

Annual Return (AR30) form

Society Name: Argyle Street Housing Co-operative Limited

Society Num: 21833 R

An Annual Return must be completed by all societies registered under the Co-operative and Community Benefit Societies Act 2014 ('the Act') (including any societies previously registered under the Industrial and Provident Societies Act 1965). The Annual Return must include:

- this form;
- a set of the society's accounts; and
- where required, an audit report or report on the accounts.

A society must submit the Annual Return within 7 months of the end of the society's financial year. Failure to submit on time is a prosecutable offence.

Please note that this form, including any details provided on the form, will be made available to the public through the Mutuels Public Register.

For guidance on our registration function for societies, which includes guidance on the requirement to submit an Annual Return, please see [here](#)

2.1 What date did the financial year covered by these accounts end?

31/03/2020

3.1 Please provide the names of the people who were directors of the society during the financial year this return covers.

Some societies use the term 'committee member' or 'trustee' instead of 'director'. For ease of reference, we use 'director' throughout this form.

Name of Director	Month of Birth	Year of Birth
Sinead Williams	Nov	1973
Heather Hooper	Jun	1975
Ben Palmer	Jan	1985
Anita Robinson	Oct	1972
Yaz Day	Mar	1991
Abby Butcher	May	1994

KT Holland	Sep	1977
Rowan Eisner	Feb	1964
Dave Brokenshire	Dec	1952
Asim Khairdean	Jan	1975
Simon Mullen	Jun	1963
Simon Murfitt	Apr	1981
Cieran McElhoney	May	1994
Steven Martin	Jul	1984
Faradena Afifi	Jan	1975
Clare Maguire	Mar	1985
Mike Tabrett	Apr	1958
Leanne Holroyd	May	1981
Maria Comesana	Jul	1965
Simon Oram	Apr	1978
Sam Dyer	Mar	1968
Jim Nicholas	Oct	1977
Hannah Jackson	Aug	1995
Gez Hampton	Jun	1967
Caz Dickson	Mar	1983
Steve Godber	Oct	1969
Robert Walker	Apr	1971

3.2 All directors must be 16 or older. Please confirm this is this case:

☒ All directors are aged 16 or over

3.3 Societies are within the scope of the Company Director Disqualification Act 1986 (CDDA). Please confirm that no director is disqualified under that Act:

☒ No director is disqualified

3.4 Please state any close links which any of the directors has with any society, company or authority.

‘Close links’ includes any directorships or senior positions held by directors of the society in other organisations.

None

3.5 Please provide the name of the person who was secretary at the end of the financial year this return covers.

Societies must have a secretary

Name of Secretary	Month of Birth	Year of Birth
Heather Hooper	Jun	1975

4.1 Please confirm that:

☒ accounts are being submitted with this form

☒ the accounts comply with relevant statutory and accounting requirements

☒ the accounts are signed by two members and the secretary (3 signatures in total)

4.2 Based on the accounts, please provide the information requested below for the financial year covered by this return.

Number of members86

Turnover298,313

Assets1,044,659

Number of Employees2

Share Capital86

**Highest rate of interest
paid on shares**

0

4.3 What Standard Industrial Classification code best describes the society's main business?

Where more than one code applies, please select the code that you feel best describes the society's main business activity. You will find a full list of codes [here](#)

SIC Code

Other accommodation (55900)

*

Societies are required to appoint an auditor to audited unless they are small or have disapplied this requirement. For further guidance see chapter 7 of our guidance:

<https://www.fca.org.uk/publication/finalised-guidance/fg15-12.pdf>

5.1 Please select the audit option the society has complied with:

- ☒ Full Professional Audit
- ☐ Auditor's report on the accounts
- ☐ Lay Audit
- ☐ No audit

5.2 Please confirm the audit option used by the society is compliant with the society's own rules and the Act

☒ We have complied with the audit requirements

5.3 Please confirm any audit report (where required) is being submitted with this Annual Return

- ☒ Yes
- ☐ Not applicable

5.4 Is this society accepted by HM Revenue and Customs (HMRC) as a charity for tax purposes?

- ☐ Yes
- ☒ No

5.5 If the society is registered with the Office of the Scottish Charity Regulator (OSCR) please provide your OSCR registration number.

