

FINAL ACCOUNTS

BROCKLEY TENANTS CO-OPERATIVE LIMITED

COMMITTEE REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2024

REGULATOR OF SOCIAL HOUSING REGISTERED NUMBER: C2430

BROCKLEY TENANTS CO-OPERATIVE LIMITED

REPORT OF THE COMMITTEE OF MANAGEMENT for the year ended 31 March 2024

The Committee present their Annual Report and the financial statements of Brockley Tenants Co-operative Limited for the year ended 31 March 2024.

Registered Office

249 Lewisham Way
London
SE4 1XF

Registration

- a) Under the Co-operative and Community Benefit Societies Act 2014 number: 21635R.
- b) By The Regulator of Social Housing under the Housing and Regeneration Act 2008 number: C2430.

Principal activity

The principal activity of the Co-operative throughout the year was that of providing affordable good quality rented accommodation for its members and for other people in housing need who wish to become members of a housing co-operative.

Committee of Management

The Committee who served during the year ended 31 March 2024 were as follows:

Selvin Lambert (Chair)	The following resigned on 15 July 2023
Sharon Smith (Vice Chair from 12 September 2023)	Steven Hodges
Alan Smith (Vice Chair to 12 September 2023)	Bronya Calderon
Maggie Martin (Treasurer from 11 April 2023)	Megan Morgan
Sharon James (Secretary)	
Lorna Wright	
Anne Greensmith	
Edward Dye	
Jim Carey	
Birgit Rapp	
Marcia Beccles	
Stephanie (Appointed 15 July 2023)	
Fritha Jenkins (Appointed 15 July 2023)	
Richard Bignall (Appointed 15 July 2023)	
Leon Odiete (Appointed 15 July 2023)	

The Committee of Management of the Co-operative is drawn from the tenant membership by election at the Annual General Meeting and co-option at other times.

Each of the Committee members listed above hold a one pound share in the Co-operative.

BROCKLEY TENANTS CO-OPERATIVE LIMITED

REPORT OF THE COMMITTEE OF MANAGEMENT for the year ended 31 March 2024 (continued)

Financial Review and Review of Activities

The Co-operative's surplus for the year ended 31 March 2024 was £49,846 compared with a surplus in 2023 of £219,225. The decrease in the surplus is largely due to the increase in management and maintenance costs and the Hexagon activity deficit increased from £19,635 to £41,270.

The 2024 accounts also show (on page 15 note 6) the surplus analysed between the properties owned by the Co-operative, the properties it manages for Hexagon Housing Association and its interest receivable and similar income. Although the management of the Hexagon properties still shows a deficit in 2024 the Co-operative has carried out a marginal costing exercise, which has shown us that the management of Hexagon owned properties is advantageous to the Co-operative despite the deficit. The Co-operative continues to maintain and manage its properties and those we manage for Hexagon Housing Association to a good standard and within the financial resources available to us.

Employment, training and advancement of disabled persons

Voluntary committee members who are tenants of Brockley Tenants Co-operative oversee the day to day management of the Co-operative which is carried out by its five staff. We have facilities in place and are ready to make necessary adaptations and changes so as to allow any disabled tenant who wishes to serve on the Management Committee to do so. The Co-operative provides training for its committee members.

Health, safety and welfare at work of employees

The Committee takes seriously its legal and moral responsibilities relating to health and safety to ensure, so far as is reasonably practicable, the health safety and welfare of all Brockley Tenants' Co-ops employees, members and others affected by its activities.

Other Policies

Four other key policies of the Co-operative are:

- (a) Its development policy. The Co-operative is considering some future development.
- (b) The rent policy, whereby the committee members are committed to maintaining rents at reasonable levels;
- (c) The long term housing stock maintenance and repair policy which is to maintain its housing properties in a state of good repair and
- (d) Its housing management policies which are to provide an economical, efficient and effective service to its tenants.

Corporate Governance and Internal Financial Controls

The Management Committee is responsible for the Co-operative's system of internal financial control. The system is designed to provide reasonable assurance against material misstatements or loss, but it cannot provide absolute assurance.

The Management Committee has established procedures which are designed to provide effective internal financial control. The committee members meet regularly and monitor the actual results of the Co-operative against budgets. The Management Committee has reviewed the effectiveness of the system of internal financial control during the year.

