

**NORTH VIEW HOUSING ASSOCIATION LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**Registered Housing Association No. HAL269AL**

**Financial Conduct Authority No. 2427R(S)**

**Charity No. SC032963**

**Property Factors (Scotland) Act 2011 Registered Number: PF000246**

**RSM UK AUDIT LLP**  
**Chartered Accountants**

**Glasgow**

# **NORTH VIEW HOUSING ASSOCIATION LIMITED**

## **REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

### **Officers and Professional Advisers**

#### **Committee of Management**

Iris Robertson	Chairperson
Josephine Deacon	Vice Chair
James Dougherty	Treasurer
Audrey Laird	Secretary
Wilma McCubbin	Member
William Hamilton	Member
Christine Devine	Member
Alex Bruce	Member
Kenneth Robertson	Member
Geraldine Baird	Member

#### **Principal Bankers**

Bank of Scotland plc  
82 Main Street  
Rutherglen  
Glasgow  
G73 2HZ

#### **Director**

Euan Anderson (Retired 31 March 2021)  
Alison Main (Appointed 1 April 2021)

#### **Registered Office**

29a Stravanan Road  
Castlemilk  
Glasgow  
G45 9LY

#### **Auditors**

RSM UK Audit LLP  
Third Floor  
Centenary House  
69 Wellington Street  
Glasgow  
G2 6HG

#### **Solicitors**

Brechin Tindal Oatts  
48 St Vincent Street  
Glasgow  
G2 5HS

TC Young  
7 West George Street  
Glasgow  
G2 1BA

Kelly & Co Solicitors  
184 Abercromby Street  
Glasgow  
G40 2RZ

# NORTH VIEW HOUSING ASSOCIATION LIMITED

## FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

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### **Registration particulars:**

Financial Conduct Authority	Co-operative and Community Benefit Societies Act 2014 Registered Number: 2427R(S)
Scottish Housing Regulator	Housing (Scotland) Act 2010 Registered Number: HAL269AL
Office of Scottish Charity Regulator	Charities and Trustee Investment (Scotland) Act 2005 Scottish Charity Number SC 032963
The Scottish Government	Property Factors (Scotland) Act 2011 Registered Number: PF000246

# NORTH VIEW HOUSING ASSOCIATION LIMITED

## REPORT OF THE COMMITTEE OF MANAGEMENT

### FOR THE YEAR ENDED 31 MARCH 2021

The Committee of Management present their report and audited financial statements for the year ended 31 March 2021.

#### Principal activity

North View Housing Association manages and maintains residential accommodation, whilst providing a high quality of service that is responsive to the needs of its tenants and residents. The Association provides housing for let at affordable rents.

North View Housing Association is registered with the Financial Conduct Authority as a Friendly Society, The Office of the Scottish Charities Regulator (OSCR) as a charity, The Scottish Regulator as a Registered Social Landlord and the Scottish Government as a Property Factor.

The table below shows the property we own:

<b>Managed Property Numbers</b>	<b>2021</b>	<b>2020</b>
Tenanted Property	669	668
Shared Ownership Properties	2	2
<b>Total</b>	<b>671</b>	<b>670</b>

#### FINANCIAL REVIEW

The surplus for the year, pre-pension re-measurement was £120,456 (2020: £221,283). After accounting for pension re-measurement there was an overall deficit of £141,910 (2020: surplus of £573,583). Net assets now stand at £2,950,849 (2020: £3,092,759).

North View currently has £3,481,481 deposited as cash funds. We continue to have a substantial major repair investment programme with further replacement of bathrooms, boilers and windows due in a substantial proportion of properties over the next few years. Cash surpluses will be made, subject to our planned major repair programme over the next few years.

The Association now offers a variable direct contribution pension scheme (having closed the final salary pension scheme), which has reduced the Association's potential future financial exposure regarding pensions, while adding a greater degree of certainty to our financial projections.

#### BUSINESS REVIEW

The year 2020/21 was dominated by COVID-19. The office was required to close on 23<sup>rd</sup> March 2021 in line with the national lockdown requirements.

The Association worked hard to continue to provide services remotely. The majority of office-based staff worked from home and other staff, who could not work at home, were placed on furlough initially. A core of staff also worked to deliver essential services, including emergency repairs and food parcels.



## **NORTH VIEW HOUSING ASSOCIATION LIMITED**

### **REPORT OF THE COMMITTEE OF MANAGEMENT**

#### **FOR THE YEAR ENDED 31 MARCH 2021**

Our Committee of Management continued to meet virtually throughout the year.

We were able to start reletting properties again in June 2020 and the Association worked closely with Glasgow City Council to meet the unprecedented demand from homeless households that had arisen due to the pandemic.

The Association's 25-unit new build project on Arden Craig Road started on site in October 2020, following a new procurement exercise after the previously appointed contractor had gone into administration. The project is currently expected to complete in January 2022.

The programme for the fitting of smoke and heat detectors in all our properties was stalled due to the pandemic. We are now expecting to have this work completed by the Scottish Government's revised target date of 1<sup>st</sup> February 2022.

Our Business Plan for the period 2020 to 2023, which sets out the organisation's strategic direction and priorities for the period, was adopted by the Association in November 2020.

The Association carried out its biennial Residents' Survey in September 2020 and also a COVID Snapshot Survey in February/March 2021 to find how our residents had been affected by the pandemic.

#### **OPERATIONAL REVIEW**

##### ***Welfare Rights Service***

98% of residents who had used our Welfare Rights Service were satisfied with the service (Residents' Survey 2020).

In the year 2020/2021, demand for the service continued to be high throughout lockdown. The Welfare Rights Officer worked with 123 residents and secured financial gains amounting to £337,911.

##### ***Staffing***

The Association has had a number of staff changes during the year. Jean Price, Finance Manager, retired at the end of December 2020 and the Association secured financial services from FMD Financial Services from 1<sup>st</sup> January 2021.

The Association's Director, Euan Anderson, also retired on 31<sup>st</sup> March 2021. Euan had been the Director since North View was established in 1993. Alison Main was appointed to the post of Director on 1<sup>st</sup> April 2021.

Our receptionist also retired at the end of June 2021 and recruitment for this post will commence.

##### ***Wider Role***

In the 2020 Survey, 98% of tenants stated that they were supportive of the Association continuing to deliver non-housing related activities to improve residents' lives and make the community stronger.

## NORTH VIEW HOUSING ASSOCIATION LIMITED

### REPORT OF THE COMMITTEE OF MANAGEMENT

#### FOR THE YEAR ENDED 31 MARCH 2021

The pandemic meant that the Association's usual programme of activities (including coach trips) was affected.

Work with the Jeely Piece Club and the Castlemilk Youth Complex was, however, able to take place when restrictions eased.

The Association secured *Supporting Communities* Funding, totalling £27,950, from the Scottish Government and this was used to help our tenants affected by COVID-19. The support provided included fuel top-ups, hygiene packs and face coverings. Additional funding of £24,846 was secured from the Scottish Government's *Recovery Fund*, which has been used to help tenants with fuel and has supported additional services in the area delivered by the Jeely Piece Club and Castlemilk Youth Complex.

