

**WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED**

**AUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

**Registered Housing Association No. HCB 205**

**Financial Conduct Authority No. 1931R(S)**

**Charity No SC 035633**

**Registration Particulars:**

Financial Conduct Authority

Co-operative and Community Benefits  
Societies Act 2014  
Registered Number 1931 R(S)

Scottish Housing Regulator

Housing (Scotland) Act 2010  
Registered Number HCB 205

Office of Scottish Charity Regulator

Charity and Trustee Investment Act (Scotland)  
2005 Scottish Charity Number SC 035633

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

### Members of Committee of Management

Christopher Watson (Chairperson)  
Alan Bruce  
Linda Mimmagh  
Rod Hunter  
Claudia Ennemoser  
Siobhan Leighton

Linda Stevenson  
Roslyn Carrigan  
Deborah Keaveney

### Directors

Mr Ian Morrison  
Mrs Karen McQueen  
Mr Andrew Reid  
Mrs Sue Shone  
Mr J Gordon

Chief Executive  
Deputy Chief Executive and Secretary  
Financial Services Manager  
Housing Manager  
Property Services Manager

### Registered Office:

1 Northinch Court  
Glasgow  
  
G14 0UG

### Auditors:

RSM UK Audit LLP  
3rd Floor  
Centenary House  
69 Wellington Street  
Glasgow, G2 6HG

### Internal Auditors:

BDO LLP  
4 Atlantic Quay  
70 York Street  
Glasgow, G2 8JX

### Principal Bankers:

Bank of Scotland PLC  
Uberior House, 1<sup>st</sup> Floor  
3 Earl Grey Street  
Edinburgh

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

EH3 9BN

**Principal Solicitors:**

TC Young  
7 West George Street  
Glasgow  
G2 1BA

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## REPORT OF COMMITTEE OF MANAGEMENT

31 MARCH 2021

The Committee of Management present their report and audited financial statements for the year ended 31 March 2021.

### Principal activity

The principal activity of Whiteinch and Scotstoun Housing Association Limited (WSHA) is the provision of housing for let at rents affordable to the client groups for whom it intends to provide. WSHA wholly owns two subsidiaries, these being WS Property Management Limited, which provides residential and commercial factoring services to owner occupiers, the other being WS Estate Management Services Limited which provides estate management services to WSHA Limited.

### Our Strategic Aims

Whiteinch and Scotstoun Housing Association Limited has as its Strategic Aims:

**Growth:** Due to the downturn in development funding and locally high land values, opportunities for future new build projects are limited. The Association will however explore the feasibility of different types of funding approaches, while remaining open to any possible opportunities within the area of operation.

**Diversification:** Whiteinch & Scotstoun Housing Association will continue to be involved in Wider Role (that is, non-housing projects and activities) as it has for some years now. This includes such activities, as regeneration projects including welfare advice; environmental developments and Whiteinch Community Association/ Neighborhood Centre support.

**Consolidation:** The Association is keenly aware that it is operating in a culture of continuous improvement. Consequently, the Association continues in developing and extending its performance management systems. In addition, WSHA belongs to a Quality and Efficiency Forum, made up of a variety of Registered Social Landlords with the aim of sharing experiences and comparing performance with a view to assisting continuous improvement.

Our vision is one of 'Aiming for High Quality Homes in a Desirable Environment'. Some of the main objectives which we think can help achieve this aim include:

- demonstrating innovation in housing design, where possible influencing the practice of others and helping to raise standards generally
- continuing our programs of proactive repairs and planned replacements, designed to ensure the longevity of our houses and the comfort and security of tenants
- achieving continuous improvement in all the services we deliver, and achieving and maintaining high standards of business efficiency and effectiveness
- creating opportunities for significant levels of user involvement in what we do
- being recognised by regulators and strategic partners as delivering excellent performance.

## **WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED**

We see these as challenging objectives, which will change the way we deliver our core services of housing, housing support, advice, and consultancy. In particular, we seek to challenge what we currently do and look to improve, rather than simply carry on with existing patterns of work.



# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## REPORT OF COMMITTEE OF MANAGEMENT

31 MARCH 2021 (continued)

### Business review

The Association made a surplus of £1,504,245 (2020: £1,548,869) during the year.

The Association continued with its investment in planned and cyclical works throughout 2020-2021. The total expenditure on planned and cyclical works expensed in the year amounted to £284,745 (2020: £585,878). The Association has not capitalised any of this expenditure.

Despite this expenditure WSHA is in a strong financial position with over £6m deposited as cash funds. WSHA continues to have a substantial major repair investment program over the next five years. We have also provided substantial funds over the next five years to meet our commitments under the Energy Efficiency Standard for Social Housing. Cash surpluses will continue to be made, subject to our planned major repair program over the next few years.

### Going Concern

The Committee of Management has reviewed the results for this year and has reviewed the financial projections for the next 5 years. The projections have been stress tested for variations in interest, inflation and rental income and include improvements to current housing stock and the funding requirements for this work.

Further review and stress testing is being carried out in light of the coronavirus pandemic. This includes consideration of the impact on income streams, increases in the number of void properties and increases in the levels of arrears and bad debts.

The Committee of Management has considered the extent of operational disruption caused by the pandemic. No staff were placed on furlough although certain operations, including most maintenance works, were temporarily suspended. At the time of signing maintenance programmes have resumed. The Committee of Management is satisfied that the disruption will have no lasting impact on future operations.

The Committee of Management has concluded that the present arrangements are adequate for the Association to meet its liabilities as they fall due for the foreseeable future. Accordingly, it continues to adopt the Going Concern basis in preparing the financial statements

### Members of Committee of Management

The Members of the Committee of Management of the Association during the year to 31 March 2021 were as follows:

Christopher Watson (Chairperson)

Alan Bruce

Linda Mimmagh

Rod Hunter

Claudia Ennemoser

Elizabeth MacDonald (resigned 26<sup>th</sup> May 2021)

Siobhan Leighton

Linda Stevenson

Roslyn Carrigan

Deborah Keaveney

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## REPORT OF COMMITTEE OF MANAGEMENT

31 MARCH 2021 (continued)

Each member of the Committee of Management holds one fully paid share of £1 in WSHA. The executive officers of WSHA hold no interest in WSHA's share capital and although not having the legal status of "director" they act as executives within the authority delegated by the Committee.

### Directors

The Directors of WSHA during the year to 31 March 2021 were as follows:

Mr Ian Morrison	Chief Executive
Mrs Karen McQueen	Deputy Chief Executive and Secretary
Mr Andrew Reid	Financial Services Manager
Mr Jim Calderwood (retired June 2021)	Housing Manager
Mrs Sue Shone (appointed 12 July 2021)	Housing Manager
Mr Jim Gordon	Property Services Manager

### Operational Review

#### 1 Corporate Governance

WSHA has a Committee of Management who are elected by the members of the Association. It is the responsibility of the Committee to undertake the strategy, setting of policy and overall direction for the Association. They also monitor the operational activities of the Association. The members of the Committee of Management are unpaid.

The Executive Team of WSHA (as listed above) are responsible for achieving the strategy set and undertaking the operational activities in line with the policies set.

