

Registered number: 06593129
Charity numbers: 1125556 & SC040058

HAIG HOUSING TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2024

Trustees
Mr D G Williams (Chair of Trustees)
Ms L M S Locke (Vice Chair of Trustees)
Mr J.P. Colborne-Baber
Mr S M Elliott
Mrs S S Fernandes
Mr A B Weir
Dr M J S Weir
Mr N G White
Mrs N McWhinney
Mrs K Connell
Mr M Carter
Mr C Thomson-Smith

Company registered number 06593129

Charity registered numbers 1125556 (England and Wales) and SC040058 (Scotland)

Registered office
Mountbarrow House
12 Elizabeth Street
London
SW1W 9RB

Company secretary Michael Robb

Chief executive officer Tim Stockings

Independent auditor
Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

Bankers
Barclays Bank Plc
50 Pall Mall
London SW1A 1QF

Solicitors
Trowers & Hamlins LLP
3 Bunhill Row
London EC1Y 8YZ

Senior Leadership Team (SLT)
Tim Stockings (Chief Executive)
Michael Robb
William Lindsay
Amanda Deakin
Irfan Chaudhry

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their report and the financial statements of the company for the year ended 31 March 2024

CHAIRMAN'S STATEMENT

Despite challenging headwinds, Haig Housing Trust continues to deliver its primary objective of housing veterans and their families in need. That need is still growing as more people find their domestic situation difficult, and the supply of affordable housing remains constrained. We know that veterans and their families can experience a housing crisis at any stage of their lives, and our hardworking and dedicated colleagues are focussed on ensuring that Haig is there to help as many of them as possible. Although there is widespread recognition of a need to improve housing provision across the UK, a solution still seems some way off. Working with partners across the veterans' charity sector we are able to help over 4,000 beneficiaries every year, and we aim to help more.

The substantial investment in our properties continuous apace and is yielding real impact. Across our estates we have accelerated our maintenance and improvement programme whilst reducing our carbon footprint. As well as helping us to reduce our costs, this work puts money back in veterans' pockets by reducing their energy costs and helping them manage the growing cost of living. So far this year we have returned over £85,000 to beneficiaries in lower fuel bills, and we aim to do more.

As we look to the future, we will grow and diversify our income to enable even greater investment in our properties. We will assess every estate against our strategy to deliver our three strategic objectives of Beneficiary Focus, Quality Service and Sustainable Homes. We will modernise our homes where we can, working with new partners to continue our transformation to deliver better housing solutions for more veterans. We are realistic about the challenges but optimistic about our future. Building on our successes we'll grow our positive impact on the lives of veterans and their families, and we aim to achieve more.

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Charitable Objects and Governing Document

The Charity is governed by its 2019 Memorandum and Articles of Association (MAoA), which outline its objects:

- a. To relieve need, financial hardship, sickness, disability, the effects of wounds, old age or other like condition by the provision of, or assistance with, housing for the following persons in order of priority:
 - I. Members and former members of all ranks and ratings of the Armed Forces of the Crown, whether Regular or Reserve, and their spouses, widows or widowers.
 - II. Former or separated spouses of members or former members of the Armed Forces of the Crown, whether Regular or Reserve, who have dependent children living with them.
 - III. Such persons in a. (ii) above without dependent children.
- b. Such charitable purposes for the benefit of beneficiaries of the Charity as the Trustees decide.

Public Benefit

The Trustees confirm that the Charity's activities in support of its MAoA are delivered effectively, complying with the Charities Act and Charity Commission's guidance.

Governance

The Board comprises twelve independent non-executive trustees, who bring a wealth of experience to the charity and are legally responsible for the overall management and control of The Trust. They receive no remuneration for their role and any interests or related party relationships are disclosed in the Register of Interests. All Trustees sign and adhere to Haig's Trustee Code of Conduct.

New trustees undertake an induction programme and the Board is kept up to date with developments through regular briefings and training. A strategy awayday is held once a year, as well as regular visits to estates. The Board assess its performance annually, mindful of the guidance issued by the Charity Commission, and sector bodies.

Trustees met formally every quarter, delegating specific issues to three sub-committees that report to the full Board: Estates, Finance & Risk (FRC) and People. Oversight of the Trust's properties in Scotland is by a local committee, consisting of volunteer members and a beneficiary tenant that met three times. Additionally, there was a Management Committee comprising the executive team and beneficiaries. The Trust intended to move towards tenant representation on the Board but that has taken longer than envisaged. Future plans are being reviewed.

There are three linked charities with similar objects: Disabled Officer Garden Homes, Mitchell Flats and Clevedon Homes. The Trust also holds all allotted shares in a dormant limited trading company: Haig Housing Trading Limited, see note 24 to the financial statements.

Remuneration

The remuneration policy was agreed by Board in May 2022. Staff roles are assessed against a suite of measures with judgment applied to reflect market conditions.

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REVIEW OF ACTIVITIES

Haig maintains c1500 homes for veterans in 80 communities across the UK, varying in size from around 12 homes up to 345 properties in Morden. Beneficiaries are charged a charitable rent set below market rates. Rental income provides the main source of funds for the Charity.

The 2021 strategic review continues to drive change, improve performance and channel investment for the future, whilst confirming our Purpose:

Providing quality homes to improve the lives of veterans and their families in need

and Strategic Objectives:

Beneficiary focus
Quality service
Sustainable homes

We continue to work collaboratively with a range of partners to deliver impact for beneficiaries, many of whom have complex needs that cannot be met by Haig alone. We avoid duplicating services, signposting those who require more help to other sources of support. We have established a productive relationship with E.ON to deliver our sustainability improvements and will use this model to build future capability.

