

23/24

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# Consolidated Report and Financial Statements

For the year ended 31st March 2024

**ateb**



**ATEB GROUP LIMITED**

**CONSOLIDATED REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31st March 2024**

**ATEB GROUP LIMITED**  
**CONSOLIDATED REPORT AND FINANCIAL STATEMENTS**  
**For the year ended 31st March 2024**

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**ATEB GROUP LIMITED  
OFFICERS AND PROFESSIONAL ADVISERS**

Welsh Government Registered Number: PO72  
Financial Conduct Authority Registered Number: 23308R

Board of Management: Mr. D. Birch (Chair)  
Mr. H. Watchman (Vice-Chair)  
Mrs. J. Francis  
Mr. A. James  
Mr. O. Jones  
Mrs. J. Leonard  
Mrs. S. Lusher  
Mr N. Hampshire (Group Chief Executive)  
Mrs J Ashley  
Mrs N Harichandran  
Mr. N. Edwards (co-opted August 2023)  
Mrs. E. Lorton (co-opted March 2024)  
Mr C Townsend FCIPD (resigned March 2024)

Group Chief Executive: Mr. N. Hampshire, BSc (Hons), MBA, MRICS

Senior Executives: Mr. M. Lewis Executive Director-Housing

Secretary: Ms. C. Morgan LLB

Registered Office: Meyler House, St. Thomas Green, Haverfordwest, Pembrokeshire. SA61 1QP

External Auditors: Bevan Buckland LLP  
Chartered Accountants & Statutory Auditors  
Ground Floor  
Cardigan House  
Castle Court  
Swansea Enterprise Park  
Swansea  
SA7 9LA

Internal Auditors: Mazars  
Victoria Street  
Bristol BS1 6DP

Principal Solicitors: Hugh James                      Devonshires  
Two Central Square                      30 Finsbury Circus  
Cardiff CF10 1FS                      London EC2M 7DT

Bankers: Barclays Bank PLC  
Windsor Court  
3 Windsor Place  
Cardiff CF10 3AX

Funders: Barclays Bank PLC  
The Royal Bank of Scotland PLC  
Principality Building Society  
The Housing Finance Corporation  
Yorkshire Building Society  
M&G Investments  
BAE Systems Pension fund  
Welsh Government  
bLEND Funding PLC

## **ATEB GROUP LIMITED REPORT OF THE BOARD OF MANAGEMENT**

The Board of Management present their report and the audited financial statements for the year ended 31st March 2024.

### **Strategic Report**

#### **Principal activities and corporate structure**

ateb Group Limited is the parent of the **ateb** Group and the affordable and social housing business. Mill Bay Homes Limited (MBH) is the property development business building new homes for sale. West Wales Care and Repair Limited (WWCR) provides support services to older clients enabling them to continue living in their own homes. Sageston Management Company Limited (SMCL) operates as the managing agent of the sites at Sageston, Tenby, where residential properties are being developed by Mill Bay Homes Limited, SMCL is a company limited by guarantee, provided by MBH. The remaining entity in the Group structure is a dormant company – Effective Building Solutions Limited (EBS).

The principal activities of ateb Group Limited are in the provision of quality social housing and affordable homes for rent.

It is registered under the Co-operative and Community Benefit Societies Act 2014 on charitable rules and is a Registered Social Landlord.

It is the ultimate parent organisation in the ateb Group that sets the overall strategic direction and policy framework for the Group and provides management and administrative support to other Group members.

#### **Board of Management**

The Board of Management of ateb Group Limited consists of members who have responsibility for the strategic direction, general policy and non-executive management of the Association and the Group. The day-to-day management of operations is delegated to the Group Chief Executive and the Executive Management Team.

The Board Members who served during the year are shown on page 1.

The Group Board can comprise up to fifteen full members. Board members are drawn from a wide background bringing together a diverse skills-set. The primary role of the Board is to focus on strategic direction, growth and investment and risk. The Board meets formally ten times a year for regular business and at other times to discuss strategic issues.

The Group Board is supported by three committees with specific responsibilities:

- Personnel - deals with any personnel matters such as grievances and appeals.
- Remuneration Committee – responsible for our policy on remuneration and terms and conditions of employment.
- Assurance Committee – responsible for the operations of internal audit, the appointment of internal auditors, the scope of the internal and external audit plans and their reports.  
The committee has delegated responsibility for the risk management strategy. It reports to the Group Board on the effectiveness of the internal control arrangements and provides an annual report to the Group Board on the work undertaken by the Assurance Committee.

Mill Bay Homes Limited, West Wales Care and Repair Limited, Sageston Management Company Limited and Effective Building Solutions are wholly controlled subsidiaries.

## **ATEB GROUP LIMITED REPORT OF THE BOARD OF MANAGEMENT**

### **Strategic Plan**

The three companies that make up the ateb Group are focused on the achievement of the three strategic aims:

- Improve Customer Service
- Serve More People
- Increase Business Effectiveness

The Association experienced a challenging year in 2023/24. Much of our resources were directed towards improving our estate particularly on reactive repairs and compliance. The release of pent-up demand post Covid-19, the war in Ukraine and conflict in the Middle East have caused high inflation and consequently high interest rates. These gradually worsening economic conditions that the nation has seen in recent times have found their way into the operational cost base of the Group. We anticipate that the investment in our stock will continue at a high level for many years to come.

We continue to work and interact well with our customers (or contract holders). Our arrears have grown slightly but are still below that of our peers and we always communicate with customers who are experiencing difficulty.

The Association continues to invest in its most valuable resource, its employees, and bolster the establishment to enable it to prosper operationally, administratively and financially. In consideration of the cost-of-living crises, borne out of the challenging economic conditions, ateb have invested significantly to financially assist our staff.

We continue to develop and invest in new stock albeit last year saw a slowdown – our future plans see us contributing just under 400 units in the next 5 years.

Our last Regulatory Judgement took place in June 2022 where we received a Regulatory Rating of 'compliant – Green' in both Governance and Financial viability. We have been working to implement our regulatory improvements actions across the business throughout 23/24 which has seen improvements being made across our services and governance structure.

Despite the economically challenging year performance across the group entities was still robust with West Wales Care & Repair delivering a surplus and Mill Bay Homes set to return Gift Aid of £58k. ateb has consistently had positive feedback from its customers on the delivery of its services and we do not anticipate a deterioration in this regard.

We will shortly be publishing on our website some documents providing more information on ateb group services and our governance and financial review for 2023/24.

### **Risk management**

The Group Board is responsible for risk management. Our approach is continually reviewed and monitored by the Assurance Committee on behalf of the Group Board. All subsidiary businesses are part of and report into our required to comply with the risk management framework.

We continue to operate and rely on our Assure framework. The framework uses our risk appetite and ateb vision document to set 16 strategic risks that our Assurance Committee and Boards monitor. Each of these risks have a series of controls (policies, strategies, systems etc) that we then test to ensure they are indeed controlling our strategic and business critical risks.

FY 23/24 was a challenging year, and our Assurance Committee kept our strategic risks under review, reviewing the strength of our controls, any auditing activities and any mitigation actions needed to reduce the impact of the raised risks. Despite a challenging year the group delivered good performance and, after

## **ATEB GROUP LIMITED REPORT OF THE BOARD OF MANAGEMENT**

reviewing the Budget and Business Plan, the Board has a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future.

### **Financial review**

As with the 2022/23 year there was significant amount of political and economic turbulence and medium to longer term impact of events such as the war in Ukraine, mini-budget and cost of living crises pushing material, build and maintenance costs to higher levels

Despite this, 2023/24 returned another strong financial performance for the Group. Total Comprehensive Income before pension adjustments for the year was £3.2m which was a £0.7m increase on the result of 2022-23.

Turnover reduced by 5.7% to £27.0m due to a lower number of units being sold by MBH. The number of homes in management increased by 76 units (2023: 58). In comparison operating costs increased by 4.1% between the two years driven by the increasing demand and cost of materials and maintenance, as well as our continuing investment in our people and systems.

The Statement of Financial Position has increased in strength with housing properties increasing by 5.4% to £265.1m and reserves by 5.9% to £50.2m. Cash and ready access to secured loan facilities ensures that all current commitments are fully funded.

During the year £7.0m in Social Housing Grant (2023: £14.0m) was made available by the Welsh Government in support of the social housing development programme.

As at 31st March 2024, we maintained £29.2m of secured undrawn facilities available for immediate drawdown, and £20.1m of cash in hand making a total available liquidity of £49.3m. This is sufficient to cover our policy of having 18 months of cover for our net cash outflows.

At the year-end 91.7% of the current debt total of £86.3m was on fixed rate terms with a good mix of lenders / Investors, types of loan and terms to repayment.

Mill Bay Homes continues to perform well and is a leading provider of new build properties in Pembrokeshire. At £58k the profit for the year (2023: £1.5m) was due to fewer properties sold than previous year (12 vs 23 in 2023). In line with the business model the profit will be covenanted to the parent organisation for investment in the provision of affordable homes.

West Wales Care and Repair Limited remains an integral part of our holistic approach to the provision of much needed customer services throughout the Group. The Agency has supported 882 clients throughout Pembrokeshire and Ceredigion through Healthy Home Checks this year, and the 2028 Adaptions completed (including Rapid Response Adaptations Programme – RRAP) was a 2% increase on 2022/23.

### **Maintenance and investment in our assets**

We aim to maintain our assets to a high standard and in accordance with both the Renting Homes Wales Act (RHWA) and the Welsh Housing Quality Standard (WHQS). We are continuously working to ensure our properties meet the standards set by WHQS and the RHWA.

## **ATEB GROUP LIMITED REPORT OF THE BOARD OF MANAGEMENT**

### **Financial strength**

Maintaining the financial strength of the Group enables reinvestment in the homes and communities that we serve and facilitates the raising of additional funding in the financial markets. Our financial resources are utilised in accordance with our business strategy and are aimed at maximising the delivery of new homes in the social housing development programme.

### **Value for money**

Our strategic direction places a great deal of focus on Value for Money (VFM) and we will continue to develop this further in a clear and transparent way around core indicators year on year.

When measured against the current Global Accounts VFM indicators, we perform very well.

We are committed to delivering value for money through our procurement strategy. Our procurement specialists work closely with the National Procurement Service and Value Wales and our use of the Welsh Government's procurement card continues to increase.

### **Regulation**

ateb Group Limited is regulated by the Welsh Government.

### **The Future**

ateb Group Limited, as the ultimate parent organisation in the Group, is committed to achieving the Group's primary business purpose which is defined as:

- **Creating better living solutions for the people and communities of West Wales**

This is intended to encapsulate what the organisation stands for and drive everything that it does.

Long term strategic planning and financial modelling are fully supportive of this aim.

### **Changes in Fixed Assets**

Details of fixed assets are set out in notes 10 to 12.

### **Responsibilities of the Board of Management**

Housing Association legislation requires the Association's Board of Management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of its income and expenditure for that year. In preparing those financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards and the Statement of Recommended Practice for Registered Social Landlords have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue to operate.



## **ATEB GROUP LIMITED REPORT OF THE BOARD OF MANAGEMENT**

The Board of Management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the financial statements comply with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and The Accounting Requirements for Registered Social Landlords General Determination (Wales) 2015. It is also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Internal Financial Controls**

The Board is ultimately responsible for the Group's system of internal financial control, which is designed to provide reasonable, but not absolute assurance regarding the safeguarding of assets, the maintenance of proper accounting records and the reliability of financial information used within the business.

The following mechanisms were in place and were designed to provide effective internal control:

- clearly defined management and reporting structures;
- clearly defined standing orders and financial regulations;
- financial training programme;
- procedures manuals for staff;
- management information and accounting systems with monthly reporting of financial results and other performance indicators;
- rolling five-year business plans;
- risk management process, including an annual risk review; and
- monitoring of the control system by the Assurance Committee, internal auditors and external audit;
- policy statement on fraud covering prevention, detection and reporting of fraud and the recovery of assets.

The Board of Management has reviewed the effectiveness of the system of internal financial control in existence in the Group for the year ended 31st March 2024. No weaknesses were found in internal financial controls, which resulted in material losses, contingencies, or uncertainties, which require disclosure in the financial statements or in the auditors' report on the financial statements.

### **The Board of Management and Executive Officers**

The Board of Management and Executive Officers of the Group are listed on Page 1.

Each member of the Board of Management holds one fully paid share of £1 in the Association. The Executive Officers of the Association hold no interest in the Association's share capital and although not having the legal status of directors they act as executives within the authority delegated by the Board.

### **Post Balance Sheet Events**

There are no significant post balance sheet events.

### **Auditors**

A resolution to appoint auditors for next year, following a tender process, will be proposed at the Annual General Meeting.