Our governing body is our Committee of Management, which is responsible to the wider membership. Committee of Management members serve in a voluntary capacity, and we recognise that this puts even more onus on us to ensure that we set and achieve high standards of professionalism in our work. We take governance very seriously, and, in light of the Scottish Housing Regulator's revised approach, are currently reviewing all policies related to this.

#### 2 Corporate Matters

Tenant involvement and participation is a major part of WSHA's Aims and Objectives, and we continue to review how WSHA involves tenants in its activities.

### Performance Management

The Association is conscious that staff performance is the key to quality service delivery. In support of this, training needs are considered for all staff through the staff development system.



# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## REPORT OF COMMITTEE OF MANAGEMENT

31 MARCH 2021 (continued)

### **Benchmarking**

The Association engages in the benchmarking of its performance against the performance of other Registered Social Landlords within its peer group as defined within the Annual Report on the Charter produced by the Scottish Housing Regulator. The purpose of this benchmarking is to enable the Association to identify areas of performance where we can do better. A report on the outcome of this benchmarking is presented annually to the Committee of Management and the results are used to inform our target setting for the delivery of services.

### **Performance Targets**

The Association sets Performance Targets for its key activities on an annual basis and monitors performance achieved on a quarterly basis through the Committee of Management. The targets set are informed by reviewing the previous year's outcomes together with the information obtained from benchmarking.

### **Internal Audit**

The Association is committed to a rolling programme of internal audit and the Action Plan identifies operational areas to be examined during the period. Generally, the areas to be examined are those activities which expose the Association to greatest risk if they are operationally weak and the outcomes of the Internal Audit reports are considered regularly by the Audit Sub Committee and Committee of Management and Action Plans approved.

### **Best use of resources**

We regularly conduct risk assessments and take any action necessary to reduce or limit risk. We are continuing with a programme of major investment in our housing stock, which is by far our most costly asset. This includes carrying out major planned maintenance programs to ensure that our properties are maintained to a high standard and can meet the current standards. We are continually updating our stock condition information, to ensure that our longterm financial planning reflects our future investment requirements. We continue with our program of best value reviews, to look for efficiencies and economies in the way that we carry out business processes.

### **Services**

We aim to deliver high quality services, and we set ourselves the goal of achieving continuous improvement in what we do. In our housing stock, we moved ahead with some major repairs that had become necessary, and introduced improved arrangements ensuring gas servicing is carried out on time, which are closely monitored.

Our rent arrears management improved, with clearer information to tenants. We continued to deliver many completed adaptations to existing properties, to meet the specific needs of our tenants.

## **3 Development**

The year just completed has not seen any new development activity. We have capitalised expenditure of £Nil (2020 - £Nil) during the year.

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## REPORT OF COMMITTEE OF MANAGEMENT

31 MARCH 2021 (continued)

### 4 Housing

WSHA continues to work on reducing the period of time taken to re-let or let new properties and to ensure that we maximize our effectiveness in housing people in need and reduce our costs. The rent loss due to empty properties was £245,605 (2020 - £77,543). This significant increase was due to WSHA being unable to re-let void properties, as they became available to re-let, as WSHA followed UK and Scottish Government guidelines and legislation that was introduced in response to the COVID 19 pandemic during 2020 and 2021. As the UK and Scottish Government are beginning to lift restrictions, during May 2021, WSHA began to proceed with the re-letting of void properties.

### 5 Finance and IT

The Association continues to invest in its ICT network during 2020-2021, with continuous upgrades to hardware and software as required. In particular, it has invested in software and hardware to enable staff of work from home during 2020-21 in accordance with UK and Scottish Government guidance and legislation.

### 6 Other Areas Risk Management Policy

The Committee have a formal risk management process to assess business risks and implement risk management strategies. This involves identifying the types of risks the Association faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. As part of this process the Committee review the adequacy of the Association's current internal controls.

In addition, the Committee have considered the guidance for directors of public listed companies contained within the Turnbull Report. They believe that although this is not mandatory for the Association it should, as a public interest body, adopt these guidelines as best practice. Accordingly, they have set policies on internal controls which cover the following:

- consideration to the type of risks the Association faces;
- the level of risks which they regard as acceptable;
- the likelihood of the risks concerned materialising;
- the Association's ability to reduce the incidence and impact on the business of risks that do materialise; and the costs of operating particular controls relative to the benefit obtained.
- clarified the responsibility of management to implement the Committee's policies and to identify and evaluate risks for their consideration.
- communicated that employees have responsibility for internal control as part of their accountability for achieving objectives.
- embedded the control system in the Association's operations so that it becomes part of the culture of the Association.
- developed systems to respond quickly to evolving risks arising from factors within the Association and to changes in the external environment.
- included procedures for reporting failings immediately to appropriate levels of management and the Committee together with details of corrective action being undertaken.

# **WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED**

## **REPORT OF COMMITTEE OF MANAGEMENT**

**31 MARCH 2021 (continued)**

### **7 Treasury Management**

The Association has an active treasury management function, which operates in accordance with the Treasury Management Policy approved by the Committee of Management. In this way the Association manages its borrowing arrangements to ensure that it is always in a position to meet its financial obligations as they fall due, whilst minimising excess cash and liquid resources held.

The Association, as a matter of policy, does not enter into transactions of a speculative nature. At 31 March 2021, the Association has one fixed rate loan, which it considers appropriate at this time.

### **8 Maintenance policies**

The Association seeks to maintain its properties to the highest standard. To this end, programmes of cyclical repairs are carried out in the medium term to deal with the gradual and predictable deterioration of building components. It is expected that the cost of all these repairs would be charged to the Income and Expenditure account.

In addition, the Association has a long-term program of planned maintenance to cover for works which have become necessary since the original development was completed, including works required by subsequent legislative changes. This includes replacement or repairs to features of the properties, which have come to the end of their economic lives.

### **9 Internal Financial Control**

The Committee of Management is responsible for establishing and maintaining the Association's system of internal control. Internal control systems are designed to meet the particular needs of the Association and the risks to which it is exposed, and by their nature can provide reasonable but not absolute assurance against material misstatement or loss. The key procedures which the Committee of Management has established with a view to providing effective internal financial control are outlined on pages 11 and 12.

### **10 Management Structure**

The Committee of Management has overall responsibility for the Association and there is a formal schedule of matters specifically reserved for decision by the Committee.

### **11 Quality and Integrity of Personnel**

The integrity and competence of personnel are ensured through high recruitment standards and subsequent training courses. High quality personnel are seen as an essential part of the control environment and the ethical standards expected are communicated through the Chief Executive.

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## REPORT OF COMMITTEE OF MANAGEMENT

31 MARCH 2021 (continued)

### 12 Budgetary Process

Each year the Committee of Management approves the annual budget and rolling five-year strategic plan. Key risk areas are identified. Performance is monitored and relevant action taken throughout the year through quarterly reporting to the Committee of variances from the budget, updated forecasts for the year together with information on the key risk areas. Approval procedures are in place in respect of major areas of risk such as major contract tenders, expenditure and treasury management.

### 13 Investment Appraisal

Capital expenditure is regulated by budgetary process and authorisation levels. For expenditure beyond specified levels, detailed written proposals have to be submitted to the Committee. Reviews are carried out during the development period, to monitor expenditure and performance. **14 Rental Income**

The Association's Rent Policy is a points system based on the size, type and facilities of the accommodation. The policy ensures that the rent structure is easy to administer and covers the wide variations within the Association's properties. This policy follows the generally accepted practice/principles of the Housing Movement.