We continue to shape Veterans' housing policy in conjunction with the Confederation of Service Charities (Cobseo). The CE co-chairs the housing cluster that helps nationwide co-ordination of veterans' housing. Outreach work with Ministers, MPs, Councillors and the Service Community across the whole of the UK and Jersey helps to broaden understanding of Haig and deliver better outcomes for veterans.

Although currently without a Patron, we hope to have a way ahead shortly.

Our People

As our most important resource, we work hard to recruit, train and retain high quality staff. We have initiated a new appraisal system, invested in developing our team, reorganised around delivery teams, recruited a finance director and are building systems to support delivering outcomes for our beneficiaries. We have moved our head office back to Victoria, which has reduced costs and provided an extra catalyst for change. We have an engagement team of staff colleagues who help us design our rewards and recognition package. We believe Haig is a great place to work. We signed the Armed Forces Covenant and achieved the Bronze Level of the Defence Employer Recognition Scheme – a tangible commitment to working veterans.

Beneficiary focus

The housing sector remains under immense pressure, caused by austerity and decades of under investment. Haig is not immune from that dynamic, with demand continuing to outstrip supply by a considerable margin. We are building partnerships as a way to leverage success. There has been volatility around the legislative agenda due to political uncertainty, making strategic planning challenging.

We continue to strive to improve our impact and outcomes for beneficiaries. The cost-of-living crisis still affects many households, with an increasing number struggling to make ends meet. Whilst we have invested heavily in improving our estate, we still struggle in some areas to meet expectations. We are working hard to improve our performance but the reality is that with heavily subsidised rents and aging properties, our room for manoeuvre is limited. We are going to be clear in future that as a charity we exist to deal with need, not want.

We have overhauled our complaints handling process, invested in upskilling staff and been clear about the cultural change we want to deliver. We obtain direct feedback about our performance during our regular visits to estates. The vast majority of our tenants are happy with the service they receive. We are moving towards adopting the sector's tenant satisfaction measures that provide a framework for monitoring and benchmarking. We have worked hard to improve tenant engagement, holding regular meetings at our largest estate and increasing the frequency of our communications.

Quality Service

We continue to focus our efforts on front line delivery aided by systems that free up staff time. Rents were increased by less than the sector average and we provide access to hardship and community funds to help

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tenants live a more fulfilling life. Our income team continues to support those who are struggling, allowing them to stay in their homes and sustain their tenancies. Taken together this suite of measures clearly demonstrates our charitable purpose.

Our IT supplier suffered a serious outage in November that meant we lost access to our systems for a month. Previously this event might have severely impacted our services but as a result of the improvements we have made, we were able to continue operations.

Sustainable Homes

We are delivering impact, improving the condition of our properties and making houses warmer whilst reducing the carbon footprint in 386 homes. In addition to improving habitability, these changes are saving residents an average of £500 per year on their energy bills, a total so far of over £85,000. In some cases they are able to sell the excess power back to the grid, realising even greater savings.

We will be more ambitious in 24/25, delivering projects that improve beneficiaries' lives in over 500 homes. We are working towards the target for all social housing to be at EPC C or above by 2030; where feasible we try to exceed that standard.

We handled over 8,000 phone calls and 10,000 emails, resulting in over 6,000 repair orders being raised. Our post-works satisfaction survey indicated that over 80% of our beneficiaries were satisfied with the service they received.

This year we were delighted to receive a grant of £200,000 from the Army Benevolent Fund (ABF) to accelerate our kitchens and bathrooms improvement programme and have applied for another grant for 24/25. We managed the impact from the worst storms in a generation that hit the island of Jersey hard, particularly our homes. We provided immediate emergency relief and are in the middle of a comprehensive reinstatement programme.

STRATEGIC OUTLOOK

The societal, economic and structural challenges facing the sector remain, as reflected in our comments last year. At the time of writing, the new government is rapidly rolling out their plan for change. There are likely to be profound implications for the housing sector. As we aspire to provide quality homes we support the general direction of travel but need to see the detail before we can assess the impact on our operations.

Our investment programme is already yielding dividends: happier beneficiaries, improved standards and lower running costs.

Future Plans

We will continue to grow our impact on beneficiaries by:

- Investing in our estate, rationalising where appropriate
- Improving sustainability
- Delivering our services in a cost-effective way
- Improving our understanding of beneficiaries' needs
- Robust regulatory compliance and long-term financial stability
- Developing our staff and modernising our support systems
- Active participation in the housing, charitable and veterans' sector
- Building our fundraising capability

In doing so we aim to show the real value of living in a Haig home.

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Fundraising and Investments

Fundraising has historically not been a major activity of the Trust (2024 £8k), nor relied upon to fund operations. We intend to change that dynamic to grow and diversify our income. We do not employ a professional fundraiser and all activities are overseen by the CE. We are registered with the Fundraising Regulator, adhere to the Fundraising Code, GDPR, and do not share data for the purposes of fundraising. The Trust received no complaints in relation to fundraising activities during the year.

The Trust's investments of cash and funds are administered by Investec to reflect the Board's objectives and risk appetite. Money is invested principally in investment grade fixed interest securities, 'blue chip' equities and collective funds.

Financial Review and Results -

The plan to use resources to improve the condition of our estates resulted in a deficit of £5.4M. Cash reserves will continue to be used to fund the upgrade and maintenance programme.