- ☐ Registered
- ☒ Not applicable

5.6 Is the society a housing association?

- ☐ No
- ☒ Yes

5.7 Please confirm which housing regulator you are registered with, and provide the registration number they have given you:

- ☒ Homes and Communities Agency
- ☐ Scottish Housing Regulator
- ☐ The Welsh Ministers

Homes and Communities
Registration Number

C2303

6.1 Is the society a subsidiary of another society?

- ☐ Yes
- ☒ No

6.2 Does the society have one or more subsidiaries?

(As defined in sections 100 and 101 of the Act)

- ☐ Yes
- ☒ No

All societies are registered meeting one of two conditions for registration. These are that the society is either:

- a bona fide co-operative society ('co-operative society'); or
- are conducting business for the benefit of the community ('community benefit society').

You must answer the questions set out in in the next section of this form, depending on which condition for registration you meet.

If you are not sure which condition for registration applies to the society please see chapters 4 and 5 of our guidance [here](#).

7.1 Condition for Registration

- ☒ Co-operative society
- ☐ Community Benefits society

Co-operative societies must answer the following questions in relation to the financial year covered by this return.

7A.1 What is the business of the society?

For example, did you provide housing, manufacture goods, develop IT systems etc.

Housing provision

7A.2 Please describe the members' common economic, social and cultural needs and aspirations.

In answering this question, please make sure it is clear what needs and aspirations members had in common.

All members are housed by the co-operative

7A.3 How did the society's business meet those needs and aspirations?

You have described the society's business answer to question 7A.1, and in question 7A.2 you have described the common needs and aspirations of members. Please now describe how during the year that business met those common needs and aspirations.

All members of the co-op were housed by the co-op

7A.4 How did members democratically control the society?

For example, did the members elect a board at an annual general meeting; did all members collectively run the society.

Monthly general meetings where all decisions are taken

7A.5 What did the society do with any surplus or profit?

For instance, did you pay a dividend to members (and if so, on what basis); did money get reinvested in the business; put into reserves; used for some other purpose?

Reinvested in the co-operative, put into the reserves for use on larger building projects

Argyle Street Housing Co-Operative Limited
Financial Statements
For the year ended
31 March 2020

Argyle Street Housing Co-Operative Limited

Financial Statements

Year ended 31 March 2020

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Argyle Street Housing Co-Operative Limited

Officers and Professional Advisers

COMMITTEE OF MANAGEMENT

Chair	S Williams
Vice Chair	R Freshwater
Secretary	A Khairdean
Vice Secretary	P Ramsay-Ruggles
Treasurer	A Robinson
Vice Treasurer	Position vacant
Allocations co-ordinators	Y Day, B Palmer, E Hirst, K Rodgers
Car Park co-ordinator	Position vacant
Development co-ordinators	K Holland, R Eisner, S Godber
Education co-ordinators	F Afifi, A Butcher, L Whitby
Employment co-ordinators	M Tabrett, B Palmer
Grounds & Gardens co-ordinators	L Holroyd, S Williams
Maintenance co-ordinators	G Hampton, H Jackson
Kitchens co-ordinator	K Holland
Rent co-ordinators	K Holland, C Dickson
Equality & Diversity co-ordinator	F Afifi, E Merini
Tech co-ordinator	R Freshwater
Disputes & Complaints co-ordinators	C McElhoney, S Martin

REGISTERED OFFICE

3 Fletchers Terrace
Cambridge
CB1 3LU

AUDITORS

Streets Audit LLP
Chartered accountants & statutory auditors
3 Wellbrook Court
Girton
Cambridge
CB3 0NA

BANKERS

The Co-Operative Bank
Triodos Bank

REGISTRY OF FRIENDLY SOCIETIES NUMBER

IP21833R

REGULATOR OF SOCIAL HOUSING REGISTRATION NUMBER

C2302

Argyle Street Housing Co-Operative Limited

Committee of Management's Report

Year ended 31 March 2020

The Committee of Management present their report and the financial statements of Argyle Street Housing Co-Operative Limited ("the Co-Operative" or "the Co-Op") for the year ended 31 March 2020.