The Association has continued to distribute Trussell Trust food parcels to local residents.

#### ***Housing Management***

2020/2021 has been a challenging year in terms of re-let timescales and rent arrears.

Re-lets were placed on 'hold' for a period due to the pandemic and when we were able to start allocating again, new arrangements were put in for tradespersons working in the properties to ensure COVID safe practices. Our properties are also aging, and the amount of work required to maintain our relet standard has increased.

Rent arrears also continued to increase as more residents claimed Universal Credit and the pandemic affected residents' income. The Coronavirus Act (Scotland) 2020 also meant that legal action (where tenants have been failing to engage) has been more difficult and taking longer to progress.

#### ***Property Maintenance***

Providing an effective repairs service was most important to residents in the 2020 Residents' Survey, with 93.5% stating that this was very important. A total of 90% of respondents also stated that modernising tenants' homes to keep them to a reasonable standard was very important.

The Association continues to meet all of the targets set for completion of works orders within timescale:

- Average length of time (in hours) to address emergency repairs was 1.74 hours against a target of 3 hours;
- Average length of time (in working days) to complete non-emergency repairs was 2.42 days against a target of 4 working days
- 93% of our repairs were completed "right first time" against a target of 80%.

The planned and cyclical maintenance programmes were affected by the pandemic as work could not be carried out due to the national restrictions in place during the periods of lockdown. The Association is now working to reinstate these programmes.

# **NORTH VIEW HOUSING ASSOCIATION LIMITED**

## **REPORT OF THE COMMITTEE OF MANAGEMENT**

### **FOR THE YEAR ENDED 31 MARCH 2021**

#### ***Treasury Management***

The Association has an active treasury management function, which operates in accordance with the Treasury Policy approved by the Committee of Management. The Association manages its borrowing arrangements to ensure that it is always in a position to meet its financial obligations as they fall due, whilst minimising excess cash and liquid resources held. North View, as a matter of policy, does not enter into transactions of a speculative nature. Our loan portfolio gives the Association three fixed rate loans and two variable rate loans at reasonable rates.

#### ***Maintenance Policies***

The Association seeks to maintain its properties to the highest standard.

During 2020/2021, however, as noted previously, planned maintenance programmes were stalled by COVID-19 lockdown requirements. Work plans are, however, now being reinstated.

Cyclical work (repairs are carried out in the medium term to deal with the gradual and predictable deterioration of building components) would be charged to the Statement of Comprehensive Income.

The Association's long-term programme of major repairs is to cover for works which have become necessary since the original development was completed, including works required by subsequent legislative changes. This includes replacement or repairs to features of the properties, which have come to the end of their economic lives. 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.

#### ***Credit Payment Policy***

The Association's policy concerning the payment of its trade creditors complies with the Confederation of British Industry guidelines. The average payment period is thirty days.

#### ***Future Developments***

The Association intends to continue with its policy of improving the quality of housing within its area of operation. No further new build projects are planned at this time.

#### ***Budgetary Process***

Each year, the Committee of Management approves the annual budget and rolling 5-year strategic plan. Key risk areas are identified. Performance is monitored and relevant action taken throughout the year through quarterly reporting to the Committee of Management of variances from the budget, updated forecasts for the year together with information on the key risk areas. Approval procedures are in place in respect of major areas of risk such as major contract tenders, expenditure and treasury management.

#### ***Quality and Integrity of Personnel***

The integrity and competence of personnel are ensured through high recruitment standards and subsequent training courses. High quality personnel are seen as an essential part of the control environment and the ethical standards expected are communicated through the Director.

## **NORTH VIEW HOUSING ASSOCIATION LIMITED**

### **REPORT OF THE COMMITTEE OF MANAGEMENT**

#### **FOR THE YEAR ENDED 31 MARCH 2021**

##### ***General Reserves Policy***

The Committee of Management members have reviewed the reserves of North View. This review encompassed the nature of the income and expenditure streams, the need to match variable income with fixed commitments and the nature of the reserves.

##### ***Sales of housing properties***

The *Right to Buy* for tenants was removed by the Housing (Scotland) Act 2014.

Property is disposed of under the appropriate legislation and guidance. All costs, first tranche sales, and grants relating to the share of property sold are removed from the financial statements at the date of sale. Any grants received that cannot be repaid from the proceeds of sale are abated and the grants removed from the financial statements.

##### ***Employee Involvement and Health and Safety***

North View takes seriously its responsibilities to employees and as a policy, provides employees with information on matters of concern to them. It is also the policy of the Association to consult, where practical, employees or their representatives so that their views may be taken into account in making decisions likely to affect their interests.

##### ***Disabled Employees***

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. In the event of employees becoming disabled, every effort is made to retrain them in order that their employment with the Association may continue. It is the policy of the Association that training, career development and promotion opportunities should be available to all employees.

##### ***Committee of Management and Officers' Insurance***

North View has purchased and maintains insurance to cover its Committee of Management and officers against liabilities in relation to their duties on behalf of North View, as authorised by the Association's rules.

# NORTH VIEW HOUSING ASSOCIATION LIMITED

## REPORT OF THE COMMITTEE OF MANAGEMENT

FOR THE YEAR ENDED 31 MARCH 2021

### Committee of Management

The Members of the Committee of Management of the Association during the year to 31 March 2021 and up to the date of these financial statements were as follows:

Iris Robertson	Chairperson
Josephine Deacon	Vice Chairperson
James Dougherty	Treasurer
Audrey Laird	Secretary
Wilma McCubbin	Member
William Hamilton	Member
Alex Bruce	Member
Kenneth Robertson	Member
Christine Devine	Member
Geraldine Baird	Member
Diana Hamilton	Member (resigned September 2020)


Each member of the Committee of Management holds one fully paid share of £1 in North View. The Director of North View holds no interest in North View's share capital and although not having the legal status of "director" acts as executive within the authority delegated by the Committee of Management.

**Director** - Euan Anderson (Retired 31 March 2021)  
Alison Main (Appointed 1 April 2021)

### Auditors

A tender exercise for the appointment of auditors for the year ended 31 March 2022 was recently undertaken. RSM UK Audit LLP did not participate in the tender exercise due to audit independence requirements. The Association agreed to appoint Chiene and Tait as external auditors and this appointment will be intimated at the Annual General Meeting.

On behalf of the Committee of Management

  
Audrey Laird  
Secretary

29a Stravanan Road  
Castlemilk  
Glasgow  
G45 9LY

Date: 17 SEPTEMBER 2021

## **NORTH VIEW HOUSING ASSOCIATION LIMITED**

### **STATEMENT OF COMMITTEE OF MANAGEMENT RESPONSIBILITIES**

**YEAR ENDED 31 MARCH 2021**

The Co-operative and Community Benefit Societies Act 2014 and registered social housing legislation require the Committee of Management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the North View Housing Association Limited and of the surplus or deficit for that period. In preparing these financial statements, the Committee of Management is required to:


- select suitable accounting policies and then apply them consistently;
- make judgments 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 Committee of Management 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 Committee of Management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable it 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 – February 2019.

