

LACE HOUSING LIMITED

Report and Financial Statements

For the year ended 31 March 2024

LACE HOUSING LIMITED

Report and Financial Statements For the year ended 31 March 2024

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LACE HOUSING LIMITED

Board, Directors, Registered Office and Advisers For the year ended 31 March 2024

Board Members:

Mr R Walder	Resigned 14 September 2023
Mr N J Chambers	(Company Secretary) – (Co-opted Member)
Miss J Sellick	Resigned 14 September 2023
Mr J Hazel	Resigned 14 September 2023
Mr S Robinson	Resigned 14 December 2023
Mr R Livermore	(Chairman)
Mrs E Devlin	
Mrs C Liggins	
Mr J Wilson	
Mrs D Krochmal	Appointed 25 April 2023
Mrs J Trevithick	Appointed 14 September 2023

Officers: Mr N J Chambers (Chief Executive)

External Auditors: Beever and Struthers
Statutory Auditors
One Express
1 George Leigh Street
Manchester
M4 5DL

Bankers:

Handelsbanken PLC
22A The Ropewalk
Nottingham NG1 5DT

Santander Corporate
Commercial and Business Banking
301 St Vincent Street
Glasgow G2 5HN

Nationwide Building Society
Kings Park Road
Moulton Park
Northampton NN3 6NW

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ

Lloyds Bank PLC
33 Park Row
Nottingham NG1 8GY

Solicitors: Wilkin & Chapman LLP
26 Chantry Lane
Grimsby
DN31 2LJ

Registered Office: LACE House
2 Olsen Rise
Lincoln
LN2 4UZ

LACE HOUSING LIMITED

Report of the Board For the year ended 31 March 2024

Accounts

The Board presents its annual report and the audited financial statements for the year ended 31 March 2024. The year end was changed in 2023 to the 31 March, meaning the figures for 2023 are for a 15 month period and 2024 figures are for a 12 month period.

Principal activities

The Association's principal activities continued to be the provision of social housing and support to older and vulnerable people in Lincolnshire and the surrounding areas. The Association is registered under the Co-operative and Community Benefit Societies Act 2014, (Register Number 16677R), and under the Housing Act 1974, (Register Number L0438).

Results

The results for the year are set out in the accounts on pages 18 to 39.

Review of the business

The turnover of the Association was £2,984k in the year, a decrease of £515k (15%) on 2023. This was a result of 2023 being for an extended period, against a 12 month period for 2024. There were also no first tranche sales or donations in 2024.

Operating costs were lower at £2,436k, a decrease of £543k (18%) on 2023. This was a result of 2024 being for a 12 month period.

The Operating Surplus for the year including gains and losses on disposal of property plant & equipment was £802k (2023 £527k).

Interest costs increased from £286k (2023) to £400k (2024) due to the Association drawing down more of its loan facilities to fund its development programme. A total of £15k interest was capitalised to development during the 12 months. The Total Comprehensive Income for the year was £411k (2023 £245k).

The Association holds recycled grant monies of £89k after the addition of grant from the sale of Richmond House. £1,159k was recycled to new developments in the year, as agreed with Home England. In December 2021 Home England approved the Association's application to become an Investment Partner.

The Association underwent a loan tender exercise to access long term funding to underpin its long-term development programme. In January and March 2023, the Association completed on two new loan facilities, using the new facility to repay its existing borrowing, at the end of the year £6,387k of the £12m loan facilities has been drawn down.

Strategic Report

The Association defines its mission as providing and maintaining a high standard of specialised housing and support services for older and vulnerable people, delivered through a strong brand, service excellence and meaningful partnerships. Its primary objective is to provide and maintain a wide range of specialist housing schemes for older and vulnerable people, delivered through five business commitments:

1. Providing excellent services, focusing on people, places, and partnerships.
2. Providing well designed, safe, secure, good quality and energy efficient places that residents are proud to call home.
3. Exercising good governance and maintaining strong finances.
4. Delivering sustainable growth to meet the needs of older and vulnerable people within the community.
5. Being a great place to work.

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Report of the Board For the year ended 31 March 2024

It is never possible to capture all strategic activity within annual reporting, but the intention is to provide a summary relating to each of our five business commitments, highlighting the Association's achievements during this financial year and what it hopes to achieve next. As a small, specialist Association, strategic activity has focused on a small number of key priorities that delivered value for money and maximum benefits for our stakeholders.

1) Providing excellent services, focusing on people, places, and partnerships.

☑	Introduced a new housing and finance system on the 6 th of June 2023, empowering its frontline teams to take ownership of customer enquiries at the point of enquiry, enhancing the customer experience and its staff wellbeing, and enabling the collation and use of data more efficiently.
☑	Used its new housing and finance system and other software packages to drive transformational change.
☑	During 2023/24 the Association updated its Stakeholder Engagement Strategy resulting in a refreshed focus on informal local resident engagement, led by the Association's operational management team. Schemes were chosen to trial this approach, during quarter three and four of 2023/24, with positive outcomes achieved. The outcome of local engagement is shared with residents and the Board, this new framework has achieved targeted customer led involvement, adding value to the Board, officers and to the wider resident base.
☑	Introduced a new format of leasehold meetings to review the Accounts post year end and again prior to finalising the charges for the new year. Dates have been communicated to leaseholders for the 2024/25 financial year.
☑	Reviewed its complaint handling policy and procedure to ensure ongoing compliance with the Housing Ombudsman Complaint Handling Code 2023 and to proactively promote access to the Housing Ombudsman Service.
☑	Implemented change to comply with the Regulator for Social Housing's revised consumer standards.
☑	Completed a resident survey during the final quarter of 2023/24. The results are included in Table 1 of the Value for Money Statement.
**	Adoption of 'Together with Tenants.' This is a longer-term aspiration that is projected to be completed in 2025/26.
**	To launch a tenant self-service portal as part of the next step of its new housing and finance software. This has been delayed as the software provider is reconfiguring the portal for a better user experience and is expected to be available from the third quarter of 2024/25.
**	To build on the informal resident involvement meetings during 2024/25 and seek to identify any residents who would be interested in a formal tenant scrutiny role.
**	To expand the partnership working with Lincolnshire Independent Living Partnership (LILP) to achieve greater outcomes for residents, employees, and the wider citizens of Lincolnshire.

2) Providing well designed, safe, secure, good quality and energy efficient places that residents are proud to call home.

☑	Progressed its Asset Management Strategy and disposed of a scheme that no longer met the future aspirations of older people (with three out of the four tenants ending their tenancies ahead of communicating any plans to dispose of the scheme) and the Property Maintenance storage facility as it no longer met team needs. The sale of the scheme in 2023/24 was originally expected in the final quarter of 2022/23 and impacted some of its VfM metric targets due to its delay.
☑	Developed its asset management IT systems to improve data recording and reporting capabilities. The Association purchased the Asset Management module from its new housing and finance software provider and is expected to become operational during quarter one of 2024/25.
☑	Upgraded a telecare system within an extra care housing scheme. An order was placed in the final quarter of 2023/24 for one of its schemes. Budget provision has also been made to upgrade the remaining two schemes, subject to a review of the effective of the chosen system, once installed.
**	Seek further quality awards and accreditations associated to its new development programme and partnership working.

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Report of the Board

For the year ended 31 March 2024

**	Stock condition surveys commenced in January 2024 to prepare for the release of a new Decent Homes Standard and to comply with the revised consumer standards and the Better Social Housing Review.
**	To review its environmental strategy in quarter three of 2024/25, with an emphasis on responding to the government's Mobility Scheme initiative to promote electric cars. This is likely to increase requests from its residents for communal electric charging points.
**	Develop new health and safety compliance reports during the first quarter of 2024/25 to exploit improved data captured within its housing and finance software system.
**	From 2025/26 explore how assisted technology can strengthen the support offer and support its VfM objectives
**	From 2025/26 complete access surveys of its places and consider how further aids and adaptations can support independent living.

3) Exercising good governance and maintaining strong finances.

<input checked="" type="checkbox"/>	During 2023/24 it successfully recruited two new Board members in line with its Board succession plan.
<input checked="" type="checkbox"/>	Maintained a safety-first culture, retaining 100% compliance against all regulatory and statutory requirements for fire, gas, electricity, water hygiene and asbestos safety. Unfortunately, a delay was experienced in completing a statutory inspection of a scheme passenger lift, see section two of the Value for Money Statement.
<input checked="" type="checkbox"/>	The construction company completing its extra care housing scheme has captured the social value gained.
<input checked="" type="checkbox"/>	The introduction of budget holder reports within its new housing and finance software system.
<input checked="" type="checkbox"/>	With the support of an external consultant, who specialises in audit, introduced a new internal control framework.
**	Explore ways to evidence the £ of social value gained through its activities and its developments, see section four of its value for money statement.
**	Re-tender internal and external audit.
**	Prepare for the Procurement Regulations 2024, effective from the end of October 2024.
**	Apply for Cyber Essentials Accreditation and to establish an ICT cyber security action plan during the third quarter of 2024/25.

