



Alexander Sloan
Accountants and Business Advisers

Glen Oaks Housing Association Limited

Report and Financial Statements

For the year ended 31 March 2022

Registered Social Landlord No. HCB241

FCA Reference No. 2402R(S)

Scottish Charity No. SC034301

GLEN OAKS HOUSING ASSOCIATION LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Contents

	Page
Members of the Board, Executive and Advisers	1
Report of the Board	2 – 9
Report by the Auditors on corporate governance matters	10
Report of the Auditors	11 -14
Statement of comprehensive income	15
Statement of financial position	16
Statement of cash flows	17
Statement of changes in equity	18
Notes to the financial statements	19 - 36

GLEN OAKS HOUSING ASSOCIATION LIMITED

BOARD, EXECUTIVES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2022

BOARD

Mr S Gaunt	Chair
Ms K Clayton	Vice-Chair
Ms K Barker	Treasurer
Ms F Koroma	Secretary
Mrs E Gotowicz	Resigned 28.7.21
Mr J Ayorinde	
Mr A Edgar	
Ms M Flaherty	Resigned 20.3.22
Mrs H Gracie	
Ms F Koroma	
Mrs P McGinlay MBE	Deceased 23.8.21
Mr M Overthrow	
Mr M Smith	
Mrs Patricia Gallagher	Appointed 25.5.22

EXECUTIVE OFFICERS

Alasdair McKee	Chief Executive
Nicola Logan	Finance Director
Jean Murray	Housing Services Director (retired 10.6.22)
Donald Weir	Technical Director
Kirsty Wilson	Housing Services Director (appointed 1.6.22)

REGISTERED OFFICE

3 Kilmuir Drive
Arden
Glasgow
G46 8BW

EXTERNAL AUDITORS

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

INTERNAL AUDITORS

Henderson Loggie
The Vision Building
20 Greenmarket
Dundee
DD1 4QB

BANKERS

Royal Bank of Scotland
Fenwick Road
Glasgow
G46 6XB

SOLICITORS

T C Young
7 West George Street
Glasgow
G2 1BA

GLEEN OAKS HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2022

The Board presents its report and the financial statements for the year ended 31 March 2022.

Legal Status

The Association is registered with the Financial Conduct Authority as a Co-operative and Community Benefit Society (No. 2402R(S)), the Scottish Housing Regulator as a registered social landlord (No. HCB241) under the Housing (Scotland) Act 2010 and as a registered Scottish Charity with the charity number SC034301.

Principal Activities

The principal activities of the Association are the provision and management of affordable rented accommodation and the development of low-cost home ownership schemes.

Review of Business and Future Developments

Glen Oaks Housing Association identifies with the following Strategic Aims:

- Dedication to offering housing solutions and routes into social inclusion by building, managing, and maintaining a range of affordable housing.
- Contributing to community sustainability and regeneration, through innovation and relationships built on trust with our customers and partners.
- Ensure we are an employer of choice and that we deliver quality service and standards throughout our activities including customer involvement.
- Ensure the Association is financially and operationally viable.
- Respect for diversity and ensuring accountability, openness, and integrity.
- Ensure all activities comply with good governance.

Our Vision is one of diverse communities in which people can expand their opportunities, exercise choice and maximise their potential. To help achieve this, we want to help to drive innovation and quality in accessible housing in Scotland. Some of the main objectives which we think can help this aim include;

- Achieving continuous improvement in all the services we deliver and achieving and maintaining high standards of business efficiency and effectiveness.
- Creating opportunities for significant levels of user involvement in what we do.

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

GLEN OAKS HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2022 Review of Business and Future Developments (Contd.)

Operational Review

Corporate Governance

Glen Oaks has a Board that is elected by the members of the Association. It is the responsibility of the Board to undertake the strategy, setting of policy and overall direction of the Association. It also monitors the operational activities of the Association. The members of the Board are unpaid.

The Association also has the following Sub-Committees:

- Finance, Audit and Corporate Services Sub-Committee
- Housing, Technical and Health & Safety Sub-Committee

The Corporate Management Team of Glen Oaks (as listed on page 1) are responsible for achieving the strategy set and undertaking the operational activities in line with policies set. The Corporate Management Team together with the members of the Board are considered to be the Key Management Personnel of the Association.

Our Governing Body is our Board, which is responsible to the wider membership. Board members serve in a voluntary capacity and we recognise that this puts even more onus on us to ensure that we set and achieve high standards of professionalism in our work. We take governance very seriously and in the last year we have continued to build on work from previous years which has strengthened our governance arrangements.

Customer Engagement

Tenant involvement and participation is extremely important to Glen Oaks. We have an established tenant-led Service Improvement Group. During this year the Service Improvement Group completed their review of the Communication strategy, carried out a review of the rent consultation and process and started a review of Value for Money.

The Service Improvement Group will continue to be developed and supported through training provided by TIS.

GLEN OAKS HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2022

Review of Business and Future Developments (Contd.)

Performance Management

The Association operates a robust performance management system based on the annual internal management plan. The objectives contained within this document flow through the entire organisation and are reflected in the individual staff members' development reviews. From these, a training needs assessment is carried out and the appropriate training programme prepared for the year. The Association is committed to involving staff in decision making and policy making. As such, we also have two staff review days each year. We also involve our Board members in a skills and training review.