BROCKLEY TENANTS CO-OPERATIVE LIMITED

REPORT OF THE COMMITTEE OF MANAGEMENT

for the year ended 31 March 2024 (continued)

The Regulator of Social Housing – Governance and Financial Viability Standard

The Committee of Management confirms that in the year to 31 March 2024 Brockley Tenants complied with the Regulator of Social Housing Governance and Financial Viability Standard.

Rules and Governance

The Co-operative is registered with Homes England the Regulator of Social Housing, as a fully mutual Housing Co-operative, controlled by its housed members. It is governed under the FM90 model rules created for fully mutual Co-operatives by the National Housing Federation. It has three General meetings and an annual general meeting of its membership each year, but day to day running of the Co-operative is delegated by its rules to a Committee, of Management and its directly employed staff.

The Committee of Management members receive training as they need it and they formally assess their own performance and training needs once each year as part of the annual committee work plans.

Proposed changes to the Co-operative rules to the model fully mutual primary housing co-operative rules: non-founder members version, August 2014 are still in progress

Value for Money

Brockley Tenants Co-operative is a very small Registered Social Landlord with 91 units in management and 72 units managed for others and is considering some future development. The Committee of Management recognises the importance of value for money. We have a duty to our tenants, members and stakeholders to provide services as cost effectively as possible but without sacrificing quality or tenant satisfaction. Our approach is to consider cost, quality and service delivery using the evidence available to us through regular tendering of services and then monitoring costs to measure our progress and performance.

BROCKLEY TENANTS CO-OPERATIVE LIMITED

REPORT OF THE COMMITTEE OF MANAGEMENT for the year ended 31 March 2024 (continued)

Value for Money (continued)

The Regulator of Social Housing requires that we report against a prescribed set of metrics and these are shown below:

Financial Value for Money Metrics	2024	2023	2023 Housemark Median
1. Reinvestment %	2.6%	5.9%	7.1%
2. New Supply Delivered % (Social Housing)	0%	0%	1.3%
3. Gearing % (See note 3 below)	-35.4%	-34.1%	45.4%
4. Interest Cover %	36,072%	13,567%	128.7%
5. Headline Social Housing Cost per Unit	£3,612	£2,552	£4,475
6A Operating Margin Social Housing Lettings %	7.2%	29.6%	20.0%
6B Operating Margin Overall %	7.2%	29.6%	18.5%
7. Return on Capital Employed %	1.2%	5.0%	2.8%

The metrics shows that the Co-operative's 2024 metrics are not as good as in 2023 mainly due to the decrease in the surplus for the year. The 2023 Housemark metrics consist of the figures from housing associations with over 1,000 units. Previously these metrics were taken from all sizes of housing associations The Co-operative's metrics 3, 4 and 5 compare favourably with the Housemark metrics. The metrics 1 and 2 are low as the Co-operative is not currently developing.

Notes on how the Financial Value for Money Metrics are calculated

1. Reinvestment % is the cost of new properties developed and components replaced divided by housing properties net cost.
2. New Supply Delivered % is the number of new social housing units divided by the total number of social housing units owned at end of period.
3. Gearing % is arrived at by dividing the loans less cash and cash equivalents by housing properties net cost. A negative gearing arises where the cash and cash equivalents exceeds the loan debt.
4. Interest Cover % is arrived at by dividing the operating surplus before interest, tax, depreciation and grant amortisation by the interest payable.
5. Headline Social Housing Cost per Unit is arrived at by dividing total management costs by the total number of social housing units owned and managed at the period end.
- 6A Operating Margin Social Housing Lettings % is the operating surplus (social housing) divided by turnover from social housing.
- 6B Operating Margin Overall % is the overall operating surplus divided by the total turnover.
7. Return on Capital Employed % is the operating surplus divided by the total assets less current liabilities.

BROCKLEY TENANTS CO-OPERATIVE LIMITED

REPORT OF THE COMMITTEE OF MANAGEMENT **for the year ended 31 March 2024 (continued)**

Statement of the Responsibilities of the Committee of Management

Relevant legislation requires the Committee of Management to prepare Financial Statements for each year, which give a true and fair view of the state of the affairs of the Co-operative at the end of the financial year, together with details of the income and expenditure of the Co-operative for the year ended on that date.

In preparing the Financial Statements, the Committee of Management has:-

- selected suitable policies and applied them consistently.
- made judgments and estimates that are reasonable and prudent.
- followed applicable United Kingdom accounting standards and the 2018 Statement of Recommended Practice for Registered Social Landlords.
- prepared the financial statements on a 'going concern' basis.

