



**Alexander Sloan**  
Accountants and Business Advisers

# **Dunbritton Housing Association Limited**

Report and Financial Statements

For the year ended 31 March 2024

Registered Social Landlord No. HAL260

FCA Reference No. 2421R(S)

Scottish Charity No. SC036518

# DUNBRITTON HOUSING ASSOCIATION LIMITED

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

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# DUNBRITTON HOUSING ASSOCIATION LIMITED

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## BOARD OF MANAGEMENT, EXECUTIVE AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2024

### BOARD OF MANAGEMENT

Sephton MacQuire	Chair
Elizabeth McCurdy	Vice Chair
Alistair Tuach	Secretary
Andrew Cameron	Board Member
Chris Chalk	Board Member
Fiona Craig	Board Member
Ian Davie	Board Member
Stephen Humphreys	Board Member
Julie Smillie	Board Member
Gary Mulvaney	Co-optee
Councillor Hazel Sorrell	Co-optee
Sonja Aitken	Board Member - Resigned 20/09/2023
Barry Mochan	Board Member - Appointed 20/09/2023 & Resigned 14/02/2024

### EXECUTIVE OFFICERS

Allan Murphy	Chief Executive Officer
Heather Maitz	Finance Manager
Robert Murray	Housing Services Manager
Paul Sweeney	Asset Manager
Daniel Wilson	Corporate Services Manager - Resigned 29/02/2024

### REGISTERED OFFICE

1 Hatters Lane  
Dumbarton  
G82 1AW

### EXTERNAL AUDITORS

Alexander Sloan LLP  
Accountants and Business Advisers  
180 St Vincent Street  
Glasgow  
G2 5SG

### INTERNAL AUDITORS

Quinn Internal Audit &  
Business Support Services Ltd  
GF, 4 Grosvenor Gardens  
Edinburgh  
Midlothian  
EH12 5JU

### FINANCE AGENTS

FMD Financial Services Ltd  
3 Clairmont Gardens  
Glasgow  
G3 7LW

### BANKERS

Bank of Scotland  
94/104 High Street  
Dumbarton  
G82 1PQ

### SOLICITORS

Harper McLeod  
Ca'd'oro Building  
45 Gordon Street  
Glasgow  
G1 3PE

# DUNBRITTON HOUSING ASSOCIATION LIMITED

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## REPORT OF THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2024

The Board of Management presents its report and the financial statements for the year ended 31 March 2024.

### Legal Status

The Association is registered with the Financial Conduct Authority as a Co-operative and Community Benefit Society (No. 2421R(S)), the Scottish Housing Regulator as a registered social landlord (No. HAL260) under the Housing (Scotland) Act 2010 and as is a registered Scottish Charity with the charity number SC036518.

### Principal Activities

The principal activities of the Association are the provision and management of affordable rented accommodation.

### Review of Business and Future Developments

At the time of completing this update we are still in the midst of a cost-of-living crisis, which has severely impacted many sectors within our society. However, once again the Association has responded well in this changing environment, we have positively attempted to support our tenants, provide services. I am pleased to confirm at the end of March 24 we remained a stable and financially robust organisation.

As of April 2024, we are in our 33 year of operation and continue to demonstrate that we are a viable and ambitious organisation with a good reputation across the Scottish Housing sector.

As previously reported the Board agreed to move towards the adoption of a more strategic Corporate Plan covering a three-year period from 2021 to 2024. As we end the financial year 2023/24 we are about to commence with our new plan from 2024 to 2027. Our planning process ensure that we:

- Review and reflects our vision & purpose.
- Has the capacity to respond to external challenges, including welfare reform, governance expectations, financial & other strategic risks, as well as the less obvious challenges around staff health & welfare.
- Is committed to both existing and future customers, through effective front-line service delivery.
- Is clear on its future direction including continued growth to address housing needs in our areas of operation.
- Has a staff structure that is fit for purpose.
- Empowers staff to develop professionally.
- Continuously reviews its organisational capacity to enable responsive and proactive service delivery.
- Know what we do well and what we could do better.
- Supports a culture of continuous improvement and customer focus.

# DUNBRITTON HOUSING ASSOCIATION LIMITED

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## REPORT OF THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2024

To prepare for our new Corporate Plan we held a Board Strategy Day in November 23 which was attended by our Housing consultant, to consider our Strategic Objectives in our next 3-year Corporate Plan from 2024.

### Corporate Plan

At our Board away day, facilitated by Linda Ewart, Consultant there was agreement that the existing Vision continues to serve Dunbritton well.

*"Dunbritton Housing Association's **Vision** is thriving, diverse, healthy and safe communities that enhance the quality of life for our customers".*

It was agreed that the organisation's **Purpose** should be to:

- Support our customers to sustain their homes and enjoy a better quality of life in communities that are safe and attractive.
- Work with our customers, staff and partners to achieve our Vision.
- Provide good quality housing and services that are affordable and accessible.
- Sustain our estates and their communities.

The Association's **Values** were reviewed, and the Board members confirmed that the Values remain sound:

- We listen and learn from our tenants & other customers.
- We are a responsible and caring social landlord and employer.
- We are open and accountable for everything we do.
- We are pro-active & innovative in dealing with opportunities and problems.
- We are honest, approachable, and reliable.
- We are respectful and will give fair treatment to everyone.

# DUNBRITTON HOUSING ASSOCIATION LIMITED

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## REPORT OF THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2024

### Review of Business and Future Developments (Contd.)

To assist shape our objectives the Board implemented a PESTLE analysis and considered Political, Economic, Social, Technological, Legal, and Environmental /Ethical impacts. Following this analysis the Board agreed the 4 **Strategic** objectives for the next Corporate Plan and agreed they should be:



To support our objectives, we have a suite of policies and associated procedures that we review and update on a regular basis. We need to be mindful of changes in the environment and when required respond with appropriate policies to ensure we embrace a risk aware culture.

### **Risk**

For any organisation it is imperative that they continually review the environment to ensure that they can mitigate against risks that may be in the short, medium or long term.

The Management Team meets on a regular basis with the Chief Executive to consider their respective departments and the overall risk to the Association. From this information we identify all high risks, which are included in our Management Action Plan.

The Association's Audit & Risk Committee meets 6 monthly, and our internal auditor attends those meetings. All high risks are discussed at every meeting to ensure that appropriate action is in place to manage or mitigate against the risk.

# DUNBRITTON HOUSING ASSOCIATION LIMITED

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## REPORT OF THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2024

### Review of Business and Future Developments (Contd.)

In addition to internal meetings and discussions the Association's staff network with various external agencies to ensure we are confident that we have an excellent awareness of potential risks. Key agencies include our banks, insurers, consultants, the Scottish Federation of Housing Associations, Glasgow West of Scotland Housing Forum, and Strategic meetings with Local Authorities. The CEO also attends specific CEO/ Director forums in Argyll and Bute and in Glasgow to ensure we participate in strategic discussions in relation to the sector.

Key areas during 2023/24 were as follows:

#### Governance

- The Annual Assurance Statement is a way for governing bodies and committees to assure firstly themselves and then tenants, people who are homeless or threatened with homelessness, Gypsy/Travellers, and other service users that they comply with regulatory requirements, or to disclose areas where they need to improve.

Our evidence bank has been up and running since 2021 and this has been a valuable source to both established and new Board members. Following every Board meeting the evidence bank is updated.

Our recent Engagement Plan from the Scottish Housing Regulator confirmed to the Board that Dunbritton Housing Association is compliant with the Regulatory Standards of Governance, Financial Management, and the requirements of Chapter Three of the Regulatory Framework.

