

DALMUIR PARK HOUSING ASSOCIATION LIMITED

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

Registered Housing Association Number: HAL 98
Charity Registration Number: SC033471
FCA Reference Number: 1917 R S
Property Factor Number : PF000397

DALMUIR PARK HOUSING ASSOCIATION LIMITED

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DALMUIR PARK HOUSING ASSOCIATION LIMITED

The Board of Management, Executives and Advisers For the Year Ended 31 March 2023

MEMBERS OF THE BOARD OF MANAGEMENT

Chair	Gavin Waddell	
Board Member	Jordan Henderson	
Chair/Board Member	Craig Edward	Resigned 13/09/2022
Board Member	John (Ian) Lennox	
Board Member	Melanie Cameron	Resigned 13/09/2022
Board Member	Gordon Laurie	Resigned 13/09/2022
Board Member	Karen Johnson	
Board Member	Lorraine Lester	Resigned 31/12/2022
Board Member	Michelle Donnelly	
Board Member	Gemma Connell	Resigned 13/09/2022
Board Member	Nicola Gerrard	
Board Member	David McIndoe	
Board Member	Anita Williamson	
Board Member	Francis Polding	
Appointed Member	Joe Gherardi	Appointed 31/03/2023
Appointed Member	David Edgar	Appointed 31/03/2023

SECRETARY Anne Marie Brown

EXECUTIVE OFFICERS

Chief Executive Anne Marie Brown

REGISTERED OFFICE/PRINCIPAL ADDRESS

Beardmore House
631 Dumbarton Road
Dalmuir
Clydebank
G81 4EU

AUDITOR

French Duncan LLP
Chartered Accountants & Statutory Auditor
133 Finnieston Street
Glasgow
G3 8HB

SOLICITORS

TC Young
Merchants House
7 West George Street
Glasgow
G2 1BA

BANKERS

Bank of Scotland
42-44 Sylvania Way
Clydebank
G81 2TL

Report from The Board of Management For the Year Ended 31 March 2023

The Board of Management presents their report and the audited Financial Statements for the year ended 31 March 2023.

Objectives and Strategy

The Association is a Registered Social Landlord and Scottish Charity. In September 2020, our Shareholding members approved revised Rules based on the SFHA's (Scottish Federation of Housing Association's) Charitable Model Rules (Scotland) 2020. The core objects as set out in our Rules are to provide for the relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage through the provision, construction, improvement and management of land and accommodation and the provision of care.

We approved a new three-year business plan in August 2021 with five strategic objectives:

- Objective 1 - Strong and Sustainable Strategic Governance
- Objective 2 - Excellent Services and Performance with strong leadership and people
- Objective 3 - Provide Quality Homes in an Attractive Environment
- Objective 4 - Value for Money for DPHA and our customers
- Objective 5 - Being more than just a great landlord

A three-year Business Plan was approved by the Board of Management during the summer of 2021. The Business Plan reflects on the significant achievements made by the Association in the preceding three-years, with the main focus of the Plan being on moving the Association forward.

Legal Status

The Association is registered as a non-profit making Association under the Co-operative and Community Benefit Societies Act 2014 No.1917R(S). The Association is governed under its Rules. The Association is a registered Scottish Charity with the charity number SC033471. We are also a registered Property Factor with the Property Factor ID PF000397.

Review of business and future developments

Throughout 2022/2023, the Association dealt with the many challenges posed by events out-with its control; the costs of living crisis, a war in Europe and the ongoing impact of Brexit and COVID-19. The Association has demonstrated its continued ability to cope with an ever-changing environment and this is testament to the strength, resilience and character of our Board members and staff.

The Association continues to evolve its core services and has embraced new Information Technology to improve our internal and external communication. This year the Association invested in technology that allows for hybrid meetings, including Governing Body meetings, and new housing and financial software.

The Association continues to be successful in securing external funding. This year the Association received £30,000 from the National Lottery to continue supporting the Dalmuir Community through these difficult and uncertain times. The Association was successful in applying to the Social Housing Net Zero Heat Fund for funding of £278,054 for External & Internal Wall Insulation.

In addition to the above, the following is a summary of the Association's key achievements during the last year:

- Our Engagement Plan published on 31 March 2023 notes that the Association is compliant with its Regulatory and legal requirements.
- Delivered our Strategic Business Objectives as identified in our Delivery Plan.
- Was 100% compliant with EICR requirements by 31 March 2023.
- Delivered our Planned Maintenance programme, albeit some investment works were delayed due to material costs and shortages.

Report from The Board of Management - Continued For the Year Ended 31 March 2023

- Received external assurance through our various external and internal audit processes.
- Revised our 30-year financial projections (including maintenance plans) demonstrating healthy cash-flows and no breaches of covenants.
- 95% of our tenants were satisfied with the overall service provided by DPHA.
- Implemented an employee Health & Wellbeing programme.
- Continued to review policies and strategies within agreed timescales.
- Continued our work with an external consultant in terms of affordability and rent harmonisation options.

Financial Review

These financial results cover the Association's forty second year of operations. The Association made a surplus for the year of £296,747 before other comprehensive income which has resulted in Total Comprehensive Income for the year of £215,747 (2022: £628,678). During the year, £669,569, was spent on planned maintenance (which has been capitalised) bringing the total spend on our Investment Programme to £33.5 million.

Turnover of £4.1 million (2022: £4.1m) was generated in the year (of which £3.0 million relates to the income from the letting of properties at affordable rents). Rent increases during 2022/23 were 3.9%.

At 31 March 2023 £8.6 million was held in reserves.

Future Plans

Dalmuir Park Housing Association continues to be a strong and resilient social business. The Board of Management remains conscious of the need to keep management costs as low as possible, rents affordable and still ensure that the Association can maintain and improve the standards of service to customers and the quality of its homes. The Association recognises that the operating and financial environment continues to be challenging, especially for smaller housing associations and for vulnerable communities impacted by the continuing cost of living and increased energy prices. The Association is continuing to work with Arneil Johnston to develop strategies relating to the outcome of the rent affordability assessment carried out in 2021 and is aiming to implement an approved strategy from 28 March 2024.

