AIHA

Annual Report 2024-25

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Board, executive and advisors

Board

Jacob Sorotzkin (Chair)
Julian Scharfer (Vice Chair)
Shlomo Z Stauber (resigned June 2025)
Moses Hirschler
Cllr Clare Potter (nominee of LB Hackney, resigned May 2025)
Israel Moskowitz
Michael Levy
Brenda Feldman
Jack Silver
Oshi Weissbraun (appointed June 2024)

Executive Management Team

Chaya Spitz OBE
Chief Executive

Errol Lever
Director of Finance

Leora Basalian
Director of Care Services

Malcolm Rogers
Director of Property Services

Solomon Tescher
Director of Housing Services

Registered office

206 Lordship Road,
London N16 5ES

Bankers

Barclays Bank PLC
1 Churchill Place Canary Wharf
London E14 5HP

External Auditors

S&W Partners Audit Limited
Chartered Accountants
45 Gresham Street
London EC2V 7BG

Internal Auditors

Forvis Mazars LLP
30 Old Bailey
London EC4M 7AU

Solicitors

Devonshires Solicitors LLP
30 Finsbury Circus
London EC2M 7DT

Blake Morgan LLP
New Kings Court, Tollgate
Chandlers Ford
Eastleigh SO53 3LG

Message from the Board

AIHA's Board is pleased to present our annual report and accounts for the year 2024-25.

We are unique in our mission of providing good quality homes to Orthodox Jewish people in housing need. We own and manage around 900 homes across England, and are ambitious to do more to alleviate the housing crisis for the community we serve.

We are proud to be led by the community, for the community, with strong governance and an agile response to need.

During the year we delivered against our objectives:

- **Increased access to decent housing**. At the same time as growing AIHA's housing stock, we have also increased our supply of leased homes, helping people affected by homelessness to secure a decent home through AIHA and our partners.
- **Exemplary housing management**. Our results and KPIs for 2024-25, which we report on pages 16-18 and 23, mark us out as a high performing association.
- **Outstanding care and support**. Our beautiful care homes and supported housing provisions continue to be a source of pride and comfort to our residents.
- **Strengthening the organisation for the future**. At a time when housing associations face challenges from many different directions, we have focused on building AIHA's resilience. We have strengthened our use of IT, built our finance systems and capabilities and strengthened governance, leadership and team working. We want to not only survive the headwinds, but thrive, so that we can make a greater impact.

Board Report

Our mission and objectives

AIHA's mission is to provide good quality homes to people in housing need in the Orthodox Jewish community

We have four objectives that encompass everything we do:

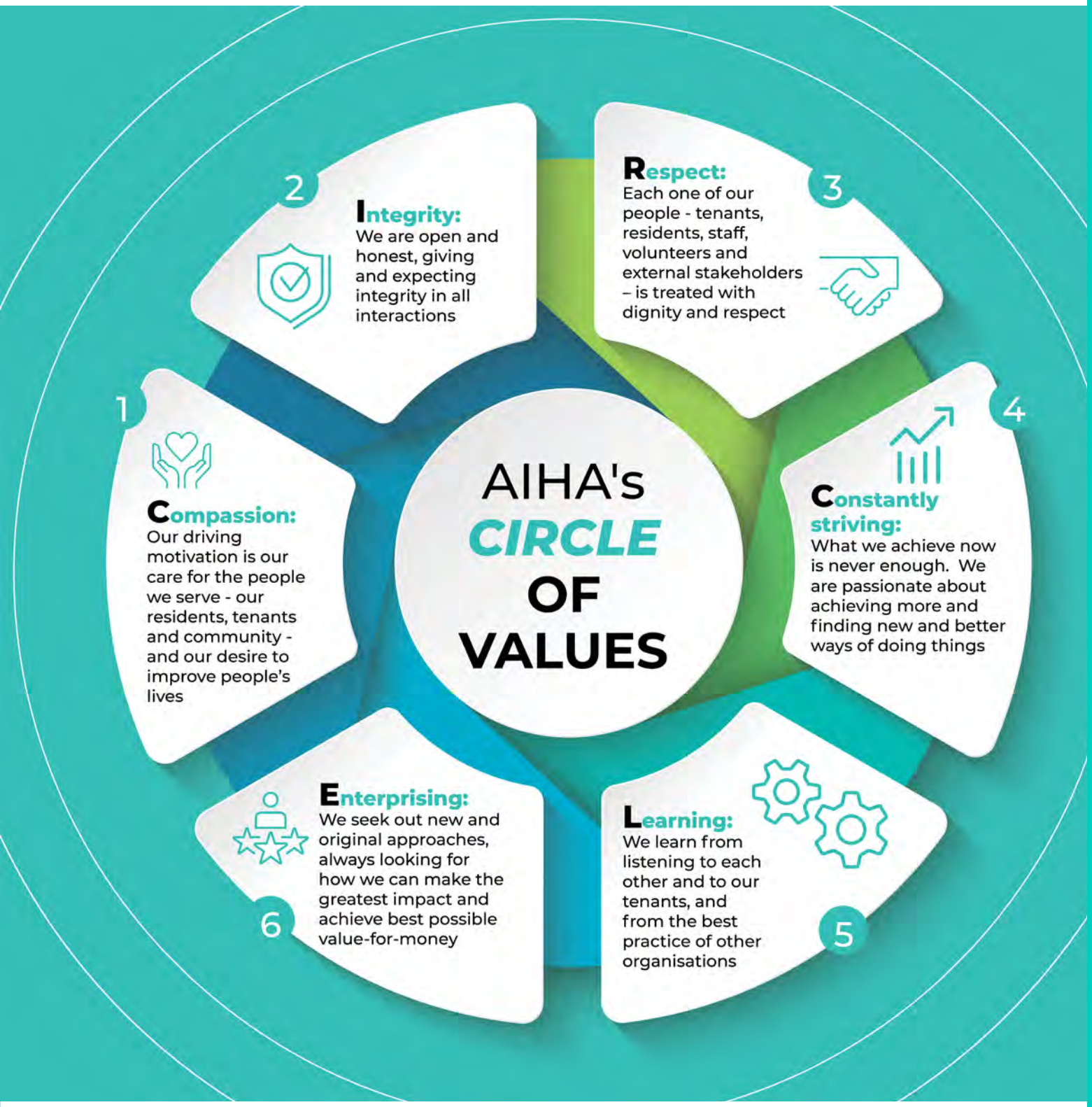
1. **Increase access to decent housing**
   We will achieve this by developing more homes, as well as by working in partnership with local authorities, housing associations and private landlords, and advocating for those in housing need.
2. **Exemplary housing management**
   We will hold the needs of the community and the voice of tenants at the heart of everything we do, and ensure all our homes are safe, compliant and good quality.
3. **Outstanding care and support**
   We will continue our focus on excellent provision of specialist housing for those with extra needs, and grow our supported housing provision.
4. **Strengthening the organisation for the future**
   We will develop and strengthen AIHA to ensure that we have the skills, capacity and financial resilience to meet the challenges and the opportunities of future growth.

Housing, estates and repairs teams meet the tenants on the Yetev Lev Court

Our people and values

We're proud of Team AIHA, where 190 colleagues carry out many different frontline and back office roles. We share a strong culture of caring about the people we serve and a focus on how we can do things even better.

All of our colleagues and Board members participated in a refresh of AIHA's values this year. We are united in our commitment to the AIHA values **CIRCLE**:



AIHA has Gold accreditation against the Investors In People standard

From the Investors in People report:

"People love working for AIHA because managers are highly supportive, they are trusted to take ownership for decision making and there is lots of encouragement for them develop and grow."

"There is an expectation that people will use their initiative to improve systems and processes where there is scope to do so and this has contributed to why people feel empowered in their roles. There are numerous opportunities for people to take the lead, which they find very motivating."

"There is a strong culture of consultation and people feel that their input is respected and valued and that they are part of the decision making process."

"People are passionate about doing the best they can for residents and tenants and constantly come up with ideas and suggestions which support the achievement of AIHA's key priorities both individually and within their teams. This is reflected in the strong culture of continuous improvement that exists across the organisation. People are constantly thinking of different approaches they can take to meet individual needs, taking reasonable risks when this is required."

"Everybody understands AIHA's key priorities around delivering outstanding services and growing the number of homes they provide and they are fully committed to ensuring that these objectives are met."

Governance and Legal Structure

A strong and effective Board is at the heart of a well-run housing association, and is a key regulatory requirement. AIHA's Board comprises eight elected members, all of whom are non-executive and unpaid. They bring a wide array of knowledge, skills and experience, along with many hours of voluntary time, to their role.

The Board is collectively responsible for our strategic direction and leadership, for compliance with all regulatory requirements, and for achievement of AIHA's objectives, within a clearly defined framework of delegation and systems of control.

The Board met eight times during 2024-25, including 6 regular Board meeting with 2 additional meetings to enable in depth discussion about specific topics. New Board members are given a full induction, and training and development is offered to the whole Board. The Board's performance is appraised annually, and an in-depth appraisal of Board Members' performance takes place every other year.