- During 2023/24 our Corporate Services manager left the organisation, and this afforded us the opportunity to review the current staff structure. As a result, the Board agreed that the Finance Services department and the Corporate Services department could merge, and the current Finance manager would be responsible for both departments in their new role as Finance & Corporate Services Manager.
- We have also recently undertaken a review of our GDPR and Health & Safety responsibilities and will be engaging consultants with the relevant knowledge to provide advice and guidance in 2023/24.
- During 23/24 we have continued to hold hybrid meetings, however following a successful Board recruitment the Board decided that all the Board members should meet in person at least twice a year. It was thought that the Board needs to know each other if are to successfully work together in setting and meeting our objectives. This will be implemented from 1 April 2024.
- We have continued to ensure we meet with governance arrangements *and* are confident we have continued to comply with our constitutional and legal obligations. During 2024 the Board continued to meet as scheduled and in line with our Rules and due to this there was no requirement to have any enhanced delegated authority.

# DUNBRITTON HOUSING ASSOCIATION LIMITED

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## REPORT OF THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2024

### Review of Business and Future Developments (Contd.)

- In terms of the Scottish Federation of Housing Associations "Model Rules" (2021) our AGM in September 2023 was a hybrid meeting, which was quorate and following the meeting the new Board met and elected all office bearers.
- The secretary has ensured the code of conduct has been completed and recorded all declared interest.
- All statistical returns to the Scottish Housing Regulator were submitted on time.
- The CEO's appraisal was delayed to April 2024 as we were implementing our new objectives and Corporate Plan from the new financial year. The appraisal was completed by the chair and Linda Ewart, Housing consultant. (The Board will receive the initial objectives and a 6 monthly update).
- We constantly review our Board Planner to ensure that our reports to the Board are relevant and reflect the current working climate good practice and legislation to ensure good governance.

### Customers

- The Association participates in a very successful common housing allocations policy and the HomeArgyll Steering Group is currently reviewing our Allocations policy, which should hopefully be concluded later this year. This will update the policy with current legislative changes and other locally identified issues.
- Homelessness is increasing nationally bringing pressure to all Housing Associations in Scotland to let more of their properties to this client group. Whilst we are aware of these increased pressures, we are also conscious that the need for housing is felt across all of our applicant groups. We continue to work with local authorities to provide 50% of all properties to homeless persons.
- We have successfully made the move towards electronic surveys and have had a good response to the annual rent increase consultation where we had a return of 39%. This was particularly high compared to other community and national based associations. During 2024/25 we will be utilising these surveys to review services and ascertain satisfaction levels.
- Our tenant Scrutiny panel continues to develop and has considered various aspects of our service delivery. During 2023 we introduced 6 monthly presentations from the panel to the Board. This was well received by the Board as they wish to ensure that the scrutiny panel are fully supported by the Association.
- During 2023/24 our tenants in Rosneath benefited from an extensive £2.4m project to ensure their homes comply with the current Energy Efficiency standards. 36 homes are receiving new external wall insulation, solar panels, air source heat pumps new windows and doors.
- I mentioned the Cost-of-living crisis at the beginning of my report and during 23/24 the Association in partnership with Community Link Scotland and other locally based Associations have been very successful in attracting funding and support services for our tenants.



# DUNBRITTON HOUSING ASSOCIATION LIMITED

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## REPORT OF THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2024

### Review of Business and Future Developments (Contd.)

- Dunbritton led on a joint application (submitted in partnership with 4 other Housing Associations) and was awarded £39,908 in July 23 to support the appointment of an additional Energy Advisor to provide energy efficiency advice and energy advocacy for Housing Association tenants.
- The group of housing associations also attracted funding of £11,475 to assist Association tenants to access small scale warmth and/or energy efficient items that would support them to stay warm and maintain lower bills over the winter period.
- Further funding of £107,280 was awarded to the five Associations. Of this Dunbritton Housing Association was allocated £23,000. This supported 51 tenants (primarily Rosneath) to access £300 energy vouchers.

In addition to external funding the Association and its own staff team have continued with their own common good fund for tenants to access for assistance at their tenancy start or during their time as a Dunbritton tenant.

### Information technology

- We have continued our affiliation to the Scottish Business Resilience Centre (SBRC) so our systems remain robust, and we receive regular training for staff.
- We have recently received accreditation from the Cyber Essential Scheme and have conducted and exercise using ethical hackers to ensure our security remains robust.
- During 2023 we procured the Home Master Housing and Asset software package, and we went live in May 2024. This system will afford the Association the opportunity to consider better use of digital connectivity with our tenants.
- During 2023/24 we had utilised more digital methods to supplement service delivery however during 2024/25 we will be developing a digital strategy for the Association.

### Finance

The Board is pleased to report that like previous financial years the Association has ended 2023/24 with a healthy balance sheet. The Association generated a surplus of £936k and net assets totalling £14.3m.

- Capital expenditure on land and buildings for the year-to-date totals almost £3m. This primarily includes the Associations new development at Helensburgh and our retrofit program at Rosneath,
- Component spending to date is for kitchens, boilers, rewiring, air source heat pumps, and retention.
- Gross rent arrears at the end of March were 1.3%, which reduces to 0.8% after accounting for the current bad debt provision. This remains at very low levels.

# DUNBRITTON HOUSING ASSOCIATION LIMITED

## REPORT OF THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2024

### Review of Business and Future Developments (Contd.)

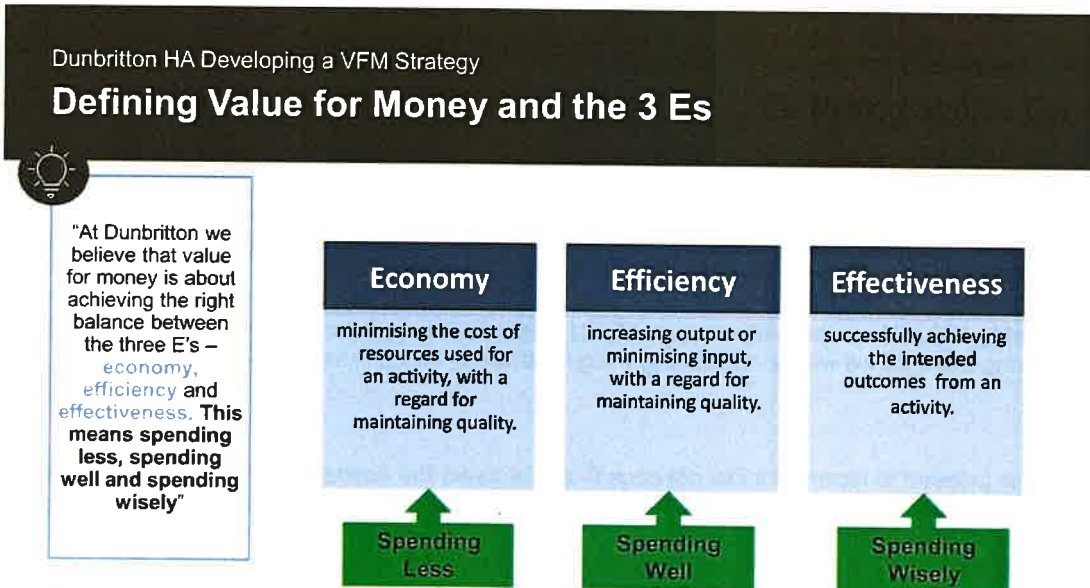
- The cash position at the end of March was approximately £2.8 million.
- Our internal audit programme is continuing, and in line with our Rules our external auditors were appointed at the AGM.

All financial reporting continues to be monitored and reported to the Board of Management. Cash flow is monitored daily, and all required payments are made within the specified timescales.

Short, medium and long term financial forecasts indicate positive financial outcomes and sensitivity analysis testing has been undertaken.

The Association continues to develop however with a large reduction in the Scottish housing budget this will undoubtedly have an impact on Local Authority and the Social Housing sector. At Dunbritton we will consider different types of housing construction such as modular housing and more partnership working with agencies such as Health & Social Care Partnerships to remodel or adapt existing properties.