4) Delivering sustainable growth to meet the needs of older and vulnerable people within the community.

<input checked="" type="checkbox"/>	Completed forty new homes during 2023/24.
**	To complete seventy-two new homes during the last quarter of 2024/25.
**	Complete start on site of a thirty-three-unit scheme during 2025 with completion during the third quarter of 2026/27. Explore opportunities for new development opportunities beyond its existing pipeline.

5) Being a great place to work.

<input checked="" type="checkbox"/>	Continued to improve its staff understanding of the business and how their contribution makes a difference through development of skills and a focus on employee engagement.
<input checked="" type="checkbox"/>	Reviewed its policy to expand the access to company sick pay for critical ill health.
**	Continue its review of pension requirements. In November 2023 consideration was given to introducing a Salary Sacrifice Scheme but this did not meet with its culture or values. Instead, the Board intends to consider an increase in the % pension contribution from 2025/26.
**	Monitor the development of professional standards for housing professionals and understanding of mental health and allocate future training budget. This is an ongoing objective linked to the consultation currently being carried out by the Government in respect of the Conduct and Capability Standard. Budget provision has been allowed for continued personal development during 2024/25. During 2023/24 a Housing and Support Coordinator completed a level 3 CIOH housing qualification, with the Head of Housing to commence a level 5 CIOH housing qualification in 2024/25.
**	To ensure its staff can develop their skills and achieve self-fulfilment through management support, mentoring and access to the right tools, technology, and training.

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Value for Money Statement

Through its strategic plan and its focus on Value for Money (VfM), the Association is committed to:

- The continuous improvement of its existing housing and support services.
- Optimising efficiency through refining its business processes.
- Responsibly managing existing housing and support services.
- Ensuring compliance with asset related health and safety responsibilities to ensure its residents, staff and reputation remain safe.
- Ensuring we have a valued employee welfare and wellbeing offer.
- Business growth through the development of new homes and services.
- Recognising its strategic role of generating wider social value resulting in cost benefits to the health and social care budgets.

The tables below compare the Association's performance at 31 March 2024 against:

- Actual performance as at the end of December 2020, 2021, and March 2023.
- Target performance for 2023/24.
- Forecast performance for 2024/25 and 2025/26.
- Comparative performance against the Association's peer group using their data for 31 March 2024.

The Regulator of Social Housing requires Registered Providers to review and understand their performance against the Value for Money technical metrics (TMs) set by the Regulator, as well as the Association's own Internal Value for Money metrics (IMs). The Board sets performance and financial targets based on the strategic objectives contained within its Strategic Plan. The Board's current aim is to achieve median performance compared to its benchmarked peer group and understand the reasons if its performance falls below this level, seeking improvements where applicable.

The Board recognises the higher costs associated with the provision of, and maintenance of, supported and extra care housing and is seeking to improve cost related benefits through economies of scale associated with bringing new homes into management. In doing so, the Board recognises its social purpose and the added societal return that is achieved through providing high quality housing specifically for older people.

This section of the report looks at its VfM performance against its strategic commitments one to four. To understand how the Association's metrics are performing, it not only compares its results year-on-year and against target, but also against a group of peers. To do this the Association is a member of Acuity's Smaller Providers Benchmarking (SPBM) group. Membership of SPBM is open to organisations with up to 1,000 homes and currently has one hundred and forty-seven members. Across the social housing sector there is agreement that the provision of, and future upkeep of, specialist housing for older and vulnerable people is more expensive than the provision of general needs housing. So that the Association can achieve operational correlation it is part of a peer group called the Housing for Older People Benchmarking Group and there are currently twenty-three other members. The peer group consists of the following Associations:

Benchmarking peer group.

<i>Agamemnon HA Ltd</i>	<i>CESSA HA</i>	<i>Chislehurst & Sidcup HA</i>	<i>Eldon Housing Association</i>
<i>Eleanor Palmer Trust</i>	<i>Epsom and Ewell Housing Association</i>	<i>Glebe HA</i>	<i>Greenhill Housing Association</i>
<i>jLiving</i>	<i>Muircroft Housing Association</i>	<i>Norwich Housing Society</i>	<i>Orchard Homes (Bristol Charities Almshouses)</i>
<i>Pathways</i>	<i>Portsmouth Rotary Housing Association</i>	<i>St John & St Anne</i>	<i>Sussex Housing & Care</i>
<i>Sutton Housing Society</i>	<i>Thame & District HA</i>	<i>The Charity of Elizabeth Jane Jones</i>	<i>The Mercers Company</i>
<i>Thorners Homes CIO</i>	<i>Thorngate Churcher Trust</i>	<i>URC Retired Ministers Housing Society</i>	

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Value for Money Performance

1. Providing excellent services, focusing on people, places and partnerships.

The VfM drivers in respect of corporate objective one are:

- The continuous improvement of its existing housing and support services.
- Responsibly managing existing housing and support services.

Table 1, below, demonstrates how the Association has quantified its performance using its own internal metrics.

Table 1: Technical and internal metrics in support of corporate objective one.

Tenant Satisfaction Measures (perception-based metrics)	31 st March 2024	Peer Group Median	Quartile
TP01: Overall satisfaction (%)	93	92.5	2
TP02: Satisfaction with repairs (%)	94	91.95	2
TP03: Satisfaction with the time taken to complete the most recent repair (%)	91	88.00	2
TP04: Satisfaction that the home is well maintained (%)	96	93.84	1
TP05: Satisfaction that the home is safe (%)	95	94.5	2
TP06: Satisfaction that the landlord listens to tenants views and acts upon them (%)	86	77	2
TP07: Satisfaction that the landlord keeps tenants informed about things that matter to them (%)	96	88.61	1
TP08 – Agreement that the landlord treats tenants fairly and with respect (%)	95	93.04	1
TP09 – Satisfaction with the landlord’s approach to handling complaints (%)	44	59.15	3
TP10 – Satisfaction that the landlord keeps communal areas clean and well maintained (%)	96	94.1	1
TP11– Satisfaction that the landlord makes a positive contribution to neighbourhoods (%)	92	87	1
TP12 – Satisfaction with the landlord’s approach to handling anti-social behaviour (%)	87	78	1

2. Providing well designed, safe, secure, good quality and energy efficient places that residents are proud to call home.

The VfM drivers in respect of corporate objective two are:

- Responsibly managing existing housing and support services.
- Ensuring compliance with asset related health and safety responsibilities to ensure its residents, staff and reputation remain safe.

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Table 2, demonstrates how the Association has quantified its performance using its own internal metrics.

Table 2: Technical and internal metrics in support of corporate objective two.

Metric	Type	Performance as at: *31/03/23 15-month financial year				Peer Group Median	Quartile	Target		
		31/03/24	31/03/23*	31/12/21	31/12/20			31/03/24	31/03/24	2023/24
Repairs Performance										
% of response repairs completed within target time	IM	99.49	98.26	98.28	95.25	95.75	1	98.00	98.00	98.00
% of tenants satisfied with most recent repair	IM	94.23	100	98.91	50.0	96.62	3	99.00	96.62	96.62
Health and Safety Performance										
% of the properties requiring a fire risk assessment, with a valid fire risk assessment in place.	IM	100	100	100	100	100	1	100	100	100
% of properties required a legionella risk assessment, with a valid legionella risk assessment in place.	IM	100	100	100	100	100	1	100	100	100
% of properties requiring an EICR/EIC with a valid certificate in place.	IM	100	100	100	100	N/A	N/A	100	100	100
% of properties requiring an EICR/EIC with a valid certificate in place.	IM	100	100	100	100	N/A	N/A	100	100	100
% of properties requiring a gas safety certificate with a valid certificate in place.	IM	100	100	100	100	100	1	100	100	100
The % of schemes with a valid Insurance inspections - Thorough Examinations (LOLER) for passenger lifts.	IM	90.11	100	100	100	100	4	100	100	100

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Backwards look

The Association did not achieve its internal and peer group comparison target for lift safety and tenant satisfaction with the latest repair.

Unfortunately, at the 31st March 2024, a LOLER inspection was outstanding for a passenger lift in one of its schemes. This was due to the lift being out of action on the day of inspection and the time taken to reschedule the inspection. Tenant satisfaction with the latest repair was below target, but the Association increased the number of repair surveys being completed through the introduction of an automated text message service, increasing the opportunity to understand and investigate any dissatisfaction.

The Association commenced a programme of stock condition surveys during the final quarter of 2023/24 to respond to the recommendations of the Better Social Housing Review. This will allow the assessment of the quality and the safety of its homes and enables a reassessment of the cost and timing of future asset reinvestment.