We will ensure going forward the Association continues to be self-aware and pro-active in making important strategic decisions that build on our strengths and maximise opportunities, whilst identifying and responding to threats. This will ensure that DPHA continues to be a resilient and successful organisation.

In addition to the above another seven key projects will be taken forward in 2023/2024:

- The Association's stonework investment programme and internal and external wall insulation to 4 mixed tenure blocks of Victorian sandstone flats.
- Going live with a new housing and financials software package.
- Reviewing the business model for DOSCG, ensuring it's long-term sustainability.
- Procuring an external consultant to carry out a Stock Condition Survey, and then further reviewing our 30-year projections.
- Developing our approach to decarbonisation.
- Continuing to support the Dalmuir community through these difficult times.
- Agreeing a new 3-year Business Plan for 2024 to 2027.

Report from The Board of Management - Continued For the Year Ended 31 March 2023

The Board is focussed on DPHA's future; knows the strategic direction it wants to take and has been forward thinking and is prepared to explore opportunities for growth and change as long as the Association's Vision, Values and tenants' interests are at the heart of what we do.

Risks and uncertainties

In terms of risk management, the Association continues to embed its well-established approach to risk management throughout the organisation. The Association's Risk Register includes scoring relating to risk appetite, risk maturity and risk tolerance.

We will continue to manage key risks including:

- Recovery from COVID-19, the continued impact of Brexit, the cost-of-living crisis and the continuing conflict in Europe
- Inflation, pay, interest rates and cost/supply of materials
- Rent affordability and VFM
- Tenant Health & Safety
- Delivering our investment programme
- Carrying out our programme of stonework repairs
- Pension liabilities
- DOSCG
- Covenant compliance
- Contract management
- Excellent governance

Prudent treasury management will continue be one of the Association's top priorities to manage cash flow in these continued challenging times.

Principal Activity

The principal activity of the Association is to maximise its impact as a social landlord in the local community through the provision of wide-ranging quality services.

Statement of Board of Management's responsibilities

The Co-operative and Community Benefit Act 2014 and the Housing (Scotland) Act 2010 require the Board of Management to prepare Financial Statements for each financial year 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 year. In preparing those Financial Statements, the Board of Management is required to:-

- Select suitable accounting policies and then 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 disclosed and explained in the Financial Statements;
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business;
- Prepare a statement on Internal Financial Control.

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Report from The Board of Management- Continued For the Year Ended 31 March 2023

The Board of Management is 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 Financial Statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing (Scotland) Act 2010 and Determination of Accounting Requirements 2019. 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. It is also responsible for ensuring the Association's suppliers are paid promptly.

The Board of Management must in determining how amounts are presented within items in the income and expenditure account and balance sheet, have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting practices.

In so far as the Board of Management are aware:

- There is no relevant audit information (information needed by the Housing Association's auditors in connection with preparing their report) of which the Association's auditors are unaware, and
- The Board of Management have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Housing Association's auditors are aware of that information.

Statement on Internal Financial Control

The Board 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; and
- The safeguarding of assets against unauthorised use or disposition.

It is the Board 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 mis-statement or loss. Key elements of the Association's systems include ensuring that:

- Formal policies and procedures are in place, including the ongoing documentation of key systems and rules relating to the delegation of authority, which allow the monitoring of controls and restrict the unauthorised use of 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 Board of Management to monitor key business risks, financial objectives and the 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 Board of Management;

**Report from The Board of Management - Continued
For the Year Ended 31 March 2023**

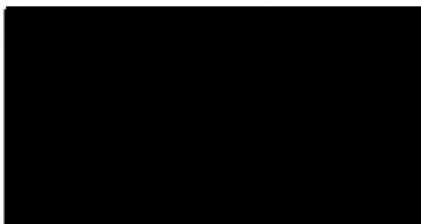
- The Board of Management receive reports from management and from the external and internal auditors to provide reasonable assurance that control procedures are in place and are being followed and that a general review of the major risks facing the Association is undertaken; and
- Formal procedures have been established for instituting appropriate action to correct any weaknesses identified through internal or external audit reports.

The Board of Management has reviewed the effectiveness of the system of internal financial control in existence in the Association for the year ended 31 March 2023. No weaknesses were found in the 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.

Independent Auditor

A resolution for the reappointment of French Duncan LLP (AAB Group) as auditor is to be proposed at the forthcoming Annual General Meeting.

By order of the Board of Management



**Gavin Waddell
Chair**

Date: 31 August 2023

DALMUIR PARK HOUSING ASSOCIATION LIMITED

REPORT BY THE AUDITORS TO THE BOARD OF MANAGEMENT OF DALMUIR PARK HOUSING ASSOCIATION LIMITED ON CORPORATE GOVERNANCE MATTERS FOR THE YEAR ENDED 31 March 2023

In addition to our audit of the Financial Statements, we have reviewed your statement on pages 7 and 8 concerning the Association's compliance with the information required by the Regulatory Standards in respect of internal financial controls contained in the publication "Our Regulatory Framework" and associated Regulatory Advice Notes which are issued by the Scottish Housing Regulator.

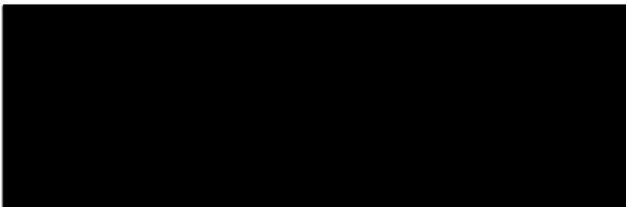
Basis of Opinion

We carried out our review having regard to the requirements relating to corporate governance matters within Bulletin 2006/5 issued by the Auditing Practices Board. 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 reasons given for non-compliance.