Particularly in the current economic climate Value for Money is still a priority for the Association. We submitted our first value for Money report to the Board in March 24 . The report confirmed that we are performing well against several other Associations in all aspect of our business. We remain committed to our Value for Money statement.



Procurement and value for money work hand in hand and I am pleased to report that we did a successful procurement exercise for Gas/Plumbing, Joinery and secondary trades during 2023. Last year I reported we were continuing our journey with Investors in people, and I am delighted to report we were awarded the Gold standard. I am also pleased to report that following a staff survey 86% of staff thought Dunbritton was a good employer.

# DUNBRITTON HOUSING ASSOCIATION LIMITED

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## REPORT OF THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2024

### Review of Business and Future Developments (Contd.)

Our Community Support Fund remains popular within our communities, and we continue to fund and support local clubs and community initiatives such as The Brownies, football teams, dance schools and foodbanks.

Once again, I can report high satisfaction levels with the overall service at 93.5% and one of the lowest arrears management figures in the sector at under 1%.

Dunbritton at the year-end is financially secure, high performing with well-maintained homes and excellent satisfaction levels. This would not be possible without the dedicated Board members and staff team. I extend my thanks to everyone for yet another successful year.

# DUNBRITTON HOUSING ASSOCIATION LIMITED

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## REPORT OF THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2024

### **Board of Management and Executive Officers**

The members of the Board of Management and the Executive officers are listed on page 1.

Each member of the Board of Management holds one fully paid share of £1 in the Association. The Executive Officers hold no interest in the Association's share capital and, although not having the legal status of directors, they act as executives within the authority delegated by the Board of Management.

The members of the Board of Management are also trustees of the charity. Members of the Board of Management are appointed by the members at the Association's Annual General Meeting.

### **Statement of Board of Management's Responsibilities**

The Co-operative and Community Benefit Societies Act 2014 requires the Board of Management to prepare financial statements for each financial year that 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 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 a going concern basis unless it is inappropriate to presume that the Association will continue in business; and
- prepare a statement on internal financial control.

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 the Determination of Accounting Requirements 2024. It is 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.

### **Going Concern**

Based on its budgetary and forecasting processes the Board of Management has a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future; therefore, it continues to adopt the going concern basis of accounting in preparing the annual financial statements.

# DUNBRITTON HOUSING ASSOCIATION LIMITED

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## REPORT OF THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2024

### 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;
- 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 misstatement 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;
- the Board of Management receives 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;
- 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 end 31 March 2024. 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.

### Donations

During the year the Association made charitable donations of £5,000 (2023 - £4,970).

### Disclosure of Information to the Auditor

The members of the Board of Management at the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant information of which the auditors are unaware. They confirm that they have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

### Auditor

A resolution to reappoint the Auditors, Alexander Sloan, Accountants and Business Advisers, will be proposed at the Annual General Meeting.

# **DUNBRITTON HOUSING ASSOCIATION LIMITED**

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## **REPORT OF THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2024**

**By order of the Board of Management**

**Alistair Tuach**  
Secretary

19/8/2024

# DUNBRITTON HOUSING ASSOCIATION LIMITED

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## REPORT BY THE AUDITORS TO THE MEMBERS OF DUNBRITTON HOUSING ASSOCIATION ON CORPORATE GOVERNANCE MATTERS

In addition to our audit of the financial statements, we have reviewed your statement on page 11 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 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 of Internal Financial Control on page 11 has provided the disclosures required by the relevant Regulatory Standards within the publication "Our Regulatory Framework" and associated Regulatory Advice Notes issued by the Scottish Housing Regulator in respect of internal financial controls and is consistent with the information which came to our attention as a result of our audit work on the financial statements.

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 contained within the publication "Our Regulatory Framework" and associated Regulatory Advice Notes issued by the Scottish Housing Regulator in respect of internal financial controls.

**ALEXANDER SLOAN LLP**  
Accountants and Business Advisers  
Statutory Auditors  
GLASGOW

21/8/2024



**Alexander Sloan**  
Accountants and Business Advisers

# DUNBRITTON HOUSING ASSOCIATION LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DUNBRITTON HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2024

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### Opinion

We have audited the financial statements of Dunbritton Housing Association Limited (the 'Association') for the year ended 31 March 2024 which comprise the 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 Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2024 and of the surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 2024.

### Basis of Opinion

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

### Conclusions relating to going concern

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

### Other Information

The Board of Management is responsible for the other information. The other information comprises the information contained in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.



# DUNBRITTON HOUSING ASSOCIATION LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DUNBRITTON HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2024 (continued)

### Other Information (Contd.)

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

We have nothing to report in this regard.

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

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

- proper books of account have not been kept by the Association in accordance with the requirements of the legislation;
- a satisfactory system of control over transactions has not been maintained by the Association in accordance with the requirements of the legislation;
- the Statement of Comprehensive Income and Statement of Financial Position are not in agreement with the books of account of the Association; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of the Board of Management

As explained more fully in the statement of Board of Management's responsibilities as set out on page 10, the Board of Management is responsible for the preparation of the financial statements and for being satisfied that they give true and fair view, and for such internal control as the Board of Management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Management either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

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

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

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:

# DUNBRITTON HOUSING ASSOCIATION LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DUNBRITTON HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2024 (continued)

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

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 engagement partner 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 gained an understanding of the legal and regulatory framework applicable to the Association through discussions with the Board of Management and other management, and from our wider knowledge and experience of the RSL sector;
- we focused on specific laws and regulations 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 Benefit Societies Act 2014 (and related regulations), the Housing (Scotland) Act 2010 and other laws and regulations applicable to a registered social housing provider in Scotland. We also considered the risks of non-compliance with the other requirements imposed by the Scottish Housing Regulator and we considered the extent to which non-compliance might have a material effect on the financial statements.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; 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 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 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 set out in Note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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;
- reviewing the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing the Association's Assurance Statement and associated supporting information; and
- reviewing correspondence with the Scottish Housing Regulator, HMRC and the Association's legal advisors.

# DUNBRITTON HOUSING ASSOCIATION LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DUNBRITTON HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2024 (continued)

### The extent to which the audit was considered capable of detecting irregularities including fraud (Contd.)

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 Directors 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.

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

### Use of our Report

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

**ALEXANDER SLOAN LLP**  
Accountants and Business Advisers  
Statutory Auditors  
GLASGOW  
21/8/2024



## DUNBRITTON HOUSING ASSOCIATION LIMITED

### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024		2023	
		£	£	£	£
Revenue	2		6,580,790		6,458,113
Operating costs	2		4,952,474		4,733,167
<b>OPERATING SURPLUS</b>			<b>1,628,316</b>		<b>1,724,946</b>
Gain on sale of housing stock	7	117,247		56,223	
Interest receivable and other income		40,003		9,546	
Interest payable and similar charges	8	(690,338)		(608,170)	
Other finance (charges)/income	10	(5,000)		-	
			(538,088)		(542,401)
Surplus on ordinary activities before taxation	9		1,090,228		1,182,545
<b>SURPLUS FOR THE YEAR</b>			<b>1,090,228</b>		<b>1,182,545</b>
<b>Other comprehensive income</b>					
Impairment loss on revalued properties			(2,500)		-
Actuarial (losses)/gain on defined benefit pension plan	18		(152,000)		(114,000)
<b>TOTAL COMPREHENSIVE INCOME</b>			<b>935,728</b>		<b>1,068,545</b>

The results relate wholly to continuing activities.

The notes on pages 22 to 42 form an integral part of these financial statements.