Glen Oaks is also a member of a benchmarking group where performance comparisons are reviewed and discussed in detail.

Best use of resources

We are keen to introduce new ways of working that will ensure the best use of our resources. We continue to develop our IT systems and this year we carried out improvements to our tenant portal.

Services

The Association aims to provide an excellent service to our tenants. Our Gold Service scheme has been in place for a number of years and has been well received by tenants. The scheme provides benefits to those tenants that keep to the conditions of their tenancy agreement. In this current year we provided bonus bonds.

Maintenance Policies

In line with the SORP 2018, replacements to building components (as identified in Note 1) are capitalised in the accounts as they occur. All other major repairs are charged to the Statement of Comprehensive Income.

GLEN OAKS HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2022

Review of Business and Future Developments (Contd.)

Development Issues

The Association received planning permission for a 47unit development at Kennisholm Avenue, Old Darnley. Following site acquisition and procurement, the project will be financed through Scottish Government grant funding and from private finance.

Housing Issues

The Association has an income maximisation team, supported by welfare rights and debt/energy advisers. We have an early intervention approach to supporting tenants who are having difficulty paying their rent. This has been essential due to the hardship faced by some of our tenants through the Pandemic and subsequent cost of living crisis. We currently have 47% of our tenants who receive assistance with housing costs. This year we collected 99.17% of our rental income with gross rent arrears increasing slightly from 3.42% to 3.7%.

Our stock turnover decreased this year from 7.42% to 5.4% and our void loss reduced from 1.79% to 0.95%. While we did see an improvement in our void loss, there is still work to be done to improve our void performance, to reduce void loss further as it were pre-pandemic. Our contractor has a new specialised team in place with the aim to reduce our days to re-let and so it is anticipated that this will improve. During the year we worked in partnership with the Glasgow City Council to increase the number of temporary furnished flats available for homeless persons. In addition to the 14 properties that we lease to GCC for this purpose we also leased another 2 properties to GCC's Asylum and Refugee Team and worked with GCC Local Lettings Community to ensure that we contributed to the targets set by the Council to permanently rehouse homeless applicants. We have been successful in supporting many of our previously homeless tenants and have recorded 81.4% tenancy sustainment in the last year. The demand for our properties continues to rise at a healthy rate, we had 582 applicants on our housing list at the end of March, an increase of 166 applicants on the previous year. We continue to offer a fully responsive Anti-Social Behaviour Service to our tenants and improved upon our response rate of 98.47% achieving 99.05% cases resolved within locally agreed targets this year.

Communities Issues

The home is fundamental to the well-being of people and the sustainment of communities. The shaping of services and the creation of networks to support our communities is an essential part of our business. This approach enabled us to quickly respond and support many of our vulnerable tenants at the start of the Pandemic. We have been very successful during 2021/22 and have continued our befrienders service, many of our classes such as Couch to 5K, Tai Chi and an eight-week self-development course have resumed again. In addition, our digital lending library continues to be a popular service.

GLEN OAKS HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2022

Review of Business and Future Developments (Contd.)

Working with our tenants and volunteers, we are seeing greater participation and engagement from within our communities. Our recent Tenant Satisfaction Survey showed that 97% of our tenants were satisfied with the opportunities to participate in the Association's services. We are in the process of establishing a community garden which has been supported by AS Homes who recently completed our 49 new build homes. Funding has been obtained to develop this through 21/22.

Property Maintenance

The major repairs programme was limited to the following in 2021-22:

- Completion of the programme of installation of linked smoke and heat alarms at various properties.
- Completion of timber fence replacement contract in Ben Macdui Gardens, Darnley.

A full programme of cyclical maintenance took place which included:

- Electrical safety inspections
- Common paintwork
- Gas servicing
- 6 monthly inspections of common water tanks
- Servicing of ventilation units
- Landscape maintenance and tree pruning
- Commencement of fortnightly tenement backcourt bulk uplift service

The reactive and void maintenance programmes both resumed as normal following on from the limits placed on the service by the pandemic.

Risk Management Policy

The Association has a formal risk management process to assess business risks and implement risk management strategies. This involved identifying the types of risks the Association faces, prioritising them in terms of potential impact and likelihood of occurrence and identifying means of mitigating the risks. As part of this process the Board has reviewed the adequacy of the Association's current Internal Controls.

In addition, the Board has considered the guidance for directors of public listed companies contained within the Turnbull Report. The Board believe that, although this is not mandatory for the Association, it should, as a public body, adopt these guidelines as best practice.

Accordingly the Board have set policies on internal controls which cover the following:

- Consideration of the type of risks the Association faces;
- The level of risks which they regard as acceptable;
- The likelihood of the risks concerned materialising;
- The Association's ability to reduce the incidence and impact on the business of risks that do materialise;
- Clarified the responsibility of management to implement policies and identify and evaluate risks;
- Communicated that employees have responsibility for internal control as part of their accountability for achieving objectives;
- Embedded the control system in the RSL's operations so that it becomes part of the culture of the Association;
- Developed systems to respond quickly to evolving risks arising from factors within and to changes in the external environment; and
- Included procedures for reporting failings immediately to appropriate levels of management and the Board together with details of corrective action being taken.

