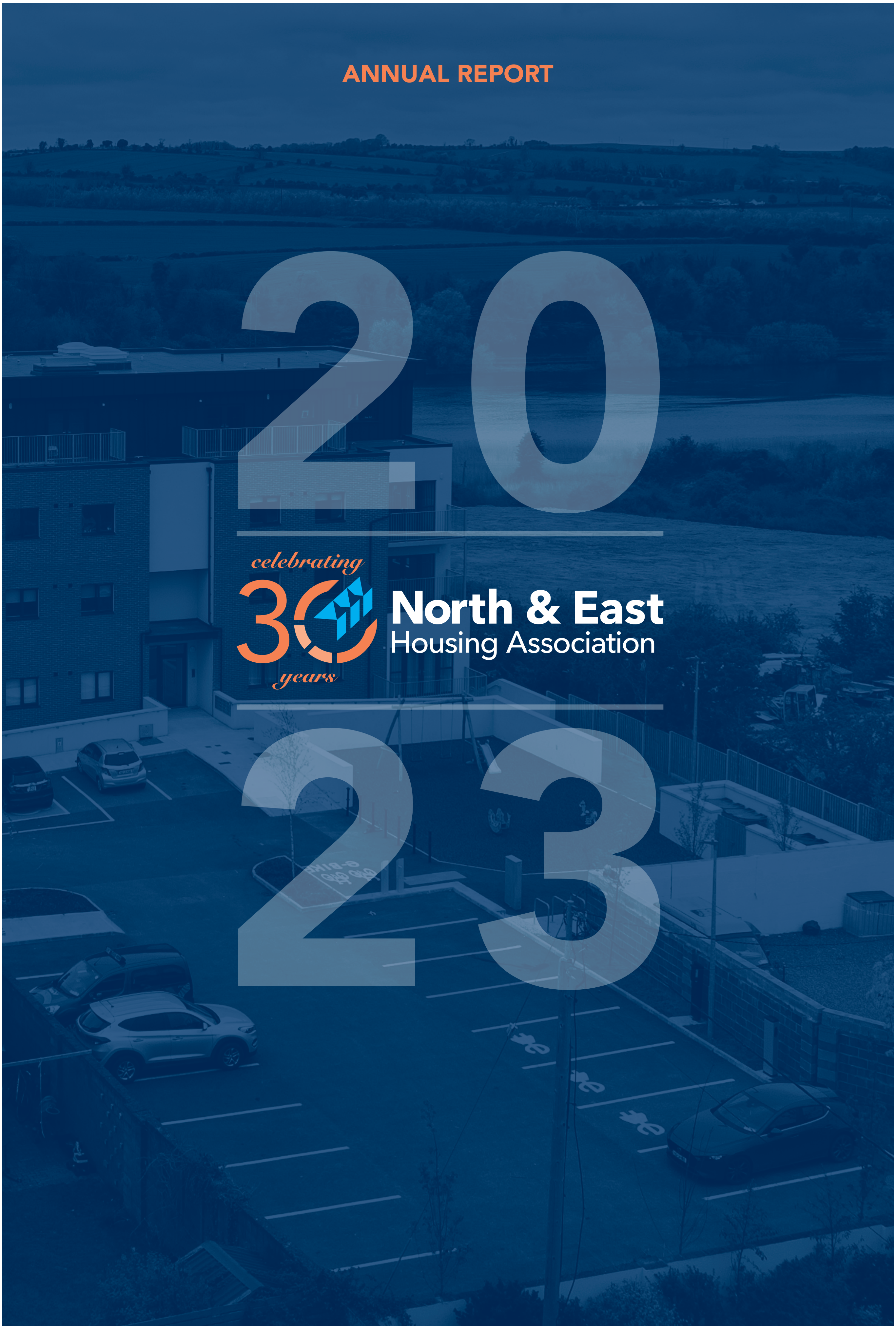
ANNUAL REPORT

2023

celebrating 30 years

North & East Housing Association



2023 OUR

TENANTS
COMMUNITIES
HOMES
GROWTH
OPPORTUNITIES
PARTNERSHIPS
SUSTAINABILITY
TRANSPARENCY
INNOVATION
PASSION

celebrating 30 years

North & East Housing Association

CONTENTS

LEGAL STATUS AND ADMINISTRATIVE DETAIL

North & East Housing Association (NEHA) is a company limited by guarantee, without a share capital, under the Companies Act 2014. It was incorporated on 14 January 1993 and our registered number is 197791. NEHA was granted charitable status for taxation purposes by the Revenue Commissioners. Our charity number is CHY 10970, and we are registered with the Charities Regulation Authority, number CRA 20029074. All income is exclusively used to promote the charitable objectives of the company.

Our registered office is 287, Block G, Blanchardstown Corporate Park 2, D15 P229.

SOLICITORS

Beauchamps, Riverside, Two Sir John Rogersons Quay, Dublin 2

Ryans Solicitors, 46 Harrington St. Portobello, Dublin 8

BANKERS

AIB Bank, Baggot Street, Dublin 2

Bank of Ireland, Baggot Street, Dublin 2

Housing Finance Agency (HFA),
46 St. Stephen's Green, Dublin 2

EXTERNAL AUDITORS

Grant Thornton, 13-18 City Quay,
Dublin Docklands, Dublin 2

INTERNAL AUDITORS

Mazars, 3 Harcourt Centre, Harcourt Road,
St. Kevin's, Dublin 2

DIRECTORS

The directors serving during the year and since year end were as follows:

- John Cunniffe, chairperson
- Maurice O'Neill, secretary
- Pat Lennon
- Sean Staunton
- Patricia Cleary
- Vince Harney – until April 2023
- Rosalind Carroll
- Hugh Moulton
- John Ryan – until February 2023

OUR CHAIRPERSON'S REPORT

It is with immense pride that I present the Chair's report for North & East Housing Association (NEHA) for 2023. This year marks a significant milestone as we celebrate our 30th anniversary, reflecting on three decades of providing quality, secure, and affordable housing to families and individuals in the northeast regions of Ireland.

Since our inception in 1993, NEHA has grown from a small group of volunteers into a prominent housing association, managing 745 homes across twelve local authority areas. NEHA remains a financially stable organisation, adhering to robust governance practices. Our surpluses are reinvested to further our social objectives, ensuring the long-term viability of our mission.

STRATEGIC PRIORITIES AND ACHIEVEMENTS

- **Digital Transformation:** In 2023, we embarked on a transformative journey to modernise our technology infrastructure led by our newly appointed digital services manager. This will result in organisational efficiencies and benefits to our tenant-facing services, enhancing the overall tenant experience.
- **Tenant Engagement:** We recognise the importance of tenant voices in shaping our services and to this end, we appointed our first tenant engagement lead. We will continue to create opportunities for tenants to actively participate in improving their homes, services, and communities.
- **Award-Winning Development:** Our commitment to providing quality homes was recognised once again with the Chartered Institute of Housing Social Housing Development of the Year award for our Collier's Place development in Duleek, County Meath. This achievement follows our success in 2022 with the same award for Tooting Meadow in Drogheda.