# DUNBRITTON HOUSING ASSOCIATION LIMITED

## STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

	Notes	2024		2023	
		£	£	£	£
<b>NON-CURRENT ASSETS</b>					
Housing properties - depreciated cost	11		70,610,365		69,739,158
Other tangible assets	11		1,171,172		1,196,646
Investments	12		50,002		65,002
			<u>71,831,539</u>		<u>71,000,806</u>
<b>CURRENT ASSETS</b>					
Receivables	13	252,417		247,596	
Cash and cash equivalents	14	2,809,328		2,567,310	
				<u>2,814,906</u>	
<b>CREDITORS:</b> Amounts falling due within one year	15	(2,287,184)		(2,282,677)	
				<u>774,561</u>	<u>532,229</u>
<b>NET CURRENT ASSETS</b>					
			72,606,100		71,533,035
<b>TOTAL ASSETS LESS CURRENT</b>					
<b>CREDITORS:</b> Amounts falling due after more than one year	16		(15,570,255)		(15,849,622)
<b>PENSIONS AND OTHER PROVISIONS FOR</b> Scottish housing association pension scheme	18	(257,000)		(100,000)	
			(257,000)		(100,000)
<b>DEFERRED INCOME</b>					
Social housing grants	19	(41,598,662)		(41,333,365)	
Other grants	19	(836,448)		(842,022)	
			<u>(42,435,110)</u>		<u>(42,175,387)</u>
<b>NET ASSETS</b>			<u>14,343,735</u>		<u>13,408,026</u>
<b>EQUITY</b>					
Share capital	20		66		85
Revenue reserves			14,600,669		13,505,441
Revaluation reserve			-		2,500
Pension reserves			(257,000)		(100,000)
			<u>14,343,735</u>		<u>13,408,026</u>

The financial statements were approved by the Board of Management and authorised for issue and signed on their behalf on 19/8/2024

Board Member

Board Member

Secretary

The notes on pages 22 to 42 form an integral part of these financial statements.

# DUNBRITTON HOUSING ASSOCIATION LIMITED

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024		2023	
		£	£	£	£
<b>Surplus for the Year</b>			1,090,228		1,182,545
<i>Adjustments for non-cash items:</i>					
Depreciation of tangible fixed assets	11	1,958,086		2,060,764	
Amortisation of capital grants	19	(1,327,144)		(1,353,439)	
Transfer of interest to financial activities		650,335		598,624	
Gain on disposal of tangible fixed assets		(117,247)		(56,223)	
Non-cash adjustments to pension provisions		5,000		(40,000)	
Change in market value of investments		15,000		-	
Valuation adjustment		(2,500)		-	
Share capital written off	20	(26)		(10)	
			<u>1,181,504</u>		<u>1,209,716</u>
<b>Operating cash flows before movements in working capital</b>			2,271,732		2,392,261
Change in debtors		11,057		(41,453)	
Change in creditors		(208,131)		(215,970)	
			<u>(197,074)</u>		<u>(257,423)</u>
<b>Net cash inflow from operating activities</b>			<u>2,074,658</u>		<u>2,134,838</u>
<b>Investing Activities</b>					
Acquisition and construction of properties		(2,974,523)		(407,989)	
Purchase of other fixed assets		(8,442)		(5,216)	
Social housing grant received		1,842,282		295,659	
Social housing grant repaid		(86,285)		(68,431)	
Other grants repaid		-		(197)	
Proceeds on disposal of housing properties		296,393		108,462	
<b>Net cash outflow from investing activities</b>			<u>(930,575)</u>		<u>(77,712)</u>
<b>Financing Activities</b>					
Interest received on cash and cash equivalents		40,003		9,546	
Interest paid on loans		(690,338)		(608,170)	
Loan principal repayments		(251,737)		(1,231,727)	
Share capital issued	20	7		5	
<b>Net cash outflow from financing activities</b>			<u>(902,065)</u>		<u>(1,830,346)</u>
<b>Increase in cash</b>	21		242,018		226,780
<b>Opening cash &amp; cash equivalents</b>			<u>2,567,310</u>		<u>2,340,530</u>
<b>Closing cash &amp; cash equivalents</b>			<u><b>2,809,328</b></u>		<u><b>2,567,310</b></u>
<b>Cash and cash equivalents as at 31 March</b>					
Cash	21		<u>2,809,328</u>		<u>2,567,310</u>

The notes on pages 22 to 42 form an integral part of these financial statements.

# DUNBRITTON HOUSING ASSOCIATION LIMITED

## STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2024

	Share Capital		Revaluation Reserve		Scottish Housing Association Pension Reserve		Revenue Reserve		Total
	£	£	£	£	£	£	£	£	
<b>Balance as at 1 April 2022</b>	90	2,500	(26,000)	12,362,896	(100,000)	13,505,441	12,339,486		
Issue of Shares	5	-	-	-	-	-	5		
Cancellation of Shares	(10)	-	-	-	-	-	(10)		
Other comprehensive income	-	-	(114,000)	-	(114,000)	-	(114,000)		
Revaluation in year	-	-	-	-	-	-	-		
Other movements	-	-	40,000	(40,000)	-	-	-		
Surplus for the year	-	-	-	1,182,545	-	1,182,545	1,182,545		
<b>Balance as at 31 March 2023</b>	<b>85</b>	<b>2,500</b>	<b>(100,000)</b>	<b>13,505,441</b>	<b>(100,000)</b>	<b>13,408,026</b>	<b>13,408,026</b>		
<b>Balance as at 1 April 2023</b>	85	2,500	(100,000)	13,505,441	(100,000)	13,408,026	13,408,026		
Issue of Shares	7	-	-	-	-	-	7		
Cancellation of Shares	(26)	-	-	-	-	-	(26)		
Other comprehensive income	-	-	(152,000)	-	(152,000)	-	(152,000)		
Revaluation in year	-	(2,500)	-	-	-	-	(2,500)		
Other movements	-	-	(5,000)	5,000	-	-	-		
Surplus for the year	-	-	-	1,090,228	-	1,090,228	1,090,228		
<b>Balance as at 31 March 2024</b>	<b>66</b>	<b>-</b>	<b>(257,000)</b>	<b>14,600,669</b>	<b>(257,000)</b>	<b>14,343,735</b>	<b>14,343,735</b>		

The notes on pages 22 to 42 form an integral part of these financial statements.

# DUNBRITTON HOUSING ASSOCIATION LIMITED

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS

### 1. PRINCIPAL ACCOUNTING POLICIES

#### Statement of Compliance and 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. The Association is a Public Benefit Entity in terms of its compliance with Financial Reporting Standard 102, applicable for accounting periods on or after 1 January 2019. They comply with the Determination of Accounting Requirements 2024. A summary of the principal accounting policies is set out below

#### Revenue

Revenue comprises rental and service charge income receivable in the period, income from shared ownership first tranche sales, sales of properties built for sale, other services provided, revenue grants receivable and government grants released to income in the period.

The Association recognises rent receivable net of losses from voids. Service Charge Income (net of voids) is recognised with expenditure as it 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 they relate. Revenue grants are receivable when the conditions for receipt of the agreed grant funding have been met.

#### Retirement Benefits

The Association previously participated in the Scottish Housing Association Pension Scheme (SHAPS) a multi-employer defined benefit scheme where 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 organisations taken as a whole. The Association accounts for this scheme as a defined benefit pension scheme in accordance with FRS 102. The Association moved to the SHAPS defined contribution scheme on leaving the defined benefit scheme. Contributions to defined contribution plans are recognised as employee benefit expense when they are due. However, the Association still has an obligation to fund the past service of the previous defined benefit scheme.

#### Going Concern

On the basis that the Board of Management has a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future, the Association has adopted the going concern basis of accounting in preparing these financial statements.



# DUNBRITTON HOUSING ASSOCIATION LIMITED

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

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

#### Housing Properties

Housing properties are held for the provision of social housing. Housing properties are stated at cost less accumulated depreciation and impairment losses. Cost includes acquisition of land and buildings and development cost. The Association depreciates housing properties over the useful life of each major component. Housing under construction and land are not depreciated.