GLEEN OAKS HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2022

Board and Executive Officers

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

Each member of the Board 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.

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

Statement of Board's Responsibilities

The Co-operative and Community Benefit Societies Act 2014 requires the Board 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 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 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 2019. 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 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.

GLEEN OAKS HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2022

Statement on Internal Financial Control

The Board 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'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 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;
- the Board 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 has reviewed the effectiveness of the system of internal financial control in existence in the Association for the year end 31 March 2022. 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 £540 (2021 - £300).

Disclosure of Information to the Auditor

The members of the Board 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.

GLEN OAKS HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2022

By order of the Board



Fiona Koroma
Secretary
24 August 2022

GLEEN OAKS HOUSING ASSOCIATION LIMITED

REPORT BY THE AUDITORS TO THE MEMBERS OF GLEEN OAKS HOUSING ASSOCIATION LIMITED ON CORPORATE GOVERNANCE MATTERS

In addition to our audit of the financial statements, we have reviewed your statement on page 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 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 8 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 and Officers of the Association and examination of relevant documents, we have satisfied ourselves that the Board'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
Accountants and Business Advisers
Statutory Auditors
GLASGOW
24 August 2022



GLEN OAKS HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLEN OAKS HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2022

Opinion

We have audited the financial statements of Glen Oaks Housing Association Limited (the 'Association') for the year ended 31 March 2022 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 2022 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 2019.

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's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt 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 with respect to going concern are described in the relevant sections of this report.

Other Information

The Board 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.

GLEN OAKS HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLEN OAKS HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2022 (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 requires 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

As explained more fully in the statement of Board's responsibilities as set out on page 7, the Board 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 determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board 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 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:

GLEN OAKS HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLEN OAKS HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2022 (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 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
- 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 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.

GLEN OAKS HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLEN OAKS HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2022 (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
Accountants and Business Advisers
Statutory Auditors
GLASGOW
24 August 2022



GLEN OAKS HOUSING ASSOCIATION LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022	2021
		£	£
Revenue	2	7,422,759	6,927,461
Operating costs	2	5,794,234	4,804,621
OPERATING SURPLUS		1,628,525	2,122,840
Gain on sale of housing stock	7	-	39,498
Interest receivable and other income		1,342	4,337
Interest payable and similar charges	8	(1,135,395)	(1,102,840)
Other Finance income/(charges)	11	(16,000)	(1,000)
		(1,150,053)	(1,060,005)
SURPLUS FOR THE YEAR	9	478,472	1,062,835
Other comprehensive income			
Actuarial gains/(losses) on defined benefit pension plan	19	576,000	(965,000)
TOTAL COMPREHENSIVE INCOME		1,054,472	97,835

The results relate wholly to continuing activities.

The notes on pages 19 to 36 form an integral part of these financial statements.

GLEN OAKS HOUSING ASSOCIATION LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

	Notes	2022		2021	
		£	£	£	£
NON-CURRENT ASSETS					
Housing properties - depreciated cost	12		58,646,701		59,731,820
Other tangible assets	12		282,644		308,653
Intangible assets	12		216,923		243,515
Investments	13		47,064		47,064
			<u>59,193,332</u>		<u>60,331,052</u>
CURRENT ASSETS					
Receivables	14	455,930		471,317	
Cash and cash equivalents	15	8,944,233		8,319,044	
		<u>9,400,163</u>		<u>8,790,361</u>	
CREDITORS: Amounts falling due within one year	16	(2,816,568)		(2,652,194)	
		<u>NET CURRENT ASSETS</u>	6,583,595	<u>NET CURRENT ASSETS</u>	6,138,167
TOTAL ASSETS LESS CURRENT LIABILITIES					
			65,776,927		66,469,219
CREDITORS: Amounts falling due after more than one year	17		(26,957,866)		(27,555,878)
PENSIONS AND OTHER PROVISIONS FOR LIABILITIES AND CHARGES					
Scottish housing association pension scheme	19	(91,000)		(877,000)	
			<u>(91,000)</u>		<u>(877,000)</u>
DEFERRED INCOME					
Social housing grants	20	(26,747,869)		(27,083,837)	
Other grants	20	(2,445,774)		(2,472,554)	
		<u>(29,193,643)</u>		<u>(29,556,391)</u>	
NET ASSETS					
			<u>9,534,418</u>		<u>8,479,950</u>
EQUITY					
Share capital	21		94		98
Revenue reserves			9,625,324		9,356,852
Pension reserves			(91,000)		(877,000)
			<u>9,534,418</u>		<u>8,479,950</u>

The financial statements were approved by the Board and authorised for issue and signed on their behalf on 24th August 2022.

The notes on pages 19 to 36 form an integral part of these financial statements.