Legislative Provisions under which the Co-Operative is established

The Co-Operative is incorporated under the Industrial and Provident Societies Act 1965 (now replaced by the Co-Operative and Community Benefit Societies Act 2014) and a Registered Social Landlord under the Housing and Regeneration Act 2008.

Principal activity

The principal activity was that of a Registered Social Landlord.

Review of the Year

The Co-Operative achieved a surplus for the year ended 31 March 2020 of £31,592 (2019: £65,324).

Value for money

At the start of each financial year the Co-Op sets a budget in order to anticipate and to control running costs, and to ensure that they are met by setting appropriate rent charges for all members. The Co-Op also operates a detailed 30 year financial planning model, to ensure it has sufficient reserves to undertake major planned works and the updating of key components within the properties. The 30 year plan is due for a review this autumn with a view to planning for the replacement of the kitchens over the coming financial years.

For every project worth over £1,000 undertaken the Co-Op seeks at least two quotes, for projects over £5,000, three quotes are required. This ensures that a range of options and costs is available to allow the Co-Op to make informed decisions about any spending.

Code of Governance

The Co-Op has adopted the Confederation of Co-Operative Housing Code of Governance 2015. The Co-Op is in the process of reviewing compliance with the Code.

The Co-Op is still reviewing its rules, after a consultation process with members and with the support of Co-Operatives UK. The Co-Op hopes to register new rules with the HCA and FCA during the 2019-20 financial year.

Committee of Management

The members of the Committee of Management are shown on page one. All members of the Committee of Management served throughout the year ended 31 March 2020 except as follows:

H Jackson joined the Committee of Management on 4 April 2019
R Walker joined the Committee of Management on 4 April 2019
S Martin joined the Committee of Management on 4 April 2019
A Robinson joined the Committee of Management on 4 April 2019
N Campadelli joined the Committee of Management on 6 June 2019
C Maguire joined the Committee of Management on 6 June 2019
J Nicholas joined the Committee of Management on 1 August 2019
D Brokenshire joined the Committee of Management on 5 November 2019

J Salmon resigned from the Committee of Management on 3 April 2019
D Heenan resigned from the Committee of Management on 3 April 2019
D Brokenshire resigned from the Committee of Management on 3 April 2019
H Hooper resigned from the Committee of Management on 3 October 2019
B Palmer resigned from the Committee of Management on 3 October 2019
S Dyer resigned from the Committee of Management on 5 November 2019

Argyle Street Housing Co-Operative Limited

Committee of Management's Report *(continued)*

Year ended 31 March 2020

Committee of Management *(continued)*

The following members of the committee resigned since the year ended 31 March 2020:

D Brokenshire resigned from the Committee of Management on 2 April 2020
S Mullen resigned from the Committee of Management on 2 April 2020
S Murfitt resigned from the Committee of Management on 2 April 2020
C Maguire resigned from the Committee of Management on 2 April 2020
M Comesana resigned from the Committee of Management on 2 April 2020
S Oram resigned from the Committee of Management on 2 April 2020
N Campadelli resigned from the Committee of Management on 2 April 2020
J Nicholas resigned from the Committee of Management on 2 April 2020
R Walker resigned from the Committee of Management on 2 April 2020

The following members of the committee were appointed since the year ended 31 March 2020:

R Freshwater joined the Committee of Management on 2 April 2020
P Ramsay-Ruggles joined the Committee of Management on 2 April 2020
E Hirst joined the Committee of Management on 2 April 2020
K Rodgers joined the Committee of Management on 2 April 2020
B Palmer joined the Committee of Management on 2 April 2020
L Whitby joined the Committee of Management on 2 April 2020
E Merini joined the Committee of Management on 2 April 2020

Members of the Committee of Management do not receive any emoluments for their service.

Committee of Management's responsibilities statement

The Committee of Management are responsible for preparing the Committee of Management's Report and the financial statements in accordance with applicable law and regulations.