Opinion

In our opinion the Statement on Internal Financial Control on pages 7 and 8 has provided the disclosures required by the relevant Regulatory Standards with the publication "Our Regulatory Framework" and associated Regulatory Advice Notes 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 Board of Management and Officers of the Association, and examination of relevant documents, we have satisfied ourselves that The Board 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.



French Duncan LLP

Chartered Accountants & Statutory Auditor
133 Finnieston Street
GLASGOW
G3 8HB

Date: 4/4/23

DALMUIR PARK HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITORS REPORT TO THE BOARD OF MANAGEMENT OF DALMUIR PARK HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2023

OPINION

We have audited the financial statements of Dalmuir Park Housing Association Limited for the year ended 31 March 2023 which comprise a statement of comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity and related notes including a summary of 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 at 31 March 2023 and of its income and expenditure for the year then ended;
- Have been properly prepared in accordance with United Kingdom generally accepted accounting practice; and
- have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014, Part 6 of the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 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 housing association in accordance with the ethical requirements that are relevant to our audit of financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

OTHER INFORMATION

The other information comprises the information contained in the Report from the board of management, other than the financial statements and our auditor's report thereon. The board members are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

DALMUIR PARK HOUSING ASSOCIATION LIMITED

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where 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 BOARD MEMBERS

As explained more fully in the Board of Management's responsibilities statement set out on pages 6 and 7, the committee members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board of Management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Management are responsible for assessing the housing 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 members either intend to liquidate the housing 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide the basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the housing association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee members.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the housing association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the responsible individual ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the association through discussions with management and board of management members and from our sector knowledge and expertise;
- we focused on specific laws and regulations, including those specified by the Scottish Housing Regulator, which we considered may have a direct material effect on the financial statements or the operations of the association, including the Co-operative and Community Benefits Societies Act 2014, Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Statement of Recommended Practice for Social Housing Providers 2018 and Determination of Housing Requirements 2019, and data protection, anti-bribery, employment, and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and board of management members; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the association's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management and board of management members as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed high level analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- reviewing internal audit reports prepared during the year;
- enquiring of management and board of management members as to actual and potential litigation and claims;
- reviewing correspondence with Scottish Housing Regulator.

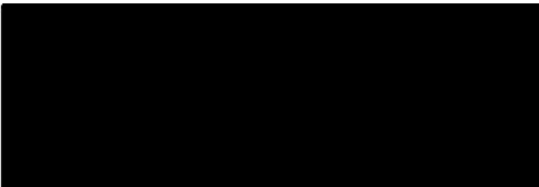
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance.

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

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

USE OF OUR REPORT

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 auditors' 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.



French Duncan LLP
Chartered Accountants and Statutory Auditor
133 Finnieston Street
GLASGOW
G3 8HB

Date: 4/9/23

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 March 2023**

		2023	2022
	Notes	£	£
REVENUE	2	4,114,113	4,125,490
Operating costs	2	<u>(3,683,046)</u>	<u>(3,500,870)</u>
OPERATING SURPLUS	9	431,067	624,620
(Loss) on sale of property	7	(31,095)	(23,828)
Interest receivable and other similar income		12,724	710
Interest payable and other similar charges	8	(115,949)	(35,824)
Other finance charges	11	<u>-</u>	<u>(2,000)</u>
		<u>(134,320)</u>	<u>(60,942)</u>
SURPLUS FOR THE YEAR		296,747	563,678
OTHER COMPREHENSIVE INCOME			
Initial recognition of multi-employer defined benefit scheme			-
Actuarial (losses) / gains in respect of pension scheme	22	(81,000)	65,000
TOTAL COMPREHENSIVE INCOME		<u>215,747</u>	<u>628,678</u>

The results for the year relate wholly to continuing activities.

The financial statements were approved by the Board, authorised for issue, and signed on its behalf on 31 August 2023



Gavin Waddell
Chair



David McIndoe
Board Member



Anne Marie Brown
Secretary

The notes on pages 18 to 36 form part of these financial statements.

DALMUIR PARK HOUSING ASSOCIATION LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 March 2023

		2023	2022
	Notes	£	£
NON-CURRENT ASSETS			
Housing properties - depreciated cost	12(a)	18,479,441	18,725,470
Other tangible fixed assets	12(b)	<u>150,545</u>	<u>165,223</u>
		18,629,986	18,890,693
CURRENT ASSETS			
Debtors	14	359,901	345,912
Cash at bank and in hand		<u>5,986,559</u>	<u>5,827,559</u>
		6,346,460	6,173,471
CREDITORS amounts due within one year	15	<u>(933,157)</u>	<u>(680,288)</u>
NET CURRENT ASSETS		<u>5,413,303</u>	<u>5,493,183</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		24,043,289	24,383,876
CREDITORS			
amounts due after more than one year	16	(3,000,000)	(3,000,000)
PROVISIONS FOR LIABILITIES			
Pension - defined benefit liability	24	<u>(41,000)</u>	<u>-</u>
		(3,041,000)	(3,000,000)
DEFERRED INCOME			
Social Housing Grants	19	(12,256,266)	(12,848,083)
Other grants	19	<u>(150,787)</u>	<u>(156,284)</u>
		<u>8,595,236</u>	<u>8,379,509</u>
EQUITY			
Share capital	20	74	94
Revenue reserve		<u>8,595,162</u>	<u>8,379,415</u>
		<u>8,595,236</u>	<u>8,379,509</u>

The financial statements were approved by the Board, authorised for issue, and signed on its behalf on 31 August 2023



Gavin Waddell
Chair



David McIndoe
Board Member



Anne Marie Brown
Secretary

The notes on pages 18 to 36 form part of these financial statements.