**By Order of the Board**  
**Ms C. Morgan**  
**Company Secretary**



**Date: 26/07/24**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ATEB GROUP LIMITED REGISTERED UNDER THE CO-OPERATIVE AND COMMUNITY BENEFIT SOCIETIES ACT 2014**

In addition to our audit on the financial statements for the year ended 31st March 2024, we have reviewed the Board's statement of ateb Group Limited's ("the Group") compliance with the Welsh Government Circular 02/10, Internal Financial Control and Financial Reporting ("the Circular").

The objective of our review is to enable us to conclude on whether the Board has provided the disclosures required by the Circular and whether the statement is consistent with the information of which we are aware from our audit work on the financial statements.

We are not required to form an opinion on the effectiveness of the Group's corporate governance procedures or its internal financial control.

**Opinion**

With respect to the Board's statement on internal financial control on page 6, in our opinion the Board of Management has provided the disclosures required by the Circular and the statement is consistent with the information of which we are aware from our audit work in the financial statements.

*Bevan Buckland LLP*

**Bevan Buckland LLP**  
Chartered Accountants & Statutory  
Auditors Ground Floor  
Cardigan House  
Castle Court  
Swansea Enterprise Park  
Swansea  
SA7 9LA

**Date: 26/07/24**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ATEB GROUP LIMITED REGISTERED UNDER THE CO-OPERATIVE AND COMMUNITY BENEFIT SOCIETIES ACT 2014**

### **Opinion**

We have audited the financial statements of ateb Group Limited ("the Association") for the year ended 31 March 2024 which comprise the consolidated and Association statements of comprehensive income, consolidated and Association statements of changes in reserves, the consolidated and Association statements of financial position, the consolidated cash flow statement and its related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

### **In our opinion the financial statements:**

- give a true and fair view of the state of the Group's and Association's affairs as at 31st March 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Requirements for Registered Social Landlords General Determination (Wales) 2015.

### **Basis for Opinion**

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

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Boards' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Board have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group and Association's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other Information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Board are responsible for the other information. Our opinion on the financial statements does not cover the other 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 or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ATEB GROUP LIMITED REGISTERED UNDER THE CO-OPERATIVE AND COMMUNITY BENEFIT SOCIETIES ACT 2014**

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 require us to report to you if, in our opinion:

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

### **Responsibilities of the board**

As explained more fully in the Statement of Responsibilities of the Board (set out on page 5), the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

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

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

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

We discussed our audit independence complying with the Revised Ethical Standard 2019 with the engagement team members whilst planning the audit and continually monitored our independence throughout the process.

### **Identifying and assessing potential risks related to irregularities.**

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

- enquiring of management, including obtaining and reviewing supporting documentation, concerning the organisation's policies and procedures relating to:
  - identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- discussing among the engagement team how and where fraud might occur in the Financial Statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the following areas;
  - Purchasing in relation to the development and maintenance programmes, including any sales to connected individuals at below market value;
  - The recognition of development and maintenance expenditure in the correct period;

- The rationale of any major fund flows during the period;
- The potential of rent fraud arising as a result of collusion between the asset and housing teams.
- obtaining an understanding of the legal and regulatory frameworks that the organisation operates in, focusing on those laws and regulations that had a direct effect on the Financial Statements or that had a fundamental effect on the operations of the organisation.

#### **Audit response to risks identified**

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations;
- enquiring of management concerning actual and potential litigation and claims; performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments;
- assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and
- evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

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

#### **Use of our report**

This report is made solely to the Association's members, as a body, in accordance with Part 7 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the association and the association's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Bevan Buckland LLP*

#### **Bevan Buckland LLP**

Chartered Accountants & Statutory Auditors  
Ground Floor  
Cardigan House  
Castle Court  
Swansea Enterprise Park  
Swansea  
SA7 9LA

**Date: 26/07/24**

**ATEB GROUP LIMITED**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
for the year ended 31 March 2024

	Notes	2024	2023
		£	£
<b>Turnover</b>	2	25,416,011	26,961,048
<b>Cost of Sales</b>		(2,299,108)	(4,567,983)
<b>Gross Surplus</b>		23,116,903	22,393,065
Less: Operating costs	2	(17,943,956)	(17,239,439)
Gain on disposal of Property, Plant & Equipment	6	24,383	68,736
<b>Operating Surplus</b>	5	5,197,329	5,222,362
Finance / Investment Income	7	1,007,187	707,080
Finance Costs	8	(3,241,749)	(3,545,992)
Interest Capitalised		116,258	61,411
Finance Charges / Issue Costs		(214,394)	(254,304)
Donated Land Value Adjustment		434,610	302,984
Other Income		202	6
Pension Fund Net Interest Costs	20	(59,000)	(37,000)
<b>Total Comprehensive Income before transfers</b>		3,240,443	2,456,546
<b>Taxation</b>		-	-
<b>Total Comprehensive Income for the year after taxation</b>		3,240,443	2,456,546
<b>Other Comprehensive Income</b>			
Initial recognition of multi-employer defined benefit scheme	20	-	-
Actuarial Gain / (Loss) in respect of pension schemes	20	(458,516)	(260,710)
<b>Total Comprehensive Income for the Year</b>		2,781,927	2,195,836

**CONSOLIDATED RESULTS**

Companies included are as follows :

- Ateb Group Limited - parent.
- West Wales Care & Repair Limited - subsidiary.
- Mill Bay Homes Limited - subsidiary.
- Effective Building Solutions - subsidiary
- Sageston Management Company Limited -subsidiary

**CONTINUING OPERATIONS**

None of the Group's activities was acquired or discontinued during the two financial years.

**CONSOLIDATED STATEMENT OF CHANGES IN RESERVES**  
for the year ended 31 March 2024

	Revenue Reserve	Designated Reserve	Restricted Reserve	Total Reserves
	£	£	£	£
Balance at 1 April 2023	47,027,573	233,015	233,851	47,494,439
Surplus from statement of comprehensive income	2,781,928	-	-	2,781,928
Transfer of Reserves	112,104	(106,958)	(5,146)	0
Balance at 31 March 2024	49,921,604	126,057	228,705	50,276,368

**CONSOLIDATED STATEMENT OF CHANGES IN RESERVES**  
for the year ended 31 March 2023

	Revenue Reserve	Designated Reserve	Restricted Reserve	Total Reserves
	£	£	£	£
Balance at 1 April 2022	44,874,262	192,780	231,561	45,298,603
Surplus from statement of comprehensive income	2,195,836	-	-	2,195,836
Transfer of Reserves	(42,524)	40,234	2,290	-
Balance at 31 March 2023	47,027,574	233,014	233,851	47,494,439

**ATEB GROUP LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
for the year ended 31 March 2024**

	Notes	2024	2023
		£	£
<b>Turnover</b>	2a	21,513,365	19,446,452
Less: Operating expenditure	2a	(16,680,737)	(16,020,431)
Gain/(Loss) on disposal of Property, Plant & Equipment	6a	24,383	68,736
<b>Operating Surplus</b>	5a	4,857,011	3,494,757
Finance / Investment Income	7a	1,226,704	927,013
Finance Costs	8a	(3,241,749)	(3,545,992)
Interest Capitalised		116,258	61,411
Finance Charges / Issue Costs		(214,394)	(254,304)
Donated Land Value Adjustment		434,610	302,984
Other Income		202	5
Pension Fund Net Interest Cost	20a	(55,000)	(34,000)
Income from subsidiary company	8b	57,643	1,466,676
<b>Total Comprehensive Income before transfers</b>		3,181,286	2,418,550
<b>Other Comprehensive Income</b>			
Initial recognition of multi-employer defined benefit scheme	20a	-	-
Actuarial gains / (losses) in respect of pension schemes	20a	(424,985)	(247,563)
<b>Total Comprehensive Income for the Year</b>		2,756,301	2,170,987

**CONTINUING OPERATIONS**

None of the Association's activities was acquired or discontinued during the two financial years.

**STATEMENT OF CHANGES IN RESERVES  
for the year ended 31 March 2024**

	Revenue Reserve	Designated Reserve	Restricted Reserve	Total Reserves
	£	£	£	£
Balance at 1 April 2023	46,738,569	-	140,000	46,878,569
Surplus from statement of comprehensive income	2,756,301	-	-	2,756,301
Transfer of Reserves	-	-	-	-
Balance at 31 March 2024	49,494,870	-	140,000	49,634,870

**STATEMENT OF CHANGES IN RESERVES  
for the year ended 31 March 2023**

	Revenue Reserve	Designated Reserve	Restricted Reserve	Total Reserves
	£	£	£	£
Balance at 1 April 2022	44,567,583	-	140,000	44,707,583
Surplus from statement of comprehensive income	2,170,987	-	-	2,170,987
Transfer of Reserves	-	-	-	-
Balance at 31 March 2023	46,738,570	-	140,000	46,878,570

**ATEB GROUP LIMITED**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
as at 31 March 2024**

	Notes	2024 £	2023 £
<b>Property, Plant &amp; Equipment</b>			
Housing properties - depreciated cost	10	265,090,959	251,396,259
Other	11	1,034,731	950,706
		<u>266,125,690</u>	<u>252,346,964</u>
<b>Non-Current assets</b>			
Shop - 50-54 Bush Street	12	98,326	98,326
Homebuy loan	12	2,343,928	2,418,328
Receivables: amounts falling due after more than one year	14b	4,734,495	4,914,639
		<u>273,302,439</u>	<u>259,778,257</u>
<b>Current assets</b>			
Inventories	13	5,683,909	2,459,285
Receivables: amounts falling due within one year	14a	3,349,197	2,939,324
Cash		20,706,879	28,449,053
		<u>29,739,985</u>	<u>33,847,662</u>
<b>Payables: amounts falling due within one year</b>	15a	(16,603,026)	(9,435,923)
<b>Net current assets</b>		<u>13,136,959</u>	<u>24,411,740</u>
<b>Total assets less current liabilities</b>		<u>286,439,398</u>	<u>284,189,997</u>
<b>Payables: amounts falling due after more than one year</b>	15b	(234,621,012)	(235,289,539)
<b>Provisions for liabilities</b>			
Pension - deficit funding liability	20	(1,542,000)	(1,406,000)
<b>Net assets</b>		<u>50,276,386</u>	<u>47,494,458</u>
<b>Equity</b>			
Called up share capital	16	19	20
Restricted reserves	17	228,706	233,850
Designated Reserves		126,057	233,015
Revenue reserve	17	49,921,604	47,027,573
		<u>50,276,386</u>	<u>47,494,458</u>

The financial statements on pages 11 to 48 were approved by the Board of Management on 26 July 2024 and were signed on its behalf by:

  
\_\_\_\_\_

Mr D Birch, Chair

  
\_\_\_\_\_

Mr H Watchman, Vice-Chair

  
\_\_\_\_\_

Ms C Morgan, Company Secretary



**ATEB GROUP LIMITED**

**STATEMENT OF FINANCIAL POSITION**  
as at 31 March 2024

	Notes	2024	2023
		£	£
<b>Property, Plant &amp; Equipment</b>			
Housing properties - depreciated cost	10a	265,090,959	251,396,259
Other	11a	1,019,224	936,193
		-----	-----
		266,110,183	252,332,452
<b>Non-Current assets</b>			
Investments	12a	3	3
Commercial property	12a	98,326	98,326
Homebuy loan	12a	2,343,928	2,418,328
Loans to subsidiary companies	14b	5,804,801	160,350
Receivables: amounts falling due after more than one year	14b	4,708,495	4,832,749
		-----	-----
		279,065,736	259,842,208
		-----	-----
<b>Current assets</b>			
Inventories	13a	1,024,078	235,245
Receivables: amounts falling due within one year	14a	2,063,817	4,093,549
Cash		20,076,773	27,986,368
		-----	-----
		23,164,668	32,315,162
<b>Payables: amounts falling due within one year</b>	15a	(16,070,666)	(8,766,844)
		-----	-----
<b>Net current assets</b>		7,094,002	23,548,319
		-----	-----
<b>Total assets less current liabilities</b>		286,159,738	283,390,526
<b>Payables: amounts falling due after more than one year</b>	15b	(235,086,848)	(235,198,940)
<b>Provisions for liabilities</b>	20a		
Pension - deficit funding liability		(1,438,000)	(1,313,000)
		-----	-----
<b>Net assets</b>		49,634,890	46,878,587
		=====	=====
<b>Equity</b>			
Called up share capital	16a	19	20
Restricted reserves	17a	140,000	140,000
Designated reserve	17a	-	-
Revenue reserve	17a	49,494,871	46,738,567
		-----	-----
		49,634,890	46,878,587
		=====	=====

The financial statements on pages 11 to 32 were approved by the Board of Management on 26 July 2024 and were signed on its behalf by:

MBi

Mr D Birch, Chair

Hm

Mr H Watchman, Vice-Chair

CMA

Ms C Morgan, Company Secretary

**ATEB GROUP LIMITED**

**CONSOLIDATED STATEMENT OF CASHFLOWS**  
for the year ended 31 March 2024

		2024		2023	
	Notes	£	£	£	£
<b>Net cash inflow from operating activities</b>	(i)		3,181,059		11,296,069
<b>Cash flow from investing activities</b>					
Payments to acquire and develop property		(16,672,046)		(15,121,884)	
Receipts from sales of Property, Plant and Equipment		24,383		68,736	
Social Housing Grant and contributions received		7,011,513		13,975,398	
Other Capital Grants		1,238,422		7,528,954	
Purchase of other fixed assets		(254,138)		(264,392)	
Finance/Investment income		1,252,728		455,367	
<b>Net cash outflow from investing activities</b>			(7,399,138)		6,642,179
<b>Cash flow from financing activities</b>					
Finance costs		(3,070,535)		(3,994,429)	
Issue of share capital	(iv)	-		3	
Mortgage and other loans received - housing	(iv)	9,485,000		-	
Finance costs of loans issued	(iv)	(19,160)		(167,339)	
Loans repaid -housing	(iv)	(9,919,400)		(7,252,492)	
<b>Net cash inflow from financing</b>			(3,524,095)		(11,414,258)
<b>Net change in cash and cash equivalents</b>	(ii) , (iii)		(7,742,174)		6,523,991
<b>Cash and cash equivalents at beginning of the year</b>			28,449,053		21,925,062
<b>Cash and cash equivalents at end of the year</b>			20,706,879		28,449,053

**CONSOLIDATED CASH FLOW STATEMENT - Additional Disclosure**

		2024		2023	
		£	£	£	£
<b>Free cash flow</b>					
<b>for the year ended 31 March 2024</b>					
<b>Net cash inflow from operating activities</b>			3,181,059		11,296,069
Finance/Investment income			1,252,728		455,367
Finance costs			(2,810,272)		(3,994,429)
<b>Adjustments for reinvestment in existing properties</b>					
Component Replacements			(2,900,293)		(1,257,720)
Purchase of other fixed assets			(255,489)		(264,392)
<b>Free cash generated before loan repayments</b>			(1,532,266)		6,234,895
Loans repaid (excluding revolving credit facilities and overdrafts)			(9,919,400)		(7,252,492)
<b>Free cash generated / (consumed) after loan repayments</b>			(11,451,666)		(1,017,597)

**ATEB GROUP LIMITED**

**STATEMENT OF CASHFLOWS  
for the year ended 31 March 2024**

	Notes	2024	2023
		£	£
<b>Net cash inflow from operating activities</b>	(i)	8,309,708	7,111,455
<b>Cash flow from investing activities</b>			
Payments to acquire and develop property		(16,672,046)	(15,121,884)
Receipts from sales of Property, Plant and Equipment		24,383	68,736
Social Housing Grant and contributions received		7,011,513	13,975,398
Other Capital Grants		1,238,422	7,528,954
Purchase of other fixed assets		(244,887)	(259,600)
Finance/Investment income		1,226,704	675,302
<b>Net cash outflow from investing activities</b>		(7,415,911)	6,866,906
<b>Cash flow from financing activities</b>			
Finance costs		(2,810,272)	(3,994,429)
Issue of share capital	(iv)	0	3
Mortgage and other loans received - housing	(iv)	9,485,000	0
Finance costs of loans issued	(iv)	(19,160)	(167,339)
Loans issued - subsidiary company		(6,629,560)	(3,852,000)
Loans repaid - subsidiary company		1,090,000	7,976,000
Loans repaid - housing	(iv)	(9,919,400)	(7,252,492)
<b>Net cash inflow from financing</b>		(8,803,392)	(7,290,258)
<b>Net change in cash and cash equivalents</b>	(ii), (iii)	(7,909,595)	6,688,103
<b>Cash and cash equivalents at beginning of the year</b>		27,986,368	21,298,265
<b>Cash and cash equivalents at end of the year</b>		20,076,773	27,986,368

**CASH FLOW STATEMENT - Additional Disclosure**

	2024	2023
	£	£
<b>Free cash flow for the year ended 31 March 2024</b>		
<b>Net cash inflow from operating activities</b>	8,309,708	7,111,455
Finance/Investment income	1,226,704	675,302
Finance costs	(2,810,272)	(3,994,429)
<b>Adjustments for reinvestment in existing properties</b>		
Component Replacements	(2,900,293)	(1,257,720)
Fire Safety / Optimised Retrofit works paid	(1,585,180)	(364,853)
Capital Works Grant received	1,102,755	7,528,954
Purchase of other replacement fixed assets	(246,238)	(259,600)
Free cash generated before loan repayments	3,097,185	9,439,108
Loans repaid (excluding revolving credit facilities and overdrafts)	(9,919,400)	(7,252,492)
Free cash generated after loan repayments	(6,822,215)	2,186,616

**ATEB GROUP LIMITED**

**NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS**

**(i) Reconciliation of operating surplus to net cash inflow from operating activities**

	2024	2023
	£	£
Operating surplus	5,197,329	5,222,361
Depreciation	4,236,144	3,986,684
Amortisation of SHG	(1,251,024)	(1,209,974)
Abortive development costs	2,210	14,924
(Increase) / Decrease in receivables and inventories	(3,084,439)	3,607,833
Increase / (Decrease) in payables	(1,406,152)	(22,006)
Share capital cancelled	(1)	(5)
Charge for bad debts	75,663	130,016
Capitalised Overheads	(520,894)	(323,246)
Gain/(Loss) on disposal of Property, Plant & Equipment	(24,383)	(68,736)
Other Income	202	5
Housing Finance Grant	337,922	337,922
Pension Fund Current Service Costs	(446)	(18,507)
Pension deficit contribution paid	(381,072)	(361,202)
<b>Net cash inflow from operating activities</b>	<b>3,181,059</b>	<b>11,296,069</b>

**(ii) Analysis of changes in cash and cash equivalents during the year**

	2024	2023
	£	£
At beginning of period	28,449,053	21,925,062
Net cash inflow/(outflow)	(7,742,174)	6,523,991
At end of period	20,706,880	28,449,053

**(iii) Analysis of the balances of cash and cash equivalents as shown in the balance sheet**

	2024	2023	Change in year	2023	2022	Change in year
	£	£	£	£	£	£
Cash	20,706,879	28,449,053	(7,742,174)	28,449,053	21,925,062	6,523,991
	20,706,879	28,449,053	(7,742,174)	28,449,053	21,925,062	6,523,991

**(iv) Analysis of changes in financing during the year**

	Share Capital		Housing Loans	
	2024	2023	2024	2023
	£	£	£	£
At beginning of year	24	26	86,984,430	94,491,226
Cash inflow from financing	-	3	9,485,000	0
Cash outflow from financing	(1)	(5)	(9,919,400)	(7,252,492)
Cash outflow finance costs	-	-	(19,160)	(167,339)
	23	24	86,530,870	87,071,395
Non cash items:				
Debenture discount	-	-	-	0
Amortisation of finance costs	-	-	(195,234)	(86,965)
At end of year	23	24	86,335,636	86,984,430

**ATEB GROUP LIMITED**

**NOTES TO THE STATEMENT OF CASH FLOWS  
for the year ended 31 March 2024**

**(i) Reconciliation of operating surplus to net cash inflow / (outflow)  
from operating activities**

	<b>2024</b>	<b>2023</b>
<b>Cash flows from operating activities</b>	<b>£</b>	<b>£</b>
Operating surplus	4,857,011	3,494,757
Depreciation	4,227,887	3,979,366
Amortisation of SHG & Other Capital Grants	(1,251,024)	(1,209,974)
Abortive development costs	2,210	14,924
Decrease in receivables and inventories	1,089,522	306,883
(Decrease)/Increase in payables	(129,422)	804,105
Share capital cancelled	(1)	(5)
Charge for bad debts	75,663	130,016
Capitalised Overheads	(520,894)	(323,246)
(Gain)/Loss on disposal of Property, Plant & Equipment	(24,383)	(68,736)
Other Income	202	5
Housing Finance Grant	337,922	337,922
Pension Fund Current Service Costs	(446)	(18,507)
Pension deficit contribution paid	(354,539)	(336,056)
<b>Net cash inflow from operating activities</b>	<b>8,309,708</b>	<b>7,111,455</b>

**(ii) Analysis of changes in cash and cash equivalents during the year**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
At beginning of year	27,986,368	21,298,265
Net cash (outflow)	(7,909,595)	6,688,103
At end of year	20,076,773	27,986,368

**(iii) Analysis of the balances of cash and cash equivalents as shown in the Statement of Financial Position**

	<b>2024</b>	<b>2023</b>	<b>Change in year</b>	<b>2023</b>	<b>2022</b>	<b>Change in year</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash	20,076,773	27,986,368	(7,909,595)	27,986,368	21,298,265	6,688,103
	20,076,773	27,986,368	(7,909,595)	27,986,368	21,298,265	6,688,103

**(iv) Analysis of changes in financing during the year**

	<b>Share Capital</b>		<b>Housing Loans</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At beginning of year	20	22	86,984,430	94,491,226
Cash inflow from financing	-	3	9,485,000	0
Cash outflow from financing	(1)	(5)	(9,919,400)	(7,252,492)
Cash outflow from finance costs	-	-	(19,160)	(167,339)
	19	20	86,530,870	87,071,395
Non cash items:				
Debenture discount	-	-	-	0
Amortisation of finance costs	-	-	(195,234)	(86,965)
At end of year	19	20	86,335,636	86,984,430

**ATEB GROUP LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**1. Principal Accounting Policies**

**a) Basis of Accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards including The Accounting Requirements for Registered Social Landlords General Determination (Wales) 2015, Financial Reporting Standard (FRS) 102 and the Statement of Recommended Practice (SORP) 2018. ateb Group Limited is a public benefit entity (PBE) as defined in FRS 102. A summary of the more important policies which have been applied consistently are set out below.

**b) Turnover**

Turnover is stated net of voids but inclusive of service charges receivable, special needs, management allowances receivable and amortisation of social housing grant. Service charge income is recognised at the point at which it is collected.

Rental income is recognised from the point when properties under development reach practical completion or otherwise become available for letting. Surpluses or deficits resulting from the sales of properties and fixed asset investments are shown in the income and expenditure account under surpluses/deficits from the sale of fixed assets. Revenue is recognised when sale completion of the property has been achieved

Revenue grants are receivable when the conditions for receipt of agreed grant funding have been met. Charges for support services funded under Supporting People are recognised as they fall due under the contractual arrangements with Administering Authorities. Amortisation of Social Housing and other government grants is accounted for in line with the accounting policy.

Turnover for Mill Bay Homes consists of the proceeds of property sales and related income which are recognised at the point of exchange of contract.

**c) Housing Properties**

Housing Properties are stated at cost, to include all costs incurred in the delivery of the Association's development programme to include:

- i) Cost of acquiring land and buildings
- ii) Site development costs
- iii) External and internal development on-costs

**d) Depreciation**

Depreciation is provided in accordance with FRS102 and the Statement of Recommended Practice (SORP) 2018.

- i) **Housing Properties** - depreciation is charged on the gross historic cost of property components. Grant is allocated to land and the main structure of the property but not to other components. The depreciable amounts are written off over the estimated useful economic lives from the date of purchase/build. Freehold land is not depreciated.

Where a housing property comprises two or more major components with substantially different useful economic lives then each component is accounted for separately. Expenditure relating to the subsequent replacement or renewal of components is capitalised as incurred.

Housing properties are broken down into the following ten components: structure, land, kitchen, bathroom, boiler, wet system, electrical system, windows, external doors and roof.

**Leasehold Properties** are depreciated over the remaining period of the lease.

**Shared Ownership Properties** are not depreciated on the basis that the residual value is likely to be greater than the net cost.

- ii) **Other Tangible Fixed Assets**

Depreciation is charged on the historic cost of other fixed assets to write them down to their estimated residual values over their expected useful lives.

Office premises – using component accounting methodology as per housing properties. The office premises is broken down into the following eight components: land, structure, boiler, wet system, windows, external doors, roof & lift. Freehold land is not depreciated.

Office equipment – 10 years

Computer equipment – 4 to 10 years

Motor vehicles – evenly over 3 to 5 years to estimated residual values

Tools – 3 years

**ATEB GROUP LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**iii) Replacement and Renewals**

Expenditure on assets costing less than £500 (Subsidiaries £250), which do not form part of a larger asset are written off to the Statement of Comprehensive Income in the year in which the expenditure is incurred.