By order of the Committee of Management

  
Iris Robertson

Date: 17 SEPTEMBER 2021

## **NORTH VIEW HOUSING ASSOCIATION LIMITED**

### **COMMITTEE OF MANAGEMENT'S STATEMENT ON INTERNAL FINANCIAL CONTROL**

**YEAR ENDED 31 MARCH 2021**

The Committee of Management acknowledge their 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 maintenance of proper accounting records; and
- the safeguarding of assets (against unauthorised use or disposition).

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

- formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the Association's assets.
- experienced and suitably qualified staff take responsibility for important business functions. Annual appraisal procedures have been established to maintain standards of performance.
- forecasts and budgets are prepared regularly which allow the Committee of Management and staff to monitor the key business risks and financial objectives, and progress towards financial plans set for the year and the medium term; regular management accounts are prepared promptly, providing relevant, reliable and up-to-date financial and other information and significant variances from budgets are investigated as appropriate.
- all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through relevant sub-committees comprising Committee of Management members and others.
- the Committee of Management review reports from management, from directors, staff and from internal and the external auditors to provide reasonable assurance that control procedures are in place and are being followed. This includes a general review of the major risks facing the Association.
- there is a continuing programme of internal audit work, undertaken by a firm of Chartered Accountants. Governance, Finance, Rent arrears and void management were the subject of this year's programme. Internal financial control will be the subject of future year's work.
- formal procedures have been established for instituting appropriate action to correct weaknesses identified from the above reports.

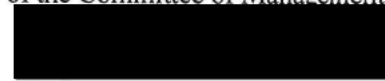
**NORTH VIEW HOUSING ASSOCIATION LIMITED**

**COMMITTEE OF MANAGEMENT'S STATEMENT ON INTERNAL FINANCIAL  
CONTROL**

**YEAR ENDED 31 MARCH 2021  
(CONTINUED)**

The Committee of Management have reviewed the effectiveness of the system of internal financial control in existence in the Association for the year ended 31 March 2021 and until the below date. No weaknesses were found in 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.

By order of the Committee of Management

A black rectangular redaction box covering the signature of the Committee of Management.

Iris Robertson

Date: 17 SEPTEMBER 2021



## **INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF NORTH VIEW HOUSING ASSOCIATION LIMITED ON INTERNAL FINANCIAL CONTROLS**

In addition to our audit of the Financial Statements, we have reviewed your statement on pages 8 and 9 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 through enquiry of certain members of the Committee of Management and Officers of the Association and examination of relevant documents. 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 8 and 9 has 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  
Statutory Auditor  
Chartered Accountants  
Third Floor  
Centenary House  
69 Wellington Street  
Glasgow  
G2 6HG

Date:

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTH VIEW HOUSING ASSOCIATION LIMITED**

### **Opinion**

We have audited the financial statements of North View Housing Association (the 'Association') for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Reserves, the Statement of Cashflows 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 2021 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.

### **Conclusions relating to going concern**

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

### **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 Committee of Management 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

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTH VIEW HOUSING ASSOCIATION LIMITED (continued)**

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 Committee of Management**

As explained more fully in the Statement of Committee of Management's Responsibilities set out on page 7, the Committee of Management 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 Committee of Management 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 Committee of Management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management 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.

### **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.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTH VIEW HOUSING ASSOCIATION LIMITED (continued)**

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 Scottish Housing Regulator's Determination of Accounting Requirements – February 2019 and the Housing (Scotland) Act 2010. 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 the Housing (Scotland) Acts 2006 and 2014, the Co-operative and Community Benefit Societies Act 2014, the Scottish Housing Regulator's Regulatory Framework (published 2019), Public Services Reform (Scotland) Act 2010 and the Office of the Scottish Charity Regulator (OSCR). We performed audit procedures to inquire of management and those charged with governance whether the Association is in compliance with these law and regulations and inspected correspondence with licensing or regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed 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.

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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
NORTH VIEW HOUSING ASSOCIATION LIMITED (continued)**

**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  
Statutory Auditor  
Chartered Accountants  
Third Floor  
Centenary House  
69 Wellington Street  
Glasgow  
G2 6HG

Date:

**NORTH VIEW HOUSING ASSOCIATION LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME**

**FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	2020 £
<b>Turnover</b>	2	3,531,809	3,437,506
Operating costs	2	<u>(2,901,379)</u>	<u>(2,944,751)</u>
<b>Operating surplus</b>		630,430	492,755
Loss on disposal of assets		(215,519)	-
Interest receivable		2,593	917
Interest payable and financing costs	4	<u>(297,048)</u>	<u>(272,389)</u>
<b>Surplus/(Deficit) for the year before taxation</b>		120,456	221,283
Taxation	5	-	-
<b>Surplus for the year</b>		<u>120,456</u>	<u>221,283</u>
<b>Other comprehensive income</b>			
Actuarial (losses)/gains in respect of defined benefit pension scheme	19	<u>(262,366)</u>	<u>352,000</u>
<b>Total Comprehensive Income for the Year</b>		<u>(141,910)</u>	<u>573,283</u>

The accompanying notes form part of these financial statements.

## NORTH VIEW HOUSING ASSOCIATION LIMITED

### STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	Notes	2021 £	2020 £
<b>Fixed Assets</b>			
Housing properties	8	16,830,291	16,945,801
Other fixed assets	9	487,151	521,169
Intangible fixed assets	9a	-	78,826
		<u>17,317,442</u>	<u>17,545,796</u>
<b>Current Assets</b>			
Trade and other Debtors	10	180,322	144,668
Cash at bank and in hand		3,481,481	2,298,883
		<u>3,661,803</u>	<u>2,443,551</u>
<b>Current Liabilities</b>			
Creditors: Amounts falling due within one year	11	(487,755)	(657,905)
<b>Net (Liabilities) / Current Assets</b>		<u>3,174,048</u>	<u>1,785,646</u>
<b>Total Assets less Current Liabilities</b>		20,491,490	19,331,443
Creditors: Amounts falling due after more than one year	12	(8,713,614)	(16,215,413)
Pension – defined benefit net liability	19	(197,000)	-
Provisions	15	(50,053)	(23,271)
Deferred Income	13	(8,579,974)	-
		<u>2,950,849</u>	<u>3,092,759</u>
<b>Capital and Reserves</b>			
Share capital	16	35	35
Revenue reserve		2,950,814	3,092,724
		<u>2,950,849</u>	<u>3,092,759</u>

These financial statements on pages 14 to 44 were authorised and approved for issue by the Committee of Management on 17 September 2021 and signed on their behalf by:

Committee Member: [REDACTED]

Committee Member: [REDACTED]

Secretary: [REDACTED]