The Committee of Management 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 Co-operative and enable them 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 2022 for Private Registered Providers of Social Housing. The Committee of Management is also responsible for safeguarding the assets of the Co-operative and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Committee of Management.

Selvin Lambert - Chair

Date: 27 July 2024

ACCOUNTANTS' REPORT TO THE MEMBERS ON THE UNAUDITED FINANCIAL STATEMENTS OF BROCKLEY TENANTS CO-OPERATIVE LIMITED

We report on the financial statements for the year ended 31 March 2024 as set out on pages 8 to 20. The financial reporting framework that has been applied in their preparation is applicable law and FRS 102, the Financial Reporting Standard Applicable in the United Kingdom and Republic of Ireland.

Committee of Management's Responsibility for the accounts

The Co-operative's Committee of Management is responsible for the preparation of the financial statements, and they consider that the Co-operative is exempt from an audit for the year ended 31 March 2024. The Committee is also responsible for ensuring that the financial statements show a true and fair view and comply with current legislation.

Reporting Accountants' Responsibility

It is our responsibility to carry out procedures to enable us to report our opinion under s85 Co-operative and Community Benefit Societies Act 2014 but we have not carried out or been instructed to carry out an audit. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Co-operative for our work or for this report.

Our work was conducted in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised). ISRE 2400 also requires us to comply with the ICAEW Code of Ethics. Our procedures consisted of comparing the accounts with the accounting records kept by the Co-operative, and making such limited enquiries of the officers of the Co-operative as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in the scope of our review.

Scope of our review

A review of the financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. We have performed additional procedures to those required under a compilation engagement. These primarily consist of making enquiries of committee management and others within the Co-operative, as appropriate, applying analytical procedures and evaluating the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (UK). Accordingly, we do not express an audit opinion on these financial statements.

ACCOUNTANTS' REPORT TO THE MEMBERS ON THE UNAUDITED FINANCIAL STATEMENTS OF BROCKLEY TENANTS CO-OPERATIVE LIMITED (continued)

Conclusion

(a) the financial statements for the year ended 31 March 2024 are in agreement with the accounting records kept by the Co-operative as required by the Co-operative and Community Benefit Societies Act 2014.

(b) having regard to, and on the basis of the information contained in those accounting records:

(i) the financial statements for the year ended 31 March 2024 comply with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction 2022 for Private Registered Providers of Social Housing.

(ii) the Co-operative as a "Registered Society" has satisfied the conditions for exemption from an audit of the financial statements for the year ended 31 March 2024 as set out in the Co-operative and Community Benefit Societies Act 2014 (Amendments to Audit Requirements) Order 2018.

Cooper & Co

Chartered Accountants

18 Magdalen Grove

Orpington

Kent. BR6 9WE

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BROCKLEY TENANTS CO-OPERATIVE LIMITED

Statement of Comprehensive Income for the year ended 31 March 2024

	Notes	2024	2023
		£	£
TURNOVER	3	728,357	711,400
Less: operating costs (see note below)	3	(676,258)	(500,608)
OPERATING SURPLUS		52,099	210,792
Interest receivable and similar income	4	13,412	10,447
Interest payable and similar charges	5	(334)	(2,014)
Mortgage Premium Payment	5	(15,331)	-
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION	6	49,846	219,225
Tax on surplus on ordinary activities:	9	-	-
SURPLUS FOR THE YEAR	16	49,846	219,225
Add: Prior years depreciation overcharged		-	23,595
(Expenditure)/income on Restricted grant funding reserve	17	-	(5,760)
Share capital shares issued	18	4	-
Total comprehensive income for the year		49,850	237,060
Total Reserves at 1 April 2023	16	2,202,668	1,965,608
TOTAL RESERVES AT END OF YEAR (See page 9)	16	£2,252,518	£2,202,668

BROCKLEY TENANTS CO-OPERATIVE LIMITED

Statement of Financial Position as at 31 March 2024

	Notes	2024 £	2023 £
Tangible Fixed Assets			
Housing properties:	10		
Cost		4,768,353	4,728,271
Less: Depreciation		(1,475,725)	(1,433,857)
		<u>3,292,628</u>	<u>3,294,414</u>
Other Fixed Assets	11	24,008	20,385
		<u>3,316,636</u>	<u>3,314,799</u>
Current Assets			
Debtors	12	55,391	48,890
Cash and cash equivalents		1,165,405	1,136,237
		<u>1,220,796</u>	<u>1,185,127</u>
Less: Creditors			
Amount: falling due within one year	13	315,455	295,200
Net Current Assets		<u>905,341</u>	<u>889,927</u>
Total Assets Less Current Liabilities		<u>4,221,977</u>	<u>4,204,726</u>
Less: Creditors falling due after more than one year			
Housing Loans	14	-	-
Grant – deferred income	15	(1,969,459)	(2,002,058)
Total Net Assets		<u>£2,252,518</u>	<u>£2,202,668</u>
Capital and Reserves			
Revenue reserves	16	2,252,297	2,202,451
Grant restricted funding reserve	17	-	-
Share capital	18	221	217
Total Reserves		<u>£2,252,518</u>	<u>£2,202,668</u>

