

Report of the Board and
Financial Statements for the Year Ended 31 December 2024
for
PHA Homes Ltd

PHA Homes Ltd
Financial Statements
For The Year Ended 31 December 2024

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PHA Homes Ltd
Legal and Administrative Details
For The Year Ended 31 December 2024

PHA Homes Ltd is a Registered Society under the Co-operative and Community Benefit Societies Act 2014 (Registration No. 20803R) and is registered with the Homes England (the Regulator for Social Housing) (Registration No. L0244).

Board

Jane Cox	
John Craven	
Steven Dennis	Chair
Kalwant Grewal	
Kerry Lockyer	Appointed 01/09/2024
Graham Norris	Retired 16/09/2024
David Thompson	
Guy Thompson	
Qamer Yasin	

Chief Executive Officer

Linda Wallace

Members of the Association

The only members of the Association are the Board Members, who each hold 1 x £1 share. The Chief Executive is a member of the Board.

Registered Office

32 Dragon Street
Petersfield
Hampshire
GU31 4JJ

Professional Advisers

External Auditor

Knox Cropper LLP
Office Suite 1, Haslemere House
Lower Street
Haslemere
Surrey
GU27 2PE

Bankers

National Westminster Bank Plc
4 High Street
Petersfield
Hampshire
GU32 3JF

Internal Auditor

TRMB
94 Wolfreton Lane
Hull
HU10 6PT

PHA Homes Ltd

Report of the Board

For The Year Ended 31 December 2024

The Board presents their report and financial statements for the year ended 31 December 2024.

Principal Activities

The association is a charitable registered provider of social rented housing. The principal activity of the association throughout the year was that of providing affordable rented accommodation to people in housing need locally. The association owns and manages 340 homes.

Chair's Report

The Board is pleased to present this overview of our strategy and performance for the year to 31 December 2024.

In our 50th Year, we celebrated the privilege of being a community based organisation, truly knitted into the fabric of our local area. PHA was started by local people coming together to do something about homelessness and we are proud of a tradition of partnerships and a culture of commonality. This year we worked to strengthen those roots and to make better connection with our residents, partners and neighbours.

In July, we partnered with local schools and charities to develop an event in celebration of Petersfield and our anniversary. This produced a wonderful film about our community, devised, shot and edited by students from The Petersfield School and hundreds of pieces of artwork from Petersfield Infant School showing what 'home' meant to them. We welcomed more than 100 residents and guests at our summer event at Petersfield Museum & Art Gallery – and enjoyed reflecting on all that had been achieved from that first conversation about 'doing something to provide more homes' – held by a few local people over coffee so many years ago. It was a great reminder of the power of people to change the future – and we aim to harness that power as we move into our next 50 years.

The Board were delighted to see another year of strong operational and financial results from our team. We regularly deliver top quartile performance on core activities such as rent collection and lettings and we delivered a higher than expected surplus despite investing significantly more in our homes.

Safety is always at the top of our agenda and the Board reviews performance on compliance and follow up on required actions at every meeting. Whilst we have had no significant issues, we are never complacent and welcome feedback from residents about any concerns they have about their own safety or the safety of others. We invested more than £400k in safety improvements in 2024, mainly in upgrading fire doors in our older persons scheme in Rogate and we were pleased that residents were highly satisfied with the work, despite the inevitable disruption.

During the course of the year, we focused heavily on getting our repairs done more quickly and improving our communication around repairs so that residents felt confident about action. We are pleased to see that this is reflected in our most recent TSM results, with marked improvement in resident experience in these areas. As we move into 2025, we will be continuing to work with residents and with our contractors to continue to improve this critical service and have significantly increased our levels of investment in day to day works.

We are also investing much more in our general planned programmes of work – ensuring that all of our homes continue to be safe, warm and affordable. Around 47% of our homes received some level of investment during 2024 and 80% of homes now meet EPC C.

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We made the difficult decision to prepare one property (five flats) for disposal as it could not be economically brought up to an acceptable standard. In line with our values, we have worked with all residents to make sure that their move is a positive one, to a home they are happy with and we will reinvest any proceeds from sale in improving other properties in our portfolio.

During the year we held several 'Big Listen' events – opportunities to learn more about our residents in a holistic way. We held drop in coffee mornings in local pubs, open events in our town and an evening buffet supper for those who find daytime events more difficult. Through this listening process, we made contact with nearly half of our residents, taking some informal time to hear about their lives, aspirations and frustrations. We believe that by being more attentive to the broader concerns of residents, we will be able to signpost and support more effectively, connecting people with the many services and opportunities that are available in our area.

At Board level, we said goodbye to Graham Norris. Graham has been an extremely capable resident member of our Board for many years and we will miss his willingness both to challenge weaknesses and to support improvements. We have been joined by Kerry Lockyer who has already demonstrated similar skills and enthusiasm and we look forward to continuing to benefit from her lived experience of our services in the years ahead.

Conscious of our responsibility for culture and mindful of some of the learning from complaints during the year, we asked our internal auditors to review correspondence and contact around repairs, arrears and complaints. The aim of this was to see how our values transfer in the everyday work of our team. This highlighted some areas for improvement – particularly in ensuring that we do not become impersonal when dealing with challenging issues – as well as some strong signs that recent communications have already improved. Our team are passionate about making sure that all tenants and leaseholders feel respected, find us helpful and trust us to support them when things are tough. They will be actively working on making sure our values are felt – and not just stated – in all of our work.

Overall, the Board has been really pleased with the work and outcomes for 2025. There is always more to do but we have made positive and measurable improvements in those things residents have said they most value. Our new business plan will provide the resources to continue to invest in our mission – with more money for existing homes and services, improved technology to support resident and staff and more front line staff to provide the personal attention and knowledge that will mark us out as a truly community based and values led provider.

I want to take this opportunity to thank my colleagues on the Board, our staff team and all of our partners, contractors, consultants and advisers for their continued support. We continue to be excited about the future and the role that we can play in helping our community to be a great place for everyone.

Steve Dennis, June 2025

PHA Homes Ltd

Report of the Board

For The Year Ended 31 December 2024

Our Vision

Our vision is that our community is a great place for everyone to live, learn, work and grow with a shared sense of belonging. Our vision roots us in a broader, more collaborative, and empowering culture, where we actively seek connection and well-being for the people we serve and who work for and with us, both now and in the future.

We will play our part in delivering this vision by:

Providing safe, warm & affordable homes

Investing in those things that matter most to our residents and contributing to sustainability

Offering friendly, helpful and effective services

Getting to know our residents and what they want and need from us so we can make our service easy and convenient

Connecting and contributing to our community

Creating opportunities for people to feel connected, strengthening a sense of belonging and contributing and sharing talents and resources

Maintaining strong foundations

Making sure we have stable finances, inclusive leadership, empowered staff, and strong governance.

Our EPIC Values

Our values reflect our culture and vision. These values were developed collaboratively with our team and our Board.

Explorers

We are curious & creative; we seek out potential and find new and better ways to make progress toward our goals

People & Planet

We are inclusive, human, and kind; we care about the impact of our actions on others; we make the best use of all our resources.

Integrity

We are trusting and trusted; we strive to do the right thing, to deliver on our promises and to learn from our mistakes.

Community

We work hard to build connection, well-being and prosperity for everyone in our community

PHA Homes Ltd

Report of the Board

For The Year Ended 31 December 2024

Review of the Year 2024

Work toward our Strategic Goals

Providing Safe, Warm and Affordable Homes

During 2024, we invested significantly more in our existing homes, improving safety, improving warmth and making homes more affordable to live in. Nearly half of all homes had some significant work – ranging from new kitchens or bathrooms to new fuseboards. More than 50 homes had some safety upgrades – new fire doors, improved loft hatches or smoke detectors, including a complete fire door renewal at our scheme for older residents in Rogate.

