



**ANGUS HOUSING ASSOCIATION LIMITED**  
**REPORT AND ACCOUNTS**

**31st March 2019**



**REPORT AND FINANCIAL STATEMENTS**  
**For the period ended 31st March 2019**

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Registered No. 1665R(S)  
Scottish Charity No. SC020981  
The Scottish Housing Regulator No. HAL65

## **MEMBERS OF COMMITTEE OF MANAGEMENT**

Mrs E M G Whitson	(resigned 24/10/2018)
Ms H Farquhar	(Chairman)
Mr C MacDougall	(Treasurer)
Mrs S Welsh	(Secretary)
Mr R Fraser	
Mr A Gibson	(resigned 19/09/2018)
Mr A Jack	
Mr J Nicoll	(resigned 19/09/2018)
Mr I Laird	
Mr W Gibson	
Mr R Colquhoun	(resigned 19/09/2018)
Mr B Morris	
Mrs E Curtis	
Mr T Malone	(appointed 24/10/2018)
Mr I Treanor	(appointed 24/10/2018)
Mrs J Gaul	(appointed 24/10/2018)
Mr J Black	(appointed 27/02/2019)

## **KEY MANAGEMENT PERSONNEL**

Bruce Forbes (Director)

## **SECRETARY AND REGISTERED OFFICE**

Mrs S Welsh, 93 High Street, Arbroath, DD11 1DP

## **SOLICITOR**

Thorntons Law LLP, Whitehall House, 33 Yeaman Shore, Dundee, DD1 4BJ

## **BANKERS**

The Royal Bank of Scotland plc, Brothock Bridge, Arbroath, DD11 1NP

## **EXTERNAL AUDITORS**

Findlays, 11 Dudhope Terrace, Dundee, DD3 6TS

## **INTERNAL AUDITORS**

Quinn Internal Audit and Business Advisors, 55 Lady Place, Livingston EH54 6TB



## CHAIRMAN'S STATEMENT

2018/19 has been another year of steady growth while continuing to improve the Association's financial stability.

Once again, the headline figure for the year is a surplus of £1,257,385. This has been offset by the need to make provision of £1,740,451 for our projected deficit contribution to the Scottish Housing Association Pension Scheme. This accounting technicality has impacted on our bottom line results for the year but is a one off event that will clarify our financial position more accurately in future years.

We have continued during 2018/19 to help the Scottish Government to achieve its target of building 35,000 new affordable homes for rent by 2021.

It is a testament to the staff team that with severe resource limitations, they have managed, during 2018/19, to deliver both new houses and a forward development programme which will see this development activity peak in the coming 2 years at the time when the Scottish Government funding is also at its optimum level.

New developments were completed in 2018/19 at Malt Loan, Carnoustie, Victoria Grange, our first ever houses in Monifieth, Panbride, East Muirlands, Arbroath and Mid Craigie, Dundee.

Just as importantly, the lead-in work has progressed on some major new developments throughout Dundee and Angus which will see around 150 new homes for rent built in the next two years.

Major investment in our existing stock has also been maintained at very high levels during 2018/19 with over £1million again being invested in major improvements with nearly all of our houses now meeting the Scottish Housing Quality Standard and progress being made to achieve the Energy Efficiency Standard for Social Housing.

Along with continued excellent performance in the management of void properties, management of rent payments and an excellent repairs service, we continue to deliver performance well above the Scottish average in the areas that are of most importance to our tenants.

All of this is, of course, a team effort based on a full commitment by everyone involved with Angus Housing Association to delivering our Aims and Objectives and to provide affordable homes to rent for those in need.

I would, therefore, once again like to thank all of my fellow committee Members and all of the staff of Angus Housing Association for their tireless efforts and hard work.

Before finishing my annual report, there is one other major change at Angus Housing Association, however, that I must also report.

During the year, our first ever Director, indeed our first ever member of staff, Bruce Forbes, advised the Committee of Management of his intention to retire from his post.

Bruce became our first ever employee on his 36<sup>th</sup> birthday on 7<sup>th</sup> August 1995.

On that day, we owned just over 300 houses, many of which needed significant investment to achieve the basic level of remaining wind and watertight. Unfortunately, we had very little funds available to carry out the necessary works for our tenants. Scottish Homes had suspended development funding for the building of new homes and it was not clear that we would be allowed to bid for a Scottish Homes stock transfer that was only months away.





## **CHAIRMAN'S STATEMENT** (continued)

It would not be an exaggeration to say that the future of Angus Housing Association as an independent, locally controlled landlord was in serious jeopardy.

24 years on when Bruce retired on 6<sup>th</sup> September, we were near to completing the 2,000<sup>th</sup> house in our property portfolio.

The Association is financially secure to the extent that we have been able to commit to restricting rent increases to CPI inflation only. Our housing stock is close to being 100 percent compliant with the new Energy Efficiency Standard for Social Housing and plans are in place to continuing to build new homes for rent.

In the 24 years under Bruce's leadership, successful estate regenerations have been carried out in Strathairlie and Clifftown in Arbroath and in Mid Craigie and Whitfield in Dundee. Nearly 500 houses were transferred from Scottish Homes in 1997 and we successfully concluded mergers with two Housing Co-operatives in Mid Craigie and Ormiston Crescent, Whitfield after comprehensive endorsements by their tenants.

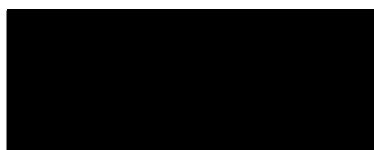
Over 1,000 new homes have been built in Angus and Dundee ,including many in villages such as Dykehead, Airlie and Westmuir where no affordable rented housing had existed before.

It is quite a legacy and one that I know Bruce is very proud to have achieved.

