Group comprises the Association and its subsidiary undertaking Leeds Federated Property Services Limited.

Principal activities

The Association's principal activity is the management of social housing. It operates through three key business streams including 'general needs' housing for rent, supported housing and care for people and low-cost home ownership. The Group's head office is based in Leeds and its 4,712 properties are predominantly located in the Leeds City Region.

As well as managing social housing, the Group also provides non-social housing, in particular accommodation for students in higher education.

Leeds Federated Housing Association has charitable status by virtue of its registration as a charitable social landlord under the Co-Operative and Community Benefit Act 2014.

Leeds Federated Property Services Limited is a non-charitable company which manages design and build projects.

Board Members and Executive Directors

A list of Board members and the Executive Directors of the Group including dates of appointment and resignation, where applicable, are set out on page 1. The Board consists of 9 Board members and 1 Co-optee as at 31st March.

Executive Directors are the Chief Executive, the Director of Operations and Director of Finance and IT. None of the Executive Directors hold any interest in the Association's shares and they act as executives within the authority delegated by the Board. Group insurance policies indemnify Board Members and Executive Directors against liability when acting for the Group.

Pensions
The Executive Directors are members of the Social Housing Pension Scheme (SHPS). They participate in the scheme on the same terms as all other eligible staff and the Association contributes to the scheme on behalf of its employees.

Other benefits
The Executive Directors are entitled to other benefits: the provision of a car allowance and health care insurance.

i) Objectives and strategy

The Group's social purpose is clear. "***Leeds Fed exists to help people find an affordable home to own or rent where they are not able to do so on the open market***".

The Group's vision is ***"building futures together"*** and reflects our aims to;

- grow through building more homes across the Leeds City Region;
- provide good value housing offering security and affordability which provides the necessary foundations for our customers to achieve their aspirations and build their futures; and
- work together with colleagues, customers, and other stakeholders in making our vision a reality in the communities where our customers live.

The achievement of this vision is underpinned by three strategic goals which are set out in a corporate plan that is reviewed and approved by the Board each year. The Board and senior management team have developed a series of key performance indicators using a Balanced Score Card (BSC) to measure performance against a range of targets to monitor achievement of the Group's corporate goals.

The corporate strategic goals from the current corporate plan fall into the following areas:

Objective 1 – Sustain

- Provide quality services at an affordable cost
- Provide good quality homes that people want to live in
- Maintain a healthy business in terms of its finances, expertise and governance

Objective 2 – Engage

- Attract, retain, and develop a healthy and effective staff team that engages with the organisation
- Engage with customers, listening and learning from them
- Maintain a highly satisfied customer base and staff team
- Collaborate with stakeholders to achieve the best outcome for the business and customers
- Demonstrate value for money to our customers

Objective 3 – Grow

- Take a strategic and sustainable approach to growth
- Focus on meeting the needs of current and future customers
- Deliver value for money in our growth programme

ii) Principal Risks and uncertainties

Conflicts in Ukraine and the Middle East, international and UK political uncertainty and continued economic fragility

2023/24 was a challenging year for Leeds Federated, the UK social housing sector, the UK and global economy. High inflation and increased interest rates provided significant cost pressures affecting margins and covenant headroom. Our tenants continued to face high energy costs alongside the CPI+1 rent increase. As of June 20 the inflation rate returned to the Bank of England target which may lead to reductions in interest rates if the fall in inflation rate is sustained.

The Group's Business Plan has proven resilient despite the impact of increasing costs. The most recent updated 2024/25 business plan, approved by Board in March 2024, was subject to stress testing against a range of extreme scenarios and continues to be financially resilient albeit with a

Conflicts in Ukraine and the Middle East, international and UK political uncertainty and continued economic fragility *(continued)*

reduced operating margin reflecting the necessary trade-off between continuing to deliver services to our tenants and the maintenance of their homes whilst ensuring financial resilience in the face of continued economic and political uncertainty.

Risk Agenda

As a co-regulated provider of social housing operating within a very challenging and uncertain economic environment, Leeds Federated places a high priority on the identification and effective management of the range of existing and potential risks it faces, ensuring that risk management is integrated within decision making by the board and management through the Risk Management Framework.

Stakeholders can take assurance that risks are being effectively managed where possible within the board's risk appetite in support of achievement of the organisation's corporate strategic objectives.

Internal management, external specialist resources and the Association's Audit and Risk Committee work together to ensure the Association's Risk Management Framework is effectively maintained.

Risk Assessment

Existing and potential emerging risks associated with the current and planned activities of the organisation are identified, regularly assessed, and documented using a Risk Register within the Hydrogen BI system.

The current principal strategic risks and uncertainties faced by Leeds Federated, in common with most Housing Associations are:

- Failure or persistent under performance of a key supplier or contractor.
- Poor customer perception of service quality and/or Value for Money.
- Underperforming staff.
- Assets are not built or are not maintained to a satisfactory standard.
- Future material, unplanned financial variance.
- Significant unplanned Pension expenditure.
- Abrupt changes in Government policy.
- Cyber-attack.

All financial risks are closely monitored and assessed through regular stress testing of the business plan and managed operationally through regular monitoring of performance through the balanced scorecard against approved targets.

The impact and probability of the association's risks are assessed both before and after the application of internal controls designed to manage the risk within the risk appetite determined by the board. The Association uses the impact criteria of Financial, Health and Safety, Legal & Regulatory, Residents & Community, Reputation & Staff and Service Disruption implications when assessing the impact score and both the timing and % likelihood when assessing the probability scores for each risk. All board and committee papers consider the relevant risk(s) to the subject of the paper. The risk register and internal controls are regularly reviewed by Audit & Risk Committee and Board and the risk impact of all papers taken as a whole are considered by Board discussed at each meeting. The Audit & Risk Committee also conduct 'deep dive' reviews on key risks.

Risk Response

The board determines the nature and extent of the risks it is willing to take in achieving its corporate plan through a differentiated risk appetite linked to the key activities undertaken by the association as follows;

Categories of Activity
1. Financial Stability
2. Health & Safety
3. Legal & Regulatory
4. Operational Delivery
5. Customer Experience
6. Investment & Asset Management
7. Technology

The table below represents the current allocation of risk appetite by activity category as approved by the Board. Both the activity categories and the allocation of risk appetite are regularly reviewed as part of the on-going review of the Risk Management Framework Policy.

	Averse	**Cautious**	**Balanced**	**Open**	**Hungry**
1. Financial Stability					
2. Health & Safety					
3. Legal & Regulatory					
4. Operational Delivery					
5. Customer Experience					
6. Investment & Asset Management					
7. Technology					

Risk appetite statements

These statements have been developed to summarise the essence of the risk approach for each activity in support of the selected appetite level and noting where necessary exceptional aspects of the activity. Like the list of activities, the statements are regularly reviewed as part of the policy review to ensure they reflect the association's approach.

1. **Financial Stability (Balanced)**
   - Use of targets that balance covenant compliance whilst supporting corporate objectives.
   - Prudent policies to minimise Treasury risks.
   - Regular stress testing and use of prudent planning assumptions to ensure financial resilience.

2. **Health & Safety (Averse)**
   - Legal compliance and protection of customers and staff is of paramount importance and will not be compromised.
   - Where possible wider customer and staff interests will also be taken into consideration.

3. **Legal & Regulatory (Averse)**
   - We operate in a regulated environment where adherence to all laws is an explicit part of the Regulatory Framework.

4. **Operational Delivery (Open)**
   - We are prepared to change and innovate our systems, processes and structures in order to achieve value for money objectives providing this is managed and monitored against performance targets.

5. **Customer Experience (Open)**
   - We are prepared to change and innovate our customer facing activities in order to achieve customer satisfaction and value for money services for our customers providing this is managed and monitored against performance targets.

6. **Investment & Asset Management (Open)**
   - We have clear ambitions in terms of on-going development of new homes delivered independently or in partnerships and take appropriate risks in achieving this growth.
   - We will explore and follow as appropriate best value for money practices in respect to the on-going maintenance of our properties and the achievement of energy efficiency targets.

7. **Technology (Balanced)**
   - Maintaining the security and resilience of our systems is important to us.
   - We will change our technology using tested and appropriate solutions that support and deliver value for money processes.
   - In regard to cyber risk we take a cautious approach which recognises and seeks to minimise the constantly emerging threats through cost effective controls, training and monitoring.

Leeds Federated uses the three lines of defence approach to identify and document internal controls together with regular control risk self-assessment by individual risk and control owners.

Financial risks are regularly tested through multi-variate stress testing of the Association's business plan by the Association's Treasury advisors. The testing also considers the effect of mitigation actions contained within the Association's Resilience Plan. Business continuity and the Association's Resilience plans are regularly reviewed to ensure that they will enable the Association to avoid and be able to recover from significant disruption.

Risk Communication

Leeds Federated uses a Risk Management Framework which is reviewed annually by Board. The Framework sets out responsibilities for risk management by the Board and Audit & Risk Committee, reporting & monitoring, documentation of risk, risk appetite, the methodology used to score the impact and likelihood of risks and the risk register.

Annually the Board will consider and review the Risk Management Framework including the Resilience Plan. The Audit & Risk Committee receive an annual report from the Internal Auditors on their work and their view on the effectiveness of the internal control framework and that an appropriate framework is in place for identifying, evaluating, and managing the significant risks faced by the Association. The annual assurance is then used for compliance reporting to the Regulator of Social Housing and within the annual Report and Financial Statements.

The detail of regular reporting, review of the controls, risks and links to the Association's balanced scorecard are detailed within the Risk Management Framework for management & risk owners, Audit & Risk Committee and Board.

Risk Governance

The Association's approach to Risk Governance forms part of its compliance with the NHF Code of Governance and includes meeting the Standards of the Regulator of Social Housing as a registered provider.

Risk Governance *(continued)*

The Association uses a Risk Management Framework to set out its approach to the management of risk in conjunction with the terms of reference of the Board and Audit & Risk Committee and to ensure compliance with statutory and regulatory requirements.

Using an external provider of Internal Audit as well as various other specialist 3rd party assurance providers the Association can obtain independent assurance on the effectiveness of internal controls used to manage key risks.

The Risk Management Framework and regular reporting of risk at Audit & Risk Committee and Board enable risk performance to be monitored and challenged.

Risk management is considered at every Board meeting, both within each individual paper and taking the whole pack into account at the end of each meeting.

iii) Operational Performance & Value for Money

Value for Money Statement 2023/24

Leeds Federated

Leeds Federated
Value for Money Statement 2023/24

A version can be found on our website:

https://www.lfha.co.uk/

1 Summary

2023/24 was the third year of the Corporate Plan covering the period 2021 – 2026, reflecting a set of corporate priorities falling within the 'Engage', 'Sustain' and 'Grow' strategic objectives. Each strategic objective is supported by specific goals, associated performance targets, and managed within the Association's risk appetite.

The Association through its Strategic objectives and supporting goals explicitly and implicitly incorporates Value for Money as a goal for each objective illustrating how Value for Money is fully integrated within all activities undertaken.

2 Economic conditions

The continued difficult economic conditions in 2023/24 presented on-going challenge to our business and to our customers. Inflation and the 'cost of living crisis' have impacted customers directly whilst inflation and increased interest rates have increased the Association's costs and put pressure on margins. Supply chain issues and recruitment remain difficult with some impact on customer facing activities.

Economic Conditions *(continued)*

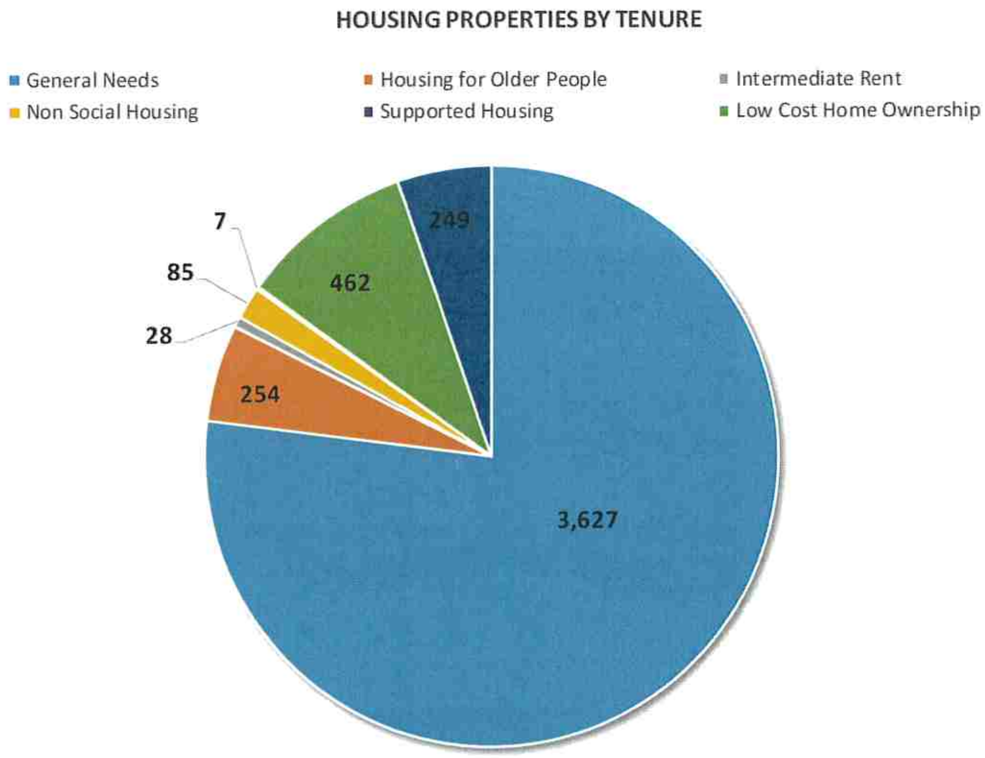
Many customers continued to experience unexpected changes in their circumstances. We have continued to focus and invest in resident engagement and to provide additional support to customers experiencing hardship and have worked to sustain tenancies and reduce the level of rent arrears. We have focused on ensuring that our services reflect and respond to customer needs and priorities.

Despite these challenges the association has managed to perform strongly financially, maintaining its financial resilience and its capacity to continue to invest in support of its corporate strategic objectives.

3 Key Statistics

• Housing Properties by Tenure

The following chart shows Leeds Federated's housing stock by category in 2023/24; a total of 4,712 properties of which 85 properties are non-social housing and 234 are managed by others. During the year we added a total of 152 units to our social housing stock through new development.



4 Key Performance Indicators

• Measuring Performance

Key Performance Indicators are a series of targets measured by traffic light system:

Performance is tracked and reported using a Balanced Scorecard System

The results are regularly reviewed by staff, customers and by the Association's board:

- every month by the organisation's Leadership Team
- every quarter by the Challenger Panel, made up of Leeds Federated customers
- every quarter by the Operations Committee
- at each full Board meeting

The seven standard metrics relating to Value for Money specified by the Regulator of Social Housing are integrated into the scorecard. We have continued to track performance against these measures.