### 15 Employee Involvement and Health & Safety

The Association encourages employee involvement in all major initiatives.

### 16 Disabled Employees

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. In the event of employees becoming disabled, every effort is made to retrain them in order that their employment with the Association may continue. It is the policy of the Association that training, career development and promotion opportunities should be available to all employees.

### 17 Credit Payment Policy

The Association's policy concerning the payment of its trade creditors complies with the Confederation of British Industry guidelines. The average payment period is thirty days.

### 18 Sales of housing properties

Properties are disposed of under the appropriate legislation and guidance. All costs, first tranche sales, and grants relating to the share of property sold are removed from the financial statements at the date of sale. Any grants received that cannot be repaid from the proceeds of sale are abated and the grants removed from the financial statements.

### 19 Future developments

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## REPORT OF COMMITTEE OF MANAGEMENT

31 MARCH 2021 (continued)

The Association intends to continue with its policy of improving the quality of housing within its area of operation.

### 20 Defined Benefit Pension

The Actuarial loss of £1,004,000 recognised in Other Comprehensive Income in the year was as a result of the movement in the valuation for the year to 31 March 2021.

Pension risks such as unexpected volatility in valuations each year and other risks due to the last man standing nature of the scheme are addressed regularly through the formal risk management process which the association has in place.

### 21 Information for the auditors

As far as the Committee members are aware there is no relevant audit information of which the auditors are unaware and the Committee members have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to ensure that the auditors are aware of any such information.

### 22 Auditors

A resolution for the reappointment of RSM UK Audit LLP, as auditors of the Association, will be proposed at the Annual General meeting.

On behalf of the Committee of Management

Date: 22<sup>nd</sup> September 2021

Karen McQueen  
Secretary

The Whiteinch Centre  
1 Northinch Court  
Glasgow  
G14 0UG

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## STATEMENT OF COMMITTEE RESPONSIBILITIES

The Co-operative and Community Benefit Societies Act 2014 and registered social housing legislation require the Committee of Management to ensure that financial statements are prepared for each financial year, which give a true and fair view of the Association's state of affairs and of the surplus or deficit of the Association for that period. In preparing those financial statements, the Committee of Management is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures being disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is not appropriate to presume that the Association will continue in business.
- The Committee of Management is responsible for instituting adequate systems of internal control and for:
  - safeguarding assets
  - taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Committee of Management is responsible for the keeping of proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the Association and to enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements – February 2019.

The Committee of Management is responsible for the maintenance and integrity of the corporate and financial information included on the Whiteinch & Scotstoun Housing Association website.

By order of the Committee of Management

Christopher Watson

Date: 22<sup>nd</sup> September 2021

## COMMITTEE OF MANAGEMENT'S STATEMENT OF INTERNAL FINANCIAL CONTROLS

**31 MARCH 2021**

## WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

The Committee of Management acknowledge their ultimate responsibility for ensuring that the Association has in place a system of controls that is appropriate to the various business environments in which it operates. These controls are designed to give reasonable assurance with respect to:

- the reliability of financial information used within the Association or for publication
- the maintenance of proper accounting records; and
- the safeguarding of assets (against unauthorised use or disposition).

It is the Committee of Management's responsibility to establish and maintain systems of internal financial control. Such systems can only provide reasonable and not absolute assurance against material financial misstatement or loss. Key elements include ensuring that;

- formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the Association's assets.
- experienced and suitably qualified staff takes responsibility for important business functions. Annual appraisal procedures have been established to maintain standards of performance.
- forecasts and budgets are prepared regularly which allow the Committee of Management and staff to monitor the key business risks and financial objectives, and progress towards financial plans set for the year and the medium term; regular management accounts are prepared promptly, providing relevant, reliable and up-to-date financial and other information and significant variances from budgets are investigated as appropriate.
- Regulatory returns are prepared, authorised and submitted promptly to the relevant regulatory bodies.
- all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through relevant sub-committees comprising Committee of Management members and others.
- the Committee of Management review reports from management, from directors, staff and from the external and internal auditors to provide reasonable assurance that control procedures are in place and are being followed. This includes a general review of the major risks facing the Association.
- formal procedures have been established for instituting appropriate action to correct weaknesses identified from the above reports.
- An internal auditor has been appointed in accordance with the requirements of Guidance Note 97/06.
- An audit plan was set and completed for the year. The results of the work confirm that the Association has satisfactory procedures for managing its finances.

# **WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED**

## **COMMITTEE OF MANAGEMENT'S STATEMENT OF INTERNAL FINANCIAL CONTROLS**

**31 MARCH 2021**  
**(Continued)**

The Committee of Management have reviewed the system of internal financial control in existence in the Association for the year ended 31 March 2021 and until the below date. No weaknesses were found in internal controls which resulted in material losses, contingencies or uncertainties which require disclosure in the financial statements or in the auditor's report on the financial statements.

By order of the Committee of Management

Christopher Watson

Date: 22<sup>nd</sup> September 2021



# **WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED**

## **REPORT BY THE AUDITORS' TO THE MEMBERS OF WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED ON CORPORATE GOVERNANCE MATTERS**

In addition to the audit of the financial statements, we have reviewed the Committee of Management's statement on pages 11 and 12 concerning the Association's compliance with the information required by the Regulatory Standards, in respect of internal financial controls contained within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes which are issued by the Scottish Housing Regulator.

### **Basis of Opinion**

We carried out our review having regard to the requirements to corporate governance matters within Bulletin 2006/5 issued by the Financial Reporting Council through enquiry of certain members of the Committee of Management and Officers of the Association and examination of relevant documents. The Bulletin does not require us to review the effectiveness of the Association's procedures for ensuring compliance with the guidance notes, nor to investigate the appropriateness of the reason given for noncompliance.

### **Opinion**

In our opinion the statement on internal financial control on pages 11 and 12 has provided the disclosures required by the relevant Regulatory Standards, within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes issued by the Scottish Housing Regulator in respect of internal financial controls and is consistent with the information which came to our attention as a result of our audit work on the Financial Statements.

RSM UK Audit LLP  
Statutory Auditor  
Chartered Accountants  
Third Floor  
Centenary House  
69 Wellington Street  
Glasgow  
G2 6HG

Date: 29<sup>th</sup> September 2021

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

### Opinion

We have audited the financial statements of Whiteinch & Scotstoun Housing Association (the 'Association') for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Reserves, the Statement of Cashflows 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, Part 6 of the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements – February 2019.

### Basis for opinion

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

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Committee of Management's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Committee of Management is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

- a satisfactory system of control over transactions has not been maintained; or
- the Association has not kept proper accounting records; or
- the financial statements are not in agreement with the books of account of the Association; 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 Statement of Committee of Management's Responsibilities set out on page 10, 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 Committee of Management is 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 Committee of Management either intends to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

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

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

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED**

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the Association operates in and how the Association is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Housing SORP 2018, the Scottish Housing Regulator's Determination of Accounting Requirements – February 2019 and the Housing (Scotland) Act 2010. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included, reviewing financial statement disclosures.