But, as they say, the show must go on and as we pass on our thanks and appreciation to Bruce for all his hard work and commitment over the last 24 years, we also look forward to more successful years ahead with our new Director, Gail Robertson.

Gail has joined us from Castlehill Housing Association in Aberdeen and we look forward to her leadership era with full confidence that she will continue to build on the foundations laid down since we employed our first direct member of staff in 1995.

**Hazel Farquhar**



**Chairman**



## REPORT OF THE COMMITTEE OF MANAGEMENT

Report by the Committee of Management to the Thirtieth Annual General Meeting of the amalgamated Angus Housing Association Limited to be held at the Carnoustie Golf Hotel, Carnoustie, on Wednesday 25<sup>th</sup> September 2019 at 9.45am.

The Committee submit to the meeting their Thirtieth Annual Report and Statement of Accounts duly audited for the year ended 31st March 2019.

## OBJECTIVES AND STRUCTURE

The Association's broad objective is to contribute to providing high quality, affordable housing for all those individuals, families and communities in Angus and Dundee who are in need of the fundamental human right of a decent, secure home to call their own.

The Association aims to achieve this objective by providing good quality homes for rent and shared ownership at an affordable cost to our tenants, ensuring the criteria we use to control access to our houses is based solely on the housing needs of applicants and providing an efficient, responsive and personal housing management and maintenance service of the highest possible quality.

The Association's Committee comprises thirteen registered members and has two sub-committees, which deal with service delivery and finance & audit. The committees are made up of specialist consultants from relevant differing professions with a variety of skills. The Committee of Management meets six times per annum, whilst the sub-committees meet at least four times per annum. Members of the Committee of Management receive no remuneration for their services except for reasonable out of pocket expenses.

The Committee of Management receives reports from the sub-committees, receives information on current developments in progress and also on possible future sites, considers budgets and management accounts, all policy matters and other relevant business. The day to day management of the Association is delegated to the Director and Management Team.

## REVIEW OF THE YEAR

The Committee of Management is pleased to report a surplus for the year of £ 1,257,385 (2018 : £1,150,571). The Association continues to contribute towards the Scottish Government's target of building 35,000 new affordable homes for rent by 2021. Sixty two properties were added during 2018-19, including thirty five at East Muirlands, Arbroath, a joint development with Cairn Housing Association, sixteen at the first phase at Victoria Grange, Monifieth, six in Carnoustie, two at Kingsmuir, Forfar. In addition three properties were purchased on the open market. A total of £15,851,256 (2018 : £7,931,115) has been spent on Development, Major and Planned Repairs, of which £1,156,147 (2018 : £763,203) has been charged to the Statement of Comprehensive Income.

The Statement of Financial Position shows a net asset position of £12,225,508 (2018 : £12,708,576).

## ELECTION OF COMMITTEE OF MANAGEMENT

In terms of the Rules of the Association, 3 members of the Committee of Management, Mr Fraser, Mrs Welsh and Mrs Curtis retire from office at this time and offer themselves for re-election. Additionally Mr MacDougall retires from office at this time and does not offer himself for re-election.





## REPORT OF THE COMMITTEE OF MANAGEMENT (continued)

### STATEMENT OF COMMITTEE MEMBERS' RESPONSIBILITIES

Co-operative and Community Benefit Society and Registered Housing Association Law requires the Committee Members to prepare Accounts for each financial period which give a true and fair view of the state of affairs of the Association and of the surplus or deficit of the Association for that period. In preparing those Accounts, the Committee Members are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the Accounts on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

The Committee Members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to ensure that the Accounts comply with the Co-operative and Community Benefit Societies Act 2014, the Housing (Scotland) Act 2010, the Accounting Determination 2012, and the Statement of Recommended Practice: Accounting by Registered Social Landlords 2010 issued by the Accounting Standards Board. They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### INTERNAL FINANCIAL CONTROL

The Committee of Management acknowledges its ultimate responsibility for ensuring that the Association has in place a system of controls that is appropriate for the business environment 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;
- the safeguarding of assets against unauthorised use or disposition.

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

- formal policies and procedures are in place, including the on-going documentation of key system and rules in relation to the delegation of authority, which allow the monitoring of controls and restrict the unauthorised use of the Association's assets;
- experienced and suitably qualified staff take responsibility for important business functions and annual appraisal procedures have been established to maintain standards of performance;
- forecasts and budgets are prepared, which allow the management team and the Committee of Management to monitor the key business risks, financial objectives and progress being made towards achieving the financial plans set for the year and for the medium term;
- quarterly financial management reports are prepared promptly, providing relevant, reliable and up to date financial and other information, with significant variances from budget being 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 the Committee of Management
- the Audit Committee received reports from management and from external and internal auditors, to provide reasonable assurance that control procedures are in place and are being followed and that a general review of the major risks facing the Association is undertaken;
- Formal procedures have been established for instituting appropriate action to correct any weaknesses identified through internal or external audit reports.



**REPORT OF THE COMMITTEE OF MANAGEMENT (continued)**

**INTERNAL FINANCIAL CONTROL (continued)**

The Committee of Management has reviewed the effectiveness of the system of internal financial control in existence in the Association for the year ended 31<sup>st</sup> March 2019. No weaknesses were found in internal financial controls which resulted in material losses, contingencies or uncertainties which require disclosure in the financial statements or in the auditor's report on the financial statements.

**RELATED PARTY TRANSACTIONS**

The tenants who sit on the Committee of Management have entered into tenancies on the Association's normal terms and conditions and they cannot use their position to their advantage.

**RE-ELECTION OF AUDITORS**

A resolution to re-appoint Findlays as auditors will be submitted at the Annual General Meeting.

