

LINK HOUSING ASSOCIATION LIMITED



LINKHOUSING

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2024

Community Benefit Society Registration No: 8793

The Scottish Housing Regulator No: 364

Registered Scottish Charity No: SC052747

LINK HOUSING ASSOCIATION LIMITED**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024**

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LINK HOUSING ASSOCIATION LIMITED

BOARD OF MANAGEMENT, DIRECTOR, AND ADVISORS

BOARD OF MANAGEMENT

P Matthews (Chair)
 K Hewie (Vice Chair)
 I Ahmad
 A Campbell
 B Lees
 E Porter
 P Pyke
 D Robinson
 S Gorman (Appointed 24 June 2024)
 A Sadowski (Resigned 16 January 2024)
 A Shute (Resigned 9 April 2024)

KEY MANAGEMENT PERSONNEL

David Mackenzie – Managing Director

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 Edinburgh
 EH14 1RL

BANKER

Bank of Scotland
 75 George Street
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 EH2 3EW

SOLICITORS

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 65 Haymarket
 Terrace
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Addleshaw Goddard LLP
 Exchange Tower
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 EH3 8EH

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REGISTERED OFFICE

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LINK HOUSING ASSOCIATION LIMITED

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

The Board of Link Housing Association Limited, “the Association,” presents its report and audited financial statements for the year ended 31 March 2024.

Principal Activity

The Association is wholly owned by Link Group Limited, and its principal activity is to provide a management and maintenance service to tenants of Link Group.

On the 11 August 2023, the Association received confirmation from The Scottish Charity Regulator that its application for charity status has been approved. Link Housing as of this date is now a registered charity.

The Association is responsible for the housing management of 10,691 (2023: 10,324) social rented homes.

The Association aims to provide value for money and demonstrate its accountability and transparency in all the advice, support, and services that it delivers.

At a board meeting on 27 August 2024, the Link Group Limited board (the ultimate parent undertaking) approved a proposal to transfer the activities, assets and liabilities within Link Housing Association over to Link Group Limited. The transfer is expected to happen on 31 March 2025. The operational and strategic plans noted in this report will transfer with the activities.

Strategic Objectives 2024/25

The Association has developed a housing strategy called Link Together (which will be incorporated into Link Group Limited), in collaboration with its RSL partner organisations Link Group Limited, Horizon Housing Association Limited, Larkfield Housing Association Limited, and West Highland Housing Association Limited. The Association has involved staff from across the business to shape and deliver a strategy that reflects its aims, ambitions, and objectives. This strategy provides a clear direction for the Association’s services over the next five years and is based on four themes that support Link Group Limited’s vision.

Tenant Led Engagement

- Work with tenants to deliver excellent services and do what we say we are going to do.
- Develop combined tenant engagement strategy.
- Identify tenant and customer profiles.
- Tailor services to suit individual needs.
- Deliver and implement community engagement plans.
- Co-create and manage projects to suit tenants.

Value Led Services

- Demonstrate that housing services offer value for money.
- Demonstrate value for money initiatives.
- Review annual costs making efficiency savings where appropriate.
- Tenant and customer focused locality planning.

REPORT OF THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

Strategic Objectives 2024/25 (Continued)

Sustainability

- Maintain and improve a sustainable joined up housing service tailor made to customer needs.
- Promote independent living and inclusive communities.
- Create sustainable communities and tenancies.
- Ensure current and future tenants can access and sustain housing appropriate for their needs.
- Work towards a carbon neutral environment within our communities.

Accountability

- Be accountable, open, and honest in all that we do.
- Lead success through a culture of mutual support involving others in decisions that affect them.
- Take ownership of tenants and customer needs and advocate on their behalf.
- Deliver personalised solutions with a “can do” attitude.
- Take personal responsibility for actions and performance.

Expected outcomes for each theme are included within the strategy and an annual update on progress is provided to each RSL Board as well as the Link Group Board.

Housing Management 2023/24

The Association has responded to the current cost of living crisis and both our performance and service levels have been maintained throughout 2023/24. The overall results of the reported key performance indicators on page 12 are a testament to the efforts of the Association's staff teams, who have continued to operate in a flexible and responsive way during challenging times.

As part of the consultation process with former Weslo Housing Management tenants on transferring to Link Group Limited during 2022, a commitment was given to create an Area Board, a member of whom is also a board member of the Association. During 2023/24, the Area Board has grown with two new members joining, and a clear action plan is in place to ensure that tenant commitments are met. A number of successful community events, such as the Bathgate Fun Day took place in 2023/2024, demonstrating the Association's commitment to supporting local groups across West Lothian.

As a new RSL the Association submitted its first Annual Assurance Statement in October 2023, confirming compliance with all relevant regulatory requirements.

REPORT OF THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

Housing Management (continued)

The award-winning Tenant Scrutiny Panel (TSP) plays a vital role within the Association and act independently and in the interests of tenants. Its purpose is to scrutinise service delivery and performance and work to drive forward improvements. The Panel has conducted 5 scrutiny exercises to date and reviewed processes and the Charter Report Card. The scrutiny exercises to date include advice services, asset planning, communication, estate management and gas servicing, a scrutiny of the repairs service was completed February 2024. The TSP continue to be a valued team of individuals who make a difference to the work we do.

The Association's performance in 2023/2024 has remained strong with significant progress in several key strategic areas.

In the past year, the Association has:

- Ensured the safety of Link Group's tenants and properties through the Association's compliance framework.
- Successfully transitioned away from Sheltered Housing with a new older person service in place.
- Continued to deliver a telephony project which also considered wider customer communication options including customer app functionality; omni channel capability; call recording for quality and staff wellbeing purposes; and improved self-service options.
- Completed a job evaluation exercise across all roles within the Association.
- Continued to make use of an Eviction Panel to review all decrees granted by the Courts prior to any enforcement action being taken.
- Developed and implemented safe ways of working guidance and procedures for staff.
- Increased Link Group's rental income through new build lets and maintained our arrears position within agreed targets.
- Delivered a strong customer centred approach and support through wrap around services.
- Found new ways to engage with tenants including introducing digital formats.
- Secured and distributed in conjunction with Link Group £243k of funding from the Scottish Government's Fuel Insecurity fund.
- Implemented Clear Review performance management system across the Association to support and develop staff in 2023/2024.
- Implemented the Link Together Housing Strategy.
- Supported the West Lothian Area Board to continue to focus on the delivery of tenant commitments.
- Achieved excellent tenant satisfaction results across several key performance indicators.