The most significant laws and regulations that have an indirect impact on the financial statements are the Housing (Scotland) Acts 2006 and 2014, the Co-operative and Community Benefit Societies Act 2014, the Scottish Housing Regulator's Regulatory Framework (published 2019), Public Services Reform (Scotland) Act 2010 and the Office of the Scottish Charity Regulator (OSCR). We performed audit procedures to inquire of management and those charged with governance whether the Association is in compliance with these law and regulations and inspected correspondence with licensing or regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

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

### **Use of our report**

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

RSM UK Audit LLP  
Statutory Auditor  
Chartered Accountants  
Third Floor  
Centenary House  
69 Wellington Street  
Glasgow  
G2 6HG

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHITEINCH & SCOTSTOUN  
HOUSING ASSOCIATION LIMITED**

Date  
29<sup>th</sup> September 2021

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

		2021	2020
	Notes	£	£
<b>Turnover</b>	2	6,523,921	6,601,709
Operating costs	2	<u>(4,939,575)</u>	(5,708,406)
<b>Operating surplus</b>	2	1,584,346	893,303
Profit on sale of fixed assets	4	-	67,585
Finance income		2,451	18,948
Finance charges	5	(82,551)	(113,967)
<b>Surplus on ordinary activities before tax</b>	6	1,504,246	865,869
Taxation	7	-	-
<b>Surplus for the year</b>		<u>1,504,246</u>	<u>865,869</u>
<b>Other comprehensive income</b>			
Actuarial gain/(losses) in respect of pension schemes	21	(1,004,000)	683,000
<b>Total comprehensive income for the year</b>		<u><u>500,246</u></u>	<u><u>1,548,869</u></u>

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

	Notes	2021	2020
		£	£
<b>Fixed Assets</b>			
Housing properties	8	27,736,981	28,094,209
Other fixed assets	8	544,017	579,236
		<u>28,280,998</u>	<u>28,673,445</u>
<b>Current Assets</b>			
Debtors	9	877,415	437,896
Cash at hand and in bank		6,484,023	5,113,146
		7,361,438	<u>5,551,042</u>
<b>Current Liabilities</b>			
Creditors due within one year	10	<u>(1,248,532)</u>	(952,996)
<b>Net Current Assets</b>			
		6,112,906	4,598,046
<b>Non-current Liabilities</b>			
		<u>34,393,903</u>	<u>33,271,491</u>
<b>Creditors due after one year</b>	11	(2,643,731)	(2,751,101)
<b>Pension - Defined Benefit Net Liability</b>	21	(1,022,000)	(292,462)
<b>Total Net Assets</b>			
		<u>30,728,172</u>	<u>30,227,928</u>
<b>Capital and Reserves</b>			
Share capital	13	66	69
Revenue Reserve		16,157,065	15,169,032
Revaluation Reserve		14,571,041	15,058,827

**Total Reserves**30,728,17230,227,928

The accompanying notes on pages 21 to 44 form a part of these financial statements.

These financial statements were approved by the Committee of Management and authorised for issue on 22<sup>nd</sup> September 2021 and signed on their behalf by:

Committee Member: Claudia Ennemoser

Committee Member: Linda Stevenson

Secretary: Karen McQueen

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## WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

### STATEMENT OF CHANGES IN EQUITY

AS AT 31 MARCH 2021

Called up Reserve	Revenue Equity capital	£	Revaluation £	Total share £	Reserve £
<b>Balance at 1 April 2019</b>		72	13,132,376	15,546,614	28,679,062
<b>Changes in equity</b>		(3)	-	-	(3)
Total comprehensive income		-	1,548,869	-	1,548,869
Transfer from revaluation surplus to revenue reserve	-		487,787	(487,787)	-
<b>Balance at 31 March 2020</b>		69	15,169,032	15,058,827	30,227,928
<b>Changes in equity</b>		(3)	-	-	(3)
Total comprehensive income		-	500,246	-	500,246
Transfer from revaluation surplus to revenue reserve	-		487,787	(487,787)	-
<b>Balance at 31 March 2021</b>		66	16,157,065	14,571,041	30,728,172



# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## STATEMENT OF CASH FLOWS

YEAR TO 31 MARCH 2021

			2021	2020	
	Note	£	£	£	
<b>Cash flows from operating activities</b>					
Cash generated from operations	14	2,179,999		1,944,718	<b>Net cash flow from</b>
Tax paid		-		-	
<b>Net cash from operating activities</b>			2,179,999	1,944,718	
<b>Cash flow from investing activities</b>					
Cash paid for construction and purchases		(651,748)		(572,388)	
Housing association grant received		29,369		86,208	
Housing association grant repaid		-		-	
Sales of housing properties		-		89,999	
Purchase of other fixed assets		(5,964)		(16,704)	
<b>investing activities</b>			(628,343)	(412,885)	
			(180,779)	(164,291)	
			1,370,877	1,367,542	
<b>Cash flow from financing activities</b>					
Finance income		2,451		18,948	
Finance charges		(79,551)		(88,976)	
Bank loans repaid		(103,676)		(94,260)	
(Decrease)/Increase in share capital		(3)		(3)	
<b>Net cash flow from financing activities</b>					

**Increase/(decrease) in cash and cash equivalents**

**Cash and cash equivalents at the start of the year**

5,113,146

3,745,604

**Cash and cash equivalents at the end of the year**

6,484,023

5,113,146

## 1. Accounting Policies

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021

### Legal status

The Association is incorporated under the Co-operative and Community Benefits Societies Act 2014 and is registered by The Financial Conduct Authority. The Association meets the definition of a Public Benefit Entity in terms of its compliance with FRS102. The Principal Activity of the Association is noted in the Report of the Committee of Management.

### Basis of Accounting

These financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”), the Housing SORP 2018 “Statement of Recommended Practice for Registered Housing Providers” and comply with the Determination of Accounting Requirements 2019, and under the historical cost convention, modified to include certain financial instruments at fair value.

The financial statements are prepared in Sterling (£).

### Basis of consolidation

The Association and its subsidiary undertakings comprise a group. The Financial Conduct Authority has granted exemption from preparing group financial statements. The accounts therefore represent the results of the Association and not the group.

### Going Concern

The Committee of Management consider on an annual basis the appropriateness of preparing the Association’s Financial Statements on a going concern basis. Matters which are taken into account in this process include:

- the prevailing economic climate, both internationally and locally and its impact, if any, on the Association’s viability.
- the financial position of the Association and the impact, if any, of perceived weaknesses on the Association’s viability.

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021

(continued)

### 1. Accounting Policies - continued

- the short, medium and long term financial prospects resulting from the modelling exercise carried out annually in updating the Association's 30 year Financial Plan including sensitivity analyses and independent verification of key underlying assumptions.

Further review and stress testing is being carried out in light of the coronavirus pandemic. This includes consideration of the impact on income streams, increases in the number of void properties and increases in the levels of arrears and bad debts.

In the absence of any fundamental shortcomings raised as a result of the above exercise the Committee of Management consider the going concern assumption underlying the preparation of the Association's financial statements to be appropriate.

#### (a) Accounting Policies

- (v) The principal accounting policies of the Association are set out in the paragraphs (b) to below.