The Board is assisted by three Committees:

Audit and Risk Committee

Supports the Board on risk management, internal and external audit, compliance, and controls in procurement, fraud and IT.

Members:

Michael Levy (Chair)
Brenda Feldman
Adrian Cohen
(independent Committee Member)
Julian Scharfer
Jack Silver

Selection and Remuneration Committee

Has oversight of AIHA's remuneration policies and supports the Board on employment of the Chief Executive and the senior leadership team. Also leads recruitment to AIHA's Board

Members:

Michael Levy (Chair)
Jacob Sorotzkin
Moses Hirschler

Development Committee

Provides in-depth scrutiny of AIHA's development activities and advises the Board about proposed new development.

Members:

Julian Scharfer (Chair)
Jacob Sorotzkin
Israel Moskowitz
Moses Hirschler
Oshi Weissbraun

Day-to-day management of AIHA's affairs is delegated by the Board to the Chief Executive who is supported by four directors, who lead the functions of Property Services, Housing Services, Care, and Finance. Together the senior leadership team ensures that the Board has sufficient information to exercise their role, and works with the Board to define the strategic direction.

Subsidiaries

AIHA has one wholly owned private limited subsidiary company, AIHA Sales Ltd. The subsidiary is not regulated by the Regulator of Social Housing but is constituted under the Companies Act 2006. The company was dormant for a number of years and became active again in 2024-25.

The Directors of AIHA Sales Ltd are the Chief Executive of AIHA and one other member of AIHA's Board. AIHA's Board has oversight of activities of the subsidiary, whose purpose is to conduct activities that will further AIHA's economic viability and charitable objectives.

Independent legal advice is taken about compliance of AIHA Sales Ltd, and we confirm that all legal requirements are met.

Compliance with the Regulatory Standards, the Code of Governance and all relevant law

The Board confirms compliance with the Regulator of Social Housing's Regulatory Standards, and has internal systems for regularly reviewing and checking compliance. Some of the mechanisms through which we assure compliance are:

- An effective Board supported by the committees that provide in depth scrutiny of different areas of activity;
- A system of internal controls which are tested by internal audit;
- An operational business plan and long term financial plan that is subject to stress testing, approved by the Board and regularly updated;
- A detailed risk map and risk management strategy, reviewed by the Board;
- Compliance with lenders' covenants with Board monitoring compliance on a quarterly basis;
- Golden Rules agreed by the Board to provide a secure buffer protecting lenders' covenants and ensuring sufficient liquidity to meet contractual requirements;
- An annual Value for Money (VfM) statement and report on performance against set metrics;
- An asset and liability register;
- An effective framework for tenant engagement and set of controls to ensure compliance with consumer standards.

AIHA has adopted the NHF Code of Governance 2020 and reviews its compliance against the Code annually. The Board confirms that AIHA is fully compliant with the 2020 Code of Governance.

As an Association with fewer than 1000 homes, AIHA is not routinely inspected by the Regulator and does not have regulatory gradings.

Statement of the Board's responsibilities

The Board is responsible for preparing the Board Report and the financial statements in accordance with applicable law and regulations.

The Co-operative and Community Benefit Societies Act 2014 and the Housing and Regeneration Act 2008 requires the Board to prepare financial statements for each financial year. Under that law the Board has elected to prepare the Association's financial statements in accordance with 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". The Board must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Association and of the surplus or deficit for that period. In preparing these financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

The Board is responsible for keeping adequate accounting records that are sufficient to show and explain the Association's transactions and disclose with reasonable accuracy at any time the financial position of the Association and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014 and the Housing and Regeneration Act 2008. They are 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.

Disclosure of information to the auditors

In the case of each person who was a member of the Board at the time this report was approved:

- so far as that member was aware there was no relevant audit information of which the Association's auditor was unaware; and
- that member had taken all steps that the member ought to have taken as a member to make himself or herself aware of any relevant audit information and to establish that the Association's auditor was aware of that information.

Delivery against our plan and achievements during 2024-25

New homes for the community

Schemes in Gateshead and London have progressed smoothly and we're moving towards practical completion of 42 new homes in 2025-26. The majority of the new homes are for shared ownership, with some for affordable rent. Demand has been exceptionally high and we are progressing with off-plan sales.

Both schemes are a bespoke design to meet the needs of Orthodox Jewish households.

We have also progressed with a specialist 5 home scheme for Orthodox Jewish disabled adults in Hackney, a demographic with substantial unmet housing need. The project is being run in partnership with disability charity Misgav and is expected to complete in 2026/27. A further scheme for disabled adults is also being pursued.

We thank our funders from the GLA and Homes England who have been supportive partners on these schemes.

Considering the damaging effect that the current housing crisis is having on many families, this work is not enough. There has been a sharp increase in homelessness in the community, most prominently in London boroughs of Hackney and Haringey. To respond to this, we have been operating an emergency housing scheme, where we lease homes from private sector landlords to accommodate families who are homeless or on the cusp of homelessness. We now manage 30 homes under this scheme and are looking for more properties to add.

- 854 households are on AIHA's housing waiting list
- **Only a small proportion of those in housing need in the community apply to AIHA – the chances of being allocated a home are so narrow**
- Almost 60% on our waiting list are overcrowded, including 45% who are overcrowded by two or more bedrooms
- **We can only help those in the most urgent need, people who are homeless or have acute social or medical needs**

Going forward, AIHA aspires to make an impact on housing need in the community by leveraging all of our assets to this end. We will:

» Use our business plan headroom to invest strategically in new development where it can make the greatest difference. We are particularly interested in investing in neighbourhoods outside of but reasonably close to Stamford Hill/ Tottenham where families will still be able to rely on existing community infrastructure.

» Find new forms of investment and partnership that enable us to extend what we can do.

» Advocate for people in housing crisis, to persuade other providers, including local authorities who have statutory homelessness duties, to do more to relieve housing need in the Orthodox Jewish community.

» Expand the number of homes we lease from private sector landlords

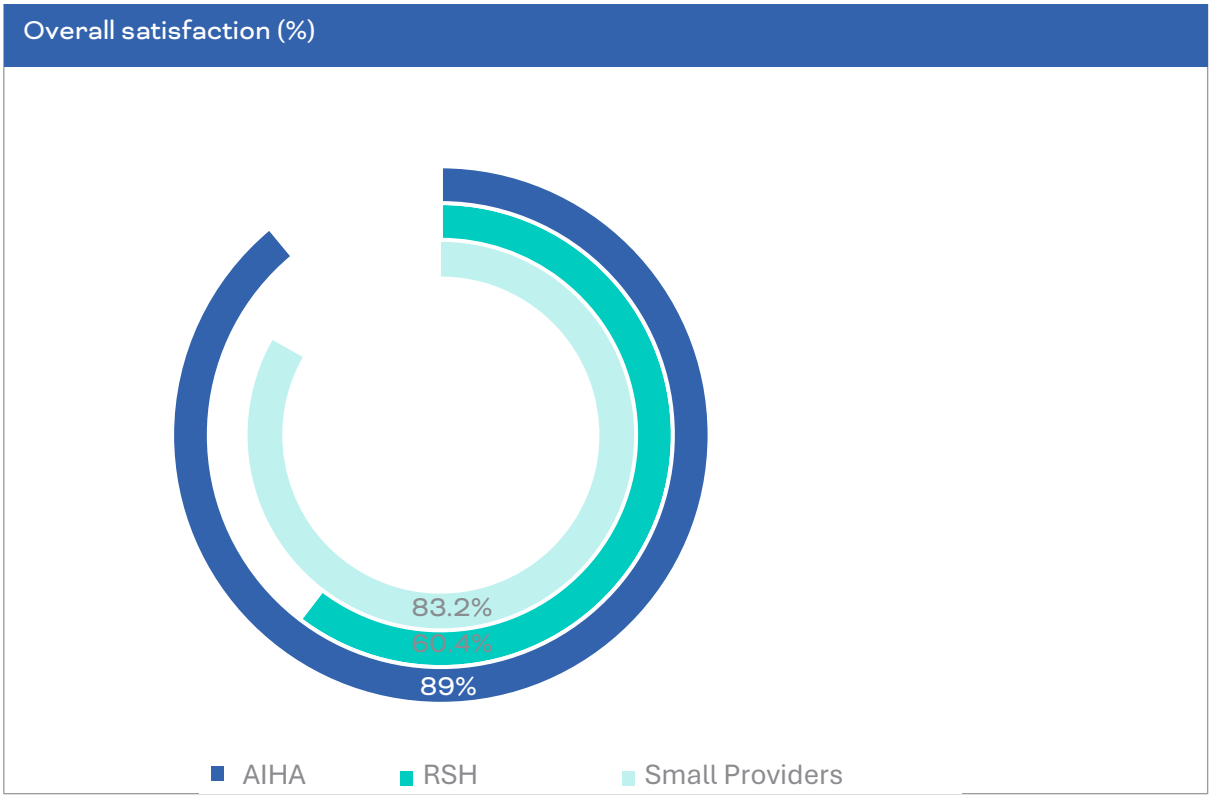
The groundbreaking event at Rabbi Roberts House on Golders Green Road