Forward look

The Association will review its Asset Management Strategy and Environmental Sustainability Strategy during 2024/25 in recognition of the need to balance investment in new developments whilst ensuring necessary investment in its existing stock. The Association will complete the remainder of stock condition surveys in the first quarter of 2024/25. It will use this data to reassess the long-term investment in its existing homes. The Association strategic direction is to fulfil its current approved new development programme which strengthens its business plan from 2025/26 onwards. Given the age of its stock, the Association can begin to explore investment in carbon neutral solutions from 2025/26 once products and supply chains become sustainably embedded.

3. Exercising good governance and maintaining strong finances

The VfM drivers in respect of corporate objective three are:

- Responsibly managing existing housing and support services.
- Optimizing efficiency through refining its business processes.

Table 3, below, demonstrates how the Association has quantified its performance using the Regulator for Social Housing's technical metrics, alongside its own internal metrics.

Table 3: Technical and Internal metrics in support of corporate objective three.

Metric	Type	Performance as at: *31/03/23 15-month financial year				Peer Group Median	Quartile	Target		
		31/03/24	31/03/23*	31/12/21	31/12/20			2023/24	2024/25	2025/26
Metric 6(a) Operating Margin % (Social Housing Lettings)	TM	18.21	11.01	11.34	16.52	14.20	2	10.84	14.20	15.30
Metric 6(b) Operating margin % (Overall)	TM	18.36	14.86	14.52	25.34	11.00	1	9.37	14.03	15.30
Metric 5 Headline Social Housing £ Cost/ Unit	TM	5,330	7,167	4,684	5,149	7,204	1	5,974	5,030	6,158
Metric 4 EBITDA MRI Interest Cover %	TM	228.80	302.80	539.20	833.54	260.61	2	172.21	142.28	174.09
Metric 3 Gearing %	TM	13.55	9.67	3.00	4.93	5.70	3	15.25	21.11	24.07
Metric 7 Return on Capital Employed %	TM	1.92	1.64	1.54	3.59	1.91	2	0.79	1.06	1.35
% of rent loss through dwellings being vacant	IM	0.94	0.63	0.52	1.47	1.19	2	1.03	1.11	1.20

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Average re-let time in days (Excluding Major Works) HFOP	IM	13.39	11.72	9.11	29.67	26.00	1	15.00	14.00	14.00
Average re-let time in days of all Major Works Voids HFOP	IM	16.00	77.00	N/A	40.50	16.00	1	39.00	35.00	35.00
Average re-let time in days of all re-lets HFOP	IM	13.44	12.84	9.11	30.16	13.44	2	17.00	16.00	16.00
Current tenant arrears as a % of the annual rent debit	IM	1.03	1.49	0.23	0.75	0.71	3	1.10	0.70	0.70

Backwards look

The macro economic climate experienced during 2022/23 and 2023/24 adversely impacted the Association, its residents and its staff. However, it allowed the Association to embed a practical culture of cost awareness across its front-line teams. In addition, its new housing and finance software system achieved efficiencies in its staffing structure and improved the understanding of expenditure, against budget, of key front-line staff. This awareness contributed to the Association outperforming its projected lettings account surplus for 2023/24, with no adverse impact on resident satisfaction, see table one above.

The Strategic Plan 2021 to 2025, and supporting ICT Strategy, included an objective of optimizing efficiency through refining its business processes to enable frontline teams to focus on service delivery. This led to the introduction of a new housing and finance software system in June 2023. The Association's staffing budget for 2023/24 identified £148,000 savings compared to its 2022/23 budget. Staffing efficiencies began to be realised during the last quarter of 2022/23. The Association realised actual savings of £90,074 in staffing costs during 2023/24, compared to 2022/23 see Note 21, page 37. The Association's investment in IT has improved its core housing systems to enhance customer experience, data integrity, and cyber security protection.

The Association has met or exceeded all its internal performance targets for technical and internal metrics. It met medium peer group comparison apart from its gearing and current tenant arrears as a % of the annual debit metric.

Gearing has continued to grow as the Association secures and utilises funding for its existing homes to allow investment in its key strategic goal of responsible growth. During 2023/24 the Association has progressed due diligence on its unencumbered debt to ensure these properties are available in preparation for the implementation of its remaining pipeline scheme and anticipation of new development opportunities. This work is due to complete during 2024/25 along with the revaluation of the housing stock by late 2024 in support of its treasury management strategy. The Association's Business Plan confirms projected gearing amply complies with its lenders' gearing covenants.

Forward look

The Association forecasts a reduction in the following metrics during 2024/25:

Metric 3 – Gearing is set to increase during 2024/25 as it draws down the remainder of its £8 million facility with CAF bank and its £4 million facility with Charity Bank, necessary to complete phase three of its development programme. Gearing is projected to improve in 2025/26 and this includes additional borrowing for the development of its remaining pipeline scheme. Both facilities give the Association the opportunity to apply to fix interest rates, at the discretion of the lenders, once the loan is fully drawn down. The Board will carefully consider the timing of fixing with the anticipated downward trajectory of interest rates expected during the second or third quarter of 2024/25.

Metric 4 EBITDA MRI Interest Cover % performance is expected to reduce because of not identifying any further property disposals within its Asset Management Strategy, increasing major repair expenditure, along with an increase in interest payments and SHG amortised as it draws down its remaining SHG and its facility with CAF and Charity Bank. The Association forecasts an improvement in this metric from 2025/26 through an improved operating surplus.

Metric 5 Headline Social Housing £ Cost/ Unit, Metric 6(a) Operating Margin % (Social Housing Lettings), Metric 6(b) Operating margin % (Overall) are all expected to reduce due to increased staffing and service expenditure from the third quarter of 2024/25 to prepare for the occupancy of its sixty-two-unit housing with extra care scheme, and the ten low-cost home ownership bungalows attached to the complex. The Association has projected a 33% occupancy level, of its

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extra care scheme, being achieved gradually during the final quarter of 2024/25. All metrics are expected to improve from 2025/26.

Metric 7 - ROCE is expected to reduce because of not identifying any further property disposals within its Asset Management Strategy and a reduction in operating surplus because of incurring expenditure for its sixty-two-unit housing with extra care scheme and the ten low cost home ownership bungalows attached to the complex before income is realised. The ROCE is expected to improve from 2025/26 reflecting the investment in this new extra care housing scheme.

Current tenant arrears as a % of the annual rent debit – an ambitious improvement target has been set to achieve median quartile within our peer group for 2024/25 and to sustain this improvement during 2025/26.

Its Corporate Strategy recognises that the efficiencies achieved during 2023/24 enable the freeing up of resources to invest in making a bigger social and wellbeing impact within its extra care settings. The Association will utilise the efficiencies in energy consumption at its three housing with extra care schemes during 2024/25 to increase its housing and support offer.

4. Delivering sustainable growth to meet the changing needs of older and vulnerable people within the community

The VfM driver in respect of corporate objective four are:

- Business growth through the development of new homes and services.

Table 4, below, demonstrates how the Association has quantified its performance using the Regulator for Social Housing's technical metrics, alongside its own internal metrics.

Table 4: Technical and Internal metrics in support of corporate objective four.

Metric	Type	Performance as at: *31/03/23 15-month financial year				Peer Group Median	Quartile	Target		
		31/03/24	31/03/23*	31/12/21	31/12/20			31/03/24	31/03/24	2023/24
Metric 1 Reinvestment %	TM	23.63	16.71	4.00	1.70	3.83	1	27.25	16.71	9.68
Metric 2 (a) New Supply % (Social Housing Units)	TM	10.75	0.00	0.00	0.00	0.00	1	10.75	16.22	0.00
Metric 2 (b) New Supply % (Non- Social Housing Units)	TM	0.00	0.00	0.00	0.00	0.00	1	LACE does not have a programme of non-social housing delivery.		
Number of properties completed	IM	40	0	0	0	N/A		40	72	33
Number of units in approved programme	IM	33	33	105	73	N/A		33	33	33
Number of starts on site (units) achieved	IM	0	72	40	0	N/A		0	0	0

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Backwards look

The Association has achieved its technical and internal metric targets apart from Metric 1 Reinvestment. It has achieved quartile one performance against its peers where comparable reporting is available and this includes Metric 1. During 2023/24 its reinvestment in new development was £6.9 million enabled through grant funding and utilising £2.7 million in private financing. The Association had expected to have been further ahead of its investment in new development, but this is a timing issue. The Association sees the grant funding secured from its key strategic partners and utilised during 2023/24 as a commitment to the quality of its product, its service provision, its objectives, along with recognition of the societal return to be gained from future residents benefiting from the development of an extra care housing scheme in Lincolnshire. A holistic overview of all VfM metrics demonstrates a commitment to responsibly increasing our property base, with the knowledge of the high standard of our existing schemes, alongside the high level of satisfaction with the home and communal areas achieved in the first perception based TSMs (Table 1).