The Committee of Management are required to prepare financial statements for each financial year in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The financial statements are required by law to give a true and fair view of the state of affairs of the Co-Operative and of its excess income over expenditure for that period. In preparing these financial statements, the Committee of Management are 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 Co-Operative will continue in business.

The Committee of Management are responsible for maintaining satisfactory systems of internal control and keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Co-Operative and enable them to ensure that the financial statements comply with the Co-Operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the Co-Operative and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Argyle Street Housing Co-Operative Limited

Committee of Management's Report *(continued)*

Year ended 31 March 2020

Auditor

Each of the persons who is a Committee of Management member at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the Co-Operative's auditor is unaware; and
- they have taken all steps that they ought to have taken as a Committee of Management member to make themselves aware of any relevant audit information and to establish that the Co-Operative's auditor is aware of that information.

A resolution to re-appoint Streets Audit LLP as auditors will be put to the members at the Annual General Meeting.

This report was approved by the Committee of Management on10/11/20..... and signed on behalf of the board by:



A Robinson
Treasurer

Argyle Street Housing Co-Operative Limited

Independent Auditor's Report to the Members of Argyle Street Housing Co-Operative Limited

Year ended 31 March 2020

Opinion

We have audited the financial statements of Argyle Street Housing Co-Operative Limited for the year ended 31 March 2020 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the 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', Housing SORP 2018, 'Statement of Recommended Practice for Social Housing Providers' and the 'Accounting Direction for Social Housing Providers from January 2019'.

In our opinion the financial statements:

- give a true and fair view of the state of the Co-Operative's affairs as at 31 March 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-Operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing from April 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 company 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 board's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the board has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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 is 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.

Argyle Street Housing Co-Operative Limited

Independent Auditor's Report to the Members of Argyle Street Housing Co-Operative Limited *(continued)*

Year ended 31 March 2020

Other information *(continued)*

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the association;
- a satisfactory system of control has not been maintained over transactions; or
- the association's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Committee of Management

As explained more fully in the Committee of Management's statement, the Committee of Management 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 Committee of Management determines 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 members are responsible for assessing the 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 members either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

This report is made solely to the Co-operatives' members, as a body, in accordance with the Housing and Regeneration Act 2008 and the Co-operative and Community Benefit Societies Act 2014, s. 87. Our audit work has been undertaken so that we might state to the Co-operatives' 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 Co-operative and the Co-operatives' members as a body, for our audit work, for this report, or for the opinions we have formed.

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.

Argyle Street Housing Co-Operative Limited

Independent Auditor's Report to the Members of Argyle Street Housing Co-Operative Limited *(continued)*

Year ended 31 March 2020

Auditor's responsibilities for the audit of the financial statements *(continued)*

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.

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

Streets Audit LLP

Streets Audit LLP

Statutory Auditors & Chartered Accountants
3 Wellbrook Court
Girton
Cambridge
CB3 0NA

3 December 2020

Argyle Street Housing Co-Operative Limited

Statement of Comprehensive Income

Year ended 31 March 2020

	Note	2020 £	2019 £
Turnover	4	298,313	309,685
<u>Operating expenditure</u>			
Other external charges		(159,034)	(141,654)
Staff costs		(47,389)	(49,177)
Depreciation of tangible fixed assets		(49,612)	(47,324)
Other operating income	5	11,942	17,268
Operating surplus		54,220	88,798
Interest receivable and similar income		2,558	2,042
Interest payable and similar expenses	7	(24,621)	(24,712)
Surplus before taxation		32,157	66,128
Taxation	9	(565)	(804)
Surplus and total comprehensive income for the year		31,592	65,324

All the activities of the Co-Operative are from continuing operations and are in relation to social housing.

The notes on pages 12 to 20 form part of these financial statements.