The Association is committed to tenancy sustainment, Link Housing Association Limited has a comprehensive tenancy sustainment policy, and the following activities demonstrate how this is embedded in housing management practice:

- ✓ Excellent Tenancy Toolkit – provides staff with an increased awareness of tenancy sustainment and how we can support Link Group's tenants with diverse needs.

REPORT OF THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

Housing Management (continued)

- ✓ Trauma Informed Practice – frontline staff are receiving training on trauma informed practice. Trauma Informed Practice is a strengths-based approach, which seeks to understand and respond to the impact of trauma on people's lives.
- ✓ Help On Managing Everything project (HoME) – HoME is a service delivered to Link Housing tenants by LinkLiving Limited, working with tenants to better manage and maintain their homes and settle into their community.
- ✓ Money and Wellbeing Project – part funded by Scottish Legal Aid Board (SLAB) Debt Journey program. The project provides remote support to tenants who are in debt and experiencing mental health issues and/or are digitally excluded. Self-help coaching is delivered by LinkLiving Limited via telephone or video call.
- ✓ Near Me – using video conferencing to support face to face communication with tenants where remote contact is preferred.
- ✓ LinkGiving Trust – providing emergency assistance to households in crisis.

Rent Levels and Affordability

Link Group's aim is to balance the affordability of rents for our tenants with the need for continued investment in properties and services. No minimum rent increases are employed, and no above inflation rent increases are assumed.

Link Group's business plan projections incorporate an estimated rate of inflation based on a CPI of inflation target set by the UK Government and Bank of England and that estimate applies throughout the 30-year business planning cycle.

Welfare Reform

The current cost of living and fuel crises and the ongoing war in Ukraine are putting considerable pressure on household budgets, with many tenants struggling to afford their rent and daily essentials such as food and utilities. Financial assistance from both UK and Scottish Governments is welcome to mitigate the cost-of-living crisis. In conjunction with Link Group the Association secured and distributed £243k from the Scottish Government's Fuel Insecurity Fund and continues to disburse emergency food and fuel assistance through the LinkGiving Trust.

The Welfare Reform Strategy was reviewed and updated in August 2022 to reflect the current position with only Universal Credit Managed Migration and the continued roll-out of Scottish Government devolved benefits outstanding from the Welfare Reform Act 2012.

The ongoing cost of living continues to adversely affect tenants. Whilst inflation has fallen from its 40-year high of 11.1% in October 2022, to 3.9% in November 2023, food inflation remains much higher at 9.7%. This along with the high energy price cap of £1,690 per year from 1 April 2024 is placing considerable pressures on household budgets, with many tenants struggling to afford their rent and daily essentials such as food and energy bills.

REPORT OF THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

Welfare Reform (continued)

Financial assistance from both UK and Scottish Governments is welcome to mitigate the crisis but is insufficient to cover the additional costs tenants are facing. Moving forward the Scottish Government has scrapped the Fuel Insecurity Fund, which, whilst not unexpected, is disappointing as Link Group has been able to distribute a total of £519,000 from this fund over the past two years, delivering a range of financial, advice and small appliances projects to support tenants with high energy bills.

Additional pressures on the LinkGiving Trust have resulted in six months funding being disbursed in approximately seven weeks. Opportunities for further external funding will continue to be explored both for emergency funding and new projects to address food and fuel poverty.

Analysis of rent affordability continues to inform that households in receipt of Universal Credit (UC) and Housing Benefit (HB) are the most significantly impacted, with modelling of all household types demonstrating that rents are not affordable, based on the National Housing Federation definition.

Notwithstanding this wider position, Link Group continues to protect its rental income through robust rent account management procedures and the provision of welfare benefits and debt and money advice and support.

The membership and work of the Welfare Reform Group has again been refocussed, with a recognition that much of the tenancy sustainment and welfare reform actions are now contained within action plans for the Sustainability, Linked Together and Streets into Communities Strategies. The Group will move to an advisory and information exchange format, with plans underway to create a sharepoint site.

UC and on-going changes to the roll out timetable for managed migration continues to pose a high risk for Link and its tenants.

The managed migration process is proving considerably more complex than anticipated. Advice Service staff have undergone initial training and will continue to keep abreast of learning and best practice as it emerges. Communications to frontline staff and tenants have commenced and will be updated as more information becomes available. The current indication from the Department for Work & Pensions (DWP) is for the migration process to complete by 2029.

There are robust controls in place to monitor the rent accounts of tenants in receipt of UC, to ensure UC payments are received and provide support to those tenants. Recording measures are reported monthly to housing services teams and Link Housing senior management team. Regular reports are presented to the Association and Link Group Board's and the Group Leadership Team.

Analogue to Digital Transformation of Warden call systems

During 2023/24, the Association has made considerable progress in the analogue to digital journey of the Association's existing analogue telecare infrastructure. This transformation is required because of national changes to the telephony infrastructure planned by BT OpenReach.

REPORT OF THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

Analogue to Digital Transformation of Warden call systems (continued)

Working closely with the Digital Office and Scottish Federation of Housing Associations (SFHA) TEC team, the Association has identified a sustainable alternative to the existing analogue warden call system with plans to use digital dispersed alarms to provide an enhanced service to customers.

In 2023/24, the service implemented 4 pilots across sheltered and retirement plus developments to evaluate alternative systems. These pilots have been vital in gathering feedback from tenants and in identifying issues with the existing infrastructure that will impact on the specification for the replacement system.

In 2024/25 we will:

- Continue to work with tenants to plan and prepare for the transition to a new system.
- Work with the Link Group's Sustainability Team to plan and manage the transition of 2 existing warden call systems to digital dispersed alarms, developing a blueprint to support the transition of the remaining developments.
- Work towards procuring the existing specialist Alarm Receiving Centre (ARC) Service, to reduce the number of ARCs from 2 to 1. This will improve consistency and efficiency across the service and eliminate the operational challenges encountered by staff managing contact with 2 ARCs.