CHALLENGES AND FUTURE OUTLOOK

The housing landscape in Ireland continues to evolve, presenting both challenges and opportunities.

- **Collaboration:** We actively seek collaborations with care and support providers, other Approved Housing Bodies (AHBs), and government entities to expand our capacity, enhance services, and achieve economies of scale. We believe that strategic partnerships are key to addressing the complex housing challenges facing our society.
- **Regulatory Compliance:** We embrace the statutory housing regulation framework and are compliant with the Charities Regulator Governance Code.
- **Modernisation:** We will continue to invest in digital transformation and explore innovative solutions to enhance our operational efficiency and the quality of our services.

I would like to acknowledge the valuable contributions of Brendan McGinley (Property Services Manager) and Pio Murtagh (CFO), who departed NEHA in 2023 after many years of dedicated service. We wish them well in their future endeavours. I also extend my sincere gratitude to our dedicated board members, staff, volunteers, tenants, partners, and stakeholders for their unwavering support.

I am proud of our achievements in 2023 and excited about the opportunities that lie ahead.

John Cunniffe
Chairperson

OUR CEO'S REPORT

2023 marked another great milestone in North & East Housing Association's history as we celebrated our 30th anniversary. Over the last three decades, both Ireland and housing in Ireland have undergone significant change and development and NEHA has kept pace with that change. It falls to our leadership to evolve and to ensure we meet the challenges ahead and deliver on our mission of delivering good quality homes and reliable services to our tenants.

During the year we commenced a review of our IT resources, including staff skillsets. This led to the development of a digital roadmap prepared and executed by the newly-appointed digital services manager. The most obvious result has been the automation of several functions internally with the view to continuing this work into our tenant-facing services.

We were also pleased to recruit our first tenant engagement lead to support our tenant engagement strategy. This will remain a key focus of our work in the coming years as we provide opportunities for our tenants to engage with us and help to improve our homes and services and to enhance communities for everyone's benefit.

NEHA provided 31 new homes in 2023 bringing our stock to 745. We were delighted to win the Chartered Institute of Housing Social Housing Development of the Year for the second year in a row. This year it was for our development in Collier's Place, Abbey Road, Duleek, County Meath. In 2022 we won the same award for Tooting Meadow, Drogheda.

NEHA's strategic plan sets out our commitment to explore collaboration opportunities in several areas. Firstly, with care and support providers who require housing for their clients but do not have the housing skill set to provide or maintain homes. We have developed partnerships with a number of these service providers and continue to seek and facilitate these arrangements. We are in discussions with several small tier 1 approved housing bodies (AHBs) who are considering the transfer of stock as their boards age and the regulatory environment becomes more challenging. We continued our work with another, similar, AHB in 2023 to progress a potential amalgamation. The aim of these collaborations is to increase the capacity in developing new homes and the best services to our tenants while achieving economies of scale. It is clear to us that to give effect to these collaborations, government policy to support these initiatives must be developed.

Finally, we made a number of changes to our management team during the course of the year. After nearly nine years of service, Brendan McGinley (property services manager) and Pio Murtagh (CFO) moved to pastures new and I would like to acknowledge their contribution to NEHA's development and wish them every success in the future.

Vincent Keenan
CEO

OUR STORY

Early Board members of North & East

In the early 1990s, a group of friends began discussing the issue of housing and the difficulties those on low incomes faced in securing an affordable home. Many more discussions followed along with the growing realisation that perhaps they could do something to help. The extraordinary outcome of their efforts was the incorporation of North & East Housing Association in January 1993. 30 years later NEHA provides 745 homes in 27 locations across 12 local authority areas.

During those three decades, we have grown deep roots with our tenants, families, and communities. As they have grown, so have we, changing and developing way beyond the expectations of the early board members. But the values instilled in the early day of the organisation of being tenant-centred, transparently governed and innovative remain and still hold true today.

In the early years, the association's work was carried out by the volunteer board of directors with the first staff employed in 2004. However, the board quickly realised that to continue to grow it would be necessary to move from a volunteer-run to a professional management team-run organisation. In 2014 the board appointed a chief executive and the appointment of a senior management team soon followed.

Since its inception, NEHA has grown steadily and prudently, developing its portfolio of homes, and managing and maintaining them to the highest standards. NEHA plans to fund future growth in new homes using the government-backed Capital Assistance Scheme (CAS) and Capital Advance Leasing Facility (CALF) supported by loans from the Housing Finance Agency (HFA) and Credit Union vehicles and other private lenders.

In recent years, the provision of housing has come under even closer scrutiny from key stakeholders to deliver secure, safe and high-quality housing in the long-term. NEHA was an early adopter of the Voluntary Housing Code and continued this proactive approach with the appointment of a dedicated compliance officer who oversees regular reviews of the codes of both the Charities Regulator and the statutory Approved Housing Bodies Regulatory Authority (AHBRA).

Our aim has always been for our tenants to live in homes and communities they can be proud of, and this has always been a core pillar of our strategy regardless of the changing external environment. We remain grateful to our current and former board, staff, tenants, and partners for helping us to realise this vision.

OUR FUTURE

While we are rightly proud of our past, the story of NEHA is primarily about ensuring we continue to provide the homes and services that our tenants deserve and that they can trust us to deliver. In common with all social housing providers, NEHA is facing into an era of unprecedented challenges balancing our fundamental commitment to continue to supply and manage much-needed social homes while dealing with challenges related to financing, supply, environmental and customer expectations. To grow and develop, we need to consider both proven and innovative methods in the interest of our tenants.

The association welcomed the Department of Housing, Local Government and Heritage's (DHLGH) completion and launch of revised Capital Advance Leasing Facility under the Housing for All plan during Q2 2023, in terms of promoting a supply pathway in local authority partner areas that were previously presenting a viability challenge owing to the modelling link to open market rents in those locations. The review of this pathway has assisted our strategy from 2020 to 2024 in present operational areas, particularly areas outside the greater Dublin area and border regions. We maintained our strategic objectives offering to tenure provision for older persons and people with disabilities, partnering with agency and service providers in these tenure areas. To facilitate continued development supply of social housing need and growth through potential collaboration areas, NEHA has adopted a partnership approach in locations where cost rental opportunities are presenting on mixed tenure developments. We welcomed the supply and viability and improvement areas made by the DHLGH during the second quarter of 2023, and we will continue to assess and adapt to its potential to output under cost rental supply. NEHA continues to participate and lead in policy review areas and in chairing the ICSH Development & Supply Working Group.

Digital solutions have huge potential to transform processes and increase efficiency to enable AHBs to focus on their core aims – providing safe, high-quality homes to those who need them. In recent years NEHA has progressively moved forward with implementing new IT systems, structures, and policies relative to the association's purpose, requirements and current scale. With the assistance of our IT partners we have significantly transformed our IT infrastructure and landscape.

In 2023 NEHA took the next step in this process and embarked on the journey towards digital transformation with the appointment of a digital services manager. Over the next few years, we will be responding positively to changing customer expectations, improving efficiencies and making our processes more agile and adaptable.