The following table analyses some of the additional performance indicators for the 2023/24 year contained within the BSC.

Objective	KPI	Target	Outcome
Customer Satisfaction	Overall customer satisfaction with Leeds Fed services (TSM TP01)	Minimum of 80% of customers 'satisfied' or 'very satisfied'	78.8% (81.7% 2023) of customers were 'satisfied' or 'very satisfied' at the end of the financial year. (March 2024 rolling 12 month average)

	Customer satisfaction with the value for money of rent (E010)	A minimum of 81% of customers 'satisfied' or 'very satisfied' that their rent offers value for money	At the end of the financial year, 72.9% (84.7% 2023) of Leeds Federated customers were either 'satisfied' or 'very satisfied' that their rent offers value for money. (March 2024 ytd performance)
Repairs	Appointments Made and Kept (SO24)	Minimum of 90% of responsive repairs appointments made and kept	Over the course of the year, 96.0% (96.8% 2023) of responsive repairs appointments were made and kept, contributing to high levels of customer satisfaction and the efficient use of resources. (March 2024 ytd performance)
	Customer Satisfaction with individual repair jobs (E002)	Minimum of 85% customer satisfaction with the quality of individual repair jobs	Customer satisfaction with individual repair jobs was 89.2% (90.4% 2023) at the end of the year. (March 2024 ytd performance)
Gas Servicing	Up to date gas safety certificates maintained for all relevant stock (TSM BS01)	100% of required gas safety certificates to be always in place	99.90% (99.85% 2023) of gas safety certificates were in place at the end of the financial year. A total of 4 (6 for 2023) were overdue, but fully compliant with our escalation procedures. (March 2024 performance)
Housing Management	Minimise the level of rent arrears (S002)	Current tenant rent arrears at 5.0% or less (year end actual)	Social housing rent arrears at 5.1% at the end of the financial year (5.5% in 2023). (March 2024 Performance)
	Minimise lost rent due to empty properties (S007)	Keep rent losses within budget	There was a 3.7% (1.1% 2023) positive variance on the empty property loss budget. (March 2024 ytd performance)

Development	Timely completion of property sales (G001)	No more than 15% of properties to remain unsold five months from handover	12 of 26 (46%) homes (2 of 17 homes in 2023) had been on sale for more than five months at the year-end. (March 2024 year-end)
	Achievement of sales targets for shared ownership homes (G003)	Achieve average sale proportion of 40% at first tranche.	Average – 43% (51% - 2023) (March 2024 ytd performance)

How We Compare

Leeds Federated has continued to deliver good performance in achieving value for money when compared to the social housing sector nationally. We have compared our 2022/23 positions against the RSH Global Accounts benchmarks for 2022/23. When considered in relation to peers nationally for 2022/23, the organisation is delivering strong levels of reinvestment, new social housing supply and return on capital employed whilst maintaining financial capacity through relatively low gearing.

We have as shown the 2023/24 outturn and internal targets which will be compared with the 2023/24 Global accounts when released. All internal VfM metrics have been achieved.

Sector VfM Metric	2021/22	2022/23	2023/24 (target)[4]	2023/24 (outturn)	Sector Median 2022/23[1]	Quartile Position 2022/23
(1) Reinvestment %	7.39%[3]	10.29%	10.11%	10.34%	6.7%	Q1
(2a) New supply% (SH)	1.59%[3]	1.9%	2.82%	2.89%	1.3%	Q2
(2b) New supply% (NSH)[2]	0%	0%	0%[2]	0%	0%	-
(3) Gearing at cost %	22.7%	26.5%	40%	30.4%	45.3%	Q4
(4) EBITDA-MRI %	187%	226%	41%	73.3%	128%	Q1
(5) SH cost per unit	£3,882	£4,148	£5,305	£5,210	£4,586	Q3
(6a) Op Margin (SH) %	18.2%	17.8%	10.6%	14.7%	19.8%	Q3
(6b) Op Margin(overall) %	20.71%	21.8%	15.5%	19.3%	18.2%	Q2
(7) ROCE %	3.60%	2.83%	2.16%	2.91%	2.8%	Q2

(SH – Social Housing, NSH – Non-social housing, EBITDA-MRI – Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs Included, ROCE – Return on Capital Employed)

1 – VFM metrics and reporting – annex to the Global Accounts 2023 (RSH)
2 – Leeds Federated does not have current plans to develop new non-social housing
3 – The delivery of planned maintenance programmes and development was adversely impacted in 2021/22 by Covid-related restrictions.
4 – Balanced scorecard approved by Board November 2023

5 Customer Perceptions

• Measuring Performance

Customer perception data is collected on a rolling basis, with a minimum of 600 customers participating in the survey annually. This approach has been in operation for many years allowing a useful longitudinal analysis of performance and has been adapted to fit with the Regulator of Social Housing's requirements for the calculation of the relevant TSMs.

In addition to gathering information from customers on our performance against the satisfaction based TSMs, we have retained several historical STAR questions where these add to our understanding of customer priorities and perceptions.

The table below sets out our quarterly performance during the year compared with our rolling 12 month average for both the TSM questions and bespoke questions we ask our customers.

Metric	Q4 23/24	Q3 23/24	Q2 23/24	Q1 23/24	Rolling 12M avg.	Q4 vs R12M avg.
Overall satisfaction	74.2%	79.4%	77.9%	83.9%	78.8%	-4.6%
Home that is well maintained	81.9%	84.5%	84.8%	83.2%	83.7%	-1.8%
Home that is safe	85.2%	87.1%	92.4%	91.9%	89.1%	-3.9%
Communal areas are clean and maintained	73.6%	81.3%	77.1%	86.2%	79.5%	-5.9%
Positive contribution to neighbourhood	77.5%	80.4%	84.4%	78.2%	80.3%	-2.8%
Approach to handling ASB	73.9%	74.5%	73.5%	73.4%	73.8%	0.1%
Neighbourhood as a place to live	85.6%	84.6%	85.4%	84.6%	85.1%	0.5%
Overall repairs service in last year	75.0%	80.9%	82.1%	90.7%	82.2%	-7.2%
Time taken to complete most recent repair	78.8%	82.7%	82.1%	86.0%	82.5%	-3.7%
Listen to views and act upon them	72.4%	77.5%	74.2%	74.4%	74.7%	-2.3%
Keep customers informed	83.5%	88.3%	78.4%	84.1%	83.6%	-0.1%
Treat customers fairly and respectfully	90.8%	89.9%	89.6%	88.0%	89.6%	1.2%
Approach to complaint handling	52.4%	46.9%	42.9%	36.4%	44.7%	7.7%
Way query in last year was dealt with	63.8%	62.5%	64.1%	72.7%	65.7%	-1.9%
Rent value for money	72.9%	86.9%	86.7%	86.7%	83.3%	-10.4%
Service charge value for money	65.6%	78.7%	78.7%	80.7%	75.7%	-10.1%
Easy to deal with	67.1%	72.9%	75.9%	81.7%	75.5%	-8.4%

= TSM question

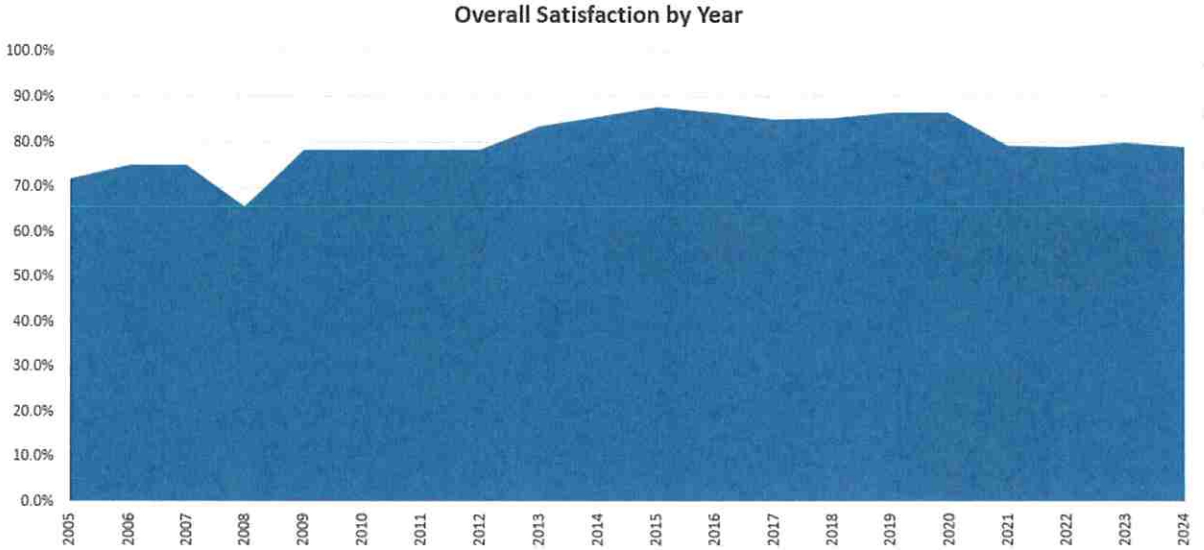
= Bespoke question

= Increased satisfaction in Q4 compared to Rolling 12 Month Average

= Decreased satisfaction in Q4 compared to Rolling 12 Month Average

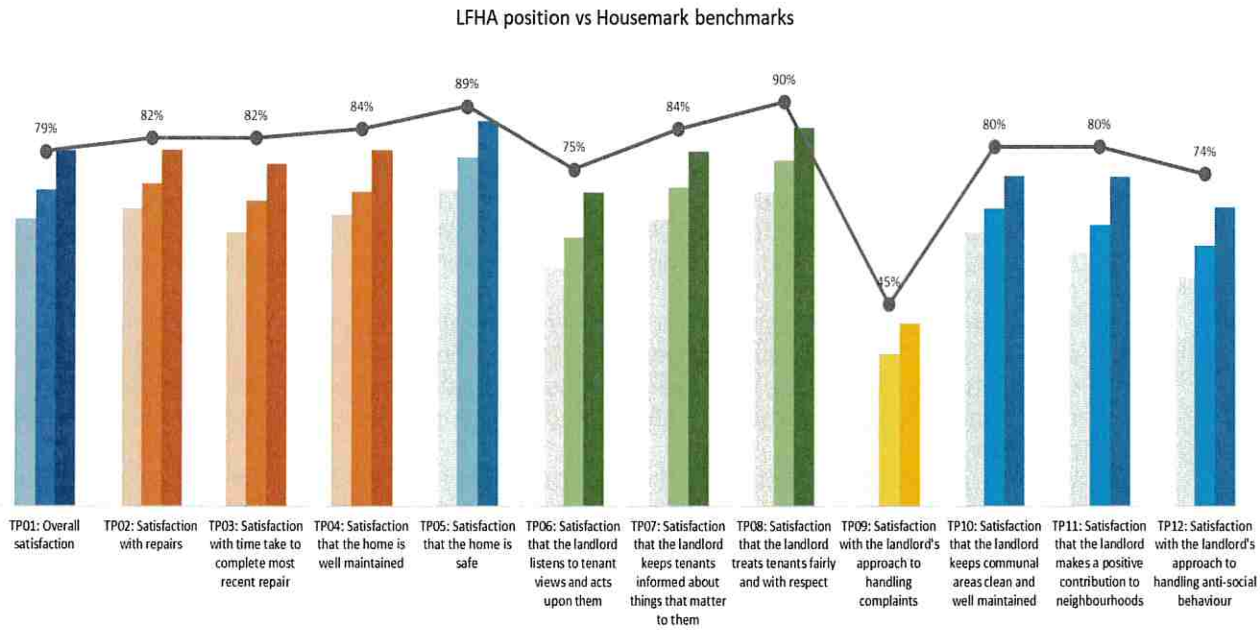
Measuring Performance *(continued)*

The graph below focusses specifically on overall customer satisfaction providing a useful historical context:



LFHA position vs Housemark benchmarks – Q4 2023/24

The graph below provides a comparison of our performance with equivalent lower, median and first quartile comparative performance in the light, medium and dark shaded bars respectively of all results provided to Housemark.



LFHA position vs Housemark benchmarks – Q4 2023/24 *(continued)*

In terms of bespoke measures, we track from a VFM perspective Rent as value for money has seen our sharpest decline in satisfaction as set out in the graphic below, with one in every six respondents reporting dissatisfaction. We have had a similar downward trend in respect of Service Charge Value for Money with 65.6% of customers satisfied.

Q19) How satisfied or dissatisfied are you that your rent provides value for money? Base: Q4 23/24 respondents exc. those who answered, 'don't know'
Those who answered 'don't know' = 11 (7.1% of total sample)

Reasons given for dissatisfaction (provided in verbatim feedback):

- **The standard of the property** is low:
  - Damp and mould
  - The size of the property
  - Outstanding repairs
- **Annual rent rises** are causing dissatisfaction, especially in the current economic climate. Customers feel they are rising by too much and too frequently.
- A perception that rent is **higher than other comparable properties** in the area.
- *Note: Q4 surveys were carried out shortly after the issuing of the annual rent increase letters.*

"Things generally don't get done. They up the rent, but don't do repairs. I've been living with a mouldy radiator for I don't know how long....it's an on-going thing."

Q19b) Could you please tell us in detail why you are dissatisfied with the value for money of your rent? Base: Q3 23/24 respondents who said they are fairly / very dissatisfied and left a comment (n=24)

• Making Improvements

During 2023/2024, we overhauled our approach to Customer Satisfaction in response to the Tenant Satisfaction Measures, the Housing Ombudsman Complaint Handling Code, and in preparation for the New Consumer Standards. As part of this initiative, we established a new Service Improvement team to enhance our focus on customer perception and satisfaction.

Key developments during 2023/24 have been:

- The creation of a Customer Resolutions Team which includes a Resolutions Manager, Customer Resolution officer, as well as a Complaints Coordinator. Together, they take responsibility for handling complaints, coordinating with the broader organisation to manage complaints effectively, and ensuring that lessons learned are tracked and shared to prevent future issues.
- The revamp of our Complaints Policy and Procedure. Although our current Complaints policy was not due for review until November 2024, in line with the new Housing Ombudsman Complaint Handling Code, we have completely refreshed our policy and procedure. Using our new 'Tone of Voice' approach we have made these policies clearer and more accessible to residents.
- We have rolled out comprehensive training for the new Customer Service team and front-facing colleagues on the updated complaints policy in April 2024. This training emphasised viewing feedback as an opportunity for learning and improvement, focusing on resolving issues and enhancing customer experiences.
- We have engaged with our challenger Panel who will be scrutinising our complaints performance and lessons learn. We have held 2 webinars with customers to gain wider feedback from our customers.

Making Improvements *(continued)*

As a result of these changes we have observed a significant increase in customer satisfaction and a positive shift in customer perception regarding how we treat and value our customers, and this can be evidenced in our Quarter 4 TSM results.