Tenancy Sustainment and Support Service

The Association is committed to tenancy sustainment, the principles of which are explained in the Tenancy Sustainment Policy. The following activities demonstrate how this is embedded in housing management practice:

- Fuel Insecurity Fund – in 2023/24 the Association and Link Group secured grant funding from Round 4, Phase 1, 2 and 3 to assist tenants in fuel poverty because of the energy crisis.
 - Phase 1 - £51k was awarded to the Association to provide energy advice and has been procured from Wise Group. This will support up to 200 tenants and funding also includes attendance by Energy Advisers at a number of roadshow events.
 - Phase 2 - £85k was awarded to Link Group to provide small appliances and winter warmer goods to tenants of five local authority areas identified as most at risk from fuel poverty. This money is being spent on supporting vulnerable tenants with winter clothing and energy saving goods identified by the Association.
 - Phase 3 - £106.9k was awarded to Link Group to provide financial assistance to tenants experiencing fuel poverty identified by the Association. Payments of £100 per household are being paid directly into the tenant's bank account.

REPORT OF THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

Tenancy Sustainment and Support Service (Continued)

- Excellent Tenancy Toolkit - provides staff with an increased awareness of Tenancy Sustainment and how the Association can support Link Group's tenants with diverse needs. This is underpinned by on the job and peer to peer learning via the "Bring Your Own Blur" lunch and learn sessions. The resources for the toolkit are stored on Linkipedia (Link Group Limited's bespoke intranet), allowing staff to revisit information and to develop their skills and knowledge, when needed. In 2024/2025, we will continue to deliver these sessions to staff.
- Trauma Informed Practice – frontline staff are receiving training on Trauma Informed Practice, equipping them with the knowledge and skills to deal more effectively with affected tenants. To date, 88 (2023: 58) frontline staff have attended the training, which represents 80% of staff.
- Help On Managing Everything project (HoME) – HoME is a service delivered to Link Housing tenants by Link Living. HoME has a project worker working with each area housing team providing services to tenants that assists them to better manage and maintain their homes with a focus on tenancy sustainment and preventing homelessness through abandonment or eviction. The HoME Project provided a service to 197 tenants in 2023/2024 and was a significant contributory factor in sustaining tenancies.
- Building Resilience for a Better Home offers free self-help coaching sessions to tenants who are experiencing mild to moderate mental health issues, including anxiety, stress, low mood, depression, and sleep difficulties. Tenants accessing the service can receive up to nine sessions with a LinkLiving self-help coach which are delivered online or by telephone. When a person's mood is low this can impact their ability to manage their tenancy, this service provides tenants with the tools and techniques to better manage their mental health challenges. The project has worked with 74 tenants over the past year.
- Near Me – Near Me is a video conferencing platform, initially delivered by the NHS to support remote medical appointments. Link Housing staff, including the Advice Team who have their own dedicated waiting rooms to host calls, have access to the platform. The portal remains free to organisations, and administration of the system is minimal.
- Business support – the business support function provides monthly analysis and information, of households in receipt of Universal Credit, to housing staff, identifying those tenants most at risk and in need of support.

Going Concern

At a board meeting on 27 August 2024, the Link Group Limited board (the ultimate parent undertaking) approved a proposal to transfer the activities, assets and liabilities within Link Housing Association over to Link Group Limited.

REPORT OF THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

Going Concern (Continued)

The board have prepared the financial statements on the basis that Link Housing Association is no longer a going concern. There has been no adjustment made to the financial statements as a result of the application of the non-going concern basis. The transfer date is expected to be 31 March 2025.

Strategic Report

In October 2023, the Association Board met to consider the current business plan as part of our strategic planning process. Board members discussed what they thought were the most immediate challenges in the next year and areas of strength/weakness across the Association. New strategic objectives have been derived from the strategic planning day and these will be monitored quarterly through the Business Delivery Plan updates to the Board and the objectives will be taken forward by to Link Group Limited from 1 April 2025.

These include:

- Implementation of the Association's operating model – Updated objective
- Implementation of new Older Persons Service – Updated Objective
- Complete Tenant Satisfaction Survey due in 2024 – Updated Objective
- Review of Allocations Policy due in 2024 – Consultation in 2024 with implementation from 1 April 2025 – New Objective
- Prepare new Business Plan for 2025-2030 – New Objective

The updated Business Plan for 2024/2025, delivered within Link Housing Association until 31 March 2025, and carried on by Link Group from 1 April 2025, seeks to embrace and embed the Link Together Housing strategy. The main elements of the business delivery plan in 2024/2025 will include:

- Implementing the Housing Strategy and achieving outcomes for each of the strategy themes whilst dovetailing with the Communities Strategy
- Prepare a new Operating Model to be implemented in 2024.
- Review of performance reporting and targets and reflect how these align to customer experience.
- Measure performance improvement for each business area identified through Annual Return on the Charter and benchmarking results.
- Embed a culture of continuous improvement and deliver excellent customer services to reflect the principles of the CIH Professional Standards and customer expectations.
- Embed a culture refresh in relation to working practices, attitudes, and behaviours that meet customer and tenant expectations.
- Consult on a new Lettings Policy, due to be implemented in 2025.
- Consider disposal strategy for stock across Link.
- Contribute to the review of the Link Group Asset Management strategy.
- Contribute to the development of the EESSH 2 strategy.

**REPORT OF THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2024
 (CONTINUED)**

- Ensure that we participate in the delivery of Link Group’s Asset Management Investment Programme.

Strategic Report (Continued)

- Implement a new Older Persons Service in 2024/2025.
- Consider the viability of Link Group’s Older Person stock in 2024/2025.
- Consider improvements to the Association’s Digital Services offer in line with our Digital Strategy.
- Further develop an action plan based on the Tenant Engagement Strategy and develop the Association’s intelligence of what customer aspirations and needs are to allow service delivery to be tailor made to suit.

The Association Board will continue to monitor Business Plan objectives on a quarterly basis, and this will update annually through Business Plan Strategy sessions.

The third online tenant festival ‘The Big Get Together’ was held in November 2023, this was a group wide tenant event. The event was a useful indicator of the change in attitude of tenants and customers towards online events and it is likely that future events will take account of that. More local in person events are planned for 2024/25.

We have now introduced CX-Feedback, which has enabled the Association to automate transactional tenant surveys throughout the year. The text and email-based surveys highlight areas for improvement by geographical area, service type and/or demographic information. The software has already been used to push notifications to tenants about specific events in areas, making it relevant, current and as a result attendance was improved.

Risks

The Association has a risk register which sets out its key risks. A new Audit and Risk Committee was established in March 2023 to monitor all risks associated, within the Association’s area of operation. Following another year of operating within a difficult environment the measures adopted have again proven to be successful, which saw an increase in income and staff absence managed effectively.