Total income increased to £14.5M (2023 £12.0M) Rents increased by an average of 7% and £1.3m of grant income was received from SHDF (2023 £Nil)

Total resources expended were £20.2M (2023 £13.7M). Key items were direct property costs, including: repairs £14.1M (2023 £8.3M); staff £3.0M (2023 £2.8M); support £1.5M (2023 £1.2M) and depreciation £1.4M (2023 £1.4M). Total net assets were £83.0M (2023 £88.3M).

The Trust holds £14.3M (2023 £3.8M) of investment funds with Investec, who manage them on a discretionary basis in accordance with the Investment Policy. The Finance and Risk Committee reviews investment performance quarterly. During the year £10M was transferred from cash deposits to investment funds.

Cash at bank was £8.3M (2023 £20.6M), most of which arose from the sale of a large property. Most of the money held in cash and investments as well as the proceeds of future sales is designated for three main uses: property acquisition, sustainability projects and planned improvements.

Reserves

Sufficient operating reserves are held to enable the Trust to operate and meet its charitable objects. The amount held is regularly reviewed, with a minimum of three to four months operating expenditure held in cash or other liquid securities that can be realised within 60 days. At 31 March 24 reserves of £8.4M (2023 £6.1M) were held, equating to 5 months of cash operating expenses with sufficient unrestricted funds to cover distribution of these reserves.

Risk Management

Trustees oversee risk performance; the FRC reviews the risk register quarterly and reports to Board, who assess policy, performance, appetite and risk register annually. Day to day management is the responsibility of the executive with additional assurance provided by internal audit.

Principal Risks

The principal risks to the Trust come from operational activities within the wider legal, economic & societal environment, including:

- The escalating cost of achieving sustainable homes at a decent standard
- Meeting increasingly demanding tenant expectation
- Contractor performance
- Regulatory, legal and welfare changes
- The ability to recruit and retain talented staff

We have made significant investment in our properties and will continue to do so where it aligns with our strategy. We will dispose of those properties that are no longer a good fit. We will grow and diversify our income to provide headroom to do that and will investigate partnerships that may unlock development potential.

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We have made great strides to improve tenants engagement but recognise that we have further to go. We are doing our best to manage tenant expectation but the reality is that the challenges are societal and sector wide; we cannot solve them alone.

Maintenance and repairs are delivered by contractors on our behalf. We recognise the critical nature of that dynamic and will work in the next year to improve outcomes for all involved.

The regulatory regime is becoming increasingly challenging. Increased appetite by governments, regulators and ombudsman to flex their muscles, principally as a result of media pressure too often casts housing providers as the problem, rather than part of the solution. That dynamic needs to change if the underinvestment of generations is to be addressed – there are no quick fixes. Although not a Registered Provider, we aim to align as closely as possible to the standards mandated for that sector.

Going Concern

The Trust has a robust business model, which has survived recent challenges and its financial strength is underpinned by the value of its property portfolio. The five-year business plan aims to upgrade properties using cash reserves whilst breaking even on day-to-day activities. The Trust is confident that plan will be substantially achieved, with potential to extract further value from non-core elements of the property portfolio if necessary.

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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2024

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report including the Strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees 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 Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of information to the auditor

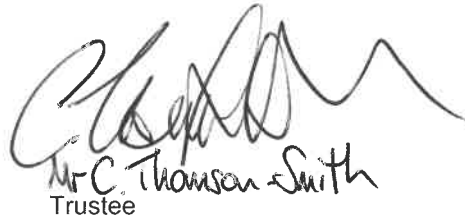
Crowe UK LLP has indicated its willingness to be reappointed as statutory auditor.

So far as each of the trustees are aware, there is no relevant audit information of which the company's auditors are unaware, and each of the trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees' Strategic Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the trustees in their capacity as company directors on 25th September 2024 and signed on their behalf by:



Mr D G Williams
Chair of Trustees



Mr C Thomson-Smith
Trustee

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Independent Auditor's Report to the Members and the Trustees of Haig Housing Trust

Opinion

We have audited the financial statements of Haig Housing Trust ('the charitable company') for the year ended 31 March 2024 which comprise of the Statement of Financial Activities, the Balance sheet, the Statement of Cash Flows and 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 Financial Reporting Standard 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 charitable company's affairs as at 31 March 2024 and of 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 Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

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 charitable 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

In auditing the financial statements, we have concluded that the Trustees' 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 charitable company'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 Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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.

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Independent Auditor's Report to the Members and the Trustees of Haig Housing Trust Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below. 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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit

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Independent Auditor's Report to the Members and the Trustees of Haig Housing Trust

procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005], together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulations, Health and Safety legislation and Employment legislation.

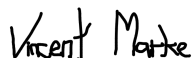
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of repairs and maintenance expenditure and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit and the Finance & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Companies House, OSCR and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Vincent Marke
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date: 02.10.2024

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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024**

	Endowment funds 2024 £000	Restricted funds 2024 £000	Unrestricted funds 2024 £000	Total funds 2024 £000	<i>Total funds 2023 £000</i>
Note					
Income from:					
Donations and legacies	4	-	8	8	23
Charitable activities	5	-	11,309	11,566	10,796
Grants			1313	1313	-
Profit on sale of assets		-	881	881	874
Investments		4	750	754	314
Other income		-	13	13	37
Total income and endowments		261	14,274	14,535	12,044
Expenditure on:					
Raising funds		-	92	92	47
Charitable activities	6	14	19,622	20,069	13,659
Total expenditure		14	19,714	20,161	13,706
Net gains/(losses) on investments		-	384	382	(246)
Net income before other recognised gains		(14)	(5,056)	(5,244)	(1,908)
Actuarial (losses) on defined benefit pension schemes		-	(51)	(51)	(39)
Net movement in funds		(14)	(5,107)	(5,295)	(1,947)
Reconciliation of funds:					
Total funds brought forward		539	19,906	67,885	88,330
Net movement in funds		(14)	(5,107)	(5,295)	(1,947)
Total funds carried forward		525	19,732	62,778	88,330

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 15 to 30 form part of these financial statements.