The financial statements on pages 8 to 20 were approved by the Committee of Management on 27 July 2024 and were signed on its behalf by:

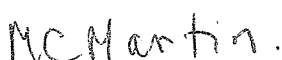
Selvin Lambert (Chair)



)

) Members of the Committee

Maggie Martin (Treasurer)



)

)

Sharon James (Secretary)



)

BROCKLEY TENANTS CO-OPERATIVE LIMITED

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

1 Accounting Policies

The Financial statements have been prepared in accordance with FRS 102. The Financial Reporting Standard applicable in the UK and Republic of Ireland, as amended in March 2018 and the 2018 Statement of Recommended Practice for Registered Social Housing Providers.

The Financial Statements have been properly prepared in accordance 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 in England 2022. Where applicable the Society has taken advantage of exemptions for small entities as laid out in FRS 102 Section 1A.

a) Basis of Accounting

The financial statements are prepared on the historical cost basis of accounting and on a going concern basis. The Committee consider that there are no material uncertainties about the Co-operative's ability to continue as a going concern.

b) Turnover

Turnover represents rental income receivable (net of void losses) revenue grants received from Local Authorities and other similar bodies, management fees and other income and grants amortised.

c) Fixed Assets and Depreciation

Housing Properties

Housing Properties are stated at cost less depreciation. No depreciation is provided for on the freehold housing land. Freehold properties and long leasehold properties are depreciated on a straight line basis over the estimated economic lives of the components. Useful economic lives (UEL) for identified components are as follows:

Component	UEL
Structure	100 years
Roofs	50 years
Windows	25 years
Kitchens	15 years
Bathrooms	15years
Boilers	10 years

Other fixed assets are stated at cost. Depreciation is charged on the other fixed assets as follows:

	Rate
Office freehold buildings	2% per annum on cost
Office furniture and equipment	25% per annum on depreciated cost
Computer equipment	30% per annum on depreciated cost
Office improvements	4% per annum on cost

d) Social Housing and other Government grants

Social Housing Grant and government grants received have been included as deferred income and the annual amount amortised over the life of the structure is included in turnover. No grants have been received during the year.

BROCKLEY TENANTS CO-OPERATIVE LIMITED

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

1 Accounting Policies (continued)

e) Capitalisation of Interest and Development Costs

Interest on the mortgage loan financing a development is capitalised up to the date of practical completion of the scheme. All costs incurred in the delivery of the Co-operative's development programme are also capitalised.

f) Cyclical Repairs and Maintenance

The Co-operative maintains its properties in accordance with a planned programme of works. No provision is made in the accounts for future works but actual costs incurred are charged in the income and expenditure account under the heading of routine maintenance.

g) Statement of Cash Flow

The financial statements do not include a Cash Flow statement because the Co-operative as a small reporting entity is exempt from the requirements to prepare such a statement under Financial Reporting Standard 102.

h) Public Benefit Entity (PBE)

The Co-operative meets the definition of a PBE under FRS 102

i) Interest Receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably; this is normally upon notification of the interest paid or payable by the bank.

j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

k) Creditor and Provisions

Creditors and provisions are recognised where the Co-operative has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The Co-operative only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

BROCKLEY TENANTS CO-OPERATIVE LIMITED

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

1 Accounting Policies (continued)

l) Judgements and key sources of estimation uncertainty

No judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies which have a significant effect on amounts recognised in the financial statements.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- The Co-operative is a going concern
- There are no significant changes in the Co-operative's experience of bad debts.