In 2024/25 our plans to improve include:

- Continuing to deliver training on our new 'Tone of Voice' to frontline colleagues, ensuring that every interaction with customers is positive and reinforces our commitment to exceptional customer service.

6 Asset Performance

• Measuring Performance

During 2022/23 the new Asprey system replaced our previous asset return model.

The Asprey system not only enables the tracking of Net Present Value (NPV) but will also track Strategic Value (SV) which will enhance our ability to target appropriate interventions to address underperforming housing stock. Strategic Value is a non-financial calculation of factors including location, energy efficiency, rental performance, and amenity to create a measure of desirability. Together with an increase in high quality new homes because of our ongoing development programme we expect this will reflect an overall improvement in our asset performance. The table below provides an analysis of the current and previous year's Net Present Value and Strategic Value by property type.

		Previous		Current	
Rank	**Unit Type**	**Average NPV**	**Average SV**	**Average NPV**	**Average SV**
1	Houses (semi-detached or detached)	£43,912	0.73	£49,196	0.74
2	Other (typically agency-managed accommodation)	£8,580	0.64	£7,586	0.64
3	Bungalows	£29,402	0.74	£29,617	0.74
4	Terraced houses	£34,947	0.71	£35,664	0.71
5	Flats	£26,036	0.68	£27,095	0.68
7	Bedsits	£10,444	0.63	£10,444	0.63
	Average NPV per unit:	**£31,723**	**0.70**	£33,375	0.70

● Making Improvements

We have continued our work to review and evaluate underperforming assets, with the involvement of the Board. The aim in all cases is to maximise value for money by making the best use of resources in the form of the assets themselves and to make best use of our housing management and maintenance resources.

In 2021/22 we undertook a major new independent stock condition survey involving a full internal and external condition survey of our homes which achieved 85% coverage of our housing stock. In 2022/23 and 2023/24 we have worked to collect data for the remaining homes and at May 2024 had achieved 97% coverage (96% at 31 March 2023).

Following the implementation of the Asset Management System (Asprey) in 2022/23 we are able to manage the data generated by the stock condition survey more effectively, targeting our Decent Homes and energy efficiency investment to maximise value for money.

In 2024/25 our plans to improve include:

- Continuing to embed the new Asprey system and use its capabilities to track progress on our Asset Management Plan across all asset related services
- Continuing to deliver on our 2-year programme of retrofit works in the worst performing 15% of our homes, following our successful SHDF bid
- Beginning our new approach to stock condition data collection, which will see the start of a rolling programme of targeted surveys each year, to complement the extensive five-year full stock condition snapshot of all our homes

7 Value for Money Standard

Leeds Federated has assessed its performance against the requirements laid out in the Regulator of Social Housing's Value for Money Standard. Leeds Federated has judged itself to be compliant with these requirements.

1.1 Registered providers must:

a. clearly articulate their strategic objectives

b. have an approach agreed by their board to achieving value for money in meeting these objectives and demonstrate their delivery of value for money to stakeholders

c. through their strategic objectives, articulate their strategy for delivering homes that meet a range of needs

d. ensure that optimal benefit is derived from resources and assets and optimise economy, efficiency and effectiveness in the delivery of their strategic objectives.

- Our strategic objectives are articulated in the Corporate Plan, through the three core strategies of 'Sustain', 'Engage', and 'Grow'.

- We have an approach agreed by the Board to achieving Value for Money in meeting these strategic objectives. This is primarily embedded in those strategies; however a separate Value for Money Policy exists which is approved by the Board.

- Our 'Grow' Strategy and Development Policy articulate our approach to delivering homes that meet a range of needs.

- Our VfM Policy sets out how we ensure that optimal benefit is derived from resources and assets and optimise economy, efficiency, and effectiveness in the delivery of our strategic objectives.

2.1 Registered providers must demonstrate:

a. a robust approach to achieving value for money – this must include a robust approach to decision making and a rigorous appraisal of potential options for improving performance

b. regular and appropriate consideration by the board of potential value for money gains – this must include full consideration of costs and benefits of alternative commercial, organisational and delivery structures

c. consideration of value for money across their whole business and where they invest in non-social housing activity, they should consider whether this generates returns commensurate to the risk involved and justification where this is not the case

d. that they have appropriate targets in place for measuring performance in achieving value for money in delivering their strategic objectives, and that they regularly monitor and report their performance against these targets.

- A robust approach to achieving Value for Money is set out in our Value for Money Policy. We demonstrate this in ongoing business activity through option appraisals, business cases taken to Corporate Investment Group and to Board, and through the goals and projected business benefits of an ongoing programme of corporate projects.

- The board regularly considers potential value for money gains in the form of option appraisals and business cases for changes in operational activity. Other examples at board and operational levels include asset disposal decisions, procurement approaches, resource allocation, development of new systems and changes to existing systems.

- VfM performance is measured and recorded monthly through our balanced scorecard KPIs and through our annual VfM statement

2.2 Registered providers must annually publish evidence in the statutory accounts to enable stakeholders to understand the provider's:

a. performance against its own value for money targets and any metrics set out by the regulator, and how that performance compares to peers

b. measurable plans to address any areas of underperformance, including clearly stating any areas where improvements would not be appropriate and the rationale for this.

- Evidence is published annually as part of the statutory accounts to detail performance against Value for Money targets and the metrics set out by the Regulator, along with any plans for improvement.

8 Value for Money Targets

The table below shows our performance for 2023/24 and our headline targets for the following three years as currently contained in our business plan. 2024/25 is anticipated to be challenging as the association continues to invest in its existing and new homes and services to its customers in line with corporate objectives, whilst managing the combined impacts of cost inflation and higher interest rates which will impact operating margins, cost per unit and return on capital employed.

		VfM Targets		
Sector VfM Metric	**LFHA 2023/24**	**2024/25**	**2025/26**	**2026/27**
(1) Reinvestment %	10.34%	11.17%	10.30%	5.24%
(2a) New supply % (SH)	2.89%	3.40%	2.76%	2.70%
(2b) New supply % (NSH)	0%	0%	0%	0%
(3) Gearing at cost %	30.4%	31.4%	33.8%	33.2%
(4) EBITDA-MRI %	73.3%	33%	117%	104%
(5) SH cost per unit	£5,210	£5,838	£5,125	£,5,240
(6a) Op Margin (SH) %	14.7%	10.2%	16.1%	16.9%
(6b) Op Margin (overall) %	19.3%	16.0%	20.4%	19.0%
(7) ROCE %	2.91%	2.51%	3.26%	3.14%

9 Concluding Statement

This document provides a review of Leeds Federated Housing Association's activities over the course of the 2023/24 financial year from a value for money perspective. Leeds Federated believe that this report provides assurance of compliance with the requirements of the Regulator for Social Housing Value for Money Standard.

iv) Financial performance for the year

The Board is pleased to report another strong financial performance for the year with a healthy total comprehensive income for the Group of £1,474k (2023 - £2,936k), after accounting for an actuarial loss of £1.27m on the Social Housing Pension defined benefit scheme (2023 – loss of £0.93m). Operational performance is broadly consistent with 2023 with operational surplus, before 'other gains', reported for the Group of £5,665k (2023 - £5,905k) with higher turnover and higher operating costs

Financial performance for the year *(continued)*

compared to last year. The cash generated from the surplus has enabled the Group to continue to invest in both its existing stock and new developments, for both rent and low cost shared ownership. The group completed 152 (2023: 85) new affordable homes during 2023/24. These new homes are a combination of Leeds Federated's own development and S106 schemes with regional and national housebuilders, reflecting the group's strong partnership approach to delivering new affordable homes.

Financial position

The Group's five-year statements of income and expenditure and comprehensive income and balance sheets / statement of financial position are summarised in the table on page 23.

The Group's statement of comprehensive income and statement of financial position for the year ended 31 March 2024 are included on pages 34 and 36.

Accounting policies

The Group's principal accounting policies are set out on pages 40 to 49 of the financial statements. The policies that are most critical to the financial results relate to accounting for housing properties and include component accounting and housing property depreciation.

Housing properties and other fixed assets

The board is pleased to note a 2.89% (2023: 1.70%) net increase in social homes owned this year, with the total number of social homes (including bed spaces) in management now standing at 4,378 (2023: 4,255). In addition, there are 85 non-social bed-spaces (2023: 85) and 234 homes managed by others (2023: 238). The social housing properties were carried in the balance sheet at cost (after depreciation) of £247.3m (2023 - £227.1m).

A small number of properties are classified as Investment Properties. They are carried in the balance sheet at market valuation of £7.4m (2023 - £8.3m).

The Group's hub offices and depot are included within other fixed assets at depreciated cost.

During the year, the Group invested £579k (2023: £412k) in its capitalised computer equipment mainly on the upgrade to the Civica CX rent housing management system.

Pension costs

The Group participates in the Social Housing Pension Scheme (SHPS). SHPS is a multi-employer defined benefit scheme. The Group has contributed to the scheme in accordance with levels set by the actuaries. The latest triennial actuarial valuation of the SHPS was undertaken as at 30 September 2023, however the outcome of this has not yet been confirmed, and the disclosure is based on the valuation as at 30 September 2020. The disclosure note can be found on page 67-70.

Capital structure and treasury policy

The Group has £101m of secured funding facilities and as at 31 March 2024 there was £25m available in the form of undrawn facilities and cash to fund future development and capital spending. The annually approved Treasury Annual Plan and Treasury Policy sets out how the group manages treasury risks including interest rates, refinancing, and counterparty risks as well as determining future borrowing plans to ensure adequate funding in place to meet business plan requirements. All lenders' covenants were met during the year and the Board expects to remain compliant in the foreseeable future.

Cash flows

Cash inflows and outflows during the year are shown in the consolidated statement of cash flows on page 40. The cash inflow from operating activities decreased this year to £6,032k (2023 - £7,934k). There was a net increase in cash for the year ended 31 March 2024 of £1,649k due to increased loan drawdowns to fund capital expenditure (2023 - decrease in cash £7,286k).

Future developments

The Board approved its March 2024 budget to spend an estimated £21.6m during the next financial year to acquire/build further affordable homes for sale and rent (2023 - £21.1m). £20.5m of funding is for committed schemes and £1.1m for uncommitted schemes.

The Association's 5 year Corporate Plan for 2022 to 2027 sets out the growth aspiration to expand Leeds Federated's delivery of good quality homes – the Association will use its borrowing capacity to increase the amount of development undertaken, delivering on average 141 new homes per year between April 2024 and March 2027.

The 2024/25 budget includes completion of 159 new affordable homes, 43 of which are for shared ownership.

The Association has embarked on a programme of retrofit assessments across all its homes, these are initially targeting homes which are currently below EPC C rating. These assessments will ultimately cover all homes and will enable Leeds Federated to set out a roadmap of improvements which will take it to meeting EPC C as a minimum on all homes by 2030 and towards the ambition to be fully net zero by 2050. In terms of lifecycle expectations for our components Leeds Federated will adopt industry standards for measures such as internal/external wall insulation, heat pumps and solar PV and battery systems. Current depreciation rates are set out in the Accounting Policies on page 45.

Statement of compliance

In preparing this Report of the Board and Strategic Report, the Board has followed the principles set out in the Statement of Recommended Practice (SORP): Accounting for registered social housing providers, the reporting requirements of FRS102, and the Regulator of Social Housing's Accounting Direction for social housing in England.

Operational performance and value for money (continued)

	2024 £'000	2023 £'000	2022 £'000	2021 £'000	2020 £'000
Group statement of comprehensive income					
Total turnover	30,382	27,762	25,482	25,614	27,568
Income from lettings	25,353	22,982	21,854	21,229	20,499
Operating surplus	5,665	5,905	5,086	6,195	6,861
Surplus for the year transferred to reserves (after pension)	**1,474**	**2,936**	**6,411**	**2,191**	**9,336**
Group statement of financial position					
Housing properties	247,288	227,104	213,625	205,164	204,666
Investment properties	7,406	8,336	8,221	7,641	6,830
Housing properties, net of depreciation	254,694	235,440	221,846	212,805	211,496
Other fixed assets	899	739	734	1,442	1,278
Fixed assets, net of depreciation	255,593	236,179	222,580	214,247	212,774
Fixed asset investments	2,450	2,399	2,661	22,753	2,047
Net current assets/(liabilities)	1,980	(5,319)	1,783	(4,071)	(1,449)
Total assets less current liabilities	**260,023**	**233,259**	**227,024**	**232,929**	**213,372**
Loans (due over one year)	75,932	58,045	54,567	62,438	52,762
Other long term liabilities (includes SHG under FRS102 and pension liability)	116,295	108,892	109,071	113,516	105,826
- revenue	67,796	66,322	63,386	56,975	54,784
	260,023	**233,259**	**227,024**	**232,929**	**213,372**
Accommodation figures					
Social housing owned	4,612	4,493	4,418	4,389	4,329
Non-social housing	85	85	85	85	85
Total housing stock owned at year end (number of dwellings)	**4,697**	**4,578**	**4,503**	**4,474**	**4,414**
Statistics					
Surplus for the year as % of turnover (after pension)	4.85%	10.58%	25.16%	8.55%	33.87%
Surplus for the year as % of income from lettings (after pension)	5.81%	12.78%	29.34%	10.32%	45.54%
Rent losses (voids and bad debts as % of rent and service charges receivable)	0.94%	2.19%	1.96%	2.23%	2.57%
Interest cover	209.30%	285.61%	270.33%	323.54%	289.38%
Gearing (total loans as % of capital grants plus reserves)	44.36%	37.73%	34.97%	42.26%	35.99%
Total reserves per home owned	14,434	14,487	14,123	12,778	12,454

v) Governance

Statement of Internal Controls

The Board acknowledges its overall responsibility for establishing and maintaining the whole system of internal control and for reviewing its effectiveness.

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and to provide reasonable assurance against material misstatement or loss.

The process for identifying, evaluating, and managing the risks faced by the Group is ongoing and has been in place throughout the period commencing 1 April 2023 up to the date of approval of the report and financial statements.

Key elements of the control framework include:

- Board approved terms of reference and delegated authorities for Audit and Risk, Operations, Asset and Investment, and Governance and Remuneration Committees;
- clearly defined management responsibilities for the identification, evaluation and control of significant risks;
- robust strategic and business planning processes, with detailed financial budgets and forecasts;
- formal recruitment, retention, training and development policies for all staff;
- established authorisation and appraisal procedures for significant new initiatives and commitments;
- a thorough approach to treasury management which is subject to external review each year;
- regular reporting to the appropriate Committee on key business objectives, targets and outcomes;
- Board approved Whistleblowing policy;
- Board approved Bribery, Fraud and Money Laundering policy, covering prevention, detection, and reporting, together with recoverability of assets; and
- regular monitoring of loan covenants and requirements for new loan facilities.