# NORTH VIEW HOUSING ASSOCIATION LIMITED

## STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021	2020
		£	£
<b>Net cash provided by operating activities</b>	17	1,037,864	851,715
<b>Cash flow from investing activities</b>			
Purchase of tangible fixed assets		(1,154,592)	(454,413)
Purchase of intangible fixed assets		(112,389)	(44,772)
Interest received		2,593	917
HAG received		889,532	136,761
<b>Net cash used in investing activities</b>		(374,856)	(361,507)
<b>Cash flow from financing activities</b>			
Interest paid		(246,507)	(272,389)
Repayments of borrowings		(233,903)	(156,735)
Loan drawdown		1,000,000	2,000,000
Shares issued and cancelled		-	-
<b>Net cash used in financing activities</b>		519,590	1,570,876
<b>Net change in cash and cash equivalents</b>		1,182,598	2,061,084
Cash and cash equivalents at the beginning of the year		2,298,883	237,799
Cash and cash equivalents at the end of the year		3,481,481	2,298,883
<b>Analysis of cash and cash equivalents</b>			
Cash in hand		3,481,481	2,298,883
<b>Total cash and cash equivalents</b>		3,481,481	2,298,883



**NORTH VIEW HOUSING ASSOCIATION LIMITED**

**STATEMENT OF CASHFLOWS**

**FOR THE YEAR ENDED 31 MARCH 2021**

**(Continued)**

**Analysis of Changes in Net Debt**

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
(Decrease)/increase in cash for the year	1,182,598	2,061,084
Loan repayments	233,905	156,735
Loan Drawdowns	(1,000,000)	(2,000,000)
Non Cash Movements	<u>(50,541)</u>	<u>-</u>
Changes in net debt	365,962	217,819
Net debt as at 1 April 2020	<u>(5,836,620)</u>	<u>(6,054,439)</u>
Net debt as at 31 March 2021	<u><u>(5,470,658)</u></u>	<u><u>(5,836,620)</u></u>

	<b>As at 31 March 2020</b>	<b>Cashflows</b>	<b>Non Cash Movements</b>	<b>As at 31 March 2021</b>
Cash in hand and at bank	2,298,883	1,182,598	-	3,481,481
Debt due within one year	(234,898)	(3,627)	-	(238,525)
Debt due after one year	<u>(7,900,604)</u>	<u>(762,469)</u>	<u>(50,541)</u>	<u>(8,713,614)</u>
	<u><u>(5,836,619)</u></u>	<u><u>416,502</u></u>	<u><u>(50,541)</u></u>	<u><u>(5,470,658)</u></u>

**NORTH VIEW HOUSING ASSOCIATION LIMITED**

**STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 31 MARCH 2021**

	<b>Share Capital</b>	<b>Revenue Reserve</b>	<b>Total</b>
	£	£	£
<b>Balance as at 1 April 2020</b>	35	3,092,724	3,092,759
Issue of shares	1	-	1
Cancellation of shares	(1)	-	(1)
Deficit for the year	-	(141,910)	(141,910)
<b>Balance as at 31 March 2021</b>	<u>35</u>	<u>2,950,814</u>	<u>2,950,849</u>

	<b>Share Capital</b>	<b>Revenue Reserve</b>	<b>Total</b>
	£	£	£
<b>Balance as at 1 April 2019</b>	35	2,519,441	2,519,476
Issue of shares	-	-	-
Cancellation of shares	-	-	-
Surplus for the year	-	573,283	573,283
<b>Balance as at 31 March 2020</b>	<u>35</u>	<u>3,092,724</u>	<u>3,092,759</u>

# NORTH VIEW HOUSING ASSOCIATION LIMITED

## NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

### 1. Accounting Policies

#### *Legal Status*

The Association is registered under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Scottish Housing Regulator under the Housing (Scotland) Act 2010.

The address of the Company's registered office and principal place of business is 29a Stravanan Road, Castlemilk, Glasgow G45 9LY.

The Association's principal activities are detailed in the Committee of Management's Report. The nature of the Associations operations is detailed in the Committee of Management's Report.

North View Housing Association Ltd is a Public Benefit Entity.

#### 1.1 Basis of Accounting

These financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), the Housing SORP 2018 "Statement of Recommended Practice for Registered Housing Providers" and comply with the Determination of Accounting Requirements 2019, and under the historical cost convention, modified to include certain financial instruments at fair value.

The financial statements are prepared in Sterling (£).

#### 1.2 Critical Accounting Estimates and Areas of Judgement

Preparation of the financial statements requires management to make critical judgements and estimates concerning the future. Estimates and judgements are continually evaluated and are based on historical experience, advice from qualified experts and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included below.

##### *Critical accounting estimates:*

Useful lives of housing property - management reviews its estimate of the useful lives of depreciable assets at each reporting date based on industry averages and our review of our stock. Uncertainties in these estimates relate to the length of time certain components in our homes will last, with varying levels of use potentially lengthening or shortening the lives of these components.

# NORTH VIEW HOUSING ASSOCIATION LIMITED

## NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

(Continued)

### 1.2 Critical Accounting Estimates and Areas of Judgement *(continued)*

Recoverable amount of rent arrears and debtors – management considers the reasonable likelihood of rent arrears and debtors being recoverable based on past experience. Whilst there is a significant amount of estimation involved, rent arrears and the bad debt provision are immaterial and therefore this estimate does not have a significant risk of causing a material adjustment to the carrying value of assets and liabilities in the next financial year.

Net defined benefit pension liability – Management's estimate of the defined benefit obligation is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the liability and the annual defined benefit expenses (as analysed in Note 19). The net defined benefit pension liability at 31 March 2020 was £0.00

### 1.3 Going Concern

The Committee of Management has a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future. This is based on the Association's Business Plan for 2021, which was approved by the Committee of Management in September 2020, This continues to show a strong financial performance with investment in new supply of housing stock, management and maintenance of housing stock and full repayment of all borrowings in the lifetime of the plan. Cash flows remain positive throughout the plan and all financial covenants, which are forecasts also, are expected to be met. These are closely monitored throughout. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements, Specific consideration of rent arrears as a key uncertainty has been considered in detail through sensitivity testing and monitored closely.

### 1.4 Turnover and Revenue Recognition

Turnover relates to the income from the letting of properties at affordable rents, together with revenue grants receivable in the period. Rental income is recognised from the point when properties under development reach practical completion or otherwise become available for letting, net of any voids.

### 1.5 Government Grants

Government grants include grants receivable from the Scottish Government, local authorities and other government bodies. Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. Reasonable assurance is normally obtained when (e.g. the grant has been awarded in writing).

# NORTH VIEW HOUSING ASSOCIATION LIMITED

## NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

(Continued)

### 1.5 Government Grants (*continued*)

Government grants received for housing properties are recognised in income over the useful economic life of the structure of the asset and, where applicable, the individual components of the structure (excluding land) under the accruals model.

On disposal of an asset for which government grant was received, if there is no obligation to repay the grant, then any unamortised grant remaining is derecognised as a liability and recognised as income. Where there is a requirement to repay a grant a liability is included in the Statement of Financial Position to recognise this obligation.