Risk	Controls
Significant Business Interruption including lack of staff	This risk is mitigated by the disaster recovery and business continuity plans.
Insufficient resources to deliver the service growth and change programme, having a negative impact on staff health and wellbeing.	This risk is mitigated with regular feedback from staff, performance reviews, robust business planning and transformation implementation.
Loss of Income (Rental Income / Funding / void loss)	This risk is mitigated by the staff structure, with a focus of staff resources on income and arrears management process and tenancy sustainment.

**REPORT OF THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2024
 (CONTINUED)**

	Budget monitoring and KPI indicators, and annual visits are used to monitor performance. In addition, Link provide money and debt advice services.
Unfavourable results from welfare reforms (Property Occupancy)/ Reduced benefit payments/benefit cap/benefit freeze	This risk is mitigated with the continual assessment of impact of welfare reforms and monitoring of early intervention. Staff are provided with training, enabling Link to identify tenant who require support.
Failure to comply with Scottish Social Housing Charter outcomes	To mitigate this risk, staff are provided with appropriate training and allocation of responsibility. Performance is monitored by tenant inspection and scrutiny panels. A full suite of KPI's is presented to LHA Board on a quarterly basis. There is a monitoring regime through verification of ARC indicators, internal audit reviews and weekly and monthly monitoring of KPI's.
Non-compliance - Freedom of Information Act	To mitigate this risk staff, maintain awareness of legislative programme, and any changes to this.

Financial Review

The financial statements are prepared in accordance with the Statement of Recommended Practice 2018 (SORP) for Social Housing Providers. The Association achieved total comprehensive income for the year to 31 March 2024 of £nil (2023: £nil).

Turnover of £11.7m (2023: £10.7m) has increased by 9.3% and Operating expenditure of £11.6m (2023: £10.6m) has increased by 9.4% both are mainly attributable to increased costs being covered by higher management fees charged to Link Group.

Cash balances increased by £0.4m to £2.0m (2023: £1.6m). Accounts receivable has decreased by £2.2m to £6.7m (2023: £8.9m) and accounts payable has decreased by £1.9m to £8.6m (2023: £10.5m) reflecting lower intercompany balances.

**REPORT OF THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2024
 (CONTINUED)**

Performance 2023/2024

The table below provides the performance of the Association’s functions against the targets approved by the Association’s Board in 2023.

Indicator	Reason	LHA Performance 2023/2024	LHA Targets 2023/2024	Proposed Targets 2024/2025	Scottish Average 2022/23
Gross Rent arrears as a % of rent due	ARC indicator Service Impact	4.1%	5.0%	4.3%	5.0%
% of new tenancies sustained for more than a year by source of let	ARC indicator Service Impact Prevention of homelessness	92.2%	94.0%	95.0%	94.6%
% of properties available (and there was a demand for homeless) how many were let to homeless applicants	ARC indicator Service Impact Prevention of homelessness	41.8%	65.0%	65.0%	33.0%
% of tenants who feel that rent for their property represents good value for money	ARC indicator Service Impact	82.5%	82.5%	75.0%	81.8%
Average re-let times (calendar days)	ARC indicator Service Impact	35	30	30	44
% of rent due lost through homes being empty	ARC indicator Service Impact	0.7%	0.4%	0.4%	1.1%
Increase number of properties meeting SHQS target	ARC indicator Legislative requirement	91.9%	99.6%	99.6%	87.7%
Average length of time taken to complete emergency repairs hours	ARC indicator Direct service impact Safety and wellbeing	3	4	4	4
Average length of time taken to complete non-emergency repairs.	ARC indicator Direct service impact Safety and wellbeing	11	9	6	8

**REPORT OF THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2024
 (CONTINUED)**

Percentage satisfied with service	tenants with repairs	ARC indicator Direct service impact Safety and wellbeing	84.6%	96.0%	96.0%	87.8%
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Performance 2023/2024 (continued)

The average re-let times and % of rent due lost through homes being empty indicators have fallen below target, the main reason has been the impact of long-term void properties. These are properties which are either being used as decant accommodation or are being considered for redevelopment and are, therefore, not being re-let. The decrease in length of time taken to complete non-emergency repairs is reflected in a lower tenant satisfaction rate with the repairs service. However, there has been an increase in tenant satisfaction regarding value for money and a decrease in gross rent arrears as a percentage of rent due.

Statement of Disclosure to Auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the Association’s auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the Association’s auditor is aware of that information.

Corporate Governance

The Association is governed by a Board made up of 8 members (maximum 12 members allowed). Meetings are held bi-monthly, and agenda items are either approved, noted, and/or discussed. Matters of business assurance are referred to Link Group Limited.

In 2023 the Chairperson stood down (but remained a Board member) and a new Chairperson was appointed in October 2023.

Each board member brings their individual skills and experience to the governing body of the Association. The Association’s Board are tasked with making the key decisions about the Association’s direction and provide challenge and oversight of the staff team to ensure that all decisions and services are provided and delivered in the best interests of our tenants and customers.

Training requirements for the Association board members were identified as part of the annual performance reviews and a suite of training courses is available to ensure that the Association’s Board members have a full knowledge of our business.

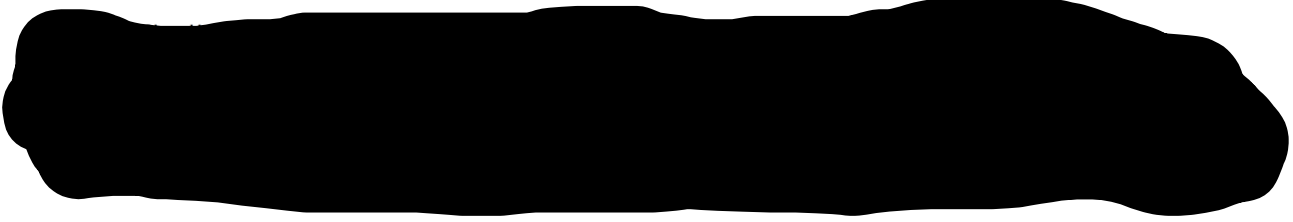
Current membership of the Board is set out on page 1.

**REPORT OF THE BOARD OF MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2024
(CONTINUED)**

Auditor

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

BY ORDER OF THE BOARD OF MANAGEMENT.