DALMUIR PARK HOUSING ASSOCIATION LIMITED**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 March 2023**

	Notes	2023 £	2022 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	17	<u>1,000,022</u>	<u>882,135</u>
INVESTING ACTIVITIES			
Purchase of Other Fixed Assets		(38,235)	(80,769)
Purchase of Component Installations		(669,569)	(496,709)
Purchase of Housing Properties		(30,000)	(105,750)
NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES		<u>(737,804)</u>	<u>(683,228)</u>
FINANCING ACTIVITIES			
Interest Received		12,724	710
Interest Paid on Loans		(115,949)	(35,824)
Debt Drawdown			3,000,000
Share Capital Issued		7	1
NET CASH (OUTFLOW) FROM FINANCING		<u>(103,218)</u>	<u>2,964,887</u>
INCREASE IN CASH		159,000	3,163,794
OPENING CASH AND CASH EQUIVALENTS		<u>5,827,559</u>	<u>2,663,765</u>
CLOSING CASH AND CASH EQUIVALENTS		<u>5,986,559</u>	<u>5,827,559</u>

The notes on pages 18 to 36 form part of these financial statements.

DALMUIR PARK HOUSING ASSOCIATION LIMITED

STATEMENT OF CHANGES IN EQUITY
31 March 2023

	Share Capital £	Revenue Reserve £	Total £
	<u>£</u>	<u>£</u>	<u>£</u>
Balance as at 1 April 2022	94	8,379,415	8,379,509
Issue of Shares	7	-	7
Cancelled shares	(27)	-	(27)
Surplus for Year	-	296,747	296,747
Other comprehensive income	-	(81,000)	(81,000)
Balance as at 31 March 2023	<u>74</u>	<u>8,595,162</u>	<u>8,595,236</u>

	Share Capital £	Revenue Reserve £	Total £
	<u>£</u>	<u>£</u>	<u>£</u>
Balance as at 31 March 2021	104	7,750,737	7,750,841
Issue of Shares	1	-	1
Cancelled shares	(11)	-	(11)
Surplus for Year	-	563,678	563,678
Other comprehensive income	-	65,000	65,000
Balance as at 31 March 2022	<u>94</u>	<u>8,379,415</u>	<u>8,379,509</u>

DALMUIR PARK HOUSING ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2023
NOTES TO THE FINANCIAL STATEMENTS

1 PRINCIPAL ACCOUNTING POLICIES

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 is a Public Benefit Entity in terms of its compliance with Financial Reporting Standard 102.

Basis of Accounting

These financial statements were prepared in accordance with Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Statement of Recommended Practice for Social Housing Providers 2018 and comply with the Scottish Housing Regulator Determination of Accounting Requirements (December 2019).

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Association's accounting policies (see below). The following principal accounting policies have been applied:

Going Concern

The Board of Management have assessed the Association's ability to continue as a going concern and have reasonable expectations that the Association has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

Revenue

The Association recognises rent receivable net of losses from voids. Service Charge Income (net of voids) is recognised as expenditure is incurred as this is considered to be the point when the service has been performed and the revenue recognition criteria is met.

Government Grants are released to income over the expected useful life of the asset to which it relates.

Retirement Benefits

The Association participates in the Scottish Housing Association Defined Benefits Pension Scheme and retirement benefits to employees of the Association are funded by the 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 Association accounts for the pension scheme on a defined benefit basis based on its share of scheme assets and liabilities as determined by the actuary. Defined benefit costs are recognised in the Statement of Comprehensive Income within operating costs. Actuarial gains and losses are recognised in Other Comprehensive Income. Further details are disclosed in the notes to the accounts.

Valuation of Housing Properties

Housing Properties are stated at cost less accumulated depreciation. Housing under construction and Land are not depreciated. The Association depreciates housing properties by major component on a straight line basis over the estimated useful economic lives of each identified component. All components are categorised as Housing Properties within note 12. Impairment reviews are carried out if events or circumstances indicate that the carrying value of the components listed below is higher than the recoverable amount.

Component	Useful Economic Life
Kitchens	15 years
Bathrooms	20 years
Central Heating	15 years
Windows	30 years
Structure	50 & 100 years
Roof Replacements	30 years

DALMUIR PARK HOUSING ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2023
NOTES TO THE FINANCIAL STATEMENTS

1. PRINCIPAL ACCOUNTING POLICIES (Continued.)

Depreciation And Impairment Of Other Non-Current Assets

Non-Current Assets are stated at cost less accumulated depreciation. Depreciation is charged on a straight line basis over the expected economic useful lives of the assets at the following annual rates:-

Office Premises	6 ⅔% Straight Line
Computers and other Office Equipment	20% Straight Line
Furniture and Fittings	15% Reducing Balance
Furniture for Furnished Accommodations	33⅓% Straight Line
Laundry Equipment in Sheltered Accommodations	20% Straight Line

The carrying value of non-current assets is reviewed for impairment at the end of each reporting year.

Social Housing Grant And Other Grants In Advance/Arrears

Social Housing Grants and Other Capital Grants are accounted for using the Accrual Method as outlined in Section 24 of Financial Reporting Standard 102. Grants are treated as deferred income and recognised in income on a systematic basis over the expected useful life of the property and assets to which it relates.

Social Housing Grant attributed to individual components is written off to the Income and Expenditure Account when these components are replaced.

Social Housing Grant received in respect of revenue expenditure is credited to the Income and Expenditure Account in the same year as the expenditure to which it relates.

Although Social Housing Grant is treated as a grant for accounting purposes, it may nevertheless become repayable in certain circumstances, such as the disposal of certain assets. The amount repayable would be restricted to the net proceeds of sale.

Sales Of Housing Properties

First tranche Shared Ownership disposals are credited to turnover on completion. The cost of construction of these sales is taken to operating cost. In accordance with the Statement of Recommended Practice, disposals of subsequent tranches are treated as non-current asset disposals with the gain or loss on disposal shown in the Statement of Comprehensive Income.

Disposals of housing property under the Right to Buy scheme are treated as a non-current asset disposals and any gain and loss on disposal accounted for in the Statement of Comprehensive Income.

Disposals under shared equity schemes are accounted for in the Statement of Comprehensive Income. The remaining equity in the property is treated as a non-current asset investment, which is matched with the grant received.