<i>Component</i>	<i>Useful Economic Life</i>
Kitchens	16 Years
Bathrooms	30 Years
Boilers	18 Years
Radiators	36 Years
Windows	30 Years
Internal Doors	35 Years
Rewiring	40 Years
Structures	50 Years

#### Depreciation and Impairment of Other Tangible Assets

Non-current assets are stated at cost less accumulated depreciation. Depreciation is charged over the expected economic useful lives of the assets at the following annual rates:

<i>Asset Category</i>	<i>Depreciation Rate</i>
Furniture & Fittings	25% Straight Line
Office Improvements	25% Straight Line
Office Equipment	25% Straight Line
Office Premises	2% Straight Line

The carrying values of non-current assets are reviewed for impairment at the end of each reporting period.

#### Social Housing Grants and Other Capital Grants

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 they relate.

Social housing grant attributed to individual components is written off to the statement of comprehensive income when these components are replaced.

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 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.

#### Taxation

The Association is a Registered Scottish Charity and is not liable to taxation on its charitable activities.

# DUNBRITTON HOUSING ASSOCIATION LIMITED

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (Continued)

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

#### **Taxation**

The Association is a Scottish Charity and is not liable to taxation on its charitable activities.

#### **Leases**

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 or the term of the lease whichever is shorter.

#### **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, a material reduction in future maintenance costs, or a significant extension of the life of the property.

#### **Capitalisation Of Development Overheads**

Directly attributable development administration costs relating to ongoing development activities are capitalised.

#### **Borrowing Costs**

Interest incurred on financing a development is capitalised up to the date of practical completion of the scheme. All other borrowing costs are expensed to the statement of comprehensive income using the effective interest rate method.

#### **Property Development Cost**

The proportion of the development cost of shared ownership properties expected to be disposed of as a first tranche sale is held in current assets until it is disposed of. The remaining part of the development cost is treated as a non-current asset. Surpluses made on the disposal of first tranche sales are taken to the Statement of Comprehensive Income.

Property developments that are intended for resale are included in current assets until disposal.

#### **Housing Property Managed By Agents**

Where a third party manages the Association's housing property the accounting treatment reflects the substance of the transactions. The property is only excluded if the rights and obligations associated with the scheme has been transferred to the third party.

#### **VAT**

The Association is VAT registered but the substantial proportion of its income is exempt for VAT purposes. As a result most of the VAT paid is not recovered and therefore expenditure is shown inclusive of VAT.

#### **Financial Instruments - Basic**

The Association classes all of its loans as basic financial instruments including agreements with break clauses. The Association recognises basic financial instruments 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.

# DUNBRITTON HOUSING ASSOCIATION LIMITED

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 1. PRINCIPAL ACCOUNTING POLICIES (Continued.)

#### **Cash and Liquid Resources**

Cash comprises cash at bank and in hand, deposits repayable on demand less overdrafts. Liquid resources are current asset investments that can't be disposed of without penalty and are readily convertible into amounts of cash at their carrying value.

#### **Impairment**

The Association assesses at the end of each accounting period whether there are indications that a non-current asset may be impaired or that an impairment loss previously recognised has fully or partially reversed.

Where the carrying value of non-current assets is less than their recoverable amounts the shortfall is recognised as an impairment loss in the Statement of Comprehensive Income. The recoverable amount is the higher of the fair value less costs to sell and value-in-use of the asset based on its service potential.

Impairment losses previously recognised are reversed if the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in the Statement of Comprehensive Income.

# DUNBRITTON HOUSING ASSOCIATION LIMITED

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

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

#### Key Judgements and estimates made in the application of Accounting Policies

The preparation of financial statements requires the use of certain accounting judgements and accounting estimates. It also requires the the Association to exercise judgement in applying its 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 are disclosed below.

#### Key Judgements

##### *a) 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 Board of Management considers its cash-generating units to be the schemes in which it manages its housing property for asset management purposes.

##### *c) Financial instrument break clauses*

The Board of Management has considered the break clauses attached to the financial instruments that it has in place for its loan funding. In their judgement these break clauses do not cause the financial instrument to be classified as a complex financial instrument and therefore they meet the definition of a basic financial instrument.

##### *d) Pension Liability*

The Association participated in a defined benefit pension scheme arrangement with the Scottish Housing Association Pension Scheme. The fund is administered by TPT Retirement Solutions ("TPT"). TPT have developed a method of calculating each member's share of the assets and liabilities of the scheme. The Association has decided that this method is appropriate and provides a reasonable estimate of the pension assets and liabilities of the Association and has therefore adopted this valuation method. Details regarding the key judgements and assumptions relating to the pension benefits is included in the Contingent Liabilities and the Retirement Benefit Obligations notes.

#### Estimation Uncertainty

##### *a) 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.

##### *b) 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.

##### *c) Useful life of properties, plant and equipment*

The Association assesses the useful life of its properties, plant and equipment and estimates the annual charge to be depreciated based on this assessment.

##### *d) Costs of shared ownership*

The Association allocates costs to shared ownership properties on a percentage basis split across the number of properties the Association owns.

##### *e) Defined pension liability*

In determining the value of the Association's share of defined benefit pension scheme assets and obligations, the valuation prepared by the Scheme actuary includes estimates of life expectancy, salary growth, inflation and the discount rate on corporate bonds.

# DUNBRITTON HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024  
NOTES TO THE FINANCIAL STATEMENTS (continued)

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

	Notes	Turnover £	Operating costs £	Operating surplus / (deficit) £	Turnover £	Operating costs £	Operating surplus / (deficit) £
Affordable letting activities	3	6,531,427	4,872,745	1,658,682	6,357,796	4,626,716	1,731,080
Other Activities	4	49,363	79,729	(30,366)	100,317	106,451	(6,134)
<b>Total</b>		<b>6,580,790</b>	<b>4,952,474</b>	<b>1,628,316</b>	<b>6,458,113</b>	<b>4,733,167</b>	<b>1,724,946</b>

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

	General Needs Housing £	Supported Housing £	Shared Ownership £	2024 Total £	2023 Total £
<b>Revenue from Lettings</b>					
Rent receivable net of service charges	4,720,780	244,146	121,772	5,086,698	4,851,744
Service charges receivable	-	59,232	9,198	68,430	56,839
<b>Gross income from rent and service charges</b>	<b>4,720,780</b>	<b>303,378</b>	<b>130,970</b>	<b>5,155,128</b>	<b>4,908,583</b>
Less: Rent losses from voids	(676)	-	-	(676)	(483)
<b>Income from rents and service charges</b>	<b>4,721,456</b>	<b>303,378</b>	<b>130,970</b>	<b>5,155,804</b>	<b>4,909,066</b>
Grants released from deferred income	1,224,438	61,193	49,352	1,334,983	1,399,650
Revenue grants from Scottish Ministers	40,640	-	-	40,640	49,080
<b>Total turnover from affordable letting activities</b>	<b>5,986,534</b>	<b>364,571</b>	<b>180,322</b>	<b>6,531,427</b>	<b>6,357,796</b>
<b>Expenditure on affordable letting activities</b>					
Management and maintenance administration costs	1,557,095	92,775	40,185	1,690,055	1,524,441
Service costs	-	59,232	9,198	68,430	56,839
Planned and cyclical maintenance, including major repairs	624,238	6,305	-	630,543	423,037
Reactive maintenance costs	535,331	22,308	-	557,639	609,493
Bad Debts - rents and service charges	1,908	-	-	1,908	4,066
Depreciation of affordable let properties	1,798,117	79,279	46,774	1,924,170	2,008,840
<b>Operating costs of affordable letting activities</b>	<b>4,516,689</b>	<b>259,899</b>	<b>96,157</b>	<b>4,872,745</b>	<b>4,626,716</b>
<b>Operating surplus on affordable letting activities</b>	<b>1,469,845</b>	<b>104,672</b>	<b>84,165</b>	<b>1,658,682</b>	<b>1,731,080</b>
<b>2023</b>	<b>1,554,352</b>	<b>96,469</b>	<b>80,259</b>		