**e) Social Housing Grant**

Social Housing Grants (SHG) are capital grants receivable from the Welsh Government are shown within trade receivables in the Statement of Financial Position. Grants received for housing properties are recognised as income in the Statement of Comprehensive Income over the expected life of the asset. SHG received after the year end in respect of expenditure before the year end has been included within Trade Receivables. Any SHG repayable or received in advance is included within Trade Payables.

**f) Development Administration**

Development administration costs, including relevant office and staff overheads, are capitalised where costs are considered to be incremental to the development programme. Non-incremental costs are charged to the Statement of Comprehensive Income in accordance with FRS102.

**g) Donated Properties Restricted Reserve**

The reserve represents the value of properties donated by the former Soroptomist Housing Association (Tenby & District) Limited. It is intended to ensure the continuing use of the properties for the provision of affordable housing. Restricted funds are funds subject to specific restrictions specified by the donor.

**h) Finance Costs**

Finance costs associated with the provision of loan finance are amortised over the term of the related loans using the effective interest rate.

**i) Inventories**

Work in progress is valued at the lower of cost or net realisable value of development on proposed schemes.

**j) Operating Leases**

Costs in respect of operating leases are amortised on a straight-line basis over the lease In accordance with FRS102.

**k) Low Cost Home Ownership**

Surplus or deficits made on either the administration of Do It Yourself Home Buy Option or on the development and subsequent sale of Low Cost Home Ownership properties are credited or charged to the Statement of Comprehensive Income at the time the property has been sold. The Association accounts for Home Buy transactions by creating an investment for the loan advanced to the property owner and deducting the grant received from the Welsh Government.

**l) Pensions**

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

The Association closed its defined benefit scheme to new members on 31 March 2018. The Association closed the scheme to further accrual on the 31 March 2022 with members transferring to the Social Housing Pension Scheme's Defined Contribution scheme.

The defined benefit scheme was subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions

**ATEB GROUP LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

Regulator and Technical Actuarial standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

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

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

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

For financial years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the Group to account for the Scheme as a defined benefit scheme.

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

The latest accounting valuation was carried out with an effective date of 30 September 2021. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2022 to 28 February 2023 inclusive.

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

**m) Impairment**

An impairment review is undertaken on an annual basis to ensure that all properties are carried in the Statement of Financial Position at the lower of cost or recoverable amount. Where the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised in surplus or deficit in the Statement of Comprehensive Income. The recoverable amount of an asset is the higher of its value in use and the fair value less costs to sell. Where assets are held for their service potential value in use is determined by the present value of the asset's remaining service potential plus the net amount expected to be received from its disposal. Depreciated replacement cost is taken as a suitable measurement model. An impairment loss is reversed if the reasons for the impairment loss have ceased to apply and included in the surplus or deficit in the Statement of Comprehensive Income.

**n) Improvements**

Expenditure will only be capitalised if it results in an increase to the economic performance of the asset. Such enhancement can occur if the improvements result in either: an increase in rental income, a material reduction in future maintenance costs, a significant extension to the life of the property or a significant increase in the market value of the property.

**o) Recycled Capital Grant Fund**

Amounts of Social Housing Grant otherwise repayable on disposal of properties are accounted for by credit to a Recycled Capital Grant Fund, which can be used to fund future developments that would be eligible for Social Housing Grant. The fund operates on the basis of first money in, first money out normally within a period of three years.



**ATEB GROUP LIMITED**  
**NOTES TO THE COSOLIDATED FINANCIAL STATEMENTS**

**p) Other Capital Grants**

**Housing Finance Grant**

The Housing Finance Grant (HFG) is a grant introduced by the Welsh Government in 2013/14. It is paid by the Welsh Government to RSL's as a contribution towards the cost of housing assets. The primary purpose of the HFG is to subsidise the capital and interest costs for the provision of affordable housing. The grant will be paid over a period of 30 years but delivery of the housing will take place in the first few years of the 30-year period. The accounting treatment for the grant is covered under the Housing Association Circular RSL 03/13.

**Fire Safety Grant**

The Fire Safety Grant is paid by the Welsh Government to the Group in 2022-23 as a contribution towards the costs to remediate identified fire safety defects. The primary purpose of the Grant is to subsidise the capital and interest costs to remediate identified fire safety defects for the provision of affordable housing. The grant will be paid out up front, but remediation works will take place over the next 2 years. Grants received for housing properties are recognised as income in the Statement of Comprehensive Income over the expected life of the asset following completion of the asset. Any Grant repayable or received in advance is included within Payables.

**Optimised Retrofit Grant**

The Optimised Retrofit Grant (Phase 3) is a grant introduced by the Welsh Government in 2022/23. It is paid by the Welsh Government to RSL's as a contribution towards the testing of approaches to reach the goals of:

- (a) affordable warmth,
- (b) decarbonised homes,
- (c) develop local capacity for the management and installation of the 'right' energy efficiency measures,
- (d) demonstrate the opportunity for private sector investment,
- (e) drive skills, training and innovation.

The primary purpose of the Grant is to subsidise the capital and interest costs to reach these goals. The grant will be paid out annually up front, but remediation works will take place over the next 3 years. Grants received for housing properties are recognised as income in the Statement of Comprehensive Income over the expected life of the asset following completion of the asset. Any Grant repayable or received in advance is included within Payables.

**q) Donated Land Value Adjustment (S.106 Properties)**

Properties or land acquired at below market price from a non-public body under s106 agreements are treated in the following way: the difference between fair value and the acquisition price is shown as income in the Statement of Comprehensive Income and PPE in the Statement of Financial Position.

**r) Value Added Tax**

The financial statements include VAT to the extent that it is suffered by the Association and the Agency. The Association, West Wales Care & Repair and Mill Bay Homes are registered for VAT.

**s) Corporation Tax**

The Association is a charitable organisation registered under the Co-operative and Community Benefit Societies 2014 and as such is not liable for Corporation Tax on its ordinary activities.

**t) Capitalised Interest**

Interest incurred during the development period is capitalised and added to the cost of completed housing properties based on the net investment and its average borrowing costs during the year.

**ATEB GROUP LIMITED**  
**NOTES TO THE COSOLIDATED FINANCIAL STATEMENTS**

- u) Loan Arrangement Fees**  
Loan arrangement fees and set up costs are charged to the Statement of Comprehensive Income over the life of the loan using an effective interest rate.
- v) Financial Instruments**  
Under FRS102 loans are classified as either basic or complex. The Association has reviewed its loan portfolio and is satisfied that all loans can be classified as basic and are recognised at amortised historical cost.
- w) Provisions for Liabilities**  
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Association will be required to settle the obligation in the future and a reliable estimate can be made of the value.
- x) Cash and Cash Equivalents**  
Cash and cash equivalents comprise cash on hand and on demand deposits, together with short term, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.
- y) Restricted Reserves Policy**  
Restricted funds are funds subject to specific restrictions specified by the donor.
- z) Financial assets carried at amortised cost**  
These comprise rent arrears, trade and other receivables and cash and cash equivalents. Financial assets are initially recognised at fair value plus directly attributable transaction costs. After initial recognition, they are measured at amortised cost using the effective interest method. If there is objective evidence that there is an impairment loss, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced accordingly.  
If an arrangement constitutes a financing transaction, the financial asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.
- Financial liabilities carried at amortised cost**  
These financial liabilities include trade and other payables and interest-bearing loans and borrowings. Non-current debt instruments which meet the necessary conditions in FRS 102, are initially recognised at fair value adjusted for any directly attributable transaction cost and subsequently measured at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance costs in the Statement of Comprehensive Income. Discounting is omitted where the effect of discounting is immaterial.  
A financial liability is derecognised only when the contractual obligation is extinguished, that is, when the obligation is discharged, cancelled or expires.
- aa) Investment in Subsidiary**  
Investment in the subsidiary is accounted for at cost less any impairment.
- ab) Home Buy Option**  
Where the Group received an allowance from Welsh Assembly Government to administer the sale of property under the "Home Buy Option" initiative and in turn has made an interest free loan to the purchaser secured by a charge on the property, the loan is accounted for under investments at cost with the associated grant included in long term liabilities on the statement of financial position.
- ac) Employee Benefits**  
Short term employee benefits and contributions to defined contributions plans are recognised as an expense in the period in which they are incurred.

**ATEB GROUP LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**ad) Going Concern**

After reviewing the current situation with regards to Covid 19 and the Association's and Group's forecasts and projections, the Board has a reasonable expectation that the Association and Group has adequate resources to continue in operational existence for the foreseeable future. The company continues to adopt the going concern basis in preparing its financial statements.

**ae) Investment Property**

Investment Property is held at market value if readily available otherwise held at cost. If the investment property was built as part of a larger build project then an appropriate apportionment should be applied to determine cost.

**af) Significant Management Judgements and Key Sources of Estimation Uncertainty.**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate revised and in any future periods affected.

The following are management judgements in applying the accounting policies of the Association that have the most significant effect on the amounts recognised in the financial statements:

**Impairment of social housing properties**

Management have to make an assessment as to whether an indicator of impairment exists. In making this judgement, management considered the detailed criteria set out in the Statement of Recommended Practice for Social Housing Providers (2014). Specifically this includes whether there is an impairment indicator for a cash-generating unit. For these purposes, a cash-generating unit is defined as a property scheme.

**Economic Life of Assets**

Tangible fixed assets, other than investment properties, are depreciated over their useful economic lives based on various factors. The actual lives of the assets are re-assessed on a periodic basis and may vary depending on the standard of the asset.

For housing property assets, the assets are broken down into components based on management's assessment of the properties and the specific costs incurred in replacing these components. Individual economic lives are assigned to these components. Management have reviewed the components and have concluded that the asset lives are appropriate.

**Defined Benefit Pension Scheme**

We have been notified by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee has been advised to seek clarification from the Court on these items. This process is ongoing and the matter is unlikely to be resolved before the end of 2024 at the earliest. It is recognised that this could potentially impact the value of Scheme liabilities, but until Court directions are received, it is not possible to calculate the impact of this issue, particularly on an individual employer basis, with any accuracy at this time. No adjustment has been made in these financial statements in respect of this potential issue.

**ag) Accounting Estimates – Cost of Sales – Mill Bay Homes**

When a property sale is recognised a transfer from inventories / Work In Progress is made to cost of sales based on the anticipated gross profit margin of the total site development. The anticipated gross profit margin is reviewed periodically and updated for actual costs to date and revised forecasts.

ATEB GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31 March 2024

2 (i) Particulars of Turnover, Operating Cost and Surplus by class of business

	Turnover £	Cost of sales £	Operating costs £	2024 Operating surplus £	Interest receivable £	Interest payable £	Surplus before taxation £
<b>Income and expenditure from social housing lettings</b>							
Fully rented housing accommodation	21,513,365	-	(16,636,876)	4,876,489	-	(3,241,749)	1,634,740
<b>Total from social housing lettings</b> note 2(ii)	21,513,365	-	(16,636,876)	4,876,489	-	(3,241,749)	1,634,740
<b>Other income and expenditure</b>							
Other income	1,011	(1,011)	-	0	-	-	0
Abortive development costs	-	-	(2,210)	(2,210)	-	-	(2,210)
Gain/(loss) on disposal of property, plant and equipment	-	-	-	24,383	-	-	24,383
<b>Total from social housing lettings</b>	21,514,376	(1,011)	(16,639,086)	4,898,662	-	(3,241,749)	1,656,913
<b>Income and expenditure from housing sales</b>							
Income and expenditure from housing sales	2,897,212	(2,298,097)	(281,902)	317,213	-	-	317,213
<b>Income and expenditure from other activities</b>							
Grants and contributions	1,004,422	-	(1,022,968)	(18,546)	-	-	(18,546)
Finance/Investment Income	-	-	-	-	1,007,187	-	1,007,187
Donated Land Value Adjustment	-	-	-	-	-	-	434,610
Finance Charge / Issue Costs	-	-	-	-	-	-	(214,394)
Pension Fund Net Interest Costs	-	-	-	-	-	-	(59,000)
Capitalised Interest	-	-	-	-	-	116,258	116,258
Other income (Legacy income)	-	-	-	-	-	-	202
<b>Surplus on ordinary activities before taxation</b>	25,416,010	(2,299,108)	(17,943,956)	5,197,329	1,007,187	(3,125,491)	3,240,443

National lottery grant of £7,800 was received in the year of which £5,347 was spent in the year, the remainder will be used to add to our digital library stock of IT equipment, enabling us to support customers with Digital Inclusion in the future.