Estimation Uncertainty

The preparation of financial statements requires the use of certain accounting estimates. It also requires the Board of Management to exercise judgement in applying Dalmuir Park Housing Association's Accounting Policies. The areas requiring a higher degree of judgement, or complexity, and areas where assumptions or estimates are most significant to the financial statements, is disclosed below:

Rent Arrears - Bad Debt Provision

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

Life Cycle of Components

The Association estimates the useful lives of major components of its housing property with reference to surveys carried out by external qualified surveyors.

DALMUIR PARK HOUSING ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2023
NOTES TO THE FINANCIAL STATEMENTS

1. PRINCIPAL ACCOUNTING POLICIES (Continued.)

Pension Liabilities

This has relied on the actuarial assumptions of qualified actuaries which have been reviewed and are considered reasonable and appropriate. Assumptions in respect of discount rates and inflation will vary from year to year, as will the value of assets and will be dependant on circumstances at the date of valuation.

Leases/Leased Assets

Costs in respect of operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term. Assets held under finance leases and hire purchase contracts are capitalised in the Statement of Financial Position and are depreciated over their useful lives.

Works to Existing Properties

The Association capitalises major repairs expenditure where these works result in an enhancement of economic benefits by increasing the net rental stream over the life of the property.

Development Interest

Interest incurred on financing a development is capitalised up to the date of practical completion of the scheme.

Key Judgements made in the application of Accounting Policies

a) The Categorisation of Housing Properties

In the judgement of the Board of Management the entirety of the Association's housing stock is held for social benefit and is therefore classified as Property, Plant and Equipment in accordance with FRS 102.

b) Identification of cash generating units

The Association considers its cash-generating units to be 673 in which it manages its housing property for asset management purposes.

c) Pension liability

In May 2023 the Association received details from the Pension Trust of its share of assets, liabilities and scheme deficit. The Association has used this information as the basis of the pension defined benefit disclosed in the accounts.

Financial Instruments – Basic

The Association only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like rents, accounts receivable and payable, loans from banks and related parties. These are recognised in accordance with Section 11 of Financial Reporting Standard 102. The Association's debt instruments are measured at amortised cost using the effective interest rate method.

2. PARTICULARS OF REVENUE, COST OF SALES, OPERATING COSTS AND OPERATING SURPLUS

		2023			2022		
	Note	Revenue £	Operating Costs £	Operating surplus/ (deficit) £	Revenue £	Operating Costs £	Operating surplus/ (deficit) £
Social letting activities	3	3,591,215	(3,149,693)	441,522	3,530,209	2,926,296	603,913
Other activities	4	522,898	(533,353)	(10,455)	595,281	574,574	20,707
Total		4,114,113	(3,683,046)	431,067	4,125,490	3,500,870	624,620

DALMUIR PARK HOUSING ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2023
NOTES TO THE FINANCIAL STATEMENTS

3. PARTICULARS OF INCOME AND EXPENDITURE FROM SOCIAL LETTINGS

	General Needs Housing	Supported Housing	Shared Ownership Housing	2023 Total	2022 Total
	£	£	£	£	£
Revenue from lettings					
Rent receivable net of identifiable service charges	2,361,522	267,570	37,776	2,666,868	2,556,384
Service charges receivable	301,527	25,595	-	327,122	368,225
Gross rents receivable	<u>2,663,049</u>	<u>293,165</u>	<u>37,776</u>	<u>2,993,990</u>	<u>2,924,609</u>
Less rent losses from voids	(13,672)	(11,417)	-	(25,089)	(28,183)
Net rents receivable	<u>2,649,377</u>	<u>281,748</u>	<u>37,776</u>	<u>2,968,901</u>	<u>2,896,426</u>
Amortisation of Social Housing & Other Grants	588,357		8,957	597,314	597,314
Revenue grants from local authorities and other agencies	25,000	-	-	25,000	36,469
Total income from social letting	<u>3,262,734</u>	<u>281,748</u>	<u>46,733</u>	<u>3,591,215</u>	<u>3,530,209</u>
Expenditure on social letting activities					
Management and maintenance administration costs	1,125,060	118,456	12,415	1,255,931	1,056,412
Service costs	312,512	34,355	-	346,867	312,161
Planned and cyclical maintenance including major repairs	119,379	15,821	-	135,200	193,277
Reactive maintenance	378,298	81,638		459,936	464,405
Bad debts - rents and service charges	37,255	-		37,255	13,443
Depreciation of social housing	900,875	6,210	7,419	914,504	886,598
Operating costs of social letting	<u>2,873,379</u>	<u>256,480</u>	<u>19,834</u>	<u>3,149,693</u>	<u>2,926,296</u>
Operating surplus on social letting activities	<u>389,355</u>	<u>25,268</u>	<u>26,899</u>	<u>441,522</u>	<u>603,913</u>
2022	<u>504,612</u>	<u>73,274</u>	<u>26,027</u>	<u>603,913</u>	

DALMUIR PARK HOUSING ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2023
NOTES TO THE FINANCIAL STATEMENTS

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

	Other Revenue Grants £	Supporting People Income £	Other income £	Total Turnover £	Operating costs Bad Debts £	Operating costs other £	Operating surplus/ (deficit) 2023 £	Operating surplus/ (deficit) 2022 £
Wider Role Activities	15,084	-	1,550	16,634	-	(34,327)	(17,693)	(10,684)
Care Activities	-	90,083	284,880	374,963	(1,025)	(387,461)	(13,523)	24,582
Factoring Services	-	-	121,469	121,469	-	(110,540)	10,929	27,846
Other Activities	-	-	9,832	9,832	-	-	9,832	(21,037)
TOTAL FROM OTHER ACTIVITIES	<u>15,084</u>	<u>90,083</u>	<u>417,731</u>	<u>522,898</u>	<u>(1,025)</u>	<u>(532,328)</u>	<u>(10,455)</u>	<u>20,707</u>
2022	<u>84,147</u>	<u>90,082</u>	<u>421,052</u>	<u>595,281</u>	<u>-</u>	<u>574,574</u>	<u>20,707</u>	

DALMUIR PARK HOUSING ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2023
NOTES TO THE FINANCIAL STATEMENTS

5. COMMITTEE MEMBERS AND OFFICERS EMOLUMENTS

The officers are determined in the Co-operative and Community Benefit Societies Act 2014 as the members of the Management Committee, managers and employees of the Association.