### 1.6 Other Grants

Grants received from non-government sources are recognised using the performance model. Grants are recognised as income when the associated performance conditions are met.

### 1.7 Fixed assets - Housing properties

Housing properties are properties for the provision of social housing or to otherwise provide social benefit and are principally properties available for rent.

Completed housing properties are stated at cost less accumulated depreciation and impairment losses.

Cost includes the cost of acquiring land and buildings, and expenditure incurred during the development period.

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that enhance the economic benefits of the assets, are capitalised as improvements. Such enhancements can occur if improvements result in either:

- An increase in rental income;
- A material reduction in future maintenance costs; or
- A significant extension to the life of the property.

Works to existing properties which fail to meet the above criteria are charged to the Income and Expenditure account.

Properties are disposed of under the appropriate legislation and guidance. All costs and grants relating to the share of property sold are removed from the financial statements at the date of sale, except for first tranche sales. Any grants received that cannot be repaid from the proceeds of sale are abated and the grant removed from the financial statements.

## NORTH VIEW HOUSING ASSOCIATION LIMITED

### NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

(Continued)

#### 1.8 Depreciation of Housing Properties

##### i) Housing Land and Buildings

The Association separately identifies the major components of its housing properties and charges depreciation so as to write-down the cost of each component to its estimated residual value, on a straight line basis over the following years:

Land	Not depreciated
Structure	Over 60 years
Kitchen	Over 15 years
Window	Over 25 years
Heating	Over 30 years
Boiler	Over 15 years
Bathroom	Over 25 years
Doors	Over 25 years
Smoke detectors	Over 10 years

Housing properties for letting under construction are not depreciated throughout the year. The useful life is considered to commence on completion of the asset and therefore depreciation will commence on completion.

#### 1.9 Impairment of Fixed Assets

An assessment is made at each reporting date of whether there are indications that a fixed asset (including housing properties) may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the RSL estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use of the asset based on its service potential, are recognised as impairment losses in the statement of comprehensive income.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in income and expenditure. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

# NORTH VIEW HOUSING ASSOCIATION LIMITED

## NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

(Continued)

i) **Other Fixed Assets**

Tangible fixed assets are initially measured at cost, net of depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation of each asset to its estimated residual value on a straight line basis over its expected useful life, as follows:

Furniture, fittings and computer equipment	–	20% straight line
Motor Vehicles	–	35% straight line
Office Property	–	2% straight line

ii) **Intangible Fixed Assets**

Intangible fixed assets are initially measured at cost, net of amortisation and any impairment losses. Amortisation is provided on all intangible fixed assets at rates calculated to write off the cost or valuation of each asset to its estimated residual value on a straight line basis over its expected useful life, as follows:

Software	-	20% straight line
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1.10 **Borrowing Costs**

General and specific borrowing costs directly attributable to the acquisition and construction of qualifying properties are added to the cost of those properties until such a time as the properties are ready for their intended use or sale.

All other borrowing costs are expensed as incurred.

1.11 **Tax**

The Association has charitable status and is registered with the Office of Scottish Charities Regulator and is therefore exempt from paying Corporation Tax on charitable activities.

1.12 **Deposits and Liquid Resources**

Cash comprises cash in hand and deposits repayable on demand less overdrafts repayable on demand. Liquid resources are current asset investments that are disposable without curtailing or disrupting the business and are readily convertible into known amounts of cash at or close to their carrying value.

1.13 **Employee Benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

## NORTH VIEW HOUSING ASSOCIATION LIMITED

### NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

(Continued)

#### 1.13 Employee Benefits (*continued*)

Employees can carry forward any unused holiday or TOIL entitlement at the reporting date. The cost of any unused entitlement is recognised in the period in which the employee's services are received.

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the RSL is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.14 Pensions

##### *Defined Benefit Plan*

The Association participated in the Scottish Housing Association Pension Scheme (SHAPS) which is a funded multi-employer scheme and applied defined benefit accounting as a result. The scheme assets were measured at fair value. Scheme liabilities were measured on an actuarial basis using the projected unit credit method and are discounted at appropriate high quality corporate bond rates. The Association's employees no longer participate in the defined benefit section of the scheme and all previous members transferred over to the defined contribution element. The defined benefit net liability has been extinguished as a result.

##### *Retirement benefits*

For defined contribution schemes the amount charged to the Statement of Comprehensive Income is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

#### 1.15 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, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Association becomes a party to the contractual provisions of the instrument and are offset only when the Association currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.



## NORTH VIEW HOUSING ASSOCIATION LIMITED

### NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

(Continued)

#### 1.15 Financial Instruments (*continued*)

A provision for impairment of debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in income and expenditure for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in income and expenditure.

##### *Financial assets*

###### *Debtors*

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with a trade or other debtor constitutes a financing transaction, the debtor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

##### *Financial liabilities*

###### *Trade creditors*

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a trade creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

###### *Borrowings*

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges.

Commitments to receive a loan are measured at cost less impairment.

# NORTH VIEW HOUSING ASSOCIATION LIMITED

## NOTES TO THE ACCOUNTS

**YEAR ENDED 31 MARCH 2021**  
(Continued)

### 1.16 Provisions

Provisions are recognised when the RSL has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

### 2. Particulars of turnover, operating costs and operating surplus or deficit

	Notes	Turnover £	Operating Costs £	2021 Operating Surplus £	2020 Operating Surplus £
<b>Affordable Letting Activities</b>	3a	3,488,443	(2,843,722)	644,721	545,295
<b>Other Activities</b>	3b	43,366	(57,657)	(14,291)	(52,540)
		<u>3,531,809</u>	<u>(2,901,379)</u>	<u>630,430</u>	<u>492,755</u>
<b>Remeasurement of Pension Deficit</b>	19	-	(262,365)	(262,365)	352,000
<b>Total</b>		<u>3,531,809</u>	<u>(3,163,744)</u>	<u>368,065</u>	<u>844,755</u>
<b>Total for previous reporting period</b>		<u>3,789,506</u>	<u>(2,944,751)</u>	<u>844,755</u>	

**NORTH VIEW HOUSING ASSOCIATION LIMITED**

**NOTES TO THE ACCOUNTS**

**YEAR ENDED 31 MARCH 2021**

(Continued)