Date: 27 August 2024

LINK HOUSING ASSOCIATION LIMITED

BOARD OF MANAGEMENT STATEMENT ON INTERNAL FINANCIAL CONTROLS

Identification of Business Risks

The Board is responsible for identifying the major business risks faced by the Association and for determining the appropriate course of action to manage those risks. Major business risks and the financial implications are assessed by reference to established criteria. These risks are incorporated into risk registers which are reviewed by the Group Leadership Team, the Association Audit and Risk Committee and the Board itself.

The financial implications of major business risks are controlled by means of delegated authorities which reserve significant matters to the Board for decision, segregation of duties in appropriate areas and physical controls over assets and access to records.

Management Information Systems

Management information systems have been developed to provide accurate and timeous data of all aspects of the business. Management accounts comparing actual results against budget are presented to the Board monthly, together with a balance sheet and performance against key financial indicators. Reports accompanying the accounts also provide information on borrowing, investment, and recoverability of debts due.

Internal Control Systems

The Board monitors the operation of the internal financial control system by considering regular reports from management and the external auditor. This ensures appropriate corrective action is taken to address any reported weaknesses.

Internal Audit

Internal Audit services are provided by an experienced external company TIAA. The audit work plan is generated from a detailed Audit Needs Assessment which is based upon a systematic risk assessment of the Groups' operations and activities. There were no major weaknesses/control issues regarding the reports/areas reviewed. The Internal Auditor reports to the Group Audit and Risk Committee.

Group Audit and Risk Committee

The Group Audit and Risk Committee has up to seven members and monitors the controls which are in force and any perceived gaps in the control environment. This is achieved through reports to the Committee from the internal and external auditors. The Committee considers and determines relevant action in respect of any control issues raised by the internal or external auditors. Partner Boards also receive reports from the external and internal auditors.

Development Committee

The remit of the Development Committee is to approve Link's development programme, scrutinise the financial viability of projects and ensure that a full risk assessment, incorporating all appropriate due diligence, is carried out. In addition, the Committee monitors the progress of projects through to completion against programme and budget

LINK HOUSING ASSOCIATION LIMITED**BOARD OF MANAGEMENT STATEMENT ON INTERNAL FINANCIAL CONTROLS
(CONTINUED)**

Remuneration Committee

The Remuneration Committee's remit is to monitor the performance of the Chief Executive and Directors; to review the salaries of those individuals and to determine whether any performance awards are due. The Committee has an advisory role and will make recommendations to the Board on the aforementioned matters.

Health & Safety

The Association is committed to the provision of a healthy and safe working environment. The Group endeavours to eliminate hazards where recognisable, including the risk of fire; security losses; damage to plant, property, and the environment, thus significantly reducing the risk of personal injury or occupational ill health to all personnel. The Health & Safety Committee staff groups in each RSL oversee the risk assessment programme and regularly review the policies. Link's full-time Health and Safety Officer works closely with the Group Health and Safety Committees.

Statement

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

- the reliability of financial information used within the Association or for publication;
- the proper authorisation and recording of transactions.
- the maintenance of proper accounting records; and
- 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.

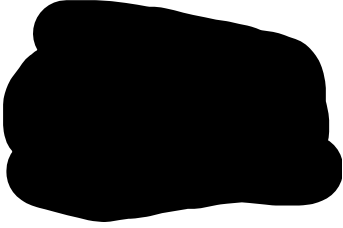
In ensuring it meets its responsibilities, the Board has delegated the scrutiny of control functions to the Group Audit and Risk Committee which receives regular reports from the internal auditor based on the internal audit strategic plan. The Committee follows up on progress made with regard to the implementation of audit recommendations and the internal auditor also checks that the previous year's recommendations are implemented. The internal audit strategic plan applies to the Link Group which enables the Group Audit and Risk Committee (on the Board's behalf) to be satisfied that the control systems in the Group are effective. Both internal and external auditors are invited to all Group Audit and Risk Committee meetings

The Group Board has continued to review the system of internal financial control for the Association during the year ended 31 March 2024 and internal financial control systems of the wider Group including all partner companies. No weaknesses were found in the internal financial controls, which could result in material losses, contingencies, or uncertainties which require disclosure in the financial statements, or in the auditor's report on the financial statements.

LINK HOUSING ASSOCIATION LIMITED

**BOARD OF MANAGEMENT STATEMENT ON INTERNAL FINANCIAL CONTROLS
(CONTINUED)**

BY ORDER OF THE BOARD OF MANAGEMENT



Date: 27 August 2024

Registered Office:
Link House, 2c,
New Mart Road,
Edinburgh,
EH14 1RL

LINK HOUSING ASSOCIATION LIMITED

STATEMENT OF BOARD'S RESPONSIBILITIES UNDER THE CO-OPERATIVE AND COMMUNITY BENEFIT SOCIETIES ACT 2014 FOR A REGISTERED SOCIAL LANDLORD

The Co-operative and Community Benefit Societies Act 2014 requires the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of the surplus or deficit for that period. In preparing these 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

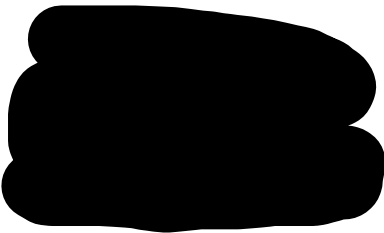
The Board is responsible for instituting adequate systems of internal control and for:

- safeguarding assets
- taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the Association's website.

The Board is responsible for the keeping of proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the Association. The Board of Management must ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. The Scottish Housing Regulator's standards of governance and financial management for Registered Social Landlords must be followed. The Board of Management is responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This statement was approved by the Board on 15 August 2024.



Date: 27 August 2024

LINK HOUSING ASSOCIATION LIMITED**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LINK HOUSING ASSOCIATION LIMITED**

Opinion

We have audited the financial statements of Link Housing Association Limited (the 'Association') for the year ended 31 March 2024 which comprise Statement of Comprehensive Income, Statement of Financial Position, Statement of Cashflows, Statement of Changes in Reserves and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view, of the state of the Association's affairs as at 31 March 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, Part 6 of the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements – February 2019.