No emoluments have been paid to any member of the management committee.

	2023	2022
	£	£
Aggregate emoluments payable to Key Management Personnel greater than £60,000 (excluding pension contributions)	70,886	68,777
Emoluments payable to the Chief Executive/Director (excluding pension contributions)	70,886	68,777
Pension contributions paid on behalf of the Chief Executive/Director	8,452	8,119
Employer NIC's paid on behalf of the Chief Executive/Director	8,974	8,270
	<hr/>	<hr/>
Total Emoluments paid to key management personnel:	<u>88,312</u>	<u>85,166</u>

	Number	Number
Total number of officers, including the highest paid officer, who received emoluments (excluding pension contributions) over £60,000 was in the following ranges:		
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-
£80,001-£90,000	-	-
	<hr/>	<hr/>

There were payments to board members during the year for reimbursement of expenses of £0 (2022 - £52)

DALMUIR PARK HOUSING ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2023
NOTES TO THE FINANCIAL STATEMENTS

6. EMPLOYEE INFORMATION

	2023	2022
	£	£
Staff costs during the year:		
Wages and salaries	899,341	773,303
Social security costs	82,332	65,836
Other pension costs	71,543	70,805
Agency Staff	<u>68,239</u>	<u>65,227</u>
	<u><u>1,121,455</u></u>	<u><u>975,171</u></u>
	Number	Number
The average number of full time equivalent persons employed during the year was	<u>27</u>	<u>25</u>
The average total number of Employees employed during the year was	36	33

7. (LOSS) ON SALE OF PROPERTY, PLANT & EQUIPMENT

	2023	2022
	£	£
Cost of sales	31,095	23,828
(Loss) on sale	<u>(31,095)</u>	<u>(23,828)</u>

8. INTEREST PAYABLE

	2023	2022
	£	£
On Bank Loans & Overdrafts	<u>115,949</u>	<u>35,824</u>

DALMUIR PARK HOUSING ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2023
NOTES TO THE FINANCIAL STATEMENTS

9. OPERATING SURPLUS

	2023	2022
	£	£
Surplus is stated after charging:		
Depreciation of tangible owned fixed assets	967,417	961,966
Housing Association grant release	(591,817)	(591,817)
Council grant release	(5,497)	(5,497)
Auditors' remuneration - audit services	10,902	9,900
Operating lease expenditure	<u>672</u>	<u>672</u>

10. TAX ON SURPLUS ON ORDINARY ACTIVITIES

The Association is a Registered Scottish Charity and is not liable to United Kingdom Corporation Tax on its charitable activities.

11. OTHER FINANCE CHARGES

	2023	2022
	£	£
Pension- Interest Charge	<u>-</u>	<u>2,000</u>

DALMUIR PARK HOUSING ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2023
NOTES TO THE FINANCIAL STATEMENTS

12. FIXED ASSETS

a) Housing Properties	Housing Properties Held for Letting	Completed Shared Ownership Properties	Total
	£	£	£
COST			
As at 1 April 2022	32,342,486	671,154	33,013,640
Additions	699,569		699,569
Disposals	(219,281)	-	(219,281)
Transfers of stock	40,642	(40,642)	-
As at 31 March 2023	<u>32,863,416</u>	<u>630,512</u>	<u>33,493,928</u>
DEPRECIATION			
As at 1 April 2022	14,103,827	184,343	14,288,170
Charged during year	907,084	7,419	914,503
Transfers of stock	12,059	(12,059)	-
Eliminated on disposal	(188,186)	-	(188,186)
As at 31 March 2023	<u>14,834,784</u>	<u>179,703</u>	<u>15,014,487</u>
NET BOOK VALUE			
As at 31 March 2023	<u>18,028,632</u>	<u>450,809</u>	<u>18,479,441</u>
As at 31 March 2022	<u>18,238,659</u>	<u>486,811</u>	<u>18,725,470</u>

Total expenditure on existing properties in the year amounted to £1,294,705 (2022 - £1,154,391). The amount capitalised as component replacements is £669,569 (2022- £496,709), with the balance charged to the Statement of Comprehensive Income. The additions above of £699,569 also include the buy-back of 1 shared ownership unit for £30,000.

The Association's lenders have standard securities over housing properties with a carrying value of £3,253,373 (2022 – £3,293,609)

DALMUIR PARK HOUSING ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2023
NOTES TO THE FINANCIAL STATEMENTS

b) Other tangible assets	Office Furniture & Equipment £	Commercial Premises £	Total £
COST			
As at 1 April 2022	1,091,628	396,913	1,488,541
Additions	38,235	-	38,235
Disposals	-	-	-
As at 31 March 2023	<u>1,129,863</u>	<u>396,913</u>	<u>1,526,776</u>
DEPRECIATION			
As at 1 April 2022	926,405	396,913	1,323,318
Charged during year	52,913	-	52,913
Disposals	-	-	-
As at 31 March 2023	<u>979,318</u>	<u>396,913</u>	<u>1,376,231</u>
NET BOOK VALUE			
As at 31 March 2023	<u>150,545</u>	<u>-</u>	<u>150,545</u>
As at 31 March 2022	<u>165,223</u>	<u>-</u>	<u>165,223</u>

13. COMMITMENTS UNDER OPERATING LEASES

	2023 £	2022 £
At the year end, the total future minimum lease payments under non-cancellable operating leases were as follows:-		
Not later than one year	672	672
Later than one year and not later than five years	2,195	2,688
Later than five years	-	336
	<u>2,867</u>	<u>3,696</u>