OUR FUTURE

All this will be done after consultation with our tenants and staff to ensure their needs are met.

Our commitment to the highest standards of governance extends to all areas of the organisation and in 2023 we reviewed our procurement processes and commenced a whole-of-organisation approach to drafting a procurement strategy. We reviewed how we currently run our procurement function across departments to ascertain what we are currently doing, what outcome we require and what this involves. We have liaised with the Housing Agency and will seek to appoint a procurement consultant in the coming months. This work will also include the development of a contractor register and contract management policy for the whole organisation.

The changing environment in which AHBs now operate, includes the increase in legal, regulatory and financial requirements. This landscape requires new and innovative approaches to delivery. As part of our Strategy we will continue to investigate collaboration opportunities with like minded organisations with a view to increasing our development capacity and providing a broader range of tenant services. As with all of our initiatives the well-being of our tenants will remain at the heart of any such plans and developments.

All these goals and ambitions are only achievable with the ongoing support of our external partners. We very much appreciate the support of the Department of Housing, Local Government & Heritage (DHLGH), the HFA, the Housing Agency and all our local authority partners. We also thank the external consultants who support us in achieving our operational objectives.

An Roinn Tithíochta,
Rialtais Áitiúil agus Oidhreachta
Department of Housing,
Local Government and Heritage

HFA
An Ghníomhaireacht
Airgeadais Tithíochta
Housing Finance Agency

An Ghníomhaireacht
Tithíochta
The Housing Agency

OUR YEAR AT A GLANCE

WINNER
CIH Best Housing Development award for Duleek, Co. Meath

745
homes in management

€2,666,486
rent collected

4,453
calls received by our Tenant Support Desk

965
work orders logged

30
positive reviews received

6
complaints logged and resolved

	2022	2023
TURNOVER	€6.5m	€7.77m
FIXED ASSETS	€69.2m	€77.8m

€1,107,110
spent on repairs

average cost of repairs
€517

3 new roles created – digital services manager, property & facilities officer and tenant engagement lead

OUR HOMES

Delivering and maintaining our homes requires a team effort and involves our development, property services and tenant services teams. In 2023 NEHA provided 31 homes to families and individuals in counties Kildare, Louth, Monaghan, and Dublin. Several additional homes were deferred to 2024 owing to delays associated with marketplace volatility. New homes have commenced at key locations, such as the delivery of 22 homes across three locations in Co. Cavan.

This year also offered major opportunities alongside the challenges. We continue to explore new partnerships and opportunities for housing innovation and supply and NEHA continued to build upon and develop key supply relationships. New business development activity was established during the year in counties Cavan, Monaghan, Kildare, Laois, Louth, Meath, and Westmeath local authority areas. Supply partnership discussions were initiated and advanced with several housing suppliers at different levels of scale and approach, with a strong emphasis on brownfield and repurposing/regeneration in provincial high street locations and development with proximity to town centre amenities. This is how we have been promoting sustainable communities in terms of tenure mix, access to and supporting town and village centres and reduction on carbon footprint through accessibility to existing/improving public transport links.

NEHA continued to progress our supply locations under employer led construction in progressing though Capital Assistance Scheme stages, including part 8, and design team appointment at two locations with Fingal County Council. We progressed a service level arrangement to manage and deliver under the Capital Assistance Scheme a further location under the Town Centre Living initiative, in partnership with Monaghan County Council.

In terms of five-year strategy objectives and planning for future strategy in the areas of growth, required resources and approach, NEHA completed an internal development resource benchmarking review, focusing on required resources to prosecute the current and future strategies. This included consideration of more competitive and efficient supply approaches to include the area of forward funded development agreements as a hybrid approach to supply. 2023 was further utilised to implement the development function policy, procedure and process suite, to ensure continued good governance, best practice and adherence to regulatory frameworks.

The homes delivered by the association require careful stewardship and the asset management of

OUR HOMES

NEHA's housing stock is the responsibility of our property services team and it includes technical oversight and due diligence of all new builds and acquisitions. The team also manages the responsive repairs service which is one of the most important services we provide and is the most common reason for tenant-initiated contact.

North & East's Asset Management Strategy sets out a framework for providing an efficient and cost-effective service to our tenants whilst at the same time allowing for meaningful engagement with our tenants in a manner that suits them. The strategy also outlines our approach to ensuring that we continue to develop new homes and maintain our existing homes to a high standard. Sustainability is at the core of the strategy, and we are committed to investing in energy efficiency measures and initiatives that reduce the incidence of fuel poverty for our tenants and reduce the environmental impact of our work.

One element of the overall strategy is the undertaking of an energy audit of our stock which will lead to the development of an energy strategy. The data collection element of the audit was conducted with the assistance of the SEAI and is now substantially complete. This data includes details of the energy and carbon dioxide performance of each home to allow us to show potential reduction improvement works could achieve. Carbon dioxide performance is of particular importance with the recast of the Energy Performance Directive changing focus from energy to carbon given the climate emergency.

Another key element of our strategy is reviewing annual maintenance repairs and expenditure to highlight repairs trends to inform decisions on planned maintenance and to take a 'spend to save' strategy where it is deemed economically advantageous.

During the year, NEHA developed a new role for a property and facilities officer and an appointment has been made. The officer manages the estate management and facilities management of all NEHA

OUR HOMES

housing stock, including offices. The inspections undertaken in our apartment blocks are effectively a safety checklist including a visual inspect of fire safety equipment in apartment schemes in order that NEHA complies with the performance standards in relation to health and safety of tenants in our homes.

While these houses and apartments are our assets, we are conscious that we are delivering homes not units. Delivering a quality customer service to our tenants involves maintaining our homes to a high standard by delivering the completion of timely response repairs, annual servicing programmes, planned maintenance, voids works and stock condition surveys. We understand that repairs are important to our tenants and we want to get it right first time.

In 2023 we received a small number of complaints from our tenants, the main themes of which were about lack of communication throughout the repairs journey, repairs not being completed on time and the overall length of time it took for repairs to be completed. Lessons from the complaints we upheld in 2023 reinforced the need for maintaining a personalised service to our tenants as well as the importance of regular dialogue with them. The development of *A Tenant Support Desk Handbook* served to underpin our intent to deliver a repair reporting service which would satisfy both tenants and the requirements of regulation. As a result, in snapshot, an average of 86% of tenants surveyed expressed satisfaction with the repairs process co-ordinated through the support desk. In addition, the adoption of an approach aimed at resolving any query at first point of contact reduced the number of complaints quarter on quarter by year end.

OUR COMMUNITY

NEHA's strength has always been our people – our tenants, our board, and our staff. We rely on our people supported by our systems and processes to deliver our mission of providing high quality homes and supports for our tenants. We are proud of our tenants, staff and board for the passion and commitment they show to NEHA.

TENANTS

Looking back over the year, our Tenant Services Team and our Property Services Team continued to work together to deliver safe, well-maintained homes and customer focused, equitable and efficient services to our tenants. Everything we do has this at its core. To inform this work we developed a *Set of Working Standards* to guide the professional practice of team members. These developments were further enhanced with external Chartered Institute of Housing (CIH) engagement throughout the year.