The Association believes fundamentally that investment in new supply is a key strategic ambition and has a key role in generating future sustainable capacity to invest in existing stock. The Association recognises its role in being an advocate for housing for older people. It achieves this through influencing policies at a local level, working with key stakeholders across Adult Social Care, NHS, Homes England and other housing providers. This defines the LACE brand, and the Association believes in the societal value that can be delivered by providing high quality, older person accommodation in the heart of towns and villages, reducing the pressure on the NHS and Adult Social Care.

Forward look

The Association will:

- Invest £8.6 million in new and existing homes in 2024/25 and £5.4 million in 2025/26.
- Complete seventy-two units during 2024/25.
- Continue to pursue the land purchase of the pipeline approved scheme, with an aim of starting on site during 2025/26.
- Explore opportunities for new development opportunities beyond its existing pipeline.
- Explore the development of quantitative and qualitative data in support of its VfM objective of recognising its strategic role of generating wider social value resulting in cost benefits to the health and social care budgets.
Through:
 - Considering the adoption of a return on social value model in 2024/25.
 - Capturing anecdotal accounts of why residents have moved into our schemes and the difference it has made to their everyday lives and wellbeing.
 - Exploring the NHF Local Economic Impact Calculator showing housing associations' contribution to the productivity of local areas.

Conclusion:

The Association has achieved median performance, or above, compared to its peer group for all TMs apart from Metric 3, gearing. It met or exceeded all its own targets apart from Metric 1 Reinvestment. The Association did not achieve median performance compared to its peer group comparison in respect of Metric 3 but did meet its own target. The Association has benefited from increased economies of scale with the completion of two schemes, forty units, during 2023/24 and the efficiencies achieved from investing in IT and streamlining processes. It will complete phase three of its ambitious development programme in January 2025.

The Association has improved its peer group performance in respect of 2a, 5, 6a, and 6B with our performance against peer group remaining the same for the remaining metrics, 4, 3, 7, and 1. Its objective remains on delivering high quality older person accommodation in the heart of communities, whilst continuing to maintain the high quality of its existing stock, synonymous with its brand and reputation.

The Association will consider introducing a separate peer group comparison for development led Technical Metrics. In doing so it will select associations of a similar size, with an active development programme. This is likely to see its peer benchmarking group reduce from 23 to 5 or 6 more comparable associations.

LACE HOUSING LIMITED

Report of the Board For the year ended 31 March 2024

Equality, Diversity and Inclusion

The Association has an Equality, Diversity, and Inclusion policy, along with related policies on subjects such as recruitment and the menopause. Its Code of Governance: including Terms of Reference includes a Board recruitment and selection statement. All documents set out the Association's commitment to respecting and promoting diversity, inclusion, and equality of opportunity for residents and future residents, employees, stakeholders, and volunteers. This commitment is driven by its Board to shape its role as both an employer and a landlord. The Association wants to sustain a working environment and housing schemes that are inclusive and free from discrimination, prejudice, or harassment. We recognise and promote how diversity brings continuous improvement and helps us to understand and reflect the needs of our residents.

The Association has voluntarily produced and published a Gender Pay Gap report, and this can be accessed via its website.

Fixed assets

The changes in fixed assets during the year are set out in notes 8 and 9 of the accounts.

Board Members and their interests

The Board Members in office during the year are listed on page 1.

Each Board Member holds one fully paid share of £1 in the Association.

Political and charitable donations

During the year, the Association made no political contributions, and any charitable contributions were made within the Association's normal activities.

Statement of the Board's responsibilities in respect of the accounts

The Co-operative and Community Benefit Societies Act 2014 requires the Board to prepare accounts for each financial year, which give a true and fair view of the state of affairs of the Association and of the surplus/(deficit) of the Association for that year. In preparing these accounts the Board is required to:

1. Select suitable accounting policies and then apply them consistently.
2. Make judgements and estimates that are reasonable and prudent.
3. State whether applicable accounting standards have been followed.
4. Prepare the accounts on the going concern basis unless it is inappropriate to presume the Association will continue in business.

The Board is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Association and to enable it to ensure that the accounts comply with the Co-operative and Community Benefit Societies Act 2014 and Housing Acts. It is also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities, by establishing and maintaining a satisfactory system of control over the Association's accounting records, cash holdings and all its receipts and remittances.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the Association website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to Auditors

As far as the Board is aware there is no relevant audit information of which the Auditors are unaware. The Board has taken all steps that they ought to have taken as Board Members in order to make themselves aware of any relevant audit information and to establish that the Auditors are aware of that information.

LACE HOUSING LIMITED

Report of the Board For the year ended 31 March 2024

Statement on the Association's system of internal control

Identification and evaluation of key risks

The Board has overall responsibility for ensuring the Association has appropriate systems for managing risk and agreeing the key risks facing its business. The Risk Management Framework is detailed within the Risk Management Strategy. The Board reviews this Strategy at least annually, including the amount of risk it is willing to take in pursuit of achieving its strategic priorities (its risk appetite) and ensures risks are managed in line with this. Significant treasury risks are detailed within its Treasury Management Strategy, produced by its treasury consultant, and is annually approved by the Board.

The Audit and Compliance Sub-committee is responsible for oversight of the Association's risk management framework and provides assurance to the Board on the adequacy and effectiveness of the systems of internal control and risk management. This includes the monitoring of significant strategic and operational risks, review of its internal control framework, mitigation activity and receiving deep dives and reports on risks and assurance e.g. on Key Performance Information (KPI) during 2023/24.

The Audit and Compliance Sub-committee scrutinises the risk management framework at each meeting and reports its findings to the Board. It completes an annual review to compare the Association's risks to external, current, and emerging risks through a review of the Regulator for Social Housing Sector Risk Profile and the top 10 risks facing the top 100 associations. Risks with a high-risk exposure level are referred to the Board of Management for corrective action and monitoring. No high risks were identified during 2023/24.

The Executive team regularly considers and receives reports on significant risks facing the Association and the Executive team report to the Board any significant changes affecting key risks via the Audit & Compliance Sub-committee.

An audit consultant provides independent, objective assurance to the Executive Management and the Audit and Compliance Sub-committee oversee the effectiveness of first and second lines of defence. Additional assurance is provided from the external audit, and appointed specialists, such as a biennial review of its gas and electrical contractor's compliance with gas and electrical safety regulations.

Internal Control

The Board has overall responsibility for establishing and maintaining the system of internal control and reviewing its effectiveness. Working with an externally appointed audit specialist, the Audit and Compliance Sub-committee has developed its system of internal control during 2023/24, with the objective of embedding internal control across the Association. The Audit and Compliance Sub-committee reappointed the consultant for 2024/25, replacing the traditional internal audit for a further year. The Audit and Compliance Sub-committee monitors and reviews the effectiveness of the internal control system and reports the findings to the Board. The system of internal control is designed to manage rather than eliminate risk, to prevent and/ or detect fraud. The internal control framework and sources of assurance are visualised in a diagram format, reported to the Audit and Compliance sub-committee. The Board recognises that no system of internal control can provide absolute assurance against material misstatement or loss or eliminate all risks of failure to achieve business objectives. The system of internal control is designed to manage key risks and to provide reasonable assurance that planned business objectives and outcomes are achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the Association's assets and interests.

Key elements of the internal control framework and assurance

Key features of the Association's internal controls and assurance include an effective governance and management structure with clearly defined responsibilities, scrutiny and approval routes and delegations. Supported by governing documents, self-assessments for internal control, economic, consumer and governance self-assessments and KPI data. A policy schedule is approved by Board which sets out the framework for policies to be developed, approved, and reviewed regularly as well as the scrutiny and approval route. This includes approved Financial Regulations which provide a control framework and delegations, supported by policies that detail authorisation levels, reconciliations, segregation of duties, purchasing, and budgeting and treasury management. Expert financial and treasury advice is obtained in areas such as financial planning to provide specialist external assurance. Golden Rules are in place for its treasury and development activities which set the parameters for financial performance and early warning indicators to flag if a financial risk needs to be escalated and if mitigation plans need to be enacted.

LACE HOUSING LIMITED

Report of the Board For the year ended 31 March 2024

There are policies and procedures to minimise the potential occurrence of fraud and to investigate fraud when it occurs. Reports of fraud, whistleblowing, and declarations of interests are received by the Audit and Compliance Sub-committee reporting to the Board. Data Protection breaches are reported directly to the Board.

Information and financial reporting systems

Financial reporting procedures include detailed budgets for the year ahead; detailed quarterly management accounts and treasury management reports, including forecasts for the remainder of the financial year. These are reviewed in detail and approved by the Board.

Monitoring and corrective action

A process of regular management reporting on control issues provides assurance to the Executive team and to the Board. This includes a rigorous procedure for ensuring that corrective action is taken in relation to any significant control issues, particularly those that may have a material impact on the accounts and delivery of our services.

The Board confirms that there is an ongoing process for identifying, and managing significant risks faced by the Association. This process has been in place throughout the year under review, up to the date of the annual report and accounts and is regularly reviewed by the Board.