14. DEBTORS

	2023 £	2022 £
Arrears of Rent & Service Charges	335,951	327,621
Less: Provision for Doubtful Debts	(113,170)	(95,140)
	<u>222,781</u>	<u>232,481</u>
Other receivables	137,120	113,431
	<u>359,901</u>	<u>345,912</u>

DALMUIR PARK HOUSING ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2023
NOTES TO THE FINANCIAL STATEMENTS

15. CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade Payables	455,543	250,195
Rent in Advance	94,008	89,885
Other Creditors	371,611	327,454
Accruals	11,995	12,754
	<u>933,157</u>	<u>680,288</u>

16. CREDITORS AMOUNTS FALLING DUE AFTER ONE YEAR

	2023	2022
	£	£
Housing loans		
- Between one and two years	47,825	-
- Between two and five years	172,485	490,676
- In five years or more	2,779,690	2,509,324
	<u>3,000,000</u>	<u>3,000,000</u>

The Association has a bank loan the principal terms of which are as follows:

	Number of properties secured	Effective Interest Rate	Maturity (Year)	Variable or Fixed
Unity Trust Bank	70	5.65%	2031	Variable

All the Association's bank borrowings are repayable on a monthly basis with the principal being amortised over the terms of the loans.

17. STATEMENT OF CASHFLOWS

Reconciliation of operating surplus to cash flow from operating activities	2023	2022
	£	£
Operating Surplus	431,067	624,620
Depreciation	967,416	961,966
Amortisation of capital grants	(597,314)	(597,314)
Change in debtors	(13,989)	(42,099)
Change in creditors	252,867	(23,017)
Past Service Pension Deficit Contribution	(31,505)	(61,174)
Pension Scheme Service Cost	10,000	31,000
Pension Scheme Valuation Adjustments	(18,493)	(11,836)
Cancelled Shares	(27)	(11)
Balance at 31 March 2023	<u>1,000,022</u>	<u>882,135</u>

DALMUIR PARK HOUSING ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2023
NOTES TO THE FINANCIAL STATEMENTS

18. ANALYSIS OF CHANGES IN CASHFLOWS

	As at 1 April 2022	Cash-flows	As at 31 March 2023
	£	£	£
Cash at bank	5,827,559	159,000	5,986,559
Loans falling due within one year		-	-
Loans falling due after more than one year	(3,000,000)	-	(3,000,000)
TOTAL	<u>2,827,559</u>	<u>159,000</u>	<u>2,986,559</u>

19. DEFERRED INCOME

	2023	2022
	£	£
Social Housing Grants		
Balance as at 1 April 2022	12,848,083	13,439,900
Additions in year		-
Released / Repaid as the result of property disposal		-
Amortisation in Year	(591,817)	(591,817)
Balance as at 31 March 2023	<u>12,256,266</u>	<u>12,848,083</u>
Other Grants		
Balance as at 1 April 2022	156,284	161,781
Additions in year	-	-
Released / Repaid as the result of property disposal	-	-
Amortisation in Year	(5,497)	(5,497)
Balance as at 31 March 2023	<u>150,787</u>	<u>156,284</u>

This is expected to be released to the Statement of Comprehensive Income as follows:

Amounts released within one year	597,314	597,314
Amounts released in one year or more	11,809,739	12,407,053
	<u>12,407,053</u>	<u>13,004,367</u>

DALMUIR PARK HOUSING ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2023
NOTES TO THE FINANCIAL STATEMENTS

20. SHARE CAPITAL

	2023	2022
	£	£
Shares of £1 each Issued and Fully Paid		
At 1 April 2022	94	104
Issued in year	7	1
Cancelled in year	(27)	(11)
At 31 March 2023	<u>74</u>	<u>94</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.

19. HOUSING STOCK

The number of units of accommodation in management at the year end was:-	2023	2022
	No.	No.
General Needs - New Build	138	137
General Needs - Rehabilitation	465	465
Shared Ownership	17	18
Supported Housing	70	70
	<u>690</u>	<u>690</u>

22. RELATED PARTY TRANSACTIONS

Members of the Board of Management are related parties of the Association as defined by Financial Reporting Standard 102

The related party relationships of the members of the Board of Management are summarised as:

- Members are tenants of the Association - 2
- Members are factored owners - 0
- Board of Management members cannot use their position to their advantage. Any transactions between the Association and any entity with which a Board of Management member has a connection with is made at arm's length and is under normal commercial terms.
- Transactions with Board of Management members were as follows:

Rent Received from Tenants on the Board : £8,945.72

At the year- end total rent arrears owed by the tenant members of the Board were £0

DALMUIR PARK HOUSING ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2023
NOTES TO THE FINANCIAL STATEMENTS

23. DETAILS OF ASSOCIATION

The Association is a Registered Society registered within the Financial Conduct Authority and is domiciled in Scotland.

The Association's principal place of business is Beardmore House, 631 Dumbarton Road, Clydebank, G81 4EU.

The Association is a Registered Social Landlord and Scottish Charity that owns and manages social housing in Dalmuir, Clydebank.

The Association is a Registered Society with the Scottish Property Factors Register and is domiciled in Scotland.

24. RETIREMENT BENEFIT OBLIGATIONS

General

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 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 2021. This valuation revealed a deficit of £27m. A Recovery Plan was put in place to eliminate the deficit which ran to 30 September 2022.

The Scheme is classified as a 'last-man standing arrangement'. Therefore the company 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 February 2019, it was not possible for the company to obtain sufficient information to enable it to account for the Scheme as a defined benefit scheme, therefore the company has accounted for the Scheme as a defined contribution scheme.

For financial years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the company to account for the Scheme as a defined benefit scheme.

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

The latest accounting valuation was carried out with an effective date of 30 September 2022. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2023 to 29 February 2024 inclusive.