## DUNBRITTON HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024  
NOTES TO THE FINANCIAL STATEMENTS (continued)

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

	Grants from Scottish Ministers	Other revenue grants	Other income	Total Turnover	Operating costs - bad debts	Other operating costs	Operating (deficit) / surplus 2024	Operating (deficit) / surplus 2023
	£	£	£	£	£	£	£	£
Wider role activities	11,475	-	-	11,475	-	15,435	(3,960)	14,051
Investment property activities	-	-	7,488	7,488	-	-	7,488	7,888
Factoring	-	-	22,923	22,923	1,126	36,101	(14,304)	(14,492)
Other activities	-	-	7,477	7,477	1,328	-	6,149	10,166
Tenant Participation	-	-	-	-	-	25,739	(25,739)	(23,747)
<b>Total From Other Activities</b>	<b>11,475</b>	<b>-</b>	<b>37,888</b>	<b>49,363</b>	<b>2,454</b>	<b>77,275</b>	<b>(30,366)</b>	<b>(6,134)</b>
<b>2023</b>	<b>48,377</b>	<b>15,000</b>	<b>36,940</b>	<b>100,317</b>	<b>3,844</b>	<b>102,607</b>	<b>(6,134)</b>	

# DUNBRITTON HOUSING ASSOCIATION LIMITED

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

<b>5. OFFICERS' EMOLUMENTS</b>		
	<b>2024</b>	<b>2023</b>
	£	£
The Officers are defined in the Co-operative and Community Benefit Societies Act 2014 as the members of the Board of Management, managers and employees of the Association.		
Aggregate emoluments payable to Officers with emoluments greater than £60,000 (excluding pension contributions and social security payments)	<u>148,410</u>	<u>83,221</u>
Pension contributions made on behalf on Officers with emoluments greater than £60,000	<u>12,473</u>	<u>6,443</u>
Compensation payable to Officers (employee) for loss of office	<u>-</u>	<u>-</u>
Emoluments payable to Chief Executive Officer (excluding pension contributions and social security payments)	<u>87,141</u>	<u>83,221</u>
Pension contributions paid on behalf of the Chief Executive Officer	<u>6,781</u>	<u>6,443</u>
Total emoluments payable to the Chief Executive Officer	<u>93,922</u>	<u>89,664</u>
Total emoluments paid to key management personnel (excluding social security payments)	<u>333,213</u>	<u>322,696</u>
The number of Officers, including the highest paid Officer, who received emoluments, including pension contributions, over £60,000 was in the following ranges:-		
	<b>Number</b>	<b>Number</b>
£60,001 to £70,000	<u>2</u>	<u>1</u>
£80,001 to £90,000	<u>-</u>	<u>1</u>
£90,001 to £100,000	<u>1</u>	<u>-</u>

<b>6. EMPLOYEE INFORMATION</b>		
	<b>2024</b>	<b>2023</b>
	No.	No.
Average monthly number of full time equivalent persons employed during the year	<u>21</u>	<u>21</u>
Average total number of employees employed during the year	<u>22</u>	<u>24</u>
Staff costs were:	£	£
Wages and salaries	875,922	851,921
National insurance costs	86,010	84,102
Pension costs	75,027	73,781
Temporary, agency and seconded staff	21,615	16,110
	<u>1,058,574</u>	<u>1,025,914</u>

During the year the Association made contributions of £0 (2023 - £39,702) towards the past service deficit of the Scottish Housing Association Pension Scheme.

# DUNBRITTON HOUSING ASSOCIATION LIMITED

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

### 7. GAIN ON SALE OF HOUSING STOCK

	2024	2023
	£	£
Sales proceeds	418,094	171,000
Cost of sales	<u>300,847</u>	<u>114,777</u>
Gain on sale of housing stock	<u>117,247</u>	<u>56,223</u>

### 8. INTEREST PAYABLE AND SIMILAR CHARGES

	2024	2023
	£	£
On bank loans and overdrafts	690,338	608,170
Less: Interest Capitalised on developments	<u>-</u>	<u>-</u>
	<u>690,338</u>	<u>608,170</u>

### 9. SURPLUS FOR THE YEAR

	2024	2023
	£	£
Surplus For The Year is stated after charging/(crediting):		
Depreciation - non-current assets	1,958,086	2,060,764
Auditors' remuneration - audit services	<u>10,980</u>	<u>10,320</u>

### 10. OTHER FINANCE (CHARGES)/INCOME

	2024	2023
	£	£
Net interest on pension obligations	<u>(5,000)</u>	<u>-</u>



# DUNBRITTON HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024  
NOTES TO THE FINANCIAL STATEMENTS (continued)

## 11. NON-CURRENT ASSETS

(a) Housing Properties	Housing Properties Held for Letting £	Housing Properties In course of Construction £	Shared Ownership Completed £	Total £
<b>COST</b>				
At 1 April 2023	91,448,934	801,956	2,583,834	94,834,724
Additions	241,643	2,732,880	-	2,974,523
Disposals	(617,736)	-	-	(617,736)
Transfers	27,204	(27,204)	-	-
At 31 March 2024	<u>91,100,045</u>	<u>3,507,632</u>	<u>2,583,834</u>	<u>97,191,511</u>
<b>DEPRECIATION</b>				
At 1 April 2023	23,900,653	-	1,194,913	25,095,566
Charge for Year	1,877,396	-	46,774	1,924,170
Transfers	-	-	-	-
Disposals	(438,590)	-	-	(438,590)
At 31 March 2024	<u>25,339,459</u>	<u>-</u>	<u>1,241,687</u>	<u>26,581,146</u>
<b>NET BOOK VALUE</b>				
At 31 March 2024	<u>65,760,586</u>	<u>3,507,632</u>	<u>1,342,147</u>	<u>70,610,365</u>
At 31 March 2023	<u>67,548,281</u>	<u>801,956</u>	<u>1,388,921</u>	<u>69,739,158</u>

Expenditure on Existing Properties	2024		2023	
	Component replacement £	Non-component £	Component replacement £	Non-component £
Amounts capitalised	268,847	-	369,080	-
Amounts charged to the statement of comprehensive income	-	<u>1,188,182</u>	-	<u>1,032,530</u>

All land and housing properties are heritable.

Additions to housing properties include capitalised development administration costs of £35,362 (2023-£25,690).

The Association's lenders have standard securities over housing property with a carry value of £38,985,069 (2023 - £40,002,583).

# DUNBRITTON HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024  
NOTES TO THE FINANCIAL STATEMENTS (continued)

## 11. NON CURRENT ASSETS (continued)

(b) Other tangible assets	Office Premises £	Office Equipment £	Furniture & Fittings £	Office Improvements £	Total £
<b>COST</b>					
At 1 April 2023	1,234,345	234,973	140,758	23,169	1,633,245
Additions	-	6,223	2,219	-	8,442
At 31 March 2024	1,234,345	241,196	142,977	23,169	1,641,687
<b>DEPRECIATION</b>					
At 1 April 2023	49,374	226,558	137,498	23,169	436,599
Charge for year	24,687	5,872	3,357	-	33,916
At 31 March 2024	74,061	232,430	140,855	23,169	470,515
<b>NET BOOK VALUE</b>					
At 31 March 2024	1,160,284	8,766	2,122	-	1,171,172
At 31 March 2023	1,184,971	8,415	3,260	-	1,196,646

## 12. FIXED ASSET INVESTMENTS

	2024 £	2023 £
Subsidiary undertakings	2	2
Investment properties	50,000	65,000
	<u>50,002</u>	<u>65,002</u>

### Subsidiary Undertakings

Dunbritton Housing Association Limited has one non-active wholly owned subsidiary undertakings. The registered office of the subsidiaries is 1 Hatters Lane, Dumbarton, G82 1AW.