Argyle Street Housing Co-Operative Limited

Statement of Financial Position

31 March 2020

	Note	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	10		1,092,286		1,121,886
Current assets					
Debtors	11	10,864		13,400	
Cash at bank and in hand		<u>591,676</u>		<u>529,961</u>	
		602,540		543,361	
Creditors: amounts falling due within one year	12	<u>(64,055)</u>		<u>(61,782)</u>	
Net current assets			538,485		481,579
Total assets less current liabilities			1,630,771		1,603,465
Creditors: amounts falling due after more than one year	13		(584,815)		(589,182)
Provisions					
Taxation including deferred tax	14		<u>(1,297)</u>		<u>(1,218)</u>
Net assets			<u>1,044,659</u>		<u>1,013,065</u>
Capital and reserves					
Called up share capital	19		86		84
Profit and loss account	20		<u>1,044,573</u>		<u>1,012,981</u>
Members funds			<u>1,044,659</u>		<u>1,013,065</u>

These financial statements were approved by the Committee of Management and authorised for issue on 10/11/20, and are signed on behalf of the Committee of Management by:



A Robinson
Treasurer



A Khairdean
Secretary

The notes on pages 12 to 20 form part of these financial statements.

Argyle Street Housing Co-Operative Limited

Statement of Changes in Equity

Year ended 31 March 2020

	Called up share capital £	Profit and loss account £	Total £
At 1 April 2018	84	947,657	947,741
Surplus for the year	—	65,324	65,324
Total comprehensive income for the year	—	65,324	65,324
Issue of shares	14	—	14
Cancellation of subscribed capital	(14)	—	(14)
Total investments by and distributions to owners	—	—	—
At 31 March 2019	84	1,012,981	1,013,065
Surplus for the year	—	31,592	31,592
Total comprehensive income for the year	—	31,592	31,592
Issue of shares	8	—	8
Cancellation of subscribed capital	(6)	—	(6)
Total investments by and distributions to owners	2	—	2
At 31 March 2020	<u>86</u>	<u>1,044,573</u>	<u>1,044,659</u>

The notes on pages 12 to 20 form part of these financial statements.

Argyle Street Housing Co-Operative Limited

Statement of Cash Flows

Year ended 31 March 2020

	2020 £	2019 £
Cash flows from operating activities		
Surplus for the financial year	31,592	65,324
<i>Adjustments for:</i>		
Depreciation of tangible assets	49,612	47,324
Government grant income	(5,292)	(8,375)
Other interest receivable and similar income	(2,558)	(2,042)
Interest payable and similar expenses	24,621	24,712
Tax on profit	565	804
<i>Changes in:</i>		
Trade and other debtors	2,536	(1,425)
Trade and other creditors	3,954	5,221
Cash generated from operations	105,030	131,543
Interest received	2,558	2,042
Tax paid	(601)	(177)
Net cash from operating activities	106,987	133,408
Cash flows from investing activities		
Purchase of tangible assets	(20,012)	(22,748)
Net cash used in investing activities	(20,012)	(22,748)
Cash flows from financing activities		
Proceeds from issue of ordinary shares	8	14
Return on share capital subscribed on cancelled shares	(6)	(14)
Repayment of borrowings	(641)	(550)
Interest paid	(24,621)	(24,712)
Net cash from/(used in) financing activities	(25,260)	(25,262)
Net increase/(decrease) in cash and cash equivalents	61,715	85,398
Cash and cash equivalents at beginning of year	529,961	444,563
Cash and cash equivalents at end of year	591,676	529,961

The notes on pages 12 to 20 form part of these financial statements.

Argyle Street Housing Co-Operative Limited

Notes to the Financial Statements

Year ended 31 March 2020

1. General information

The Co-Operative is a public benefit entity and is incorporated under the Industrial and Provident Societies Act 1965 (now replaced by the Co-Operative and Community Benefit Societies Act 2014) and the registered office address is 3 Fletchers Terrace, Cambridge, CB1 3LU.

2. Statement of compliance

These financial statements have been prepared in compliance with relevant financial reporting standards including FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', Housing SORP 2018, 'Statement of Recommended Practice for Social Housing Providers' and the 'Accounting Direction for Social Housing Providers from January 2019'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the Co-Operative.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

There were no key significant judgements in the year

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

The Committee of Management have depreciated tangible fixed assets, including the components of housing properties, over their expected useful lives.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered, stated net of discounts and Value Added Tax.

Revenue from the rendering of services, which is mainly from the provision of social houses and includes rents and service charges, is measured by reference to the amounts due for the accounting period.