GLEN OAKS HOUSING ASSOCIATION LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022		2021	
		£	£	£	£
Surplus for the Year			478,472		1,062,835
<i>Adjustments for non-cash items:</i>					
Depreciation of tangible fixed assets	12	1,363,693		1,218,779	
Development costs written off		90,931		-	
Amortisation of intangible assets	12	40,919		39,766	
Amortisation of capital grants	20	(345,482)		(327,067)	
Gain on disposal of tangible fixed assets	7	-		(39,498)	
Non-cash adjustments to pension provisions		(210,000)		(236,000)	
Change in market value of investments		-		(18,564)	
Share capital written off	21	(4)		(6)	
			940,057		637,410
Interest receivable			(1,342)		(4,337)
Interest payable	8		1,135,395		1,102,840
Operating cash flows before movements in working capital			2,552,582		2,798,748
Change in debtors		15,387		(36,619)	
Change in creditors		74,033		(348,684)	
			89,420		(385,303)
Net cash inflow from operating activities			2,642,002		2,413,445
Investing Activities					
Acquisition and construction of properties		(326,630)		(1,298,745)	
Purchase of Intangible Fixed Assets		(14,327)		-	
Purchase of other fixed assets		(16,866)		(12,600)	
Social housing grant received		39,734		234,311	
Social housing grant repaid		(57,000)		-	
Proceeds on disposal of housing properties		-		46,836	
Net cash outflow from investing activities			(375,089)		(1,030,198)
Financing Activities					
Loan advances received		-		3,000,000	
Interest received on cash and cash equivalents		1,342		4,337	
Interest paid on loans		(1,135,395)		(1,102,840)	
Loan principal repayments		(507,671)		(601,598)	
Net cash (outflow) / inflow from financing activities			(1,641,724)		1,299,899
Increase in cash	26		625,189		2,683,146
Opening cash & cash equivalents			8,319,044		5,635,898
Closing cash & cash equivalents			8,944,233		8,319,044
Cash and cash equivalents as at 31 March					
Cash	26		8,944,233		8,319,044
			8,944,233		8,319,044

The notes on pages 19 to 36 form an integral part of these financial statements.

GLEN OAKS HOUSING ASSOCIATION LIMITED

STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2022

	Share Capital	Scottish Housing Pension reserve	Revenue Reserve	Total
	£	£	£	£
Balance as at 1 April 2020	104	(148,000)	8,530,017	8,382,121
Cancellation of Shares	(6)	-	-	(6)
Other comprehensive income	-	(965,000)	-	(965,000)
Other movements	-	236,000	(236,000)	-
Surplus for the year	-	-	1,062,835	1,062,835
Balance as at 31 March 2021	98	(877,000)	9,356,852	8,479,950
Balance as at 1 April 2021	98	(877,000)	9,356,852	8,479,950
Cancellation of Shares	(4)	-	-	(4)
Other comprehensive income	-	576,000	-	576,000
Other movements	-	210,000	(210,000)	-
Surplus for the year	-	-	478,472	478,472
Balance as at 31 March 2022	94	(91,000)	9,625,324	9,534,418

The notes on pages 19 to 36 form an integral part of these financial statements.

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 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 beginning on or after 1 January 2019. They comply with the Determination of Accounting Requirements 2019. A summary of the principal accounting policies is set out below.

Revenue

Revenue comprises rental and service charge income receivable in the period, 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 an employee benefit expense when they are due.

Going Concern

On the basis that the Board 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.

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 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	Over 15 years
Bathrooms	Over 20 years
Boilers/Fires	Over 15 years
Windows/Doors	Over 25 years
Land	Not depreciated
Structure	Over 100 years
Roofs	Over 60 years
Mechanical Systems	Over 30 years
Electrics	Over 30 years
Windows 2	Over 45 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>
Office Premises	2% Per annum
Furniture and Equipment	25% Per annum
Motor Vehicles	25% Per annum
Housing Software	10% Per annum

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.

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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.

Investment Properties

Investment properties are stated on an EUV-SH basis with the latest valuation having been performed by an independent professional adviser, JLL, in May 2021.

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 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 the 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 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 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 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 participates in a defined benefit pension scheme arrangement with the Scottish Housing Association Pension Scheme. The fund is administered by the Pensions Trust. The Pension Trust 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. Judgements relating to the benefits issue are included in Note 28.

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 an 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.

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS (continued)

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

	Notes	2022			2021		
		Turnover £	Operating costs £	Operating surplus / (deficit) £	Turnover £	Operating costs £	Operating surplus / (deficit) £
Affordable letting activities	3	7,001,580	5,128,153	1,873,427	6,724,468	4,344,523	2,379,945
Other Activities	4	421,179	666,081	(244,902)	202,993	460,098	(257,105)
Total		7,422,759	5,794,234	1,628,525	6,927,461	4,804,621	2,122,840