#### (b) Finance

The financial statements have been prepared on the basis that the capital expenditure referred to in note 8 will be grant aided, funded by loans, met out of reserves, or from proceeds of sales.

#### (c) Mortgages

Mortgage loans and development overdrafts are advanced by private lenders under the terms of the individual mortgage deeds in respect of each property or housing scheme. Advances are available only in respect of those developments, which have been given approval for Housing Association Grant.

#### (d) Housing Association Grants

Housing Association Grants (HAG) were utilised to reduce the amount of mortgage loan in respect of an approved scheme to the amount, which it is estimated can be serviced by the net annual income of the scheme. The amount of HAG is calculated on the qualifying cost (note 1(f)) of the scheme in accordance with instructions issued from time to time by the grant awarding body.

HAG received in respect of the property, plant & equipment which was revalued and recognised at deemed cost at the transition date was credited to the statement of comprehensive income, in line with the performance model as required by SORP 2018.

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021

(continued)

### 1. Accounting Policies - continued

HAG received, following the transition date, in respect of capital expenditure is credited to the comprehensive statement of income under the accruals method in line with the depreciation rates adopted for the underlying asset to which the expenditure relates.

Grants received from non-government sources are recognised using the performance model. Grants are recognised as income when the associated performance conditions are met.

#### (e) **Housing Association Grant - Acquisition and Development Allowances Receivable**

Acquisition and Development Allowances are intended to finance certain internal administrative costs relating to the acquisition and development of housing land and buildings for approved schemes. Development Allowances become available in instalments according to the progress of work on the scheme. These Allowances are credited to development costs when they are receivable.

#### (f) **Property, plant & equipment - Housing Land and Buildings**

Properties included in housing properties are stated at cost. The cost of such properties includes the following:

- (i) cost of acquiring land and buildings
- (ii) development expenditure including applicable overheads
- (iii) interest charged on the loans raised to finance the scheme
- (iv) cost of replacing components

These costs are either termed "qualifying costs" for approved HAG schemes and are considered for mortgage loans by the relevant lending authorities or they are met out of the Association's reserves.

All invoices and architects' certificates relating to capital expenditure incurred in the year at gross value before retentions are included in the financial statements for the year, provided that the dates of issue or valuations are prior to the year end.

Development costs are capitalised to the extent that they are attributable to specific schemes and where such costs are not excessive.

If expenditure does not qualify for HAG, it is nevertheless capitalised.

Expenditure on schemes, which are subsequently aborted, is written off in the year in which it is recognised that the scheme will not be developed to completion.

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021

(continued)

### 1. Accounting Policies - continued

Interest on the loan financing the development is capitalised up to the relevant date of completion.

#### (g) Depreciation

##### (i) Housing Properties

Housing Properties are stated at cost less accumulated depreciation.

Depreciation is charged on a straight-line basis over the expected economic useful lives of each major component that makes up the housing property as follows;

Land	Not depreciated
Structure	Over 50 years
Roof	Over 50 years
Windows & Doors	Over 30 years
Bathrooms	Over 30 years
Kitchens	Over 15 years
Gas Systems inc Radiators	Over 30 years
Boilers	Over 15 years
Lifts	Over 30 years

Where it is identified that capital projects that span more than one year contain non capital expenditure such as remedial repair works, the full identified costs of these works will be depreciated in full in the year of completion and the balance transferred from assets under construction to housing properties.

##### (ii) Other Fixed Assets

The Association's assets are written off evenly over their expected useful lives as follows:

Office premises	-	over 50 years
Furniture, fittings & equipment	-	over 5 years

A full year's depreciation is charged on these assets in the year of purchase, but no charge is made in the year of disposal.

#### (h) Impairment of Fixed Assets

Reviews for impairment of housing properties are carried out on an annual basis and any impairment in an income-generating unit is recognised by a charge to the income and expenditure account. Impairment is recognised where the carrying value of an income-generating unit exceeds the higher of its net realisable value or its value in use. Value in use represents the net present value of expected future cash flows from these units.

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021

(continued)

### 1. Accounting Policies - continued

Impairment of assets would be recognised in the Statement of Comprehensive Income.

(i) **Reserves**

All of the Association's comprehensive income is credited to its revenue reserve.

The unrealised net gains recognised in respect of the Association's property, plant & equipment recognised at deemed cost (note 1(t)) have been recognised as other comprehensive income and credited to the revaluation reserve. An annual transfer in respect of the depreciation of the revaluation surplus is transferred from the revaluation reserve to the revenue reserve.

#### **Apportionment of Management Expenses**

Direct employee administration and operating costs have been apportioned to the Statement of Income on the basis of costs of the staff to the extent that they are directly engaged in each of the operations dealt with in those accounts.

(k) **Lease Obligations**

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on the accruals basis.

(l) **Value Added Tax**

The Association is VAT registered. However, a large proportion of the income, namely rents, is exempt for VAT purposes and therefore gives rise to a partial exemption calculation. Expenditure as a result is shown inclusive of VAT.

(m) **Pensions**

The Association participates in the centralised SHAPS Defined Benefit Pension Scheme. Retirement benefits to employees of the Association are funded by contributions from all participating employers and employees in the Scheme. Payments are made in accordance with periodic calculations by consulting actuaries and are based on pension costs applicable across the various participating associations taken as a whole.

The cost of the defined benefit pension plan is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. The latest full actuarial valuation was dated 31 March 2021.

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021

(continued)

### 1. Accounting Policies - continued

The expected cost to the Association of pensions is charged to the Statement of Comprehensive Income as to spread the cost of pensions over the service lives of the employees.

#### (n) **Sale of Housing Properties**

Properties are disposed of under the appropriate legislation and guidance. All costs and grants relating to the share of property sold are removed from the financial statements at the date of sale, except for first tranche sales. Any grants received that cannot be repaid from the proceeds of sale are abated and the grants removed from the financial statements.

#### (o) **Improvements**

In previous years, improvements were only capitalised where these result in an enhancement of the economic benefits of the property. Such enhancement can occur if the improvements result in:-

- an increase in rental income or
- a material reduction in future maintenance costs or
- a significant extension of the life of the property.

Works to existing properties, which fail to meet the above criteria, are charged to the Statement of Income.

#### (p) **Turnover**

Turnover represents rental income receivable from tenants who are billed monthly in arrears and it is at this point that income is recognised. Turnover is also represented by development administration and other income which is recognised when invoices are raised.

#### (q) **Service Charges Recoverable**

Service charges represent income recoverable from tenants for factoring of the properties managed by the Association.

#### (r) **Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand and in deposit and are subject to an insignificant risk of change in value.



# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021

(continued)

### 1. Accounting Policies - continued

#### (s) Financial Instruments

The Association has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

The Association only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

#### (i) Financial Assets

##### Trade and other Debtors

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade and other debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses. Where the arrangement with a trade or other debtor constitutes a financing transaction, the debtor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

#### (ii) Financial Liabilities

##### Trade and other creditors

Trade and other creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a trade or other creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

##### Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges.

#### (iii) Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021

(continued)

### 1. Accounting Policies - continued

transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

#### (t) Employee Benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

Employees are entitled to carry forward up to 5 days of any unused holiday entitlement at the reporting date. The cost of any unused entitlement is recognised in the period in which the employee's services are received.