Basis for opinion

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

Emphasis of matter – non-going concern basis of accounting

We draw attention to note 1b of the financial statements which describes the preparation of the financial statements on a non-going concern basis. As described in note 1b, the Association plans to cease operations and management intend to dissolve the Association and transfer its activities, assets and liabilities to its parent, Link Group Limited. As a result, the directors have concluded that it is no longer appropriate to prepare the financial statements on a going concern basis. There have been no adjustments made to the financial statements as a result of the application of the non-going concern basis of accounting. Our opinion is not modified in respect of this matter.

LINK HOUSING ASSOCIATION LIMITED**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LINK HOUSING ASSOCIATION LIMITED (continued)**

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- a satisfactory system of control over transactions has not been maintained; or
- the Association has not kept proper accounting records; or
- the financial statements are not in agreement with the books of account of the Association; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Board

As explained more fully in the Board of Management's responsibilities statement set out on page 18, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 intends to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

LINK HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LINK HOUSING ASSOCIATION LIMITED (continued)

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

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

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

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

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

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

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Housing SORP 2018, the Housing (Scotland) Act 2010 and 2014, the Co-operative and Community Benefit Societies Act 2014 and the Scottish Housing Regulator's Determination of Accounting Requirements – February 2019. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included, reviewing financial statement disclosures.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to employment legislation, the Gas Safety Regulations 1998, health and safety regulations, GDPR regulations including the Data Protection Act 2018. We performed audit procedures to inquire of management whether the society is in compliance with these law and regulations and inspected correspondence with licensing or regulatory authorities.

LINK HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LINK HOUSING ASSOCIATION LIMITED (continued)

The audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. For management override of controls, the audit procedures included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates. For revenue recognition, the audit procedures included but were not limited to performing detailed testing of other income, focusing on the existence and valuation of income recognised.

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

Use of our report

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

RSM UK Audit LLP

RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Third Floor
2 Semple Street
Edinburgh
EH3 8BL

Date 30/08/24

LINK HOUSING ASSOCIATION LIMITED

REPORT BY THE AUDITOR TO THE MEMBERS OF LINK HOUSING ASSOCIATION LIMITED ON CORPORATE GOVERNANCE MATTERS

In addition to our audit of the Financial Statements, we have reviewed your statement on pages 15 to 17 concerning the Association's compliance with the information required by the Regulatory Standards in respect of internal financial controls contained within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes which are issued by the Scottish Housing Regulator.

Basis of Opinion

We carried out our review having regard to the requirements to corporate governance matters within Bulletin 2006/5 issued by the Financial Reporting Council. The Bulletin does not require us to review the effectiveness of the Association's procedures for ensuring compliance with the guidance notes, nor to investigate the appropriateness of the reason given for non-compliance.

Opinion

In our opinion the Statement on Internal Financial Control on pages 15 to 17 have provided the disclosures required by the relevant Regulatory Standards within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes issued by the Scottish Housing Regulator in respect of internal financial controls and is consistent with the information which came to our attention as a result of our audit work on the Financial Statements.

RSM UK Audit LLP

RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Third Floor
2 Semple Street
Edinburgh
EH3 8BL

Date 30/08/24

LINK HOUSING ASSOCIATION LIMITED
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £'000	2023 £'000
Turnover	2	11,671	10,658
Operating expenditure	2	<u>(11,558)</u>	<u>(10,554)</u>
Operating surplus		113	104
Interest receivable		19	4
Interest and financing costs		<u>(132)</u>	<u>(108)</u>
Surplus on ordinary activities before taxation		-	-
Total comprehensive income for the year		-	-

The results for the year relate wholly to continuing activities.

The notes on pages 28 to 38 form part of these financial statements.

LINK HOUSING ASSOCIATION LIMITED
STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDED 31 MARCH 2024

	Share Capital £'000	Revenue Reserve £'000	2024 Total £'000	2023 Total £'000
As at 1 April 2023	-	-	-	-
Surplus from Statement of Comprehensive Income	-	-	-	-
Gift aid donation to parent company	-	-	-	-
As at 31 March 2024	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

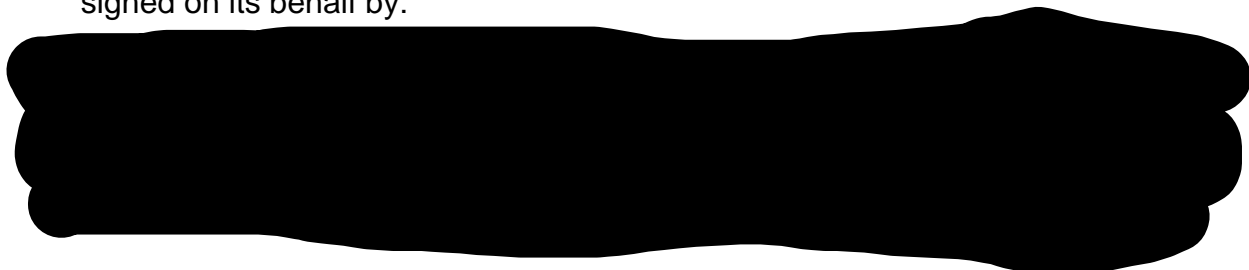
There are no other recognised gains or losses other than those included in the above Statement of Comprehensive Income.

The notes on pages 28 to 38 form an integral part of these financial statements.

LINK HOUSING ASSOCIATION LIMITED
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

	Notes	2024 £'000	2023 £'000
Current assets			
Receivables	9	6,716	8,928
Cash and cash equivalents		<u>1,954</u>	<u>1,644</u>
		8,670	10,572
Payables: amounts falling due within one year	10	(8,570)	(10,472)
Net current assets		<u>100</u>	<u>100</u>
Total assets less current liabilities		100	100
Other provisions for liabilities	11	(100)	(100)
Net assets		<u><u>-</u></u>	<u><u>-</u></u>
Capital and reserves			
Share capital		-	-
Revenue reserves		-	-
Total reserves		<u><u>-</u></u>	<u><u>-</u></u>

The financial statements were approved by the Board of Management on 15 August 2024 and signed on its behalf by:



Date: 27 August 2024

The notes on pages 28 to 38 form an integral part of these financial statements.