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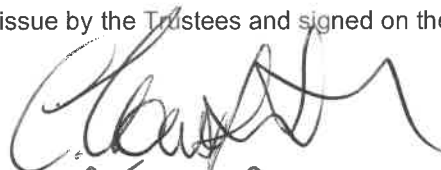
BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £000	2023 £000
Fixed assets			
Tangible assets	11	64,614	65,924
Investments	12	14,292	3,818
		78,906	69,742
Current assets			
Debtors	13	1,302	367
Cash at bank and in hand		8,329	20,612
		9,631	20,979
Creditors: due within one year	14	(5,143)	(2,017)
		4,488	18,962
Net current assets			
		83,394	88,704
Total assets less current liabilities			
Defined benefit pension scheme liability	21	(359)	(374)
		83,035	88,330
Total net assets			
		83,035	88,330
Charity funds			
Endowment funds	15	525	539
Restricted funds	15	19,732	19,906
Unrestricted funds	15	62,778	67,885
		83,035	88,330
Total funds			
		83,035	88,330

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Mr D G Williams
Chair of Trustees
Date: 25th September 2024



Mr C Thomson Smith
Trustee

HAIG HOUSING TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 £000	2023 £000
Cash flows from operating activities			
Net cash used in operating activities	17	(2,996)	(2,009)
Cash flows from investing activities			
Dividends, interest and returns from investments		633	243
Proceeds from the sale of tangible fixed assets		1,277	1,503
Purchase of investments		(10,001)	-
Purchase of tangible fixed assets		(581)	(1,063)
Net cash provided by investing activities		(8,672)	683
Cash flows from financing activities			
Repayments of borrowing		(561)	(173)
Interest payable		(54)	(46)
Net cash used in financing activities		(615)	(219)
Change in cash and cash equivalents in the year		(12,283)	(1,545)
Cash and cash equivalents at the beginning of the year		20,612	22,157
Cash and cash equivalents at the end of the year	18	<u>8,329</u>	<u>20,612</u>

The notes on the following pages form part of these financial statements.

HAIG HOUSING TRUST
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Notes to the financial statements

1. General information

Haig Housing Trust is a private company limited by guarantee (registered number 06593129) which is incorporated and domiciled in the UK and meets the definition of a public benefit entity under FRS102. The address of the registered office is Mountbarrow House, 12 Elizabeth Street, London, SW1W 9RB.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

2.2 Going concern

The Trust has a robust business model, the durability of which has been confirmed during the last two years, despite challenges faced in its operating environment. The financial strength of the Trust is also confirmed by the long term value of its substantial property portfolio.

The Trust has continued to maintain its substantial cash balances. The Trust's five year forecasts indicate that it will continue to maintain a positive cash balance over this period, despite plans to considerably increase expenditure on its property portfolio. The Trustees and Directors are confident that this forecasted five year cash performance will be substantially achieved, and they are aware of the potential to extract further value from non-core elements of the property portfolio if necessary. Accordingly they continue to adopt a going concern basis in preparing the financial statements.

2.3 Income

Income from rental and service charges is recognised in the financial statements in the period to which the rent or service charge relates and entitlement is earned. Investment income is accounted for on an accruals basis.

Donations received are accounted for through the income and expenditure account on a receipts basis. Donated properties are included at their open market value or their existing use value at the date of the donation.

Legacies are recognised in the financial statements only upon the granting of probate provided there is probability of legal entitlement and a reliable estimate can be obtained on notifications received before the year end. Non-performance related grants are accounted for as received.

2.4 Expenditure

Expenditure is recognised in the period in which it is incurred and includes attributable VAT which cannot be recovered. Support costs comprise of administration costs and are allocated to the various cost categories on the basis of an estimate of staff time attributable to each activity. Governance costs are the expenses incurred by the charity in meeting their statutory and constitutional requirements and include Trustees' expenses and external audit fees.

2.5 Housing Properties

Depreciation is charged to write down the value of freehold housing properties to their estimated residual value on a straight line basis over their remaining expected useful economic lives. No housing properties are shown at a value exceeding their estimated recoverable amount. Impairment losses recognised are shown under operating costs.

Freehold land is not depreciated. Freehold properties are depreciated over 50 – 70 years depending on the property. Leasehold properties are depreciated over the shorter of the term of the lease or their estimated useful life.

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Notes to the financial statements

Other Fixed Assets

Assets costing more than £1,000 are capitalised. Depreciation is charged on a straight line basis over the expected economic life of the assets at the following rates:

Freehold offices	- 2%	50 years
Motor vehicles	- 33%	3 years
Office equipment	- 33%	3 years

2.6 Investments

Investments are stated at market value at the balance sheet date. Gains are calculated based on the movement in market value during the period. The investments in the subsidiary undertakings are stated at deemed cost less impairment.