The Board cannot delegate ultimate responsibility for the system of internal control, but it can, and has, delegated authority to the Audit and Risk Committee to regularly review the effectiveness of the system of internal control. The Board receives reports from the Audit and Risk Committee together with minutes of Audit and Risk Committee meetings. At the end of each financial year, the Chair of the Audit and Risk Committee reports to the Board on how the terms of reference for the Committee have been met during the year. In July 2023, the Board received the Company Secretary's annual review of the effectiveness of the system of internal control for the Association for 2022/23 in line with External Audit recommendations to only receive this after the External Auditor has reported its findings for the 2022/23 audit. The 2023/24 annual report of the Internal Auditor was received at the July 2024 Audit and Risk Committee meeting.

The current Internal Auditors are Beever and Struthers who were reappointed in 2022 following a competitive tender process. The Internal Auditors have reported to Audit & Risk Committee four times during the year and the Association undertakes a performance review following each audit, on whether reporting timescales were achieved and annually on the mix of audit staff against the tendered mix. The External Auditors were reappointed in 2017 following a competitive tender process. The 4-year contract was extended with Board approval for 2022/23 and again for 2023/24 due to the sector wide issues with availability of external audit providers.

Compliance with Governance and Financial Viability Standard

The Board receives on an annual basis an assessment of compliance with the Regulator of Social Housing's (RSH's) regulatory standards. The assessment undertaken for 2023/24 shows that we are compliant except for the Homes Standard due to two properties not meeting the Decent Homes Standard as of 31 March 2024. This has been noted in the SDR report to the Regulator; remediation work was completed in April 2024 at one of the properties, and a remediation plan is in place to rectify the second property, which was noted by Board at their meeting on the 11 June 2024.

The Association received confirmation from the Regulator of Social Housing on 29 November 2023 that its ratings has been maintained at G1 V2 following the conclusion of the Stability Check.

National Housing Federation (NHF) Code of Governance

The Board adopted the NHF Code of Governance 2020 from 1 April 2021. As part of the decision the Board considered a self-assessment against the code which subsequently resulted in an action plan to ensure all aspects were met which was finalised by March 2023. As at 31 March 2024, Leeds Federated were able to report compliance with the Code based on the internal assurance process undertaken in May 2024 with the following exceptions:

- The Board agreed a succession plan when adopting the Code of Governance whereby some Board members remained for their previous maximum term of 9 years in order to avoid a large proportion of the Board standing down at the same time. Progress has been made to ensure compliance and this requirement will be completely met in September 2024 when Claire Stone stands down from the Board. Claire was retained for a further year to support the process of chair succession across all Committees.

Effectiveness

Annual Board effectiveness and annual appraisals are carried out for each Board member. The results are analysed and reported through the Governance & Remuneration Committee to the Board and Committees to support and inform future succession, recruitment and learning and development requirements. The process is internally supported by the Company Secretary.

Equality, Diversity and Inclusion

In line with the NHF Code of Governance 2020 the Board approved a new Equality, Diversity and Inclusion Policy. The policy outlines that we will set targets against each of the protected characteristics where there is sufficient data to enable the comparison. The principles that we will monitor include: staff and Board being broadly representative of the customer base we serve and our customer base being broadly representative of the communities in which the stock is situated.

Summary data of the demographic profile of customers, staff and board members are provided to the Board annually for review. The 2023/24 profile shows that the composition of the Board and staff is generally reflective of the diversity of our customer base and the communities in which we work, with some over and under representation, especially in relation to disability. Recruitment opportunities and methods have been reviewed to increase applications from underrepresented groups, specifically disabled candidates at this time. When recruiting new Board members the Board consider the diversity balance and skills mix on the Board.

Governance *(continued)*

Equality, Diversity and Inclusion (continued)

Ethnic Minority	30%	Average Age	54.4
Ethnic Majority	70%	Bisexual	0%
Female	40%	Gay	0%
Male	60%	Lesbian	0%
Disabled	0%	Heterosexual	100%
Non-Disabled	100%	Prefer Not to Answer	0%

Committees and Attendance

The attendance at the Board and Committee meetings during 2023/24 was:

Board/Committees	**2024**	**2023**
Board	87.5%	87.5%
Operations Committee	84%	67%
Audit & Risk Committee	75%	76%
Governance & Remuneration Committee	75%	90%
Asset and Investment Committee	80%	75%

All meetings were quorate with the exception of one Audit & Risk Committee meeting. The Committee endorsed and noted reports, and no approvals were given during this meeting.

Names of Board Members sitting on each Committee as at 31 March 2024

Chair of the Board of Management	Kim Brear	
Operations Committee	Claire Stone Stephen Dungworth Chris Simpson Innocent Moyo Kim Brear	Chair
Audit & Risk Committee	Jaedon Green Dedra Obeng-Kwakye Naseer Ahmed Charlotte Green David Royston (Co-optee)	Chair

Governance & Remuneration Committee	Jaedon Green Claire Stone Chris Simpson Kim Brear	Chair
Asset and Investment Committee	Chris Simpson Stephen Dungworth Naseer Ahmed Kim Brear	Chair

Remuneration

Board Members are remunerated for their position on the Board. Within their Service Contract reference is made to the level of the fee being subject to an annual review by the Board. It was agreed that remuneration would be at median level (which is consistent with the Association's approach to setting staff salaries) and this be linked to an assessment of the following criteria:

- an independent assessment of the market
- any increase being paid to staff
- any increase paid to Senior Management Team
- the general economic climate

There are no governance related matters to highlight this year.

Charitable donations
2024 - Nil (2023 - Nil).

Going concern

The Group's business activities, its current financial position, and factors likely to affect its future development are set out in this Report of the board of management and strategic Report. The Group has in place long term debt facilities and plans to increase these facilities which provide adequate resources to finance committed reinvestment and development programmes along with the Group's day to day operations. The Group also has a long-term Business Plan which shows that it can service these debt facilities whilst continuing to comply with lenders' covenants. The board approved the 2024/25 budget and business plan in March 2024 and were content that these plans were affordable and that the accounts should be prepared on a going concern basis.

The ongoing impacts of difficult economic conditions, notably inflation and interest rates are carefully monitored by the Senior Management Team and the board. Financial assumptions are used in the budget and business plan, particularly focusing on the next 5 years to ensure the Association remains a going concern. The Group's long-term business plan is stress tested twice yearly to assess the possible financial impacts and the resilience of the business plan including the range of available mitigation plans (further information is provided on page 6). The Perfect Storm multi-variate scenario resulted in covenant breaches that could be partially mitigated through existing identified cost reductions. Additional strategies remain available to the association including the re-phasing of retrofitting programmes and capital works and the delay or decisions to not proceed with development schemes to maintain liquidity and avoid covenant breaches. Through regular stress testing performed by the Group's treasury advisors the board receives assurance as to the financial viability of the Group.

The board will continue to review operational plans and performance with the Senior Management Team and to make the necessary changes in response to the pandemic and economic conditions that

Going Concern *(continued)*

enable us to continue to work with our customers and stakeholders to deliver services whilst supporting and protecting staff and customers.

Due to development activity fixed assets continue to grow. Given the liquidity and availability of undrawn loan facilities, the board believes that, while uncertainty remains in respect of economic conditions, this does not pose a material uncertainty that would cast doubt on the Association's ability to continue as a going concern. The Association's financial performance in 2023/24 proved resilient, which combined with the cashflow forecasts prepared by the Association for a period of twelve months after the date on which the report and financial statements will be signed by the board which show the group has sufficient funds to meet its obligations as they fall due and therefore the Board has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For these reasons, it continues to adopt the going concern basis in the financial statements.

Statement of Board members' responsibilities

The board members are responsible for preparing the report of the board and the financial statements in accordance with applicable law and regulations.

Co-operative and Community Benefit Society law and social housing legislation require the board members to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

In preparing these financial statements, the board 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 and the Statement of Recommended Practice: Accounting by registered social housing providers 2018 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 group and Association will continue in business.

The board members are responsible for keeping adequate accounting records that are sufficient to show and explain the group and Association's transactions and disclose with reasonable accuracy at any time the financial position of the group and Association and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. They are also responsible for safeguarding the assets of the group and Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The board is responsible for ensuring that the report of the board is prepared in accordance with the Statement of Recommended Practice: Accounting by registered social housing providers 2018.

Financial statements are published on the group and Association's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the group and Association's website is the responsibility of the board members. The board members' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Annual General Meeting
The Annual General Meeting will be held on 5 September 2024. The AGM will be held virtually using existing conferencing facilities and a separate shareholder briefing will be held to update members on progress against the Corporate Plan, performance and future direction.

Auditors
All of the current Board Members have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Association's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Board Members are not aware of any relevant audit information of which the auditors are unaware.

Governance

BDO LLP have expressed their willingness to continue in office.

By order of the Board

KHBrear

Kim Brear
Chair of the Board
Date 16 July 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEEDS FEDERATED HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2024

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Association's affairs as at 31 March 2024 and of the Group's and the Association's surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

We have audited the financial statements of Leeds Federated Housing Association Limited ("the Association") and its subsidiary ("the Group") for the year ended 31 March 2024 which comprise the consolidated and Association statement of comprehensive income, the consolidated and Association statement of financial position, the Group and Association statement of changes in reserves, the consolidated cashflow statement and notes to the financial statements, including material accounting policy information. 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the board members' 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 Group's and of the Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the board with respect to going concern are described in the relevant sections of this report.

Other information

The board are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEEDS FEDERATED HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

Our responsibility is to read the other information including the Strategic Report, Report of the Board of Management, Statement of the Boards Responsibilities for the Report and Financial Statements and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Report of the Board for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Report of the Board have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Association and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and Report of the Directors.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

- adequate accounting records have not been kept by the parent, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of board member and or directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the board

As explained more fully in the board members responsibilities statement set out on page 28, 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 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 board are responsible for assessing the Group and the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board either intend to liquidate the Group or the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEEDS FEDERATED HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

Auditor's responsibilities for the audit of the financial statements (continued)

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.

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

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:

Non-compliance with laws and regulations

Based on:
- Our understanding of the Group and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be data protection, tax legislation and health and safety legislation.

Our procedures in respect of the above included:
- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEEDS FEDERATED HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

Auditor's responsibilities for the audit of the financial statements (continued)
Fraud (continued)

- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override and revenue recognition, in particular revenue recognised in first tranche property sales.

Our procedures in respect of the above included:
- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates made by management for bias; and
- Testing of revenue being recognised in the correct accounting period by agreeing a sample of amounts recognised in revenue and around the year end to supporting documentation.

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

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

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.

Use of our report

This report is made solely to the members of the Association, as a body, in accordance with the Housing and Regeneration Act 2008 and the Co-operative and Community Benefit Societies Act 2014. 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
BDO LLP
6C315CA33A8C4C6...

BDO LLP, Statutory Auditor
Leeds
United Kingdom

Date 17 July 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Leeds Federated Housing Association Limited

Consolidated statement of comprehensive income for the year ended 31 March 2024

	Note	2024 £'000	2023 £'000
Turnover	4	**30,382**	27,762
Operating costs	4	**(24,717)**	(21,857)
Surplus on disposal of fixed assets	7	**1,703**	801
Movement in property and gilt valuations	13 & 16	**(1,017)**	(243)
Operating surplus	4 & 8	**6,351**	6,463
Other interest receivable and similar income	9	**272**	155
Interest and financing costs	10	**(3,883)**	(2,752)
Surplus for the financial year		**2,740**	3,866
Actuarial loss on defined benefit pension scheme	27	**(1,266)**	(930)
Total comprehensive income for the year		**1,474**	2,936

All activities relate to continuing operations.

The financial statements were approved by the Board of Management on 16 July 2024 and signed on its behalf by:

Board Member	Board Member	Secretary
KHBreel	[signature]	L Henderson

The notes on pages 41 to 72 form part of these financial statements.

Leeds Federated Housing Association Limited

Association statement of comprehensive income
for the year ended 31 March 2024

	Note	2024 £'000	2023 £'000
Turnover	4	**30,550**	28,007
Operating costs	4	**(24,646)**	(21,850)
Surplus on disposal of fixed assets	7	**1,703**	801
Movement in property and gilt valuations	13 & 16	**(1,017)**	(243)
Operating surplus	4 & 8	**6,590**	6,715
Other interest receivable and similar income	9	**264**	153
Interest and financing costs	10	**(3,883)**	(2,752)
Surplus for the financial year		**2,971**	4,116
Actuarial loss on defined benefit pension scheme	27	**(1,266)**	(930)
Total comprehensive income for the year		**1,705**	3,186

All activities relate to continuing operations.

The financial statements were approved by the Board of Management on 16 July 2024 and signed on its behalf by:

Board Member **Board Member** **Secretary**

The notes on pages 41 to 72 form part of these financial statements.

Leeds Federated Housing Association Limited

Consolidated statement of financial position
at 31 March 2024

	Note	2024 £'000	2023 £'000
Fixed assets			
Tangible fixed assets - housing properties, depreciated cost	14	**247,288**	227,104
Tangible fixed assets – Other	15	**899**	739
Investment properties	16	**7,406**	8,336
Investments	13	**2,450**	2,399
		258,043	238,578
Current assets			
Properties held for sale	19	**3,632**	3,679
Stock		**207**	197
Debtors	18	**4,542**	2,277
Cash at banks		**3,075**	1,426
		11,456	7,579
Creditors: amounts falling due within one year	20	**(9,476)**	(12,898)
Net current assets/(liabilities)		**1,980**	(5,319)
Total assets less current liabilities		**260,023**	233,259
Creditors: amounts falling due after more than one year	21	**(188,085)**	(163,084)
Net assets excluding pension liabilities		**71,938**	70,175
Pension liabilities	27	**(4,142)**	(3,853)
Net assets		**67,796**	66,322
Capital and reserves			
Called up share capital	28	**-**	-
Income and expenditure reserve		**67,796**	66,322
Total capital and reserves		**67,796**	66,322

The financial statements were approved by the Board of Management on 16 July 2024 and signed on its behalf by:

Board Member	**Board Member**	**Secretary**
K H Brew		

The notes on pages 41 to 72 form part of these financial statements.

Leeds Federated Housing Association Limited

Association statement of financial position
at 31 March 2024

	Note	2024 £'000	2023 £'000
Fixed assets			
Tangible fixed assets - housing properties, depreciated cost	14	**248,787**	228,372
Tangible fixed assets – Other	15	**899**	739
Investment properties	16	**7,406**	8,336
Investments	13	**2,450**	2,399
		259,542	239,846
Current assets			
Properties held for sale	19	**3,632**	3,679
Stock		**207**	197
Debtors	18	**4,531**	2,269
Cash at banks		**2,944**	1,242
		11,314	7,387
Creditors: amounts falling due within one year	20	**(9,334)**	(12,706)
Net current assets/(liabilities)		**1,980**	(5,319)
Total assets less current liabilities		**261,522**	234,527
Creditors: amounts falling due after more than one year	21	**(188,085)**	(163,084)
Net assets excluding pension liabilities		**73,437**	71,443
Pension liabilities	27	**(4,142)**	(3,853)
Net assets		**69,295**	67,590
Capital and reserves			
Called up share capital	28	**-**	-
Income and expenditure reserve		**69,295**	67,590
Total capital and reserves		**69,295**	67,590

The financial statements were approved by the Board of Management on 16 July 2024 and signed on its behalf by:

Board Member	**Board Member**	**Secretary**
[signature]	*[signature]*	*[signature]*

The notes on pages 41 to 72 form part of these financial statements.