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

DALMUIR PARK HOUSING ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2023
NOTES TO THE FINANCIAL STATEMENTS

24. RETIREMENT BENEFIT OBLIGATIONS

(Continued)

Pension Scheme Liability movements:

	2023	2022
	£	£
As at 1 April 2022	-	105,000
Current Service Cost	10,000	31,000
Net Interest expense	-	2,000
Expenses	2,000	2,000
Deficit Contributions Paid	(31,505)	(75,000)
Impact of change in assumptions	81,000	(126,000)
Amendment to the contribution schedule	(20,495)	61,000
	<u>41,000</u>	<u>-</u>
As at 31 March 2023	41,000	-

PRESENT VALUES OF DEFINED BENEFIT OBLIGATION,

FAIR VALUE OF ASSETS AND DEFINED BENEFIT ASSET (LIABILITY)

	Period ended 31 March 2023 (£000s)	Period ended 31 March 2022 (£000s)
Fair value of plan assets	987	1,678
Present value of defined benefit obligation	1,028	1,617
Surplus (deficit) in plan	(41)	61
Unrecognised surplus		61
Defined benefit asset (liability) to be recognised	41	-

RECONCILIATION OF THE IMPACT OF THE ASSET CEILING

	31 March 2023 (£000s)	31 March 2022 (£000s)
Impact of the asset ceiling at start of the period	61	-
Effect of the asset ceiling included in net interest cost	3	-
Actuarial losses (gains) on asset ceiling	(64)	61
Impact of the asset ceiling at end of period	-	61

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24. RETIREMENT BENEFIT OBLIGATIONS

(Continued)

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE DEFINED BENEFIT OBLIGATION

	Period ended 31 March 2023 (£000s)	Period ended 31 March 2022 (£000s)
Defined benefit obligation at start of period	1,617	1,651
Current service cost	10	31
Expenses	2	2
Interest expense	44	37
Contributions by plan participants	13	16
Actuarial losses (gains) due to scheme experience	(34)	55
Actuarial losses (gains) due to changes in demographic assumptions	(19)	5
Actuarial losses (gains) due to changes in financial assumptions	(561)	(169)
Benefits paid and expenses	(44)	(11)
Defined benefit obligation at end of period	1,028	1,617

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE FAIR VALUE OF PLAN ASSETS

	Period ended 31 March 2023 (£000s)	Period ended 31 March 2022 (£000s)
Fair value of plan assets at start of period	1,678	1,546
Interest income	47	35
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	(759)	17
Contributions by the employer	52	75
Contributions by plan participants	13	16
Benefits paid and expenses	(44)	(11)
Fair value of plan assets at end of period	987	1,678

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2023 was (£712,000).

DEFINED BENEFIT COSTS RECOGNISED IN STATEMENT OF COMPREHENSIVE INCOME (SoCI)

	Period ended 31 March 2023 (£000s)	Period ended 31 March 2022 (£000s)
Current service cost	10	31
Expenses	2	2
Net interest expense		2
Defined benefit costs recognised in statement of comprehensive income (SoCI)	12	35

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24. RETIREMENT BENEFIT OBLIGATIONS

(Continued)

DEFINED BENEFIT COSTS RECOGNISED IN OTHER COMPREHENSIVE INCOME

	Period ended 31 March 2023 (£000s)	Period ended 31 March 2022 (£000s)
Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)	(759)	17
Experience gains and losses arising on the plan liabilities - gain (loss)	34	(55)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	19	(5)
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	561	169
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	(145)	126
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	64	(61)
Total amount recognised in other comprehensive income - gain (loss)	(81)	65

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24. RETIREMENT BENEFIT OBLIGATIONS

(Continued)

ASSETS

	Period ended 31 March 2023 (£000s)	Period ended 31 March 2022 (£000s)
Global Equity	26	332
Absolute Return	13	77
Distressed Opportunities	30	60
Credit Relative Value	38	54
Alternative Risk Premia	6	69
Fund of Hedge Funds	-	-
Emerging Markets Debt	8	62
Risk Sharing	72	55
Insurance-Linked Securities	28	35
Property	41	43
Infrastructure	106	105
Private Debt	44	42
Opportunistic Illiquid Credit	44	56
High Yield	5	16
Opportunistic Credit	-	6
Cash	4	5
Corporate Bond Fund	1	106
Liquid Credit	-	11
Long Lease Property	33	48
Secured Income	66	90
Over 15 Year Gilts	-	1
Liability Driven Investment	418	406
Current Hedging	2	(6)
Net Current Assets	2	5
Total assets	987	1,678

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

KEY ASSUMPTIONS

	Period ended 31 March 2023 % per annum	Period ended 31 March 2022 % per annum
Discount Rate	4.83	2.77
Inflation (RPI)	3.16	3.42
Inflation (CPI)	2.81	3.12
Salary Growth	3.81	4.12
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

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24. RETIREMENT BENEFIT OBLIGATIONS

(Continued)

The mortality assumptions adopted at 31 March 2023 imply the following life expectancies:

	Life expectancy at age 65 (Years)
Male retiring in 2023	20.5
Female retiring in 2023	23.0
Male retiring in 2043	21.7
Female retiring in 2043	24.4

25. CAPITAL COMMITMENTS

	2023	2022
	£	£
Capital expenditure which has been contracted for but has not been provided for in the financial statements	651,655	-
Capital expenditure which has been authorised by the Board of Management but is not contracted	-	-
	<u>651,655</u>	<u>-</u>
Funded by:		
Reserves	<u>651,655</u>	<u>-</u>
	<u>651,655</u>	<u>-</u>

26. CONTINGENT LIABILITY

We have been notified by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes.

The Trustee has been advised to seek clarification from the Court on these items. This process is ongoing and that matter is unlikely to be resolved before the end of 2024 at the earliest. It is recognised that this could potentially impact of the value of Scheme liabilities, but until Court directions are received, it is not possible to calculate the impact of this issue, particularly on an individual employer basis, with any accuracy at this time.

No adjustment has been made in these financial statements in respect of this potential issue.