2.7 Debtors

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

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.9 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

2.10 Financial instruments

Haig Housing Trust has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method.

Financial assets held at cost comprise cash at bank and in hand, together with trade and other debtors (excludes prepayments). Financial liabilities held at cost comprise bank loans and overdrafts, trade and other creditors (excludes rent in advance).

Investments, held as part of an investment portfolio, are held at market value at the Balance Sheet date, with gains and losses being recognised within income and expenditure. The value of these assets at 31 March 2024 was £14,292,000 (2023: £3,818,000).

2.11 Pensions

Haig Housing Trust participates in a defined benefit pension scheme (The Pensions Trust Social Housing Pension Scheme) and a defined contribution scheme. Costs in connection with both pension schemes are charged to the Statement of Financial Activities as contributions fall due.

2.12 Fund accounting

Restricted funds

Donations or legacies received which are earmarked by the donor for specific purposes. Such purposes are within the overall aims of the charity

Endowment funds

These are restricted funds which must be retained as trust capital, subject to a discretionary power to use this capital for specific purposes.

HAIG HOUSING TRUST
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Notes to the financial statements

Designated funds

These funds have been designated by the trustees for specific purposes. The largest designated fund represents amounts invested in fixed assets for use by the charity.

General fund

The funds are available at any time for the use at the discretion of Trustees for furtherance of the charity's activities and objectives.

3. Critical accounting estimates and areas of judgment

In the application of the Charity's accounting policies, Trustees are required to make judgements, estimates, and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year. The areas where judgments and estimates have been made include:

Pensions

The SHPS pension liability is based on the SHPS valuation as at 31 March 2024 and full details of this liability and the underlying assumptions are disclosed in note 21.

Useful economic life of assets

The estimation of the useful economic life of the properties within the portfolio means that depreciation is a judgment.

Impairment

Impairment of the properties is considered annually. In making the judgement management consider the condition and current use of the property. During the year a £116,000 impairment charge was made against the Charity's former office premises in Morden as disclosed in note 11. There were no other impairments in the current or prior year.

4. Income from donations and legacies

	Unrestricted funds 2024 £000	Total funds 2024 £000	<i>Total funds 2023 £000</i>
Donations	8	8	23
Legacies	-	-	-
	8	8	23

5. Income from charitable activities

	Restricted funds 2024 £000	Unrestricted funds 2024 £000	Total funds 2024 £000	<i>Total funds 2023 £000</i>
Provision of housing to beneficiaries	257	11,309	11,566	10,796

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Notes to the financial statements

6. Analysis of expenditure on charitable activities

Summary by fund type

	Endowment funds 2024 £000	Restricted funds 2024 £000	Unrestricted funds 2024 £000	Total funds 2024 £000
Provision of housing to beneficiaries	14	433	19,622	<u>20,069</u>

7. Analysis of expenditure by activities

	2024 £000	2023 £000
Staff costs	2,992	2,747
Property repair, servicing and management	14,147	8,265
Interest payable	54	46
Bad debt expense	54	30
Return of grant to Help for Heroes and donations paid	75	75
Building depreciation	1,277	1,292
Support Costs	1,470	1,204
	<u>20,069</u>	<u>13,659</u>

Support costs as above include consultancy fees of £21,000, legal and professional fees of £37,000, information technology costs of £330,000, ancillary staff costs of £393,000, telephone expenses of £65,000, depreciation and office impairment of £219,000 and other costs of £405,000.

In prior years Help for Heroes has contributed grants towards purchase of properties. These grants are returned to Help for Heroes in the event a property bought using a Help for Heroes grant is sold. The net balance of Help for Heroes grants used to purchase properties as at 31st March 2024 was £1.5M (2023 £1.6M). No properties bought using a Help for Heroes grant are currently planned for disposal.

8. Auditor's remuneration

	2024 £000	2023 £000
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	33	31
Fees payable to the Charity's auditor in respect of: All non audit services not included above	<u>-</u>	<u>4</u>

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Notes to the financial statements

9. Staff costs	2024	<i>2023</i>
	£000	<i>£000</i>
Wages and salaries	2,589	2,353
Social security costs	270	245
Contribution to defined contribution pension schemes	184	167
	<u>3,043</u>	<u>2,765</u>

The average number of persons employed by the Charity during the year was as follows:

	2024	<i>2023</i>
	No.	<i>No.</i>
Provision of housing	47	42
Support costs	12	14
	<u>59</u>	<u>56</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	<i>2023</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	3	2
In the band £70,001 - £80,000	1	2
In the band £80,001 - £90,000	2	-
In the band £90,001 - £100,000	-	1
In the band £110,001 - £120,000	-	-
In the band £120,001 - £130,000	-	1
In the band £130,001 - £140,000	1	-

Several senior staff left the organisation over the year, which affects the above figures.

Employer's pension contributions of £42,773 (2023: £38,129) were paid in respect of these higher paid employees. The total employee benefits of 5 key management personnel of the charity were £504,461 (2023: 6 key management personnel received £586,021).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023: £nil).

