

Pineview Housing Association Limited

Report and Financial Statements

For the year ended 31st March 2020



Registered Housing Association No. HAC231

FCA Reference No. 2375R(S)

Scottish Charity No. SC038237

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**Members of the Management Committee, Executives and Advisers
For the Year End 31 March 2020**

Management Committee

Victoria Phelps	Chairperson
Josephine McGinty	Vice-Chairperson
Jim O'Conner	Treasurer
Jean Black	
Gail Boyle	(Resigned 25 June 2019)
Asa Brooks	(Resigned 30 April 2019)
Matthew Dillon	(Appointed 30 April 2019)
Myra Frater	
Sharon Kane	
Winifred McPhail	
Daniel Martyn	(Appointed 28 May 2019)
Jamie Speirs	(Resigned 12 August 2019)
David Syme	
Anna Welsh	

Executive Officers

Joyce Orr	Director and Secretary
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Registered Office

5 Rozelle Avenue
Drumchapel
Glasgow
G15 7QR

External Auditors

Chiene & Tait
Chartered Accountants
Dublin Street
Edinburgh
EH3 6NL

Internal Auditors

Wylie and Bisset LLP
168 Bath Street
Glasgow
G2 4TP

Finance Agents

FMD Financial Services
KCEDG Commercial Centre 61
Unit 29 Ladyloan Place
Glasgow
G15 8LB

Bankers

Bank of Scotland
19 Roman Road
Bearsden
Glasgow
G61 2SP

Solicitors

TC Young
7 West George Street
Glasgow
G2 1BA

Report of the Management Committee for the Year End 31 March 2020

The Management Committee presents its report and the Financial Statements for the year ended 31 March 2020.

Legal Status

The Association is a registered non-profit making organisation under the Co-operative and Community Benefit Societies Act 2014 No.2375R(S). The Association is governed under its Rule Book. The Association is a registered Scottish Charity with the charity number SC038237.

Principal Activities

The objects of the Association are:

1. to provide for the relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage through the provision, construction, improvement and management of land and accommodation and the provision of care; and
2. any other purpose or object permitted under Section 24 of the Housing (Scotland) Act 2010 which is charitable both for the purposes of Section 7 of the Charities and Trustee Investment (Scotland) Act 2005 and also in relation to the application of the Taxes Acts.

Review of Business and Future Developments

Context

Pineview Housing Association Ltd is a community based housing association in the Drumchapel area of Glasgow. As at 31 March 2020 the Association owns 534 properties, part owns 22 shared ownership properties and provides factoring services for a further 29 properties. At 31/03/20 the Association has a Management Committee of 11 members, made up of 5 Association tenants and 6 others with an interest in the Association.

The worldwide pandemic of Covid19 will obviously have an impact on the Association, so although only beginning to impact late in the financial year (March 2020) it is essential that it is considered. The Management Committee are continually reviewing the impact of Covid19 on our tenants, customers, staff, stock and business generally. The Association has robust business continuity plans in place which allow the business to be managed and impact to be minimised. Scenario planning is being undertaken and reviewed to allow the Association to consider the potential immediate impact along with medium and long-term impact.

The Association was recently selected as preferred bidder to consider a transfer of engagements from Kendoon Housing Association Ltd. The Association is now undertaking the required due diligence to determine if this proposed process will be of benefit to the tenants of both Pineview and Kendoon. Statutorily required tenant consultation will be undertaken by Kendoon. If the Kendoon tenants vote to transfer to Pineview this will result in an additional 319 properties becoming part of Pineview's housing stock within the Drumchapel area.

Report of the Management Committee for the Year End 31 March 2020 (Continued)

Treasury Management

The Management Committee follows a prudent approach to the financial affairs of the Association and retains close control of these. Investments are regularly reviewed to ensure that the Association achieves the best return in a climate of low interest rates, whilst spreading the risk of investments across institutions. The Management Committee also keeps the Association's loan portfolio under review and monitors the impact of financial decisions on the loan covenant conditions that the Association is required to meet.

The Association, as a matter of policy, does not enter into transactions of a speculative nature. Surplus funds are managed carefully using long-established banks or building societies. The Treasury Management position of the Association is reviewed by the Management Committee every quarter and the Treasury Management Policy is reviewed by the Management Committee every year.

Risk Management

The Association has an active risk management process, including policy, matrix register and business continuity planning (disaster recovery). All major risks are considered in order that mitigating action can be planned.

Key risks include, for example, Covid19 pandemic; Brexit uncertainty; welfare reform impacts; loss of key personnel; inadequate controls; fraud; health and safety failures; changes in regulatory requirements; data security etc. Risks are mitigated with robust policies, procedures and a range of internal and external audits. The Management Committee further ensure mitigation by reviewing external information and advice, maintaining active membership of representative and good practice bodies, and through seeking specialist external advice where it is required such as advice on IT security and data protection.