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

	General Needs Housing £	Shared Ownership £	2022 Total £	2021 Total £
Revenue from Lettings				
Rent receivable net of service charges	6,457,585	101,854	6,559,439	6,339,424
Service charges receivable	171,576	745	172,321	168,469
Gross income from rent and service charges	6,629,161	102,599	6,731,760	6,507,893
Less: Rent losses from voids	75,662	-	75,662	110,492
Income from rents and service charges	6,553,499	102,599	6,656,098	6,397,401
Grants released from deferred income	345,482	-	345,482	327,067
Total turnover from affordable letting activities	6,898,981	102,599	7,001,580	6,724,468
Expenditure on affordable letting activities				
Management and maintenance administration costs	1,964,544	14,666	1,979,210	1,823,764
Service costs	328,728	-	328,728	262,104
Planned and cyclical maintenance, including major repairs	712,662	-	712,662	491,076
Reactive maintenance costs	760,706	-	760,706	581,021
Bad Debts - rents and service charges	26,029	-	26,029	10,605
Depreciation of affordable let properties	1,320,818	-	1,320,818	1,175,953
Operating costs of affordable letting activities	5,113,487	14,666	5,128,153	4,344,523
Operating surplus on affordable letting activities	1,785,494	87,933	1,873,427	2,379,945
2021	2,301,182	78,763		

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 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	Other operating costs	Operating surplus / (deficit) 2022	Operating surplus / (deficit) 2021
	£	£	£	£	£	£	£
Wider role activities	104,241	50,817	-	155,058	211,189	(56,131)	(100,236)
Investment property activities	-	-	-	-	-	-	18,564
Factoring	-	-	54,288	54,288	55,815	(1,527)	(5,743)
Uncapitalised development administration costs	197,095	-	-	197,095	356,175	(159,080)	(139,642)
Other activities	-	-	14,738	14,738	35,147	(20,409)	(27,346)
Rechargeable repairs	-	-	-	-	7,755	(7,755)	(2,702)
Total From Other Activities	301,336	50,817	69,026	421,179	666,081	(244,902)	(257,105)
2021	74,825	55,505	72,663	202,993	460,098	(257,105)	

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 NOTES TO THE FINANCIAL STATEMENTS (continued)

5. OFFICERS' EMOLUMENTS

	2022	2021
	£	£
The Officers are defined in the Co-operative and Community Benefit Societies Act 2014 as the members of the Board, managers and employees of the Association.		
Aggregate emoluments payable to Officers with emoluments greater than £60,000 (excluding pension contributions)	324,936	314,229
Pension contributions made on behalf on Officers with emoluments greater than £60,000	29,715	29,480
Emoluments payable to Chief Executive (excluding pension contributions)	81,600	80,948
Pension contributions paid on behalf of the Chief Executive	8,152	8,088
Total emoluments payable to the Chief Executive	89,752	89,036
Total emoluments paid to Key Management personnel	354,651	343,709

The number of Officers, including the highest paid Officer, who received emoluments, including pension contributions, over £60,000 was in the following ranges:-

	Number	Number
£70,001 to £80,000	2	3
£80,001 to £90,000	2	1

6. EMPLOYEE INFORMATION

	2022	2021
	No.	No.
Average monthly number of full time equivalent persons employed during the year	36	35
Average total number of employees employed during the year	42	37
Staff costs were:	£	£
Wages and salaries	1,188,842	1,160,769
National insurance costs	125,473	118,854
Pension costs	128,297	120,854
	1,442,612	1,400,477

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 NOTES TO THE FINANCIAL STATEMENTS (continued)

7. GAIN ON SALE OF HOUSING STOCK

	2022	2021
	£	£
Sales proceeds	-	46,836
Cost of sales	-	7,338
	<u> </u>	<u> </u>
Gain on sale of housing stock	-	39,498
	<u> </u>	<u> </u>

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2022	2021
	£	£
On bank loans and overdrafts	1,135,395	1,102,840
	<u> </u>	<u> </u>
	1,135,395	1,102,840
	<u> </u>	<u> </u>

9. SURPLUS FOR THE YEAR

	2022	2021
	£	£
Surplus For The Year is stated after charging/(crediting):		
Depreciation - non-current assets	1,352,932	1,200,165
Loss on component disposals	10,762	-
Auditors' remuneration - audit services	9,950	9,400
	<u> </u>	<u> </u>

10. CORPORATION TAX

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

11. OTHER FINANCE INCOME / (CHARGES)

	2022	2021
	£	£
Net interest on pension obligations	(16,000)	(1,000)
	<u> </u>	<u> </u>

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 NOTES TO THE FINANCIAL STATEMENTS (continued)

12. NON-CURRENT ASSETS

(a) Housing Properties	Housing Properties Held for Letting £	Housing Properties In course of Construction £	Shared Ownership Completed £	Care Home £	Total £
COST					
At 1 April 2021	71,150,096	378,695	1,427,993	1,130,981	74,087,765
Additions	266,875	59,755	-	-	326,630
Disposals	(70,729)	(90,930)	-	-	(161,659)
	<u>71,346,242</u>	<u>347,520</u>	<u>1,427,993</u>	<u>1,130,981</u>	<u>74,252,736</u>
At 31 March 2022	71,346,242	347,520	1,427,993	1,130,981	74,252,736
DEPRECIATION					
At 1 April 2021	13,015,085	-	1,156,672	184,188	14,355,945
Charge for Year	1,294,273	-	-	15,784	1,310,057
Disposals	(59,967)	-	-	-	(59,967)
	<u>14,249,391</u>	<u>-</u>	<u>1,156,672</u>	<u>199,972</u>	<u>15,606,035</u>
At 31 March 2022	14,249,391	-	1,156,672	199,972	15,606,035
NET BOOK VALUE					
At 31 March 2022	57,096,851	347,520	271,321	931,009	58,646,701
At 31 March 2021	58,135,011	378,695	271,321	946,793	59,731,820

Expenditure on Existing Properties	2022		2021	
	<i>Component replacement</i> £	<i>Improvement/ Repairs</i> £	<i>Component replacement</i> £	<i>Improvement/ Repairs</i> £
Amounts capitalised	122,167	120,601	94,083	91,067
Amounts charged to the statement of comprehensive income	-	1,473,368	-	1,072,097
	<u>122,167</u>	<u>1,473,368</u>	<u>94,083</u>	<u>1,072,097</u>

All land and housing properties are heritable.