As a medium-sized approved housing body (AHB), we benefit from knowing our tenants well and endeavour to provide them with a personalised housing management service. Typically, during 2023, each housing officer managed an average caseload of 350 tenancies. Even so, we increased our visibility on the ground by introducing joint estate inspections and encouraging tenant participation. We also continued to visit tenants in their homes, to enhance our understanding of what mattered to them and how we could provide more targeted support. By involving tenants in these ways, housing officers were better positioned to report back on issues such as repairs, fly tipping and untidy gardens and inform holistic responses.

To this end, we carried out a full review of our anti-social behaviour (ASB) policy and procedure and reinforced our commitment to working with the Gardaí, local support agencies and local authorities to ensure ASB cases were dealt with quickly. We put plans in place to ensure that all cases were captured and managed effectively as soon as we were made aware of them. In this way, we improved our ability to reduce the distress ASB activity was causing.

Furthermore, we exited 2023 in a better position in terms of arrears management overall than the same period in 2022 as a result of the effort of the tenant services team and positive engagement with the arrears management pathway (including RTB case management). The requirements of regulation were achieved through the streamlining of the annual re-registration process, as well as centralising the registration of new tenancies and de-registration of old.

Feedback from our tenants is important as we strive to continually improve all areas of our services and we wish to acknowledge the support of our tenants who shared their time, thoughts, and

OUR COMMUNITY

experience with us. During 2023, we contacted a sample number of tenants to gauge opinion on and experience of our allocation process and repairs service with satisfaction ratings of 83% and 96% respectively.

As well as conducting small sample tenant satisfaction surveys such as these, we listened and learned from our tenants to every interaction with had them.

In June we were delighted to recruit a new role of tenant engagement lead. This role will work alongside our tenants to both encourage and assist their involvement within the organisation. This will include a menu of options - a range of activities in which tenants might like to play a part such as setting up a residents association and/or being a member of a tenant advisory group and/or setting up community days or being involved in estate walkabouts with the housing team. We look forward to expanding the range of engagement opportunities for our tenants in the coming years.

STAFF

NEHA is committed to operating as a high-performance organisation that empowers and supports its people. The organisation's professional and highly motivated team brings a wealth of experience from both not-for-profit and private sectors.

2023 was a challenging year for recruitment, none the less we recruited and inducted nine new staff members to the organisation. All new employees complete a suite of mandatory training as part of their induction and onboarding. On completion of probation all new employees have the option of joining the Chartered Institute of Housing thereby availing of additional training and information opportunities within the wider sector. The association also provided ongoing compliance training and periodic briefings for all employees ensuring they are up to date with legislative requirements and other compliance matters.

OUR COMMUNITY

In 2023 our annual Personal Development Plan process was reviewed by external consultants and the updated version will be rolled out in 2024 helping us to further support our employees in their career development.

Significant investment was made in technology during the year to streamline operations, enhance productivity and increase staff engagement. Our newly-appointed digital services manager developed a digital self-assessment survey for all staff that gave a clear overview of our employees' IT skills and approach to IT generally. The assessment provided us with a clear insight into gaps and feeds into our digital transformation roadmap going forward.

A new centralised HR system, HR Locker, was procured towards the end of 2023. This new system offers a more streamlined approach to HR in terms of the various day-to-day HR processes.

During the year, staff availed of a variety of training opportunities including annual refresher training in areas including GDPR and Health & Safety and more specialised training in areas such as tenant engagement, accounting and finance and child protection. Staff were also given the opportunity to attend conferences relevant to their jobs and participate in committees and forums in the wider housing sector.

The physical and mental health of employees is vitally important to NEHA. We operate three sub-offices in Dundalk, Kells and Rush and during the year we began the process of reviewing and upgrading these offices to ensure our staff have an optimum set-up, whichever office they work in.

Employees and their immediate families are provided with access to an Employee Assistance Programme with confidential counselling and other support services, including wellness. Our newly appointed health and safety consultant reviewed and updated our health and safety statement, and a suite of training sessions was developed to be rolled out to staff in 2024. This work was supported by our staff on the Health & Safety Committee.

OUR COMMUNITY

Name	Board Member	Board Meetings	Risk & Governance	Development & Property Services	Finance, Investment & Audit	People Resources	Tenant Services	Collaboration
John Cunniffe	Yes	7 of 8				4 of 4		11 of 11
Sean Staunton	Yes	7 of 8	5 of 5		5 of 5			
Pat Lennon	Yes	7 of 8		4 of 4			3 of 4	
John Ryan	Yes	0 of 1				0 of 1		
Maurice O'Neill	Yes	8 of 8		4 of 4				
Patricia Cleary	Yes	8 of 8		4 of 4	5 of 5		4 of 4	
Vince Harney	Yes	2 of 2				1 of 1		
Rosalind Carroll	Yes	7 of 8	5 of 5					11 of 11
Hugh Moulton	Yes	7 of 8				3 of 3		11 of 11

BOARD

NEHA is governed by a board of non–executive directors whose responsibilities include:

- Strategic direction
- Financial management
- Risk management
- Monitoring of performance
- Ensuring good governance

The board delegates the day-to-day operation of the organisation to the CEO, who is not a member of the board. The CEO manages the operation of the charity with delegated responsibility to staff.

Our board members bring a mix of professional skills and knowledge to our organisation, which benefits from their strategic, legal, financial, asset management, development and housing experience. Board members' biographies are available on https://www.northandeast.ie/about-us/our-people

During the year we identified two new potential board members who have now begun their introduction and induction process to the board. This process is a comprehensive one and areas covered include governance, and financial and operational information. Tours of NEHA developments are key to our induction process, giving our new board members an insight into where we operate. All board members have access to relevant training programmes and their ongoing training requirements are kept under review.

In 2023 Board members undertook training in areas including governance and regulation.

The board and the committees are supported by a suite of policies and procedures which provide a formal, structured framework for decision-making. These are regularly reviewed and updated.

To manage any conflicts of interest that may arise, all members complete and update their Declaration of Interests form on an annual basis. Conflicts of interest are a standing item on every committee and board meeting agenda and any such declarations are noted in the meeting minutes and in the overall Register of Declarations of Conflicts of Interest.