	2024		2023	
	Reserves £	Profit / (Loss) £	Reserves £	Profit / (Loss) £
Dunbritton Commercial Limited	<u>2</u>	<u>-</u>	<u>2</u>	<u>-</u>

### Investment Properties

	2024 £	2023 £
At 1 April 2023 and 31 March 2024	50,000	65,000
	<u>50,000</u>	<u>65,000</u>
At 1 April 2023	£	£
Revaluation taken to admin costs	65,000	65,000
Revaluation taken to other comprehensive income	(12,500)	-
	(2,500)	-
At 31 March 2024	<u>50,000</u>	<u>65,000</u>

Investment properties were valued by Whitelaw Baikie Figes, an independent qualified surveyor, on 31 March 2024.

# DUNBRITTON HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024  
 NOTES TO THE FINANCIAL STATEMENTS (continued)

<b>13. RECEIVABLES</b>		
	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Gross arrears of rent & service charges	64,767	60,745
<b>Less:</b> Provision for doubtful debts	<u>(24,702)</u>	<u>(24,781)</u>
Net arrears of rent and service charges	40,065	35,964
Social housing grant receivable	37,468	21,590
Other receivables	<u>174,884</u>	<u>190,042</u>
	<u>252,417</u>	<u>247,596</u>

<b>14. CASH AND CASH EQUIVALENTS</b>		
	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	1,809,328	1,567,310
Balances held in deposit accounts	<u>1,000,000</u>	<u>1,000,000</u>
	<u>2,809,328</u>	<u>2,567,310</u>

<b>15. PAYABLES: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Bank loans	1,270,949	1,243,319
Trade payables	209,934	170,280
Rent received in advance	148,307	186,130
Social housing grant in advance	492,887	307,879
Other payables	147,764	336,943
Accruals and deferred income	<u>17,343</u>	<u>38,126</u>
	<u>2,287,184</u>	<u>2,282,677</u>

# DUNBRITTON HOUSING ASSOCIATION LIMITED

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

### 16. PAYABLES: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024	2023
	£	£
Bank loans	15,570,255	15,849,622
	<u>15,570,255</u>	<u>15,849,622</u>

### 17. DEBT ANALYSIS - BORROWINGS

	2024	2023
	£	£
<b>Bank Loans</b>		
Amounts due within one year	1,270,949	1,243,319
Amounts due in one year or more but less than two years	1,283,892	1,250,582
Amounts due in two years or more but less than five years	3,223,991	3,968,500
Amounts due in more than five years	11,062,372	10,630,540
	<u>16,841,204</u>	<u>17,092,941</u>

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

Lender	Effective Interest Rate	Maturity (Year)	Variable or Fixed
Fixed	Circa 2.5% all in rate	2027	Fixed
Fixed	Circa 5.1% all in rate	2027	Fixed
Fixed	Circa 3.4% all in rate	2029	Fixed
Variable	Circa 7.8% all in rate	2028	Variable
Variable	Circa 5.4% all in rate	2028	Variable
Variable	Circa 7.3% all in rate	2030	Variable
Variable	Circa 7.3% all in rate	2033	Variable
Variable	Circa 7.0% all in rate	2043	Variable
Variable	Circa 6.9% all in rate	2048	Variable

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

In accordance with FRS 102 the Association's bank borrowings are valued using at amortised cost using the effective interest rate method.

	2024	2023
	£	£
Due to lenders At 31 March 2024	17,043,289	17,225,498
Effective interest rate adjustment	(202,085)	(132,557)
	<u>16,841,204</u>	<u>17,092,941</u>

# DUNBRITTON HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024  
NOTES TO THE FINANCIAL STATEMENTS (continued)

## 18. RETIREMENT BENEFIT OBLIGATIONS

### Scottish Housing Association Pension Scheme

Dunbritton Housing Association Limited participates in the Scottish Housing Association Pension Scheme (the Scheme), a multi-employer pension scheme which provides benefits to some 150 non-associated employers. The Scheme is a defined benefit scheme in the UK.

On 31 August 2020 the Association withdrew from the defined benefit scheme with all remaining members moving onto the Scottish Housing Association Pension defined contribution scheme.

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 pensions schemes in the UK.

The last triennial valuation of the Scheme was performed as at 30 September 2021 by a professionally qualified actuary using the Projected Unit Credit method. The market value of the Scheme's assets at the valuation date was £1,173m. The valuation revealed a shortfall of assets compared with the value of liabilities of £27m (equivalent to a past service funding level of 98%). A recovery plan is in place to eliminate the past service deficit which ran to 30 September 2022 for the majority of employers, although certain employers have different arrangements.

The Scheme Actuary prepared an Actuarial Report that provides an approximate update on the funding position of the Scheme as at 30th September 2023. Such a report is required by legislation for years in which a full actuarial valuation is not carried out. The funding position revealed a decrease in the assets of the Scheme to £644m and a decrease in the liabilities to approximately £716m, equivalent to a reduced past service funding level of 90%.

The Scheme operates on a 'last man standing' basis, meaning that in the event of an employer withdrawing from the Scheme and being unable to pay its share of the debt on withdrawal, then the liability of the withdrawing employer is reapportioned amongst the remaining employer. Therefore in certain circumstances the Association may become liable for the obligations of a third party.

### Present values of defined benefit obligation, fair value of assets and defined benefit (liability) / asset

	2024	2023	2022
	£	£	£
Fair value of plan assets	1,816,000	1,946,000	2,895,000
Present value of defined benefit obligation	2,073,000	2,046,000	2,921,000
(Deficit) / Surplus in plan	<u>(257,000)</u>	<u>(100,000)</u>	<u>(26,000)</u>
Defined benefit (liability) / asset to be recognised	<u>(257,000)</u>	<u>(100,000)</u>	<u>(26,000)</u>

# DUNBRITTON HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024  
NOTES TO THE FINANCIAL STATEMENTS (continued)

## 18. RETIREMENT BENEFIT OBLIGATIONS (continued)

### Scottish Housing Association Pension Scheme (continued.)

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

	2024	2023
	£	£
Defined benefit obligation at the start of period	2,046,000	2,921,000
Current service cost	-	-
Expenses	3,000	2,000
Interest expense	99,000	81,000
Contributions by plan participants	-	-
Actuarial losses / (gains) due to scheme experience	2,000	(36,000)
Actuarial (gains) / losses due to changes in demographic assumptions	(12,000)	(44,000)
Actuarial (gains) / losses due to changes in financial assumptions	(7,000)	(823,000)
Benefits paid and expenses	(58,000)	(55,000)
Defined benefit obligation at the end of period	<u>2,073,000</u>	<u>2,046,000</u>

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

	2024	2023
	£	£
Fair value of plan assets at start of period	1,946,000	2,895,000
Interest income	94,000	81,000
Experience on plan assets (excluding amounts included in interest income) - (loss) / gain	(169,000)	(1,017,000)
Contributions by the employer	3,000	42,000
Contributions by plan participants	-	-
Benefits paid and expenses	(58,000)	(55,000)
Fair value of plan assets at the end of period	<u>1,816,000</u>	<u>1,946,000</u>

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2024 was (£75,000) (2023 -(£936,000)).