**By Order of the Committee**

[Redacted signature]

**Secretary to the Committee of Management**

**18 September 2019**





## **INDEPENDENT AUDITORS' REPORT to the Members of Angus Housing Association Limited**

We have audited the Financial Statements of Angus Housing Association Limited for the year ended 31 March 2019 which comprise the Statements of Comprehensive Income, Financial Position, Changes in Reserves, Cash Flows, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, the Scottish Housing Regulator's Determination of Accounting Requirements April 2014 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the Association's members, as a body, in accordance with Section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the 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.

### **RESPECTIVE RESPONSIBILITIES OF THE BOARD AND THE AUDITOR**

As explained more fully in the Statement of the Board's Responsibilities set out on pages 6 & 7, the Board is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Association's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Board; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Board of Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **OPINION ON THE FINANCIAL STATEMENTS**

In our opinion the Financial Statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2019 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014, Schedule 1, the Housing (Scotland) Act 2010, and the Scottish Housing Regulator's Determination of Accounting Requirements 2014.



**INDEPENDENT AUDITORS' REPORT**

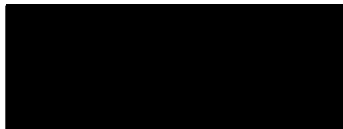
**to the Members of Angus Housing Association Limited (continued)**

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We are required to report to you if, in our opinion:

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

We have nothing to report in respect of these matters.



**ALEXANDER SQUIRES CA (SENIOR STATUTORY AUDITOR)**

**For and on behalf of**

**FINDLAYS**

**CHARTERED ACCOUNTANTS AND STATUTORY AUDITORS**

**11 DUDHOPE TERRACE**

**DUNDEE**

**DD3 6TS**

**18 September 2019**



**REPORT BY THE AUDITORS TO ANGUS HOUSING ASSOCIATION LIMITED  
ON CORPORATE GOVERNANCE MATTERS**

In addition to our audit of the financial statements, we have reviewed your statement on pages 5 to 7 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 Advice Notes issued by the Scottish Housing Regulator.

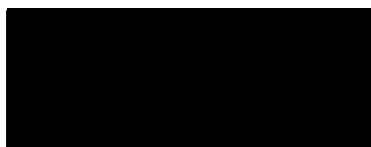
**BASIS OF OPINION**

We carried out our review having regard to the requirements to corporate governance matters within Bulletin 2006/5 issued by the Financial Reporting Council. 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 non-compliance.

**OPINION**

In our opinion the Statement on Internal Financial Control on pages 6 and 7 has provided the disclosures required by the relevant Regulatory Standards within the publication "Our Regulatory Framework" and associated Regulatory Advice Notes which are 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.

Through enquiry of certain members of the Committee of Management and Officers of the Association and examination of relevant documents, we have satisfied ourselves that the Committee of Management's Statement on Internal Financial Control appropriately reflects the Association's compliance with the information required by the relevant Regulatory Standards in respect of internal financial controls within the publication "Our Regulatory Framework" and associated Regulatory Advice Notes issued by the Scottish Housing Regulator in respect of internal financial controls.



**ALEXANDER SQUIRES, CA (SENIOR STATUTORY AUDITOR)**  
For and on behalf of  
**FINDLAYS**  
**CHARTERED ACCOUNTANTS AND STATUTORY AUDITORS**  
**11 DUDHOPE TERRACE**  
**DUNDEE**  
**DD3 6TS**

**18 September 2019**





## STATEMENT OF COMPREHENSIVE INCOME

For the reporting period 31<sup>st</sup> March 2019

	Notes	2019 £	2018 £
TURNOVER	2	10,895,338	8,787,550
Operating costs	2	<u>(8,430,793)</u>	<u>(6,466,694)</u>
OPERATING SURPLUS		2,464,545	2,320,856
Profit / (loss) on Sale of Fixed Assets	5	Nil	(18,961)
Interest receivable and other income		13,124	7,654
Interest payable and similar charges	6	<u>(1,168,284)</u>	<u>(1,146,978)</u>
Pension interest	15	<u>(52,000)</u>	<u>(12,000)</u>
SURPLUS FOR YEAR		<u>1,257,385</u>	<u>1,150,571</u>
Actuarial gain / (loss) in respect of pension schemes		<u>(1,740,451)</u>	<u>9,000</u>
Total comprehensive income for the year		<u>(483,066)</u>	<u>1,159,571</u>

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

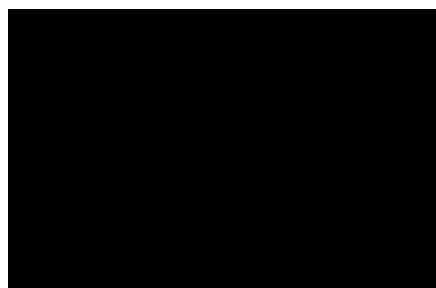




## STATEMENT OF FINANCIAL POSITION At 31<sup>st</sup> March 2019

	Notes	2019 £	2018 £
<b>PLANT, PROPERTY &amp; EQUIPMENT</b>			
Housing properties	9a	109,475,202	97,044,262
Fixed Asset Investment	9b	216,868	216,868
Other Fixed Assets	9c	725,698	840,090
		<u>110,417,768</u>	<u>98,101,220</u>
<b>CURRENT ASSETS</b>			
Debtors	10	1,989,732	1,132,813
Cash & Deposits		2,262,558	4,099,987
Property Held for Sale	11	0	289,997
Stock of Maintenance Supplies	12	9,487	7,511
		<u>4,261,777</u>	<u>5,530,308</u>
CREDITORS: amounts falling due within one year	13	<u>(3,233,420)</u>	<u>(3,353,574)</u>
<b>NET CURRENT ASSETS</b>		<u>1,028,357</u>	<u>2,176,734</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>111,446,125</u>	<u>100,277,954</u>
CREDITORS: amounts falling due after more than one year	14	(96,819,617)	(86,815,829)
Pension Provision	19	<u>(2,401,000)</u>	<u>(753,549)</u>
<b>TOTAL ASSETS LESS LIABILITIES</b>		<u>12,225,508</u>	<u>12,708,576</u>
<b>CAPITAL AND RESERVES</b>			
Share Capital	16	50	52
Revenue reserve	17	<u>12,225,458</u>	<u>12,708,524</u>
		<u>12,225,508</u>	<u>12,708,576</u>