LINK HOUSING ASSOCIATION LIMITED
STATEMENT OF CASH FLOWS FOR YEAR ENDED 31 MARCH 2024

	Notes	2024 £'000	2023 £'000
Net cash inflow/(outflow) generated from operating activities	15	423	(944)
Investing activities			
Interest received on cash and cash equivalents		<u>19</u>	<u>4</u>
Net cash outflow from investing activities		19	4
Financing activities			
Interest paid on loans		<u>(132)</u>	<u>(108)</u>
Net cash outflow from financing activities		(132)	(108)
Increase/(decrease) in cash		<u>310</u>	<u>(1,048)</u>
Opening cash and cash equivalents		<u>1,644</u>	<u>2,692</u>
Closing cash and cash equivalents		<u><u>1,954</u></u>	<u><u>1,644</u></u>

The notes on pages 28 to 38 form an integral part of these financial statements.

LINK HOUSING ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES

The Association is incorporated under the Cooperative and Community Benefit Societies Act 2014 (registration number 8793) and is a housing association registered with the Scottish Housing Regulator under the Housing (Scotland) Act 2010. The Association is Public Benefit Entity in terms of its compliance with Financial Reporting Standard 102.

A description of the Association's principal activities is detailed on page 2.

The registered address is Link House, 2c New Mart Road, Edinburgh, EH14 1RL.

These financial statements were prepared in accordance with applicable accounting standards and statements of recommended practice and comply with the requirements of the Determination of Accounting Requirements 2019 issued by the Scottish Housing Regulator and the Statement of Recommended Practice (SORP) Accounting by Registered Social Housing Providers 2018 (SORP 2018) and Financial Reporting Standard 102. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The Association's parent undertaking, Link Group Limited includes the Association in its consolidated financial statements. The consolidated financial statements of Link Group Limited are available to the public and may be obtained from Link House, 2C New Mart Road, Edinburgh, EH14 1RL.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

a) Measurement convention

The financial statements are prepared on the historical cost basis.

b) Going concern

At a board meeting on 27 August 2024, the Link Group Limited board (the ultimate parent undertaking) approved a proposal to transfer the activities, assets and liabilities within Link Housing Association over to Link Group Limited.

The board have prepared the financial statements on the basis that Link Housing Association is no longer a going concern. There has been no adjustment made to the financial statements as a result of the application of the non-going concern basis. The transfer date is expected to be 31 March 2025.

LINK HOUSING ASSOCIATION LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES (continued)

c) Basic financial instruments

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

Financial instruments are recognised when the Association becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Classification of financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Equity instruments

Equity instruments issued by the Association are recorded at the fair value of proceeds received, net of direct issue costs.

d) VAT

The Association is a member of Link Group's VAT group registration. Expenditure is shown inclusive of VAT and any input VAT recovered is included in other income.

e) Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Association pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

LINK HOUSING ASSOCIATION LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES (continued)

f) Turnover

Management fees receivable from Link Group Limited are recognised in the year in which the management services are provided.

Service income is charged monthly in advance via tenants' rent accounts and is recognised in the period to which it relates.

Grant income is recognised in the year to which it relates.

g) Share Capital

Share Capital is made up of ordinary shares with no preference and voting rights attached thereto. The shareholders hold no right to distribution of dividends.

h) Material Estimates and Judgements

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates. The members of the Board are satisfied that the accounting policies are appropriate and applied consistently.

i) Bad and doubtful debts

Historic data is used to estimate collection rates. A provision is then made against service arrears of current and former tenants as well as other miscellaneous debts to the extent that they are considered potentially irrecoverable. Debts are classed as uncollectable after an assessment of the legislative options available to recover and consideration of specific circumstances.

j) Provisions

The Association recognises provisions when: there is a present legal or constructive obligation as a result of past events; it is probable that an outflow of resource will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

LINK HOUSING ASSOCIATION LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

2. PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS/(DEFICIT)

	Notes	Turnover 2024 £'000	Operating Costs 2024 £'000	Operating Surplus / (Deficit) 2024 £'000	Operating Surplus / (Deficit) 2023 £'000
Affordable letting activities	3	10,678	(10,787)	(109)	20
Other activities	4	993	(771)	222	84
Total 2024		11,671	(11,558)	113	104
Total 2023		10,658	(10,554)	104	

LINK HOUSING ASSOCIATION LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

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

	General Needs Housing 2024 £'000	Supported Housing 2024 £'000	Shared Ownership 2024 £'000	Total 2024 £'000	Total 2023 £'000
Revenue from rent and service charges					
Service charges receivable	1,448	-	-	1,448	1,260
Gross income from rent and service charges	1,448	-	-	1,448	1,260
Less voids	-	-	-	-	-
Net income from rent and service charges	1,448	-	-	1,448	1,260
Other revenue grants	53	-	-	53	69
Other operating income	9,177	-	-	9,177	8,256
Total turnover from affordable letting activities	10,678	-	-	10,678	9,585
Expenditure					
Management and maintenance administration costs	(8,640)	-	-	(8,640)	(7,738)
Service Costs	(2,142)	-	-	(2,142)	(1,827)
Bad debts – rents & service charges	(5)	-	-	(5)	-
Operating costs for affordable letting activities	(10,787)	-	-	(10,787)	(9,565)
Operating surplus / (deficit) for affordable lettings 2024	(109)	-	-	(109)	20
Operating surplus / (deficit) for affordable lettings 2023	20	-	-	20	

LINK HOUSING ASSOCIATION LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

4. PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS/(DEFICIT) FROM OTHER ACTIVITIES

	Other Revenue Grants 2024 £'000	Supporting People Income 2024 £'000	Other Income 2024 £'000	Total Turnover 2024 £'000	Other Operating Costs 2024 £'000	Operating Surplus / (Deficit) 2024 £'000	Operating Surplus / (Deficit) 2023 £'000
Wider role activities	52	-	828	880	(771)	109	(29)
Contracted out services undertaken for other RSL's	(5)	-	31	26	-	26	29
Support activities	-	87	-	87	-	87	84
Total from other activities 2024	47	87	859	993	(771)	222	84
Total from other activities 2023	46	84	943	1,073	(989)	84	

LINK HOUSING ASSOCIATION LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

5. KEY MANAGEMENT PERSONNEL AND BOARD MEMBERS' EMOLUMENTS

Under FRS 102 The Association has defined "key management personnel" as the Managing Director as set out on page 1 of the Report and Financial Statements.