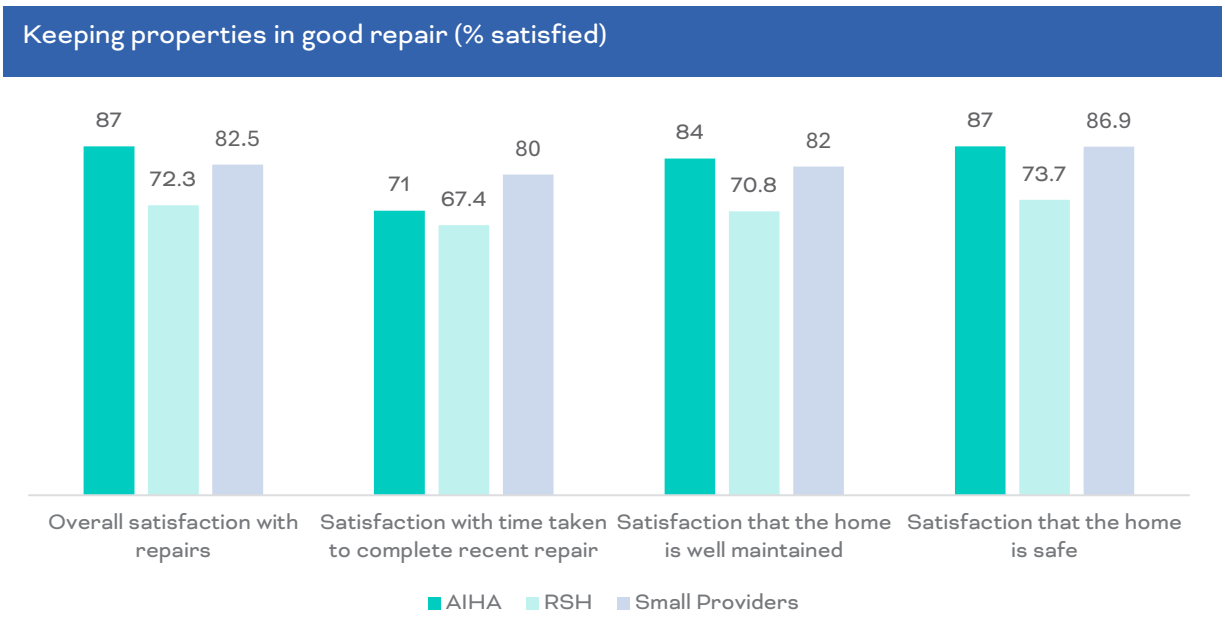
Exemplary housing management

We report below on AIHA's performance against the Tenant Satisfaction Measures (TSMs) set by the Regulator. We are pleased to show strong performance against these measures.

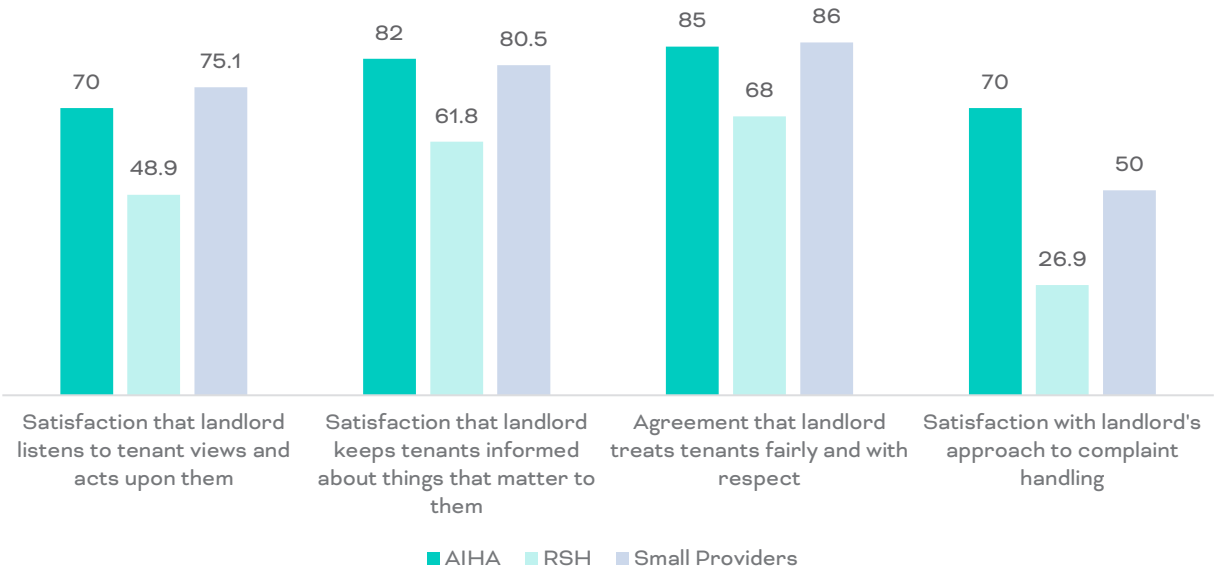
As a small provider, AIHA carries out a tenant survey once in two years. The tenant perception data shown below are drawn from survey data collected in 2023-24; the next survey will be carried out again in 2025-26. TSMs that use management information are drawn from performance data for 2024-25.

Comparative data are provided from RSH data for the sector for 2023-24 (calculated average for LCRA and LCHO), and for a smaller providers cohort provided in the Acuity Benchmarking Report 2024.

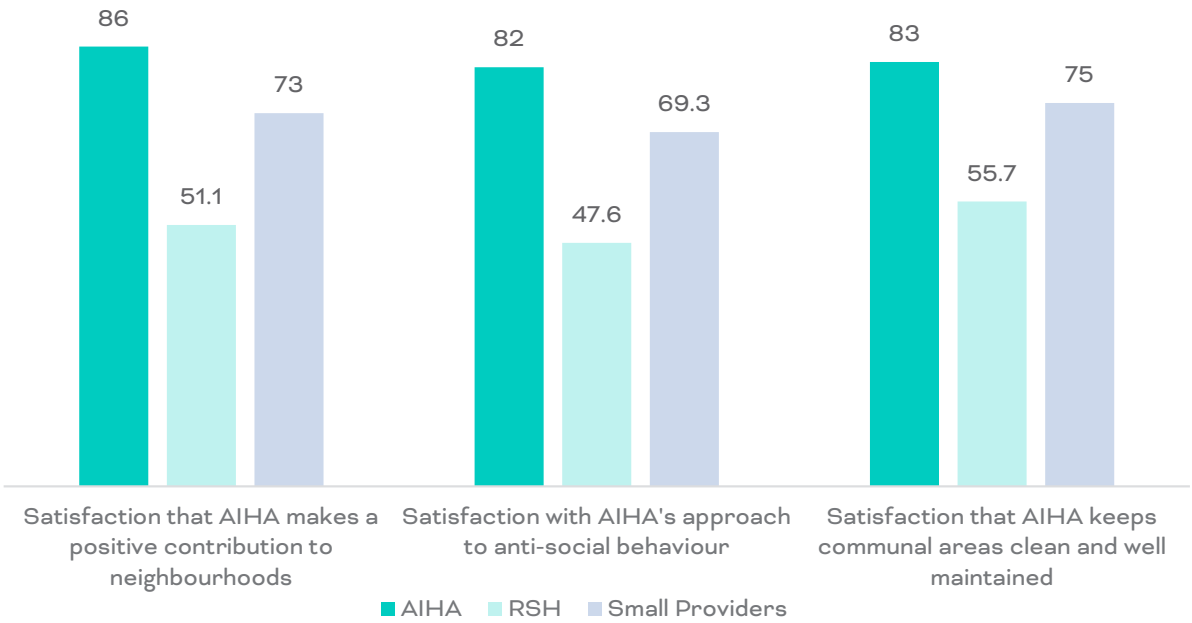




Respectful and helpful engagement (% satisfied)



Responsible neighbourhood management (% satisfied)



	AIHA 2024-25	AIHA 2023-24	RSH 2023-24	Small Providers 2023-24
Gas safety checks	99.8%	99%	99.9%	100%
Fire safety checks	100%	100%	100%	100%
Asbestos safety checks	100%	100%	100%	100%
Water safety checks	100%	100%	100%	100%
Lift safety checks	100%	100%	100%	100%
Homes that meet the Decent Homes Standard	99.9%	100%	99.5%	100%
Emergency repairs completed with target timescales	94%	100%	95.3%	98.1%
Non-emergency repairs completed with target timescales	87%	83%	81.3%	93.6%
Stage 1 complaints *(per 1000 homes)*	24.7	20	38.9	25
Stage 2 complaints *(per 1000 homes)*	11	6	7.4	4
ASB incidents	26	17	35.5	29
ASB hate incidents	0	3.4	0	.6

AIHA Surveyor Neil Sillence collects resident feedback on Yetev Lev Court

Planned works and building remediation

AIHA's planned works programme is designed to ensure that our estate is maintained to a good standard and we are continually investing in its upkeep.

We have a dedicated compliance function within our Property Services team to ensure that we fulfil our responsibilities on all matters relating to landlord health and safety. The team deals with all routine compliance requirements, as well as addressing emerging problems.