We maintained 100% compliance in relation to all legal safety checks and standards within our properties in 2024 and we continued to invest in improving safety in all respects.

We continued to monitor any homes that had previously had issues with damp or condensation and resulting mould and this showed that the work undertaken in the prior year had been successful. There were two homes under continued monitoring at year end, with close communication with residents to ensure that no discomfort or health issues occur. Mechanical ventilation and further insulation continued to be the most effective technical responses to issues arising in our homes.

We improved the thermal efficiency of a significant number of homes with 16 homes receiving improved loft insulation, 6 new energy efficient heating systems and 4 homes provided with full solar PV units with battery storage. We also installed our first air source heat pump system which we will be monitoring to see the impact that this has for residents in use.

At the end of the year, one home failed to meet the decent homes standard due to there being no full and fixed heating system in the property. This formed part of a complex resident well being case and the resident always had heating and was at no immediate risk. All works have now been completed and no properties fail to meet the decent homes standard at the time of this report.

Offering Friendly & Effective Services

During this year, we focused on two key areas; firstly, getting to know our residents better so that we can really understand and respond to what matters most and secondly, improving the things that residents highlighted as the least satisfactory areas of service in our last TSM survey.

We embarked on a programme called 'the Big Listen' which encouraged our team to have a broader dialogue with residents – not limiting our interest to things related to their house or our service. We held a series of events where we provided refreshments and encouraged residents to drop in for a coffee or food and a chat – and we were bowled over by the response. By the end of the year, we had had personal contact with more than half of our customers through these events and came away with a rich body of understanding that will help us to shape how we work in future.

The main areas in which residents wanted us to do better were in communicating more effectively around repairs and ASB issues and in getting repairs done more quickly. We invested much more in our day to day repairs service this year as well as improving homes through our planned and major works programme. In parallel, we focused on communicating effectively with residents and with our contractors to make sure that jobs were being done on time and that residents were kept informed. During the year, we improved the average time taken to complete a repair by 25% - taking our average time down to 10.5d.

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Resident satisfaction with their last repair was 99.7% based on a 20% sample.

Tenant Satisfaction Measures 2025

We carried out our second TSM survey during the early part of 2025, reflecting performance and resident experience in 2024. We were delighted to see that our results continued to be strong compared to other landlords – with top quartile performance in all areas. In particular, the work during the year to improve resident experience in repairs, complaints and ASB have all show significant improvement.

TSM Definition	Actual 2025	Actual 2023	Benchmark Group	B/Mark	Outcome	Num	Den	Notes
Overall satisfaction LCRA	93%	92%	Acuity All RPs – Top Quartile	84%	Improved TQ	239	257	5 residents were dissatisfied (2%)
Repairs satisfaction LCRA	89%	68%	Acuity All RPs – Top Quartile	85%	Improved TQ	142	159	62% of respondents had a repair 6 residents were dissatisfied (3.8%)
Repair Time satisfaction LCRA	86%	66%	Acuity All RPs – Top Quartile	82%	Improved TQ	136	159	14 residents were dissatisfied (8.8%)
Home well maintained satisfaction LCRA	93%	91%	Acuity All RPs – Top Quartile	84%	Improved TQ	238	257	5 residents were dissatisfied (2%)
Home is safe satisfaction LCRA	97%	94%	Acuity All RPs – Top Quartile	87%	Improved TQ	249	257	4 residents were dissatisfied (1.6%)
Listens and acts LCRA	87%	81%	Acuity All RPs – Top Quartile	73%	Improved TQ	215	247	8 residents were dissatisfied (3.3%)
Keep informed LCRA	89%	91%	Acuity All RPs – Top Quartile	84%	Reduced TQ	228	257	5 residents were dissatisfied (2.0%)
Satisfaction landlord fairness & respect LCRA	96%	93%	Acuity All RPs – Top Quartile	87%	Improved TQ	247	257	3 residents disagreed (1.2%)
Satisfaction with complaint handling LCRA	74%	53%	Acuity All RPs – Top Quartile	45%	Improved TQ	28	38	37 customers had made a complaint 4 of these were dissatisfied (10.8%)
Satisfaction: communal areas LCRA	84%	95%	Acuity All RPs – Top Quartile	79%	Reduced TQ	118	140	46% of customers responded to this measure 6 residents were dissatisfied (4.3%)
Satisfaction: contribution to n/hood LCRA	86%	75%	Acuity All RPs – Top Quartile	77%	Improved TQ	198	230	89% of customers responded to this measure 4 residents were dissatisfied (1.8%)
Satisfaction: ASB handling LCRA	73%	38%	Acuity All RPs – Top Quartile	72%	Improved TQ	95	130	50% of customers responded to this measure 9 residents were dissatisfied (7%)

There was a slight decline in performance for satisfaction with communal areas, where 6 residents were dissatisfied. However, these were spread across 6 different sites and do not seem to represent a downward trend in wider resident experience.

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For The Year Ended 31 December 2024

We ended the year with excellent service performance in our operations. Rent collection was above 100% and debt levels – despite a challenging year for residents – well below 2023 at 1.2%. Void properties were turned around very quickly with an average relet time of 15days – nearly half the sector average. We also held costs for voids and repairs well within sector benchmarks.

We received complaints from 11 customers, making 21 complaints in all. 6 of these were upheld (28.5%) and 2 were partially upheld (9.5%). Of those that were upheld, the majority related to repairs which were delayed or which had to be repeated because the work was unsuccessful or to situations where we did not offer enough flexibility of personalization. Residents stressed their wish for repairs to be followed up more effectively and quickly and for solutions to be robust. This will continue to be a priority area for 2025.

We received two determinations of maladministration and service failure from the Housing Ombudsman during the year. These related to one customer and found weaknesses in our management of the complaints process, our record keeping and service delivery. The Board has considered the learning from these complaints and has agreed action to improve these areas, with a plan to independently assess progress during the coming year.

During the year, the Board had also considered the Knowledge & Information Management report from the Housing Ombudsman and this, along with feedback on our service through complaints, supported further investment in IT systems. Staff worked to build and test a new housing management and finance system which will 'go live' in early 2025 and which will provide the opportunity for better record keeping, more effective service tracking and more 'self service' options for residents.

We undertook an audit of our service culture, commissioned by the Board and focused on ensuring that the way in which we provide service to residents falls in line with the ambitions of our mission and our stated values. The audit found opportunities for improvement in personalizing the service, particularly when doing more challenging things – like dealing with complaints or managing debt.

This information has been used as part of our ongoing training and development for staff, working through real examples of situations in which we can engage our values to get a good result for residents and for the business.

The board is committed to independently reviewing culture on a regular basis to gain assurance – alongside direct feedback from residents and through complaints – about the experience of people who deal with us as customers or partners.

Connecting & Contributing in our Community

We held a successful 50th anniversary event, using this as an opportunity to reach our more widely in our community and to connect our work with the general well being of people living in our area.

We were delighted to partner with The Petersfield School (TPS) where we sponsored students to make a film about their home and their area and we received hundreds of art contributions from local schools which we exhibited at our event. Petersfield Museum & Art Gallery hosted our celebrations and provided a rich catalogue of photographs of 'before' in our local community.

We have been pleased to host East Hampshire District Council who are using our centrally located office as a 'drop in' place to meet with residents. This builds on our partnership with EHDC and makes best use of our office asset to provide service to people who don't live in our homes.

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We are exploring ways in which we can build on this partnership as the Council develops its asset transfer policy which may provide opportunities for local charities and not for profit organisations with our support.

During 2024, we also strengthened our connection with several local organisations including the Food Bank, PACT, the Kings Arms and HomeStart.

Building From Strong Foundations

The Board reviewed the business plan and financial strategy during 2024. This was to ensure that the plan and strategy linked clearly and directly to the new mission and goals. A priority within the plan has been to increase and ring fence the investment in existing homes, making sure that we always look after the needs of existing customers before expanding service to others. We reviewed our stock condition data and pricing and have incorporated this and energy efficiency goals in the base plan.