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the Association is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### (u) Borrowings

Mortgage loans are advanced by private lenders and local authorities under the terms of individual mortgage deeds in respect of each housing scheme. Advances are available only in respect of those developments which have been approved for Social Housing Grant (SHG).

General and specific borrowing costs directly attributable to the acquisition and construction of qualifying properties are added to the cost of those properties until such a time as the properties are ready for their intended use or sale. All other borrowing costs are expensed as incurred.

#### (v) Significant judgements and estimates

The present value of the SHAPS Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. GMP equalisation has also been considered within the current year valuation however this has not made a significant impact to the net pension deficit. The latest full actuarial valuation was dated 31 March 2021.

Recoverable amount of rent arrears and other debtors

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021

(continued)

### 1. Accounting Policies - continued

The Association assesses the recoverability of rent arrears through a detailed assessment process which considers: tenant payment history, arrangements in place, and court action.

#### Useful lives of properties, plant and equipment

The Association assesses the useful lives of its properties, plant and equipment and uses this as a basis for estimating the annual charge to be depreciated.

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021

(Continued)

### 2. Particulars of turnover, operating costs, operating deficit

	Turnover £	Operating Costs £	Operating Surplus £	Operating Surplus 2020 £
<b>Social lettings</b>	6,174,818	(4,599,177)	1,575,641	917,352
<b>Other activities</b>	349,103	(340,399)	8,705	(24,049)
<b>Total</b>	<u>6,523,921</u>	<u>(4,939,575)</u>	<u>1,584,346</u>	<u>893,303</u>
<b>Total for previous reporting period</b>	<u>6,601,709</u>	<u>5,708,406</u>	<u>893,303</u>	<u>                    </u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021

(Continued)

### 3a. Particulars of turnover, operating costs, operating deficit from social lettings

	General Needs Housing £	Shared Ownership Housing £	Supported Housing Accommo- dation £	2021 Total £	2020 Total £
<b>Income from lettings</b>					
Rent receivable net of identifiable service charges	5,454,559	-	438,028	5,892,587	5,896,214
Service charges receivable	446,417	-	52,003	498,420	460,089
Gross income from rents					

and service charges			5,900,977	-	6,391,008	6,356,303
	490,031				(245,605)	(77,543)
Less voids	(245,605)		-	-	6,145,403	6,278,760
<b>Net income from rents</b>				<b>and</b>		
<b>service charges</b>	5,655,372	-	490,031			
Grant from Scottish					29,415	28,828
				490,031		
					<u>6,174,818</u>	<u>6,307,588</u>
Ministers	-	-	-	-		
Other Revenue Grant	29,415	-	-	-		
<b>Total turnover from</b>				<b>social</b>		
<b>letting activities</b>	<u>5,684,787</u>	-	<b>Expenditure on Letting</b>		2,210,534	2,323,278
			<b>Activities</b>		347,770	468,275
Management and						
administration costs	2,039,126	-	171,408	Service		
costs	320,813	-	26,957	Planned and cyclical	284,745	585,578
				maintenance including	680,595	984,052
major repairs	262,673	-	22,072			
Reactive maintenance	627,840			52,755		
Bad debts – rents and				service	66,558	66,892
charges	66,558	-	- Depreciation of social			
housing	1,008,976	-	- Impairment of social		1,008,976	962,160
housing						
					<u>4,599,177</u>	<u>5,390,235</u>
<b>Operating costs for</b>						
			-	141,932	917,353	<u>1,575,641</u>
<b>social letting activities</b>	<u>4,325,986</u>	-	273,191			917,353
<b>Operating surplus for</b>					<b>social lettings</b>	<u>1,355,611</u>
	-	216,840				

**2020**

775,421

The amount of service charges receivable on housing accommodation not eligible for Housing Benefit was £nil (2020 - £nil).

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021  
(Continued)

### 3b – Particulars of turnover, operating costs, operating deficit from other activities

	Grants from Scottish Ministers	Other revenue grants	Supporting people income	Other income	Total Turnover	Operating costs – bad debts	Other operating costs	Operating surplus or (deficit)	2020
	£	£	£	£	£	£	£	£	£
Wider action/wider role	73,848	-	-	-	73,848	-	151,048	(77,199)	(67,168)
Care and repair of property	-	-	-	-	-	-	-	-	-
Factoring	-	-	-	179,916	179,916	-	179,916	-	-
Development and construction of property activities	-	2,937	-	-	2,937	-	2,937	-	-
Support activities	-	-	-	-	-	-	-	-	-
Care activities	-	-	-	-	-	-	-	-	-
Agency/management services for registered social landlords	-	-	-	-	-	-	-	-	-
Other agency/management services	-	-	-	8,167	8,167	-	6,498	1,670	2,371
Developments for sale to registered social landlords	-	-	-	-	-	-	-	-	-
Developments and improvements for sale to non registered social landlords	-	-	-	-	-	-	-	-	-
Other activities	-	-	-	84,235	84,235	-	-	84,235	40,747
<b>Total from other activities</b>	<b>73,848</b>	<b>2,937</b>	<b>-</b>	<b>272,318</b>	<b>349,103</b>	<b>-</b>	<b>340,399</b>	<b>8,705</b>	<b>(24,050)</b>

2020

28,384 4,312 - 261,426 294,122 - 318,171 (24,050)



# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021  
(Continued)

	2021	2020
<b>£</b>		
<b>£ 4. Sale of fixed assets</b>		
Sale proceeds	-	90,000
Cost of sales	-	<u>(22,415)</u>
Gain on disposal	<u>-</u>	<u>67,585</u>

The property in the prior year was sold as it was not available under general management for rental.

<b>5. Finance charges</b>	<b>2021</b>	<b>2020</b>	<b>£</b>	<b>£</b>
Loan interest payable			79,551	88,967
Less: Capitalised in housing properties			-	-
Defined Benefit pension costs			3,000	25,000
			<u>82,551</u>	<u>113,967</u>

<b>6. Operating Surplus</b>	<b>2021</b>	<b>2020</b>
<b>£</b>		
<b>£</b>		
Operating surplus is stated after charging/(crediting):		
Depreciation of housing properties	1,008,976	962,160
Depreciation of other tangible fixed assets	41,183	45,882
Amortisation of Capital Grants	(29,415)	28,828
Operating Lease Rentals	10,572	11,525
Auditors Remuneration -		
- Audit of the financial statements	13,620	16,000
- Taxation Compliance	175	2,000

## 7. Taxation

The Association became a charity on 11 June 2004 and from that date is not taxable on its exempt activities.



**WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT 31 MARCH 2021**  
(Continued)

**8. Fixed Assets**

	Housing Properties Held for Letting £	Housing Properties In course of Construction £	Office Premises £	Furniture Fittings & Equipment £	Total £
<b>Cost or Valuation</b>					
At 1 April 2020	33,787,209	83,489	565,425	677,056	35,113,179
Additions during year	651,748	-	-	5,964	657,712
Transfers	83,489	(83,489)	-	-	-
Disposals in year	-				
				<b>683,020</b>	<b>35,770,891</b>
				586,111	6,439,734
				26,883	1,050,159
				-	-
				<b>612,994</b>	<b>7,489,893</b>
				<b>70,026</b>	<b>28,280,998</b>

At 31 March 2021		<u>34,522,446</u>	<u>-</u>	<u>565,425</u>	<u>90,945</u>	<u>28,673,445</u>
<b>Depreciation</b>						
At 1 April 2020		<b>5,776,489</b>	-	<b>77,134</b>		
Provided during year		1,008,976	-	14,300		
Disposals		-	-	-		
At 31 March 2021		<u>6,785,465</u>	<u>-</u>	<u>91,434</u>		
<b>Net book value</b>			At 31 March 2021	<u>27,736,981</u>	-	
<b>473,991</b>	At 31 March 2020	<b>28,010,720</b>	<b>83,489</b>	<b>488,291</b>		

Total expenditure on existing properties in the year amounted to £769,910 (2020: £653,401). The amount capitalised is £651,748 (2020: £488,899) with the balance charged to the statement of comprehensive income. The amounts capitalised all relate to component replacements.

Included within Housing Properties Held for Letting is land held at £3,430,472 (2020: £3,430,472).

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021  
(Continued)

### 8. Fixed Assets (continued)

Development administration costs capitalised amounted to £Nil (2020: £Nil). No interest has been capitalised. None of the Association's properties are held under a lease.

Housing Association Grants are repayable under certain circumstances, namely the sale of properties.

### 9. Debtors 2021 2020 £ £

Amounts falling due within one year:	Rents in arrears	672,525	230,472	
Less bad debt provision			(68,361)	(74,050)
			<u>604,165</u>	<u>156,422</u>
Trade debtors			-	201
Prepayments and accrued income			216,545	208,523
Amounts owed by group undertakings			<u>56,705</u>	<u>72,750</u>
			<u><u>877,415</u></u>	<u><u>437,896</u></u>

The Association has historically netted of rents paid in advance against the rental debtors outstanding at the year-end. Under the accounting standards, FRS 102, rents paid in advance should be accounted for as a liability within the short-term creditors note. As a result an adjustment had been made this year to categorise such amounts accordingly.

10. Creditors due within one year	2021	2020	£
£			
Loans		104,169	101,108
Trade creditors		322,097	462,654
Accruals and deferred grant		186,071	250,487
Rents in advance		607,916	102,174
Amounts owed to group undertakings		<u>28,279</u>	<u>36,573</u>
		<u><u>1,248,532</u></u>	<u><u>952,996</u></u>

11. Creditors due after one year	2021	2020	£
£			
Deferred grant (refer to Note 20)		1,296,417	1,297,050
Loans		<u>1,347,314</u>	<u>1,454,051</u>
		<u><u>2,643,731</u></u>	<u><u>2,751,101</u></u>

Loans are secured by specific charges on the Association's properties. Loans are repayable at rates of interest of 5.44% (2020 – 5.44%) in instalments due as follows:

In one year or less	104,169	101,108
Between two and five years	489,708	463,834
In five years or more	<u>857,605</u>	<u>993,217</u>

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021  
(Continued)

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021  
(Continued)

12. Employees	2021 £	2020 £
Staff costs during year		
Wages and salaries	1,316,824	1,310,201
Social security costs	138,195	136,309
Other pension costs	124,546	122,794
	1,579,565	1,569,304
	1,579,565	1,569,304
The average full time equivalent number of persons employed by the Association during the year were as follows	<b>No</b>	<b>No</b>
Administration and maintenance	33	37
	33	37
	33	37

Key Management Personnel are defined as the members of the Committee of Management and the Directors. Those whose total emoluments including pension contributions exceed £60,000 per year.

£	£	Emoluments payable to the Chief Executive Officer, who is the Highest Paid Director-(excluding pension contributions)
	77,674	78,744
	77,674	78,744
	77,674	78,744

The Association's pension contributions for the Chief Executive Officer who is the Highest Paid Director in the year amounted to £7,675 (2020 - £7,554).

During the current year, there were 5 directors with emoluments, excluding pension contributions, over £60,000 (2020: 5). The total emoluments being £330,152 (2020: £333,410) and total pension contributions of £32,735 (2020: £32,219)

The total number of officers, including the highest paid director, who received emoluments (excluding pension contributions) over £60,000 was in the following ranges:

	No	No
£60,000 - £70,000	4	4
£70,000 - £80,000	1	1

No member of the Committee of Management received any emoluments in respect of their services to the Association.

	2021 £	2020 £
<b>13. Share Capital</b>		
Shares of £1 fully paid and issued at beginning of year	69	72
Shares issued during year	-	1
Shares cancelled during year	(3)	(4)
Shares issued at end of year	<u>66</u>	<u>69</u>

Each member of the Association holds one share of £1 in the Association. These shares carry no rights to dividend or distributions on a winding up. When a shareholder ceases to be a member, that person's share is cancelled and the amount paid thereon becomes the property of the Association. Each member has a right to vote at members' meetings.

	2021 £	2020 £
<b>14. Notes to the Cash Flow Statement</b>		
<b>(a) Reconciliation of operating surplus to net cash inflow from operating activities</b>		
<b>Operating surplus for the year excluding interest and tax payable</b>	1,584,345	893,303
Depreciation	1,050,159	1,008,042
Amortisation of HAG	(29,415)	(28,828)
Actuarial adjustment	-	-
Purchase of tangible asset	-	-
Cancellation of share capital	(3)	(3)
Decrease/(Increase) in debtors	(439,518)	59,956
Increase/(Decrease) in creditors	291,900	296,555
(Decrease)/Increase in pension provision	<u>(277,470)</u>	<u>(284,307)</u>
	<u>2,179,999</u>	<u>1,944,718</u>

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021

(Continued)

**(b) Reconciliation of net cash flow to movement in net debt**

Increase in cash for the year	1,370,877	1,367,542
Loans received	-	-
Loan repayments	<u>103,676</u>	<u>94,260</u>
Change in net cash	1,474,533	1,461,802
Net debt as at 1 April 2020	<u>3,557,987</u>	<u>2,096,185</u>
Net debt as at 31 March 2021	<u>5,032,540</u>	<u>3,557,987</u>



# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021  
(Continued)

### 14. Notes to the Cash Flow Statement (contd)

<b>16. Housing Stock</b>	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
The number of units in Management at 31 March was as follows:		
General Needs Housing	1,205	1,201
Supported Housing Accommodation	92	101
Shared Ownership Accommodation	-	-

### 17. Related parties

<u>1,297</u>	<u>1,302</u>
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#### (c) Analysis of Changes in net debt

	As at 1 April 2020 £	Cash Flow £	As at 31 March 2021 £
Cash at bank and in hand	5,113,146	1,370,877	6,484,023
Bank overdrafts	-	-	-
Debt due within one year	(101,108)	(3,061)	(104,169)
Debt due after one year	<u>(1,454,051)</u>	<u>106,737</u>	<u>(1,347,314)</u>
	<u>3,557,987</u>	<u>1,474,553</u>	<u>5,032,540</u>

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021  
(Continued)

	2021	2020
	£	£
<b>15. Capital Commitments</b>		
Expenditure authorised by the Committee of Management contracted less certified in respect to Major Renewal projects, will be funded from WSHA Reserves.	10,000,000	10,600,000
Various members of the Committee of Management are tenants of the Association. The transactions with the Association are all undertaken on standard terms, as applicable to all tenants.		
	<b>2021</b>	<b>2020</b>
	£	£
Outstanding rental arrears	(1,657)	(2,871)
Amount received for rental payments	23,198	22,248

### 18. Associated companies

The Association, in conjunction with Whiteinch Community Association, formed Whiteinch Centre Limited a company limited by guarantee and registered in Scotland. Each organisation can appoint two directors and one further director can be appointed with the agreement of both organisations. The principal activities of the company is the provision of recreational, educational and training facilities or the organisation of recreational, educational and training facilities with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended. Whiteinch Centre Limited will manage the community centre on behalf of both organisations.