	Turnover £	Cost of sales £	Operating costs £	2023 Operating surplus £	Interest receivable £	Interest payable £	Surplus before taxation £
<b>Income and expenditure from lettings:</b>							
Fully rented housing accommodation	19,446,452	-	(15,990,386)	3,456,067	-	(3,545,992)	(89,926)
<b>Total from social housing lettings</b> note 2(ii)	19,446,452	-	(15,990,386)	3,456,067	-	(3,545,992)	(89,926)
<b>Income and expenditure from housing sales</b>							
Income and expenditure from housing sales	6,491,499	(4,567,962)	(226,963)	1,696,573	-	-	1,696,573
<b>Other income and expenditure</b>							
Other income	-	-	-	-	-	-	0
Abortive development costs	-	-	(14,924)	(14,924)	-	-	(14,924)
Gain/(loss) on disposal of property, plant and equipment	-	-	-	68,736	-	-	68,736
<b>Total from social housing lettings</b>	25,937,951	(4,567,962)	(16,232,273)	5,206,452	-	(3,545,992)	1,660,460
<b>Income and expenditure from other activities</b>							
Grants and contributions	1,019,671	-	(1,003,761)	15,910	-	-	15,910
Other costs	-	-	-	-	-	-	-
Finance/Investment Income	-	-	-	-	707,080	-	707,080
Donated Land Value Adjustment	-	-	-	-	-	-	302,984
Finance Charge / Issue Costs	-	-	-	-	-	-	(254,304)
Pension Fund Net Interest Costs	-	-	-	-	-	-	(37,000)
Capitalised Interest	-	-	-	-	-	61,411	61,411
Other Income	-	-	-	-	-	-	5
<b>Surplus on ordinary activities before taxation</b>	26,957,622	(4,567,962)	(17,236,034)	5,222,362	707,080	(3,484,581)	2,456,545

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 March 2024

**2a (i) Particulars of Turnover, Operating Cost and Surplus by class of business**

	Turnover £	Operating costs £	2024 Operating surplus £	Interest receivable £	Interest payable £	Income from Mill Bay Homes £	Surplus £
<b>Income and expenditure from social housing lettings</b>							
Fully rented housing accommodation	21,513,365	(16,678,527)	4,834,838	-	(3,241,749)	-	1,593,089
<b>Total from social housing lettings</b>	<b>21,513,365</b>	<b>(16,678,527)</b>	<b>4,834,838</b>	<b>-</b>	<b>(3,241,749)</b>	<b>-</b>	<b>1,593,089</b>
<b>Other income and expenditure</b>							
Other income (costs)	-	-	-	-	-	57,643	57,643
Abortive development costs	-	(2,210)	(2,210)	-	-	-	(2,210)
Gain/(loss) on disposal of Property, Plant & Equipment	-	-	24,383	-	-	-	24,383
<b>Total from social housing lettings</b>	<b>21,513,365</b>	<b>(16,680,737)</b>	<b>4,857,011</b>	<b>-</b>	<b>(3,241,749)</b>	<b>57,643</b>	<b>1,672,905</b>
Finance/Investment Income	-	-	-	1,226,704	-	-	1,226,704
Donated Land Value Adjustment	-	-	-	-	-	-	434,610
Finance Charges / Issue Costs	-	-	-	-	-	-	(214,394)
Pension Fund Net Interest Costs	-	-	-	-	-	-	(55,000)
Capitalised Interest	-	-	-	-	116,258	-	116,258
Other Income	-	-	-	-	-	-	202
<b>Surplus on social housing lettings</b>			<b>4,857,011</b>	<b>1,226,704</b>	<b>(3,125,491)</b>	<b>57,643</b>	<b>3,181,285</b>

National lottery grant of £7,800 was received in the year of which £5,347 was spent in the year, the remainder will be used to add to our digital library stock of IT equipment, enabling us to support customers with Digital Inclusion in the future.

	Turnover £	Operating costs £	2023 Operating surplus £	Interest receivable £	Interest payable £	Income from Mill Bay Homes £	Surplus £
<b>Income and expenditure from social housing lettings</b>							
Fully rented housing accommodation	19,446,452	(16,005,507)	3,440,945	0	(3,545,992)	-	(105,048)
<b>Total from social housing lettings</b>	<b>19,446,452</b>	<b>-16,005,507</b>	<b>3,440,945</b>	<b>-</b>	<b>(3,545,992)</b>	<b>-</b>	<b>(105,048)</b>
<b>Other income and expenditure</b>							
Other income	-	0	-	-	-	1,466,676	1,466,676
Abortive development costs	-	(14,924)	(14,924)	-	-	-	(14,924)
Gain/(loss) on disposal of Property, Plant & Equipment	-	-	68,736	-	-	-	68,736
<b>Total from social housing lettings</b>	<b>19,446,452</b>	<b>(16,020,431)</b>	<b>3,494,757</b>	<b>-</b>	<b>(3,545,992)</b>	<b>1,466,676</b>	<b>1,415,441</b>
Finance/Investment Income	-	-	-	927,013	-	-	927,013
Donated Land Value Adjustment	-	-	-	-	-	-	302,984
Finance Charges / Issue Costs	-	-	-	-	-	-	(254,304)
Pension Fund Net Interest Costs	-	-	-	-	-	-	(34,000)
Capitalised Interest	-	-	-	-	61,411	-	61,411
Other Income	-	-	-	-	-	-	5
<b>Surplus on social housing lettings</b>			<b>3,494,757</b>	<b>927,013</b>	<b>(3,484,581)</b>	<b>1,466,676</b>	<b>2,418,550</b>

ATEB GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31 March 2024

2 (ii) Turnover from social housing lettings

	2024			2023		
	General Needs & Sheltered Housing £	Supported Housing £	Total £	General Needs & Sheltered Housing £	Supported Housing £	Total £
Rent receivable net of void losses *	17,353,507	424,529	17,778,036	16,073,800	384,507	16,458,307
Service charges	1,971,252	60,604	2,031,856	1,294,285	32,417	1,326,702
	19,324,759	485,133	19,809,892	17,368,085	416,924	17,785,009
Income from support services	452,449	-	452,449	451,469	-	451,469
SHG Amortisation	1,238,285	11,457	1,249,742	1,147,039	11,457	1,158,496
Other Capital Grant Amortisation	1,282	-	1,282	51,478	-	51,478
	21,016,775	496,590	21,513,365	19,018,071	428,381	19,446,452
	185,938	-	185,938	99,627	-	99,627
* Void losses						

2 (iii) Operating costs from lettings

	2024			2023		
	General Needs & Sheltered Housing £	Supported Housing £	Total £	General Needs & Sheltered Housing £	Supported Housing £	Total £
Service charges	1,266,097	60,604	1,326,702	1,294,285	32,417	1,326,702
Management	3,456,609	369,722	3,826,331	2,768,474	364,801	3,133,275
Routine maintenance	5,509,597	45,764	5,555,361	5,813,993	48,292	5,862,285
Major repairs	1,786,703	-	1,786,703	1,733,396	-	1,733,396
Depreciation of housing properties	4,035,175	30,942	4,066,117	3,788,668	31,164	3,819,832
Losses from bad debts	75,663	-	75,663	130,016	-	130,016
Operating costs on social housing lettings	16,129,844	507,032	16,636,876	15,528,833	476,674	16,005,507
Operating surplus on social housing lettings	4,886,931	(10,442)	4,876,489	3,489,238	428,381	3,440,945



**ATEB GROUP LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31 March 2024**

**3 Officers' and Senior Executives' Emoluments**

Officers and Senior Executives are defined as the members of the Board of Management, Group Chief Executive and the Directors.

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Emoluments (including pension contributions and benefits in kind).	497,233	468,666
	=====	=====

During the year the emoluments (excluding pension contributions) of the Chief Executive who was the highest paid Senior Executive was £136,264 (2023: £127,527).

The Senior Executives who served during the year were remunerated as follows:

	<b>2024</b>	<b>2023</b>
£90,001 to £100,000	-	3
£100,001 to £110,000	3	-
£120,001 to £130,000	-	1
£130,001 to £140,000	1	-

The Board received emoluments of £35,836 during the year (2023: £34,230).

The Chief Executive is an ordinary member of the SHPS final salary contributory pension scheme.

**4 Staff numbers and cost**

The average number of full time equivalent persons (including Senior Executives) employed during the year by the Group was:

	<b>2024</b>		<b>2023</b>	
	<b>Actual</b>	<b>FTE</b>	<b>Actual</b>	<b>FTE</b>
Office staff	103	97	94	91
Direct Labour	47	48	42	42
Cleaning staff	23	20	23	18
All Staff	173	165	158	151
	=====	=====	=====	=====

Staff costs for the above persons were:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Wages and salaries	5,162,379	4,696,886
Social security costs	509,550	457,818
Pension costs (note 20)	355,020	286,493
	6,026,949	5,441,197
	=====	=====



**ATEB GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2024**

**3a Officers' and Senior Executives' Emoluments**

Officers and Senior Executives are defined as the members of the Board of Management, Group Chief Executive and the Directors.

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Emoluments (including pension contributions and benefits in kind)	497,233	468,666
	=====	=====

During the year the emoluments (excluding pension contributions) of the Chief Executive who was the highest paid Senior Executive was £136,264 (2023: £127,527).

The Senior Executives who served during the year were remunerated as follows:

	<b>2024</b>	<b>2023</b>
£90,001 to £100,000	-	3
£100,001 to £110,000	3	-
£120,001 to £130,000	-	1
£130,001 to £140,000	1	-

The Board received emoluments of £35,836 during the year (2023: £34,230).

The Chief Executive is an ordinary member of the SHPS final salary contributory pension scheme.

**4a Staff numbers and cost**

The average number of staff (including Senior Executives) employed during the year was:

	<b>2024</b>		<b>2023</b>	
	<b>Actual</b>	<b>FTE</b>	<b>Actual</b>	<b>FTE</b>
Office staff	85	81	77	75
Direct Labour	40	41	36	37
Cleaning staff	1	0	2	0
All Staff	126	122	114	112
	=====	=====	=====	=====

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Staff costs for the above persons were:		
Wages and salaries	4,522,137	4,084,164
Social security costs	451,176	399,346
Pension costs (note 20a)	306,112	239,741
	5,279,425	4,723,251
	=====	=====

**ATEB GROUP LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31 March 2024**

<b>5 Operating surplus</b>	<b>2024</b>	<b>2023</b>
The operating surplus is stated after charging/(crediting):	<b>£</b>	<b>£</b>
Depreciation	4,236,112	3,986,652
Finance issue costs	214,394	254,304
Auditors remuneration		
- In their capacity as auditors, including VAT	27,592	25,260
- In respect of other services, including VAT	-	-
	=====	=====
<b>6 Gain on disposal of property, plant and equipment</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Surplus on sale of properties	24,383	68,736
	=====	=====
<b>7 Finance/Investment Income</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Housing Finance Grant	(114,032)	251,711
Bank interest	1,121,219	455,368
	=====	=====
	1,007,187	707,080
	=====	=====
<b>8 Finance Costs</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
On loans repayable in instalments	2,387,529	2,605,522
On loans repayable other than in instalments	854,220	940,470
	-----	-----
	3,241,749	3,545,992
	=====	=====

- 9 Taxation**  
Mill Bay Homes Limited and Sageston Mangement Company Limited are the only company liable for corporation tax. The other companies are registered with charitable rules under the Co-operative and Community Benefit Societies Act 2014 and are not liable for corporation tax on their normal activities.

**ATEB GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2024**

<b>5a Operating surplus</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
The operating surplus is stated after charging/(crediting):		
Depreciation	4,227,887	3,979,366
Finance issue costs	214,394	254,304
Auditors remuneration		
- In their capacity as auditors, including VAT	17,653	15,720
- In respect of other services, including VAT	-	-
	=====	=====
<b>6a Gain on disposal of property, plant and equipment</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Surplus on sale of properties	24,383	68,736
	-----	-----
	24,383	68,736
	=====	=====
<b>7a Finance/Investment Income</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Housing Finance Grant	(114,032)	251,711
Mill Bay Homes - loan interest	245,541	230,577
Bank interest	1,095,195	444,726
	-----	-----
	1,226,704	927,013
	=====	=====
<b>8a Finance Costs</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
On loans repayable in instalments	2,387,529	2,605,522
On loans repayable other than in instalments	854,220	940,470
	-----	-----
	3,241,749	3,545,992
	=====	=====
<b>8b Transfer from subsidiary company</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Gift Aid payment	57,643	1,466,676
	-----	-----
	57,643	1,466,676
	=====	=====
<b>9a Taxation</b>		
Due to its charitable status, the Association is not liable for Corporation Tax on its normal activities.		