We have invested more money in the infrastructure that supports strong management and governance, with improved information technology systems for staff in place from early 2025 which will make record keeping and tracking easier and more transparent. We have also brought our stock condition data in house so that we can more effectively keep this up to date and plan programmes based on this and local information.

We have also invested more money in front line staffing with plans to double our housing officer resource, with each officer having a smaller patch over which they have greater authority. This is backed by a team of housing and repair administrators, a centralized technical and compliance team and a buddying system. We are confident that this shift of resource to the direct interface with residents will improve quality and personalization.

The Board reviewed its compliance with the governance code and identified ways in which it could improve the effectiveness of governance within the business. The board has adopted a series of challenge questions – related to mission and values – to help encourage open challenge at debate on important issues.

Investing in People

We provided over £15,000 in direct financial grant support to residents experiencing hardship or fuel poverty. This was achieved through the HACT fund (£6k) and our in-house hardship fund which was reserved from our rent increase so that we were able to target support where it was most needed and in the most flexible way. This provided support for around 40 residents.

We provided a wide range of training to support our employees, making sure that they are confident and competent to manage services in an increasingly complex environment. This included training for health and safety issues, complaints handling.

Financial Overview

PHA ended the year in a strong financial position with an operating surplus on social housing lettings of £748k compared to £589k in 2023. This outcome was achieved whilst investment £723k in existing stock (£666k in 2023) and ongoing challenges of rising costs and high interest rates. Our overall balance sheet position was stable with net assets of £11.4m compared to £11.1m in 2023. Overall borrowings at year end were £7.0m (£7.4m 2023).

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For The Year Ended 31 December 2024

Value for Money

As a registered provider we are required to demonstrate compliance with the Regulator of Social Housing's Value for Money Standard. As a small community-based landlord, we face challenges in input costs that are different from some larger providers, and it is important that we manage these effectively and demonstrate the value of our maintaining independence. In the main, we demonstrate this by providing a high quality and personal service for residents, where we really know our customers, our homes and our local community. This is a key focus of our new mission and strategy.

Earlier sections of this report explain how we have worked toward our business goals during the year. This section looks at the financial impact of using our resources in this way and how we compare to other sector colleagues and prior performance.

During 2024, we continued to provide good value for money compared to the sector as a whole and our peers. Our headline social housing cost per unit was £4,778 compared to a national sector median (RSH published figures for 03/2024 accounts) of £5,136. The Housemark comparator for providers under 2,500 homes is smaller providers group benchmark median is £5,851 for 2023/24. Our costs per unit increased again in 2024 but this was the result of deliberate decisions about additional investment in our existing stock.

Our overall Value for Money Metrics (as required by the Regulator) are shown below:

Measure	2024	2023	Benchmark
Operating Margin (overall)	30.01%	23.00%	17.40%
Operating Margin (SH lettings)	29.82%	25.70%	19.60%
EBITDA MRI interest cover	184.76%	174.00%	133%
Gearing	24.61%	26.00%	33.90%
New supply (social housing units)	0	3.20%	0.45%
New supply (Non social housing)	0	0.00%	0%
Reinvestment	1.15%	11.60%	4.02%
Return on Capital Employed)	2.90%	2.50%	2.36%
Headline Social housing cost per unit (annualised)	£4,778	£4,230	£5,851
Capitalised repairs per unit (annualised)	£857	£476	
Revenue costs per unit (annualised)	£3,921	£3,754	

Social Value

As a small local provider, we can offer a very responsive and personal service for residents. Most of the homes that we own are within 2 miles of our office and our team are available for face-to-face discussions or enquiries. We are a small team and everyone in the team carries out a variety of roles and tasks. There is everyday communication about individual issues and properties and a high level of business wide awareness of any risks or concerns.

Staff pride themselves on going the extra mile to support residents who experience practical challenges or hardship. In the year under review, we were particularly delighted to help a family with special and complex medical needs to achieve a transfer to more suitable accommodation, making a huge difference to their lives. We also provided more than £15k of financial support through hardship grants and the HACT fund, supporting more than 40 households with fuel costs, household goods, furniture and moving expenses.

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Employees

The association has a highly valued team of 9 staff. As a small organisation, the skill, flexibility, and commitment of our employees is critical to our success, and we are committed to their well-being and development. The Chief Executive is also a member of the Board and other senior staff regularly attend Board and Committee meetings to brief Members, to make recommendations and to provide advice. The staff team meets regularly and share information about business performance, risk, the sector environment and upcoming changes in policies or procedures. Staff training and personal development are a priority to ensure that we maintain a committed and happy workforce. Most of our staff live locally and our new mission sees a positive intention for staff to have time for voluntary involvement in their local community.

Pensions

The Association provides and contributes to pensions for staff through TPT Retirement Solution's Social Housing Pension Scheme. Further details are in note 19 to the financial statements.

Health, safety and welfare of residents and employees

The Board recognises the importance of effective health, safety and welfare provision for its residents and employees at work. Appropriate policies and procedures are in place for the protection and welfare of the residents and employees of the association.

The Board reviews property and resident health and safety at each meeting. During the year all the required safety checks and assessments were undertaken for all properties (fire risk assessments, gas servicing, electrical testing, legionella testing). The association does not have any lifts or any tall buildings.

Internal Controls

The Board is responsible for the association's system of internal control. The system is designed to provide reasonable assurance against material misstatements or loss, but it cannot provide absolute assurance or eliminate all risk of failure to achieve business objectives.

The Board has established policies and procedures which are designed to provide effective internal control. These include delegated authorities, financial regulations, treasury management, risk management, approvals of any investment projects, health and safety, data protection and fraud prevention.

The Board has agreed terms of reference for its Audit & Risk Committee which meets regularly to monitor the association's exposure and response to risk/risk management. The Committee has set up internal audit procedures and regularly reviews the results of internal audit reviews, which are commissioned through an independent external audit firm. In the year under review, the Committee received a detailed review of data integrity – particularly focusing on whether the performance and compliance data received can be relied upon. The audit concluded a substantial level of assurance with performance and compliance data being evidence based.

The Committee also received a report on the culture operating in the business, based on assessment of day to day communication with residents, complaints letters and follow up on repairs. The report was generally positive and identified improvement in our tone/helpfulness with residents. Improvements were identified in how we communicate with and support residents when dealing with difficult issues such as debt or complaints.

PHA Homes Ltd

Report of the Board

For The Year Ended 31 December 2024

The Board retains responsibility for financial oversight and reviews financial performance against budget and business plan targets on a regular basis. The Board directly oversees any investment or treasury decisions.

Risk Mapping, Management & Review

The Board and management have established processes to carry out a regular identification, evaluation and control of the significant risks facing the organisation. The Chief Executive is responsible for alerting the Board to any new or changing risks and the risk map is reviewed in detail at each Audit & Risk Committee. Risk management is actively considered by the staff team at team meetings and staff are encouraged to raise any concerns so that they can be investigated and evaluated quickly. During the year, our 'active' risk map allowed the Audit & Risk Committee and the Board to see progress with reducing the impact of specific risks – particularly focused on ensuring that the business plan and day to day resources are adequate to keep existing homes in good condition and maintain adequate cash. This has helped to ensure that there is a culture of risk reduction as well as risk mitigation.

Governance Compliance

The association has adopted the NHF Code of Governance (2020) and is required also to confirm compliance with the Regulator of Social Housing's Governance & Financial Viability Standard. The Board has undertaken a review of compliance with both standards and can confirm that our system of governance, financial management and risk management meet the requirements of both codes.