BROCKLEY TENANTS CO-OPERATIVE LIMITED**Notes to the Financial Statements for the year ended 31 March 2024**

	2024	2023
	£	£
2a Turnover and operating expenditure from Social Housing Lettings:		
Income from lettings (General Needs Housing)		
Rents receivable	532,763	518,002
Rents receivable prior year	-	17,075
Less: rent losses from voids	(2,590)	(88)
	<hr/>	<hr/>
Net rents receivable	530,173	534,989
Amortised government grants (note 15)	32,599	32,599
	<hr/>	<hr/>
Turnover from social housing lettings	562,772	567,588
	<hr/>	<hr/>
Operating expenditure		
Management and administration	(199,911)	(172,810)
Routine maintenance – direct costs	(138,336)	(77,139)
Other estate costs	(27,800)	(13,623)
Planned maintenance	-	(1,260)
Major repairs	-	-
Cyclical decorations and repairs	(5,500)	-
Services	(2,367)	(2,138)
Housing properties depreciation	(86,875)	(83,645)
Rent losses from bad debts (2023 net credit)	(8,614)	13,454
	<hr/>	<hr/>
Total expenditure on lettings	(469,403)	(337,161)
	<hr/>	<hr/>
Operating Surplus on Social Housing	93,369	230,427
Less: Interest Payable (note 5)	(334)	(2,014)
Less: Mortgage Premium Payment (note 5)	(15,331)	-
	<hr/>	<hr/>
Surplus for the year after interest payable	£77,704	£228,413
	<hr/>	<hr/>
The number of units in management was:	91	91
	<hr/>	<hr/>

Tenant units in management includes 1 unit at market rents.

BROCKLEY TENANTS CO-OPERATIVE LIMITED
Notes to the Financial Statements for the year ended 31 March 2024

		2024	2023
		£	£
2b	Management and other fees receivable	166,585	143,812
	Less: rent losses from voids	(1,000)	-
	Total management fees	<u>165,585</u>	<u>143,812</u>
	Less: Expenditure:		
	Management and administration	(100,677)	(93,086)
	Routine maintenance - direct costs	(108,192)	(70,990)
	Other estate costs	(163)	(257)
	Planned maintenance	-	-
	Cyclical decorations and repairs	-	-
	Rent losses from bad debts (2023 and 2024 credit)	2,177	886
		<u>(206,855)</u>	<u>(163,447)</u>
	(Deficit) for year	<u>£(41,270)</u>	<u>£(19,635)</u>
	The number of units managed was:	<u>72</u>	<u>72</u>
3	Turnover, Operating Costs and Operating Surplus		
	Notes		
	Turnover		
	Social Housing Lettings	2a 562,772	567,588
	Management services provided to a Housing Association	2b 165,585	143,812
		<u>728,357</u>	<u>711,400</u>
	Operating Costs		
	Social Housing Lettings	2a (469,403)	(337,161)
	Management Services	2b (206,855)	(163,447)
		<u>(676,258)</u>	<u>(500,608)</u>
	Operating Surplus	<u>£52,099</u>	<u>£210,792</u>

BROCKLEY TENANTS CO-OPERATIVE LIMITED**Notes to the Financial Statements for the year ended 31 March 2024**

		2024	2023
	Notes	£	£
4	Interest Receivable and Similar Income		
	Bank interest receivable	12,416	8,922
	Ground rent received	200	200
	Rent premium received	-	870
	Other income	796	455
		<u>£13,412</u>	<u>£10,447</u>
5	Interest Payable and Similar Charges		
	Interest payable on housing loans repayable wholly or partly in more than 5 years	£334	£2,014
	Mortgage Premium Payment on early redemption of loan	£15,331	-
6	Summary of surplus on ordinary activities before taxation:		
	Social Housing lettings surplus	2a 77,704	228,413
	Management Services (deficit)	2b (41,270)	(19,635)
	Interest receivable and similar income - surplus	4 13,412	10,447
	Surplus for the year	<u>£49,846</u>	<u>£219,225</u>
	Surplus on ordinary activities before taxation is stated after charging:		
	Depreciation of fixed assets	£87,567	£84,598
	Reporting Accountants' fees	£4,670	£4,410
	Other Accountancy fees	£360	£340
7	Directors Emoluments		
	There is no chief executive and no emoluments were paid to any committee member.		
8	Employees		
	The average weekly number of persons employed during the year was:		
	Office staff	4.4	4.4
	Staff costs for the above persons:		
	Wages and salaries	179,892	165,871
	Social Security costs	18,653	17,990
	Pension costs	9,451	7,456
		<u>£207,996</u>	<u>£191,317</u>

No employee had emoluments in excess of £60,000 in 2024 (2023 nil)

BROCKLEY TENANTS CO-OPERATIVE LIMITED

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

	2024	2023
	£	£
9 Taxation: United Kingdom corporation tax:		
Payable at 19% (2022 19%)	Nil	Nil
	<hr/>	<hr/>

The Co-operative has "Partial Mutual Status" for tax purposes. This means that the Co-Operative is only liable to corporation tax on its bank interest receivable and any surplus generated from its management activities.