The financial statements on pages 11 to 30 were approved by the Committee of Management on 18th September 2019 and were signed on its behalf by:



Chairman of Committee of Management

Secretary to Committee of Management

Member of Committee of Management

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



**STATEMENT OF CHANGES IN RESERVES**

	Share Capital £	Revenue Reserve £	Total £
<b>As at 31 March 2018</b>	<b>52</b>	<b>12,708,524</b>	<b>12,708,576</b>
Surplus / (deficit) for the year	-	1,257,385	1,257,385
Re-measurement gain / (loss) on defined benefit	-	(1,740,451)	(1,740,451)
<b>Total Comprehensive Income</b>	<b>-</b>	<b>(483,066)</b>	<b>(483,066)</b>
Share Capital Cancelled	(4)		(4)
Share Capital Addition	2		2
<b>As at 31 March 2019</b>	<b>50</b>	<b>12,225,458</b>	<b>12,225,508</b>

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



**STATEMENT OF CASH FLOWS**

For the reporting date 31<sup>st</sup> March 2019

	Notes	2019 £	2018 £
NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	18	3,570,142	4,624,847
CASHFLOW FROM INVESTING ACTIVITIES			
Purchase of tangible fixed assets		(15,300,464)	(4,623,377)
Purchase of investments		-	-
Proceeds from sale of tangible fixed asset			265,000
Grants received		7,031,614	2,248,575
Grants repaid		-	-
Interest receivable		13,123	7,654
NET CASH FLOW FROM INVESTING ACTIVITIES		(8,255,727)	(2,102,148)
CASHFLOW FROM FINANCING ACTIVITIES			
Issue of share capital		2	1
Interest payable		(1,168,284)	(1,146,979)
New secured loans		5,300,000	-
Repayment of borrowings		(1,283,562)	(986,010)
NET CASH FLOW FROM FINANCING ACTIVITIES		2,848,156	(2,132,988)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(1,837,429)	389,711
CASH AND CASH EQUIVALENTS AS AT 1 <sup>ST</sup> April 2018		4,099,987	3,710,276
CASH AND CASH EQUIVALENTS AS AT 31 <sup>ST</sup> March 2019		2,262,558	4,099,987

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



## NOTES TO THE ACCOUNTS

For the reporting date 31<sup>st</sup> March 2019

### 1. ACCOUNTING POLICIES

#### Accounting basis

These accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standards 102 (FRS102) and the Statement of Recommended Practice for Social Housing Providers 2014 (SORP 2014) and the Scottish Housing Regulator Determination of Accounting Requirements 2014.

#### Fixed assets – housing land and buildings

Housing properties are stated at cost. The development costs of housing properties include the following:

- i. Cost of acquiring land and buildings;
- ii. Development expenditure;
- iii. Capital acquisition and development administration costs
- iv. Capital clerk of works costs

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

The proceeds arising from first tranche “sales” of Housing Association Grant funded shared ownership properties are recorded through the Income & Expenditure Account, with any subsequent sales treated as a disposal of fixed assets.

In accordance with the SORP, where a housing property comprises two or more major components with substantially different useful economic lives, each component has been accounted for separately and depreciated over its useful life. The following components have been identified:

<u>Component</u>	<u>Useful Economic Life</u>
Land	Not Applicable
Main Structure	90 Years
Roof	50 Years
Windows & Doors	50 Years
Guttering / Woodwork	25 Years
External Fencing	25 Years
Heating System - Gas	15 Years
Heating System - Electric	15 Years
Heating System - Radiators	25 Years
Kitchen	15 Years
Bathroom	15 Years
Electrical Installation	10 Years
Controlled Entry Systems	12 Years

The Association will capitalise the replacement of these components in line with its Lifecycle Replacement Programme. One off main component replacements will not be capitalised unless the replacement is within a timeframe which means that the component will not be replaced again at the next scheduled cycle.

Depreciation is provided for at rates calculated to write off the cost of each asset evenly over its expected useful life as shown above except for the following:

Housing Properties (shared ownership)	over 50 years
Office Building	over 50 years
Computer and Office Equipment	over 4 years
Office and Furnished Flat Furnishings	over 4 years





## **NOTES TO THE ACCOUNTS**

**For the reporting date 31<sup>st</sup> March 2019**

### **1. ACCOUNTING POLICIES (continued)**

#### **Grants**

Where a grant is paid as a contribution towards revenue expenditure, it is included in turnover. Where a grant is received from government and other bodies as a contribution towards a capital cost, it is recognised as income using the performance model in accordance with the SORP 2014. Prior to satisfying the performance conditions such grants are held as deferred income on the Statement of Financial Position.

#### **Homestake**

Grants are received from ministers of the Scottish Government for the purchase of properties under the Homestake scheme. The element of the property not owned by the Homestake owner will be accounted for as a Fixed Asset Investment. The cost is offset by a grant of the same amount which is held as Deferred Income within Other Creditors.

#### **Subsidiary**

The subsidiary Musselcrag Limited is a dormant company as at 31<sup>st</sup> March 2019 and accordingly the Association has not prepared consolidated statements.

#### **Supporting People Funding**

The Association no longer receives Supporting People funding to fund part of the Sheltered Housing Service.