The Board is committed to continuously improving governance and agreed a governance improvement plan in 2023 which has focused on board leadership, aligning plans and resources with mission, accountability to residents, developing people, and updating delegations. Positive examples of progress have included the board undertaking more workshops with senior staff and advisers so that they can shape issues at the development stage and not just at the point of recommendations being made to Board. The board have had opportunities to work directly with more junior staff and to meet with residents so that they have direct feedback. Training opportunities were expanded with membership of the Board Development Agency, TPAS and NCVO alongside the NHF, making it more convenient for Board to develop their skills. Significant work has been done by members on aligning the business plan with our new mission and clarifying how business growth will complement this going forward.

The Chair and Vice Chair work closely with the Chief Executive to ensure that there is an effective skills mix, that meetings have a good balance of challenge, support and outcomes, that there is open dialogue between the Board and the employee team and that there is good forward planning. The Board Chair undertakes regular appraisals with the Board Members to provide feedback and to make the most of skills and talents and the Chair also has a review, based on feedback from members and senior staff.

During 2024 we were delighted to welcome a new resident board member to take over from Graham Norris who had been a strong resident advocate for many years. Our new board member brings a passion for social housing and its value in improving lives along with a track record of service in education and care.

Our business plan has been completely reviewed during 2024, including an independent review of the robustness of our model and assumptions. We are now working with DTP, a specialist treasury and finance adviser within the sector. DTP provide us with regular updates on financial forecasts and help us to ensure that our assumptions remain valid and cautious.

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Stress testing is increasingly important as we use our resources to meet our mission and the board review these at least annually and more regularly if circumstances in the wider economy dictate. Funding covenants are carefully managed and reviewed at every Board Meeting with golden rules in place in relation to cash reserves and thresholds to ensure early alert for any issues.

The association is committed to openness and accountability to residents and stakeholders in all areas of its activity. We have a range of involvement opportunities on offer to our residents throughout the year and all residents receive regular information about our work. Our Tenant Engagement Panel helps to review policies and plans to make sure that they are mindful of residents' needs and wishes. They also review performance and complaints on a regular basis.

The association has also undertaken a careful review of compliance with the regulatory code with a focus on the new consumer standards. This assessment identified a strong overall level of compliance but with areas where improvement in the depth and breadth of compliance could be achieved. The Board receives updates at each meeting on progress with those areas for improvement.

The board has also reassessed compliance with the three economic standards – governance & financial viability, the rent standard and the value for money standard. Again, we consider there is a good overall level of compliance, with work having been undertaken during the year to ensure that rents are being set and increased in line with the regulatory requirement. As we increase our investment in existing homes and implement new systems, we are developing ways in which we can demonstrate value for money in these areas.

The Board of PHA considers that it is compliant with the updated 2020 NHF Code of Governance in the year to 31 March 2024 and with the regulatory economic and consumer standards, with no significant matters outstanding.

Statement Of Board's Responsibilities

Housing Association and Co-operative and Community Benefit Societies legislation require the Board to prepare financial statements for each year which give a true and fair view of the state of affairs of the Association and of the surplus or deficit of the Association for that period.

In preparing those financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to assume the Association will continue in business.

The Board is responsible for maintaining an adequate system of internal control and keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and enables it to ensure that 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 Board 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.

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Statement as to Disclosure of Information to Auditors

The Board members who held office at the date of approval of this Board report, confirm that, so far as they are each aware there is no relevant audit information of which the Association's auditors are unaware; and each Board member has taken all steps that they ought to have taken as a Board member to make themselves aware of any relevant audit information and to establish that the Association's auditors are aware of that information.

Auditors

The organisation re-tendered its audit service for the coming year and Knox Cropper were successful in that process and have confirmed their willingness to continue in this role.

By Order Of The Board



Linda Wallace – Secretary

23 June 2025

PHA Homes Ltd
Independent Auditors' Report to the Members of PHA Homes Ltd
For The Year Ended 31 December 2024

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 December 2024 and of its incoming resources and application of resources 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.

PHA Homes Ltd

Independent Auditors' Report to the Members of PHA Homes Ltd For The Year Ended 31 December 2024

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 requires us to report to you if, in our opinion:

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

Responsibilities of the Board

As explained more fully in the Statement of Board's responsibilities set out on page 8, the board are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 83 of the Co-operative and Community Benefit Societies Act 2014 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Association and determined that the most significant are the Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Co-operative and Communities Benefit Societies Act 2014, and the Housing and Regeneration Act 2008.

PHA Homes Ltd

Independent Auditors' Report to the Members of PHA Homes Ltd For The Year Ended 31 December 2024

- We understood how the Association is complying with those frameworks via communication with those charged with governance, together with the review of the Association's documented policies and procedures.
- We assessed the susceptibility of the Association's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. These included risks associated with revenue recognition, application of accounting estimates, and management override of controls, which were discussed and agreed by the audit team.
- Our approach included agreeing the Association's recognition of income to the terms of tenancy agreements, reviewing the assumptions used and controls applied in the calculation of accounting estimates, the review of journal entries processed in the accounting records and the investigation of significant and unusual transactions identified from our review of the accounting records.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the board members with respect to the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the Association.

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

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

Use of our report

This report is made solely to the Association, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken, so that we might state to the Association 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, for our audit work, for this report or for the opinions we have formed.

Knox Cropper LLP

Knox Cropper LLP
Chartered Accountants
Statutory Auditors
Office Suite 1, Haslemere House
Lower Street
Haslemere
Surrey GU27 2PE

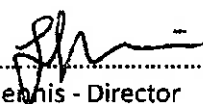
26 June 2025

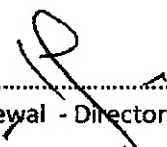
PHA Homes Ltd
Statement of Comprehensive Income
For The Year Ended 31 December 2024

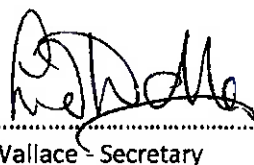
	Notes	2024 £	2023 £
Turnover	3	2,534,130	2,338,022
Operating Expenditure	3	(1,773,614)	(1,725,820)
Gain on disposal of housing properties	4	-	39,388
Operating Surplus		<u>760,516</u>	<u>651,590</u>
Interest Receivable and Similar Income	6	11,992	17,829
Interest Payable and Similar Expenses	7	(444,571)	(453,246)
Revaluation of investment property	12	(8,827)	(16,908)
Surplus Before Tax		<u>319,110</u>	<u>199,265</u>
Tax on Surplus on Ordinary Activities		-	-
Surplus For the Year		<u>£319,110</u>	<u>£199,265</u>
Other Comprehensive Income			
Actuarial gain/(loss) on pension schemes	19	(31,000)	20,000
Total Comprehensive Income for the year		<u>£288,110</u>	<u>£219,265</u>

PHA Homes Ltd has not acquired or discontinued any significant activities during the above two financial years.

The accompanying notes form part of these financial statements. The financial statements were approved by the Board on 23rd June 2025 and signed on its behalf by:


 S Dennis - Director



 K Grewal - Director

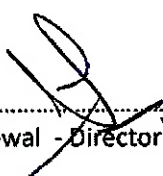

 L Wallace - Secretary

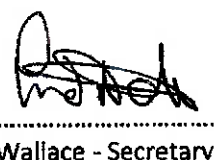
PHA Homes Ltd
Statement of Financial Position
As At 31 December 2024

	Notes	2024	2023
		£	£
Fixed Assets			
Housing Properties	10	25,227,207	25,380,335
Other Fixed Assets	11	831,292	849,199
Investment Properties	12	350,000	358,827
		<u>26,408,499</u>	<u>26,588,361</u>
Current Assets			
Debtors	13	60,664	24,306
Cash and cash equivalents		798,770	885,634
		<u>859,434</u>	<u>909,940</u>
Creditors: Amounts falling due within one year	14	<u>(1,043,433)</u>	<u>(1,076,008)</u>
Net Current Assets		(183,999)	(166,068)
Total Assets Less Current Liabilities		26,224,500	26,422,293
Creditors: Amounts falling due outside one year	15	(14,714,191)	(15,184,094)
Provisions for liabilities	19	(103,000)	(119,000)
Net Assets		<u>£11,407,309</u>	<u>£11,119,199</u>
Capital And Reserves			
Called Up Share Capital	20	9	9
Revaluation Reserve		175,967	175,967
Retained Earnings		<u>11,231,333</u>	<u>10,943,223</u>
		<u>£11,407,309</u>	<u>£11,119,199</u>