Leeds Federated Housing Association Limited

Group statement of changes in reserves
for the year ended 31 March 2024

	Income and expenditure reserve	Share capital	Total
	£'000	£'000	£'000
Balance at 1 April 2022	63,386	-	63,386
Surplus for the year	3,866	-	3,866
Actuarial loss on defined benefit pension scheme	(930)	-	(930)
Total comprehensive income for the year	2,936	-	2,936
Balance at 31 March 2023	66,322	-	66,322
Surplus for the year	**2,740**	**-**	**2,740**
Actuarial loss on defined benefit pension scheme	**(1,266)**	**-**	**(1,266)**
Total comprehensive income for the year	**1,474**	**-**	**1,474**
Balance at 31 March 2024	**67,796**	**-**	**67,796**

Leeds Federated Housing Association Limited

Association statement of changes in reserves
for the year ended 31 March 2024

	Income and expenditure reserve £'000	Share capital £'000	Total £'000
Balance at 1 April 2022	64,404	-	64,404
Surplus for the year	4,116	-	4,116
Actuarial loss on defined benefit pension scheme	(930)	-	(930)
Total comprehensive income for the year	3,186	-	3,186
Balance at 31 March 2023	67,590	-	67,590
Surplus for the year	**2,971**	**-**	**2,971**
Actuarial loss on defined benefit pension scheme	**(1,266)**	**-**	**(1,266)**
Total comprehensive income for the year	**1,705**	**-**	**1,705**
Balance at 31 March 2024	**69,295**	**-**	**69,295**

Leeds Federated Housing Association Limited

Consolidated cash flow statement
for the year ended 31 March 2024

	Note	2024	2023
Cash flows from operating activities		**£'000**	£'000
Surplus for the financial year		**2,740**	3,866
Adjustments for:			
Depreciation of fixed assets – housing properties	14	**5,186**	4,922
Depreciation of fixed assets – other	15	**456**	428
Amortisation of loan set up costs	10	**131**	90
Amortised grant	8	**(2,116)**	(1,979)
Net fair value losses recognised in income statement	13	**87**	358
Movement in fair value of investment properties	16	**930**	(115)
Interest payable and finance costs	10	**3,592**	2,569
Interest receivable	9	**(272)**	(155)
Difference between net pension expense and cash contribution	11 & 27	**(977)**	(891)
Surplus on sale of fixed assets – housing properties	7	**(1,703)**	(801)
Deficit on sale of fixed assets – other	7	**-**	1
Increase in stock		**(10)**	(76)
Increase in debtors	18	**(2,265)**	(429)
Increase in creditors	20	**253**	146
Cash flows from operations		**6,032**	7,934
Cash flows from investing activities			
Proceeds from sale of fixed assets – housing properties	7	**3,000**	1,559
Purchase of fixed assets – housing properties	14 & 4	**(28,167)**	(23,205)
1st tranche sales	4	**2,028**	1,614
Purchase of fixed assets – other	15	**(616)**	(434)
Receipt of social housing grant	23	**5,813**	2,504
Receipt of local authority grant	22	**2,339**	-
Costs associated with selling properties		**(54)**	(27)
Bank interest received	9	**134**	56
Net cash used in investing activities		**(15,523)**	(17,933)
Cash flows from financing activities			
Interest paid	10	**(3,825)**	(2,792)
New loans – bank	25	**22,000**	7,500
New loans – set up costs	25	**(756)**	(78)
Repayment of loans – bank	25	**(6,279)**	(1,917)
Net cash from financing activities		**11,140**	2,713
Net increase/(decrease) in cash and cash equivalents		**1,649**	(7,286)
Cash and cash equivalents at beginning of year		**1,426**	8,712
Cash and cash equivalents at end of year		**3,075**	1,426

The notes on pages 41 to 72 form part of these financial statements.

1 Legal status

The Association is registered under the Cooperative and Community Benefit Society Act 2014 and is registered with Homes England as a social housing provider. The registered office is The Tannery, 91 Kirkstall Road, Leeds, LS3 1HS.

The companies, Leeds Federated Housing Association Limited and its subsidiary Leeds Federated Property Services Limited, are referred to as "the group". The principal activity of the group is the provision of social housing and housing management.

Leeds Federated Property Services Limited is a company limited by shares, registered with Companies House under the Companies Act 2006. The principal trading activity of the company is the development of new housing for sale to the Association.

2 Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice) which for Leeds Federated Housing Association includes the Co-operative and Community Benefit Societies Act 2014 (and related group accounts regulations), the Housing and Regeneration Act 2008, FRS 102 "the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" the Statement of Recommended Practice (SORP) for Registered Social Housing Providers 2018, "Accounting by registered social housing providers" 2018, and the Accounting Direction for Private Registered Providers of Social Housing 2022.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies. These estimates and judgements are disclosed in note 3.

Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliations for the group and the parent company would be identical;
- no cash flow statement has been presented for the parent company;
- disclosures in respect of the parent company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole; and
- no disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole. There is no remuneration in the subsidiary company LFPS.

The following principal accounting policies have been applied:

Going concern

The Group's business activities, its current financial position, and factors likely to affect its future development are set out in this Report of the board of management and strategic Report. The Group has in place long term debt facilities and plans to increase these facilities which provide adequate resources to finance committed reinvestment and development programmes along with the Group's day to day operations. The Group also has a long-term Business Plan which shows that it can service these debt facilities whilst continuing to comply with lenders' covenants. The board approved the 2024/25 budget

Going Concern *(continued)*

and business plan in March 2024 and were content that these plans were affordable and that the accounts should be prepared on a going concern basis.

The ongoing impacts of difficult economic conditions, notably inflation and interest rates are carefully monitored by the Senior Management Team and the board. Financial assumptions are used in the budget and business plan, particularly focusing on the next 5 years to ensure the Association remains a going concern. The Group's long-term business plan is stress tested twice yearly to assess the possible financial impacts and the resilience of the business plan including the range of available mitigation plans (further information is provided on page 6). The Perfect Storm multi-variate scenario resulted in covenant breaches that could be partially mitigated through existing identified cost reductions. Additional strategies remain available to the association including the re-phasing of retrofitting programmes and capital works and the delay or decisions to not proceed with development schemes to maintain liquidity and avoid covenant breaches. Through regular stress testing performed by the Group's treasury advisors the board receives assurance as to the financial viability of the Group.

The board will continue to review operational plans and performance with the Senior Management Team and to make the necessary changes in response to the pandemic and economic conditions that enable us to continue to work with our customers and stakeholders to deliver services whilst supporting and protecting staff and customers.

Due to development activity fixed assets continue to grow. Given the liquidity and availability of undrawn loan facilities, the board believes that, while uncertainty remains in respect of economic conditions, this does not pose a material uncertainty that would cast doubt on the Association's ability to continue as a going concern. The Association's financial performance in 2023/24 proved resilient, which combined with the cashflow forecasts prepared by the Association for a period of twelve months after the date on which the report and financial statements will be signed by the board which show the group has sufficient funds to meet its obligations as they fall due and therefore the Board has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For these reasons, it continues to adopt the going concern basis in the financial statements.

Basis of consolidation

The consolidated financial statements incorporate the results of Leeds Federated Housing Association Limited and its only subsidiary undertaking as at 31 March 2024 as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

Turnover

Turnover represents rental income and service charge income receivable, proceeds from first tranche shared ownership sales, fees and revenue grants from local authorities and Homes England (HE), management fees receivable and miscellaneous income. Income is measured at the fair value of the consideration received or receivable.

Rental income is recognised 14 days from availability at the point when properties under development become available for letting. Income from first tranche sales is recognised at the point of legal completion of the sale. Revenue grants are receivable when the conditions for receipt of agreed grant funding have been met.

Service income and charges

The Group operates variable service charges, whereby the costs of the scheme are budgeted and any surplus/deficit in any financial year is recovered/refunded in future service charges. The costs for the provision of any communal service or facility within a housing scheme are recharged at cost plus a 15% admin charge to the tenants on that scheme. Expenditure is recorded when a service is provided and

Service income and charges *(continued)*

charged to the relevant service charge account or to a sinking fund. Income is recorded based on the estimated amounts chargeable.

Bad debt

A bad debt provision of £486k is included within the financial statements. This includes 85% of current tenant arrears older than 13 weeks and 100% of former tenants' arrears. Bad debt on other income sources is assessed depending upon the individual circumstances present.

Taxation

Leeds Federated Property Services is subject to Corporation Tax. The charge for taxation is based on the surplus for the year and takes into account taxation deferred. Surpluses are accrued and gift aided to Leeds Federated Housing Association under a Deed of Covenant.

Value added tax

The Group charges Value Added Tax (VAT) on some of its income and is able to recover part of the VAT it incurs on expenditure. The financial statements include VAT on expenditure to the extent that it is suffered by the Group and not recoverable from HM Revenue and Customs. Recoverable VAT arises from partially exempt activities and is credited to the statement of comprehensive income. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

Interest payable

Interest payable is charged to the statement of comprehensive income in the year.

Pension costs

The Group participates in the Social Housing Pension Scheme (SHPS), a defined benefit pension scheme, however the Group no longer permits new members to join this defined benefit scheme. Contributions are based on pension costs across the various participating Associations taken as a whole. The assets of the scheme are invested and managed independently of the finances of the Group.

For the year ended 31 March 2024, the Association's net defined benefit pension liability is £4,142k (31 March 2023: £3,853k), reflecting a net loss in scheme assets and liabilities of £1,260k and member contributions and other movements of £971k in the year.

Supported housing managed by agencies

Social housing capital grants and other revenue grants are claimed by the Association as owner of the property and are included in its statement of financial position.

The treatment of other income and expenditure in respect of supported housing projects depends on whether the Association carries the financial risk. Where an agency holds the support contract with the Supporting People Administering Authority and carries the financial risk, the statement of comprehensive income includes only that income and expenditure which relates solely to the Association. Other income and expenditure of projects in this category is excluded from the Association's statement of comprehensive income (see note 4).

Housing properties

Housing properties are principally properties available for rent and are stated at cost less depreciation. Cost includes the cost of acquiring land and buildings, development costs, incidental costs of acquisition,

Housing properties *(continued)*

administration costs and expenditure incurred in respect of improvements or component replacements.

Housing properties in the course of construction are held at cost and are not depreciated. They are transferred to completed properties when ready for letting or sale. The group's policy is to capitalise the costs associated with acquiring land and building, indirect costs directly attributable to the new build and development expenditure including direct development staff costs.

Works to existing properties, which replace a component that has been treated separately for depreciation purposes, are capitalised as improvements.

Properties held for sale

Shared ownership first tranche sales are valued at the lower of cost and net realisable value. Cost comprises materials, direct labour and direct development costs. Net realisable value is based on estimated sales prices allowing for all further costs of completion and disposal. All properties for sale are reported as current assets under properties held for sale.

Sale of tangible fixed assets

The surpluses or deficits recognised on disposal of fixed property assets are determined by comparing the proceeds with the carrying amount and are recognised within 'operating surplus' in the statement of comprehensive income.

Investment properties

Investment properties consist of commercial units including shops and garages held for letting, which are not held for a social benefit. They are measured at cost on initial recognition and subsequently carried at fair value. The assessment of fair value is undertaken annually using an external valuer with Jones Lang LaSalle Limited (JLL) completing the most recent valuation on 31 March 2024. No depreciation is provided and changes in fair value are accounted for in operating surplus.

Shared ownership properties

Under Shared Ownership arrangements, the Group disposes of a long lease to the occupier; the lease premium paid is for between 25% and 75% of the value. The occupier has a right to purchase further proportions up to 100%. A shared ownership property comprises two assets: that to be disposed of in the first tranche sale, which is recorded as a current asset and stated at the lower of cost and net realisable value; and that retained by the Group, which is recorded as a fixed asset in the same manner as for general needs housing properties held for rental.

Proceeds of sale for first tranches are accounted for as turnover in the statement of comprehensive income, with the apportioned cost being shown as cost of sales within operating results. Subsequent tranches sold ("staircasing") are reflected in the statement of comprehensive income as a surplus or deficit on sale of fixed asset housing properties.

Government Grants

Social Housing Grant (SHG) is receivable from Homes England (HE) to subsidise the cost of housing properties and is included in long term liabilities under creditors as deferred income. The grants are amortised to the statement of comprehensive income.

SHG due from HE or received in advance of total development costs being incurred, is shown as a current asset or liability.

Government Grants *(continued)*

SHG is subordinated to the repayment of loans by agreement with HE. SHG is repayable unless formally abated and waived although it can be recycled. SHG is recycled on disposal of a property and is credited to a Recycled Capital Grant Fund, which is included as a creditor due within one year or due after more than one year, as appropriate. If the recycled capital grant fund is not used within a three year period in principle it becomes repayable unless HE agree otherwise.

Grants of a revenue nature are credited to the statement of comprehensive income in the period to which they relate.

Other capital subsidies

The Group has, in the past, received land and capital subsidy from Leeds City Council via Leeds Partnership Homes Limited (LPH) at £nil financial consideration in exchange for nomination rights to the completed dwellings. The policy of the Group is to include the value of the subsidy in long term liabilities under creditors as deferred income. The subsidies are amortised to the statement of comprehensive income over the period to which they relate.

Depreciation of housing properties

The group depreciates the major components at the following rates:

Structure	70 years
Roofs	70 years
Bathrooms & WCs	30 years
Central heating	30 years
Curtilage	30 years
Insulation	30 years
Windows and doors	30 years
Electrical rewires	30 years
Roofline	30 years
Solar panels	25 years
Kitchens	20 years
Boilers	15 years

Freehold land is not depreciated.

Properties held on leases are amortised over the life of the lease or their estimated useful economic lives in the business if shorter.

Depreciation of other fixed assets

Depreciation is provided to write off the cost, less estimated residual values, of all other tangible fixed assets, evenly over their expected useful lives. No depreciation is provided on freehold land.

It is calculated at the following rates:

Office hubs and depots	10 years
Computer software	17% to 25%
Motor vehicles	25%
Office furniture and equipment	25%
Computer hardware	33%
Gardening equipment	50%

A full year's depreciation is charged on these assets in the year of purchase, but no charge is made in the year of disposal.