Argyle Street Housing Co-Operative Limited

Notes to the Financial Statements (continued)

Year ended 31 March 2020

3. Accounting policies (continued)

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of income and retained earnings, except to the extent that it relates to items recognised directly in equity. In this case, tax is recognised directly in equity.

Current tax is recognised on interest receivable for the current and past periods. Other surpluses or deficits on the provision of social housing is not subject to tax as is covered by the mutual exemption basis. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible fixed assets are initially stated at cost, including housing properties held for social benefit.

After initial recognition all tangible fixed assets are measured using the cost model and stated at cost less depreciation.

No deemed costs were used on the transition to FRS 102.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Housing properties	-	Depreciated over the main components - see further details below
Solar panels	-	5% straight line
Other	-	Between 15% and 25% straight line

No depreciation is charged in the year of acquisition and a full years depreciation is charged in the year of disposal.

The other items are mainly heating improvements, building improvements, computer and equipment and fixtures and fittings and are individually not significant.

Argyle Street Housing Co-Operative Limited

Notes to the Financial Statements (continued)

Year ended 31 March 2020

3. Accounting policies (continued)

The components of housing properties are depreciated as follows:

Land	-	No Depreciation
Structure	-	Over 100 years straight line
Roofs	-	Over 70 years straight line
Windows	-	Over 50 years straight line
Boilers	-	Over 15 years straight line
Kitchen	-	Over 20 years straight line
Bathrooms	-	Over 25 years straight line
Mechanical systems (heating, ventilation, plumbing)	-	Over 30 years straight line
Electrics	-	Over 40 years straight line

Additional expenditure on housing properties are depreciated in line with the above depreciation rates and the additional depreciation rates as follows:

Cookers/fridges	-	Over 10 years straight line
Washing machines	-	Over 5 years straight line
Furniture	-	Over 5 years straight line
Wooden flooring	-	Over 25 years straight line
Carpets	-	Over 5 years straight line
Vinyl flooring	-	Over 10 years straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. As the Co-Operative only operates from one site, the entire operation of the Co-Operative has been deemed to be the cash-generating unit.

No estimation techniques or key judgements have been required as the Co-Operative have assessed there to be no indicators to suggest any assets may be impaired.

Indicators of impairment considered included:

- current market prices,
- changes in the year and near future in technological, market, economic or legal environment, market interest rates,
- fair value of the Co-Operative as a whole,
- evidence of obsolescence or physical damage of an asset, significant changes with an adverse effect during the year or near future that have an impact on the way an asset is used or expected to be used, and
- indicators that the economic performance of an asset is, or will be, worse than expected.

Argyle Street Housing Co-Operative Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2020

3. Accounting policies *(continued)*

Government grants and financial assistances

The Housing Association Grant (HAG) was received as a contribution towards the capital costs of building the housing properties. The Co-Operative has adopted a policy of holding housing properties at cost and therefore the Housing SORP 2018 requires the HAG to be accounted for under the accrual model and the HAG is amortised over the expected useful life of the housing properties structure and component parts.

Financial instruments

A financial asset (cash and balances owed to the Co-Operative) or a financial liability (Bank loans and other balances owed by the Co-Operative) are recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Argyle Street Housing Co-Operative Limited

Notes to the Financial Statements (continued)

Year ended 31 March 2020

4. Turnover

Turnover arises from:

	2020	2019
	£	£
Gross rent receivable, before voids, excluding service charges	264,191	262,204
Rent losses from voids	(9,782)	(10,276)
Rent receivable excluding service charges	254,409	251,928
Service charges receivable	43,904	57,757
	<u>298,313</u>	<u>309,685</u>

The whole of the turnover is attributable to the principal activity of the Co-Operative wholly undertaken in the United Kingdom.

5. Other operating income

	2020	2019
	£	£
Government grant income	5,292	8,375
Feed in tariff	6,650	8,893
	<u>11,942</u>	<u>17,268</u>

The government grant income is in relation to the amortisation of the Housing Association Grant under the accruals model. See further detail in Note 17.