#### **Lead Tenancies Major Repair Provision**

A provision is made for each lead tenancy property at a rate which has been agreed as part of the Lease Agreement with the Owner of the Property. This provision is released to cover major repairs to these properties when they take place. At the end of the lease any monies left in the provision would be re-payable to the Owner.

#### **Operating Leases**

Rental applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Income and Expenditure Account on a straight line basis over the term of the lease.

#### **Pensions**

The Association participates in the Scottish Housing Association's Pension Scheme (SHAPS) providing benefits based on Career Average Revalued Earnings. The Association's share of the Scheme Assets and Liabilities is shown in the Statement of Financial Position in accordance with their requirements of FRS17.



## NOTES TO THE ACCOUNTS

For the reporting date 31<sup>st</sup> March 2019

### 2 PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

	Turnover	Operating Costs	2019 Operating Surplus/(Deficit)	2018 Operating Surplus/(Deficit)
	£	£	£	£
Income & Expenditure from Lettings	8,864,201	6,452,662	2,411,539	2,275,700
Development for sale to RSL	1,753,844	1,753,844	Nil	Nil
Other Activities	277,293	224,287	53,006	45,156
<b>TOTAL</b>	<b>10,895,338</b>	<b>8,430,793</b>	<b>2,464,545</b>	<b>2,320,856</b>
Total for 2018	8,787,550	6,466,694		

### 3 PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS OR DEFICIT FROM SOCIAL LETTING ACTIVITIES

	General Needs Housing	Sheltered Housing	Shared Ownership	2019 Total	2018 Total
	£	£	£	£	£
Rent Receivable net of Service Charges	7,803,227	307,005	9,488	8,119,720	7,835,631
Service Charges Receivable	60,675	99,072	1,439	161,186	160,703
Gross Rent Receivable	7,863,902	406,077	10,927	8,280,906	7,996,334
LESS: Rent Losses from Voids	(39,603)	(6,950)	Nil	(46,553)	(66,309)
Net Income from Rents and Service Charges	7,824,299	399,127	10,927	8,234,353	7,930,025
Amortised Government Grants	629,848	Nil	Nil	629,848	610,795
Revenue Grants	Nil	Nil	Nil	Nil	Nil
Total Turnover from Social Letting	8,454,147	399,127	10,927	8,864,201	8,540,821
Management Services	1,985,607	11,713	14,546	2,011,866	2,120,030
Planned and Cyclical Maintenance	76,429	91,409	Nil	167,838	182,746
Reactive Maintenance	1,104,472	8,556	Nil	1,113,028	763,203
Rent Losses from Bad Debts	793,529	24,588	Nil	818,117	871,334
Depreciation of Social Housing	73,077	6,950	Nil	80,027	52,068
	2,213,273	48,513	Nil	2,261,786	2,275,740
Total Operating Costs	6,246,387	191,729	14,546	6,452,662	5,265,121
Operating Surplus / (Deficit)	2,207,760	207,398	(3,619)	2,411,539	2,275,700
Operating Surplus / (Deficit) for 2018	2,148,529	131,752	(4,582)		

Note: All Major Repair costs not capitalised are included in Planned and Cyclical Maintenance.  
There was no impairment of social housing.



## NOTES TO THE ACCOUNTS

For the reporting date 31<sup>st</sup> March 2019

### 3 PARTICULARS OF INCOME AND EXPENDITURE FROM LETTINGS (continued)

The number of units of housing under development and in management at 31st March 2019 was:

	Units under Development		Units in Management	
	2019	2018	2019	2018
Housing accommodation for letting				
New build – Shared Ownership	Nil	Nil	5	5
New build – Rented	104	116	1,420	1,362
Rehabilitation – Rented	Nil	Nil	420	417
Rehabilitation – Sheltered	Nil	Nil	80	80
	<u>104</u>	<u>116</u>	<u>1,925</u>	<u>1,864</u>

### 4 PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS OR DEFICIT FROM OTHER ACTIVITIES.

	Grants from Scottish Ministers	Other Income	Total Turnover	Operating Costs - Bad Debts	Other Operating Costs	2019 Operating Surplus/ (Deficit)	2018 Operating Surplus/ (Deficit)
	£	£	£	£	£	£	£
Non RTB Property Sales	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Development for sale to Registered Social Landlords	Nil	1,753,844	1,753,844	Nil	1,753,844	Nil	Nil
Grant Funded Disabled Adaptations	72,959	Nil	72,959	Nil	77,795	(4,836)	2,494
Agency / Management services for Registered Social Landlords	Nil	19,500	19,500	Nil	Nil	19,500	9,000
Factoring	Nil	79,093	79,093	3,643	47,061	28,389	26,375
Other Activities	Nil	105,741	105,741	Nil	95,788	9,953	7,287
<b>TOTAL</b>	<b>72,959</b>	<b>1,958,178</b>	<b>2,031,137</b>	<b>3,643</b>	<b>1,974,488</b>	<b>53,006</b>	<b>45,156</b>
<b>Total 2018</b>	<b>75,301</b>	<b>171,428</b>	<b>246,729</b>	<b>Nil</b>	<b>198,314</b>	<b>45,156</b>	

Note: There were no other revenue grants received for the above activities.

The following operating costs are not applicable for the year ended 31<sup>st</sup> March 2019:

- Care & Repair of Property
- Care Activities
- Other Agency / Management Services
- Homestake.