Capitalisation of maintenance costs

Any expenditure on an existing property that meets one of the following circumstances is capitalised into one of the housing property components:

- Replacement of a component of the property that has been previously treated separately for depreciation purposes and has been depreciated over its individual useful economic life.
- The economic benefits of the property have been enhanced in excess of the previously assessed standard of performance.

Any expenditure on an existing property that does not replace a component or result in an enhancement of the economic benefits of that property is charged to the Statement of Comprehensive Income.

Operating Leases

Leases entered into by the group either as a lessor or a lessee are operating leases or finance leases. A finance lease is identified when the risks and rewards of ownership have been transferred from the lessor to the lessee i.e. to the Association. All other leases are operating leases. Leases held include mainly office space, office equipment and vans. Management has therefore determined that all leases held are operating leases. They are accounted for on a straight-line basis over the term of the lease and reflect the amounts owed to the lessor.

Operating leases annual rents are charged to the statement of comprehensive income on a straight-line basis over the term of the lease.

Reverse premiums and similar incentives received to enter into operating lease agreements are released to the statement of comprehensive income over the term of the lease.

Fixed asset investments

Investments held as fixed assets are stated at fair value. They are held at the gilt price on 31 March in any year or the investment fund value, whichever is applicable.

Financial Instruments

Financial Assets
Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities and equity
Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

Loan premium
Premiums arising from the THFC and AHF (Affordable Housing Finance plc) loan drawdowns are recognised as a separate component of borrowing and shown within the statement of financial position as creditors. The premium is released over the term of the loan to the statement of comprehensive income within loan interest.

3 Significant judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, significant material judgements and estimates have been made. These judgements and estimates are reviewed each year and are based on historical experience and knowledge, and expectations of future events.

The judgements and estimates which have a significant risk of causing a material misstatement to the assets and liabilities held include the following:

Impairment

This includes a review of external and internal indicators of impairment of the group's tangible assets.

Key external factors include social housing market value reductions or a significant change adversely impacting the social housing sector. In April 2023 the government set a social housing rent cap for general needs rents of 7% as opposed to CPI+1% because of high inflation. These impacted rents charged by all social housing providers in 23/24 and resulted in costs increasing by more than income. Whilst surplus and margins have reduced, this has not resulted in an impairment; we remain financially resilient, compliant with loans and can continue with service delivery to customers.

Key internal indicators include evidence of deterioration of assets, as well as consideration of the economic viability and expected future financial performance of the asset and, where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit. These indicators are evident from the ongoing review of asset performance including long term empty homes, properties under asset management review and properties which are held for sale or proposed for disposal.

The process for estimating the recoverable amount of housing assets involves:

- Determine the level at which the recoverable amount is to be assessed (the asset or cash-generating unit (CGU) level (i.e. individual scheme).
- Estimate the recoverable amount of the CGU (market value less costs to sell) i.e. the higher of market value less costs to sell, and value in use.
- Calculate the carrying amount of the CGU (cost less depreciation and grant amortisation).
- Compare the carrying amount to the recoverable amount to determine if an impairment loss has occurred i.e. where the carrying amount exceeds the recoverable amount.
- If an impairment is identified the asset's carrying value is reduced to its recoverable amount and the losses are charged to operating surplus.

No impairment was identified and recognised in the year ended 31 March 2024.

Defined benefit pension accounting

Leeds Federated participates in the Social Housing Pension Scheme (SHPS) defined benefit scheme which is accounted for in accordance with FRS102. Management's recognition of this defined benefit obligation is as advised by the SHPS administrators.

The critical underlying assumptions used by SHPS to calculate the scheme's assets and liabilities include estimates of the standard rates of inflation, mortality, discount rate and anticipated future salary increases, as supplied by SHPS. Variations in these assumptions have the ability to significantly influence the value of the liability recorded and annual defined benefit expensed. In the year ended 31 March 2024, management engaged the services of First Actuarial to independently review these assumptions and provide assurance to management. As a result, no changes were made to any of the assumptions.

Financial Instruments

Fixed asset investments

Investments held as fixed assets include gilt holdings, sinking funds and a liquidity reserve fund. They are a requirement of some loans. Any movement in value is an expected consequence of maintaining these loans which support normal ongoing activities and any change in fair value is recognised as income or expenditure and shown within operating surplus.

Property categorisation

The categorisation of properties as investment properties or housing properties is determined by establishing which properties are held for the provision of social housing, or otherwise provided for social benefit. These properties are held as housing properties and all other properties are held as investment properties.

Housing properties:

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

For housing property assets, the assets are broken down into components based on management's assessment of the properties. Individual useful economic lives are assigned to these components. The disposal of fixed property assets are deemed to be normal ongoing activities and are included in operating activities and shown within operating surplus. This includes staircases, right to buy, right to acquire and property disposals as a result of stock rationalisation.

Useful economic lives (UEL):

The group separately identifies the major components which comprise its housing properties, and depreciation is provided to write off the costs evenly over their expected UEL. Management have estimated the UEL of components by liaising with the asset team to gain their professional opinion based on knowledge and experience.

LFHA has embarked on a programme of retrofit assessments across all of our homes, these are currently targeting homes which are currently below EPC C rating. These assessments will ultimately cover all homes and will enable us to set out a roadmap of improvements which will take us to meeting EPC C as a minimum on all homes by 2030 and towards our ambition to be fully net zero by 2050.
Industry standards have been adopted for components linked to the retrofitting programme such as internal/external wall insulation, heat pumps and solar PV and battery systems.

When a component is replaced the carrying amount is written off to the statement of comprehensive income. The amount written off this year, and last, is insignificant in comparison to the costs of assets held which provides reassurance that assets are being held with the appropriate UEL.

Investment Properties:

The Leeds Federated investment properties comprise commercial units and properties where market rent is charged. Each year the investment properties are professionally valued by a RICS approved valuer. Any changes in value are reflected in fixed assets with the movement reported in operating surplus, a process deemed to be in the normal course of business of holding investment properties whose revenue and costs are included within operating surplus, albeit non-social housing.

The professional valuation uses the fair value which is the amount at which an asset could be exchanged in an arm's length transaction. There is an inevitable degree of judgement involved in that each property is unique and value can only ultimately be reliably tested in the market itself.

In the year ended 31st March 2024, the investment properties were valued by JLL and there was a reduction to the investment property valuation of £930k (2023: £115k increase).

Development costs

Capitalising development costs and holding costs for uncompleted schemes as work in progress in the statement of financial position involves an element of judgement to ensure that only costs are capitalised when it is more likely than not that a scheme is to continue. If it is identified that a scheme under development is not going to continue the accumulated abortive costs are written off to the statement of comprehensive income.

The anticipated costs to complete on a development scheme is based on anticipated construction, legal and other costs. Establishing the correct development costs determines the recoverability of the cost of properties developed for outright sale and/or land held for sale. This judgement is also based on the members' best estimate of sales value based on economic conditions within the area of development. The Association does not currently develop for outright sale however these are relevant for the appropriate allocation of costs for mixed tenure developments, and furthermore the allocation of costs relating to shared ownership between current and fixed assets.

4 Particulars of turnover, operating costs and operating surplus – Group

	Turnover 2024 £'000	Operating costs 2024 £'000	Operating surplus 2024 £'000
Social Housing Lettings	**24,485**	**(20,880)**	**3,605**
Other social housing activities			
Agency charges	**1,603**	**(1,048)**	**555**
First tranche shared ownership sales	**3,309**	**(2,028)**	**1,281**
Feed in tariff income / gift aid	**3**	**-**	**3**
Development administration	**-**	**(366)**	**(366)**
	4,915	**(3,442)**	**1,473**
Non-social housing activities			
Lettings	**868**	**(309)**	**559**
Recharges	**114**	**(86)**	**28**
	982	**(395)**	**587**
	30,382	**(24,717)**	**5,665**
Surplus on disposal of fixed assets			**1,703**
Movement in property and gilt valuations			**(1,017)**
Total other gains			**686**
Operating surplus – continuing activities			**6,351**

Prior year comparative	Turnover 2023 £'000	Operating costs 2023 £'000	Operating surplus 2023 £'000
Social Housing Lettings	22,192	(18,362)	3,830
Other social housing activities			
Agency charges	1,520	(1,245)	275
First tranche shared ownership sales	3,146	(1,614)	1,532
Feed in tariff income / gift aid	22	-	22
Development administration	-	(281)	(281)
	4,688	(3,140)	1,548
Non-social housing activities			
Lettings	790	(268)	522
Recharges	92	(87)	5
	882	(355)	527
	27,762	(21,857)	5,905
Surplus on disposal of fixed assets			801
Movement in property and gilt valuations			(243)
Total other gains			558
Operating surplus – continuing activities			6,463

4 Particulars of turnover, operating costs and operating surplus (continued) – Association

	Turnover 2024 £'000	Operating costs 2024 £'000	Operating surplus 2024 £'000
Social Housing Lettings	24,485	(20,880)	3,605
Other social housing activities			
Agency charges	1,603	(1,048)	555
First tranche shared ownership sales	3,309	(2,028)	1,281
Feed in tariff income / gift aid	121	-	121
Development administration	50	(295)	(245)
	5,083	(3,371)	1,712
Non-social housing activities			
Lettings	868	(309)	559
Recharges	114	(86)	28
	982	(395)	587
	30,550	(24,646)	5,904
Surplus on disposal of fixed assets			1,703
Movement in property and gilt valuations			(1,017)
Total other gains			686
Operating surplus – continuing activities			6,590

Prior year comparative	Turnover 2023 £'000	Operating costs 2023 £'000	Operating surplus 2023 £'000
Social Housing Lettings	22,192	(18,362)	3,830
Other social housing activities			
Agency charges	1,520	(1,245)	275
First tranche shared ownership sales	3,146	(1,614)	1,532
Feed in tariff income / gift aid	231	-	231
Development administration	36	(274)	(238)
	4,933	(3,133)	1,800
Non-social housing activities			
Lettings	790	(268)	522
Recharges	92	(87)	5
	882	(355)	527
	28,007	(21,850)	6,157
Surplus on disposal of fixed assets			801
Movement in property and gilt valuations			(243)
Total other gains			558
Operating surplus – continuing activities			6,715

4 Particulars of turnover, operating costs and operating surplus (continued)

Income and expenditure from social housing lettings – Group

	General needs £'000	Supported housing £'000	Low cost home ownership £'000	Total 2024 £'000	Total 2023 £'000
Income					
Rents net of identifiable service charges*	18,803	1,247	1,468	**21,518**	19,601
Service charge income*	416	435	97	**948**	813
Amortised government grants	1,741	112	77	**1,930**	1,778
Government grants taken to income	84	5	-	**89**	-
Turnover from social housing lettings	21,044	1,799	1,642	**24,485**	22,192
Expenditure					
Management	(5,763)	(587)	(244)	**(6,594)**	(5,350)
Service charge costs	(585)	(385)	(95)	**(1,065)**	(1,015)
Routine maintenance	(4,632)	(421)	(151)	**(5,204)**	(4,691)
Planned maintenance	(902)	(8)	-	**(910)**	(875)
Major repairs expenditure	(2,032)	(111)	(9)	**(2,152)**	(1,665)
Bad debts	(13)	(9)	(6)	**(28)**	(130)
Property lease charges	(3)	-	-	**(3)**	(4)
Depreciation of housing properties					
- annual charge	(4,325)	(226)	(286)	**(4,837)**	(4,617)
- accelerated on disposal of components	(87)	-	-	**(87)**	(15)
Operating costs on social housing lettings	(18,342)	(1,747)	(791)	**(20,880)**	(18,362)
Operating surplus on social housing lettings	2,702	52	851	**3,605**	3,830
Void losses	282	50	1	**333**	292

*All net of void losses

4 Particulars of turnover, operating costs and operating surplus (continued)

Income and expenditure from social housing lettings – Association

	General needs £'000	Supported housing £'000	Low cost home ownership £'000	Total 2024 £'000	Total 2023 £'000
Income					
Rents net of identifiable service charges*	18,803	1.247	1,468	**21,518**	19,601
Service charge income*	416	435	97	**948**	813
Amortised government grants	1,741	112	77	**1,930**	1,778
Government grants taken to income	84	5	-	**89**	-
Turnover from social housing lettings	21,044	1,799	1,642	**24,485**	22,192
Expenditure					
Management	(5,763)	(587)	(244)	**(6,594)**	(5,350)
Service charge costs	(585)	(385)	(95)	**(1,065)**	(1,015)
Routine maintenance	(4,632)	(421)	(151)	**(5,204)**	(4,691)
Planned maintenance	(902)	(8)	-	**(910)**	(875)
Major repairs expenditure	(2,032)	(111)	(9)	**(2,152)**	(1,665)
Bad debts	(13)	(9)	(6)	**(28)**	(130)
Property lease charges	(3)	-	-	**(3)**	(4)
Depreciation of housing properties					
- annual charge	(4,325)	(226)	(286)	**(4,837)**	(4,617)
- accelerated on disposal of components	(87)	-	-	**(87)**	(15)
Operating costs on social housing lettings	(18,342)	(1,747)	(791)	**(20,880)**	(18,362)
Operating surplus on social housing lettings	2,702	52	851	**3,605**	3,830
Void losses	282	50	1	**333**	292

*All net of void losses

Particulars of turnover from non-social housing lettings – Group and Association

	2024 £'000	2023 £'000
Student accommodation	**595**	504
Market rent	**274**	286
External gardening contract	**115**	92
	984	882

5 Supported housing managed by agencies

Group and Association

Where the agency carries the financial risk, the Group's income and expenditure account includes only the income and expenditure for which it retains responsibility. The Group owns 234 supported housing units (2023: 238) that are managed on its behalf, under management agreements, by other bodies who contract with Supporting People Administering Authorities and carry the financial risk relating to the supported housing units.