# DUNBRITTON HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024  
 NOTES TO THE FINANCIAL STATEMENTS (continued)

## 18. RETIREMENT BENEFIT OBLIGATIONS (continued)

### Scottish Housing Association Pension Scheme (continued.)

#### Defined benefit costs recognised in the statement of comprehensive income

	2024	2023
	£	£
Current service cost	-	-
Expenses	3,000	2,000
Net interest expense	5,000	-
Defined benefit costs recognised in statement of comprehensive income	<u>8,000</u>	<u>2,000</u>

#### income

	2024	2023
	£	£
Experience on plan assets (excluding amounts included in net interest income) - (loss) / gain	(169,000)	(1,017,000)
Experience gains and losses arising on plan liabilities - (loss) / gain	(2,000)	36,000
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligations - gain / (loss)	12,000	44,000
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligations - gain / (loss)	<u>7,000</u>	<u>823,000</u>
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - (loss) / gain	<u>(152,000)</u>	<u>(114,000)</u>
Total amount recognised in other comprehensive income - (loss) / gain	<u>(152,000)</u>	<u>(114,000)</u>

# DUNBRITTON HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024  
NOTES TO THE FINANCIAL STATEMENTS (continued)

## 18. RETIREMENT BENEFIT OBLIGATIONS (continued)

### Scottish Housing Association Pension Scheme (continued.)

#### Assets

	2024	2023	2022
	£	£	£
Absolute Return	82,000	27,000	133,000
Alternative Risk Premia	65,000	11,000	120,000
Corporate Bond Fund	-	3,000	183,000
Credit Relative Value	64,000	74,000	93,000
Distressed Opportunities	67,000	60,000	104,000
Emerging Markets Debt	32,000	15,000	108,000
Fund of Hedge Funds	1,000	-	-
Global Equity	209,000	51,000	572,000
Infrastructure	174,000	210,000	181,000
Insurance-Linked Securities	11,000	54,000	61,000
Liability Driven Investment	657,000	824,000	700,000
Currency Hedging	(1,000)	4,000	(11,000)
Long Lease Property	14,000	65,000	83,000
Net Current Assets	2,000	4,000	9,000
Over 15 Year Gilts	-	-	1,000
Private Debt	73,000	87,000	73,000
Property	77,000	81,000	75,000
Risk Sharing	109,000	142,000	94,000
Secured Income	61,000	130,000	155,000
Opportunistic Illiquid Credit	72,000	86,000	96,000
Liquid Credit	-	-	19,000
High Yield	-	10,000	28,000
Opportunistic Credit	-	-	10,000
Cash	47,000	8,000	8,000
Total assets	1,816,000	1,946,000	2,895,000

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

#### Key Assumptions

	2024	2023	2022
Discount Rate	4.9%	4.9%	2.8%
Inflation (RPI)	3.2%	3.2%	3.6%
Inflation (CPI)	2.8%	2.8%	3.2%
Salary Growth	3.8%	3.8%	4.2%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance		

The mortality assumptions adopted at 31 March 2024 imply the following life expectancies:

	Life expectancy at age 65 (years)
Male retiring in 2024	20.2
Female retiring in 2024	22.7
Male retiring in 2044	21.4
Female retiring in 2044	24.1



# DUNBRITTON HOUSING ASSOCIATION LIMITED

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

### 19. DEFERRED INCOME

	Social Housing Grants £	Other Housing Grants £	Non Housing Grants £	Total £
<b>Capital grants</b>				
At 1 April 2023	41,333,365	842,022	-	42,175,387
Additions in the year	1,673,152	-	-	1,673,152
Eliminated on disposal	(86,285)	-	-	(86,285)
Amortisation in year	(1,321,570)	(5,574)	-	(1,327,144)
<b>Net book value</b>				
At 31 March 2024	<u>41,598,662</u>	<u>836,448</u>	<u>-</u>	<u>42,435,110</u>
At 31 March 2023	<u>41,333,365</u>	<u>842,022</u>	<u>-</u>	<u>42,175,387</u>

This is expected to be released to the Statement of Comprehensive Income in the following years:

	2024 £	2023 £
Amounts due within one year	1,414,576	1,399,650
Amounts due in more than one year	41,020,534	40,775,737
	<u>42,435,110</u>	<u>42,175,387</u>

### 20. SHARE CAPITAL

Shares of £1 each, issued and fully paid	2024 £	2023 £
At 1 April	85	90
Issued in year	7	5
Cancelled in year	(26)	(10)
At 31 March	<u>66</u>	<u>85</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.

# DUNBRITTON HOUSING ASSOCIATION LIMITED

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

### 21. CASH FLOWS

#### Reconciliation of net cash flow to movement in net debt

	£	2024 £	£	2023 £
Increase in cash	242,018		226,780	
Change in liquid resources	-		-	
Cashflow from change in net debt	<u>251,737</u>		<u>1,231,727</u>	
Movement in net debt during the year		493,755		1,458,507
Net debt at 1 April		<u>(14,525,631)</u>		<u>(15,984,138)</u>
Net debt at 31 March		<u>(14,031,876)</u>		<u>(14,525,631)</u>

	At 01/04/2023 £	Cashflows £	Other Changes £	At 31/03/2024 £
Cash and cash equivalents	<u>2,567,310</u>	<u>242,018</u>	-	<u>2,809,328</u>
Debt: Due within one year	2,567,310	242,018	-	2,809,328
Debt: Due after more than one year	<u>(1,243,319)</u>	<u>251,737</u>	<u>(279,367)</u>	<u>(1,270,949)</u>
Net debt	<u>(14,525,631)</u>	<u>493,755</u>	<u>279,367</u>	<u>(15,570,255)</u>
			-	<u>(14,031,876)</u>

### 22. CAPITAL COMMITMENTS

	2024 £	2023 £
Capital Expenditure that has been contracted for but has not been provided for in the financial statements	<u>822,962</u>	<u>-</u>

The above commitments are financed by a mixture of public grant, private finance and the Association's own resources.

### 23 COMMITMENTS UNDER OPERATING LEASES

	2024 £	2023 £
At the year end, the total minimum lease payments under non-cancellable operating leases were as follows:		
<b>Other</b>		
Expiring in the next year	<u>3,182</u>	<u>5,317</u>

# DUNBRITTON HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024  
 NOTES TO THE FINANCIAL STATEMENTS (continued)

## 24. DETAILS OF ASSOCIATION

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

The Association's principal place of business is 1 Hatters Lane, Dumbarton, G82 1AW, .

The Association is a Registered Social Landlord and Scottish Charity that owns and manages social housing property in West Dunbartonshire & Argyll & Bute.

## 25. BOARD OF MANAGEMENT MEMBER EMOLUMENTS

Board of Management members received £1,768 (2023 - £1,112) in the year by way of reimbursement of expenses. No remuneration is paid to Board of Management members in respect of their duties to the Association.

## 26. HOUSING STOCK

The number of units of accommodation in management at the year end was:-	2024 No.	2023 No.
General needs	734	735
Supported housing	219	226
Shared ownership	43	43
Supported housing	22	22
	<u>1,018</u>	<u>1,026</u>

## 27. RELATED PARTY TRANSACTIONS

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

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 (and their close family) were as follows:

	2024 £	2023 £
Rent received from tenants on the Board of Management and their close family members	<u>18,441</u>	<u>22,083</u>

At the year end total rent arrears owed by the tenant members on the Board of Management (and their close family) were £0 (2023 - £0).

Members of the Board of Management who are tenants	4	5
Members of the Board of Management who are local councillors	1	2

# DUNBRITTON HOUSING ASSOCIATION LIM

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

### 28 CONTINGENT LIABILITY

The Trustee has carried out a review comparing the benefits provided to Scheme members with the requirements of the Scheme documentation. It has received legal advice that there is sufficient uncertainty regarding the effect of some benefit changes that the Court should be asked to provide clarity; in order to provide the Trustee with the certainty it needs to properly administer the Scheme.

Preparation for the Court case is progressing to schedule and the Court has provided an expected window for the hearing during February 2025, with the judgment currently expected around June 2025.

It was estimated that this could potentially increase the value of the full Scheme liabilities by £27m. We note that these estimates were calculated as at 30 September 2022 on the Scheme's Technical Provisions basis.

Should the Court decide that the historic benefit changes need to be applied differently, then some member benefits would need to be increased, which would increase the value placed on Scheme liabilities. As the matter is ongoing, in line with the prior year, no allowance has been made to the financial statements for potential additional liabilities within the estimate provided above.