## NOTES TO THE ACCOUNTS

For the reporting date 31<sup>st</sup> March 2019

### 5 GAIN / (LOSS) ON SALE OF FIXED ASSET

	Shared Ownership Properties	Other Properties	2019 Total	2018
	£	£	£	£
Proceeds	Nil	Nil	Nil	265,000
Cost of Disposal	Nil	Nil	Nil	(283,961)
Gain / (Loss)	Nil	Nil	Nil	(18,961)

### 6 INTEREST PAYABLE AND SIMILAR CHARGES

	2019	2018
	£	£
Bank loans and overdrafts	1,168,284	1,146,978
Interest on defined benefit pension liability	52,000	12,000
	<u>1,220,284</u>	<u>1,158,978</u>

### 7 SURPLUS FOR THE YEAR

This is stated after charging:	2019	2018
	£	£
Auditors' remuneration (including VAT) - external audit	11,220	17,340
- other services	42,598	36,867
- internal audit	350	-
Donations to Local Charities	-	-
Operating Leases	31,173	24,709
(Gain) / loss on disposal of fixed asset	-	-
Depreciation of housing properties	2,261,786	2,275,740

### 8 STAFF COSTS

At the year-end there were 42 full time equivalent employees (2018 : 42). Staff costs during the year amounted to :

	2019	2018
	£	£
Wages and Salaries	1,436,426	1,333,117
National insurance	150,074	128,610
Pensions	134,721	128,235
	<u>1,721,221</u>	<u>1,589,962</u>

The average number of persons directly employed by the Association during the year was

No.	No.
<u>47</u>	<u>42</u>





## NOTES TO THE ACCOUNTS

For the reporting date 31<sup>st</sup> March 2019

### 8 STAFF COSTS (continued)

#### KEY MANAGEMENT PERSONNEL

As per the Scottish Housing Regulator's Determination of Accounting Requirements 2014, disclosure of key management personnel's emoluments exceeding £60,000 per annum is required.

	2019 £	2018 £
The total emoluments payable to key management personnel and former key management personnel amount to:-		
Emoluments excluding employers pension	84,516	82,475
Employers pension contributions	22,097	22,158
	<u>106,613</u>	<u>104,633</u>

The emoluments (including pension contributions but excluding redundancy payments) of the Officers were in the following ranges:

	No.	No.
£60,000 - £70,000	-	-
£70,001 - £80,000	3	3
£80,001 - £90,000	-	-
£90,001 - £100,000	-	-
£100,001 - £110,00	1	1
	<u>4</u>	<u>4</u>

No emoluments were paid to any member of the Committee.



## NOTES TO THE ACCOUNTS

For the reporting date 31<sup>st</sup> March 2019

### 9 TANGIBLE FIXED ASSETS

a) Housing Properties	Wholly Owned Completed	Wholly Owned in Course of Construction	Shared Ownership Completed	Total
<b>Cost:</b>	£	£	£	£
At 1 <sup>st</sup> April 2018	118,909,248	4,020,620	134,231	123,064,099
Additions during year	4,001,026	10,694,083	Nil	14,695,109
Transfer to current assets	Nil	Nil	Nil	Nil
Transfer	3,064,658	(3,064,658)	Nil	Nil
Disposals in year	(605,338)	Nil	Nil	(605,338)
At 31 March 2019	125,369,594	11,650,045	134,231	137,153,870
<b>Depreciation:</b>				
At 1 <sup>st</sup> April 2018	26,019,837	Nil	Nil	26,019,837
Transfer to current assets	Nil	Nil	Nil	Nil
Disposals in year	(472,750)	Nil	Nil	(472,750)
Charge for year	2,131,581	Nil	Nil	2,131,581
At 31 <sup>st</sup> March 2019	27,678,668	Nil	Nil	27,678,668
<b>Net book value:</b>				
At 31 <sup>st</sup> March 2019	97,690,926	11,650,045	134,231	109,475,202
At 31 <sup>st</sup> March 2018	92,889,411	4,020,620	134,231	97,044,262

Total works carried out on housing properties for the year ended 31<sup>st</sup> March 2019 was £3,334,349 (2018 - £3,470,769). Of this total £2,178,202 (2018 - £2,707,566) was capitalised above and £1,156,147 (2018 - £763,203) was expensed in the income and expenditure statement in line with recommended practice.

During the year the Association had capitalised salary costs of £343,018 (2018 - £273,596).

b) Fixed Asset Investments	Homestake	Subsidiary	Total
<b>Cost:</b>	£	£	£
As 1 <sup>st</sup> April 2018	216,867	1	216,868
Additions during the year	Nil	Nil	Nil
As at 31 <sup>st</sup> March 2019	216,867	1	216,868
Net book value At 31st March 2019	216,867	1	216,868

The wholly owned subsidiary Musselcrag Limited was dormant throughout the financial year.



## NOTES TO THE ACCOUNTS

For the reporting date 31<sup>st</sup> March 2019

### 9 TANGIBLE FIXED ASSETS (continued)

c) Other	Office & Lounges	Computer Equipment	Office Equipment	Total
Cost:	£	£	£	£
At 1st April 2018	1,092,918	421,862	147,462	1,662,242
Additions during year	Nil	2,399	Nil	2,399
Disposals during year	Nil	Nil	Nil	Nil
At 31st March 2019	1,092,918	424,261	147,462	1,664,641
<b>Depreciation:</b>				
At 1st April 2018	362,640	314,944	144,568	822,152
Disposals during year	Nil	Nil	Nil	Nil
Provided during year	13,274	100,623	2,894	116,791
At 31st March 2019	375,914	415,567	147,462	938,943
<b>Net book value:</b>				
At 31st March 2019	717,004	8,694	-	725,698
At 31st March 2018	730,278	106,918	2,894	840,090

### 10 DEBTORS

	2019	2018
	£	£
Amounts falling due within one year:		
HAG Receivable	486,435	715,690
Rental Debtors	211,064	172,777
Recharge Account Debtors	29,375	34,529
Other Debtors	1,168,583	143,777
Prepayment and accrued income	94,275	66,040
	1,989,732	1,132,813

The Rental and Recharge Debtors figures shown above are net of the current Provision for Bad Debts of £172,076 (2018 : £130,999). The provision ensures that 50% of the outstanding Ex-Tenant Rent and 100% of the Ex-Tenant Recharge Balances were provided for £38,093 of the provision has been deducted from the Rental Debtors with the remaining £133,983 deducted from the Recharge Account Debtors.