	Number of bed spaces	
	2024	2023
	No.	No.
Foundation	**49**	49
Turning Lives Around	**44**	48
Leeds Women's Aid	**35**	35
Community Links	**20**	20
Touchstone (Group homes and floating support)	**13**	13
Catholic Care	**10**	10
St Anne's	**10**	10
Harrogate Homeless	**8**	8
Gipsil	**8**	8
Others including 8 (2023: 8) care home bed spaces	**37**	37
	234	238

6 Accommodation in management reconciliation

Group and Association

At the end of the year accommodation in management for each class of accommodation was as follows:

	2023	New Units	Open market sales	Right to acquire sales	Shared ownership sales	Other gains / (losses)	Other movement	**2024**
	No.	No.	No.	No.	No.	No.	No.	**No.**
Social housing								
Social rent:								
General needs	3,115	55	(17)	(2)	-	1	-	**3,152**
Supported housing	7	-	-	-	-	-	-	**7**
Housing for older people	254	-	-	-	-	-	-	**254**
Intermediate rent:								
General needs	22	4	-	-	-	-	2	**28**
Affordable rent:								
General needs	412	46	(1)	(1)	-	-	-	**456**
Low cost home ownership:								
Shared ownership	427	47	-	-	(9)	-	(3)	**462**
Shared ownership leaseholders paying service charge only	18	-	-	-	-	-	1	**19**
Social housing owned and managed	4,255	**152**	**(18)**	**(3)**	**(9)**	1	**-**	**4,378**

	2023	New Units	Open market sales	Right to acquire sales	Shared ownership sales	Other gains / (losses)	Other movement	**2024**
	No.	No.	No.	No.	No.	No.	No.	**No.**
Accommodation managed by others								
General needs – social rent	25	-	-	-	-	-	-	**25**
Supported housing – social rent	201	-	-	-	-	(4)	-	**197**
Supported housing – affordable rent	4	-	-	-	-	-	-	**4**
Care home bed spaces	8	-	-	-	-	-	-	**8**
Total social units managed by others	238	-	-	-	-	(4)	-	**234**
Non-social housing								
Student accommodation	62	-	-	-	-	-	-	**62**
Market rent	23	-	-	-	-	-	-	**23**
Total non-social housing unit units	85	-	-	-	-	-	-	**85**
Summary								
Social housing owned – managed and managed by others	4,493	152	(18)	(3)	(9)	(3)	-	**4,612**
Non-social housing owned – managed and managed by others	85	-	-	-	-	-	-	**85**
Total stock	4,578	**152**	**(18)**	**(3)**	**(9)**	**(3)**	-	**4,697**

*15 units (2023: 15 units) are not reported in this note because they are not classified as owned and managed as defined by the Regulator of Social Housing in their FVA and Statistical Data Return (SDR). Under UK GAAP these units are correctly classified as Social Housing and are included as housing properties in the statement of financial position.

7 Surplus on disposal of fixed assets

	Shared ownership staircasing 2024 £'000	Other housing properties 2024 £'000	Other fixed assets 2024 £'000	Total 2024 £'000	Total 2023 £'000
Disposal proceeds	859	2,141	-	**3,000**	1,559
Cost of disposals	(241)	(408)	-	**(649)**	(215)
Selling costs	(4)	(50)	-	**(54)**	(27)
Capital grant recycled (note 25)	(116)	(478)	-	**(594)**	(516)
Surplus on disposal of tangible fixed assets	**498**	**1,205**	**-**	**1,703**	801

During the year 3 properties used the right to acquire legislation to progress an outright sale (2023: 1). 10 shared owners increased their shares of equity to 100% (2023: 8) and 1 other increased their share of equity (2023: 5). The Association sold 17 properties on the open market (2023: 6 properties) and disposed of some IT equipment (2023: IT equipment).

8 Operating surplus

This is arrived at after charging / (crediting):	2024 £'000	2023 £'000
Depreciation:		
- housing properties	**5,119**	4,907
- accelerated depreciation on replaced components	**67**	15
- other tangible fixed assets	**456**	389
Amortisation of grants	**(2,116)**	(1,979)
Operating lease charges:		
- land and buildings	**153**	82
- other	**105**	139
Auditor's remuneration:		
- fees payable to the group's auditors for the audit of the group's annual accounts (excluding VAT)	**39**	30
- all other services	**8**	5

9 Interest receivable and similar income

Group	2024 £'000	2023 £'000
Interest receivable and similar income	**272**	155

Association	2024 £'000	2023 £'000
Interest receivable and similar income	**264**	153

10 Interest and financing costs

Group and Association	**2024**	2023
	£'000	£'000
Bank loans and overdrafts	3,497	2,512
Amortised loan costs	131	90
Recycled capital grant fund and sinking fund	95	57
Pension interest expense	160	93
	3,883	2,752

11 Employees

Group and Association	**2024**	2023
	£'000	£'000
Staff costs (including directors) consist of:		
Wages and salaries *	7,048	5,657
Social security costs	658	582
Other pension costs	302	230
	8,008	6,469

*shown gross - wages and salaries of £1,968k (2023: £1,347k) have been capitalised as part of the development activity and as part of capitalised component replacements.
The average number of full time equivalent employees including directors and agency staff covering permanent vacancies expressed as full time equivalents (calculated based on a standard working week of 37.5 or 40 hours) during the year was as follows:

Group and Association	**2024**	2023
	No.	No.
Housing management	146	124
Administration	32	28
	178	152

During 2023/24, the team previously established to provide component replacement and major repairs services expanded further to include electrical works.
A new head office team was established to focus on service improvements for customers.

12 Directors' remuneration

Group and Association

The directors, who are considered to be the group's key management personnel, are defined as the members of the board of management, the Chief Executive and the executive management team disclosed on page 1.

	2024	2023
	£'000	£'000
Executive directors' emoluments including pensions and benefits in kind	442	424
Amounts paid to non-executive directors including expenses	68	62

12 Directors' remuneration (continued)

The emoluments of the directors including benefits in kind but excluding pension contributions are:

	2024 £'000	2023 £'000
Chief Executive (highest paid director)	158	149
Operations Director	125	118
Finance and IT Director	103	118

The total amount payable to the Chief Executive, who was also the highest paid director in respect of emoluments was £173,874 (2023: £163,955). Pensions contributions of £15,917 (2023: £15,016) were made to the Social Housing Pension Scheme – Defined Benefit Scheme on his behalf.

As members of the Social Housing Pension Scheme, the pension entitlement of the directors is identical to those of other members. The Group does not make any further contribution to an individual pension arrangement for the Chief Executive.

Emoluments paid to the Board:
Emoluments paid during the year to Board members amounted to £64,542 (2023: £59,675). Expenses paid during the year to Board members amounted to £439 (2023: £357).

Emoluments include:
Chair £13,685 (2023: £12,024) Chairs of the Audit & Risk, Operations and Governance & Remuneration and Development Committees each received £7,338 (2023: £6,469)
Board Members received £5,060 (2023: £4,774).

	2024 £'000	2023 £'000
Kim Brear (Chair from 9/9/21)	14	12
Claire Stone	7	6
Jaedon Green	7	6
Christopher Simpson (from 9/9/22)	6	3
Dedra Otchere-Darko	5	4
Innocent Moyo	5	4
Stephen Dungworth	5	5
Charlotte Green (from 21/9/23)	3	-
Martin Warhurst (to 21/9/23)	3	6
Naseer Ahmed (from 21/9/23)	3	-
Robin Machell (to 21/9/23)	3	6
Robert Young (to 8/9/22)	2	3
Shaid Mahmood (to 8/9/22)	-	2

12 Directors' remuneration (continued)

The remuneration paid to staff (including executive management) earning over £60,000 upwards:

	2024 No.	2023 No.
£60,000 - £69,999	3	1
£70,000 - £79,999	5	5
£80,000 - £89,999	1	-
£100,000 - £109,999	1	-
£110,000 - £119,999	-	2
£120,000 - £129,999	1	-
£140,000 - £149,999	-	1
£150,000 - £159,999	1	-

13 Fixed asset investments

Group and Association	**As at 31 March 2024 £'000**	**Change in fair value £'000**	**Interest receivable £'000**	As at 31 March 2023 £'000
Other fixed asset investments:				
THFC ISRF restricted access account	883	(59)	60	882
AHF ISRF restricted access account	488	(28)	31	485
THFC Trustees sinking fund account	347	-	16	331
THFC bLEND liquidity reserve fund	732	-	31	701
Total	**2,450**	**(87)**	**138**	2,399

Other fixed asset investments

The THFC loan agreement requires a minimum of £717,550 to be held in an Interest Service Reserve Fund (ISRF), and as a result the investment has restricted access. Gilts were acquired to hold in the Interest Service Reserve Fund and these are carried in the financial statements at market value together with cash held on deposit. The market value of this fund, as at 31 March 2024 was £882,808 (2023: £881,493). Gilt interest of £60,067 was received.

A further tranche of the AHF loan was completed in September 2017, and added to tranche 1, and in line with the terms gilts were purchased, and added to the original purchase for Tranche 1. These were held together with cash held on deposit as a requirement to hold a minimum of £433,950, to be held in an Interest Service Reserve Fund, and are carried in the financial statements at market value. The market value of this fund, at 31 March 2024 was £487,392 (2023: £484,573). Gilt interest of £30,714 was received.

A sinking fund was set up during 2015-16. The current balance is £347,030, (2023: £330,939) as a result of right to acquire property sales held as security by THFC.

A new £20m bond with THFC bLEND was agreed during the 2020/21 year. The loan agreement requires that 1 year of interest payments are held in a bLEND liquidity reserve fund. This fund holds £732,504 as at 31 March 2024 (2023: £701,505).

14 Tangible fixed assets – housing properties

Group	General needs Completed £'000	Non-social housing Completed £'000	General needs Under construction £'000	Shared ownership Completed £'000	Shared ownership Under construction £'000	Total £'000
Cost or valuation:						
At 1 April 2023	244,146	2,341	8,858	23,033	4,861	**283,239**
Additions:						
- construction costs	7,822	-	6,114	2,659	5,224	**21,819**
- replaced components	6,659	-	-	-	-	**6,659**
1st tranche sales:	-	-	-	(1,975)	-	**(1,975)**
Reclassification of properties:						
- tenure changes during the year	-	-	1,131	-	(1,131)	**-**
Completed schemes:	6,617	-	(6,617)	4,089	(4,089)	**-**
Disposals						
- properties	(1,035)	-	-	(403)	-	**(1,438)**
- current assets movement (properties awaiting sale)	314	-	-	(1,168)	998	**144**
- replaced components	(782)	-	-	-	-	**(782)**
At 31 March 2024	**263,741**	**2,341**	**9,486**	**26,235**	**5,863**	**307,666**
Depreciation:						
At 1 April 2023	54,105	616	-	1,414	-	**56,135**
Charge for the year	4,784	49	-	286	-	**5,119**
Disposals:			-		-	
- properties	(226)	-	-	(31)	-	**(257)**
- current assets movement (properties awaiting sale)	96	-	-	-	-	**96**
- replaced components	(715)	-	-	-	-	**(715)**
At 31 March 2024	**58,044**	**665**	**-**	**1,669**	**-**	**60,378**
Net book value:						
At 31 March 2024	**205,697**	**1,676**	**9,486**	**24,556**	**5,863**	**247,288**
At 31 March 2023	190,041	1,725	8,858	21,619	4,861	227,104

14 Tangible fixed assets – housing properties (continued)

Association	**General needs Completed £'000**	**Non-social housing Completed £'000**	**General needs Under construction £'000**	**Shared ownership Completed £'000**	**Shared ownership Under construction £'000**	**Total £'000**
Cost or valuation:						
At 1 April 2023	244,624	2,383	9,381	22,983	5,136	**284,507**
Additions:						
- construction costs	7,862	-	6,202	2,697	5,289	**22,050**
- replaced components	6,659	-	-	-	-	**6,659**
1st tranche sales:	-	-	-	(1,975)	-	**(1,975)**
Reclassification of properties:						
- tenure changes during the year		-	1,131	-	(1,131)	-
Completed schemes:	6,617	-	(6,617)	4,089	(4,089)	-
Disposals:						
- properties	(1,035)	-	-	(403)	-	**(1,438)**
- current assets movement (properties awaiting sale)	314	-	-	(1,168)	998	**144**
- replaced components	(782)	-	-	-	-	**(782)**
At 31 March 2024	**264,259**	**2,383**	**10,097**	**26,223**	**6,203**	**309,165**
Depreciation:						
At 1 April 2023	54,105	616	-	1,414	-	**56,135**
Charge for the year	4,784	49	-	286	-	**5,119**
Disposals:						
- properties	(226)	-	-	(31)	-	**(257)**
- current assets movement (properties awaiting sale)	96	-	-	-	-	**96**
- replaced components	(715)	-	-	-	-	**(715)**
At 31 March 2024	**58,044**	**665**	-	**1,669**	-	**60,378**
Net book value:						
At 31 March 2024	**206,215**	**1,718**	**10,097**	**24,554**	**6,203**	**248,787**
At 31 March 2023	190,519	1,767	9,381	21,569	5,136	228,372

	2024 £'000	2023 £'000
Improvements to existing properties capitalised	6,659	3,719
Major repairs expenditure to statement of comprehensive income	2,152	1,665

15 Tangible fixed assets – other

Group and Association	Land and buildings £'000	Tools and equipment £'000	Computer equipment £'000	Motor vehicles £'000	Total £'000
Cost:					
At 1 April 2023	242	256	3,147	22	3,667
Additions	-	37	579	-	616
Disposals	-	-	(634)	-	(634)
At 31 March 2024	**242**	**293**	**3,092**	**22**	**3,649**
Depreciation:					
At 1 April 2023	92	229	2,586	21	2,928
Charge for year	24	26	406	-	456
Disposals	-	-	(634)	-	(634)
At 31 March 2024	**116**	**255**	**2,358**	**21**	**2,750**
Net book value:					
At 31 March 2024	**126**	**38**	**734**	**1**	**899**
At 31 March 2023	150	27	561	1	739

16 Investment properties

The group's investment properties were revalued at 31 March 2024 by Jones Lang LaSalle Limited (JLL), in accordance with the Royal Institution of Chartered Surveyors' Appraisal and Valuation Manual. As a result, a decrease in the valuation since the prior year has been reflected. The loss on revaluation of investment properties arising in the year is £930k (2023: £115k surplus).

Movement on investment properties is as follows:

	Group 2024 £'000	Group 2023 £'000	**Association 2024 £'000**	Association 2023 £'000
At 1 April	8,336	8,221	8,336	8,221
Revaluation gain/ (loss) (through Statement of Comprehensive Income)	(930)	115	(930)	115
At 31 March	**7,406**	8,336	**7,406**	8,336

17 Investment in subsidiary

As required by statute, the financial statements consolidate the results of Leeds Federated Property Services Limited (LFPS), which was a subsidiary of the Association at the end of the year. The Association has the right to appoint members to the board of the subsidiary and thereby exercises control over it. Leeds Federated Property Services Limited is a non-regulated company.

Leeds Federated Housing Association is the ultimate parent undertaking. LFPS is a wholly owned subsidiary of the association with a carrying value of £2 (2023: £2) and the principal activity of the company is the provision of design and build projects within the social housing sector.

During the year, the Association had the following intra-group transactions with Leeds Federated Property Services Limited, a non-regulated entity:

17 Investment in subsidiary (continued)

	2024 £'000	2023 £'000	**Allocation basis**
Management services	169	250	Percentage of turnover
Staffing recharge	51	36	Administration time
Gift aid received	118	209	Accrued at year end (Deed of Covenant)

18 Debtors

	Group 2024 £'000	Group 2023 £'000	**Association 2024 £'000**	Association 2023 £'000
Rent and service charge arrears	1,401	1,486	1,401	1,486
Less: Provision for doubtful debts	(486)	(841)	(486)	(841)
	915	645	915	645
Other debtors	214	273	213	272
Taxation and social security	10	7	-	-
Prepayments and accrued income	3,403	1,352	3,403	1,352
	4,542	2,277	**4,531**	2,269

The increase in Prepayments and accrued income is due to £2,339k of accrued SHDF funding which was yet to be received at year end.