**3a. Particulars of turnover, operating costs and operating surplus from affordable letting activities**

	<b>General Needs Housing £</b>	<b>Supported Housing Accommodation £</b>	<b>Shared Ownership Housing £</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
Rent receivable net of service charges	3,154,479	56,978	3,775	3,215,232	3,121,409
Service charges	5,344	25,578	-	30,922	30,699
Gross income from rents and service charges	3,159,823	82,556	3,775	3,246,154	3,152,108
Less voids	(30,412)	(21,997)	-	(52,409)	(17,807)
<b>Net Income from rents and service charges</b>	3,129,411	60,559	3,775	3,193,745	3,134,301
Grants released from deferred income	254,086	-	-	254,086	290,948
Other Revenue Grants	40,612	-	-	40,612	-
<b>Total turnover from social letting activities</b>	3,424,109	60,559	3,775	3,488,443	3,425,249
Management and maintenance administration costs	1,351,074	24,404	1,617	1,377,095	1,399,497
Service costs	-	15,679	-	15,679	78,388
Planned and cyclical maintenance including major repairs costs	420,041	1,300	-	421,341	321,074
Reactive maintenance costs	371,233	494	-	371,727	393,480
Bad debts – rents and service charges	59,655	-	-	59,655	71,277
Depreciation of affordable let properties	586,922	10,601	702	598,225	616,238
<b>Operating costs for affordable letting activities</b>	2,788,925	52,478	2,319	2,843,722	2,879,954
<b>Operating surplus from affordable lettings at 31 March 2021</b>	635,184	8,081	1,456	644,721	545,295
<b>Operating surplus from affordable letting at 31 March 2020</b>	508,589	36,561	145	545,295	

**NORTH VIEW HOUSING ASSOCIATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 MARCH 2021**  
(Continued)

**3b – Particulars of turnover, operating costs and operating surplus or deficit from other activities**

	Grants from Scottish Ministers	Other revenue grants	Supporting people income	Other income	Total Turnover	Operating costs – bad debts	Other operating costs	Operating surplus (deficit)	Operating surplus or deficit for previous reporting period
	£	£	£	£	£	£	£	£	£
-	-	-	-	33,548	33,548	-	(37,028)	(3,480)	(223)
Wider action/wider role	-	-	-	33,548	33,548	-	(37,028)	(3,480)	(223)
Care and repair	-	-	-	-	-	-	-	-	-
Investment property activities	-	-	-	-	-	-	-	-	-
Factoring	-	-	-	9,818	9,818	-	(9,818)	-	(6,146)
Support activities	-	-	-	-	-	-	(10,811)	(10,811)	-
Tenant Participation	-	-	-	-	-	-	-	-	-
Contracted out activities undertaken for RSLs	-	-	-	-	-	-	-	-	-
Contracted out services undertaken for other organisations	-	-	-	-	-	-	-	-	-
Developments for sale to registered social landlords	-	-	-	-	-	-	-	-	-
Developments and improvements for sale to other organisations	-	-	-	-	-	-	-	-	-
Uncapitalised development administration costs	-	-	-	-	-	-	-	-	(49,932)
Other activities - energy efficiency – solar return	-	-	-	-	-	-	-	-	-
- Miscellaneous	-	-	-	-	-	-	-	-	11
- home owners management fee	-	-	-	-	-	-	-	-	3,750
<b>Total from other activities</b>	-	-	-	<b>43,366</b>	<b>43,366</b>	-	<b>(57,657)</b>	<b>(14,291)</b>	<b>(52,540)</b>
<b>2020</b>	-	-	-	<b>12,257</b>	<b>12,257</b>	-	<b>(64,797)</b>	<b>(52,540)</b>	

**NORTH VIEW HOUSING ASSOCIATION LIMITED**

**NOTES TO THE ACCOUNTS**

**YEAR ENDED 31 MARCH 2021**

(Continued)

**4. Interest payable and similar charges**

	2021	2020
	£	£
Interest arising on:		
Bank loans	297,048	264,389
Defined benefit pension charge	-	8,000
	297,048	272,389

**5. Taxation**

The Association was awarded charitable status by the Inland Revenue on 26 March 2002, and so is not liable to Corporation Tax on its exempt activities.

**6. Operating surplus or deficit**

	2021	2020
	£	£
Operating surplus is stated after charging/(crediting):		
Depreciation of housing properties	598,226	616,238
Depreciation of other tangible fixed assets:		
- owned	36,156	42,851
Surplus on disposal of tangible fixed assets	-	-

Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:

Audit services – statutory audit	12,000	15,180
Other services:		
Support and training on Insight	12,000	12,000
	24,000	27,180

**7. Employees**

	2021	2020
	£	£
Staff costs (including key management personnel) during the year:		
Wages and salaries	718,316	649,046
Social security costs	66,042	61,817
Other pension costs	117,268	127,525
	901,626	838,388

# NORTH VIEW HOUSING ASSOCIATION LIMITED

## NOTES TO THE ACCOUNTS

**YEAR ENDED 31 MARCH 2021**

(Continued)

### 7. Employees (continued)

In addition to the above there were payments made to towards the pension past service deficit of £65,366 (2020: £55,276).

The average monthly number of full-time equivalent persons (including key management personnel) employed by the Association during the year were as follows:

	<b>2021</b>	<b>2020</b>
	<b>No</b>	<b>No</b>
Administration and maintenance	21	20

The key management personnel are defined as the members of the Committee of Management and the Director.

The number of key management personnel who received emoluments (excluding employer pension contributions) in excess of £60,000 during the reporting period fell within the following bands:

	<b>2021</b>	<b>2020</b>
	<b>No</b>	<b>No</b>
£60,001 to £70,000	1	1
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Aggregate Emoluments payable to the above key management personnel (including pension contributions and benefits in kind)	77,833	74,716
Emoluments payable to the Director (excluding pension contributions)	63,040	66,563
Aggregate Pension contributions in relation to the above key management personnel	14,793	8,153

The Association also paid Employer's national insurance of £7,435.

Committee of Management expenses £328 (2020: £525).

**NORTH VIEW HOUSING ASSOCIATION LIMITED**

**NOTES TO THE ACCOUNTS**

**YEAR ENDED 31 MARCH 2021**

**(Continued)**

**8. Tangible Fixed Assets – Housing Land and Buildings**

	<b>Social Housing Properties Held for Letting £</b>	<b>Housing Properties for letting under Construction £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 April 2020	26,253,992	535,016	26,789,008
Additions	210,584	936,515	1,147,099
Disposals	(892,924)	-	(892,924)
At 31 March 2021	25,571,652	1,471,531	27,043,183
<b>Depreciation and Impairment</b>			
At 1 April 2020	9,843,207	-	9,843,207
Charge for the year	583,092	-	583,092
Disposals	(213,407)	-	(213,407)
At 31 March 2021	10,212,892		10,212,892
<b>Net book value at 31 March 2021</b>	15,358,760	1,471,531	16,830,291
<b>Net book value at 31 March 2020</b>	16,410,785	535,016	16,945,801

The Association considers individual schemes to be separate cash generating units when assessing for impairment. No land or buildings are held under a lease. The aggregate amount of finance costs included in the cost of housing properties is £nil (2020: £nil). Land value is £nil (2020: £nil)

**Expenditure on Works to Existing Properties**

	<b>2021</b>	<b>2020</b>
Improvement work capitalised	-	30,181
Replacement component spend capitalised	210,584	244,217
Amounts charged to income and expenditure	2,351	4,852
Total major repairs spend	212,935	279,250

**NORTH VIEW HOUSING ASSOCIATION LIMITED**

**NOTES TO THE ACCOUNTS**

**YEAR ENDED 31 MARCH 2021**

(Continued)