10 Tangible Fixed Assets - Housing Properties

Cost

At 1 April 2023	4,728,271	4,616,971
Prior year adjustment	-	1,407
Other additions (components replaced)	85,089	194,622
Disposals	(45,007)	(84,729)

At 31 March 2024	<hr/> 4,768,353	<hr/> 4,728,271
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Depreciation

At 1 April 2023	1,433,857	1,457,129
Prior year adjustment	-	(22,188)
Charge for the year	86,875	83,645
Disposals	(45,007)	(84,729)

At 31 March 2024	<hr/> 1,475,725	<hr/> 1,433,857
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Net Book Value

At 31 March 2024	<hr/> £3,292,628	<hr/> £3,294,414
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At 31 March 2023	<hr/> £3,294,414	<hr/> £3,159,842
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Net book value

Housing properties freehold	2,961,647	2,959,268
Housing property long leasehold	330,981	335,146
	<hr/> £3,292,628	<hr/> £3,294,414

The above schemes were completed at the beginning and end of the year.

If housing properties are disposed of, Social Housing Grant in most circumstances is either repayable to the Regulator of Social Housing or may be retained in a separate recycled capital grant fund for future development work. Depreciation is charged on housing properties in accordance with accounting policy 1(c).

BROCKLEY TENANTS CO-OPERATIVE LIMITED

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

11 Other Fixed Assets

	Freehold office	Office improve- ments	Office Equipment	Total
	£	£	£	£
Cost				
At 1 April 2023	25,630	84,607	33,470	143,707
Additions during year	-	-	4,315	4,315
Disposals	-	-	-	-
At 31 March 2024	<u>25,630</u>	<u>84,607</u>	<u>37,785</u>	<u>148,022</u>
Depreciation				
At 1 April 2023	8,970	82,317	32,035	123,322
Charge for year	272	120	300	692
Disposals	-	-	-	-
At 31 March 2024	<u>9,242</u>	<u>82,437</u>	<u>32,335</u>	<u>124,014</u>
Net book value				
At 31 March 2024	<u>£16,338</u>	<u>£2,170</u>	<u>£5,450</u>	<u>£24,008</u>
At 31 March 2023	<u>£16,660</u>	<u>£2,290</u>	<u>£1,435</u>	<u>£20,385</u>

BROCKLEY TENANTS CO-OPERATIVE LIMITED**Notes to the Financial Statements for the year ended 31 March 2024**

	2024	2023
	£	£
12 Debtors		
Amounts falling due within one year:		
Rental debtors - Housing accommodation	66,408	58,337
Less: Provision for bad debts	(48,886)	(42,449)
	<u>17,522</u>	<u>15,888</u>
Prepayments and accrued income	14,413	16,616
Hexagon Housing Association	23,456	13,446
Other debtors	-	2,940
	<u>£55,391</u>	<u>£48,890</u>
13 Creditors: amounts falling due within one year		
Housing loans - (repayable within one year) – see note 14	-	12,607
Trade creditors - Hexagon	149,590	64,692
Trade Creditors – Others	73,426	85,723
Trade creditors (rents prepaid)	66,782	66,039
Accruals	11,530	60,409
Other creditors	3,040	992
Taxation and social security payable	11,087	4,738
Corporation tax payable	-	-
	<u>£315,455</u>	<u>£295,200</u>
14 Creditors: amounts falling due after more than one year:		
Housing loans see (note below)	Nil	Nil

All loans were loans from Orchardbrook Limited and were secured by specific charges on some of the Co-operative's properties and were repayable at a fixed rate of interest of 15.875% by instalments. The Orchardbrook loan was repaid in May 2023 and the mortgage premium payment of £15,331 has been charged in the income and expenditure account on page 8.