During 2024-25, major fire remediation works were carried out to the Aviv estate on Stamford Hill and further works on other estates will be carried out between 2025 - 27.

AIHA has signed up to the commitments in the Joint Plan to Accelerate Remediation of Social Housing, the collaborative effort between the government and social landlords to address building safety issues.

Sustainability and the environment

During 2024-25, we have set ourselves on a path towards carbon reduction and a more sustainable future.

Our aims are:

- To reduce AIHA's carbon footprint
- To ensure that AIHA meets its 2030 target of a minimum EPC C rating across our estate
- To reduce the cost of energy for our tenants and leaseholders

We are on the pathway to delivering this through the following:

» A full review of AIHA's sustainability strategy, covering new development, how we manage our homes and how we run our day-to-day housing and care operations.

» Ambitious targets for energy efficiency of new homes, including net zero wherever possible.

» We won a grant award of £1,001,483 from Department for Energy and Net Zero from the Warm Homes Social Housing Fund. This will support a consortium of small housing associations proudly led by AIHA to retrofit 114 homes between 2025 - 2028.

» We are testing lower carbon technologies, including air source heat pumps, in some of our London homes.

» We have negotiated agreements with our lenders for lower interest rates on money used for carbon reduction works, and for exclusion of these works from covenants that limit expenditure.

» We have connected to the Retrofit Credits scheme run by the Housing Association Charitable Trust

Care and Support Provision

AIHA is proud of our exceptional care and supported housing provision. At the heart of this are the beautiful Schonfeld Square Homes which incorporates Beis Pinchos care home and Fradel Lodge sheltered housing, both which had occupancy rates of 98% over the year. AIHA's two mental health provisions also delivered support to a very high standard and had 100% occupancy.

Other schemes continue to be managed for the Association by our trusted community partners, including Beis Brucha Mother and Baby Home, Beenstock Home for older people in Salford and Yad Voezer homes for disabled people.

All registered AIHA care provision is rated by the Care Quality Commission as Good.

Performance of AIHA's directly managed care and support schemes:

- Over 99% occupancy
- Overall resident satisfaction over 95%
- 100% of supported housing tenants satisfied with their scheme manager
- 0% use of agency staff

Schonfeld Square residents, staff, volunteers and friends celebrate the 90th birthday of Hilary Halter MBE (centre front). Hilary has been a Schonfeld volunteer for 28 years!

Strengthening the organisation for the future

During 2024-25, we made further progress in building AIHA's resilience for the future, including:

- We strengthened our leadership capacity by establishing a refreshed executive team and conducting a comprehensive, bottom-up review of our organisational goals and values. This process has helped align our strategic direction with the aspirations of our people and the community we serve.
- Our finance function has undergone significant transformation. We enhanced our business planning and modelling capabilities, streamlined core financial processes, and consistently met all covenant requirements, demonstrating both operational rigour and financial resilience.
- We have advanced our digital infrastructure to support operational efficiency and data integrity. Enhancements to core systems have improved the management of property and customer data, while our transition to cloud-based platforms has strengthened data governance. We are progressing well with digitisation of legacy records and have introduced mobile and smart technologies to improve service delivery and asset performance monitoring.

AIHA team with colleagues from North London Muslim Housing Association, on a shared visit from the independent Older People's Housing Taskforce

Treasury matters

At the year end, AIHA had drawn loans of £63.8m, and available facilities to draw a further £1.5m. Additional facilities with two other lenders were finalised post year end giving additional funding for our two current developments and potential future development needs.

2024-25 saw a major debt refinancing exercise as maturing debt was repaid and new lenders brought on board. AIHA is now in a stable treasury position, and the Board intends to seek further improvements over the next 12 months in accordance with the Treasury Strategy.

Although the presumed trajectory of interest rates is downwards there is no guarantee of this. The current level of hedged debt is 44%, and the amount of borrowing at variable rates exposes AIHA to interest rate risk. There are options to fix more of AIHA's debt, and to increase the level of hedged debt. We intend to do this over the next 12 months at an optimum time, along with seeking to renegotiate or exit from pockets of borrowing where the terms are not advantageous.

Other negotiations that are ongoing with lenders are about release of excess security and covenant harmonisation.

The main treasury risk to which AIHA is exposed is interest cover covenant risk (EBITDA MRI), which is dependent on a number of factors including income and expenditure, as well interest rates. The Board wishes to take a cautious approach to Treasury risk, despite its appetite for growth. It has set a Golden Rule for EBITDA MRI interest cover that provides a robust buffer for the bank covenants, and is due to revise its parameters for liquidity in September 2025.

Given the Board's desire to do more to address housing need, there is an appetite to explore approaches that avoid the need for increased bank borrowing.

20 large family homes will be completed in Gateshead in 2025-26

Value for Money Statement

The VfM Standard requires AIHA to demonstrate that:

- overall, optimal benefit is derived from resources and assets in the delivery of their strategic objectives;
- performance against our own value for money targets and any metrics set out by the regulator are reported on, and how that performance compares to peers;
- areas of underperformance are clearly explained and supported by plans to address areas of concern; and
- include this detail in the annual accounts.

The requirements in the Regulator of Social Housing (RSH) standards are demonstrated in this statement. The table below shows AIHA's performance against the RSH value for money metrics, compared to the previous year's performance and peer performance. Peer benchmarking data of smaller housing associations nationally is drawn from Acuity.

VFM Metric	2024/25 AIHA performance	2023/24 AIHA performance	2023/24 Peer group lower quartile	2023/24 Peer group median quartile	2023/24 Peer group upper quartile
1. Reinvestment %	**5.38**	3.07	1.33	2.97	6.12
2. New Supply Delivered %	-	-	-	-	2
3. Gearing %	**33.38**	29.93	-	16.6	29.54
4. EBITDA MRI interest cover %	**155**	148	131.1	199.47	438.4
5. Headline Social Housing Cost per Unit	**£5,674**	£1,705	£8,719	£6,270	£4,658
6a. Operating Margin (social housing lettings only) %	**16.69**	18.02	18.82 (median)		
6b. Operating Margin (overall) %	**29.29**	30.39	8.44	15	24.86
7. Return on Capital Employed	**4.11**	2.25	1.9	2.48	3.33

Reinvestment is strong in comparison to past performance and to peers. This is in part due to investment in two new housing schemes. This will result in uptick in delivery of new homes in 2025-26. Although AIHA has taken on a number of new leases during the year, so has improved supply of homes to its target community, these homes are not owned by AIHA and this supply is not reflected in the value for money numbers.

Gearing has also increased slightly, and compares well with peers. In the near term, gearing will be constrained by lenders' interest cover covenants, and as long as interest rates remain at current levels there is limited scope for further gearing up despite AIHA's ambitions to develop more homes. EBITDA MRI remains within acceptable parameters and well ahead of lenders' covenants.

AIHA's ROCE and operating margin are healthy and ahead of the peer group upper quartile median.

By Order of the Board

Chairman

Date: 30 September 2025

AIHA tenant Betty Morris welcomes visitors from the Older People's Housing Taskforce into her flat in Schonfeld Square

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AGUDAS ISRAEL HOUSING ASSOCIATION LIMITED

Opinion
We have audited the financial statements of Agudas Israel Housing Association Limited (the 'parent Association') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated and Association Statements of Comprehensive Income, the Consolidated and Association Statements of Financial Position, the Consolidated and Association Statements of Changes in Equity, the Consolidated Statement of Cash Flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent Association's affairs as at 31 March 2025 and of the group's and parent Association's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

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

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

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

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

Other information
The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The Board is responsible for the other information contained within Annual Report.

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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of Board
As explained more fully in the Statement of Board's Responsibilities set out on page 12, the Board are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board are responsible for assessing the group's and the parent 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 the parent Association 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.

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

We obtained a general understanding of the Association's legal and regulatory framework through enquiry of management concerning their understanding of relevant laws and regulations and the entity's policies and procedures regarding compliance. We also drew on our existing understanding of the Association's industry and regulation.

We understand that the association complies with the framework through:

- Updating operating procedures, manuals and internal controls as legal and regulatory requirements change;
- A risk assessment framework and register that includes regular review and scrutiny by the board;
- An annual assessment of compliance with regulatory standards as applied to Registered Providers and enforced by the Regulator of Social Housing; and
- The Board's close oversight through regular Board meetings and compliance reporting.

In the context of the audit, we considered those laws and regulations: which determine the form and content of the financial statements; which are central to the Association's ability to conduct its business; and where failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the Association:

- FRS 102, the requirements of the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022, in respect of the preparation and presentation of the financial statements;
- Health and safety regulations, including building and fire safety; and
- Regulatory standards as applied to Registered Providers and enforced by the Regulator of Social Housing.

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations above:

- Performed a review of Board minutes to identify any indicators of known or suspected non-compliance with significant laws and regulations;
- Enquired of any correspondence between the Regulator of Social Housing and the Association; and
- Performed a review of the most recent reports from the Care Quality Commission.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the association's financial statements to material misstatement, including how fraud might occur. The key areas identified as part of the discussion were with regard to the manipulation of the financial statements through manual journal entries, inappropriate presentation of loan balances and incorrect categorisation and valuation of housing properties and property held as current assets.