These financial statements were approved by the Board on 23rd June 2025 and signed on its behalf by:


 S Demis - Director


 K Grewal - Director


 L Wallace - Secretary

Regulator of Social Housing No: L0244
 Co-operative and Community Benefit Societies Registration No: 20803R

PHA Homes Ltd
Statement of Changes in Capital and Reserves
As At 31 December 2024

	Share Capital £	Revenue Reserve £	Revaluation Reserve £	Total Capital and Reserves £
At 1 January 2023	10	10,723,958	175,967	10,899,935
Total comprehensive income for the year	-	219,265	-	219,265
Issue of share capital	-	-	-	-
Cancellation of shares	(1)	-	-	(1)
At 31 December 2023	£9	£10,943,223	£175,967	£11,119,199
At 1 January 2024	9	10,943,223	175,967	11,119,199
Total comprehensive income for the year	-	288,110	-	288,110
Issue of share capital	-	-	-	-
Cancellation of shares	-	-	-	-
At 31 December 2024	£9	£11,231,333	£175,967	£11,407,309

PHA Homes Ltd
Statement of Cash Flows
For The Year Ended 31 December 2024

		2024	2023
	Notes	£	£
Net Cash Generated From Operating Activities	25(a)	1,022,219	1,151,180
Cashflows From Investing Activities	25(b)	(229,648)	(2,425,872)
Cashflows From Financing Activities	25(c)	<u>(879,435)</u>	<u>(1,360,668)</u>
Net Change In Cash And Cash Equivalents		(86,864)	(2,635,360)
Cash And Cash Equivalents At Beginning Of The Year		885,634	3,520,994
Cash And Cash Equivalents At End Of Year		<u>£798,770</u>	<u>£885,634</u>

PHA Homes Ltd
Notes to the Financial Statements
For the Year Ended 31 December 2024

1. Principal Accounting Policies

a. General information

The Association is incorporated under the Co-operative and Community Benefit Societies Act 2014 and is a private registered provider of social housing, registered with the Regulator of Social Housing under the Housing and Regeneration Act 2008. The registered office is 32 Dragon Street, Petersfield, Hampshire, GU31 4JJ. The nature of the association's operations and principal activities are the development, rental, and management of social housing accommodation.

b. Basis of Accounting

The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Housing SORP 2018 "Statement of Recommended Practice for registered social housing providers 2018" ("the SORP"). PHA Homes Ltd is a public benefit entity and applies FRS 102 accordingly. The accounts 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. The financial statements are presented in Sterling (£), which is the functional currency of the association. Monetary amounts in these financial statements are rounded to the nearest £.

c. Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the association has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

d. Turnover

Turnover is measured at the fair value of the consideration received or receivable net of discounts. The policies adopted for the recognition of turnover are as follows: Turnover represents rental and service charges income receivable in the year net of rent and service charge losses from voids, revenue grants and the amortisation of government grants. Where the association carries the financial risk on property managed by agents, all the income and expenditure arising from the property is included in the Statement of Comprehensive Income. Where the agent carries the financial risk, the Statement of Comprehensive Income includes only that income and expenditure which relates solely to the association.

Interest income is recognised using the effective interest method and dividend income is recognised as the association's right to receive payment is established.

e. Housing Properties

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

PHA Homes Ltd
Notes to the Financial Statements
For the Year Ended 31 December 2024

e. Housing Properties (continued)

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

- Housing properties - up to one hundred years straight line basis
- Fixtures and fittings - five years straight line basis
- Computers - three years straight line basis

Freehold land and assets in the course of construction are not depreciated. The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in income or expenditure.

Major components of housing properties, including roofs (60 years), windows and doors (30 years), boilers and heating (15 to 30 years), bathrooms (30 years), kitchens (20 years), electrics (30 years) and photovoltaics (25 years), have been accounted for and depreciated separately from the connected housing property, over their expected useful economic lives and are included in housing properties.

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

Borrowing costs directly attributable to schemes in development are capitalised.

f. Investment Properties

Investment property, which is property held to earn market rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss. Where investment properties are transferred from tangible fixed assets these are transferred at fair value with any difference in the carrying value and fair value at the date of transfer being recognised in other comprehensive income and the reserves of the association.

g. Impairment of fixed assets

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. The level at which an impairment is assessed is considered at scheme level. The key indicators considered are:

- A change in demand for a property.
- Obsolescence of a property.
- A change in government policy.

If such indication exists, the recoverable amount is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in expenditure through the statement of comprehensive income. No such indications were noted and therefore no review was considered necessary,

h. Cash and Cash Equivalents

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

PHA Homes Ltd
Notes to the Financial Statements
For the Year Ended 31 December 2024

i. Financial Instruments

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

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

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets

Basic financial assets, which include rent arrears and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified at fair value through the income and expenditure account are measured at fair value.

Rent arrears arrangements made with tenants are treated as concessionary loans and are measured at the amount due from the tenant, no interest is charged, and no security is provided. There were no material sums due at the year end.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in income or expenditure, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in income or expenditure.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the association after deducting all of its liabilities.

PHA Homes Ltd
Notes to the Financial Statements
For the Year Ended 31 December 2024

i. Financial Instruments (continued)

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in income or expenditure in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through income or expenditure. Debt instruments may be designated as being measured at fair value through income or expenditure to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the association's obligations are discharged, cancelled, or they expire.

j. Taxation

The association has charitable status with HM Revenue and Customs and no charge to Corporation Tax arises on these results. Deferred tax is therefore also not applicable.

The association is not registered for VAT and all expenditure is shown inclusive of VAT.

k. Employee Benefits

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

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

Termination benefits are recognised immediately as an expense when the association is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

PHA Homes Ltd
Notes to the Financial Statements
For the Year Ended 31 December 2024

l. Retirement Benefits

Defined benefit plans

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as an expense in measuring profit or loss in the period in which they arise.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to profit and loss in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

Defined contribution plans

Contributions payable are charged to the Statement of Comprehensive Income in period to which they relate.

m. Government Grants

Social housing or other government grants are received to finance social housing properties. These grants are recognised at the fair value of the asset received or receivable. Where the assets are accounted for using the cost model then the government grant is accounted for using the accruals model. The difference between the fair value of the asset and the consideration is recognised as a liability and amortised over the useful economic life of the asset. This amortisation is recognised within turnover.

Under certain circumstances, primarily following the sale of a property, the grant is repayable or recyclable, but this is often restricted to the net proceeds of sale. Where government grants are required to be recycled, a liability is included to recognise this obligation.

Government grants received as a contribution to revenue expenditure are recognised in the statement of comprehensive income on a systematic basis over the period in which the association recognises the related costs for which the grant is intended to compensate. The related expenditure is included under operating costs. Grants are recognised in the same period as the related expenditure provided the conditions for receipt have been satisfied and there is reasonable assurance that the grant will be received.

PHA Homes Ltd
Notes to the Financial Statements
For the Year Ended 31 December 2024

n. **Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income and expenditure on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

2. **Judgements and Key Sources of Estimation Uncertainty**

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

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

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Identification of housing property components

The Association accounts for its expenditure on housing properties using component accounting. Under component accounting, the housing property is divided into those major components which are considered to have substantially different useful economic lives. Judgement is used in allocating property costs between components (land, structure, kitchens, bathrooms etc) and in determining the useful economic lives of each component.