We are committed to having an effective and transparent board and in 2023 we agreed the terms of reference for an external review of board effectiveness to take place in 2024. This review will consider areas such as board diversity, board development and the development of ESG reporting.

celebrating 30 years

North & East Housing Association

2012
17 homes in Stamanaran, Blockrock, Co. Louth
21 homes in Goldenridge, Rush, Co. Dublin

2011
10 homes in The Gallery, Donabate, Co. Dublin

2010
101 homes on behalf of South Dublin Co. Council

2007
16 homes in Saltown, Dundalk, Co. Louth

2004
43 homes in An Chearnog, Dundalk, Co. Louth

2002
22 homes in Seaview Grove, Laytown, Co. Meath

2000
22 homes in Blackthorn Grove, Kells, Co. Meath

1995
12 homes in Killegland, Ashbourne, Co. Meath

1993
North & East Housing Association is incorporated

TEN

TWENTY

2023
30th Anniversary

2022
Roll-out of tenant portal with Payzone payment facility and accessibility software on website to enhance tenant experience

2021
First IT strategy developed

2020
Royal Institute of Architects (RIAI) People's Choice Award for Tooting Meadow, Drogheda, Co. Louth

2019
Tenant Engagement Strategy launched along with first comprehensive survey of tenants

2018
25th Anniversary

2017
24 homes in North Co. Dublin

38 homes in Lough na Glack, Carrickmacross, Co. Monaghan

2016
29 homes in Ardmore, Bettystown, Co. Meath

45 homes in Goldenridge, Rush, Co. Dublin

2015
22 homes in McArdle Green, Drogheda, Co. Louth

2014
4 homes in Carrick Street, Kells, Co. Meath

Future plans

- New Strategic Plan
- New Tenant Engagement Strategy
- Digital Transformation Strategy
- Increased collaboration opportunities
- Support and develop our people

THIRTY

OUR FUTURE

The Meadows, Drybridge, Co. Louth

OUR DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The directors present their annual report and the audited financial statements for the year ended 31 December 2023.

PRINCIPAL ACTIVITIES

North & East Housing Association exists to provide high quality, secure and affordable housing, appropriate to the needs of families and individuals in the north eastern regions of Ireland. We support thriving communities here through quality housing and continuing support for our tenants. We are a values-based organisation and a not-for-profit business with social objectives, which means that any surpluses are reinvested in the organisation and in the provision of housing.

2023 was a significant time in the history of NEHA as we celebrated our 30th anniversary. We were established in 1993 by a small group of volunteers and our growth since then has been built on a clear focus of providing quality homes for our tenants and fostering community development. By the end of 2023 we had 745 homes in management, with new homes in counties Dublin, Louth, Cavan and Kildare. We provided these homes in partnership with local authorities, Department of Housing, local government and heritage and with the assistance of government funding in the form of Capital Assistance Subsidy (CAS), Capital Assisted Lease Finance (CALF) and Payment & Availability Agreement (PAA) and with additional funding from the Housing Finance Agency (HFA) and other private finance institutions.

While celebrating our past we keep looking forward and our future plans include significant investment in improving our homes and energy efficiency as well as new projects aimed at meeting local housing needs.

Key to our future plans is the development of our digital transformation strategy. This will allow for the modernisation of our current technologies leading to increased efficiencies and a reimagining of how we can best anticipate and meet the needs of our tenants.

CORPORATE GOVERNANCE

Good governance is a priority for North & East because we know it is crucial to our continuing success and we will continue to invest resources in regularly reviewing and further developing our governance structures. The board is responsible for providing leadership, approving strategy for the company to achieve its vision and mission, reviewing the performance of our services, reviewing risk and ensuring proper compliance with required governance and legal requirements.

For the reporting year the board was comprised of nine non-executive members, (with two resignations during the year) who are drawn from a wide background, bringing together valuable expertise in a variety of areas, both professional and commercial.

The board meets regularly throughout the year and sat on seven occasions in 2023. While the board is responsible for the overall strategy and policy of the organisation, the day-to-day management is delegated to the chief executive officer, who is not a member of the board.

OUR DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The board has established six sub-committees to assist it in carrying out its responsibilities. They are:

- Risk & Governance
- Finance, Investment & Audit
- Development & Property Services
- Tenant Services & Engagement
- People Resource
- Collaboration

Each committee has clear terms of reference which are reviewed biennially to ensure they are fit for purpose. The board is provided with regular reports regarding committee activities, findings and recommendations. The board and the committees are supported by a suite of policies and procedures which provide a formal, structured framework for decision-making. These are regularly reviewed and updated.

INTERNAL FINANCIAL CONTROLS ASSURANCE

The board acknowledges its ultimate responsibility for ensuring that the association has in place a system of internal financial controls that are appropriate to the business environment in which it operates. This is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

These internal financial controls address key business, treasury and financial risks and are monitored by the CEO and CFO. They comprise:

- A clear organisational structure and well-defined management responsibilities
- Comprehensive budgeting systems with an annual budget that is approved by the board
- Regular review of actual results compared to budgets
- Defined investment control policies approved by the board
- Clearly defined risk protocols and appetite approved by the board and monitored by the Risk & Governance Committee
- External statutory auditor review and test the systems of internal financial control and the data contained in those statements to the extent necessary to express their audit opinion.

The board operates a risk mapping process both at a strategic level and with all our business operations and this is reviewed by the association's Risk & Governance Committee. New risks are reviewed by the committee and approved by the board and a deep dive into the risk register is conducted on an annual basis.

The association engages a firm of chartered accountants independent of the external statutory auditor to conduct regular internal audit reviews of the company's activities under the direction of the Finance, Investment & Audit Committee.

OUR DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

In 2023 internal audit assessments were carried out on the following areas:

- HR – operational
- Tenant services (policies)
- Regulatory reporting.

REGULATION

NEHA was designated as an Approved Housing Body (AHB) in 1993 and has adopted and supported the Voluntary Regulation Code for AHBs since its launch. Similarly NEHA is fully committed to the statutory regulation framework, has registered with the regulator and in 2023 submitted an annual monitoring tool and established processes to ensure compliance with the regulators' codes.

As a registered charity, NEHA makes an annual statutory return to the Charities Regulator and is compliant with the Charities Regulator Governance Code mandatory for all registered charities.

In 2023 NEHA also registered all of its new tenancies with the Residential Tenancies Board and submitted quarterly returns to the Lobbying Regulator.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to €223,405 (2022 - €317,095).

DIRECTORS

The directors who served during the year were:

John Ryan (resigned 17 February 2023)
John Cunniffe
Vince Harney (resigned 17 April 2023)
Rosalind Carroll
Pat Lennon
Sean Staunton
Patricia Cleary
Maurice O'Neill
Hugh Moulton

POLITICAL DONATIONS

The Company did not make any disclosable political donations in the current year.

ACCOUNTING RECORDS

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance

OUR DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

of computerised accounting systems. The company's accounting records are maintained at the company's registered office at Unit 287, Block G, Blanchardstown Corporate Park 2, Dublin 15.

EVENTS SINCE THE END OF THE YEAR

There have been no significant events affecting the Company since year end.

FUTURE DEVELOPMENTS

The Company plans to continue its present activities.

RESEARCH AND DEVELOPMENT ACTIVITIES

There were no research and development activities during the year.

STATEMENT ON RELEVANT AUDIT INFORMATION

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

BRANCHES OUTSIDE THE STATE

There are no branches of the company outside the State.

AUDITOR

The auditor, Grant Thornton, continue in office in accordance with section 383(2) of the Companies Act 2014.

This report was approved by the board and signed on its behalf.

John Cunniffe
Director
Date: 21st June 2024

Maurice O'Neill
Director
Date: 21st June 2024

OUR DIRECTORS' RESPONSIBILITY STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

The directors are responsible for preparing the Directors' report and the financial statements in accordance with Irish law and regulations.