Auditors

In accordance with the Co-operative and Community Benefit Societies Act 2014 a resolution to appoint Beever and Struthers as the Association's auditors, will be proposed at the Annual General Meeting.

Governance and Financial Viability

The Association complies with the NHF Code of Governance 2020.

The Board has reviewed its compliance with the Governance and Viability Standard and confirm that, it complies with the requirements of the Standard for the year.

Statement of compliance

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

Approved by the Board on 12 September 2024



Bob Livermore (Sep 23, 2024 12:57 GMT+1)

Mr B Livermore
Chair

Opinion

We have audited the financial statements of LACE Housing Limited (the 'Association') for the year ended 31 March 2024 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Reserves, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies in note 1. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Co-operative and Community Benefit Societies Act 2014 or the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- the Association has not maintained a satisfactory system of control over transactions; or
- the Association has not kept proper accounting records; or
- the Association's financial statements are not in agreement with books of account; 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 Statement of the Board's responsibilities in respect of the Statement of the Board's responsibilities in respect of the accounts set out on page 12, 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 determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws, regulations and guidance that affect the Association, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws, regulations and guidance that we identified included the Co-operative and Community Benefit Societies Act 2014, the NHF Code of Governance 2020, the Regulatory Standards, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, tax legislation, health and safety legislation, and employment legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.

- We gained an understanding of the controls that the Board have in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting year.
- The risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws related to the construction and provision of social housing recognising the regulated nature of the Association's activities.
- We reviewed financial statements disclosures and supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

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

Use of our report

This report is made solely to the Association's members as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014 and Section 128 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's members as a body for our audit work, for this report, or for the opinions we have formed.

Beever and Struthers

Statutory Auditor
One Express
1 George Leigh Street
Manchester
M4 5DL

Date:

LACE HOUSING LIMITED

Statement of Comprehensive Income For the year ended 31 March 2024

	Notes	2024 (12 Months) £	2023 (15 Months) £
Turnover	2	2,983,588	3,498,502
Operating expenditure	2	(2,435,700)	(2,978,493)
Gain on disposal of property, plant and equipment	7	253,975	6,864
Operating surplus		801,863	526,873
Interest receivable	4	9,385	3,276
Interest and financing costs	5	(400,232)	(285,568)
Surplus before taxation		411,016	244,581
Taxation	10	-	-
Surplus for the year	6	411,016	244,581
Total comprehensive income for the year		411,016	244,581

All of the above results derive from the continuing operations of the Association.

Historical cost surpluses and deficits were identical to those shown in the income and expenditure account.

The notes on pages 22 to 39 form an integral part of these financial statements.

The financial statements on pages 18 to 39 were approved and authorised for issue by the Board on 12 September 2024 and were signed on its behalf by: -

N J Chambers

N J Chambers (Sep 23, 2024 12:02 GMT+1)

SECRETARY

Mr N J Chambers



Bob Livermore (Sep 23, 2024 12:57 GMT+1)

BOARD MEMBER

Mr B Livermore

C L Liggins

C L Liggins (Sep 23, 2024 21:15 GMT+1)

BOARD MEMBER

Mrs C Liggins

LACE HOUSING LIMITED

Statement of Financial Position As at 31 March 2024

	Notes	31.03.2024		31.03.2023	
		£	£	£	£
Fixed assets					
Tangible fixed assets	8/9		40,403,391		33,388,003
Current assets					
Shared equity properties for resale	11	1,612,500		116,248	
Stock	12	12,230		12,230	
Trade and other debtors	13	150,686		140,682	
Cash and cash equivalents	14	1,128,360		907,006	
		<u>2,903,776</u>		<u>1,176,166</u>	
<u>Less:</u>					
Creditors: amounts falling due within one year	15	<u>(1,509,721)</u>		<u>(2,444,131)</u>	
Net current assets/ (liabilities)			<u>1,394,055</u>		<u>(1,267,965)</u>
Total assets less current liabilities			41,797,446		32,120,038
Creditors: amounts falling due after more than one year	16		<u>(32,022,964)</u>		<u>(22,756,572)</u>
Total net assets			<u>9,774,482</u>		<u>9,363,466</u>
Reserves					
Non-equity share capital	17		17		17
Income and expenditure reserve			9,757,895		9,346,879
Restricted reserve	18		<u>16,570</u>		<u>16,570</u>
Total reserves			<u>9,774,482</u>		<u>9,363,466</u>

The notes on pages 22 to 39 form an integral part of these financial statements.

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N J Chambers (Sep 23, 2024 12:02 GMT+1)

SECRETARY

Mr N J Chambers

Bob Livermore

Bob Livermore (Sep 23, 2024 12:57 GMT+1)

BOARD MEMBER

Mr B Livermore

C L Liggins

C L Liggins (Sep 23, 2024 21:15 GMT+1)

BOARD MEMBER

Mrs C Liggins

LACE HOUSING LIMITED

Statement of Changes in Reserves For the year ended 31 March 2024

	Non-equity share capital £	Income and expenditure reserve £	Restricted reserve £	Total £
Balance at 1 January 2022	15	9,102,298	16,570	9,118,883
Total comprehensive income for the year	-	244,581	-	244,581
Shares issued during the year	4	-	-	4
Shares surrendered during the year	(2)	-	-	(2)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 March 2023	17	9,346,879	16,570	9,363,466
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 1 April 2023	17	9,346,879	16,570	9,363,466
Total comprehensive income for the period	-	411,016	-	411,016
Shares issued during the period	2	-	-	2
Shares surrendered during the period	(2)	-	-	(2)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 March 2024	17	9,757,895	16,570	9,774,482
	<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 22 to 39 form an integral part of these financial statements.

LACE HOUSING LIMITED

Statement of Cash Flows For the year ended 31 March 2024

	2024 (12 Months)		2023 (15 Months)	
	£	£	£	£
Net cash generated from operating activities (see Note 1)		(294,788)		1,360,354
Cash flow from investing activities				
Purchase of tangible fixed assets	(7,736,922)		(5,311,939)	
Proceeds from sale of tangible fixed assets	476,025		12,095	
Grants received	5,728,552		1,913,738	
Interest received	9,385		3,276	
		(1,522,960)		(3,382,830)
Cash flow from financing activities				
Share Capital	-		2	
Interest paid	(408,891)		(291,071)	
New secured loans	2,450,000		3,936,800	
Repayments of borrowings	(2,007)		(5,700,942)	
		2,039,102		(2,055,211)
Net change in cash and cash equivalents		221,354		(4,077,687)
Cash and cash equivalents at beginning of year		907,006		4,984,693
Cash and cash equivalents at end of the year		1,128,360		907,006
Note 1				
Surplus for the year		411,016		244,581
Adjustments for non-cash items:				
Depreciation of tangible fixed assets		558,657		625,747
Amortisation of Government grants		(148,690)		(162,197)
(Increase)/Decrease in shared ownership properties for resale		(1,496,252)		(39,481)
(Increase)/Decrease in stock		-		(594)
(Increase)/Decrease in trade and other debtors		(10,004)		(8,947)
Increase/(Decrease) in trade and other creditors		211,492		372,624
Increase in sinking funds		42,121		46,951
(Gain)/Loss on disposal of tangible fixed assets		(253,975)		(6,864)
Write Off Development Cost		-		6,242
Adjustments for investing or financing activities:				
Interest payable		400,232		285,568
Interest received		(9,385)		(3,276)
		(294,788)		1,360,354

The notes on pages 22 to 39 form an integral part of these financial statements.

LACE HOUSING LIMITED

Notes to the Financial Statements For the year ended 31 March 2024

1. Principal accounting policies

The Association is incorporated in England under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing as a Private Registered Provider of Social Housing. The registered office is LACE House, 2 Olsen Rise, Lincoln LN2 4UZ.

Basis of accounting

The financial statements have been prepared in accordance with applicable United Kingdom Generally Accepted Accounting Practice (UK GAAP) and the Statement of Recommended Practice for registered housing providers: Housing SORP 2018.

The financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. The accounts are prepared on the historical cost basis of accounting and are presented in sterling £.

The financial statements have been prepared in compliance with FRS 102. In complying with FRS 102 the Association meets the definition of a public benefit entity.

Going concern

The financial statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future. No significant concerns have been noted and we consider it appropriate to continue to prepare the financial statements on a going concern basis based on the Association's business plan.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

- a. Development expenditure. The Association capitalises development expenditure in accordance with the accounting policy described on page 25. Initial capitalisation of costs is based on management's judgement that development scheme is confirmed, usually when Board approval has taken place including access to the appropriate funding. In determining whether a project is likely to cease, management monitors the development and considers if changes have occurred that result in impairment.
- b. Categorisation of housing properties
The Association has undertaken a detailed review of the intended use of all housing properties. In determining the intended use, the Association has considered if the asset is held for social benefit or to earn commercial rentals.
- c. Impairment
The Association has identified a cash generating unit for impairment assessment purposes at a property scheme level.