The Association's lenders have standard securities over housing property with a carry value of £51,855,855 (2021 - £53,190,330).

The depreciation charge on housing properties as shown above differs from that per Note 3 due to accelerated depreciation on component replacements.

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 NOTES TO THE FINANCIAL STATEMENTS (continued)

12. NON CURRENT ASSETS (continued)				
(b) Other tangible assets	Office Premises £	Furniture & Equipment £	Machinery & Equipment £	Total £
COST				
At 1 April 2021	334,168	378,436	15,951	728,555
Additions	-	16,866	-	16,866
At 31 March 2022	<u>334,168</u>	<u>395,302</u>	<u>15,951</u>	<u>745,421</u>
DEPRECIATION				
At 1 April 2021	96,399	317,523	5,980	419,902
Charge for year	6,685	32,201	3,989	42,875
At 31 March 2022	<u>103,084</u>	<u>349,724</u>	<u>9,969</u>	<u>462,777</u>
NET BOOK VALUE				
At 31 March 2022	<u>231,084</u>	<u>45,578</u>	<u>5,982</u>	<u>282,644</u>
At 31 March 2021	<u>237,769</u>	<u>60,913</u>	<u>9,971</u>	<u>308,653</u>

12. (c) Intangible assets	Housing Software £	Total £
COST		
At 1 April 2021	403,218	403,218
Additions	14,327	14,327
At 31 March 2022	<u>417,545</u>	<u>417,545</u>
AMORTISATION		
At 1 April 2021	159,703	159,703
Charge for year	40,919	40,919
At 31 March 2022	<u>200,622</u>	<u>200,622</u>
NET BOOK VALUE		
At 31 March 2022	<u>216,923</u>	<u>216,923</u>
At 31 March 2021	<u>243,515</u>	<u>243,515</u>

13. FIXED ASSET INVESTMENTS	2022 £	2021 £
At 1 April 2021 and 31 March 2022	<u>47,064</u>	<u>47,064</u>

The above investments relate to investment properties which were valued by an independent professional adviser, JLL, in May 2021 on an EUV-SH Basis.

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 NOTES TO THE FINANCIAL STATEMENTS (continued)

14. RECEIVABLES		
	2022	2021
	£	£
Gross arrears of rent & service charges	400,762	401,507
Less: Provision for doubtful debts	(207,614)	(194,515)
<i>Net arrears of rent and service charges</i>	193,148	206,992
Other receivables	262,782	264,325
	<u>455,930</u>	<u>471,317</u>

15. CASH AND CASH EQUIVALENTS		
	2022	2021
	£	£
Cash at bank and in hand	8,944,233	8,319,044
	<u>8,944,233</u>	<u>8,319,044</u>

16. PAYABLES: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2022	2021
	£	£
Bank loans	582,111	491,770
Trade payables	437,182	266,536
Rent received in advance	240,349	197,129
Other payables	992,798	992,903
Accruals and deferred income	564,128	703,856
	<u>2,816,568</u>	<u>2,652,194</u>

17. PAYABLES: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
	2022	2021
	£	£
Bank loans	26,957,866	27,555,878
	<u>26,957,866</u>	<u>27,555,878</u>

18. DEBT ANALYSIS - BORROWINGS		
	2022	2021
	£	£
Bank Loans		
Amounts due within one year	582,111	491,770
Amounts due in one year or more but less than two years	599,298	599,276
Amounts due in two years or more but less than five years	1,701,015	1,789,029
Amounts due in more than five years	24,657,552	25,167,573
	<u>27,539,976</u>	<u>28,047,648</u>

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

Lender	Number of Properties Secured	Effective Interest Rate	Maturity (Year)	Variable or Fixed
Nationwide	Standard security over 33 properties	3.6%	2033	Variable
Nationwide	Standard security over 33 properties	0.9%	2030	Variable
Nationwide	Standard security over 22 properties	3.6%	2033	Variable
Nationwide	Standard security over 53 properties	0.9%	2034	Variable
RBS	Standard security over 78 properties	2.4%	2025	Variable
RBS	Standard security over 78 properties	2.4%	2041	Variable
THFC	Standard security over 913 properties	6.4%	2039	Fixed
Bank of Scotland	Standard security over 145 properties	3.2%	2043	Fixed
Bank of Scotland	Standard security over 145 properties	2.0%	2043	Variable
Unity Trust Bank	Standard Security over 45 properties	2.2%	2031	Variable

Included within Loans after five years is £1,239,729 (2021 - £1,311,595) relating to a premium received on issue of a £14.3M bond. This is being released to the Statement of Comprehensive Income over the period of the bond.