Irish company law requires the directors to prepare the financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date, of the profit or loss for that financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- Select suitable accounting policies for the Company's financial statements and then apply them consistently;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board

John Cunniffe
Director
Date: 21st June 2024

Maurice O'Neill
Director
Date: 21st June 2024

OUR FINANCIAL REVIEW

Turnover was €7.8m in 2023 compared to €6.5m in 2022 reflecting strong increases across our two main Income streams of rental income and payment and availability income. Rental income increased by €340k in 2023 reflecting the impact of new units and uplifts from rent reviews undertaken. Payment & availability income increased by €861k due to payment increments and the impact of additional units brought on in 2023.

North & East generated a surplus of €223k in 2023 compared to €277k in 2022. The 2023 Surplus was incurred after taking into account one off costs of €127k on professional fees. If we remove the impact of these one-off costs our surplus is €73k greater than the prior year. The surplus for 2023 represents a positive result given the challenges experienced with delayed development projects which were offset by exceptional savings in operating costs in relation to staffing gaps which contributed to unused budgets. The management and Board expect North & East to maintain an operating surplus year on year going forward.

Administrative Expenses were €6.1m in 2023 compared to €5.1m in 2022. The key drivers of increasing expenditure include the direct costs of managing additional stock, scaling operations, improved governance, oversight, and assurance initiatives.

Employee numbers totalled 21 at the end of the financial year against a planned headcount of 24 reflecting challenges in retention and recruitment in the year.

The average rent per week was €69.91 in 2023 compared to €63.71 in 2022 as a result of the impact of the annual rent reviews conducted during the year.

At, the 31st of December 2023 North & East had fixed assets of €77.8m compared to €69.2m in 2022 reflecting ownership of 492 housing units. The Association also leases and manages another 253 housing units. Homes in ownership increased by 31 units in 2023. At the end of 2023, North & East had a healthy cash position of €4.23m. Long term liabilities at year end 2023 amount to €77.45m v €69.25m at year end 2022. These liabilities are made up of commercial loans, CALF Loans from Local Authorities and government grants in relation to CAS properties.

The Association is managing a development pipeline to meet the targets within the 2020-24 strategic plan. The Association maintains four regionally distributed offices, its head office in Blanchardstown (leased) and three adapted residential properties on estates, two are owned and one leased.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NORTH & EAST HOUSING ASSOCIATION CLG

OPINION

We have audited the financial statements of North & East Housing Association CLG , which comprise the Statement of comprehensive income, the Balance sheet, the Statement of cash flows, the Statement of changes in equity for the financial year ended 31 December 2023, and the related notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'(Generally Accepted Accounting Practice in Ireland).

In our opinion, North & East Housing Association CLG's financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the assets, liabilities and financial position of the Company as at 31 December 2023 and of its financial performance and cash flows for the financial year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the 'Responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. 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 directors' 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 Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

OTHER INFORMATION

Other information comprises information included in the Annual Report, other than the financial statements and our auditor's report thereon, including the Directors' report. The directors are responsible for the other information. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies in the financial statements, 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 THE COMPANIES ACT 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.Based solely on the work undertaken in the course of our audit, in our opinion, the Directors' Report has been prepared in accordance with the requirements of the Companies Act 2014.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

Under the Companies Act 2014, we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act have not been made. We have no exceptions to report arising from this responsibility.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NORTH & EAST HOUSING ASSOCIATION CLG

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

As explained more fully in the directors' responsibilities statement, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, including FRS102, and for such internal control as they determine 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, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

RESPONSIBILITIES OF THE AUDITOR FOR THE AUDIT OF THE FINANCIAL STATEMENTS

The auditor's 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 (Ireland) 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.

As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. They will also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NORTH & EAST HOUSING ASSOCIATION CLG

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

The Auditor shall communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Nolan
for and on behalf of

Grant Thornton
Chartered Accountants
Statutory Audit Firm
Cork
Date: 24th June 2024

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	**2023**	2022
		€	€
Turnover	4	**7,765,455**	6,474,713
Gross Surplus		**7,765,455**	6,474,713
Administrative expenses		**(6,234,319)**	(5,054,477)
Operating Surplus		**1,531,136**	1,420,236
Other interest receivable and similar income		**772**	-
Interest payable and similar charges		**(1,308,503)**	(1,103,141)
Surplus before taxation		**223,405**	317,095
Surplus for the financial year		**223,405**	317,095

There were no recognised gains and losses for 2023 or 2022 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2023 (2022:€NIL).
Signed on behalf of the board:

John Cunniffe
Director
Date: 21st June 2024

Maurice O'Neill
Director
Date: 21st June 2024

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Note		2023		2022
			€		€
Fixed assets					
Tangible assets	7		**77,849,545**		69,232,031
			77,849,545		69,232,031
Current assets					
Debtors: amounts falling due within one year	8	**674,018**		520,711	
Cash at bank and in hand	9	**4,226,494**		4,201,617	
		4,900,512		4,722,328	
Creditors: amounts falling due within one year	10	**(4,029,739)**		(2,571,867)	
Net current assets			**870,773**		2,150,461
Total assets less current liabilities			**78,720,318**		71,382,492
Creditors: amounts falling due after more than one year	11		**(75,065,874)**		(67,951,453)
Net assets			**3,654,444**		3,431,039
Capital and reserves					
Profit and loss account	14		**3,654,444**		3,431,039
Shareholders' funds			**3,654,444**		3,431,039

These financial statements have been prepared in accordance with the small companies regime.

The financial statements were approved and authorised for issue by the board:

John Cunniffe
Director
Date: 21st June 2024

Maurice O'Neill
Director
Date: 21st June 2024

The notes on pages 34 to 48 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

	Profit and loss account	**Total equity**
	€	**€**
At 1 January 2023	**3,431,039**	**3,431,039**
Comprehensive income for the year		
Surplus for the year	**223,405**	**223,405**
At 31 December 2023	**3,654,444**	**3,654,444**

The notes on pages 34 to 48 form part of these financial statements.

FOR THE YEAR ENDED 31 DECEMBER 2022

	Profit and loss account	Total equity
	€	€
At 1 January 2022	3,113,944	3,113,944
Comprehensive income for the year		
Surplus for the year	317,095	317,095
At 31 December 2022	3,431,039	3,431,039

The notes on pages 34 to 48 form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	2023	2022
	€	€
Cash flows from operating activities		
Surplus for the financial year	**223,405**	317,095
Adjustments for:		
Amortisation	**(444,586)**	(416,341)
Depreciation of tangible assets	**1,687,250**	1,477,473
Capital grants received	**795,560**	1,386,456
Interest charged	**1,308,503**	1,103,139
Interest received	**(772)**	-
Decrease in debtors	**1,110,414**	321,572
(Decrease) in creditors	**(850,117)**	(19,285)
Net cash generated from operating activities	**3,829,657**	4,170,109
Cash flows from investing activities		
Purchase of tangible fixed assets	**(10,394,764)**	(11,411,942)
Interest received	**772**	-
Net cash from investing activities	**(10,393,992)**	(11,411,942)
Cash flows from financing activities		
Loan principle repayments	**(1,320,573)**	(1,114,388)
New loan drawdowns	**8,877,861**	9,823,098
Interest paid	**(968,076)**	(821,943)
Net cash used in financing activities	**6,589,212**	7,886,767
Net increase in cash and cash equivalents	**24,877**	644,934
Cash and cash equivalents at beginning of year	**4,201,617**	3,556,683
Cash and cash equivalents at the end of year	**4,226,494**	4,201,617
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	**4,226,494**	4,201,617
	4,226,494	4,201,617

The notes on pages 34 to 48 form part of these financial statements.