During the year ended 31 March 2024, expenses of £1k were reimbursed or paid directly to Trustees (2023: £1k)

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Notes to the financial statements

11. Tangible fixed assets

	Housing properties £000	Work in progress £000	Freehold office £000	Motor vehicles £000	Office equipment £000	Total £000
Cost or valuation						
At 1 April 2023	82,224	-	307	18	1,690	84,239
Additions	446	-	-	-	135	581
Disposals	(427)	-	-	(18)	(1,527)	(1,972)
At 31 March 2024	<u>82,243</u>	<u>-</u>	<u>307</u>	<u>-</u>	<u>298</u>	<u>82,848</u>
Depreciation						
At 1 April 2023	16,560	-	156	18	1,581	18,315
Charge for the year	1,277	-	6	-	97	1,380
On disposals	(32)	-	-	(18)	(1,527)	(1,577)
Office impairment	-	-	116	-	-	116
At 31 March 2024	<u>17,805</u>	<u>-</u>	<u>278</u>	<u>-</u>	<u>151</u>	<u>18,234</u>
Net book value						
At 31 March 2024	<u>64,438</u>	<u>-</u>	<u>29</u>	<u>-</u>	<u>147</u>	<u>64,614</u>
At 31 March 2023	<u>65,664</u>	<u>-</u>	<u>151</u>	<u>-</u>	<u>109</u>	<u>65,924</u>

12. Investments

	2024 £000	2023 £000
Market Value at 1 April	3,818	4,022
Additions	10,118	76
Disposals	(26)	(27)
Gain / (losses) on investments	382	(253)
Market value at 31 March	<u>14,292</u>	<u>3,818</u>
<i>Historic Cost</i>	<u>13,239</u>	<u>3,238</u>

Investments comprise £14.3m under management with Investec and are represented by holdings in UK and overseas fixed interest, equities and property funds.

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Notes to the financial statements

13. Debtors	2024	2023
	£000	£000
Rent debtors	383	180
Prepayments	390	46
Accrued income and other debtors	529	141
	<u>1,302</u>	<u>367</u>
14. Creditors: Amounts falling due within one year	2024	2023
	£000	£000
Bank loans	-	562
Trade creditors	1,755	929
Other creditors	205	68
Accruals and deferred income	3,183	458
	<u>5,143</u>	<u>2,017</u>

The above includes £317k (2023: £373k) of deferred income which relates to rental income received in advance, the amount bought forward was recognised fully within the year.

Bank loans consisting of two fixed rate loans with a rate of 6.8% were fully repaid during the year. These loans were secured on five of the estates owned by Haig Housing Trust. These made up a small proportion of overall housing stock and had a net book value of £6,687,976 at the previous year end.

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Notes to the financial statements

15. Statement of funds – current year

	Balance at 1 April 2023 £000	Income £000	Expenditure £000	Transfers/ Gains/ (Losses) £000	Balance at 31 March 2024 £000
Unrestricted funds					
Designated funds					
Fixed asset fund	45,881	-	(1,330)	234	44,785
Leasehold liability fund	117	-	-	-	117
Sustainability projects fund	7,000			-	7,000
Property acquisition fund	1,000			-	1,000
Planned improvements fund	3,000			-	3,000
Community chest reserve	72			-	72
Pension reserve	(374)	-	66	(51)	(359)
	<u>56,696</u>	<u>-</u>	<u>(1,264)</u>	<u>183</u>	<u>55,615</u>
General funds					
General Funds - all funds	11,189	14,274	(18,450)	150	7,163
Total Unrestricted funds	<u>67,885</u>	<u>14,274</u>	<u>(19,714)</u>	<u>333</u>	<u>62,778</u>
Endowment funds				'	
Permanent Endowment	<u>539</u>	<u>-</u>	<u>(14)</u>	<u>-</u>	<u>525</u>
Restricted funds					
Veterans Accommodation	14,580	-	-	-	14,580
Colchester Borough Council	450	-	-	-	450
DSSHF	2,770	129	(220)	-	2,679
Disabled Officer Garden					
Homes	61	128	(133)	-	56
Help for Heroes (coming home)	1,635	-	(75)	-	1,560
Other	104	-	-	-	104
Mrs Willie James Fund	306	4	(5)	(2)	303
	<u>19,906</u>	<u>261</u>	<u>(433)</u>	<u>(2)</u>	<u>19,732</u>
Total of funds	<u>88,330</u>	<u>14,535</u>	<u>(20,161)</u>	<u>331</u>	<u>83,035</u>

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Notes to the financial statements

Statement of funds –prior year

	Balance at 1 April 2022 £000	Income £000	Expenditure £000	Transfers/ Gains/ (Losses) £000	Balance at 31 March 2023 £000
Unrestricted funds					
Designated funds					
Fixed asset fund	46,981	-	(1,343)	243	45,881
Leasehold liability fund	117	-	-	-	117
Sustainability projects fund	-	-	-	7,000	7,000
Property acquisition fund	-	-	-	1,000	1,000
Planned improvements fund	-	-	-	3,000	3,000
Community chest reserve	72	-	-	-	72
Pension reserve	(405)	-	70	(39)	(374)
	<u>46,765</u>	-	<u>(1,273)</u>	<u>11,204</u>	<u>56,696</u>
General funds					
General Funds - all funds	22,956	11,813	(12,115)	(11,465)	11,189
Total Unrestricted funds	<u>69,721</u>	<u>11,813</u>	<u>(13,388)</u>	<u>(261)</u>	<u>67,885</u>
Endowment funds					
Permanent Endowment	<u>553</u>	-	<u>(14)</u>	-	<u>539</u>
Restricted funds					
Veterans Accommodation	14,580	-	-	-	14,580
Colchester Borough Council	450	-	-	-	450
DSSHF	2,753	107	(90)	-	2,770
Disabled Officer Garden Homes	75	115	(129)	-	61
Help for Heroes (coming home)	1,710	-	(75)	-	1,635
Other	104	-	-	-	104
Mrs Willie James Fund	331	9	(10)	(24)	306
	<u>20,003</u>	<u>231</u>	<u>(304)</u>	<u>(24)</u>	<u>19,906</u>
Total of funds	<u><u>90,277</u></u>	<u><u>12,044</u></u>	<u><u>(13,706)</u></u>	<u><u>(285)</u></u>	<u><u>88,330</u></u>

Permanent Endowment

Relates to properties originally gifted to Disabled Officer Garden Homes.