The procedures carried out to gain evidence in the above areas included:

- Testing of a sample of manual journal entries, selected through applying specific risk assessments based on the Association's processes and controls surrounding manual journal entries;
- Reviewing and challenging categorisation and valuation of properties under development and property held as current assets; and
- Reviewing the presentation and disclosure of loans, ensuring they were consistent with the underlying loan agreements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 parent Association's members, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the parent 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 parent Association and the parent Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

S&W Partners Audit Limited
S&W Partners Audit Limited (Sep 30, 2025 09:04:23 GMT+1)

S&W Partners Audit Limited
Statutory Auditor
Chartered Accountants

45 Gresham Street
London
EC2V 7BG

Date 30/09/2025

Financial Statements

Agudas Israel Housing Association Limited
Consolidated and Association Statements of Comprehensive Income

For the year ended 31 March 2025

	Notes	GROUP 2025 £	GROUP 2024 £	ASSOCIATION 2025 £	ASSOCIATION 2024 £
Turnover	3	17,660,868	16,601,370	17,658,912	16,601,370
Total operating costs		(13,045,060)	(14,355,664)	(13,042,671)	(14,355,664)
Impairment of properties developed for sale		(556,755)	-	(556,755)	-
Reversal of impairment of commercial unit held in Stock		-	350,000	-	350,000
Exceptional items		-	(2,800,000)	-	(2,800,000)
Other operating costs		(12,488,305)	(11,905,664)	(12,485,916)	(11,905,664)
Surplus before disposal of property		**4,615,808**	**2,245,706**	**4,616,241**	**2,245,706**
Surplus on disposal of property	7	2,180,317	361,792	2,180,317	361,792
Operating surplus		**6,796,125**	**2,607,498**	**6,796,558**	**2,607,498**
Interest receivable	8	83,564	37,335	83,564	37,335
Interest payable	9	(2,784,799)	(2,875,353)	(2,784,799)	(2,875,353)
Surplus/(Deficit) for the year		**4,094,890**	**(230,520)**	**4,095,323**	**(230,520)**

All amounts relate to continuing activities.

Agudas Israel Housing Association Limited
Consolidated And Association Statements of Financial Position

As at 31 March 2025

	Notes	GROUP 2025 £	GROUP 2024 £	ASSOCIATION 2025 £	ASSOCIATION 2024 £
Fixed Assets					
Housing properties	10	174,311,141	167,617,471	173,724,236	167,617,471
Other tangible fixed assets	11	1,261,879	1,226,303	1,261,879	1,226,303
		175,573,020	168,843,774	174,986,155	168,843,774
Current assets					
Stock	12	5,426,455	3,624,291	5,426,455	3,624,291
Debtors	13	1,011,242	1,001,091	1,598,579	1,001,091
Cash at bank and in hand		5,562,202	5,726,308	5,562,202	5,726,308
		11,999,899	10,351,690	12,587,236	10,351,690
Creditors					
Amounts falling due within one year	14	(23,555,219)	(63,388,333)	(23,555,219)	(63,388,333)
Net current liabilities		(11,555,320)	(53,036,643)	(10,967,984)	(53,036,643)
Total assets less current liabilities		164,017,699	115,807,130	164,018,131	115,807,130
Creditors					
Amounts falling due after more than one year	15	(108,928,924)	(64,813,245)	(108,928,924)	(64,813,245)
Net assets		55,088,775	50,993,885	55,089,208	50,993,885
Capital and reserves					
Called-up share capital	19	16	16	16	16
Revenue reserves	20	55,088,759	50,993,869	55,089,192	50,993,869
Association's funds		55,088,775	50,993,885	55,089,208	50,993,885

The financial statements were approved by the Board of Management on 30th Sep 2025 and were signed on its behalf by:

J Sorotzkin
Board Member

israel moskovitz
israel moskovitz (Sep 29, 2025 18:46:55 GMT+1)

I Moscovitz
Board Member

Chaya Spitz
Chaya Spitz (Sep 29, 2025 17:50:33 GMT+1)

C Spitz OBE
Secretary

Agudas Israel Housing Association Limited
Consolidated and Association Statements of Changes in Equity

	GROUP			ASSOCIATION		
	Share Capital	Revenue Reserves	Total Capital and Reserves	Share Capital	Revenue Reserves	Total Capital and Reserves
	£	£	£	£	£	£
At 1 April 2024	**16**	**50,993,869**	**50,993,885**	**16**	**50,993,869**	**50,993,885**
Surplus from Statement of Comprehensive Income	-	4,094,890	4,094,890	-	4,095,323	4,095,323
At 31 March 2025	**16**	**55,088,759**	**55,088,775**	**16**	**55,089,192**	**55,089,208**

	Share Capital	Revenue Reserves	Total Capital and Reserves	Share Capital	Revenue Reserves	Total Capital and Reserves
	£	£	£	£	£	£
At 1 April 2023	**16**	**51,224,389**	**51,224,405**	**16**	**51,224,389**	**51,224,405**
Deficit from Statement of Comprehensive Income	-	(230,520)	(230,520)	-	(230,520)	(230,520)
At 31 March 2024	**16**	**50,993,869**	**50,993,885**	**16**	**50,993,869**	**50,993,885**

Estate Day at Aviv Stamford Hill

Agudas Israel Housing Association Limited
Consolidated Statement of Cash Flows

For the Year Ended 31 March 2025

	Notes	2025 £	2024 £
Net cash generated from operating activities	A	1,044,298	5,907,510
Cash flow from investing activities			
Interest received		83,564	37,335
Grant received		114,385	2,078,095
Payments to acquire and construct housing properties		(8,146,313)	(5,427,167)
Purchase of other tangible fixed assets		(106,592)	(99,241)
Proceeds from disposal of tangible fixed assets		2,560,000	453,468
Net cash used in investing activities		**(5,494,956)**	**(2,957,510)**
Cash flow from financing activities			
Interest paid		(3,382,007)	(2,423,959)
Loans received		8,920,000	5,000,000
Repayment of borrowings		(1,251,441)	(2,642,392)
Net cash generated from / (used in) financing activities		**4,286,552**	**(66,351)**
Net (decrease) / increase in cash and cash equivalents		**(164,106)**	**2,883,649**
Cash and cash equivalents at beginning of year		**5,726,308**	**2,842,659**
Cash and cash equivalents at end of year	**B**	**5,562,202**	**5,726,308**

Agudas Israel Housing Association Limited
Consolidated Statement of Cash Flows (continued)

For The Year Ended 31 March 2025

A. Reconciliation of surplus for the year to cash generated by operations

	2025 £	2024 £
Surplus / (Deficit) for the year	4,094,890	(230,520)
Interest receivable and similar income	(83,564)	(37,335)
Interest payable and similar charges	2,784,799	2,875,353
Profit on sale of housing properties	(2,180,317)	(361,792)
Depreciation charge on tangible fixed assets	1,485,561	1,376,287
Impairment of properties developed for sale	556,755	-
Amortisation of Social Housing Grant	(585,185)	(610,703)
Increase in stock	(2,358,919)	(635,811)
(Increase) / Decrease in debtors	(12,541)	(435,713)
(Decrease) / Increase in creditors	(2,657,181)	3,967,744
Net cash inflow from operating activities	**1,044,298**	**5,907,510**

B. Cash and cash equivalents

	At 1 April 2024 £	Cash flow £	At 1 April 2025 £
Cash at bank	5,726,308	(164,106)	5,562,202

C. Analysis of debt

	At 1 April 2024 £	Cash flow £	Other non-cash changes £	At 31 March 2025 £
Bank borrowings due within 1 year	(55,899,002)	1,251,441	35,924,493	(18,723,069)
Bank borrowings due after more than 1 year	-	(8,920,000)	(35,775,926)	(44,695,926)
Cash at bank and short term deposits	5,726,308	(164,106)	-	5,562,201
Net debt	(50,172,694)	(7,832,666)	148,566	(57,856,794)

Agudas Israel Housing Association Limited
Notes to the Financial Statements

For the Year Ended 31 March 2025

1. PRINCIPAL ACCOUNTING POLICIES

1.1. General information

The Association is a Registered Provider of Social Housing registered with the Regulator of Social Housing and is incorporated under the Co-operative and Community Benefit Societies Act 2014.

A description of the nature of the Association's operations and its principal activity is disclosed in the Board Report on page 2.

The Association's registered office is 206 Lordship Road, London, N16 5ES.

1.2. Basis of accounting

These financial statements are prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Housing SORP 2018 "Statement of Recommended Practice for registered social housing providers 2018" ("the SORP") and comply with the Accounting Direction for Private Registered Providers of Social Housing 2022.

In accordance with FRS 102 (3.3A), the Association is a public benefit entity that has applied the "PBE" prefixed paragraphs.

The financial statements have been prepared under the historical cost convention.

The functional and presentational currency of the Association is Sterling (£).