LACE HOUSING LIMITED

Notes to the Financial Statements For the year ended 31 March 2024

1. Principal accounting policies (continued)

Other key sources of estimation and assumptions:

a. Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

b. Impairment of non-financial assets

Reviews for impairment of housing properties are carried out when a trigger has occurred and any impairment loss in a cash generating unit is recognised by a charge to the Statement of Comprehensive Income. Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use. A cash generating unit is normally a group of properties at scheme level whose cash income can be separately identified.

The Association has assessed that no trigger for an impairment review has occurred.

Turnover and revenue recognition

Turnover represents rental income receivable, amortised capital grant, revenue grants from local authorities and Homes England, income from the sale of shared ownership and other properties developed for outright sale, management income, transport income, charitable income and other income and is recognised in relation to the year when the goods or services have been supplied.

Rental income is recognised when the property is available for let, net of voids. Income from property sales is recognised on legal completion.

Charitable income is recognised when the Association is entitled to receipt, it is probable the Association will receive income and the amount can be measured with reasonable certainty. Charitable income linked to a development under construction, is deferred until the development is completed.

Service charges

Service charge income and costs are recognised on an accruals basis.

Loan interest costs

Loan interest costs are calculated using the effective interest method of the difference between the loan amount at initial recognition and amount of maturity of the related loan.

Loan finance issue costs

These are amortised over the life of the related loan. Loans are stated in the Statement of Financial Position at the amount of the net proceeds after issue, plus increases to account for any subsequent amounts amortised. Where loans are redeemed during the year, any redemption penalty and any connected loan finance issue costs are recognised in the Statement of Comprehensive Income in the year in which the redemption took place.

LACE HOUSING LIMITED

Notes to the Financial Statements For the year ended 31 March 2024

1. Principal accounting policies (continued)

Taxation

The Association has charitable status and is therefore exempt from UK corporation tax on charitable activities.

Value Added Tax

The Association is registered for VAT but a large proportion of its income, rents and service charges are exempt for VAT purposes therefore giving rise to a partial exemption calculation. Expenditure is stated inclusive of VAT with any amounts of input VAT recovered are included in turnover.

Fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is charged at the following rates over the expected economic useful life of the assets.

Housing properties	0.80% to 1.33%	Office accommodation	1.00%
Scheme equipment	10.00%	Office equipment	10.00%
Computers	20.00%	Motor vehicles	20.00%
Industrial Unit	2.00%		

Where individual components of a property are replaced, the costs are capitalised if they meet the tests of capitalisation set out below. The cost of the replaced component is written off. These costs are depreciated at the following rates:

Lifts	5.00%	Doors and windows	3.33%
Water tanks and pipe-work	4.00%	Electrical wiring and installations	2.50%
Kitchens	5.00%	Sprinkler Systems	5.00%
Bathrooms	3.33%	Mechanical systems	3.33%
Fixtures and fittings	10.00%	Boilers	6.70%
Roof	1.43%	PV Cells & Inverter	6.70%

Freehold land is not depreciated.

The useful economic lives of all tangible fixed assets are reviewed annually.

Housing properties

Only actual costs incurred in the acquisition, construction and improvement of housing properties are capitalised. As required by FRS 102 the Association has reviewed the economic useful lives of its housing properties and depreciates the property costs, less freehold land.

Financial assets are assessed at each reporting date to determine whether there is any objective evidence that an asset is impaired. If there is such evidence of impairment an impairment loss is recognised in the Statement of Comprehensive Income.

Housing properties in the course of construction are stated at cost and not depreciated.

Housing properties are transferred to completed properties when they are ready for letting.

The Association depreciates housing properties held on long term leases in the same manner as freehold properties, except where the unexpired lease term is shorter than the longest component life envisaged, in which case the unexpired term of the lease is adopted as the useful economic life of the relevant component category.

LACE HOUSING LIMITED

Notes to the Financial Statements For the year ended 31 March 2024

1. Principal accounting policies (continued)

Development Write Off Costs

Housing properties in the course of construction that are no longer to be proceeded with, are written off, where costs cannot be transferred to another development. Costs associated with suppliers have been written off as agreed with them and internal development costs written off based on a percentage of the write off costs.

Shared ownership properties

The costs of shared ownership properties are split between current and fixed assets on the basis of the first tranche portion. The first tranche portion is accounted for as a current asset and the sale proceeds shown in turnover. The remaining element of the shared ownership property is accounted for as a fixed asset and subsequent sales treated as sales of fixed assets.

Capitalisation of interest and administration costs

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

Administration costs relating to development activities are capitalised only to the extent that they are incremental to the development process and directly attributable to bringing the property into its intended use.

Stock and properties held for sale

Stocks are stated at the lower of cost and net realisable value being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

Properties developed for outright sale are included in current assets as they are intended to be sold, at the lower of cost or estimated selling price less costs to complete and sell.

At each reporting date, stock and properties held for sale are assessed for impairment. If there is evidence of impairment, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in Statement of Comprehensive Income.

Short-term debtors and creditors

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

Non-government grants

Grants received from non-government sources are recognised under the performance model. If there are no specific performance requirements the grants are recognised when received or receivable. Where grant is received with specific performance requirements it is recognised as a liability until the conditions are met and then it is recognised as Turnover.

LACE HOUSING LIMITED

Notes to the Financial Statements For the year ended 31 March 2024

1. Principal accounting policies (continued)

Social Housing and other government grants

Where developments have been financed wholly or partly by social housing and other grants, the amount of the grant received has been included as deferred income and recognised in turnover over the estimated useful life of the associated asset structure (not land), under the accruals model. Social Housing Grant received for items of cost written off in the statement of comprehensive income is included as part of turnover.

When Social Housing Grant in respect of housing properties in the course of construction exceeds the total cost to date of those housing properties, the excess is shown as a current liability.

Social Housing Grant must be recycled by the Association under certain conditions, if a property is sold, or if another relevant event takes place. In these cases, the Social Housing Grant can be used for projects approved by Homes England. However, Social Housing Grant may have to be repaid if certain conditions are not met. If grant is not required to be recycled or repaid, any unamortised grant is recognised as turnover. In certain circumstances, Social Housing Grant may be repayable, and, in that event, is a subordinated unsecured repayable debt.

Recycling of Capital Grant

Where Social Housing Grant is recycled, as described above, the Social Housing Grant is credited to a fund which appears as a creditor until used to fund the acquisition of new properties, where recycled grant is known to be repayable it is shown as a creditor within one year.

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future years. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

Works to existing housing properties

The Association capitalises expenditure on housing properties that increases the net rental stream over the life of the property. An increase in the net rental stream may arise through an increase in the rental income, a reduction in future maintenance costs, or a significant extension of the life of the property.

Pension costs

The Association operates a money purchase pension scheme and a defined contribution pension scheme for its employees. The assets are held separately from those of the Association. The annual contributions payable is charged to the Income and Expenditure Account. The disclosures in the accounts follow the requirements of FRS 102.

Restricted reserves

The Association maintains restricted reserves in relation to legacies and donations for which monies have been bequeathed or donated for restricted activities.

Funds are utilised in line with the restrictions and specifications which are in place in relation to each reserve.

LACE HOUSING LIMITED

Notes to the Financial Statements For the year ended 31 March 2024

1. Principal accounting policies (continued)

Provisions

The Association only provides for contractual liabilities.

Operating leases

All costs are written off to the Statement of Comprehensive Income as they are incurred.

Sinking Fund Provisions

A provision is made annually towards the maintenance of communal areas within leasehold housing schemes and the replacement of various components relating to those buildings, such as doors, windows, roof, lifts etc. Contributions of those funds are based on a stock condition survey or surveyors report as set out in the lease agreement.

Financial Instruments

The Association only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are measured at transaction price initially, plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

At the end of each reporting year, financial instruments are measured as follows, without any deduction for transaction costs the entity may incur on sale or other disposal:

Debt instruments that meet the conditions in paragraph 11.8(b) of FRS 102 are measured at amortised cost using the effective interest method.