**ATEB GROUP LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31 March 2024**

**10 Property, Plant and Equipment - Housing Properties**

	Housing properties held for letting		Shared ownership properties held for letting		Total £
	Completed £	Under Construction £	Completed £		
<b>Cost</b>					
At 1 April 2023	268,417,425	20,786,217	1,157,991		290,361,633
Additions	4,166,433	12,810,882	464,525		17,441,840
Reclassification	2,516,226	(2,516,226)	-		-
Disposals	(403,797)	-	-		(403,797)
At 31 March 2024	274,696,287	31,080,873	1,622,516		307,399,676
<b>Depreciation</b>					
At 1 April 2023	(38,928,868)	-	(36,506)		(38,965,374)
Charged for the year	(3,942,590)	-	20,584		(3,922,006)
Disposals	578,664	-	-		578,664
At 31 March 2024	(42,292,794)	-	(15,922)		(42,308,716)
<b>Net book value</b>					
At 31 March 2024	232,403,493	31,080,873	1,606,594		265,090,959
At 31 March 2023	229,488,557	20,786,217	1,121,485		251,396,259

The total net book value of housing properties comprises:

	2024 £	2023 £
Freehold property	262,493,325	248,798,624
Long leasehold property	2,597,634	2,597,634
Short leasehold property	-	-
	265,090,959	251,396,259

**Units in Management**

	2024	2,023
At end of year	3,203	3,127

Development administration expenditure and other indirect costs capitalised during the year amounted to £520,894 (2023: £323,246).

Interest capitalised during the year amounted to £116,258 (2023: £61,411).

Component Replacement spend for the year amounted to £2,900,293 (2023: £1,257,721)

Housing Properties includes Land with a carrying value of £28,611,547 (2023: £25,117,883)

Fire Safety costs capitalised during the year amounted to £1,196,916 (2023:£146,045)

Optimised Retrofit Programme (ORP) costs capitalised during the year against which Other Capital Grants have been received amounted to £388,264 (2023:£218,807)

**ATEB GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2024**

**10a Property, Plant and Equipment - Housing Properties**

	Housing properties held for letting		Shared ownership properties held for letting	Total £
	Completed £	Under Construction £	Completed £	
<b>Cost</b>				
At 1 April 2023	268,417,424	20,786,217	1,157,991	290,361,631
Additions	4,166,433	12,810,881	464,525	17,441,839
Reclassification	2,516,226	(2,516,226)	-	-
Disposals	(403,797)	-	-	(403,797)
At 31 March 2024	274,696,286	31,080,872	1,622,516	307,399,674
<b>Depreciation</b>				
At 1 April 2023	(38,928,868)	-	(36,505)	(38,965,372)
Charged for the year	(3,942,590)	-	20,584	(3,922,006)
Disposals	578,664	-	-	578,664
At 31 March 2024	(42,292,794)	-	(15,921)	(42,308,715)
<b>Net book value</b>				
At 31 March 2024	232,403,491	31,080,872	1,606,595	265,090,959
At 31 March 2023	229,488,556	20,786,217	1,121,486	251,396,259

The total net book value of housing properties comprises:

	2024 £	2023 £
Freehold property	262,493,325	248,798,625
Long leasehold property	2,597,634	2,597,634
Short leasehold property	-	-
	265,090,959	251,396,259

**Units in Management**

	2024	2023
At end of year	3,203	3,127

Development administration expenditure and other indirect costs capitalised during the year amounted to £520,894 (2023: £323,246).  
Interest capitalised during the year amounted to £116,258 (2023: £61,411).  
Component Replacement spend for the year amounted to £2,900,293 (2023: £1,257,721)  
Housing Properties includes Land with a carrying value of £28,611,547 (2023: £25,117,883)  
Fire Safety costs capitalised during the year amounted to £1,196,916 (2023:£146,045)  
Optimised Retrofit Programme (ORP) costs capitalised during the year against which Other Capital Grants have been received amounted to £388,264 (2023:£218,807)

**ATEB GROUP LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31 March 2024**

**11 Property, Plant & Equipment - Other Fixed Assets**

	Freehold Offices £	Tools & Equipment £	Motor vehicles £	Computer Equipment £	Total £
<b>Cost</b>					
At 1 April 2023	627,821	708,450	51,421	1,576,808	2,964,500
Additions	30,128	85,237	-	140,124	255,489
Disposals/Write off/Adj.	-	-	-	-	-
At 31 March 2024	657,950	793,686	51,421	1,716,932	3,219,988
<b>Grants and contributions</b>					
At 1 April 2023	-	-	(44,101)	-	(44,101)
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March 2024	-	-	(44,101)	-	(44,101)
<b>Depreciation</b>					
At 1 April 2023	(288,794)	(658,064)	(7,320)	(1,015,516)	(1,969,693)
Charged for the year	(7,246)	(24,605)	-	(139,612)	(171,462)
Disposals/Write off/Adj.	-	-	-	-	-
At 31 March 2024	(296,040)	(682,668)	(7,320)	(1,155,127)	(2,141,156)
<b>Net book value</b>					
At 31 March 2024	361,910	111,018	-	561,804	1,034,731
At 31 March 2023	339,027	50,386	-	561,292	950,706

**12 Investments**

	2024 £	2023 £
Cost of Home Buy Loans	2,343,928	2,418,328
	2,343,928	2,418,328

The above investments represent a 30% and 50% interest in 73 (2023: 75) properties acquired under the Welsh Government Low Cost Home Ownership Schemes.

	2024 £	2023 £
Shop at 50-54 Bush Street	98,326	98,326

**13 Inventories**

	2024 £	2023 £
Completed properties held for sale	290,465	590,908
Schemes under construction	5,393,444	1,868,377
	5,683,909	2,459,285

**ATEB GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2024**

**11a Property, Plant & Equipment - Other Fixed Assets**

	Freehold Offices £	Tools & Equipment £	Motor vehicles £	Computer Equipment £	Total £
<b>Cost</b>					
At 1 April 2023	627,822	641,417	51,421	1,558,103	2,878,763
Additions	30,128	75,986	-	140,124	246,238
Disposals/Write off/Adj.	-	-	-	-	-
At 31 March 2024	657,950	717,403	51,421	1,698,227	3,125,001
<b>Grants and Contributions</b>					
At 1 April 2023	0	0	(44,101)	0	(44,101)
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March 2024	-	-	(44,101)	-	(44,101)
<b>Depreciation</b>					
At 1 April 2023	(288,794)	(603,364)	(7,320)	(998,992)	(1,898,470)
Charged for the year	(7,246)	(17,352)	-	(138,608)	(163,205)
Disposals/Write off/Adj.	-	-	-	-	-
At 31 March 2024	(296,040)	(620,715)	(7,320)	(1,137,600)	(2,061,676)
<b>Net book value</b>					
At 31 March 2024	361,910	96,687	-	560,627	1,019,224
At 31 March 2023	339,028	38,053	0	559,111	936,193

**12a Investments**

	2024 £	2023 £
Cost of Home Buy Loans	2,343,928	2,418,328

The above investments represent a 30% and 50% interest in 73 (2023: 75) properties acquired under the Welsh Government Low Cost Home Ownership Schemes.

	2024 £	2023 £
Shop at 50-54 Bush Street	98,326	98,326
Shares in subsidiary companies :		
Mill Bay Homes Limited	1	1
West Wales Care & Repair Limited	1	1
Effective Building Solutions Limited	1	1
	3	3

**13a Inventories**

	2024 £	2023 £
Work In Progress	1,024,078	235,245

**ATEB GROUP LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31 March 2024**

**14a(i) Receivables**

**Amounts falling due within one year**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Arrears of Rent and Service Charges	767,851	879,813
Less: Provision for bad and doubtful debts	(185,677)	(270,397)
	-----	-----
Prepayments and accrued income	582,174	609,416
Housing Finance Grant	1,637,513	282,175
Other receivables	101,825	337,922
	-----	-----
	1,027,685	1,709,811
	-----	-----
	3,349,197	2,939,324
	=====	=====

**14b(i) Amounts falling due after more than one year**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Housing Finance Grant	4,708,495	4,832,749
	-----	-----
	4,708,495	4,832,749
	=====	=====

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Prepayments and accrued income	26,000	81,890
	-----	-----
	26,000	81,890
	=====	=====

**15a(i) Payables**

**Amounts falling due within one year**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Rental income prepaid	498,316	439,742
Accrued interest	798,773	367,296
Amounts owed in respect of housing development	952,090	1,045,179
Taxation, pension and social security	175,792	180,177
Social Housing Grant and contributions received in advance	0	284,907
Other payables	83,875	125,731
Accruals and deferred income	3,529,531	2,754,126
Housing loans	8,229,890	2,229,057
Grant Recycling Fund	846,576	732,864
SHG - Deferred Income	1,391,371	1,180,490
Annual Leave Accrual	96,812	96,353
	-----	-----
	16,603,026	9,435,923
	=====	=====



**ATEB GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2024**

<b>14a Receivables</b>	<b>2024</b>	<b>2023</b>
<b>Amounts falling due within one year</b>	<b>£</b>	<b>£</b>
Arrears of Rent and Service Charges	767,851	879,813
Less: Provision for bad and doubtful debts	(185,677)	(270,397)
	-----	-----
Prepayments and accrued income	582,174	609,416
Inter-company debtors - subsidiary companies	233,540	247,222
Housing Finance Grant	134,295	1,559,856
Other receivables	101,825	337,922
	1,011,983	1,339,133
	-----	-----
	<b>2,063,817</b>	<b>4,093,549</b>
	=====	=====
	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>14b Amounts falling due after more than one year</b>		
Loan to subsidiary company	5,804,801	160,350
	=====	=====
	<b>£</b>	<b>£</b>
Housing Finance Grant	4,708,495	4,832,749
	=====	=====
<b>15a Payables</b>		
<b>Amounts falling due within one year</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Rental income prepaid	498,316	439,742
Accrued interest	798,773	367,296
Amounts owed in respect of housing development	611,300	794,801
Taxation, pension and social security	144,604	180,177
Social Housing Grant and capital contributions received in advance	-	284,907
Inter-company creditors - subsidiary companies	737,097	-
Other payables	56,863	79,551
Accruals and deferred income	2,674,280	2,396,057
Housing loans	8,229,890	2,229,057
Grant Recycling Fund	846,576	732,864
SHG - Deferred Income	1,391,371	1,180,490
Annual Leave Year End Accrual	81,596	81,902
	-----	-----
	<b>16,070,666</b>	<b>8,766,844</b>
	=====	=====

**ATEB GROUP LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31 March 2024**

**15b(i) Payables**

<b>Amounts falling due after one year</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Housing Loans	78,105,746	84,755,373
SHG - Deferred Income	140,614,392	134,859,857
Other Capital Grants	8,028,997	7,528,954
Retentions	594,960	627,527
THFC Premium Account	4,932,989	5,099,500
Homebuy Grant - Deferred Income	2,343,928	2,418,328
	-----	-----
	234,621,012	235,289,539
	=====	=====

**15c(i) Housing Loans**

Housing loans are secured by specific charges on the Association's housing properties and are repayable as follows:

<b>Repayable by instalments</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
One year or less	8,229,890	2,229,057
Between one and five years	8,781,910	6,413,644
In five years or more	36,659,971	53,160,803
	-----	-----
	53,671,771	61,803,504
	(821,135)	(946,960)
	-----	-----
Finance Costs	52,850,636	60,856,544
	=====	=====
 <b>Repayable otherwise than by instalments</b>	 <b>2024</b>	 <b>2023</b>
	<b>£</b>	<b>£</b>
One year or less	-	1,000,000
Between one and five years	2,485,000	-
In more than five years	31,000,000	26,000,000
Less : Debenture Discount Account	-	(972)
	-----	-----
	33,485,000	26,999,028
	=====	=====

**Housing Loans**

Housing loans are secured by fixed charges over the organisation's housing stock. Long term finance from Banks, Building Societies and Bond providers represent loans taken out over a 5 to 33 year period. At 31 March 2024 of the total loans outstanding the ratio of fixed rate loans to variable rate interest loans was 92:8 (2023: 95:5). At the year-end interest rates ranged from 2.08% to 9.87%.