ANALYSIS OF NET DEBT

FOR THE YEAR ENDED 31 DECEMBER 2023

	At 1 January 2023	Cash flows	At 31 December 2023
	€	€	€
Cash at bank and in hand	4,201,617	24,877	4,226,494
Debt due after 1 year	(51,730,017)	(6,729,007)	(58,459,024)
Debt due within one year	(1,162,068)	(1,127,236)	(2,289,304)
	(48,690,468)	(7,831,366)	(56,521,834)

The notes on pages 34 to 48 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1. GENERAL INFORMATION

North and East Housing Association is a company limited by guarantee, without a share capital, incorporated in Ireland on 14 January 1993, registered number 197791. The registered address is Unit 287, Block G, Blanchardstown Corporate Park 2, Dublin 15. The company has been granted charitable status, for taxation purposes by the Revenue Commissioner and has a charity number CHY 10970. The principal activity of the company is the delivery of high quality homes, comprehensive housing management services and tenant supports.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and Irish statute comprising of the Companies Act 2014.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 GOING CONCERN

For the continuing delivery of its development programme the company is dependent on continuing debt funding from the Housing Finance Agency (HFA), Capital Advance Leasing Facility (CALF), Service Level Agreement (SLA) and Payment and Availability agreements.

The company meets its day to day working capital requirements through accumulated reserves, bank and other debt. The Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adapt the going concern basis in preparing the financial statements.

2.3 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

The following criteria must also be met before revenue is recognised:

RENDERING OF SERVICES

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 OPERATING LEASES: THE COMPANY AS LESSEE

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straightline basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.5 GOVERNMENT GRANTS

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2.6 INTEREST INCOME

Interest income is recognised in profit or loss using the effective interest method.

2.7 FINANCE COSTS

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 BORROWING COSTS

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.9 PENSIONS

DEFINED CONTRIBUTION PENSION PLAN

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

2.10 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	2% Straight line
Plant and machinery	15% Straight line
Office equipment	15% Straight line
Computer equipment	25% Straight line
Other fixed assets	Not depreciated

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.11 DEBTORS

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.12 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.13 CREDITORS

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.14 FINANCIAL INSTRUMENTS

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

The Company has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted by the UK Endorsement Board) with the disclosure requirements of Sections 11 and 12 and the other presentation requirements of FRS 102.

Financial instruments are recognised in the Company's Balance sheet when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

BASIC FINANCIAL ASSETS

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, 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.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

OTHER FINANCIAL ASSETS

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

IMPAIRMENT OF FINANCIAL ASSETS

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

FINANCIAL LIABILITIES

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

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

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

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

OTHER FINANCIAL INSTRUMENTS

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

DERECOGNITION OF FINANCIAL ASSETS

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

DERECOGNITION OF FINANCIAL LIABILITIES

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgments and estimates have been made include:

ESTIMATION UNCERTAINTY

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Useful lives of depreciable assets

The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of fair value and residual values. The directors annually review these assets lives and adjustthem as necessary to reflect current thinking on remaining lives in light of technology change, prospective economicutilisation and physical condition of the assets concerned. Changes in asset lives can have significant impact ondepreciation charges for the period. It is not practical to quantify the impact of changes in asset lives on an overallbasis, as assets lives are individually determined, and there are a significant number of assets lives in use. The impact of any change would vary significantly depending on the individual changes in assets and the classes of assets impacted.

Impairment of trade debtors' considerations

The Company trades with a large and varied number of customers on credit terms. Some debts due will not be paid through the default of a small number of customers. The Company uses estimates based on historical experiences and current information in determining the level of debts for which an impairment charge is required. The level of impairment required is reviewed on an ongoing basis. The total amounts of trade debtors are €475,098 (2022: €402,103).

Going concern

After reviewing the Company forecasts and projections, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

4. TURNOVER

An analysis of turnover by class of business is as follows:

	2023	2022
	€	€
Rental income from tenants	**2,666,486**	2,325,810
Management and maintenance subsidy	**232,936**	237,747
Payment and availability income	**4,734,798**	3,873,496
Legal costs income	**-**	900
Grant income	**131,235**	36,760
	7,765,455	6,474,713

Analysis of turnover by country of destination:

	2023	2022
	€	€
Ireland	**7,765,455**	6,474,713
	7,765,455	6,474,713

All turnover arose in Ireland.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

5. EMPLOYEES

Staff costs were as follows:

	2023	2022
	€	€
Wages and salaries	**1,151,401**	1,002,531
Social insurance costs	**127,056**	110,512
Cost of defined contribution scheme	**30,348**	29,409
	1,308,805	1,142,452

The average monthly number of employees, including the directors, during the year was as follows:

	2023	2022
	No.	No.
Administration	**5**	6
Housing services	**10**	8
Management	**6**	5
	21	19

STAFF REMUNERATION

The number of employees whose total employee benefits (excluding employers pension contributions) are over €70,000 are 4 (2022: 4).

KEY MANAGEMENT PERSONNEL

Key management personnel include the Chief Executive, Chief Financial Officer, Development Manager, Property Service Manager,Tenant Engagement Services Manager and Digital Services Manager for whom the total remuneration cost was €510,654 (2022: 460,437) which includes pension contributions of €14,288 (2022: €16,154).

The Board received no remuneration in respect of the current or previous financial year.

6. TAXATION

As a result of the company’s charitable status, no change to corporation tax arises under the provision of Section 207 of the Taxes Consolidation Act 1997.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

7. TANGIBLE FIXED ASSETS

	Freehold property	Plant and machinery	Office equipment	Computer equipment	Other fixed assets
	€	€	€	€	€
Cost or valuation					
At 1 January 2023	**77,987,289**	**12,878**	**183,333**	**224,510**	**270,289**
Additions	**9,422,442**	**-**	**6,262**	**15,229**	**953,446**
Disposals	**-**	**(4,700)**	**-**	**-**	**(92,534)**
At 31 December 2023	**87,409,731**	**8,178**	**189,595**	**239,739**	**1,131,201**
Depreciation					
At 1 January 2023	**9,101,293**	**12,573**	**157,913**	**174,489**	**-**
Charge for the year on owned assets	**1,655,731**	**114**	**8,462**	**22,943**	**-**
Disposals	**-**	**(4,619)**	**-**	**-**	**-**
At 31 December 2023	**10,757,024**	**8,068**	**166,375**	**197,432**	**-**
Net book value					
At 31 December 2023	**76,652,707**	**110**	**23,220**	**42,307**	**1,131,201**
At 31 December 2022	68,885,996	305	25,420	50,021	270,289