19 Properties held for sale

Group and Association	**2024 £'000**	2023 £'000
First tranche sale units	3,416	3,065
Staircasing units	-	180
Social units	216	434
	3,632	3,679

First tranche sale units are units for shared ownership awaiting first tranche sale. Staircasing units are shared ownership properties where the owner is purchasing a further share. Social units represent nine sales being progressed as at March 2024.

20 Creditors: amounts falling due within one year

	Group 2024 £'000	Group 2023 £'000	**Association 2024 £'000**	Association 2023 £'000
Trade creditors	487	104	487	104
Loans (note 26)	1,151	3,943	1,151	3,943
Rent and service charges received in advance	410	424	410	424
Recycled capital grant fund (note 25)	-	1,415	-	1,415
Contractors for capital work and retentions	893	1,191	565	952
Loan interest	384	359	384	359
Taxation and social security	174	153	174	153
Loan premium on AHF/ THFC drawdowns	358	358	358	358
Deferred income capital grants/other subsidy (note 23)	2,116	1,979	2,116	1,979
Other creditors	2,038	1,825	2,038	1,825
Amount owed to group undertakings	-	-	196	54
Accruals and deferred income	1,465	1,147	1,455	1,140
	9,476	12,898	**9,334**	12,706

21 Creditors: amounts falling due after more than one year

Group and Association	**2024 £'000**	2023 £'000
Loans (note 26)	75,932	58,045
Recycled capital grant fund (note 25)	906	1,290
Loan premium on AHF and THFC drawdowns	7,387	7,745
Deferred income – capital grants/other subsidy (note 23)	103,860	96,004
	188,085	163,084

22 Deferred income - capital grants and other subsidies

Group and Association	2024 £'000	2023 £'000
Total Social Housing Grant (SHG) received as at 31 March (note 24)	113,610	105,907
Total SHG amortisation	(20,986)	(19,278)
	92,624	86,629
Total other subsidies received as at 31 March	16,216	13,908
Total other subsidies amortisation	(2,864)	(2,554)
	13,352	11,354
Total deferred capital grant and other subsidies	**105,976**	97,983
Deferred capital grant and other subsidies due within one year	2,116	1,979
Deferred capital grant and other subsidies due in more than one year	103,860	96,004

23 Deferred capital grant

Group and Association	2024 £'000	2023 £'000
At 1 April	105,907	103,867
Grant received during the year	5,813	2,504
Grant recycled to Recycled capital grant fund (RCGF)	(594)	(516)
Grant recycled from Recycled capital grant fund (RCGF)	2,489	55
Released to income during the year	(5)	(3)
At 31 March	**113,610**	105,907

24 Recycled capital grant fund

Group and Association	2024 £'000	2023 £'000
At 1 April	2,705	2,189
Inputs to fund:		
- grants recycled	594	516
- interest accrued	96	55
Recycling of grant		
- purchase of properties	-	(55)
- new build	(2,489)	-
At 31 March	**906**	2,705
Amounts 3 years or older where repayment may be required	-	879

There have been two allocations approved by Homes England this year. £879k has been utilised for the development at Owlcotes Road of 54 homes, and £1,610k for the development at Sugar Hill of 60 homes.

24 Recycled capital grant fund *(continued)*

Inputs to RCGF from recycling grant relate to disposals in the year of 18 outright sales by auction, five final staircasing sales, one interim staircasing sale, and three RTA sales.

In response to the current interest rate/inflation pressures on the Business Plan, in the short/medium term we will not be looking to identify potential additional new home purchases from housebuilders over and above the normal S106 requirements. This approach will be kept under periodic review.

For the longer term, we are looking to identify land acquisition opportunities for development by LFPS. There is also potential for the use of RCGF on regeneration schemes, fire safety works and, subject to clarification/confirmation, net zero works.

25 Loans and borrowings

Maturity of debt

Group and Association	**2024 £'000**	2023 £'000
In one year or less, or on demand	1,151	3,943
In more than one year but not more than two years	29	1,178
In more than two years but not more than five years	186	291
In more than five years	75,718	56,576
Total loans net of financing costs	**77,084**	61,988
Due within one year:		
Banks	**1,151**	3,943
Due after more than one year		
Banks	30,250	10,281
THFC	30,797	32,886
AHF	14,886	14,878
	75,933	58,045

Loans are shown net of financing costs of £1,452,201 (2023: £826,605), which will be released over the period of the loans.

The bank loans are secured by fixed charges on individual properties.

The loans from The Housing Finance Corporation (THFC) including THFC bLEND are secured by fixed charges on individual properties and are repayable on an interest-only basis during the term of the loans at fixed rates of interest ranging from 3.459% to 6.35%. The principal sums fall to be repaid in 2039 and 2047. £2m was repaid in October 2023. A further £10m has been agreed with bLEND and is secured, but undrawn at the 31 March 2024 due to the gilt rates falling outside the Association's planning parameters.

There are two AHF facilities with one being for £5m at a 2.89% coupon rate and an effective rate of 2.073% and one being for £10m at a 2.89% coupon rate, with an effective rate of 1.983%. Both are repayable in August 2043.

25 Loans and borrowings (continued)

The loan from the Co-operative bank is repayable quarterly over a term of 25 years at fixed rates of interest ranging from 3.31% to 4.42%. The principal sums fall to be repaid in the period September 2024 to March 2025.

A loan with Orchardbrook (ex Housing Corporation) is repayable in twice yearly instalments with an interest rate of 10.632% and a final payment date in 2032.

There is a total facility with Santander of £42m which was increased from £32m during the year. £2.25m that was forward fixed to February 2024 was repaid, therefore from February 2024 the whole balance of £42m is a revolving credit facility of which £29.5m was drawn at 31 March 2024, leaving £12.5m available to draw. The interest on the variable balance is based upon SONIA plus 1.65% margin.
There is a final bullet to repay any outstanding balance on the facility in March 2030.

During 2023/24 new funding comprising a £45m term loan and a £10m revolving credit facility, both with a 15 year term, was agreed with NatWest. Security was not in place at the 31 March 2024 so this is as yet undrawn.

The undrawn and unsecured £10m revolving credit facility (RCF) with Lloyds was cancelled during the year.

26 Financial instruments

	Group 2024 £'000	Group 2023 £'000	**Association 2024 £'000**	Association 2023 £'000
Financial assets				
Financial assets that are debt instruments measured at amortised cost	**4,204**	2,343	**4,240**	2,404
Financial liabilities				
Financial liabilities measured at amortised cost	**193,958**	171,730	**193,984**	171,783

Financial assets measured at amortised cost comprise cash at banks and all debtors (excluding prepayments and tax).

Financial liabilities measured at amortised cost comprise trade creditors, loan interest, taxation, other creditors and accruals (excluding loan premium).

27 Pensions

The Group and Association operate two pension schemes.

Defined benefit pension scheme

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

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

27 Pensions (continued)

A triennial valuation of the scheme for funding purposes was carried out as at 30 September 2020. This valuation revealed a deficit of £1,560m. A Recovery Plan has been put in place with the aim of removing this deficit by 31 March 2028.

A further triennial valuation was carried out as at 30 September 2023 however the outcome of this has not yet been confirmed.

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

For financial years ended on or before 28 February 2019, it was not possible for the company to obtain sufficient information to enable it to account for the Scheme as a defined benefit scheme, therefore the company has accounted for the Scheme as a defined contribution scheme.
For financial years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the company to account for the Scheme as a defined benefit scheme.

For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year-ends from the following 31 March to 28 February inclusive.

For accounting purposes, a valuation of the scheme was carried out with an effective date of 30 September 2023. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2024 to 28 February 2025 inclusive.

The liabilities are compared, at the relevant accounting date, with the company's fair share of the Scheme's total assets to calculate the company's net deficit or surplus.

	31 March 2024	31 March 2023
	£'000	£'000
Fair value of plan assets	17,387	17,471
Present value of defined benefit obligation	(21,529)	(21,324)
Defined benefit liability to be recognised	**(4,142)**	(3,853)

Reconciliation of Opening and Closing Balances of the Defined Benefit Obligation

	31 March 2024	31 March 2023
	£'000	£'000
Defined benefit obligation at start of the year	21,324	30,582
Current service cost	14	79
Expenses	21	19
Interest expense	1,024	850
Member contributions	210	250
Actuarial (gains) / losses due to scheme experience	156	(528)
Actuarial (gains) / losses due to changes in demographic assumptions	(218)	(45)
Actuarial (gains) / losses due to changes in financial assumptions	(163)	(9,366)
Benefits paid and expenses	(839)	(517)
Defined benefit obligation at end of the year	**21,529**	21,324

27 Pensions (continued)

Reconciliation of Opening and Closing Balances of the Fair Value of Plan Assets

	31 March 2024	31 March 2023
	£'000	£'000
Fair value of plan assets at start of the year	17,471	26,768
Interest income	864	757
Experience on plan assets (excluding amounts included in interest income) - loss	(1,485)	(10,795)
Employer contributions	1,166	1,008
Member contributions	210	250
Benefits paid and expenses	(839)	(517)
Fair value of plan assets at end of the year	**17,387**	17,471

The actual return on the plan assets (including any changes in share of assets) over the period from 31 March 2023 to 31 March 2024 was deficit of £621,000 (2013: deficit of £10,038,000)

Defined Benefit Costs Recognised in Statement of Comprehensive Income (SoCI)

	31 March 2024	31 March 2023
	£'000	£'000
Current service cost	14	79
Expenses	21	19
Net interest expense	160	93
Defined benefit costs recognised in statement of comprehensive income (SoCI)	**195**	191

Defined Benefit Costs Recognised in Other Comprehensive Income

	31 March 2024	31 March 2023
	£'000	£'000
Experience on plan assets (excluding amounts included in net interest cost) – loss	(1,485)	(10,795)
Experience gains and losses arising on the plan liabilities – loss	(162)	528
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation – gain	218	45
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain	163	9,366
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) – loss	(1,266)	(856)
Total amount recognised in other comprehensive income – loss	**(1,266)**	(856)

Assets	**31 March 2024**	31 March 2023
	£'000	£'000
Global Equity	1,733	326
Absolute Return	679	189
Distressed Opportunities	613	529
Credit Relative Value	570	659
Alternative Risk Premia	552	32
Emerging Markets Debt	225	94

Risk Sharing	1,018	1,286
Insurance-Linked Securities	90	441
Property	698	752
Infrastructure	1,756	1,996
Private Equity	14	-
Private Debt	684	777
Opportunistic Illiquid Credit	679	747
High Yield	3	61
Opportunistic Credit	-	1
Cash	343	126
Long Lease Property	112	527
Secured Income	519	802
Liability Driven Investment	7,076	8,047
Currency Hedging	(7)	34
Net Current Assets	30	45
Total assets	**17,387**	17,471

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

Key Assumptions

	31 March 2024 % per annum	31 March 2023 % per annum
Discount Rate	4.91%	4.86%
Inflation (RPI)	3.14%	3.19%
Inflation (CPI)	2.78%	2.77%
Salary Growth	3.78%	3.77%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31 March 2024 imply the following life expectancies:

	Life expectancy at age 65 (Years)
Male retiring in 2024	20.5
Female retiring in 2024	23.0
Male retiring in 2044	21.8
Female retiring in 2044	24.4

Defined contribution scheme

The company also participates in a defined contribution pension scheme. The assets of the scheme are held separately from those of the Association in an independently administered fund. The pensions charge represents contributions payable by the company to the fund and amounted to £293,513 (2023: £157,889).

28 Share capital

	2024	2023
	£	£
At 1 April	31	30
Shares issued in the year	1	2
Shares issued in the year	(2)	(1)
	30	31

The share capital of the Association consists of shares with a nominal value of £1 each, which carry no rights to dividends or other income. Shares in issue are not capable of being repaid or transferred. When a shareholder ceases to be a member, that share is cancelled and the amount paid thereon becomes the property of the Association. Therefore, all shareholdings relate to non-equity interests.

29 Operating leases

The payments which the Association is committed to make under operating leases are as follows:

	Land and buildings 2024 £'000	**Other 2024 £'000**	Land and buildings 2023 £'000	Other 2023 £'000
Operating leases which expire:				
Within one year	114	181	57	111
In one to five years	179	322	179	144
Over five years	45	-	90	-
Total	**338**	**503**	326	255

30 Capital commitments

	Group 2024 £'000	Group 2023 £'000	**Association 2024 £'000**	Association 2023 £'000
Commitments contracted but not provided for in the accounts	52,873	45,081	38,245	31,499
Commitments approved by the board but not contracted for	23,558	40,078	12,937	27,335
	76,431	85,159	**51,182**	58,834

The capital commitments contracted but not provided for are for self-build and section 106 units in Leeds and Harrogate, and other parts of West and North Yorkshire.

The above commitments will be financed through a combination of borrowings and social housing grant.

31 Contingent liabilities

The group and association have one contingent liability at 31 March 2024 (2023: 1).

We were notified in 2021 by the Trustee of the Defined Benefit Pension Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee is seeking clarification from the Court on these items, and this process is ongoing with it being unlikely to be resolved until mid-2025 at the earliest. It is estimated that this could potentially increase the total value of the full Scheme liabilities by £155m which would be split across all participating employers proportionately. We note that this estimate has been calculated as at 30 September 2022 on the Scheme's Technical Provisions basis, and a updated estimate calculated as at 30 September 2023 is expected to be released in July 2024. Until the Court direction is received (expected in July 2025), it is unknown whether the full (or any) increase in liabilities will apply and therefore, in line with the prior year, no adjustment has been made in these financial statements in respect of this.

32 Related parties

The group has taken advantage of the exemption conferred by FRS 102, not to disclose related party transactions with other group entities.

The Board includes two tenant members: Innocent Moyo and Dedra Otchere-Darko, and one leasehold member: Charlotte Green, who hold their agreements on normal terms and cannot use their position to their advantage. The charges for the year were:

	Rent charged weekly 2024 £	Rent charged weekly 2023 £	**Balance at 31 March 2024 £**	Balance at 31 March 2023 £
Board member				
Innocent Moyo	109	98	(87)	(87)
Dedra Otchere-Darko	89	84	(28)	(28)
Charlotte Green (appointed 21/9/23)	331	298	(180)	(180)

All rounded to the nearest pound. '-ve' = credit balance

33 Net debt reconciliation

Group	1 April 2023 £'000	**Cash flows £'000**	**Other non-cash changes £'000**	**31 March 2024 £'000**
Cash at banks	1,426	1,649	-	3,075
Bank and THFC loans	(61,988)	(14,965)	(131)	(77,084)
	(60,562)	**(13,316)**	**(131)**	**(74,009)**

34 Legislative provisions

The Association is registered under the Co-operative and Community Benefit Society Act 2014 and is a Registered Provider of Social Housing registered under the Housing and Regeneration Act 2008.