Basis of Consolidation

The consolidated financial statements present the results of the Association and its subsidiary AIHA Sales Limited as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

AIHA Sales Limited, a company incorporated in England is a 100% subsidiary of the Association during the year. This company was previously dormant and became active as a profit arm late in 2024.

1.3. Going concern

The financial statements have been prepared on a going concern basis which the Board consider to be appropriate for the following reasons. The Board has reviewed the changes arising from the increased costs of doing business along with the increases in borrowing rates, and concluded that there is appropriate headroom against the Association's financial covenants. The Association continues to generate surpluses and has maintained sufficient liquidity. New lenders have provided terms to refinance loans due to expire and to secure additional funding for the development programme. The long term business plan has been subject to sensitivity testing. Consequently, the Board is confident that the Association will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements. They therefore have prepared the financial statements on a going concern basis.

1.4. Turnover

Turnover represents rental income and service charges receivable net of voids, grants from local authorities, amortisation of government grant, income from first tranche shared ownership and private sales and income receivable from other sources. Care income is recognised on the basis of the value of services provided in the period.

1. PRINCIPAL ACCOUNTING POLICIES (continued)

1.4. Turnover (continued)

Turnover arises solely within the United Kingdom.

Rental income is recognised on the basis of the amount receivable for the year. Rental income received in advance is disclosed within creditors in the Statement of Financial Position.

Service charge income is accounted for on the basis of the value of goods or services supplied during the period. Any over or under recovery of amounts due are reflected as a debtor or creditor respectively. Amounts collected in advance to fund future repairs and referred to in the financial statements as sinking fund charges are accounted for as a creditor until utilised or returned to leaseholders.

Revenue grants are recognised within income in the same period as the related expenditure provided that the conditions for its receipt have been satisfied and there is reasonable assurance that the grant will be received.

First tranche shared ownership and private sales are recognised when legal completion occurs.

1.5. Property managed by agents

Where agents carry the majority of the financial risk on property managed on behalf of the Association, all the income and expenditure arising from the property is excluded from the Statement of Comprehensive Income.

1.6. Operating leases

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the term of the lease, including where payments are not required to be made on a straight line basis. Lease incentives are similarly spread on a straight-line basis over the relevant lease terms.

1.7. Taxation

The Association has charitable status and therefore is not subject to Corporation Tax on the surplus arising from charitable activities. Provision is made for the tax liabilities, which may arise when property is developed for commercial outright sale or private rent. Tax is chargeable on these activities and a provision is made for any tax payable.

Deferred tax is recognised without discounting in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the statement of financial position date except as otherwise required by FRS 102.

1.8. Property, plant and equipment

Housing properties

Housing properties are properties held for the provision of social housing or to otherwise provide social benefit.

Freehold and long leasehold housing properties are stated at cost less any provision for depreciation and impairment.

The cost of properties is the initial purchase price together with those costs that are directly attributable to acquisition and construction, including interest charges incurred during the development period.

Properties in the course of construction are stated at cost and transferred to completed housing properties when completed. Where an asset comprises components with materially different useful lives, those assets are separately identified and depreciated over those individual lives.

1. PRINCIPAL ACCOUNTING POLICIES (continued)

1.8. Property, plant and equipment (continued)

Subsequent expenditure which relates to either the replacement of previously capitalised components or the enhancement of such components which results in incremental future benefit is capitalised and the carrying amount of any replaced component or part component is derecognised.

Depreciation is provided on a straight-line basis over the periods shown below:

Land	Infinite
Structure	120 years
Roofs – Flat/Pitched	15/60 years
Lifts and bathrooms	30 years
Windows and Doors	25 years
Heating systems and electrical circuits	40 years
Boilers	15 years
Kitchens	20 years
Leasehold, buildings and improvements	Over the period of the lease or the life of the property, if less

We perform a periodic review of our policies, which include benchmarking with other housing associations to ensure that we are in line with the sector's good practice.

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

Capitalisation of interest

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

Mixed tenure developments

Where the Association has a mixed tenure development which has more than one element, the Association allocates the cost of the land to each element of the scheme to reflect the respective values of the land for different tenure types.

Shared ownership

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

Other tangible fixed assets

Other tangible fixed assets are stated at cost, less depreciation and impairment. Depreciation of tangible assets, except freehold land, is charged by equal annual instalments from the date of acquisition at rates estimated to write off their cost or valuation, less any residual value, over the expected useful lives, as follows:

Property fixtures	20%
Office equipment	20%
Motor Vehicles	20%

1. PRINCIPAL ACCOUNTING POLICIES (continued)

1.9. Stock

Stock is carried at the lower of cost and net realisable value.

Cost includes all statutory and professional fees relating to the acquisition of a property, obtaining planning consents, legal fees, the costs of construction and redevelopment, and direct development overheads. Finance costs are capitalised within the cost of properties for sale. For shared ownership properties the amount held as stock is the estimated cost to be sold as a first tranche.

1.10. Impairment

Non-financial assets

Non-financial assets comprise Property, Plant and Equipment and property held as stock.

Non-financial assets, other than those measured at fair value, are assessed for indications of impairment at each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Comprehensive Income. Should there be a reversal of impairment, this would also be recognised in the statement of comprehensive income but not so as to increase the carrying value above its initial cost.

Financial assets

Financial assets comprise trade and other debtors and cash and cash equivalents.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

1.11. Grant

Government grant

Government grants include grants receivable from Homes England, the Greater London Authority (GLA), local authorities, and other government organisations. Government grants received for housing properties are recognised in income over the useful life of the housing property structure (excluding land), on a pro rata basis under the accrual model of accounting.

The unamortised element of the government grant is recognised as deferred income in creditors due within one year or due after more than one year as appropriate in the Statement of Financial Position.

Government grant is repayable indefinitely unless formally abated or waived. On the occurrence of certain relevant events, primarily following the sale of property, the government grant repayable or to be recycled will be restricted to the net proceeds of sale where appropriate. In recognition of this, external lenders seek the subordination of the Homes England's and the GLA's right to recover government grant to their own loans.

Government grant received in respect of revenue expenditure is recognised within income in the same period as the related expenditure, provided that the conditions for its receipt have been satisfied and there is reasonable assurance that the grant will be received using the performance model of grant accounting.

Recycled capital grant fund

Following certain relevant events, primarily the sale of dwellings, Homes England and the GLA can direct the Association to recycle capital grant or to repay the recoverable capital grant back to the Authorities. Where the grant is recycled the recoverable capital grant is credited to a recycled capital grant fund which is included as a creditor due within one year or due after more than one year as appropriate.

1. PRINCIPAL ACCOUNTING POLICIES (continued)

1.11. Grant (continued)

Other grants

Grants received from non-government sources are recognised using the performance model. A grant which does not impose a specific future performance condition is recognised as income when the grant proceeds are receivable. A grant that imposes a specific future performance related conditions on the Association, is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is shown as a liability in the Statement of Financial Position.

1.12. Financial Instruments

Financial assets and liabilities comprise trade and other debtors, cash and cash equivalents, trade and other payables and loan balances.

Financial assets and financial liabilities are recognised when the Association becomes party to the contractual provisions of the financial instrument.

All financial assets and financial liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the Statement of Financial Position when, and only when, there exists a legally enforceable right to set off the recognised amounts and the Association intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the conditions of Section 11.9 of FRS 102 are subsequently measured at amortised cost using the effective interest method. Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Financial assets are only derecognised when and only when:

- the contractual rights to the cash flows from the financial asset expire or are settled,
- the Association transfers to another party substantially all the risk and rewards of ownership of the financial asset, or,
- the Association, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

The Association does not use standalone derivative financial instruments to reduce exposure to interest rate movements.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and at bank and short term deposits. Cash equivalents are highly liquid investments that are readily convertible to known amounts of cash without significant risk of change in value.

1. PRINCIPAL ACCOUNTING POLICIES (continued)

1.13. Employee benefits

Multi-employer defined benefit pension scheme

The Association is party to a multi-employer defined benefit (final salary) contributory pension scheme administered independently. The Association is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis.

As there is a contractual agreement between the scheme and the Association that determines how the deficit will be funded, the contributions payable that arise from the agreement to the extent that they relate to the deficit are recognised as a liability in the Statement of Financial Position and the resulting expense in the Statement of Comprehensive Income.

When the contributions are not expected to be settled within 12 months after the reporting period, the liability is measured at the present value of the contributions payable by using a discounted rate (discounted present value basis). The rate used is determined by reference to market yields at the reporting date on high quality bonds.
Contributions in respect of current service are recognised in the Statement of Comprehensive Income as they fall due.

1.14. Provisions

Provisions for liabilities and charges are recognised when the Association has a present obligation (whether legal or constructive) as a result of a past event that can be reliably estimated and it is probable that a transfer of economic benefit will be required to settle the obligation.

2. KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS

The preparation of Financial Statement requires the use of estimates and judgements that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for income and expenses for the year. Although these estimates and associated assumptions are based on historical experience and management's best knowledge of current events and actions, the actual results may ultimately differ from those estimates. The estimates and underlying assumptions are reviewed on an on-going basis.