Housing property depreciation is calculated on a component basis and therefore the judgements in identifying components may have a material impact on the depreciation charge. The components selected are those which reflect how the major repairs to the property are managed.

Estimated useful lives

The useful life of housing properties and their components has been estimated using a combination of the NHF matrix, advice from suppliers and industry norms.

Multi-employer defined benefit pension scheme

Payments are made to a multi-employer defined benefit pension scheme. The board has relied upon the information received from TPT Retirement Solutions in order to account for the Association's share of the scheme's assets and liabilities from 1 January 2019, the first date for which this information is available. See note 19.

PHA Homes Ltd
Notes to the Financial Statements
For the Year Ended 31 December 2024

Critical judgements (continued)

Classification of Orchardbrook Limited loans

The loans from Orchardbrook Limited (which are now managed by Link Mortgage Services Ltd), in common with many other loans, contain early repayment clauses. In the opinion of the association these clauses do not cause the lender to suffer a loss of principal or any interest attributable to the current or prior periods. Therefore, it is our judgement that these loans are basic financial instruments and are treated as such in these financial statements.

Identification of cash generating units for impairment testing

For impairment purposes, as explained in the accounting policies, housing properties are grouped into schemes which reflects how the properties are managed.

Recoverable amounts are based on either future cash flows or, for assets held for their service potential, depreciated replacement cost. The assessment of whether an asset is held for its service potential is a matter of judgement and in making that judgement the Board considers the current use of the asset and the expected future use of the asset. If the asset is unable to be let in its current condition or is not being used for a social purpose, either now or in the foreseeable future, it is assessed as not being held for its service potential.

Recoverable amount for assets held for their service potential is assessed as the depreciated replacement cost which is the lower of (a) the cost of purchasing an equivalent property on the open market; and (b) the land cost plus the rebuilding cost of the structure and components. The Association has no history of acquiring or selling properties from or to other registered providers and the Board considers that there is no active market.

Fair value of investment properties

The fair value of investment property has been determined using the original cost adjusted for the House Price Index as published by the Land Registry for the East Hampshire area.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Estimated useful lives

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets. Uncertainties in these estimates relate to 'technological obsolescence' with regard to IT equipment/software and any changes to decent homes standard requiring frequent replacement of components.

Multi-employer defined benefit pension scheme

In estimating the value of the Associations share of defined benefit pension scheme obligations, fair value of assets and net liability, TPT Retirement Solutions make a number of assumptions regarding the impact of current and future factors, these are outlined in note 19.

Impairments of social housing properties held for their service potential

The cost of purchasing an equivalent property on the open market is estimated based on the sale prices for similar properties in or near the same location. The rebuilding cost of structures and components is based on the current build costs, based on either current building contracts or market data (being primarily construction indices) applied to the relevant building size and type.

PHA Homes Ltd
Notes to the Financial Statements
For the Year Ended 31 December 2024

3. Turnover, operating costs and operating surplus

	2024			
	Turnover	Operating costs	Gain	Operating surplus
	£	£	£	£
Social Housing Lettings (note 3b)	2,507,600	(1,759,733)	-	747,867
Disposal of fixed assets (note 4)	-	-	-	-
Other social housing activities:				
Management contracts	1,992	(12,220)	-	(10,228)
Other income	10,425	-	-	10,425
Sub-Total	2,520,017	(1,771,953)	-	748,064
Non-social housing activities				
Private Market Rent	14,113	(1,661)	-	12,452
Sub total	14,113	(1,661)	-	12,452
Total	2,534,130	(1,773,614)	-	760,516

	2023			
	Turnover	Operating costs	Gain	Operating surplus
	£	£	£	£
Social Housing Lettings (note 3b)	2,291,851	(1,702,737)	-	589,114
Disposal of fixed assets (note 4)	-	-	39,388	39,388
Other social housing activities:				
Management contracts	1,678	(23,083)	-	(21,405)
Other income	28,893	-	-	28,893
Sub-Total	2,322,422	(1,725,820)	39,388	635,990
Non-social housing activities				
Private Market Rent	15,600	-	-	15,600
Sub total	15,600	-	-	15,600
Total	£2,338,022	£(1,725,820)	£39,388	£651,590

PHA Homes Ltd
Notes to the Financial Statements
For the Year Ended 31 December 2024

3b. Income and Expenditure from Social Housing Lettings

	2024	2023
	£	£
Social Housing		
Rent Receivable	2,259,450	2,049,687
Service Charges receivable	139,960	136,651
Amortised government grants	108,190	105,513
Rental Income & Turnover from Social Housing Lettings	2,507,600	2,291,851
Management	340,059	394,351
Housing Services	169,768	158,775
Bad Debts	3,598	7,304
Maintenance Costs	790,206	665,888
Development Costs	17,064	34,624
Property Depreciation	432,530	415,453
Loss on replacement of components	6,508	26,342
Operating Expenditure of Social Housing Lettings	1,759,733	1,702,737
Operating Surplus on Social Housing Lettings	£747,867	£589,114

Void losses amounted to £13,614 (2023: £15,146).

4. Gain/Loss on Disposal of Fixed Assets

	2024	2023
	£	£
Shared Ownership		
Proceeds from staircasing of properties	-	100,800
Carrying value	-	(61,412)
Recycling of government grant	-	-
	-	39,388
Gain on other fixed assets sold	-	-
	£ -	£39,388

PHA Homes Ltd
Notes to the Financial Statements
For the Year Ended 31 December 2024

5. Staff and Board Members

	2024	2023
	£	£
Wages and salaries	419,164	384,199
Social security costs	38,422	34,820
Defined benefit pension service cost	4,000	23,000
Defined contribution pension contributions	11,367	8,028
Other pension scheme costs	5,024	5,115
	<u>£477,977</u>	<u>£455,162</u>

The average number of persons employed by the Association during the year was:

	2024	2023
Management	4	4
Other	5	5
	<u>9</u>	<u>9</u>

On a full-time equivalent basis, the average was 8 (2023: 8). Full-time is defined as a 37-hour week.

Remuneration payable to Key Management Personnel amounted to £213,879 (2023: £188,094). Included within this is and the staff costs figures is remuneration payable to non-executive board members (not under contracts of employment) amounting to £14,833 (2023: £14,993).

The remuneration payable to the highest paid director was £94,500 (2023: £76,000), excluding pension contributions, the current year figure representing a full year compared to the prior year amount being ten months. The Chief Executive is an ordinary member of the Social Housing Pension Scheme (note 21) with no enhanced or special terms. Also included above is one director whose remuneration fell between £60,000 and £70,000. For the purposes of the above disclosures, "Director" also includes the Chief Executive and any other person who is a member of the executive management team, or its equivalent, of the association.

The full-time equivalent number of staff whose remuneration exceeded £60,000 including pension contributions, is as follows:

	2024	2023
£100,000 - £110,000	1	-
£80,000 - £90,000	-	1
£70,000 - £80,000	<u>1</u>	<u>1</u>

PHA Homes Ltd
Notes to the Financial Statements
For the Year Ended 31 December 2024

6. Interest Receivable and Similar Income

	2024	2023
	£	£
Interest on bank deposits	11,992	17,829
	<u>£11,992</u>	<u>£17,829</u>

7. Interest Payable and Other Finance Costs

	2024	2023
	£	£
Interest on bank overdrafts and loans	424,094	447,753
Amortisation of loan arrangement fees	10,147	-
Interest on the net defined benefit liability	5,000	7,000
Interest on Recycled Capital Grant Fund	5,330	-
Interest capitalised	-	(1,507)
	<u>£444,571</u>	<u>£453,246</u>

8. Surplus Before Taxation

	2024	2023
	£	£
Surplus before taxation is stated after charging		
Amortisation of capital grants	(108,190)	(105,513)
Depreciation – Property	432,530	415,453
(Gain)/Loss on disposal of tangible fixed assets	9,435	(13,046)
Auditors' Remuneration (excluding VAT)		
In their capacity as Auditors	6,600	6,265
For other services	1,200	2,400

9. Taxation

PHA Homes Ltd is an exempt charity and is, therefore, exempt from liability to taxation on its income and capital gains.