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 NOTES TO THE FINANCIAL STATEMENTS (continued)

19. RETIREMENT BENEFIT OBLIGATIONS

Scottish Housing Association Pension Scheme

Glen Oaks Housing Association Limited participated in the Scottish Housing Association 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, sets out the framework for funding defined benefit occupational pensions schemes in the UK.

The last valuation of the Scheme was performed as at 30 September 2018 by a professionally qualified actuary using the Projected Unit Credit method. The market value of the Scheme's assets at the valuation date was £877m. The valuation revealed a shortfall of assets compared with the value of liabilities of £121m (equivalent to a past service funding level of 89%). A recovery plan is in place to eliminate the past service deficit which runs to 28 February 2022.

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 employers. 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 asset / (liability)

	2022 £	2021 £
Fair value of plan assets	6,819,000	6,998,000
Present value of defined benefit obligation	6,910,000	7,875,000
Surplus / (deficit) in plan	<u>(91,000)</u>	<u>(877,000)</u>
Defined benefit asset / (liability) to be recognised	<u>(91,000)</u>	<u>(877,000)</u>

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 NOTES TO THE FINANCIAL STATEMENTS (continued)

19. RETIREMENT BENEFIT OBLIGATIONS (continued)

Scottish Housing Association Pension Scheme (continued.)

Reconciliation of opening and closing balances of the defined benefit obligation

	2022 £	2021 £
Defined benefit obligation at the start of period	7,875,000	7,529,000
Expenses	7,000	8,000
Interest expense	169,000	166,000
Actuarial losses (gains) due to scheme experience	(362,000)	(44,000)
Actuarial losses (gains) due to changes in demographic assumptions	21,000	-
Actuarial losses (gains) due to changes in financial assumptions	(574,000)	1,363,000
Benefits paid and expenses	(226,000)	(1,147,000)
Defined benefit obligation at the end of period	<u>6,910,000</u>	<u>7,875,000</u>

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

	2022 £	2021 £
Fair value of plan assets at start of period	6,998,000	7,381,000
Interest income	153,000	165,000
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	(339,000)	354,000
Contributions by the employer	233,000	245,000
Benefits paid and expenses	(226,000)	(1,147,000)
Fair value of plan assets at the end of period	<u>6,819,000</u>	<u>6,998,000</u>

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2022 was £(186,000).

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022
 NOTES TO THE FINANCIAL STATEMENTS (continued)

19. RETIREMENT BENEFIT OBLIGATIONS (continued)

Scottish Housing Association Pension Scheme (continued.)

Defined benefit costs recognised in the statement of comprehensive income

	2022 £	2021 £
Expenses	7,000	8,000
Net interest expense	16,000	1,000
	<u>23,000</u>	<u>9,000</u>
Defined benefit costs recognised in statement of comprehensive income	<u>23,000</u>	<u>9,000</u>

Defined benefit costs recognised in the other comprehensive income

	2022 £	2021 £
Experience on plan assets (excluding amounts included in interest income) - gain /(loss)	(339,000)	354,000
Experience gains and losses arising on plan liabilities - gain /(loss)	362,000	44,000
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligations - gain /(loss)	(21,000)	-
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligations - gain / (loss)	574,000	(1,363,000)
Total amount recognised in other comprehensive income - gain (loss)	<u>576,000</u>	<u>(965,000)</u>

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 NOTES TO THE FINANCIAL STATEMENTS (continued)

19. RETIREMENT BENEFIT OBLIGATIONS (continued)

Scottish Housing Association Pension Scheme (continued.)

Assets

	2022	2021	2020
	£'000	£'000	£'000
Absolute Return	313	345	453
Alternative Risk Premia	282	281	592
Corporate Bond Fund	431	528	539
Credit Relative Value	219	202	178
Distressed Opportunities	244	239	135
Emerging Markets Debt	254	282	262
Global Equity	1,348	1,083	1,015
Infrastructure	426	391	435
Insurance-Linked Securities	143	146	198
Liability Driven Investment	1,649	1,683	1,944
Long Lease Property	196	162	180
Net Current Assets	22	52	56
Over 15 Year Gilts	3	3	94
Private Debt	172	165	146
Property	177	125	137
Risk Sharing	222	250	234
Secured Income	364	385	410
Opportunistic Liquid Credit	226	179	180
Liquid credit	44	121	193
High Yield	66	183	-
Opportunistic Credit	24	191	-
Cash	19	2	-
Currency Hedging	(25)	-	-
Total assets	<u>6,819</u>	<u>6,998</u>	<u>7,381</u>

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

	2022	2021	2020
Discount Rate	2.8%	2.2%	2.4%
Inflation (RPI)	3.6%	3.3%	2.6%
Inflation (CPI)	3.2%	2.9%	1.6%
Salary Growth	4.2%	3.9%	2.6%
Allowance for commutation of pension for cash at retirement	<u>75%</u>	<u>75%</u>	<u>75%</u>

The mortality assumptions adopted at 31 March 2022 imply the following life expectancies:

	Life expectancy at age 65 years (years)
Male retiring in 2022	21.6
Female retiring in 2022	23.9
Male retiring in 2042	22.9
Female retiring in 2042	<u>25.4</u>

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 NOTES TO THE FINANCIAL STATEMENTS (continued)

20. DEFERRED INCOME

	Social Housing Grants £	Other Housing Grants £	Total £
Capital grants received			
At 1 April 2021	33,115,175	2,677,957	35,793,132
Additions in the year	39,734	-	39,734
Eliminated on disposal	(57,000)	-	(57,000)
At 31 March 2022	<u>33,097,909</u>	<u>2,677,957</u>	<u>35,775,866</u>
Amortisation			
At 1 April 2021	6,031,338	205,403	6,236,741
Amortisation in year	318,702	26,780	345,482
At 31 March 2022	<u>6,350,040</u>	<u>232,183</u>	<u>6,582,223</u>
Net book value			
At 31 March 2022	<u>26,747,869</u>	<u>2,445,774</u>	<u>29,193,643</u>
At 31 March 2021	<u>27,083,837</u>	<u>2,472,554</u>	<u>29,556,391</u>
Total at 31 March 2022	<u>26,747,869</u>	<u>2,445,774</u>	<u>29,193,643</u>
Total at 31 March 2021	<u>27,083,837</u>	<u>2,472,554</u>	<u>29,556,391</u>

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

	2022 £	2021 £
Amounts due within one year	345,482	327,067
Amounts due in more than one year	28,848,161	29,229,324
	<u>29,193,643</u>	<u>29,556,391</u>

21. SHARE CAPITAL

Shares of £1 each, issued and fully paid	2022 £	2021 £
At 1 April	98	104
Cancelled in year	(4)	(6)
At 31 March	<u>94</u>	<u>98</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.

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 NOTES TO THE FINANCIAL STATEMENTS (continued)

22. 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 3 Kilmuir Drive, Arden, Glasgow, G46 8BW.

The Association is a Registered Social Landlord and Scottish Charity that owns and manages social housing property in the Greater Pollok area of South West Glasgow.

23. BOARD MEMBER EMOLUMENTS

Board members received £nil (2021 - £nil) in the year by way of reimbursement of expenses. No remuneration is paid to Board members in respect of their duties to the Association.

24. HOUSING STOCK

The number of units of accommodation in management at the year end was:-	2022 No.	2021 No.
General needs	1,352	1,352
Shared ownership	36	36
	<u>1,388</u>	<u>1,388</u>

25. RELATED PARTY TRANSACTIONS

Members of the Board 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 member has a connection with is made at arm's length and is under normal commercial terms.

Transactions with Board members (and their close family) were as follows:

	2022 £	2021 £
Rent received from tenants on the Board and their close family members	<u>30,552</u>	<u>46,470</u>

At the year end total rent arrears owed by the tenant members on the Board (and their close family) were £1,451 (2021 - £1,884).

Members of the Board who are tenants	<u>6</u>	<u>6</u>
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GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 NOTES TO THE FINANCIAL STATEMENTS (continued)

26. STATEMENT OF CASH FLOWS

Reconciliation of net cash flow to movement in net funds

	2022		2021	
	£	£	£	£
Increase in cash	625,189		2,683,146	
Cashflow from change in net debt	507,671		(2,398,402)	
Movement in net debt during the year		1,132,860		284,744
Net debt at 1 April		(19,728,604)		(20,013,348)
Net debt at 31 March		<u>(18,595,744)</u>		<u>(19,728,604)</u>

	At		Other	At
	01 April 2021	Cashflows	Changes	31 March 2022
Cash at bank and in hand	8,319,044	625,189	-	8,944,233
	<u>8,319,044</u>	<u>625,189</u>	<u>-</u>	<u>8,944,233</u>
Debt: Due within one year	(491,770)	507,671	(598,012)	(582,111)
Due after more than one year	(27,555,878)	-	598,012	(26,957,866)
Net Debt	<u>(19,728,604)</u>	<u>1,132,860</u>	<u>-</u>	<u>(18,595,744)</u>

27. CAPITAL COMMITMENTS

	2022	2021
	£	£
Capital Expenditure that has been contracted for but has not been provided for in the financial statements	<u>2,400</u>	<u>208,891</u>

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

28. CONTINGENT LIABILITY

The Pension Trust has completed a review of the changes made to the benefit structures of the Defined Benefit Schemes within the Trust. The result of this review is that, in some cases, it is unclear whether changes were made to scheme benefits in accordance with the Trust's governing documentation.

The Trustee has been advised to seek direction from the Court on the effect of these changes. This process is ongoing and is unlikely to be resolved until late 2024 at the earliest. However, one potential outcome is that scheme members, of which the Association is one, may see their share of scheme liabilities increase.

The Pension Trust have not made their legal advice available and the likelihood of success is currently unknown. For multi-employer schemes, the Trustee is unable to provide the estimated potential additional liability at an individual employer level as this is as yet unknown. Furthermore due to the complexities in relation to back payments, transfers, deaths and orphan liabilities, etc., it may not be possible to ascertain an accurate split by individual employers until after the court ruling, when the scope of any rectification work, should this be required, becomes known. As a result, no provision has therefore been included in the financial statements.