Restricted Funds / Reserves

Veterans Accommodation Fund

This fund was created with monies from the Ministry of Defence and is to be used to develop /purchase properties in Morden, Scotland, Aldershot and Colchester. At 31 March 2024 the balance of the fund included properties purchased. There is a 15 year covenant on assets purchased with these funds.

Colchester Borough Council Fund

This restricted fund was created with monies from Colchester Borough Council to provide affordable homes for ex-service men and women.

Disabled Soldier and Sailors (Hackney) Foundation (DSSHF)

This restricted fund was created on the gift of the assets and liabilities of the above charity to Haig Housing Trust. Further details are included in note 24.

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Notes to the financial statements

Disabled Officer Garden Homes

This fund (along with the permanent endowment fund) represents funds in respect of Disabled Officer Garden Homes administered by Haig Housing Trust. Further details are included in Note 24.

Help for Heroes (Coming Home)

These funds comprise amounts donated to provide housing to injured service men and women.

Mrs Willie James Charity

Administered by Haig Housing Trust, the funds are used to support a variety of purposes for needy tenants.

Designated funds / reserves

Fixed asset fund

This represents the net book value of Tangible Fixed Assets held in unrestricted funds which are not available in the short term to fund the Trust's activities. Transfers represent net additions to fixed assets.

Leasehold liability fund

An accumulation fund created to retain funds for the renewal and extension of leases on short and medium term leasehold properties.

Sustainability projects fund

This fund was created in the previous year to retain funds for planned sustainability improvements to the Trust's existing properties in line with the five-year estate improvement project.

Property acquisition fund

A fund created in the previous year to provide for funds in anticipation of future property acquisitions in the coming five years.

Planned improvements fund

A fund created in the previous year to provide funds for a range of planned improvements to the Trust's existing property portfolio in line with the five-year estate improvement project.

Pension reserve

This represents funds set aside for the potential future costs arising from the Trust's commitment to the Social Housing Pension Scheme.

Community Chest Reserve

This fund was created to hold individual donations in order to ensure that the amounts donated are subsequently spent on charitable purposes in dedication to these donors.

16 Analysis of net assets between funds – current period

	Endowment funds 2024 £000	Restricted funds 2024 £000	Unrestricted funds 2024 £000	Total funds 2024 £000
Tangible fixed assets	525	17,709	46,380	64,614
Fixed asset investments	-	295	13,997	14,292
Current assets	-	1,728	7,903	9,631
Creditors due within one year	-	-	(5,143)	(5,143)
Provisions for liabilities and charges	-	-	(359)	(359)
Total	525	19,732	62,778	83,035

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Notes to the financial statements

Analysis of net assets between funds - prior period

	Endowment funds 2023 £000	Restricted funds 2023 £000	Unrestricted funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	539	19,061	46,324	65,924
Fixed asset investments	-	288	3,530	3,818
Current assets		557	20,422	20,979
Creditors due within one year	-	-	(2,017)	(2,017)
Provisions for liabilities and charges	-	-	(374)	(374)
Total	<u>539</u>	<u>19,906</u>	<u>67,885</u>	<u>88,330</u>

17. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £000	2023 £000
Net income for the period (as per Statement of Financial Activities)	(5,626)	(1,662)
Adjustments for:		
Depreciation charges	1,380	1,393
Dividends, interest and returns from investments	(634)	(319)
Profit on the sale of fixed assets	(881)	(874)
Movement in pension deficit liability	(66)	(70)
(Increase) / Decrease in debtors	(934)	407
Increase / (Decrease) in creditors	3,711	(930)
Interest payable	54	46
Net cash provided by operating activities	<u>(2,996)</u>	<u>(2,009)</u>

18. Analysis of cash and cash equivalents

	2024 £000	2023 £000
Cash in hand	8,329	20,612
Total cash and cash equivalents	<u>8,329</u>	<u>20,612</u>

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Notes to the financial statements

19. Analysis of Net Debt

	At 1 April 2023 £000	Cash flows £000	At 31 March 2024 £000
Cash at bank and in hand	20,612	(12,283)	8,329
Debt due within 1 year	(562)	562	-
	20,050	(11,721)	8,329

20. Capital commitments

	2024 £000	2023 £000
Contracted for but not provided in these financial statements	-	-

21. Pension commitments

Defined benefit scheme

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

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

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

The Scheme is classified as a "last-man standing arrangement". Therefore the Trust is potentially liable for other participating employers' obligations if these 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.

For financial years ending on or before 28 February 2019, it was not possible for the Trust to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore the Trust has accounted for the Scheme as a defined contribution scheme. For financial years ending on or after 31 March 2019, it has been possible to obtain sufficient information to enable the Trust to account for the scheme as a defined benefit scheme.

For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year-ends from the following 31 March to 28 February inclusive. The latest accounting valuation was carried out with an effective date of 30 September 2023. The liability figures from this valuation were rolled forward for accounting year-ends from 31 March 2024 to 28 February 2025 inclusive.