Critical judgements in applying the Association's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the Board has made in the process of applying the Association's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Identification of housing property components

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

Housing property depreciation is calculated on a component by component basis. The identification of such components is a matter of judgement and may have a material impact on the depreciation charge. The components selected are those which reflect how the major repairs to the property are managed.

Key sources of estimation uncertainty

The estimates and assumptions which have the most significant effect on amounts recognised in the financial statements are discussed below:

2. KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS (continued)

Allocation of costs for shared ownership

Shared ownership properties include those under construction are split between fixed assets and current assets. The split is determined by the percentage of the property sold under the first tranche disposal and the remainder retained by the Association within its social property, plant and equipment. The proportion expected to be sold under the first tranche disposal is recognised as inventory within current assets on the Statement of Financial Position (see note 12).

Bad debt provision

The rent arrears balance of £555,710 and the sales ledger balance of £216,907, recorded in the Association's Statement of Financial Position, comprises a relatively large number of small balances. A full line by line review of rent arrears is carried out at the end of each month. Whilst every attempt is made to ensure that the bad debt provisions are as accurate as possible, there remains a risk that the provisions do not accurately reflect the level of debts that may prove to be uncollectible. The provision at 31 March 2025 was £299,783 and £96,445 respectively.

Stock – properties for sale

Properties held for sale are completed properties developed for outright sale, and shared ownership properties. For shared ownership properties, the value held as stock represents the cost attributable to the estimated percentage expected to be sold as a first tranche.

Properties held for sale are stated at the lower of cost and net realisable value. Cost comprises materials, direct labour, and direct development overheads. Net realisable value is based on estimated sales proceeds after allowing for all further costs to completion and selling costs.

An assessment of whether there is any impairment is made at each reporting date. Where an impairment loss is identified, it is immediately recognised in the Statement of Comprehensive Income.

On disposal, sales proceeds are included in turnover and the costs of sales, including costs incurred in the development of the properties, marketing and other incidental costs are included in operating expenses.

Estimated selling prices are based upon management's experience of the local market and advice from independent surveyors.

Agudas Israel Housing Association Limited
Notes to the Financial Statements

For the Year Ended 31 March 2025

3. SOCIAL HOUSING TURNOVER AND COSTS - GROUP

	General Needs Housing 2025	Shared Ownership 2025	Total 2025	Total 2024
	£	£	£	£
Rental income	8,369,811	1,224,777	9,594,588	8,800,722
Service charge income	4,708,837	465,356	5,174,193	4,684,212
Other social housing activities	2,306,902	-	2,306,902	2,505,733
Grants amortisation	533,795	51,390	585,185	610,703
Total turnover from social housing activity	**15,919,345**	**1,741,523**	**17,660,868**	**16,601,370**
Social housing activity expenditure	(12,022,949)	(465,356)	(12,488,305)	(11,555,664)
Operating surplus from social housing activities	**3,896,396**	**1,276,167**	**5,172,563**	**5,045,706**
Net surplus from social housing activities			**2,471,329**	**1,857,688**
Voids	(70,368)	-	(70,368)	(82,132)

Agudas Israel Housing Association Limited
Notes to the Financial Statements

For the Year Ended 31 March 2025

3. SOCIAL HOUSING TURNOVER AND COSTS - ASSOCIATION

	General Needs Housing 2025	Shared Ownership 2025	Total 2025	Total 2024
	£	£	£	£
Rental income	8,367,861	1,224,777	9,592,638	8,800,722
Service charge income	4,708,831	465,356	5,174,187	4,684,212
Other social housing activities	2,306,902	-	2,306,902	2,505,733
Grants amortisation	533,795	51,390	585,185	610,703
Total turnover from social housing activity	**15,917,389**	**1,741,523**	**17,658,912**	**16,601,370**
Social housing activity expenditure	**(12,020,559)**	**(465,356)**	**(12,485,915)**	**(11,555,664)**
Operating surplus from social housing activities	**3,896,830**	**1,276,167**	**5,172,997**	**5,045,706**
Net surplus from social housing activities			**2,471,329**	**1,857,688**
Voids	(70,368)	-	(70,368)	(82,132)

4. EMPLOYEE INFORMATION - GROUP & ASSOCIATION

	2025 Number	2024 Number
The average monthly number of persons (including the Chief Executive) employed during the year was: (full time equivalents calculated on a 35 hour week).	**164.5**	164.7

Staff costs (for the above persons)	**£**	**£**
Wages and salaries	5,634,485	5,402,380
National Insurance contributions	519,766	479,936
Pension costs	123,687	117,972
	6,277,938	**6,000,288**

The full time equivalent number of staff whose remuneration payable in relation to the period of account fell within each band of £10,000 from £60,000 upwards is as follows:

	2025 Number	2024 Number
£60,001 - £70,000	**4**	1
£70,001 - £80,000	**1**	2
£80,001 - £90,000	**1**	1
£90,001 - £100,000	**3**	1
£100,001 - £110,000	**1**	-
£110,001 - £120,000	-	-
£120,001 - £130,000	-	1
£130,001 - £140,000	**1**	-
	11	**6**

5. DIRECTORS' EMOLUMENTS - GROUP & ASSOCIATION

	2025 £	2024 £
The aggregate emoluments paid to or receivable by the Executive Management Team, including pension contributions	589,159	541,269
The emoluments paid to the highest paid Director (who is not the Chief Executive) of the Association excluding pension contributions:	107,900	90,156

Agudas Israel Housing Association Limited
Notes to the Financial Statements

For the Year Ended 31 March 2025

6. SURPLUS FOR THE YEAR - GROUP & ASSOCIATION

	2025 £	2024 £
Is stated after charging:-		
Auditor's remuneration (excluding VAT):		
In their capacity as auditors – annual fee	69,750	71,561
In respect of other services	3,488	3,439
Depreciation:		
Housing properties	**1,414,544**	1,318,133
Other tangible fixed assets	**71,016**	58,154

7. SURPLUS ON DISPOSAL OF PROPERTY - GROUP & ASSOCIATION

	2025 £	2024 £
Sale proceeds	2,560,000	453,468
Cost of sales	(379,683)	(91,675)
	2,180,317	**361,792**

8. INTEREST RECEIVABLE

	2025 £	2024 £
Bank interest	83,564	37,335

9. INTEREST PAYABLE - GROUP & ASSOCIATION

	2025 £	2024 £
Interest payable	3,348,937	2,853,613
Less – Interest capitalised	(597,208)	-
Net Interest payable	**2,751,729**	**2,853,613**
Other Loan costs	33,070	21,740
	2,784,799	**2,875,353**

Agudas Israel Housing Association Limited
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10. TANGIBLE FIXED ASSETS – HOUSING PROPERTIES - GROUP

	Housing properties held for social housing letting £	Housing properties held for shared ownership £	Housing properties in progress £	Total £
Cost				
At 1 April 2024	159,134,942	22,817,267	7,079,557	189,031,765
Additions	589,295	-	7,141,824	7,731,119
Transfer - Housing categories	438,109	(386,979)	-	51,130
Completed schemes	179,288	-	(179,288)	-
Component additions	764,910	-	-	764,910
Disposals	(411,992)	(85,434)	-	(497,426)
At 31 March 2025	**160,694,552**	**22,344,854**	**14,042,093**	**197,081,499**
Depreciation				
At 1 April 2024	20,039,589	1,374,705	-	21,414,295
On disposals	(61,859)	-	-	(61,859)
Components written off	(57,124)	-	-	(57,124)
Transfer between Housing categories	69,098	(1,675)	-	67,423
Disposals	-	(6,920)	-	(6,920)
Charge for year	1,414,544	-	-	1,414,544
At 31 March 2025	**21,404,248**	**1,366,110**	**-**	**22,770,358**
Net Book Value				
At 31 March 2025	**139,290,304**	**20,978,744**	**14,042,093**	**174,311,141**
At 31 March 2024	139,095,353	21,442,561	7,079,557	167,617,471

Tenants meeting at Schonfeld Square

10. TANGIBLE FIXED ASSETS – HOUSING PROPERTIES - ASSOCIATION

	Housing properties held for social housing letting £	Housing properties held for shared ownership £	Housing properties in progress £	Total £
Cost				
At 1 April 2024	159,134,942	22,817,267	7,079,557	189,031,765
Additions	-	-	7,141,824	7,141,824
Transfer - Housing categories	438,109	(386,979)	-	51,130
Completed schemes	179,288	-	(179,288)	-
Component additions	764,910	-	-	764,910
Disposals	(411,992)	(85,434)	-	(497,426)
At 31 March 2025	**160,105,257**	**22,344,854**	**14,042,093**	**196,492,204**
Depreciation				
At 1 April 2024	20,039,589	1,374,705	-	21,414,295
On disposals	(61,859)	-	-	(61,859)
Components written off	(57,124)	-	-	(57,124)
Transfer between Housing categories	69,098	(1,675)	-	67,423
Disposals	-	(6,920)	-	(6,920)
Charge for year	1,412,154	-	-	1,412,154
At 31 March 2025	**21,401,858**	**1,366,110**	**-**	**22,767,968**
Net Book Value				
At 31 March 2025	**138,703,400**	**20,978,744**	**14,042,093**	**173,724,236**
At 31 March 2024	139,095,353	21,442,561	7,079,557	167,617,471