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

7. TANGIBLE FIXED ASSETS

	Total
	€
Cost or valuation	
At 1 January 2023	**78,678,299**
Additions	**10,397,379**
Disposals	**(97,234)**
At 31 December 2023	**88,978,444**
Depreciation	
At 1 January 2023	**9,446,268**
Charge for the year on owned assets	**1,687,250**
Disposals	**(4,619)**
At 31 December 2023	**11,128,899**
Net book value	
At 31 December 2023	**77,849,545**
At 31 December 2022	69,232,031

8. DEBTORS

	2023	2022
	€	€
Trade debtors	**475,098**	402,103
Other debtors	**1,571**	1,146
Prepayments	**97,818**	63,282
Accrued income	**99,531**	54,180
	674,018	520,711

All debtor balances are due within one year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

9. CASH AND CASH EQUIVALENTS

	2023	2022
	€	€
Cash at bank and in hand	**4,226,494**	4,201,617
	4,226,494	4,201,617

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	€	€
Loans owed to credit institutions	**243,359**	227,513
Other loans	**2,045,945**	934,555
Tenants deposits	**31,909**	32,509
Trade creditors	**82,730**	99,141
Taxation and social insurance	**89,681**	50,350
Other creditors	**176,411**	20,220
Accruals	**929,338**	688,956
Deferred income	**430,366**	518,623
	4,029,739	2,571,867

Trade and other creditors are payable at various dates over the coming months in accordance with suppliers' usual and customary credit terms.

Corporation tax and other taxes including social insurance are payable at various dates in accordance with the applicable statutory provision.

	2023	2022
	€	€
Other taxation and social insurance		
PAYE/PRSI control	**39,667**	31,655
VAT control	**50,014**	18,695
	89,681	50,350

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	€	€
Loans owed to credit institutions	**1,046,769**	1,279,855
Other loans	**57,412,255**	50,450,162
Deferred income	**16,606,850**	16,221,436
	75,065,874	67,951,453

Included in Deferred income is a capital balance under the Capital Assistance Scheme ("CAS"). The Society amortises the capital balance to its income expenditure account over 50 years based on the grant agreements between the goverment and the local authorities. The amortised expense in the current year were €444,586 (2022: €416,341).New CAS funding secured in the current year were €830,000 (2022: € 1,431,911).

12. LOANS

Analysis of the maturity of loans is given below:

	2023	2022
	€	€
Amounts falling due within one year		
Bank loans	**243,359**	227,513
Other loans	**2,045,945**	934,555
	2,289,304	1,162,068
Amounts falling due 2-5 years		
Bank loans	**785,941**	910,052
Other loans	**8,183,780**	3,738,222
	8,969,721	4,648,274
Amounts falling due after more than 5 years		
Bank loans	**260,828**	369,803
Other loans	**49,228,475**	46,711,940
	49,489,303	47,081,743
	60,748,328	52,892,085

Included in other loans is amounts owing to the HFA of €39,727,866 (2022: €34,939,511) and CALF of €19,730,336 (2022: €16,445,20). Of the CALF loans, €549,603 relates to CALF claims raised during the year from different County Councils which have been reclassified from Assets under Construction.

Housing loans provided by the Housing Finance Agency (HFA) are for various terns of 30 year loans with 10 year fixed rates and 25 year fixed rates. The interest rate payable on these loans ranges from 1.75% to 3.7% per annum. These loans are subject to capital and interest repayments.

Concessionary CALF loans are for terms between 20 – 30 years and these are repayable at the end of the term of the loans. The CALF loans are subject to interest at 2% per annum calculated by way of simple interest. Thus the interest is calculated and payable on the CALF loans principal alone. Interest on the CALF loans accrues on an ongoing basis but is only due for payment at the end of the term of the loan.

13. FINANCIAL INSTRUMENTS

	2023	2022
	€	€
Financial assets		
Financial assets measured at amortised cost	**4,226,494**	4,201,617
Financial liabilities		
Financial liabilities measured at amortised cost	**61,930,837**	53,680,182

Financial assets that are debt instruments measured at amortised cost comprise of cash and cash equivalents, trade and other debtors.

Financial liabilities measured at amortised cost comprise of loans owed to credit institutions, other loans, trade creditors, accruals and other creditors.

14. RESERVES

The Income and Expenditure reserve represents cumulative surpluses and deficits recognised in the Income Statement. All approved Housing Bodies are required to designate elements of their income and expenditure reserve for the long term systemic repair and refurbishment of housing stock which is known as a sinking fund. For the purpose of SORP Accounting by registered social housing providers, such designations are considered to be an internal matter and therefore are not to be disclosable in the primary statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

15. CAPITAL COMMITMENTS

At 31 December 2023 the Company had capital commitments as follows:

	2023	2022
	€	€
Capital commitments	**5,925,608**	3,465,000
	5,925,608	3,465,000

16. PENSION COMMITMENTS

The company operates a defined contribution scheme, 'Pension Scheme Fund', for its employees. The scheme is externally financed in that the assets of the scheme are held separately from those of the company in an independently administered fund. The contributions made in the financial year amounted to €30,348 (2022: €29,409).

17. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023	2022
	€	€
Not later than 1 year	**1,057,538**	1,057,538
Later than 1 year and not later than 5 years	**4,230,152**	4,230,152
Later than 5 years	**9,443,245**	10,500,783
	14,730,935	15,788,473

18. COMPANY STATUS

The company is limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding €1 towards the assets of the company in the event of liquidation.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

19. SECURITY AND CHARGES RELATING TO BANK BORROWINGS

AIB bank loans of €801,532 are secured by a series of charges over various assignments and first legal mortgage charges over 17 residential units at Moneymore, Drogheda, Co. Louth, 1 residential unit at Lismore, Haggardstown, Blackrock, Co. Louth and 1 residential unit at Cedarvale, Althumney Woods, Navan, Co. Meath.

Bank of Ireland loans of €488,597 are secured by a first legal mortgage and charge over 17 units at Stamanaran, Blackrock, Co. Louth.

20. DEFERRED INCOME

Deferred income represents government grants. These grants represent loans made to the company from Capital and Subsidy Scheme (CLSS) and Capital Assistance Scheme (CAS). No capital or interest repayments are required to be made on these loans provided the company complies with certain specific requirements set out by the local authorities over the properties for which housing loans have been provided for. In accordance with the accounting policy, government grants are recognised based on the accruals model. These grants, which are for the purchase of the freehold property, are recognised over the useful life of the freehold property, which is fifty years. There are no unfulfilled conditions of contingencies attaching to these grants.

21. CONTROLLING PARTY

The Members of North and East Housing Association Company Limited by Guarantee are considered to be the ultimate controlling party.

22. APPROVAL OF FINANCIAL STATEMENTS

The board of directors approved these financial statements for issue on 21st June 2024.

Designed by Bothwell & Vogel Graphic Design Consultants Ltd

celebrating 30 years

North & East Housing Association

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