The liability of the Association is limited to £1.

The balance owed by Whiteinch Centre Limited at 31 March 2021 was £7,061 (2020: £201).

### 19. Subsidiary companies

The Association has applied the exemption of FRS102 section 33.1A from disclosing transactions with wholly owned subsidiaries.

### 20. Debt

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### AS AT 31 MARCH 2021 (Continued)

<b>Deferred Capital Grant</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
As at 1 April	1,325,878	1,268,499
Grant received in the year	29,369	86,207
Capital grant released	(29,415)	(28,828)
As at 31 March	1,325,832	<u>1,325,878</u>
Amounts to be released within one year	29,415	28,828
Amounts to be released in more than one year	1,296,417	1,297,050
	1,325,832	<u>1,325,878</u>

### **Borrowings**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Creditors: amounts falling due within one year: Bank loans		
	104,169	101,108
Creditors: amounts falling due after more than one year:	<u>104,169</u>	<u>101,108</u>
Bank loans		
<b>Total</b>	<u>1,347,314</u>	<u>1,454,051</u>
	<u>1,451,483</u>	<u>1,555,159</u>
	<u>2,777,315</u>	<u>2,881,037</u>

## **21. Pensions**

Whiteinch & Scotstoun Housing Association Limited participates in the Scottish Housing Associations' Pension Scheme.

The Scheme is a multi-employer defined benefit scheme. The Scheme is funded and is contracted-out of the State Pension scheme.

The Scheme offers six benefit structures to employers, namely:

- Final salary with a 1/60th accrual rate.
- Career average revalued earnings with a 1/60th accrual rate.
- Career average revalued earnings with a 1/70th accrual rate.
- Career average revalued earnings with a 1/80th accrual rate.
- Career average revalued earnings with a 1/120th accrual rate, contracted-in.
- Defined Contribution (DC) option.

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### AS AT 31 MARCH 2021 (Continued)

An employer can elect to operate different defined benefit structures for their active members (as at the first day of April in any given year) and their new entrants. The DC option can be introduced by the employer on the first day of any month after giving a minimum of three months' prior notice.

The assets and liabilities of the defined benefit scheme at year ended 31 March 2021 are:

	31 March 2021 (£000s)	31 March 2020 (£000s)
Fair value of plan assets	8,812	8,095
Present value of defined benefit obligation	9,834	8,387
Surplus (deficit) in plan	(1,022)	(292)
Unrecognised surplus	-	-
	<u>(1,022)</u>	<u>(292)</u>
<b>Defined benefit liability</b>		<b>Reconciliation of</b>
<b>present value of plan liabilities</b>		

	<b>Period ended 31 March 2021 (£000s)</b>
Defined benefit obligation at start of period	8,387
Current service cost	-
Expenses	9
Interest expense	197
Actuarial losses (gains) due to scheme experience	(59)
Actuarial losses (gains) due to changes in demographic assumptions	-
Actuarial losses (gains) due to changes in financial assumptions	1,556
Benefits paid and expenses	(256)
Liabilities acquired in a business combination	-
Liabilities extinguished on settlements	-
Losses (gains) on curtailments	-
Losses (gains) due to benefit changes	-
Exchange rate changes	-
Defined benefit obligation at end of period	<b>9,834</b>

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021  
(Continued)

### Reconciliation of fair value of plan assets

	Period ended 31 March 2021 (£000s)
Fair value of plan assets at start of period	8,095
Interest income	194
Experience on plan assets (excluding amounts included in interest 493 income) - gain (loss)	
Contributions by the employer	286
Contributions by plan participants - Benefits paid and expenses	(256)
Assets acquired in a business combination	-
Assets distributed on settlements	-
Exchange rate changes	-
Fair value of plan assets at end of period	<b>8,812</b>

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2021 was £687,000.

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021  
(Continued)

### Pensions (continued)

21.

Amounts recognised in the Statement of Comprehensive Income as an expense are as follows:

	<b>Period ended 31 March 2021 (£000s)</b>
Current service cost	-
Expenses	9
Net interest expense	3
Losses (gains) on business combinations	-
Losses (gains) on settlements	-
Losses (gains) on curtailments	-
Losses (gains) due to benefit changes	-
Defined benefit costs recognised in statement of comprehensive income	<b>12</b>

Amounts recognised as Other Comprehensive Income are as follows:

	<b>Period ended 31 March 2021 (£000s)</b>
Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)	493
Experience gains and losses arising on the plan liabilities - gain (loss)	59
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	-
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	(1,556)
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	(1,004)
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) - gain (loss)	-
Total amount recognised in other comprehensive income - gain (loss)	<b>(1,004)</b>

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021  
(Continued)

### Pensions (continued)

21.

#### Composition of plan assets

	31 March 2021 (£000s)	31 March 2020 (£000s)
Global Equity	1,363	1,113
Absolute Return	434	497
Distressed Opportunities	301	148
Credit Relative Value	254	195
Alternative Risk Premia	353	649
Fund of Hedge Funds	-	-
Emerging Markets Debt	355	288
Risk Sharing	315	256
Insurance-Linked Securities	184	217
Property	158	151
Infrastructure	492	477
Private Debt	208	160
Opportunistic Illiquid Credit	226	197
High Yield	231	-
Opportunistic Credit	241	-
Cash	3	-
Corporate Bond Fund	665	592
Liquid Credit	152	212
Long Lease Property	204	198
Secured Income	484	449
Over 15 Year Gilts	4	103
Index Linked All Stock Gilts	-	-
Liability Driven Investment	2,119	2,132
Net Current Assets	66	61
<b>Total assets</b>	<b>8,812</b>	<b>8,095</b>

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.

# WHITEINCH & SCOTSTOUN HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021  
(Continued)

### Pensions (continued)

21.

Principal actuarial assumptions used at the balance sheet date

	31 March 2021 % per annum	31 March 2020 % per annum
Discount Rate	2.14	2.39
Inflation (RPI)	3.30	2.65
Inflation (CPI)	2.85	1.65
Salary Growth	3.85	2.65
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31 March 2021 imply the following life expectancies:

	Life expectancy at age 65 (Years)
Male retiring in 2021	21.5
Female retiring in 2021	23.4
Male retiring in 2040	22.8
Female retiring in 2040	25.0

The previous accounting policy with respect to the treatment of the Associations scheme complied with FRS 102 sections 28.11 and 28.11A which due to a lack of sufficient information being available allowed the Association to account for the multi-employer defined benefit scheme as though it was a defined contribution scheme.

Due to sufficient information becoming available, from 1 April 2018 the Association will account for the scheme as a defined benefit scheme.