PHA Homes Ltd
Notes to the Financial Statements
For the Year Ended 31 December 2024

10. Fixed Assets – Housing Properties

	Housing Properties for letting £	Properties under construction £	Shared Ownership Properties £	Total £
Cost				
At 1 January 2024	29,727,182	-	1,028,510	30,755,692
Additions	-	-	-	-
Works to existing properties	290,420	-	-	290,420
Disposals	(45,112)	-	-	(45,112)
At 31 December 2024	<u>29,972,490</u>	<u>-</u>	<u>1,028,510</u>	<u>31,001,000</u>
Depreciation				
At 1 January 2024	5,300,414	-	74,943	5,375,357
Charged in the year	424,778	-	7,752	432,530
Eliminated in respect of disposals	(34,094)	-	-	(34,094)
At 31 December 2024	<u>5,691,098</u>	<u>-</u>	<u>82,695</u>	<u>5,773,793</u>
Net Book Value				
At 31 December 2023	<u>£24,426,768</u>	<u>£ -</u>	<u>£953,567</u>	<u>£25,380,335</u>
At 31 December 2024	<u>£24,281,392</u>	<u>£ -</u>	<u>£945,815</u>	<u>£25,227,207</u>

Housing properties include land value of £6,920,172 (2023: £6,920,172).

PHA Homes Ltd
Notes to the Financial Statements
For the Year Ended 31 December 2024

11. Fixed Assets – Other Fixed Assets

	Freehold office land and buildings £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 January 2024	865,069	19,943	33,825	918,837
Additions	-	-	-	-
Disposals	-	-	(33,825)	(33,825)
At 31 December 2024	865,069	19,943	-	885,012
Depreciation				
At 1 January 2024	28,119	12,961	28,558	69,638
Charged in the year	8,652	3,988	2,340	14,980
Eliminated in respect of disposal	-	-	(30,898)	(30,898)
At 31 December 2024	36,771	16,949	-	53,720
Net Book Value				
At 31 December 2023	£836,950	£6,982	£5,267	£849,199
At 31 December 2024	£828,298	£2,994	£ -	£831,292

12. Investment Property

	2024 £	2023 £
At 1 January 2024	358,827	375,735
Change in fair value	(8,827)	(16,908)
At 31 December 2024	£350,000	£358,827

Investment property comprises a large two-bedroom apartment converted from the association's previous office space and let at market rent. The fair value of the investment property has been arrived at on the advice of an estate agent with reference to transaction prices for similar properties in the area.

PHA Homes Ltd
Notes to the Financial Statements
For the Year Ended 31 December 2024

13. Debtors

	2024	2023
	£	£
Amounts falling due within one year		
Arrears of Rent and Service Charges	30,410	20,350
Less: Provision for Doubtful Debts	(17,400)	(11,656)
	<u>13,010</u>	<u>8,694</u>
Other tenant receivables	237	908
Prepayments and Accrued Income	47,417	14,704
	<u>£60,664</u>	<u>£24,306</u>

14. Creditors: Amounts falling due within one year

	2024	2023
	£	£
Bank loans (Note 16)	415,803	452,836
Trade Creditors	53,221	25,260
Rents and service charges paid in advance	67,020	80,710
Other creditors	121,116	109,455
Accruals and Deferred Income	94,850	121,654
Capital Grants (Note 17)	105,959	105,959
Recycled Capital Grant Fund (Note 18)	185,464	180,134
	<u>1,043,433</u>	<u>£1,076,008</u>

15. Creditors: Amounts falling due in more than one year

	2024	2023
	£	£
Bank loans (Note 16)	6,590,122	6,996,105
Capital Grants (Note 17)	8,124,069	8,187,989
	<u>£14,714,191</u>	<u>£15,184,094</u>

PHA Homes Ltd
Notes to the Financial Statements
For the Year Ended 31 December 2024

16. Loans and overdrafts

	2024	2023
	£	£
Payable within one year	415,803	452,836
Payable after one year	6,717,320	7,133,450
Unamortised arrangement fees	(127,198)	(137,345)
	<u>£7,005,925</u>	<u>£7,448,941</u>

The long-term housing loans are secured by fixed charges over 155 of the association's housing properties. The above borrowings include the following loans:

- £0.17m with a fixed term at 10.795%, maturing in 2046
- £0.60m with a 25 year fixed term at 6.80%, maturing in 2034
- £0.58m with a 22 year fixed term at 4.75%, maturing in 2034.
- £0.79m with a 25 year fixed term at 4.75%, maturing in 2040.
- £0.78m with a 23 year fixed term at 4.08%, maturing in 2040.
- £0.85m with a 25 year fixed term at 4.58%, maturing in 2044.
- £0.86m with a 25 year fixed term at 3.715%, maturing in 2044.
- £0.13m with a 25 year variable term at a variable rate of SONIA + 0.70%, maturing in 2028.
- £0.02m with a 25 year fixed term at 5.9%, maturing in 2025.
- £0.41m with a 25 year variable term at SONIA + 0.60%, maturing in 2028.
- £1.93m with a 25 year fixed term at BoE base rate + 2.24%, maturing in 2047.

In addition to the above borrowings, the association has an undrawn facility of £0.50m.

17. Capital Grants

	2024	2023
	£	£
Aggregate Amount Received:		
At 1 January 2024	10,425,152	10,019,752
Additions	48,780	405,400
Grants recycled	(6,000)	-
At 31 December 2024	<u>10,467,932</u>	<u>10,425,152</u>
Amortisation		
At 1 January 2024	2,131,204	2,025,691
Amortised in the year	108,190	105,513
Grants recycled	(1,490)	-
At 31 December 2024	<u>2,237,904</u>	<u>2,131,204</u>
Capital Grants Carrying Value:		
At 31 December 2024	<u>£8,230,028</u>	<u>£8,293,948</u>

PHA Homes Ltd
Notes to the Financial Statements
For the Year Ended 31 December 2024

18. Recycled Capital Grant Fund

	2024	2023
	£	£
Brought forward	180,134	180,134
Grants recycled	-	-
Interest accrued	5,330	-
Carried forward	<u>£185,464</u>	<u>£180,134</u>

All recycled grants relate to Homes England. Included in the above is £143,445 (2023: £90,504) of grants recycled three or more years ago where repayment may be required.

19. Provisions for Liabilities

Social Housing Pension Scheme

The Association participates in the scheme, a multi-employer scheme which provides benefits to some 500 non-associated employers. The scheme is a defined benefit scheme in the UK. The scheme trustee is able to identify the share of scheme assets and liabilities belonging to individual participating employers and as such the Association accounts for the scheme as a defined benefit plan.

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

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

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2020 which showed assets of £2,570m, liabilities of £3,264m and a deficit of £694m, equating to a funding level of 79%.

For the Association the scheme closed to new entrants on 31/03/2022, with employees joining the Association after this date being enrolled into a defined contribution scheme. Under the scheme the employees are entitled to retirement benefits as a percentage of career average revalued earnings on attainment of a retirement age of 65. The 31 December 2024 position was projected from the 30 September 2023 data. The present value of the defined benefit obligation, the related current service cost and past service cost were measured using the projected unit credit method.