Financial Review

The Association needs to have reserves to ensure that the organisation can function into the future and meet its future liabilities, including the repair, maintenance and replacement investment needs of its properties. In the year to 31 March 2020 the Association made a surplus of £365,063 against a budgeted position of £259,323. Some of this extra surplus was due to efficiencies created during the year, however, a large proportion was due to a suspension on reactive, cyclical and planned maintenance and replacement works due to Covid19. These works, and the costs for them, will be picked up when restrictions are removed and it is safe to undertake the works. Any surpluses that the Association makes are set aside within reserves for future business and works.

The Association reports an operating margin of 14% (26% 2019). The main driver of the difference from the previous year being higher expenditure on cyclical, planned and reactive repair costs carried out to the Association's properties.

As at 31 March 2020 the Association has cash to the value of £4,077,033 and has loan debt at a value of £3,234,733, having paid £289,038 off its loan debt during the year.

As at 31 March 2020 the Association has a net asset value position of £8,789,218 (this is the assumed net worth of the Association and is not a cash item).

Report of the Management Committee for the Year End 31 March 2020 (Continued)

Value for Money

Along with ensuring effective management of the Association's finances, the Management Committee are committed to ensuring that value for money remains a top priority for the Association. We look to achieve this as an independent RSL and with our local partners. Where it can add value, we work with other local RSLs to procure, purchase and provide. We work closely with the other local RSLs especially in terms of staff and committee training, welfare benefits advice services and some maintenance procurement. We also work with other Associations across Glasgow on common projects, such as the Glasgow Housing Register and the Scottish Housing Connections website consortium. The Association and its Resident and Customer Forum developed a Value for Money Statement during the year.

Ensuring the collection of rental income, and supporting tenants to make rent payments, remains a priority for the Association. While working to keep rents affordable we need to ensure that we maximise our collection of rental charges due. This has been a challenge with the UK Government Welfare Reforms, and more recently with the impact of Covid19. However, Association staff continue to work with our tenants to assist and help resolve any debt issues.

Tenant involvement is crucial to the success of the Association and we are very grateful to our active Resident and Customer Forum for all the work they do with us. A comprehensive tenant satisfaction survey was undertaken during the year and the result of this, alongside our ongoing repair satisfaction survey work, feeds into our annual return on the Charter. 94.67% of our tenants that were surveyed were satisfied with the opportunities to participate in the decision making process of the Association.

During the year 1,843 reactive repairs were undertaken. In addition to day to day repair work, the Association continues to undertake planned replacements of components and cyclical maintenance works. During 2019/20 the Association continued its ongoing cyclical maintenance and planned renewal programmes including boiler and kitchen replacement programmes, cyclical painterwork and fire protection work. This work was halted in mid-March 2020 due to Covid19 restrictions. These works, and the costs for them, will be picked up when restrictions are removed and it is safe to undertake the works.

During 2019/20 the Association also undertook a review of our schedule of rates cost for future planned maintenance and renewal costs. This ensures that we have robust information to keep our asset management information updated and allows the Association to proactively financially plan for the future. The information forms the basis of projections to ensure that property standards are maintained in the long-term. The Management Committee utilise this information to regularly review the short, medium and long-term viability of the Association.

Donations

During the year the Association made charitable donations of £780. An additional £2,714 was given in gifts and hospitality (such as AGM prizes, Pensioners Xmas etc) and a further £3,135 of additional contributions were made to local projects and charities through fundraising or Drumcog.

Report of the Management Committee for the Year End 31 March 2020 (Continued)

Governance

The Management Committee continued their annual committee member reviews to ensure that as a committee, and as individual committee members, they meet regulatory and good practice requirements. The committee remains open to new members joining and bringing fresh ideas, skills and approaches.

The Management Committee developed and submitted their Annual Assurance Statement (AAS) to the Scottish Housing Regulator by the due deadline. This AAS was a new regulatory requirement and the Management Committee submitted a positive AAS advising of their assurance of the Association's compliance with regulatory requirements.

Management Committee, Executive Officers

The Association is controlled by a Management Committee. The members of the Management Committee and the Executive Officers are listed on Page 1.

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

The members of the Management Committee are also Trustees of the Charity. Members of the Management Committee are appointed by the members at the Association's Annual General Meeting.

Statement of Management Committee's Responsibilities

The Co-operative and Community Benefit Act 2014 requires the Management Committee to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Association and of the surplus or deficit of the Association for that period. In preparing those Financial Statements, the Management Committee is required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business;
- prepare a statement on Internal Financial Control.

Report of the Management Committee for the Year End 31 March 2020 (Continued)

The Management Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to: ensure that the Financial Statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing (Scotland) Act 2014 and the Determination of Accounting Requirements - 2015. They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. It is also responsible for ensuring the Association's suppliers are paid promptly.

The Management Committee must, in determining how amounts are presented within items in the Statement of Comprehensive Income (income and expenditure account) and Statement of Financial Position (balance sheet), have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting practices.

Disclosure of Information to the Auditor

In so far as the Management Committee are aware, at the time this report is approved:

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

Statement on Internal Financial Control

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

- the reliability of financial information used within the Association, or for publication;
- the maintenance of proper accounting records;
- the safeguarding of assets against unauthorised use or disposition.