### 11 PROPERTY HELD FOR SALE

	Net Book Value
	£
As at 1 <sup>st</sup> April 2018	289,997
Additions in year	1,463,847
Sold during the year	(1,753,844)
At 31 <sup>st</sup> March 2019	Nil





## NOTES TO THE ACCOUNTS

For the reporting date 31<sup>st</sup> March 2019

### 12 STOCK OF MAINTENANCE SUPPLIES

	2019 £	2018 £
Stock of Various Items of Ironmongery	9,487	7,511

The stock has been valued at the lower of cost and net realisable value

### 13 CREDITORS : amounts falling due within one year

	2019 £	2018 £
Loans (note 14)	1,429,336	1,014,921
Trade creditors	1,406,325	1,718,148
HAG Repayable	3,859	3,859
Lead Tenancies Major Repairs Provisions	139,710	125,744
Furnishings Provisions	8,039	8,039
Pension Provision	-	254,000
Rent in advance	202,974	193,877
Other creditors	43,177	34,986
	<u>3,233,420</u>	<u>3,353,574</u>

### 14 CREDITORS : amounts falling due after more than one year

	2019 £	2018 £
Loans	32,966,307	29,364,284
Deferred income	765,216	765,216
Housing association grants	63,088,094	56,686,329
	<u>96,819,617</u>	<u>86,815,829</u>

Housing property loans are secured by specific charges on the Association's properties and are repayable at varying rates of interest in instalments due as follows:

	2019 £	2018 £
Within one year	1,429,336	1,014,921
Between one and two years	1,463,194	1,023,050
Between two year and five years	4,440,258	3,258,015
After five years	27,062,855	25,083,219
	<u>34,395,643</u>	<u>30,379,205</u>
Included in creditors: amounts falling due within one year	(1,429,336)	(1,014,921)
	<u>32,966,307</u>	<u>29,364,284</u>



## NOTES TO THE ACCOUNTS

For the reporting date 31<sup>st</sup> March 2019

### 14 CREDITORS : amounts falling due after more than one year (cont'd)

Analysis of changes in loan financing during the year:

	2019	2018
	£	£
At 1 <sup>st</sup> April 2018	30,379,205	31,365,215
New loans taken out	5,300,000	-
Amounts repaid	(1,283,562)	(986,010)
At 31st March 2019	34,395,643	30,379,205

### Derivatives

The Association is not permitted to enter into speculative transactions with financial instruments. The Association follows the guidance set out by the Scottish Housing Regulator. Any financial instrument entered into by the Association is covered by underlying loans. As part of its Treasury Management Policy the Association uses financial derivatives to achieve interest rate certainty. At 31<sup>st</sup> March 2019 the Association has one interest rate SWAP as follows:-

Institution	Notional Amount	Rate	Start	End
Royal Bank of Scotland plc	£7.6 million	5.70%	04/11/02	04/11/32

### 15 SHARE CAPITAL

	2019	2018
	£	£
Shares of £1 each		
At 1 <sup>st</sup> April 2018	52	51
Issued	2	1
Cancelled	(4)	Nil
At 31st March 2019	50	52

### 16 REVENUE RESERVE

The income and expenditure reserve represents cumulative surplus and deficits net of other adjustments



## NOTES TO THE ACCOUNTS

For the reporting date 31<sup>st</sup> March 2019

### 17 CASH FLOW FROM OPERATING ACTIVITIES

	2019	2018
	£	£
Surplus for year	2,464,545	2,320,856
Depreciation and impairment of tangible fixed assets	2,378,579	2,312,091
Amortisation of housing association grant	(629,848)	(610,795)
Proceeds of sale of tangible fixed assets	-	-
Decrease in property held for sale	289,987	(283,961)
(Increase) / decrease in stock	(1,976)	76,396
(Increase) / decrease in trade and other debtors	(856,919)	(56,676)
Increase / (decrease) in trade and other creditors	(74,226)	1,122,096
Unwinding of pension discount	-	(9,000)
Pension contribution paid	-	(246,160)
Share capital written off	Nil	Nil
Government Grants utilised in year	Nil	Nil
<b>Net cash flow from operating activities</b>	<b>3,570,142</b>	<b>4,624,847</b>

### 18 RETIREMENT BENEFITS

The Association participates in the Scottish Housing Associations' Pension Scheme (the "Scheme"), a multi-employer scheme which provides benefits to some 150 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<sup>th</sup> December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The last triennial valuation of the scheme for funding purposes was carried out as at 30 September 2015. A Recovery Plan has been put in place to eliminate the deficit, which runs to 28<sup>th</sup> February 2022 for the majority of employers, although certain employers have different arrangements.

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

For financial years ending on or before 28<sup>th</sup> February 2019 it has not been possible for the Association to obtain sufficient information to enable the Association to account for the Scheme as a defined benefit scheme, therefore the Association has accounted for the Scheme as a defined contribution Scheme

For financial years ending on or after 31<sup>st</sup> March 2019 it is possible to obtain sufficient information to enable the Association to account for the Scheme as a defined benefit scheme.

For accounting purposes two actuarial valuations for the Scheme were carried out with effective dates of 31 March 2018 and 30 September 2018. The liability figures from each valuation are rolled forward to the relevant accounting dates, if applicable, and are used to calculate the Association's net deficit or surplus at the accounting period start and end dates.