Impairment of Financial Assets

Financial assets are assessed at each reporting date to determine whether there is any objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

LACE HOUSING LIMITED

Notes to the Financial Statements For the year ended 31 March 2024

3. Particulars of turnover and operating expenditure from social housing lettings

	Supported housing & extra care £	Shared ownership £	Total 2024 (12 Months) £	Total 2023 (15 Months) £
Income				
Rent receivable net of identifiable service charges and net of voids	1,576,547	56,970	1,633,517	1,722,648
Service charge income	803,055	174,516	977,571	1,111,913
Charges for support services	21,195	3,878	25,073	35,379
Amortised government grants	138,049	10,641	148,690	162,197
Net rental income	2,538,846	246,005	2,784,851	3,032,137
Other income	170,091	23,093	193,184	224,982
Total turnover from social housing lettings	2,708,937	269,098	2,978,035	3,257,119
Operating expenditure				
Management	241,370	32,527	273,897	456,273
Service charge costs	875,762	198,234	1,073,996	1,166,151
Routine maintenance	279,643	3,290	282,933	381,030
Planned maintenance	211,264	-	211,264	211,432
Major repairs expenditure	-	-	-	-
Rent losses from bad debts	1,412	-	1,412	678
Depreciation of housing properties	457,164	12,600	469,764	523,967
Other Cost - Restaurant Costs	97,114	19,416	116,530	151,841
Development Cost Write Off	-	-	-	6,242
Operating Leases	5,627	277	5,904	879
Total operating expenditure on social housing lettings	2,169,356	266,344	2,435,700	2,898,493
Operating surplus on social housing lettings	539,581	2,754	542,335	358,626
The rents and service charges from social housing lettings above are stated net of voids				
Rent losses from the voids in the year were:	24,911	-	24,911	18,170

4. Interest receivable	2024 (12 Months) £	2023 (15 Months) £
Bank interest received	9,385	3,276

LACE HOUSING LIMITED

Notes to the Financial Statements For the year ended 31 March 2024

5. Interest payable and similar charges	2024 (12 Months) £	2023 (15 Months) £		
On loans:				
Repayable wholly or partly in more than 5 years by instalments	354,628	282,313		
Amortisation of issue costs	4,800	7,030		
Early Repayment Fees	-	25,783		
Non-Utilisation Fees	55,478	-		
Interest capitalised	(14,674)	(33,558)		
	400,232	285,568		
	400,232	285,568		
6. Surplus for the year	2024 (12 Months) £	2023 (15 Months) £		
Is stated after charging/(crediting):				
Auditors' remuneration (excluding VAT):				
In their capacity as auditors	16,200	1,644		
Depreciation of housing properties	469,764	52,967		
Depreciation of other tangible fixed assets	88,893	10,780		
(Gain)/ Loss on disposal of fixed assets	(253,975)	(6,864)		
Amortisation of government grants	(148,690)	(162,197)		
Operating Leases	5,904	897		
	5,904	897		
	5,904	897		
7. Surplus on sale of fixed assets	2024 (12 Months)			
	Disposal proceeds £	Net book value of asset £	Other expenses £	Surplus £
Tangible fixed assets	335,000	(61,312)	(21,624)	252,064
Tangible fixed assets – other	167,000	(116,239)	(4,350)	46,411
Grant Disposal	-	(44,500)	-	(44,500)
	335,000	(61,312)	(21,624)	252,064
Total	502,000	(222,051)	(25,974)	253,975
	502,000	(222,051)	(25,974)	253,975
	2023 (15 Months)			
	Disposal proceeds £	Net book value of asset £	Other expenses £	Surplus £
Tangible fixed assets	-	(1,618)	-	(1,618)
Tangible fixed assets – other	12,095	(3,613)	-	8,482
	12,095	(3,613)	-	8,482
Total	12,095	(5,231)	-	6,864
	12,095	(5,231)	-	6,864

LACE HOUSING LIMITED

Notes to the Financial Statements For the year ended 31 March 2024

8. Tangible fixed assets	Social housing properties for letting completed	Social housing properties for letting under construction	Shared ownership properties completed	Shared ownership properties under construction	Housing properties total
	£	£	£	£	£
Cost					
At 1 April 2023	27,782,162	6,297,009	2,690,787	38,749	36,808,707
Additions	2,112	7,227,756	-	2,111,251	9,341,119
Disposals	(149,310)	-	-	-	(149,310)
Schemes completed	6,294,443	(6,294,443)	-	-	-
Improvement to existing properties	18,136	-	-	-	18,136
Replacement of components	(52,974)	-	-	-	(52,974)
Transfer to property in course of sale	-	-	-	(1,612,500)	(1,612,500)
Transfer to fixed - asset other	(99,711)	-	-	-	(99,711)
	<u>33,794,858</u>	<u>7,230,322</u>	<u>2,690,787</u>	<u>537,500</u>	<u>44,253,467</u>
At 31 March 2024					
Depreciation					
At 1 April 2023	4,122,218	-	134,767	-	4,256,985
Charge for the year	457,164	-	12,600	-	469,764
Eliminated on disposals	(140,972)	-	-	-	(140,972)
	<u>4,438,410</u>	<u>-</u>	<u>147,367</u>	<u>-</u>	<u>4,585,777</u>
At 31 March 2024					
Net book value					
At 31 March 2024	<u>29,356,448</u>	<u>7,230,322</u>	<u>2,543,420</u>	<u>537,500</u>	<u>39,667,690</u>
At 31 March 2023	<u>23,659,944</u>	<u>6,297,009</u>	<u>2,556,020</u>	<u>38,749</u>	<u>32,551,722</u>
Housing properties comprise:				31 March 2024	31 March 2023
				£	£
Freeholds				39,667,690	32,551,722
Long leasehold				-	-
				<u>39,667,690</u>	<u>32,551,722</u>
Development administration costs capitalised in the year totalled - £117,754 (2023: £86,117). Expenditure on Social housing properties for letting under construction includes sites where the Board has authorised expenditure (see Note 19) which are expected to progress in subsequent years.					
Tangible fixed assets with a net book value of £18,835k (2023: £19,145k) are pledged as security for the Housing Loans (Note 16).					
Works to existing properties in the year:				2024 (12 Months)	2023 (15 Months)
				£	£
Components capitalised				20,248	34,291
Amounts charged to expenditure				-	-
				<u>20,248</u>	<u>34,291</u>

LACE HOUSING LIMITED

Notes to the Financial Statements For the year ended 31 March 2024

9. Tangible fixed assets – other

	Freehold Offices	Office furniture and equipment	Motor vehicles	Computer equipment	Scheme equipment	Other fixed assets total
	£	£	£	£	£	£
Cost						
At 1 April 2023	754,708	20,087	121,363	128,804	612,505	1,637,467
Additions	-	-	-	3,283	101,269	104,552
Disposals	(135,228)	-	-	(29,736)	(4,055)	(169,019)
At 31 March 2024	619,480	20,087	121,363	102,351	709,719	1,573,000
Depreciation						
At 1 April 2023	208,935	18,657	78,379	87,416	407,799	801,186
Charge for the year	10,991	352	15,555	18,640	43,355	88,893
Disposals	(21,240)	-	-	(28,373)	(3,167)	(52,780)
At 31 March 2024	198,686	19,009	93,934	77,683	447,987	837,299
Net book value						
At 31 March 2024	420,794	1,078	27,429	24,668	261,732	735,701
At 31 March 2023	545,773	1,430	42,984	41,388	204,706	836,281

10. Taxation

The Association has Charitable Status and is therefore exempt from UK corporation tax on charitable activities.

11. Shared ownership properties for sale

	2024 £	2023 £
Properties in the course of sale:		
Completed	-	-
Under construction	1,612,500	116,248
	1,612,500	116,248

12. Stock

	2024 £	2023 £
Goods for resale	11,330	11,330
Materials	900	900
	12,230	12,230

LACE HOUSING LIMITED

Notes to the Financial Statements For the year ended 31 March 2024

13. Debtors	2024	2023
	£	£
Amounts falling due within one year:		
Rental debtors	45,006	40,640
<u>Less: Provision for bad debts</u>	<u>(2,874)</u>	<u>(867)</u>
	42,132	39,773
Sales ledger balances	14,802	2,623
Prepayments and accrued income	75,312	62,799
Other debtors	18,440	35,487
	<u>150,686</u>	<u>140,682</u>
	=====	=====
14. Cash and cash equivalents	2024	2023
	£	£
Cash equivalents	558,345	516,224
Cash at bank	570,015	390,782
	<u>1,128,360</u>	<u>907,006</u>
	=====	=====
15. Creditors: Amounts falling due within one year	2024	2023
	£	£
Housing loans (Note 16)	2,239	2,007
Trade creditors	44,593	326,728
Rents in advance	125,581	67,609
Accruals and deferred income	1,137,430	721,760
Other taxation and social security	29,231	9,246
Unamortised government grants (Note 16)	175,447	162,197
Recycled capital grant (Note 16)	-	1,159,384
Unamortised Loan Fees (Note 16)	<u>(4,800)</u>	<u>(4,800)</u>
	1,509,721	2,444,131
	=====	=====
16. Creditors: Amounts falling due after more than one year	2024	2023
	£	£
Sinking fund held on behalf of:		
Leasehold scheme for the elderly	544,133	502,012
Housing loans:		
Orchardbrook	115,271	117,510
CAF Bank	6,386,800	3,936,800
Unamortised Loan Fees	<u>(109,596)</u>	<u>(114,396)</u>
	6,392,475	3,939,914
Deferred income:		
Unamortised government grants	24,997,312	18,314,646
Recycled capital grant	<u>89,044</u>	<u>-</u>
	32,022,964	22,756,572
Total	<u>32,022,964</u>	<u>22,756,572</u>
	=====	=====

LACE HOUSING LIMITED

Notes to the Financial Statements For the year ended 31 March 2024

16. Creditors: Amounts falling due after more than one year [Continued]

Housing loans:

Housing loans from Homes England, local authority and banks and building societies are secured by specific charges on the Association's housing properties, office development and development land and properties.