**15d(i) SHG**

	<b>Housing properties held for letting</b>		<b>Shared ownership properties held for letting</b>		<b>Total</b>
	<b>Completed</b>	<b>Under Construction</b>	<b>Completed</b>	<b>Total</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
SHG at 1 April 2023	128,005,055	20,595,454	3,137,786	151,738,295	151,738,295
Additions	242,000	7,011,513	-	7,253,513	7,253,513
Reclassification	5,809,293	(5,809,293)	-	-	-
Disposals	0	-	(39,312)	(39,312)	(39,312)
	-----	-----	-----	-----	-----
At 31 March 2024	134,056,347	21,797,674	3,098,474	158,952,496	158,952,496
	=====	=====	=====	=====	=====
<b>Amortisation</b>					
At 1 April 2023	(15,697,948)	-	-	(15,697,948)	(15,697,948)
Charged for the year	(1,249,743)	-	-	(1,249,743)	(1,249,743)
Disposals	958	-	-	958	958
	-----	-----	-----	-----	-----
At 31 March 2024	(16,946,733)	-	-	(16,946,733)	(16,946,733)
	-----	-----	-----	-----	-----
<b>Net book value</b>					
At 31 March 2024	117,109,615	21,797,674	3,098,474	142,005,763	142,005,763
	=====	=====	=====	=====	=====
At 31 March 2023	112,307,107	20,595,454	3,137,786	136,040,347	136,040,347
	=====	=====	=====	=====	=====

**ATEB GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2024**

**15b Payables**

<b>Amounts falling due after more than one year</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Housing Loans	78,105,746	84,755,373
SHG - Deferred Income	140,614,392	134,859,857
Other Capital Grants	8,766,094	7,528,954
Retentions	323,699	536,927
THFC Premium Account	4,932,989	5,099,500
Homebuy Grant - Deferred Income	2,343,928	2,418,328
	-----	-----
	235,086,848	235,198,940
	=====	=====

**15c Housing Loans**

Housing loans are secured by specific charges on the Association's housing properties and are repayable as follows:

<b>Repayable by instalments</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
One year or less	8,229,890	1,357,915
Between one and five years	8,781,910	6,413,644
In five years or more	36,659,971	53,160,803
	-----	-----
	53,671,771	60,932,362
Finance Costs	(821,135)	(946,960)
	-----	-----
	52,850,636	59,985,402
	=====	=====

**Repayable otherwise than by instalments**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
One year or less	-	1,000,000
Between one and five years	2,485,000	-
In more than five years	31,000,000	26,000,000
Less : Debenture Discount Account	-	(972)
	-----	-----
	33,485,000	26,999,028
	=====	=====

**Housing Loans**

Housing loans are secured by fixed charges over the organisation's housing stock.

Long term finance from Banks, Building Societies and Bond providers represent loans taken out over a 5 to 33 year period.

At 31 March 2024 of the total loans outstanding the ratio of fixed rate loans to variable rate interest loans was 92:8 (2023: 95:5). At the year-end interest rates ranged from 2.08% to 9.87%.

**15d SHG**

	<b>Housing properties held for letting</b>		<b>Shared ownership properties held for letting</b>	
	<b>Completed</b>	<b>Under Construction</b>	<b>Completed</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
SHG at 1 April 2023	128,005,055	20,595,454	3,137,786	151,738,295
Additions	242,000	7,011,513	-	7,253,513
Reclassification	5,809,293	(5,809,293)	-	-
Disposals	-	-	(39,312)	(39,312)
	-----	-----	-----	-----
At 31 March 2024	134,056,347	21,797,675	3,098,474	158,952,496
	=====	=====	=====	=====
<b>Amortisation</b>				
At 1 April 2023	(15,697,948)	-	-	(15,697,948)
Charged for the year	(1,249,742)	-	-	(1,249,742)
Disposals	958	-	-	958
	-----	-----	-----	-----
At 31 March 2024	(16,946,733)	-	-	(16,946,733)
	-----	-----	-----	-----
<b>Net book value</b>				
At 31 March 2024	117,109,615	21,797,675	3,098,474	142,005,763
	=====	=====	=====	=====
At 31 March 2023	112,307,107	20,595,454	3,137,786	136,040,347
	=====	=====	=====	=====

**ATEB GROUP LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31 March 2024**

**15e(i) Grant Recycling Fund**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Opening Balance</b>	732,864	609,376
Property Sales	113,712	123,488
Recycled to Development	-	-
<b>Closing Balance</b>	<b>846,576</b>	<b>732,864</b>

**15f(i) Other Capital Grants**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Homebuy Grant	2,343,928	2,418,328
Fire Safety Grant	6,426,199	6,426,199
Optimised Retrofit Grant	2,033,204	937,983
Other Capital Grants	306,691	164,772
	<b>11,110,022</b>	<b>9,947,282</b>

None of the Fire Safety and Optimised Retrofit Grant have been amortised in the year. Amortisation of Other Capital Grants totalled £1,282 (2023: £51,478)

**16 Called up share capital - non equity**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Allotted issued and fully paid		
At the beginning of the year	20	22
Issued	-	3
Cancelled	(1)	(5)
At the end of the year	<b>19</b>	<b>20</b>

Members hold shares of £1. The shares are non-transferable and non-redeemable and carry no rights to receive either income or capital payments. There are no voting rights on these shares.

**17 Reserves**

	<b>At 1 April 2023</b>	<b>Surplus for the year</b>	<b>Transfer of reserves</b>	<b>At 31 March 2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Revenue Reserve</b>	47,027,573	2,781,927	112,104	49,921,604
<b>Designated Reserves</b>				
Business Continuity	233,015	0	(106,958)	126,057
Mill Bay Homes Gift Aid	0	0	0	0
<b>Restricted Reserves</b>				
Donated Properties	140,000	0	0	140,000
Hardship Fund	77,299	0	4,304	81,603
Legacy Fund	16,551	0	(9,450)	7,101
<b>Total</b>	<b>47,494,438</b>	<b>2,781,927</b>	<b>-</b>	<b>50,276,365</b>
Analysed as:				
Revenue Reserve				49,921,604
Designated Reserves				126,057
Restricted Reserves				228,704
				<b>50,276,365</b>

Designated Reserves are unrestricted reserves which are earmarked for specific purposes. Mill Bay Homes Gift Aid Reserve not required to be disclosed separately.

**18 Capital Commitments**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Capital & development expenditure that has been contracted for but has not been provided for in the financial statements:	6,320,584	5,655,144
Capital & development expenditure that has been authorised by the Board of Management but has not yet been contracted for:	14,339,633	8,666,002

The commitments at 31 March 2023 will be funded from grants from the Welsh Government, or local authorities, the balance being funded from private finance loans and sales under the Low Cost Home Programme.

**ATEB GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2024**

**15e Grant Recycling Fund**

	2024 £	2023 £
<b>Opening Balance</b>	732,864	609,376
Property Sales	113,712	123,488
Recycled to Development	-	-
<b>Closing Balance</b>	<u>846,576</u>	<u>732,864</u>

**15f Other Capital Grants**

	2024 £	2023 £
Homebuy Grant	2,343,928	2,418,328
Fire Safety Grant	6,426,199	6,426,199
Optimised Retrofit Grant	2,033,204	937,983
Other Capital Grants	306,691	164,772
	<u>11,110,022</u>	<u>9,947,282</u>

None of the Fire Safety and Optimised Retrofit Grant have been amortised in the year.  
Amortisation of Other Capital Grants totalled £1,282 (2023: £51,478)

**16a Called up share capital - non equity**

	2024 £	2023 £
Allotted issued and fully paid		
At the beginning of the year	20	22
Issued	-	3
Cancelled	(1)	(5)
At the end of the year	<u>19</u>	<u>20</u>

Each member of the Association holds one share of £1. The shares are non-transferable and non-redeemable and carry no rights to receive either income or capital payments. There are no voting rights on these shares.

**17a Reserves**

	At 1 April 2023 £	Surplus for the year £	Transfer of reserves £	At 31 March 2024 £
<b>Revenue Reserve</b>	46,738,567	2,756,301	-	49,494,868
<b>Designated Reserves</b>				
Mill Bay Homes Gift Aid	-	-	-	-
<b>Restricted Reserves</b>				
Donated Properties	140,000	-	-	140,000
<b>Total</b>	<u>46,878,567</u>	<u>2,756,301</u>	<u>-</u>	<u>49,634,868</u>
Analysed as:				
Revenue Reserve				49,494,868
Designated Reserve				-
Restricted Reserves (Donated Properties)				140,000
				<u>49,634,868</u>

Mill Bay Homes Gift Aid Reserve not required to be disclosed separately.

**18a Capital Commitments**

	2024 £	2023 £
Capital expenditure that has been contracted for but has not been provided for in the financial statements	<u>5,132,273</u>	<u>101,493</u>
Capital expenditure that has been authorised by the Board of Management but has not yet been contracted for:	<u>14,339,633</u>	<u>8,666,002</u>

The commitments at 31 March 2024 will be funded from grants from the Welsh Government, or local authorities, the balance being funded from private finance loans and sales under the Low Cost Home Ownership Programme.

**ATEB GROUP LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31 March 2024**

**19 Operating leases**

The companies hold telecommunications equipment and vehicles on non-cancellable operating leases. At the Statement Of Financial Position date the commitments (inc VAT) under such leases are as follows:

	2024 £	2023 £
Commitment:		
Expiring within one year	8,671	5,640
Expiring within two to five years	118,461	161,686
	=====	=====

**20 Pensions Obligations**

The Association participates in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers. The scheme is a defined contribution scheme in the UK. The Association closed its defined benefit scheme to new members on 31 March 2018. The Association has also now closed the defined benefits scheme to future accrual on 31 March 2022. The defined benefit scheme was subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial standards issued by the Financial Reporting Council, out the framework for funding defined benefit occupational pension schemes in the UK. The last triennial valuation of the scheme for funding purposes was carried out as at 30 Sept 2020. This valuation revealed a deficit of £1,560m. A recovery plan has been put in place with the aim of removing this deficit by 31 March 2028. The scheme is classified as a 'last man standing arrangement'. Therefore the Association is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on annuity purchase basis on withdrawal from the scheme. For financial years ending on or before 28 February 2019, it was not possible for the Association to obtain sufficient information to enable it to account for the Scheme as a defined benefit scheme, therefore the Association has accounted for the Scheme as a defined contribution scheme. For financial years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the Association to account for the Scheme as a defined benefit scheme. For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year-ends from the following 31 March to 28 February inclusive. The latest accounting valuation was carried out with an effective date of 30 September 2021. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2022 to 28 February 2023 inclusive. The liabilities are compared, at the relevant accounting date, with the Association's fair share of the Scheme's total assets to calculate the Association's net deficit or surplus.

**Present Values of Defined Benefit Obligation, Fair Value of Assets and Defined Benefit Asset (Liability)**

	31 March 2024 £k	31 March 2023 £k
Fair value of plan assets	6,467	6,568
Present value of defined benefit obligation	8,009	7,974
Surplus (deficit) in plan	(1,542)	(1,406)
Unrecognised surplus	-	-
Defined benefit asset (liability) to be recognised	(1,542)	(1,406)

**Reconciliation of Opening and Closing Balances of the Defined Benefit Obligation**

	Period ended 31 March 2024 £k
Defined benefit obligation at start of period	7,974
Current service cost	-
Expenses	12
Interest expense	382
Contribution by plan participants	-
Actuarial losses (gains) due to scheme experience	39
Actuarial losses (gains) due to changes in demographic assumptions	(81)
Actuarial losses (gains) due to changes in financial assumptions	(77)
Benefits paid and expenses	(240)
Defined benefit obligation at end of period	8,009

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

	Period ended 31 March 2024 £k
Fair value of plan assets at start of period	6,568
Interest income	323
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	(575)
Contributions by the employer	391
Contributions by plan participants	-
Benefits paid and expenses	(240)
Fair value of plan assets at end of period	6,467

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2024 was (£252,000)

**ATEB GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2024**

**19a Operating leases**

The Association has telecommunications equipment and vehicles on non-cancellable operating leases. At the Statement Of Financial Position date the Association had annual commitments (inc. VAT) under such leases as follows:

	2024 £	2023 £
Commitment:		
Expiring within one year	8,671	5,640
Expiring within two to five years	94,767	119,139
	=====	=====

**20a Pensions Obligations**

The Association participates in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers. The scheme is a defined contribution scheme in the UK. The Association closed its defined benefit scheme to new members on 31 March 2018. The Association has also now closed the defined benefits scheme to future accrual on 31 March 2022. The defined benefit scheme was subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2004. This, together with documents issued by the Pensions Regulator and Technical Actuarial standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK. The last triennial valuation of the scheme for funding purposes was carried out as at 30 Sept 2020. This valuation revealed a deficit of £1,560m. A recovery plan has been put in place with the aim of removing this deficit by 31 March 2028. The scheme is classified as a 'last man standing arrangement'. Therefore the Association is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on annuity purchase basis on withdrawal from the scheme. For financial years ending on or before 28 February 2019, it was not possible for the Association to obtain sufficient information to enable it to account for the Scheme as a defined benefit scheme, therefore the Association has accounted for the Scheme as a defined contribution scheme. For financial years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the Association to account for the Scheme as a defined benefit scheme. For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year-ends from the following 31 March to 28 February inclusive. The latest accounting valuation was carried out with an effective date of 30 September 2021. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2022 to 28 February 2023 inclusive. The liabilities are compared, at the relevant accounting date, with the Association's fair share of the Scheme's total assets to calculate the Association's net deficit or surplus.