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

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Notes to the financial statements

Fair value of plan assets, present value of defined benefit obligation, and defined benefit asset

	2024	2023
	(£000s)	(£000s)
Fair value of plan assets	1,682	1,672
Present value of defined benefit obligation	2,041	2,046
Surplus (deficit) in plan	(359)	(374)
Defined benefit asset (liability) to be recognised	(359)	(374)

Reconciliation of opening and closing balances of the defined benefit obligation

	2024	2023
	(£000s)	(£000s)
Defined benefit obligation at start of period	2,046	2,818
Interest and other expenses	101	79
Actuarial losses (gains) due to changes in financial assumptions	11	(697)
Benefits paid and expenses	(117)	(154)
Defined benefit obligation at end of period	2,041	2,046

Reconciliation of opening and closing balances of the fair value of plan assets

	2024	2023
	(£000s)	(£000s)
Fair value of plan assets at start of period	1,672	2,413
Interest income	81	66
Losses / gains on plan assets	(40)	(736)
Employer contributions	86	83
Benefits paid and expenses	(117)	(154)
Fair value of plan assets at end of period	1,682	1,672

Reconciliation of opening and closing balances of the fair value of plan assets

Expenses	3	3
Net interest expense	17	10
Defined benefit costs recognised in Statement of Financial Activities	20	13

Defined benefit costs recognised in Statement of Financial Activities

Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)	(40)	(736)
Gains and losses arising on the plan liabilities - gain (loss)	(27)	23
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	32	7
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	(16)	667
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	(51)	(39)
Total amount recognised in Other Comprehensive Income - gain (loss)	(51)	(39)

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Notes to the financial statements

<u>Assets</u>	2024 (£000s)	2023 (£000s)
Global Equity	168	31
Absolute Return	66	18
Distressed Opportunities	59	51
Credit Relative Value	55	63
Alternative Risk Prem	53	3
Emerging Markets Debt	22	9
Risk Sharing	98	123
Property	68	72
Insurance linked securities	9	42
Infrastructure	170	191
Private Debt	66	74
Opportunistic Illiquid Credit	66	72
High Yield	-	6
Opportunistic Credit	-	-
Cash	33	12
Private Equity	1	-
Currency Hedging	(1)	3
Long Lease Property	11	50
Secured Income	50	77
Liability Driven Investment	685	771
Net Current Assets	3	4
Total assets	1,682	1,672

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

Key Assumptions	2024 % per annum	2023 % per annum
Discount Rate	4.86%	4.90%
Inflation (RPI)	3.20%	3.21%
Inflation (CPI)	2.75%	2.69%
Salary Growth	3.75%	3.69%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

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Notes to the financial statements

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

22. Operating leases - Lessor

Properties owned by Haig Housing Trust are occupied under various tenancy agreements. The committed rental income generated under these agreements over the next 12 months is estimated to be £513,000 (2023 £579,000).

The Charity had no commitments under non-cancellable operating leases at 31 March 2024

23. Related party transactions

There have been no related party transactions that require disclosure.

24. Linked charities and subsidiaries

Disabled Officer Garden Homes, Mitchell Flats and Clevedon Homes have in the past been subject to a uniting direction granted by Charity Commission schemes. The objects of the linked charities below are generally the provision of housing accommodation for people in need, hardship or distress with preference given to ex-service men and women and other charitable purposes for the benefit of the residents as the trustees shall decide. However, in respect of Disabled Officer Garden Homes (DOGH) accommodation is for disabled former officers who are married or in a relationship analogous to marriage.

In addition, the Trust holds all allotted shares in Haig Housing Trading Limited (formerly Coming Home Campaign Limited, name changed on 11 June 2019), a limited company (registered in England and Wales 09331680) that carries out trading activities on behalf of the charity. This entity was dormant for the year ended 31 March 2024

A summary of the results of each, which are included in these Financial Statements, are shown below:

	DOGH £'000	Mitchell Flats £'000	Clevedon Homes £'000
Income	128	16	14
Expenditure	(133)	(28)	(32)
(Deficit) / Surplus	(5)	(12)	(18)
Net assets	664	(42)	540

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Notes to the financial statements

25. Statement of Financial Activities – Comparatives

	Endowment funds 2023 £000	Restricted funds 2023 £000	Unrestricted funds 2023 £000	Total funds 2023 £000	<i>Total funds 2022 £000</i>
Note					
Income from:					
Donations and legacies	4	-	23	23	49
Charitable activities	5	-	10,574	10,796	10,905
Profit on sale of assets		-	874	874	72
Investments		9	305	314	96
Other income		-	37	37	17
Total income and endowments		231	11,813	12,044	11,139
Expenditure on:					
Raising funds		-	47	47	48
Charitable activities		14	13,341	13,659	11,857
Total expenditure		14	13,388	13,706	11,905
Net gains/(losses) on investments		-	(222)	(246)	181
Net movement in funds before other recognised gains		(14)	(1,797)	(1,908)	(585)
Actuarial (losses) on defined benefit pension schemes		-	(39)	(39)	(55)
Transfers between funds		-	-	-	-
Net movement in funds		(14)	(1,836)	(1,947)	(640)
Reconciliation of funds:					
Total funds brought forward		553	20,003	69,721	90,917
Net movement in funds		(14)	(97)	(1,836)	(640)
Total funds carried forward		539	19,906	67,885	90,277

The Statement of Financial Activities includes all gains and losses recognised in the year.