The interest is charged on loans at interest rates varying from 5.6% to 11.25% in instalments, falling due as follows:

	2024	2023
	£	£
Within one year	2,239	2,007
Between one and two years	2,498	2,239
Between two and five years	357,454	8,396
In more than five years	6,142,119	4,043,675
	<u>6,504,310</u>	<u>4,056,317</u>
Unamortised Loan Fees		
Amounts falling due < 1 year (Note 15)	(4,800)	(4,800)
Amounts falling due > 1 year (Note 16)	(109,596)	(114,396)
	<u>6,389,914</u>	<u>3,937,121</u>

The Association has undrawn loan facilities amounting to £5,613,200 at the end of the year.

Deferred income:

The amount of unamortised government grants at the year end relates to social housing grant which is amortised in accordance with the stated accounting policy.

	2024	2023
	£	£
Unamortised government grant		
At start of year	18,476,843	15,825,302
Released to income in the year	(148,690)	(162,197)
Received in year	5,728,552	1,913,738
Recycled RCGF	1,159,384	900,000
Disposal in year	(43,330)	-
	<u>25,172,759</u>	<u>18,476,843</u>
Amounts falling due < 1 year (Note 15)	175,447	162,197
Amounts falling due > 1 year (Note 16)	24,997,312	18,314,646
	<u>25,172,759</u>	<u>18,476,843</u>

LACE HOUSING LIMITED

Notes to the Financial Statements For the year ended 31 March 2024

16. Creditors: Amounts falling due after more than one year [Continued]

Recycled capital grant fund	Homes England 2024 £	Homes England 2023 £
Opening balance	1,159,384	2,031,329
Inputs to RCGF:		
Grants recycled	87,829	-
Interest accrued	1,215	28,055
Transfers from other PRPs	-	-
Recycling of grant:		
New build	(1,159,384)	(900,000)
Major works and works to existing stock	-	-
Transfers from other PRPs	-	-
Other	-	-
Repayment of grant to Homes England	-	-
Closing balance	89,044	1,159,384
Amounts falling due < 1 year (Note 15)	-	1,159,384
Amounts falling due > 1 year (Note 16)	89,044	-
	89,044	1,159,384
Amounts 3 years or older where repayment may be required	-	1,159,384

The Association recycled all the grant held for more than three years to its Welton development, as agreed with Home England to spend the money by March 2024.

17. Non-equity share capital	2024 £	2023 £
Allotted, issued and fully paid:		
At 1 April 2023	17	15
Issued during the year	2	4
Surrendered during the year	(2)	(2)
At 31 March 2024	17	17

The par value of each share is £1. The shares do not have a right to any dividend or distribution in a winding up, and are not redeemable. Each share has full voting rights.

LACE HOUSING LIMITED

Notes to the Financial Statements For the year ended 31 March 2024

18. Restricted reserves	2024 £	2023 £
Legacies		
At 31 March 2023	16,570	16,570
Received in the year	-	-
Transfer to revenue reserves	-	-
	<hr/>	<hr/>
At 31 March 2024	16,570	16,570
	<hr/>	<hr/>
Total restricted reserves		
At 31 March 2023	16,570	16,570
	<hr/>	<hr/>

Legacies are monies bequeathed to LACE Housing Ltd by past service users or relatives and are to be used to further the aims and objectives of the Association.

19. Capital commitments	2024 £	2023 £
Capital expenditure that has been contracted for but has not been provided for in the accounts:	8,643,416	17,980,476
Capital expenditure that has been authorised by the Board but has not yet been contracted for:	5,429,689	5,431,789
	<hr/>	<hr/>
	14,073,105	23,412,265
	<hr/>	<hr/>

We expect the commitment to be funded by housing grant £3,827k, other grants £3,776k, loan finance £5,375k and cash reserves £1,095k. Two new loan facilities are in place.

20. Key management personnel emoluments

Key management personnel are defined as Members of the Board, the Chief Executive and Executive Management Team. The Board Members received no remuneration.

	2024 (12 Months)	2023 (15 Months)
The remuneration paid to the Directors of the Association was:		
Emoluments:		
(Including pension contributions and benefits in kind)	164,297	196,368
	<hr/>	<hr/>
Emoluments: paid to the highest paid Director (the Chief Executive)		
(Excluding pension contributions)	90,443	108,788
	<hr/>	<hr/>

The Chief Executive is an ordinary member of the pension scheme. The pension scheme is a money purchase scheme funded by annual contributions by the employer and employee. No enhanced or special terms apply. There are no additional pension arrangements. A contribution of £4,969 (2023: £5,895) was made by the Association in addition to the personal contributions of the Chief Executive.

During the year the Association made payments of £40,279 (2023: £80,142) for services for the outsourced role of a Director.

The Board Members are not paid but received reimbursement for expenses in the year totalling £363 - (2023: £162).

LACE HOUSING LIMITED

Notes to the Financial Statements For the year ended 31 March 2024

21. Employee information

The average weekly number of persons employed during the year (full time equivalents, i.e., 35 hours per week) was:

	2024 (12 Months)	2023 (15 Months)
	No	No
Central services	14	17
Managers/wardens	2	2
Catering	8	9
Domestic and other establishment	3	4
	<u>27</u>	<u>32</u>

	2024 (12 Months)	2023 (15 Months)
	£	£
Staff costs (for the above persons):		
Wages and salaries	795,861	1,088,450
Social security costs	65,148	93,584
Other pension costs	32,234	47,112
	<u>893,243</u>	<u>1,229,146</u>

	2024 (12 Months)	2023 (15 Months)
	No	No
Aggregate number of full-time equivalent staff whose remuneration exceeded £60,000 in the year		
£60,000 - £70,000	1	-
£70,001 - £80,000	-	-
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
£100,001 - £110,000	-	-
£110,001 - £120,000	-	1

22. Accommodation in management

	2024 No	2023 No
General Needs	21	25
Housing for Older People	121	121
Affordable Rent	153	113
Low Cost Home Ownership	77	77
Market Rent	1	1
	<u>373</u>	<u>337</u>
Under construction	<u>72</u>	<u>112</u>

LACE HOUSING LIMITED

Notes to the Financial Statements For the year ended 31 March 2024

23. Contingent liabilities

At the balance sheet date there were no contingent liabilities (31 March 2023: £Nil).

24. Social Housing and Other Grants

	2024	2023
	£	£
The total accumulated government grant and financial assistance received or receivable at 31 March 2024.	30,154,443	23,309,837
Held as deferred capital grants	25,172,759	18,476,843
Recognised as income in the Statement of Comprehensive Income	4,981,684	4,832,994
	<u>30,154,443</u>	<u>23,309,837</u>

25. Pension scheme

The Association operates a money purchase pension scheme and a defined contribution scheme for its employees.

The costs for the year were £32,234 - (31 March 2023: £47,112).

There were no prepaid or outstanding contributions as at 31 March 2024 (31 March 2023: £Nil).

26. Related party transactions

In addition to the transactions in Note 20 to the Accounts, there were the no related party transactions in the year.

	2024	2023
	(12 Months)	(15 Months)
	£	£
Purchases during the year	-	13,794
Amount due from the Association at the end of the year	-	-
	<u>-</u>	<u>-</u>

LACE HOUSING LIMITED

Notes to the Financial Statements For the year ended 31 March 2024

27. Analysis of changes in net debt

	At 1 April 2023	Cash flows	Other non- cash changes	At 31 March 2024
Cash at bank	390,782	179,233	-	570,015
Cash equivalents	516,224	42,121	-	558,345
Loans falling due within one year	(2,007)	(232)	-	(2,239)
Loans falling due after more than one year	(4,054,310)	(2,447,761)	-	(6,502,071)
	<u>(3,149,311)</u>	<u>(2,226,639)</u>	<u>-</u>	<u>(5,375,950)</u>

28. Leasing Commitments

At the end of the year the Association had total lease payments under non-cancellable operating leases as set out below

	2024	2023
Land and Building amount payable		
Not later than 1 year	5,904	5,904
Later than 1 year and not later than 5 years	5,025	10,929
Later than 5 years	-	-
	<u>10,929</u>	<u>16,833</u>











LACE Housing Limited 2023-24 Stat Accounts - Final

Final Audit Report

2024-09-23

Created:	2024-09-20
By:	LACE Housing (housing@lacehousing.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAImfMLau1l08ND7S3Ff_JYcaf-QTEziAh

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 Agreement completed.

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