**9. Other Tangible Fixed Assets**

	<b>Motor Vehicles £</b>	<b>Furniture &amp; Fittings £</b>	<b>Office Property</b>	<b>Computer Equipment £</b>	<b>Total £</b>
<b>Cost</b>					
At 1 April 2020	68,771	119,058	656,336	290,117	1,134,282
Additions	-	1,885	-	5,608	7,493
Disposals	(6,551)	(47,554)	-	(237,876)	(291,981)
At 31 March 2021	<u>62,220</u>	<u>73,389</u>	<u>656,336</u>	<u>57,849</u>	<u>849,794</u>
<b>Depreciation</b>					
At 1 April 2020	55,117	105,933	185,818	266,245	613,113
Charge for the year	9,276	5,381	13,751	7,749	36,157
Disposals	(6,491)	(46,525)	-	(233,611)	(286,627)
At 31 March 2021	<u>57,902</u>	<u>64,789</u>	<u>199,569</u>	<u>40,383</u>	<u>362,643</u>
<b>Net book value at 31 March 2021</b>	<u>4,318</u>	<u>8,600</u>	<u>456,767</u>	<u>17,466</u>	<u>487,151</u>
<b>Net book value at 31 March 2020</b>	<u>13,654</u>	<u>13,125</u>	<u>470,518</u>	<u>23,872</u>	<u>521,169</u>



**NORTH VIEW HOUSING ASSOCIATION LIMITED**

**NOTES TO THE ACCOUNTS**

**YEAR ENDED 31 MARCH 2021**

(Continued)

**9a. Intangible Fixed Assets**

	<b>Software £</b>
<b>Cost</b>	
At 1 April 2020	130,452
Additions	112,389
Disposals	<u>(242,841)</u>
At 31 March 2021	<u>-</u>
<b>Amortisation</b>	
At 1 April 2020	51,626
Charge for year	-
Disposals	<u>(51,626)</u>
At 31 March 2021	<u>-</u>
<b>Net book value at 31 March 2021</b>	<u>-</u>
<b>Net book value at 31 March 2020</b>	<u>78,826</u>

**10. Debtors**

	<b>2021 £</b>	<b>2020 £</b>
Amounts falling due within one year:		
Rent and service charges receivable	223,885	210,914
Less bad debt provision	<u>(146,751)</u>	<u>(121,572)</u>
	77,134	89,342
Prepayments and Other Debtors	<u>103,188</u>	<u>55,326</u>
	<u>180,322</u>	<u>144,668</u>

**NORTH VIEW HOUSING ASSOCIATION LIMITED**

**NOTES TO THE ACCOUNTS**

**YEAR ENDED 31 MARCH 2021**

(Continued)

<b>11. Creditors: Amounts Falling Due Within One Year</b>		
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Debt (Note 14)	238,525	234,898
Contractors' certified work	61,812	10,082
Rents in advance	100,547	93,728
Accruals and deferred income	58,607	320,283
Other creditors	28,264	(1,086)
	<u>487,755</u>	<u>657,905</u>
<b>12. Creditors: Amounts Falling Due After More than One Year</b>		
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Debt (Note 14)	8,713,614	7,900,604
Deferred Capital Grants (Note 13)	8,579,974	8,314,809
	<u>17,293,588</u>	<u>16,215,413</u>
<b>13. Deferred capital grant</b>		
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
As at 1 April	8,589,962	8,744,150
Grant received in year	889,532	136,761
Disposals	(650,862)	-
Capital grant released	(248,658)	(290,948)
	<u>8,579,974</u>	<u>8,589,963</u>
At 31 March	<u>8,579,974</u>	<u>8,589,963</u>
Amounts to be released within one year	248,568	275,154
Amounts to be released in more than one year	<u>8,331,406</u>	<u>8,314,809</u>
	<u>8,579,974</u>	<u>8,589,963</u>
<b>14. Debt analysis - Borrowings</b>		
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Creditors: amounts falling due within one year		
Bank loans	<u>238,525</u>	<u>234,898</u>
Creditors: amounts falling due after more than one year		
Bank loans	<u>8,713,614</u>	<u>7,900,604</u>

# NORTH VIEW HOUSING ASSOCIATION LIMITED

## NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

(Continued)

### 14. Debt analysis – Borrowings (continued)

Borrowings are denominated and repaid in pounds sterling, have contractual interest rates that are fixed rates and two variable rates that are not leveraged, and do not contain conditional returns or repayment provisions other than to protect the lender against credit deterioration or changes in relevant legislation or taxation.

Bank loans are secured by specific charges on the Association's properties. Loans relate to housing properties and Head Office. Loans are repayable at rates of interest of 1% to 6.35% (2020 – 0.77% to 5.63%). The Association makes quarterly repayments of the bank borrowing.

Based on the lender's earliest repayment dates, borrowings are repayable as follows:

	2021 £	2020 £
Due within one year	238,525	234,898
Due in one year or more but less than two years	239,585	239,190
Due between two and five years	747,910	1,049,117
Due more than five years	<u>7,726,119</u>	<u>6,612,297</u>
	<u>8,952,139</u>	<u>8,135,502</u>

### 15. Provisions

	Holiday Pay £
At 1 April 2020	23,271
Utilised in the year	(23,271)
Added in year	<u>50,053</u>
	<u>50,053</u>

#### *Holiday Pay*

This represents holiday accrued as a result of services rendered in the current period and which employees are entitled to carry forward. The provision is measured as the statutory cost payable for the period of absence.

# NORTH VIEW HOUSING ASSOCIATION LIMITED

## NOTES TO THE ACCOUNTS

**YEAR ENDED 31 MARCH 2021**

(Continued)

### 16. Share Capital & Reserves

	2021	2020
<i>Share Capital</i>	£	£
Shares of £1 fully paid and issued at 1 April 2020	35	35
Shares issued during year	1	11
Shares cancelled during the year	<u>(1)</u>	<u>(11)</u>
Shares issued at 31 March 2021	<u>35</u>	<u>35</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.

### 17. Cash flow from operating activities

	2021	2020
(Deficit)/Surplus for year	(141,910)	573,283
Adjustments for non-cash items:		
Depreciation	634,382	685,179
Amortisation	(254,086)	(290,948)
Pension Deficit Payments	(65,366)	-
Increase in debtors	(35,653)	20,349
Loss on disposal	215,518	-
Cancellation of shares	-	-
Increase in creditors	101,376	(72,170)
Increase in provisions	26,783	16,550
Actuarial movement in defined benefit pension liability	262,365	(352,000)
Adjustments for investing or financing activities:		
Interest received	(2,593)	(917)
Interest paid	<u>297,048</u>	<u>272,389</u>
	<u>1,037,864</u>	<u>851,715</u>

### 18. Capital Commitments

	2021	2020
	£	£
Expenditure contracted for but not provided in the financial statements	3,344,620	-
Expenditure authorised by the Committee of Management but not contracted	<u>-</u>	<u>-</u>

# **NORTH VIEW HOUSING ASSOCIATION LIMITED**

## **NOTES TO THE ACCOUNTS**

**YEAR ENDED 31 MARCH 2021**

(Continued)

### **19. Pension Fund**

North View Housing Association Limited participates in the SHAPS UK defined benefit scheme, a multi-employer scheme which provides benefits to some 150 non-associated employers. The scheme is a defined benefit scheme in the UK.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The last triennial valuation of the scheme for funding purposes was carried out as at 30 September 2018. This valuation revealed a deficit of £121m. A recovery plan has been put in place to eliminate the deficit which runs to 23 March 2023 for the majority of employers, although certain employers have different arrangements.