**18 RETIREMENT BENEFITS (continued)**

**Present values of defined benefit obligation, fair value of assets & defined benefit asset (liability)**

	<b>2019</b>	<b>2018</b>
	<b>£(000's)</b>	<b>£(000's)</b>
Fair value of plan assets	9,471	8,731
Present value of defined benefit obligation	11,872	10,817
Surplus / (Deficit) in plan	(2,401)	(2,086)
Unrecognised surplus	-	-
Defined benefit asset / (liability) to be recognised	(2,401)	(2,086)

**Reconciliation of the impact of the Asset Ceiling**

	<b>2019</b>
	<b>£(000's)</b>
Impact of asset ceiling at start of period	-
Effect of the asset ceiling included in net interest cost	-
Actuarial losses (Gains) on asset ceiling	-
Impact of asset ceiling at end of period	-

**Reconciliation of opening and closing balances of the defined benefit obligation**

	<b>2019</b>
	<b>£(000's)</b>
Defined benefit obligation at start of period	10,817
Current service cost	241
Expenses	8
Interest Expense	284
Contributions by plan participants	138
Actuarial losses (gains) due to experience	(382)
Actuarial losses (gains) due to changes in demographic assumptions	31
Actuarial losses (gains) due to changes in financial assumptions	823
Benefits paid and expenses	(88)
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	11,872



**18 RETIREMENT BENEFITS (continued)**

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

	<b>2019</b>
	<b>£(000's)</b>
Fair value of plan assets at start of period	8,731
Interest income	232
Experience on plan assets(excluding amounts included in interest income- gain / (loss)	59
Contributions by Employer	399
Contributions by plan participants	138
Benefits paid and expenses	(88)
Assets acquired in a business combination	-
Assets distributed on settlements	-
Exchange rates change	-
Fair value of plan assets at end of period	9,471

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2019 was £291,000.

**Defined benefit costs recognised in statement of comprehensive income (SoCI)**

	<b>2019</b>
	<b>£(000's)</b>
Current service cost	241
Expenses	8
Net interest expense	52
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 (SoCI)	301



## 18 RETIREMENT BENEFITS (continued)

### Defined Benefit Costs recognised in other comprehensive income

	2019 £(000's)
Experience on plan assets(excluding amounts included in net interest cost – gain (loss))	59
Experience gains and losses arising on the plan liabilities – gain (loss)	382
Effects of changes in the demographic assumptions underlying the present value Of the defined benefit obligation – gain (loss)	(31)
Effects of changes in the financial assumptions underlying the present value Of the defined benefit obligation – gain (loss)	(823)
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable gains (loss))	(413)
Effect 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)	(413)

### Assets

	2019 £(000's)	2018 £(000's)
Global Equity	1,524	1,571
Absolute Return	802	1,036
Distressed Opportunities	162	40
Credit Relative Value	164	-
Alternative Risk Premia	529	330
Fund of Hedge Funds	26	251
Emerging Markets Debt	304	299
Risk Sharing	275	80
Insurance- Linked Securities	246	239
Property	188	345
Infrastructure	397	159
Private Debt	122	81
Corporate Bond Fund	664	609
Long lease Property	115	0
Secured Income	330	320
Over 15 year Gilts	243	282
Index Linked All Stock Gilts	0	0
Liability Driven Investment	3,370	3,073
Net Current Assets	10	16
<b>Total Assets</b>	<b>9,471</b>	<b>8,731</b>

None of the fair value of 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.





## 18 RETIREMENT BENEFITS (continued)

### KEY ASSUMPTIONS

	2019 % per annum	2018 % per annum
Discount Rate	2.33%	2.59%
Inflation (RPI)	3.28%	3.16%
Inflation (CPI)	2.28%	2.16%
Salary Growth	3.28%	3.16%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31 March 2019 imply the following life expectancies:

	Life expectancy at age 65 (Years)
Male retiring in 2019	21.7
Female retiring in 2019	23.4
Male retiring in 2039	23.1
Female retiring in 2039	24.7

## 19 RELATED PARTY TRANSACTIONS

Four members of the Committee are also tenants of the Association. The tenancies are on the same terms as for other tenants and no advantage can be gained from the position.

During the financial year, Committee members were charged rent totalling £17,536 (2018 - £17,137). As at 31 March 2019 £Nil (2018 - £Nil) was due to the Association.

Where members of the Committee are also councillors or employees of related local authorities, there are no transactions to disclose that were not made at arm's length or not made under the normal commercial terms.

No Board members received remuneration however members of the management board were reimbursed for out of pocket expenses amounting to £1,523 (2018 - £1,663).

## 20 CAPITAL COMMITMENTS

	2019 £	2018 £
Contracted less certified	2,365,773	8,100,751
Authorised but not contracted	Nil	1,508,000

The Committee of Management expects the majority of the expenditure they have authorised to be fully financed by Housing Association Grant from The Scottish Government or by mortgages from private sector lenders.



## NOTES TO THE ACCOUNTS

For the reporting date 31st March 2019

### 21 OTHER COMMITMENTS

The Association's total commitments under non-cancellable operating leases are as follows:

	2019 £	2018 £
Other operating leases		
Within one year	1,271	8,679
Between one and five years	45,229	24,709
	<u>46,500</u>	<u>33,388</u>

### 22 SUBSIDIARIES INFORMATION

Details of the investments in which the company holds more than 10% of the nominal value of any class of share capital are as follows:

Name of Company	Country of Registration or Incorporation	Date of Incorporation	Proportion of Voting Rights	Nature of Business
<b>Subsidiary Undertakings</b> Musselcrag Limited	Scotland	19/08/2010	Wholly Controlled	Dormant since incorporation

### 23 CONTINGENT LIABILITY

The Association participates in a multi-employer pension scheme. Should the Association leave the scheme, the amount of employer debt has been estimated at £9,205,054 as at September 2017. At this time, there is no plan for leaving the scheme. At present a figure for the position as at September 2018 has not been issued.