**Present Values of Defined Benefit Obligation, Fair Value of Assets and Defined Benefit Asset (Liability)**

	31 March 2024 £k	31 March 2023 £k
Fair value of plan assets	6,060	6,161
Present value of defined benefit obligation	7,498	7,474
Surplus (deficit) in plan	(1,438)	(1,313)
Unrecognised surplus	-	-
Defined benefit asset (liability) to be recognised	(1,438)	(1,313)

**Reconciliation of Opening and Closing Balances of the Defined Benefit Obligation**

	Period ended 31 March 2024 £k
Defined benefit obligation at start of period	7,474
Current service cost	-
Expenses	9
Interest expense	358
Contribution by plan participants	-
Actuarial losses (gains) due to scheme experience	31
Actuarial losses (gains) due to changes in demographic assumptions	(77)
Actuarial losses (gains) due to changes in financial assumptions	(71)
Benefits paid and expenses	(226)
Defined benefit obligation at end of period	7,498

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

	Period ended 31 March 2024 £k
Fair value of plan assets at start of period	6,161
Interest income	303
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	(540)
Contributions by the employer	362
Contributions by plan participants	-
Benefits paid and expenses	(226)
Fair value of plan assets at end of period	6,060

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2024 was (£237,000)

**ATEB GROUP LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31 March 2024**

**Defined Benefit Costs Recognised in Statement of Comprehensive Income**

	Period ended 31 March 2024 £k
Current service costs	-
Expenses	12
Net interest expense	59
Defined benefit costs recognised in statement of comprehensive income (SoCI)	71

**Defined Benefit Costs Recognised in Other Comprehensive Income**

	Period ended 31 March 2024 £k
Experience on plan assets (excluding amounts included in net interest costs) - gain(loss)	(575)
Experience gains and losses arising on the plan liabilities - gain (loss)	(39)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	81
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	75
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	(459)
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) - gain (loss)	-
<b>Total amount recognised in other comprehensive income - gain (loss)</b>	<b>(459)</b>

**Assets**

	31 March 2024 £k	31 March 2023 £k
Global Equity	645	123
Absolute Return	253	71
Distressed Opportunities	228	198
Credit Relative Value	212	247
Alternative Risk Premia	205	12
Emerging Markets Debt	83	35
Risk Sharing	379	484
Insurance-Linked Securities	33	166
Property	259	283
Infrastructure	653	751
Private Equity	5	-
Private Debt	238	292
Opportunistic Illiquid Credit	253	281
High Yield	17	23
Opportunistic Credit	-	-
Cash	128	47
Corporate Bond Fund	-	-
Liquid Credit	-	-
Long Lease Property	42	198
Secured Income	193	302
Over 15 Year Gilts	-	-
Liability Driven Investment	2,632	3,025
Currency hedging	(2)	13
Net Current Assets	11	17
<b>Total Assets</b>	<b>6,467</b>	<b>6,568</b>

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

**Key Assumptions**

	31 March 2024 % per annum	31 March 2023 % per annum
Discount Rate	4.91	4.85
Inflation (RPI)	3.12	3.18
Inflation (CPI)	2.79	2.78
Salary Growth	3.79	3.78
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

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

	Life expectancy at age 65 (Years)
Male retiring in 2024	20.50
Female retiring in 2024	23.00
Male retiring at 2044	21.80
Female retiring in 2044	24.40



**ATEB GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2024**

**Defined Benefit Costs Recognised in Statement of Comprehensive Income**

	Period ended 31 March 2024 £k
Current service costs	-
Expenses	9
Net interest expense	55
Defined benefit costs recognised in statement of comprehensive income (SoCI)	64

**Defined Benefit Costs Recognised in Other Comprehensive Income**

	Period ended 31 March 2024 £k
Experience on plan assets (excluding amounts included in net interest costs) - gain(loss)	(540)
Experience gains and losses arising on the plan liabilities - gain (loss)	(31)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	77
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	70
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	(425)
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) - gain (loss)	-
<b>Total amount recognised in other comprehensive income - gain (loss)</b>	<b>(425)</b>

**Assets**

	31 March 2024 £k	31 March 2023 £k
Global Equity	604	115
Absolute Return	237	67
Distressed Opportunities	214	186
Credit Relative Value	199	232
Alternative Risk Premia	192	11
Emerging Markets Debt	78	33
Risk Sharing	355	454
Insurance-Linked Securities	31	156
Property	243	265
Infrastructure	612	704
Private Equity	5	-
Private Debt	238	274
Opportunistic Illiquid Credit	237	264
High Yield	1	22
Opportunistic Credit	-	-
Cash	120	44
Corporate Bond Fund	-	-
Liquid Credit	-	-
Long Lease Property	39	186
Secured Income	181	283
Over 15 Year Gilts	-	-
Liability Driven Investment	2,466	2,837
Currency hedging	(2)	12
Net Current Assets	10	16
<b>Total Assets</b>	<b>6,060</b>	<b>6,161</b>

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

**Key Assumptions**

	31 March 2024 % per annum	31 March 2023 % per annum
Discount Rate	4.91	4.85
Inflation (RPI)	3.12	3.18
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Salary Growth	3.79	3.78
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

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

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

## ATEB GROUP LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2024

#### 21 Contingent Liabilities

Social Housing Grant may become repayable in the following circumstances:

- Disposal of a property (including disposals on assisted ownership terms) other than to another RSL;
- Change of use of a property to a use that would not be eligible for grant;
- Change of use of a property to a use that would be eligible for a lesser amount of grant;
- Demolition of a property where the site does not form part of a new social housing development by a RSL;
- A disposal given rise to a repayment of discount under Schedule 2 to the Housing Associations Act 1985.

An employer debt could arise on withdrawal from the Association's final salary pension through the Social Housing Pension Scheme (SHPS). The estimated employer debt for the Association on withdrawal from the SHPS plan based on the financial position of the scheme as at 30 September 2020 was £9,416,222. As events which could crystallise the debt are unlikely to arise in the foreseeable future, no specific provision is deemed necessary.

The Association has been notified by the Trustee of the Social Housing Pension Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee has been advised to seek clarification from the Court on these items. This process is ongoing and the matter is unlikely to be resolved before the end of 2024 at the earliest. It is recognised that this could potentially impact the value of Scheme liabilities, but until Court directions are received, it is not possible to calculate the impact of this issue, particularly on an individual employer basis, with any accuracy at this time. No adjustment has been made in these financial statements in respect of this potential issue.

In March 2024 the Association became aware that it may not have been fully compliant with potential legal obligations arising under the Renting Homes (Wales) Act 2016 ("the Act") and the Renting Homes (Fitness for Human Habitation) (Wales) Regulations 2022 (as amended) ("the Regulations") at the year end. On identification of the issue, immediate steps were taken to ensure compliance with legal obligations as the Association is currently able to understand them. Following legal advice, the Association along with other Registered Social Landlords, a number of Registered Social Landlords have issued a claim in the High Court to seek a series of declarations as to the correct meaning and interpretation of the potential obligations. The Association has assessed that the likelihood of an outflow of resources to settle this potential liability following the legal proceedings is less than probable but (acknowledging the inherent uncertainty with such legal proceedings) is more than remote.

A high level of uncertainty remains because the interpretation of the requirements under the Act and Regulations needs clarification which will only be possible following determination of the proceedings that are currently before the High Court, hence any financial effect cannot currently be measured with sufficient reliability at this time.

#### 22 Legislative Provisions

The Association is a charitable organisation registered under the Co-operative and Community Benefit Societies Act 2014. It is registered for Value Added Tax.

West Wales Care and Repair Limited is a charitable organisation registered under the Co-operative and Community Benefit Societies Act 2014. It is registered for Value Added Tax.

Mill Bay Homes is a company limited by shares and is registered under the Companies Act 2006 having converted from a 'registered society' registered under Co-operative and Community Benefit Society Act 2014 in 2017.

Effective Building Solutions is a company limited, registered under the Companies Act 2006 and is currently dormant.

#### 23 Group Structure

The Association holds the controlling interest in three subsidiary companies, Mill Bay Homes Limited and West Wales Care & Repair Limited and Effective Business Solutions Limited.

#### 24 Related Parties

Board members were reimbursed a total of £364 for attending meetings.

Board Members, Cllrs. H.Hughes and M.Vaux are elected representatives of Ceredigion County Council.

Any transactions with Ceredigion County Council are made at arms length and on normal commercial terms.

#### 25 Pension Provision

The Association has reviewed its pension provision and has closed the Defined Benefit scheme to new members with effect from 31 March 2018. The Association has also now closed the Defined Benefits scheme to future accrual on 31 March 2022.

ateb operates a Defined Contribution scheme for new and existing members. Members of the Defined Benefits scheme have transferred to the Defined Contribution scheme.

## ATEB GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2024

#### 21a Contingent Liabilities

Social Housing Grant may become repayable in the following circumstances:

- Disposal of a property (including disposals on assisted ownership terms) other than to another RSL;
- Change of use of a property to a use that would not be eligible for grant;
- Change of use of a property to a use that would be eligible for a lesser amount of grant;
- Demolition of a property where the site does not form part of a new social housing development by a RSL;
- A disposal given rise to a repayment of discount under Schedule 2 to the Housing Associations Act 1985.

An employer debt could arise on withdrawal from the Association's final salary pension through the Social Housing Pension Scheme (SHPS). The estimated employer debt for the Association on withdrawal from the SHPS plan based on the financial position of the scheme as at 30 September 2020 was £9,416,222. As events which could crystallise the debt are unlikely to arise in the foreseeable future, no specific provision is deemed necessary.

The Association has been notified by the Trustee of the Social Housing Pension Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee has been advised to seek clarification from the Court on these items. This process is ongoing and the matter is unlikely to be resolved before the end of 2024 at the earliest. It is recognised that this could potentially impact the value of Scheme liabilities, but until Court directions are received, it is not possible to calculate the impact of this issue, particularly on an individual employer basis, with any accuracy at this time. No adjustment has been made in these financial statements in respect of this potential issue

In March 2024 the Association became aware that it may not have been fully compliant with potential legal obligations arising under the Renting Homes (Wales) Act 2016 ("the Act") and the Renting Homes (Fitness for Human Habitation) (Wales) Regulations 2022 (as amended) ("the Regulations") at the year end. On identification of the issue, immediate steps were taken to ensure compliance with legal obligations as the Association is currently able to understand them. Following legal advice, the Association along with other Registered Social Landlords, a number of Registered Social Landlords have issued a claim in the High Court to seek a series of declarations as to the correct meaning and interpretation of the potential obligations. The Association has assessed that the likelihood of an outflow of resources to settle this potential liability following the legal proceedings is less than probable but (acknowledging the inherent uncertainty with such legal proceedings) is more than remote.

A high level of uncertainty remains because the interpretation of the requirements under the Act and Regulations needs clarification which will only be possible following determination of the proceedings that are currently before the High Court, hence any financial effect cannot currently be measured with sufficient reliability at this time.

#### 22a Legislative Provisions

As at 31st March 2024 the Association is a charitable organisation registered under the Co-operative and Community Benefit Societies Act 2014. It is registered for Value Added Tax.

West Wales Care and Repair Limited is a charitable organisation registered under the Co-operative and Community Benefit Societies Act 2014.

Mill Bay Homes Limited is a non-charitable organisation registered under the Companies Act 2006.

Effective Building Solutions is a non-charitable organisation registered under the Companies Act 2006 and is currently dormant.

#### 23a Group Structure

The Association holds the controlling interest in three subsidiary companies, Mill Bay Homes Limited, West Wales Care & Repair Limited and Effective Business Solutions Limited. Mill Bay Homes holds a controlling interest in Sageston Management Company Limited, a company limited by guarantee, with no share capital.

#### 24a Related Parties

Any transactions with Pembrokeshire County Council are made at arms length and on normal commercial terms.

West Wales Care and Repair Limited is a wholly controlled subsidiary company and has an outstanding inter-company debtor balance of £135,372. (2023 debtor: £20,982).

During the year the Parent charged West Wales Care & Repair Management charges of £51,440.

Mill Bay Homes Limited is a wholly controlled subsidiary and has an outstanding inter company debtor balance of £ 5,804,801 (2023: £1,699,225). There is also an intercompany creditor balance £737,097 (2023: £0)

During the year Mill Bay Homes received £6,629,560 and repaid £1,090,000 in loans from the Association. The loan is a revolving credit facility.

During the year the parent charged Mill Bay Homes the following: Management charges £82,445 and Project management charges £94,841

#### 25a Pension Provision

The Association has reviewed its pension provision and has closed the Defined Benefit scheme to new members with effect from 31 March 2018. The Association has also now closed the Defined Benefits scheme to future accrual on 31 March 2022.

Ateb operates a Defined Contribution scheme for new and existing members. Members of the Defined Benefits scheme have transferred to the Defined Contribution scheme.

Creating  
better  
**Living Solutions**