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

As described in the Report of the Committee of Management, all staff transferred over from the Defined Benefit (DB) scheme to the Defined Contribution (DC) scheme on 1 April 2020.

**NORTH VIEW HOUSING ASSOCIATION LIMITED**

**NOTES TO THE ACCOUNTS**

**YEAR ENDED 31 MARCH 2021**

(Continued)

**19. Pension Fund (continued)**

PRESENT VALUES OF DEFINED BENEFIT OBLIGATION, FAIR VALUE OF ASSETS AND DEFINED BENEFIT ASSET (LIABILITY)

	<b>31 March 2021</b>	<b>31 March 2020</b>
	<b>(£000s)</b>	<b>(£000s)</b>
Fair value of plan assets	1,978	1,804
Present value of defined benefit obligation	2,175	1,778
Surplus (deficit) in plan	(197)	26
Unrecognised surplus	-	26
Defined benefit asset (liability) to be recognised	(197)	-

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE DEFINED BENEFIT OBLIGATION

	<b>Period ended</b>
	<b>31 March 2021</b>
	<b>(£000s)</b>
Defined benefit obligation at start of period	1,778
Current service cost	-
Expenses	2
Interest expense	41
Contributions by plan participants	-
Actuarial losses (gains) due to scheme experience	4
Actuarial losses (gains) due to changes in demographic assumptions	-
Actuarial losses (gains) due to changes in financial assumptions	412
Benefits paid and expenses	(62)
Liabilities acquired in a business combination	-
Liabilities extinguished on settlements	-
Losses (gains) on curtailments	-
Losses (gains) due to benefit changes	-
Exchange rate changes	-
Defined benefit obligation at end of period	2,175

# NORTH VIEW HOUSING ASSOCIATION LIMITED

## NOTES TO THE ACCOUNTS

**YEAR ENDED 31 MARCH 2021**

(Continued)

### 19. Pension Fund (continued)

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

	Period ended 31 March 2021 (£000s)
Fair value of plan assets at start of period	1,804
Interest income	43
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	125
Contributions by the employer	68
Contributions by plan participants	-
Benefits paid and expenses	(62)
Assets acquired in a business combination	-
Assets distributed on settlements	-
Exchange rate changes	-
Fair value of plan assets at end of period	1,978

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2021 was £168,000

#### DEFINED BENEFIT COSTS RECOGNISED IN STATEMENT OF COMPREHENSIVE INCOME (SOCl)

	Period from 31 March 2020 to 31 March 2021 (£000s)
Current service cost	-
Expenses	2
Net interest expense	-
Losses (gains) on business combinations	-
Losses (gains) on settlements	-
Losses (gains) on curtailments	-
Losses (gains) due to benefit changes	-
Defined benefit costs recognised in statement of comprehensive income (SoCI)	2

# NORTH VIEW HOUSING ASSOCIATION LIMITED

## NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

(Continued)

### 19. Pension Fund (continued)

#### DEFINED BENEFIT COSTS RECOGNISED IN OTHER COMPREHENSIVE INCOME

	Period ended 31 March 2021 (£000s)
Experience on plan assets (excluding amounts included in net interest cost) – gain (loss)	125
Experience gains and losses arising on the plan liabilities - gain (loss)	(4)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	-
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	(412)
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	(291)
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) - gain (loss)	28
Total amount recognised in other comprehensive income - gain (loss)	(263)



# NORTH VIEW HOUSING ASSOCIATION LIMITED

## NOTES TO THE ACCOUNTS

**YEAR ENDED 31 MARCH 2021**

(Continued)

### 19. Pension Fund (continued)

#### ASSETS

	31 March 2021	31 March 2020
	(£000s)	(£000s)
Global Equity	306	248
Absolute Return	97	111
Distressed Opportunities	68	33
Credit Relative Value	57	43
Alternative Risk Premia	79	145
Fund of Hedge Funds	-	-
Emerging Markets Debt	80	64
Risk Sharing	71	57
Insurance – Linked Securities	41	48
Property	35	34
Infrastructure	110	106
Private Debt	47	36
Opportunistic Illiquid Credit	51	44
High Yield	52	-
Opportunistic Credit	54	-
Cash	1	-
Corporate Bond Fund	149	132
Liquid Credit	34	47
Long Lease Property	46	44
Secured Income	109	100
Over 15 Year Gilts	-	23
Index Lined All Stock Gilts	-	-
Liability Driven Investment	475	475
Net Current Assets	15	14
<b>Total Assets</b>	<b>1,978</b>	<b>1,804</b>

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

**NORTH VIEW HOUSING ASSOCIATION LIMITED**

**NOTES TO THE ACCOUNTS**

**YEAR ENDED 31 MARCH 2021**

(Continued)

**19. Pension Fund (continued)**

KEY ASSUMPTIONS

	<b>31 March 2021</b>	<b>31 March 2020</b>
	<b>% per annum</b>	<b>% per annum</b>
Discount Rate	2.20%	2.36%
Inflation (RPI)	3.25%	2.58%
Inflation (CPI)	2.87%	1.58%
Salary Growth	2087%	2.58%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	

The mortality assumptions adopted at 31 March 2021 imply the following life expectancies:

	<b>Life expectancy at age 65 (Years)</b>
Male retiring in 2021	21.5
Female retiring in 2021	23.4
Male retiring in 2041	22.8
Female retiring in 2041	25.0

# NORTH VIEW HOUSING ASSOCIATION LIMITED

## NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

(Continued)

### 20. Contingent Liabilities

At 31 March 2021 the Association had no contingent liabilities (2020 - £Nil).

### 21. Housing Stock

The number of units in Management at 31 March 2021 was as follows:-

	<b>2021</b>	<b>2020</b>
	<b>No</b>	<b>No</b>
General needs	666	665
Supported	8	8
Shared ownership	2	2
	<u>676</u>	<u>675</u>

### 22. Related Parties

Eight of the eleven Committee of Management members are also tenants of the Association. Their tenancies are on normal commercial terms. During the year £29,785 (2020; £34,475) of rent was receivable from these tenant members. At the year-end there were £nil (2020: £nil) of rent arrears due from these tenant members.

Amounts outstanding are unsecured, non-interest bearing and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the year (2020: £nil) in respect of bad debts from related parties.

There are no other related party transactions to disclose.