15 Social Housing Grant – Deferred Income		
At 1 April 2023	2,002,058	2,034,657
Less: Grant amortised transfer income account (note 2)	(32,599)	(32,599)
	<u>£1,969,459</u>	<u>£2,002,058</u>
At 31 March 2024		

BROCKLEY TENANTS CO-OPERATIVE LIMITED

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

	2024	2023
	£	£
16 Revenue Reserves		
At 1 April 2023	2,202,451	1,959,631
Surplus for year	49,846	219,225
Prior year adjustment – note page 8	-	23,595
Transfer share capital - note 18	-	-
At 31 March 2024	<u>£2,252,297</u>	<u>£2,220,451</u>
17 Grant Restricted Funding Reserve		
At 1 April 2023	-	5,760
Grant received	-	-
Expenditure incurred (accounts page 8)	-	(5,760)
At 31 March 2024	<u>Nil</u>	<u>Nil</u>

On 24 November 2020 Brockley Tenants Co-operative (BTC) entered into a grant funding arrangement with Community Led Housing London. The purpose of the agreement was for Community Led Housing to provide assistance for BTC to explore the possibility of purchasing 5 units of property, which are already built or part of a development nearing completion. The timeframe for the delivery successfully completed will enable BTC to obtain grant of £8,640 by April 2021 and a further grant of £11,520 by 1 July 2021 with a final grant of £12,000 by 1 July 2022 making a total of £32,160. However, Community Led Housing could require part or all of the grant to be repaid to them if in their opinion satisfactory progress has not been made. On 23 September 2023 Community Led Housing confirmed this project had ended and no funds were due to them.

18 Share Capital		
Allotted issued and fully paid (non-equity shares of £1 each)		
At 1 April 2023	217	217
Issued during the year	4	-
Shares surrendered - transfer Revenue Reserves note 16	-	-
At 31 March 2024	<u>£221</u>	<u>£217</u>

Each member of the Committee of Management holds one share of £1 in the Co-operative.

The shares issued to members do not qualify for dividend payments, are not repayable, and do not entitle the holder to anything on a winding up. All shares have equal voting rights.

BROCKLEY TENANTS CO-OPERATIVE LIMITED

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

	2024 £	2023 £
19 Capital Commitments		
Capital expenditure that has been contracted for but has not been provided for in the financial statements	NIL	NIL
	<hr/>	<hr/>
Capital expenditure that has been authorised by the Committee of management but has not yet been contracted for	NIL	NIL
	<hr/>	<hr/>
20 Contingent Liabilities		
There were no contingent liabilities at the balance sheet date.		
Under certain conditions, primarily the sale of a dwelling, the Regulator of Social Housing can direct the Co-operative to recycle Social Housing grant or to repay the recoverable Social Housing capital grant back to them. Where the grant is recycled the recoverable capital grant is credited to a recycled capital grant fund where it can remain for up to three years and can be used for projects approved by the Regulator.		
21 Related Parties		
All members of the management committee are tenants of the Co-operative. The tenancies are on normal terms and the committee members cannot use their positions to their advantage.		
22 Legislative Provisions		
The Co-operative is registered under the Co-operative and Community Benefit Societies Act 2014. (The status of the Co-operative is as a "Registered Society")		

BROCKLEY TENANTS CO-OPERATIVE LIMITED
Analysis of Management Costs for the Year Ended 31 March 2024

	2024	2023
	£	£
1. Management and administration		
Wages and salaries	179,892	165,871
Employers NI	18,653	17,990
Pensions	9,451	7,456
Staff recruitment	-	1,440
Staff training and welfare	4,750	906
Staff travel and mileage and other costs	245	271
Rates and water	373	916
Repairs	1,763	4,339
Security	-	3,836
Light and heat	2,405	2,955
Cleaning	2,421	3,528
Telephone	5,080	5,163
Bank charges	256	1,086
Subscriptions	2,921	4,005
General insurance	6,595	5,905
Committee training and expenses	5,248	2,027
Postage, stationery and supplies	2,490	1,230
Photocopier	2,622	2,505
Advertising	3,085	591
Computer software & consumables	6,796	7,241
Sundry expenses	530	3,685
Co-op Celebrations	6,213	-
Sundry furniture costs	-	352
Garden expenses	-	353
Reporting Accountant's fees	5,030	4,750
Legal and professional fees	18,806	11,905
Legal fees – housing	10,848	3,298
Rent collection costs	151	1,339
Grant for participation group	3,272	-
Office & equipment depreciation	692	953
	<hr/>	<hr/>
	300,588	265,896
2. Routine maintenance – direct costs		
Day to day maintenance including gas repairs	195,499	131,655
Void property costs	25,691	-
Gas servicing	25,338	16,474
	<hr/>	<hr/>
	246,528	148,129
	<hr/>	<hr/>

This page does not form part of the statutory financial statements.