PHA Homes Ltd
Notes to the Financial Statements
For the Year Ended 31 December 2024

Present values of defined benefit obligation, fair value of assets and defined benefit asset (liability)

	2024	2023
	£	£
Fair value of plan assets	493,000	485,000
Present value of defined benefit obligation	(596,000)	(604,000)
Defined benefit asset (liability)	£(103,000)	£(119,000)

Reconciliation of opening and closing balances of the defined benefit obligation

	2024	2023
	£	£
Defined benefit obligation at start of period	(604,000)	(705,000)
Current service cost	(4,000)	(23,000)
Expenses	(3,000)	(3,000)
Interest expense	(29,000)	(32,000)
Contributions by plan participants	(13,000)	(13,000)
Actuarial (losses)/gains due to scheme experience	(30,000)	29,000
Actuarial (losses)/gains due to changes in demographic assumptions	7,000	1,000
Actuarial (losses)/gains due to changes in financial assumptions	53,000	(12,000)
Benefits paid and expenses	27,000	154,000
Defined benefit obligation at end of period	£(596,000)	£(604,000)

Reconciliation of opening and closing balances of the fair value of plan assets

	2024	2023
	£	£
Fair value of plan assets at start of period	485,000	543,000
Interest income	24,000	25,000
Experience on plan assets (excluding amounts included in interest income) – gain/(loss)	(61,000)	2,000
Contributions by the employer	59,000	56,000
Contributions by plan participants	13,000	13,000
Benefits paid and expenses	(27,000)	(154,000)
Fair value of plan assets at end of period	£493,000	£485,000

PHA Homes Ltd
Notes to the Financial Statements
For the Year Ended 31 December 2024

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 December 2024 was £(37,000) (2023: £27,000).

Defined benefit costs recognised in surplus for the year

	2024	2023
	£	£
Current service cost	4,000	23,000
Expenses	3,000	3,000
Net interest expenses	5,000	7,000
Defined benefit costs recognised in statement of comprehensive income (SoCI)	<u>£12,000</u>	<u>£33,000</u>

Defined benefit costs recognised in Other Comprehensive Income

	2024	2023
	£	£
Experience on plan assets (excluding amounts included in net interest cost) – gain (loss)	(61,000)	2,000
Experience gains and losses arising on the plan liabilities - gain (loss)	(30,000)	29,000
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation – gain (loss)	7,000	1,000
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain (loss)	53,000	(12,000)
Total amount recognised in other comprehensive income – gain (loss)	<u>£(31,000)</u>	<u>£20,000</u>

Key assumptions

	2024	2023
	% per annum	% per annum
Discount Rate	5.55%	4.80%
Inflation (RPI)	3.16%	3.06%
Inflation (CPI)	2.85%	2.69%
Salary Growth	3.85%	3.69%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

PHA Homes Ltd
Notes to the Financial Statements
For the Year Ended 31 December 2024

The mortality assumptions adopted at 31 December 2024 imply the following life expectancies at age 65:

	2024	2023
Male aged 65	20.5	21.0
Female aged 65	23.0	23.4
Male aged 45	21.8	22.2
Female aged 45	24.4	24.9

Plan Assets

	2024	2023
	£	£
Global Equity	57,000	40,000
Absolute Return	-	9,000
Distressed Opportunities	-	16,000
Credit Relative Value	-	15,000
Alternative Risk Premia	-	7,000
Liquid Alternatives	89,000	-
Emerging Markets Debt	-	8,000
Risk Sharing	-	29,000
Insurance-Linked Securities	2,000	2,000
Property	23,000	33,000
Infrastructure	-	45,000
Real Assets	56,000	-
Private Debt	-	19,000
Secured Income	8,000	12,000
Opportunistic Illiquid Credit	-	21,000
Private Credit	63,000	-
Credit	18,000	-
Investment Grade Credit	13,000	-
Liability Driven Investment	159,000	219,000
Currency Hedging	(1,000)	2,000
Net Current Assets	6,000	8,000
Total assets	£493,000	£485,000

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

PHA Homes Ltd
Notes to the Financial Statements
For the Year Ended 31 December 2024

20. Share Capital

	2024	2023
	£	£
Each member holds one share of £1 in the Association		
Allotted, Issued and Fully Paid:		
At 1 January 2024	9	10
Issued during the year	-	-
Surrendered during the year	-	(1)
At 31 December 2024	<u>£9</u>	<u>£9</u>

The Shares provide members with the right to vote at General Meeting, but they do not provide any rights to dividends or distributions if the Association is wound up or dissolved. When a shareholder ceases to be a shareholder, his or her share is cancelled. The amount paid up becomes the property of the Association.

21. Leasing Agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2024	2023
	£	£
Within one year	2,669	2,669
Between one and five years	3,336	5,338
In more than five years		-
	<u>£6,005</u>	<u>£8,007</u>

22. Capital Commitments

	2024	2023
	£	£
Capital Expenditure that has been contracted for but has not been provided in the Financial Statements	<u>£ -</u>	<u>£ -</u>
Capital Expenditure that has been approved but not contracted for	<u>£ -</u>	<u>£ -</u>

PHA Homes Ltd
Notes to the Financial Statements
For the Year Ended 31 December 2024

23. Units Under Management

	2024	2023
	No	No
Units owned and managed:		
General needs – social rent	224	224
General needs – affordable rent	56	56
Shared ownership	13	13
Leasehold scheme for the elderly	19	19
Temporary accommodation	23	23
Market rent	1	1
Units owned but not managed:		
Supported housing (managed by YOU Trust)	4	4
	340	340

The Association did not acquire or dispose of any units during the year.

24. Related Party Transactions

Remuneration of non-executive board members is as set out in Note 5.

One Board member is a tenant of the housing association and holds a tenancy agreement on normal terms appropriate to housing association tenants and cannot use his position to his advantage. The total rent and service charges payable for the year by tenant board members amounted to £8,852 and £Nil was owed to the Association at the year end.

PHA Homes Ltd
Notes to the Financial Statements
For the Year Ended 31 December 2024

25. Notes to The Cash Flow Statement

	2024	2023		
	£	£		
a. Net Cash Flow from Operating Activities				
Surplus for the year	319,110	199,265		
Cancellation of shares	-	(1)		
Interest Receivable	(11,992)	(17,829)		
Interest Payable	444,571	453,246		
Amortisation of Capital Grants	(108,190)	(105,513)		
Depreciation Charges	447,510	429,838		
Revaluation of investment property	8,827	16,908		
(Increase)/Decrease in Debtors	(36,358)	269,402		
Increase/(Decrease) in Creditors	1,306	(51,090)		
(Gain)/Loss on disposal of fixed assets	9,435	(13,046)		
Pension scheme non-cash movement	(52,000)	(30,000)		
Net Cash (outflow)/inflow from Operating Activities	£1,022,219	£1,151,180		
b. Cashflow from Investing Activities				
Interest Received	11,992	17,829		
Capital Grants Received	-	405,400		
Improvement to Housing Stock	(241,640)	(161,328)		
Purchase of tangible fixed assets	-	(2,788,573)		
Sale of Other Fixed Assets	-	100,800		
	£(229,648)	£(2,425,872)		
c. Cashflow from Financing Activities				
New borrowings	-	-		
Repayment of bank loans	(453,163)	(916,853)		
Interest paid	(426,272)	(443,815)		
Issue of Shares	-	-		
	£(879,435)	£(1,360,668)		
d. Analysis of Changes in Net Funds	At 01/01/2024	Cash flows	Non-cash changes	At 31/12/2024
	£	£	£	£
Net cash				
Cash at bank and in hand	885,634	(86,864)	-	798,770
Borrowings				
Loans due within one year	(452,836)	37,033	-	(415,803)
Loans due in more than one year	(6,996,105)	416,130	(10,147)	(6,590,122)
	(7,448,941)	453,163	(10,147)	(7,005,925)
Total	£(6,563,307)	£366,299	£(10,147)	£(6,207,155)

PHA Homes Ltd
Notes to the Financial Statements
For the Year Ended 31 December 2024

26. Contingent Liabilities

Social Housing Grant attached to properties transferred from Rogate & Terwick Housing Association amounting to £312,983 has not been recognised as in the Statement of Financial Position. Were a relevant event to occur, the Association would be required to recycle or potentially repay this amount.