6. Auditor's remuneration

	2020	2019
	£	£
Fees payable for the audit of the financial statements	<u>4,200</u>	<u>4,200</u>

The fee of £4,200 is an all inclusive fee that covers assistance with the preparation of the statutory financial statements and corporation tax compliance services.

7. Interest payable and similar expenses

	2020	2019
	£	£
Interest on bank loans	<u>24,621</u>	<u>24,712</u>

8. Employees

The average number of persons employed by the Co-Operative during the year on a full time equivalent basis was 1 (2019: 1).

Argyle Street Housing Co-Operative Limited

Notes to the Financial Statements (continued)

Year ended 31 March 2020

9. Tax on profit

Major components of tax expense

	2020 £	2019 £
Current tax:		
UK current tax expense	486	601
Tax on profit	486	601
Deferred tax:		
Origination and reversal of timing differences	79	203
Tax on profit	565	804

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2019: lower than) the standard rate of corporation tax in the UK of 19% (2019: 19%).

	2020 £	2019 £
Surplus on ordinary activities before taxation	31,592	66,128
Surplus on ordinary activities by rate of tax	6,002	12,564
Surplus not subject to taxation under mutual exemption basis	(5,437)	(11,760)
Adjustment in respect of prior periods	-	-
Tax on profit	565	804

10. Tangible assets

	Housing properties £	Solar Panels £	Other £	Total £
Cost				
At 1 April 2019	1,594,048	97,731	2,461	1,694,240
Additions	20,012	-	-	20,012
At 31 March 2020	1,614,060	97,731	2,461	1,714,252
Depreciation				
At 1 April 2019	556,493	14,660	1,201	572,354
Charge for the year	44,195	4,887	530	49,612
At 31 March 2020	600,688	19,547	1,731	621,966
Carrying amount				
At 31 March 2020	1,013,372	78,184	730	1,092,286
At 31 March 2019	1,037,555	83,071	1,260	1,121,886

Housing properties are all completed and held for letting and comprise 84 (2019: 84) units held for general needs social housing.

Argyle Street Housing Co-Operative Limited

Notes to the Financial Statements (continued)

Year ended 31 March 2020

11. Debtors

	2020	2019
	£	£
Current tenant rent arrears	6,892	8,844
Current tenant housing benefit arrears	1,415	1,533
	<u>8,307</u>	<u>10,377</u>
Ex-tenant rent arrears	-	222
Other debtors	2,557	2,801
	<u>10,864</u>	<u>13,400</u>

There was no bad or doubtful debt expense recorded in the statement of comprehensive income for either 2020 or 2019.

12. Creditors: amounts falling due within one year

	2020	2019
	£	£
Bank loan	747	641
Housing grant deferred income	7,539	9,211
Corporation tax	486	601
Other creditors	55,283	51,329
	<u>64,055</u>	<u>61,782</u>

The bank loan is secured over the Co-Operative's housing properties. See note 13 for repayment terms and interest rate.

13. Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Bank loan	153,860	154,607
Housing grant deferred income	430,955	434,575
	<u>584,815</u>	<u>589,182</u>

The bank loan is secured over the Co-Operative's housing properties.

Included within creditors: amounts falling due after more than one year is an amount of £149,420 (2019: £150,796) in respect of liabilities payable by instalments which fall due for payment after more than five years from the reporting date.

The bank loan is repayable by semi-annual instalments of £12,631 and has a fixed rate of interest of 15.875%.

14. Provisions

	Deferred tax (note 15)
	£
At 1 April 2019	1,218
Charge for the year	79
At 31 March 2020	<u>1,297</u>

Argyle Street Housing Co-Operative Limited

Notes to the Financial Statements (continued)

Year ended 31 March 2020

15. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2020	2019
	£	£
Included in provisions (note 14)	<u>1,297</u>	<u>1,218</u>

The deferred tax provision is made up of £14,855 (2019: £15,783) of accelerated capital allowances less £13,558 (2019: £14,565) of tax relief on trading losses.

16. Capital Commitments

There were no capital commitments as at the balance sheet date for either 2020 or 2019.

17. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2020	2019
	£	£
Recognised in creditors:		
Deferred government grants due within one year	7,539	9,211
Deferred government grants due after more than one year	<u>430,955</u>	<u>434,575</u>
	<u>438,494</u>	<u>443,786</u>
Recognised in other operating income:		
Government grants recognised directly in income	<u>5,292</u>	<u>8,375</u>

18. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2020	2019
	£	£
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	<u>8,307</u>	<u>10,599</u>
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	<u>(154,607)</u>	<u>(155,248)</u>

19. Called up share capital

Issued, called up and fully paid

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	<u>86</u>	<u>86</u>	<u>84</u>	<u>84</u>

During the year 6 (2019: 14) Ordinary shares of £1 each were cancelled and the par value of £1 per share returned to the member and 8 (2019: 14) new Ordinary shares of £1 each were issued at par value to new members.

Argyle Street Housing Co-Operative Limited

Notes to the Financial Statements (continued)

Year ended 31 March 2020

20. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

21. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020 £	2019 £
Not later than 1 year	-	1,110
Later than 1 year and not later than 5 years	-	-
	<u>-</u>	<u>1,110</u>

22. Related Party Transactions

Members of the Committee of Management are also members of the Co-Operative and are therefore tenants. Tenancies with members of the Committee of Management are on the same basis as non-Committee of Management members and total rents and service charges received from members of the Committee of Management during the year totalled £88,005 (2019: £75,740).

As at the balance sheet date £1,525 (2019: £2,714) were in arrears and included in debtors. Included within the £1,525 (2019: £2,714) were arrears from ex-Committee of Management members of £nil (2019: £nil).

23. Analysis of changes in net debt

	At 1 Apr 2019 £	Cash flows £	Other changes £	At 31 Mar 2020 £
Cash at bank and in hand	529,961	61,715	-	591,676
Debt due within one year	(641)	641	(747)	(747)
Debt due after one year	(154,607)	-	747	(153,860)
	<u>374,713</u>	<u>62,356</u>	<u>-</u>	<u>437,069</u>

Argyle Street Housing Co-Operative Limited

Management Information

Year ended 31 March 2020

The following pages do not form part of the financial statements.

Argyle Street Housing Co-Operative Limited

Detailed Income Statement

Year ended 31 March 2020

	2020 £	2019 £
Turnover		
Rents receivable net of identifiable service charges	264,191	262,204
Service charges receivable	43,904	57,757
Rent losses from voids	(9,782)	(10,276)
	<u>298,313</u>	<u>309,685</u>
 Other operating income	 11,942	 17,268
	<u>310,255</u>	<u>326,953</u>
 Other external charges	 153,864	 136,507
Staff costs	47,389	49,177
Depreciation and other amounts written off tangible fixed assets	49,612	47,324
Other operating expenses	5,170	5,147
	<u>54,220</u>	<u>88,798</u>
Operating surplus		
Interest receivable and similar income	2,558	2,042
Interest payable and similar expenses	24,621	24,712
	<u>32,157</u>	<u>66,128</u>
Surplus before taxation		

Argyle Street Housing Co-Operative Limited

Notes to the Detailed Income Statement

Year ended 31 March 2020

	2020 £	2019 £
Other operating income		
Government grant income	5,292	8,375
Feed in tariff	6,650	8,893
	<u>11,942</u>	<u>17,268</u>
Other external charges		
Services	69,013	59,835
Routine maintenance	35,611	24,192
Planned maintenance	15,905	10,296
Office and administrative costs	7,540	5,699
Insurance	5,689	5,773
Other direct costs	20,106	30,712
	<u>159,864</u>	<u>136,507</u>
Staff costs		
Management	<u>47,389</u>	<u>49,177</u>
Depreciation and other amounts written off tangible fixed assets		
Depreciation on housing properties	<u>49,612</u>	<u>47,324</u>
Other operating expenses		
Bank charges	739	814
Accountancy fees	231	133
Auditors remuneration	4,200	4,200
	<u>5,170</u>	<u>5,147</u>
Interest receivable and similar income		
Interest on cash and cash equivalents	<u>2,558</u>	<u>2,042</u>
Interest payable and similar expenses		
Interest on bank loans	<u>24,621</u>	<u>24,712</u>