Included within housing properties is £447,906 (2024: £0) of interest capitalised in the year in relation to properties under development. The accumulative interest capitalised to date is £447,906 (2024: £0)

Birds' eye view of Gateshead development of 20 family homes

10. TANGIBLE FIXED ASSETS – HOUSING PROPERTIES (continued)

UNITS AT END OF YEAR – SOCIAL HOUSING

	2025 Units	2024 Units
Owned and managed by the Association		
General needs - social housing	**389**	390
General needs – affordable housing	**194**	194
Supported housing	**101**	98
Shared ownership	**86**	87
	770	769
Owned by the Association and managed by others		
Supported Housing	**78**	77
Owned by others and managed by the Association		
Supported housing	-	**2**

11. TANGIBLE FIXED ASSETS – OTHER - GROUP AND ASSOCIATION

	Property Fixtures £	Offices £	Motor Vehicles £	Office Equipment £	Total £
Cost					
At 1 April 2024	362,030	1,192,496	75,415	223,806	1,853,747
Additions	85,364	1,115	-	20,113	106,592
At 31 March 2025	**447,394**	**1,193,611**	**75,415**	**243,919**	**1,960,339**
Depreciation					
At 1 April 2024	290,010	103,303	75,415	158,716	627,444
Charge for year	28,294	9,944	-	32,779	71,016
At 31 March 2025	**318,30**	**113,247**	**75,415**	**191,495**	**698,460**
Net Book Value					
At 31 March 2025	**129,090**	**1,080,364**	-	**52,424**	**1,261,879**
At 31 March 2024	72,020	1,089,193	-	65,090	1,226,303

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For the Year Ended 31 March 2025

12. STOCK - GROUP AND ASSOCIATION

	Shared Ownership £	Market Sale £	Total £
As at 31 March 2025			
Completed		2,250,000	2,250,000
In Development	3,733,210	-	3,733,210
Impairment of Stock	(556,755)	-	(556,755)
	3,176,455	**2,250,000**	**5,426,455**
As at 31 March 2024			
Completed	-	1,900,000	1,900,000
In Development	1,374,291	-	1,374,291
Reversal of impairment		350,000	350,000
	1,374,291	**2,250,000**	**3,624,291**

Market sale property accumulated impairment provision at 31 March 2025 was £2,336,715 (2024: £2,336,715).

During the year an impairment on the Golders Green Shared Ownership project was identified. An amount of £556,755 was written off.

Included within stock is £ 149,302 (2024: £0) of interest capitalised in the year in relation to properties under development. The accumulative interest capitalised to date is £149,302 (2024: £0).

13. DEBTORS - GROUP AND ASSOCIATION

	GROUP		ASSOCIATION	
	2025 £	2024 £	2025 £	2024 £
Amounts falling due within one year				
Rent arrears	555,710	473,757	555,710	473,757
Less: Rental provision	(299,783)	(197,089)	(299,783)	(197,089)
	255,927	**276,669**	**255,927**	**276,669**
Sales ledger	216,907	293,469	216,907	293,469
Less: Sales ledger provision	(96,445)	(137,532)	(96,445)	(137,532)
	120,462	**155,937**	**120,462**	**155,937**
Prepayments and accrued income	634,853	568,485	634,853	568,485
Amounts owed by group companies	-	-	587,338	-
	1,011,242	**1,001,091**	**1,598,579**	**1,001,091**

14. CREDITORS: Amounts falling due within one year – GROUP AND ASSOCIATION

	2025 £	2024 £
Trade creditors	1,144,185	1,103,806
Capital accruals	768,828	472,797
Rents in advance	1,197,478	953,529
Taxation and social security	107,038	175,038
Accruals and deferred income	365,309	481,481
RCGF repayable	-	61,899
Loans repayable within one year	18,723,069	55,899,002
Deferred income – Government grant	594,917	615,569
Other creditors	654,395	3,625,212
	23,555,219	**63,388,333**

15. CREDITORS: Amounts falling due after more than one year – GROUP AND ASSOCIATION

	2025 £	2024 £
Sinking funds	333,241	472,468
Recycled capital grant fund	324,334	231,564
Loans repayable after more than one year	44,695,926	-
Deferred income - Government grant	63,575,422	64,109,214
	108,928,924	**64,813,245**

16. LOAN ANALYSIS - GROUP AND ASSOCIATION

	2025 £	2024 £
Loans are repayable as follows:		
Due within one year	**18,723,069**	**55,899,002**
Between one and two years	3,201,537	-
Between two and five years	4,941,109	-
In five years or more	36,553,280	-
	44,695,926	-
	63,418,995	**55,899,002**

Loans from Barclays Bank, CAF Bank, Lloyds TSB, and the Metro Bank are secured by specific charges on the Association's housing properties. Interest is payable at interest rates varying from 2.26% to 7.75%.

In addition to the above, there were agreed bank facilities of £1.5 million (CAF Bank) which were not drawn upon at 31 March 2025 (2024: £5 million). Included within loans is £0.4m of loan arrangement costs (2024: £0.2m).

17. GOVERNMENT GRANT

	Held as deferred income £	Recognised in profit or loss £	Total Grant £
At 1 April 2024 (Deferred Income)	64,724,784	-	64,724,784
Additions	154,385	-	154,385
Grant amortised in the year	(585,185)	585,185	-
Grants recycled	(123,644)	-	(123,644)
At 31 March 2025	**64,170,340**	**585,185**	**64,755,525**
Capital grant previously amortised to profit or loss			13,069,192
At 31 March 2025			**77,824,717**

	2025 £	2024 £
Deferred income – Government grant		
Amount due to be released within one year	590,051	615,569
Amount due to be released in more than one year	63,580,289	64,109,215
	64,170,340	**64,724,784**

Homes England has provided Social Housing Grants to fund the development of Social Housing for rent.

18. RCGF

	2025 £	2024 £
At 1 April	293,463	279,255
Grants recycled	123,644	-
Drawdown	(111,464)	-
Interest accrued	18,691	14,208
Total	**324,334**	**293,463**

RCGF due for repayment within one year to the Greater London Authority was £nil (2024: £61,899)

19. CALLED UP SHARE CAPITAL

	2025 £	2024 £
Allotted issued and fully paid shares of £1 each		
At start of the year	**16**	16
At 31 March 2025	**16**	16

The shares do not have a right to any dividend or distribution in a winding-up and are not redeemable. Each share has full voting rights.

20. REVENUE RESERVE

The revenue reserve represents the accumulated surpluses and deficits recognised in profit or loss.

21. PENSION LIABILITY – GROUP & ASSOCIATION

The Association participates in the scheme, a multi-employer scheme which provides benefits to some 521 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the Association to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation for the scheme was carried out at 30 September 2023. This valuation showed assets of £514.9m, liabilities of £531.0m and a deficit of £16.1m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Reconciliation of opening and closing liability	2025 £	2024 £
Liability at start of period	2,139	4,579
Unwinding of the discount factor (interest expense)	56	-
Deficit contribution paid	(2,180)	(2,442)
Remeasurements - impact of any change in assumptions	31	2
Remeasurements – amendments to the contribution schedule	6,150	-
Liability at end of period	**6,196**	**2,139**

Assumptions	2025 % per annum	2024 % per annum	2023 % per annum
Rate of discount	4.84	5.31	5.52

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

Contributions expected to be payable for the year ended 31 March 2025 are £6,196. Only one further agreed deficit contribution is due in the following years.

22. RELATED PARTY TRANSACTIONS – GROUP & ASSOCIATION

Cllr M Levy was a councillor during the year whilst serving on the Board of Management for the Association. All transactions with his relevant council were on an arm's length basis on commercial terms and he could not use his position to his advantage.

Relatives to various members of key management personnel held tenancies during the year under the same terms and conditions as applied to other tenants and leaseholders of the Association. Rental and service charges during the year totalled £160.0k with arrears of £1.5k at year end (2024: £134.5k charged and arrears of £7.6k).

Key management are the persons having authority and responsibility for planning, controlling and directing the activities of the Association. In the opinion of the Board, the key management are the senior management team. The remuneration of key management during the year was as follows:

	2025 £	2024 £
Remuneration (as per note 4)	538,564	451,184
Employer's social security costs	66,839	52,914
	605,403	**504,098**

23. CAPITAL COMMITMENTS

	2025 £	2024 £
Capital expenditure that has been contracted for, but has not provided for in the financial statements	7,682,939	15,607,425
	7,682,939	**15,607,425**
The above expenditure is expected to be financed by		
Grant	371,500	1,050,276
Sales	2,000,000	4,295,556
Loans	5,311,439	9,006,236
Other	-	1,255,357
	7,682,939	**15,607,425**

The board have approved two development which are now in progress. The estimated remaining cost of development is £7.7m. This will be funded by a combination of Social Housing Grant, undrawn loan facilities and reserves.

24. POST BALANCE SHEET EVENTS

No post balance sheet event have occurred.

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