The total emoluments, excluding employers pension contributions, of the key management personnel over £60,000, including the Managing Director were as follows:

	2024	2023
	£'000	£'000
Emoluments (excluding pension contributions)	95	91
Pension contributions	<u>8</u>	<u>5</u>
Total emoluments	<u><u>103</u></u>	<u><u>96</u></u>

The director whose emoluments exceed £60,000 falls within the following bandings:

	2024	2023
£90,000 - £99,999	-	1
£100,000 - £109,999	<u>1</u>	<u>-</u>
	<u><u>1</u></u>	<u><u>1</u></u>

The emoluments, excluding pension contributions, of the highest paid director, who is the Managing Director are £94,785 (2023: £90,449). The Managing Director is an ordinary member of the pension scheme, no enhanced or special terms apply and has no other pension arrangements with the Association. The pension contribution by the Association in respect of the Managing Director amounted to £7,991 (2023: £5,067).

Total expenses reimbursed insofar as not chargeable to UK income tax:

	2024	2023
	£'000	£'000
Board of management	<u>-</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>

6. EMPLOYEES

	2024	2023
	£'000	£'000
Staff costs during the year were as follows:		
Wages and salaries	4,603	4,254
Social security costs	493	459
Contributions to defined contribution plans	<u>360</u>	<u>324</u>
	<u><u>5,456</u></u>	<u><u>5,037</u></u>

LINK HOUSING ASSOCIATION LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

6. EMPLOYEES (CONTINUED)

	2024 £'000	2023 £'000
Agency staff costs	<u>-</u>	<u>28</u>

One Director (2023: One Director) received travel expenses of £275 (2023: £nil)

	2024 No.	2023 No.
Average number of employees during the year	<u>128</u>	<u>126</u>
Average full-time equivalent of employees during the year	<u>119</u>	<u>118</u>

7. AUDITOR'S REMUNERATION

	2024 £'000	2023 £'000
Audit of these financial statements	20	20
Taxation compliance services	<u>5</u>	<u>4</u>
	<u>25</u>	<u>24</u>

8. HOUSING STOCK

	2024 Units in management no.	2023 Units in management no.
Housing accommodation for letting	<u>10,691</u>	<u>10,324</u>
Total Units	<u>10,691</u>	<u>10,324</u>

LINK HOUSING ASSOCIATION LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

9. RECEIVABLES

	2024	2023
	£'000	£'000
Arrears of rent and service charges	26	18
Less: Provision for bad and doubtful debts	<u>(15)</u>	<u>(10)</u>
Net rental debtors	11	8
Trade receivables	167	574
Other receivables	430	286
Prepayments and accrued income	53	63
Amounts due from group undertakings	<u>6,055</u>	<u>7,997</u>
	<u><u>6,716</u></u>	<u><u>8,928</u></u>

10. PAYABLES – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£'000	£'000
Trade payables	348	295
Rent and service charges in advance	52	42
Taxation and social security	-	10
Other payables	518	685
Accruals and deferred income	271	374
Amounts owed to group undertakings	<u>7,381</u>	<u>9,066</u>
	<u><u>8,570</u></u>	<u><u>10,472</u></u>

11. OTHER PROVISION FOR LIABILITIES

	2024	2023
	£'000	£'000
Other provisions for liabilities	<u>100</u>	<u>100</u>

The provision has been provided for in relation to a legal claim against the association. No further disclosure has been given in order to protect the entities for any prejudicial action. Exemption has been taken under FRS102 S21.17 in relation to the provision.

LINK HOUSING ASSOCIATION LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

12. EMPLOYEE BENEFITS

Defined contribution scheme

122 (2023: 117) members of the Association staff were members of Link Group Limited’s Group Personal Pension Scheme as at 31 March 2024. The assets of the scheme are administered by trustees in a fund independent of Link Group Limited. The total employer contributions for the year ended 31 March 2024 amounted to £341,309 (2023: £302,941).

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

Two members (2023: 2) of the Association staff participate in the Scottish Housing Associations’ Pension Scheme (‘the Scheme’) via Link Group Limited. Total employer contributions for the year ended 31 March 2024 amounted to £18,459 (2023: £21,340). The value of the Association’s employer contributions is based on the employees that partake in the scheme, for which a breakdown of the value is received from Link Group Limited. The liability relating to the scheme is recognised in the financial statements of Link Group Limited.

Link Group Limited offers all staff membership to the Link Group Defined Contribution scheme, with employer contribution rates of up to 9% from 1 April 2019 (prior to 31 December 2013 12%).

13. SHARE CAPITAL

**Allotted, called up
and fully paid
2024 & 2023**

Ordinary Shares of £1 each

1

14. CONTINGENT LIABILITIES

Exemption has been taken under FRS102 S.21.17 in relation to the disclosure of contingent liabilities. There are ongoing legal proceedings raised against LHA and full disclosure could have a prejudicial effect on the legal proceedings. In respect of the legal proceedings, a £100k provision has been included in note 11 of the financial statements.

LINK HOUSING ASSOCIATION LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

15. RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES CASHFLOW ANALYSIS

	2024	2023
	£'000	£'000
Surplus for the year	-	-
Decrease in receivables	2,212	2,661
(Decrease) in payables	(1,902)	(3,809)
Increase in provisions	-	100
Interest payable	132	108
Interest received	<u>(19)</u>	<u>(4)</u>
Net cash inflow/(outflow) from operating activities	<u>423</u>	<u>(944)</u>

16. RELATED PARTIES

During the year one tenant served as a Board Member (2023: 3). None of the Association Board Members owned properties which benefited from property management services provided by the Association (2023: nil). The tenancy of the Board Member was on normal commercial terms and the tenant could not use their position to their advantage.

Transactions with governing body members were as follows:

	2024	2023
	£'000	£'000
Rent and factoring income received from tenants and owners on the Board	4	10
Tenants and owner Committee member arrears (in credit) as at 31 March	-	-

As a wholly owned subsidiary of Link Group Limited, the Association is exempt, under FRS 102 section 33.1A from the requirement to disclose transactions with other members of the Link Group, headed by Link Group Limited.

17. CONTROLLING RELATED PARTY

The Board of Management consider the ultimate parent undertaking of this Association to be Link Group Limited. Consolidated accounts can be found at Link House, 2C New Mart Road, Edinburgh, EH14 1RL.

18. POST BALANCE SHEET EVENTS

At a board meeting on 27 August 2024, the Link Group Limited board (the ultimate parent undertaking) approved a proposal to transfer the activities, assets and liabilities within Link Housing Association over to Link Group Limited. The transfer date is expected to be 31 March 2025. No adjustments arose as a result of ceasing to apply the going concern basis.