BROCKLEY TENANTS CO-OPERATIVE LIMITED**Analysis of Management Costs for the Year Ended 31 March 2024 (continued)**

	2024	2023
	£	£
3. Other estate costs		
Property insurance	27,127	13,623
Council tax empty properties	673	-
Other costs	163	257
	<u>27,963</u>	<u>13,880</u>
4. Major repairs	<u>nil</u>	<u>nil</u>
5. Planned maintenance		
Planned repairs	nil	1,260
6. Cyclical decorations and repairs	<u>5,500</u>	<u>-</u>
7. Service costs		
Landlord's lighting	2,367	2,138
8. Housing properties depreciation		
Gross depreciation properties	86,875	83,645
9. Rent losses from bad debts – 2023 net credit	<u>6,437</u>	<u>(14,340)</u>
Allocated as to:		
Social Housing Lettings (see note 2a)	469,403	337,161
Management Services (see note 2b)	206,855	163,447
Total of notes 1 to 9 on pages 21 and 22.	<u>£676,258</u>	<u>£500,608</u>

This page does not form part of the statutory financial statements.

BROCKLEY TENANTS CO-OPERATIVE

Notes on the accounts for the year to 31 March 2024

The accounts for the year to 31 March 2023 show that the surplus for the year of £49,846 is down on the 2023 surplus of £219,225 due mainly to the increase in management and maintenance costs and the increase in the Hexagon activity deficit from £19,635 to £41,270 and also paying a premium payment of £15,331 on the early redemption of its housing loan. The 2024 surplus is after charging housing properties depreciation of £86,875 and crediting grant amortised of £32,599 and similarly the 2023 surplus is after charging housing properties depreciation of £83,645 and crediting grant amortised of £32,599. So, except for depreciation and grant amortised the 2024 surplus would have been £104,122 compared to £270,271 in 2023 as shown below.

The main feature of the Statement of Financial Position on page 9 is that the cash and cash equivalents has increased by £29,168 from £1,136,237 in 2023 to £1,165,405 in 2024. The main reason for this is as follows:

	2024 £	2023 £
Increase in cash and bank due to surplus for year	49,846	219,225
Add: depreciation which does not affect the Cash balances (see accounts page 13)	86,875	83,645
Less: grant amortised which does not affect The cash balances (see accounts page 13)	(32,599)	(32,599)
Cash increase from revenue transactions	104,122	270,271
Less: Expenditure on components in 2024	(85,089)	(194,622)
Less: Expenditure on Other Fixed Assets	(4,315)	(611)
Less: capital repaid on the housing loans	(12,607)	(105)
Add: Depreciation on other fixed assets	692	953
Other changes mainly due to changes In debtors and creditors (See sch on page 2)	26,365	46,378
Increase in cash and bank	£29,168	£122,264

The changes in debtors and creditors also affects the cash and bank balances. A reduction on debtors increases the cash and an increase in debtors decreases the cash. Similarly, with creditors an increase in creditors increases the cash and a decrease in creditors decreases the cash. On page 2 it shows the main changes in debtors and creditors in the year to 31 March 2024.

BROCKLEY TENANTS CO-OPERATIVE

Notes on the accounts for the year to 31 March 2024 (continued)

The changes in debtors and creditors at 31 March 2024 are as follows:

Reduction in cash due to Hexagon debt increased (£23,456 - £13,446)	(10,010)
Increase in cash to net reduction in other debtors	3,509
Increase in cash due to increase in amount Owed to Hexagon (£149,590 - £64,692)	84,898
Decrease in cash due to other creditors reduced (mainly window accruals)	(52,036)
Share Capital	4
	<hr/>
Net Increase in cash	£26,365
	<hr/>

In 2023 and 2024 the surplus generated from the revenue transactions was more than enough to cover the cost of replacing the components. However, in 2024 an extra £12,607 was used to repay its housing loan in full but in doing so BTC also had to pay a mortgage premium payment of £15,331.

At 31 March 2024 the Co-operative's net current assets increased from £889,927 to £905,341 which shows the Co-operative's ability to pay its debts. (See the 2024 accounts page 9) This is the important figure in the accounts not merely the bank balances figure. However, a lot the money generated from the revenue transactions in 2024 was used to fund the replacements of the new components amounting to £85,089. This amount is made up of Kitchens £28,130, Bathrooms £9,515, Boilers £14,033, Windows £24,053 and roofs £9,358.

In conclusion a satisfactory year financially.