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

- formal policies and procedures are in place, including the ongoing documentation of key systems and rules relating to the delegation of authority, which allow the monitoring of controls and restrict the unauthorised use of Association's assets;
- experienced and suitably qualified staff take responsibility for important business functions and annual appraisal procedures have been established to maintain standards of performance;

- forecasts and budgets are prepared which allow the management team and the Management Committee to monitor key business risks, financial objectives and the progress being made towards achieving the financial plans set for the year and for the medium term;
- quarterly financial management reports are prepared promptly, providing relevant, reliable and up to date financial and other information, with significant variances from budget being investigated as appropriate;
- regulatory returns are prepared, authorised and submitted promptly to the relevant regulatory bodies.
- all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through the Management Committee;
- the Management Committee receive reports from management and from the external and internal auditors to provide reasonable assurance that control procedures are in place and are being followed and that a general review of the major risks facing the Association is undertaken;
- formal procedures have been established for instituting appropriate action to correct any weaknesses identified through internal or external audit reports.

The Management Committee has reviewed the effectiveness of the system of internal financial control in existence in the Association for the year ended 31 March 2020. No weaknesses were found in the internal financial controls which resulted in material losses, contingencies or uncertainties which require disclosure in the financial statements or in the auditor's report on the financial statements.

Donations

During the year the Association made charitable donations amounting to £780 (2019 £520).

Auditors

A resolution to re-appoint the auditors Chiene and Tait, Chartered Accountants, will be proposed at the Annual General Meeting.

By order of the Management Committee



Joyce Orr

Secretary

Date 30/06/2020

Report by the Auditors to the Members of Pineview Housing Association Limited on Corporate Governance Matters

In addition to our audit of the Financial Statements, we have reviewed your statement on pages 7-8 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 on 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 Controls on pages 7-8 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.

Through our enquiry of certain members of the Management Committee and Officers of the Association and examination of relevant documents, we have satisfied ourselves that the Management Committee's Statement on Internal Financial Controls appropriately reflects the Association's compliance with the information required by the relevant Regulatory Standards in respect of internal financial controls contained within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes issued by the Scottish Housing Regulator in respect of internal financial controls.


Chiene + Tait LLP
Chartered Accountants and Statutory Auditors
61 Dublin Street
Edinburgh
EH3 6NL

6 July 2020

Independent Auditor's Report to the Members of Pineview Housing Association Limited

Opinion

We have audited the financial statements of Pineview Housing Association Limited (the Association) for the year ended 31 March 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been 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 – 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

We have nothing to report in respect of the following matters in which the ISAs (UK) require us to report to you where:

- the Management Committee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Management Committee has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the association's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent Auditor's Report to the Members of Pineview Housing Association Limited (Continued)

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- 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; or
- we have not received all the information and explanations we need for our audit.

Responsibilities of the Management Committee

As explained more fully in the Statement of the Management Committee's Responsibilities set out on page 6, the Management Committee 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 Management Committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management Committee are 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 Management Committee either intend to liquidate the association or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of Pineview Housing Association Limited
(Continued)

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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 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.



Chiene + Tait LLP
Chartered Accountants and Statutory Auditors
61 Dublin Street
Edinburgh
EH3 6NL

6 July 2020

Statement of Comprehensive Income for the Year End 31 March 2020

	Notes	2020 £	2019 £
Revenue	2	2,918,619	2,933,358
Operating Costs	2	(2,509,836)	(2,167,065)
Operating Surplus		408,783	766,293
Interest Receivable and Other Income		37,949	34,336
Interest Payable and Similar Charges	8	(70,669)	(82,540)
Other Finance Income / (Charges)	11	(11,000)	(11,000)
		(43,720)	(59,204)
Surplus for the Year	9	365,063	707,089
Other comprehensive income			
Adjustment relating to Opening Pension Liability			(137,000)
Actuarial Gains/ (Losses) on defined benefit Pension Plan		363,000	(95,000)
Total Comprehensive Income		728,063	475,089

The notes on pages 17 to 32 form part of these financial statements.

Statement of Financial Position as at 31 March 2020

	Notes	£	2020 £	£	2019 £
Non-Current Assets					
Housing Properties - Depreciated Cost	12 (a)		24,895,688		25,554,366
Other Non-current Assets	12 (b)		71,752		66,306
			<u>24,967,440</u>		<u>25,620,672</u>
Current Assets					
Receivables	15	64,422		81,136	
Investments	25	3,797,410		3,744,462	
Cash at bank and in hand		279,622		286,486	
			<u>4,141,454</u>	<u>4,112,084</u>	
Creditors: Amounts falling due within one year	16	(640,259)		(635,972)	
			<u>3,501,195</u>	<u>3,476,112</u>	
Net Current Assets					
			<u>28,468,635</u>	<u>29,096,784</u>	
Total Assets Less Current Liabilities					
Creditors: Amounts falling due after more than one year	17		(2,944,627)		(3,250,336)
Pensions and Other Provisions For Liabilities and Charges					
Scottish Housing Association Pension Scheme	26	(45,000)		(453,000)	
			<u>(45,000)</u>	<u>(453,000)</u>	
Deferred Income					
Social Housing Grants	19	(16,689,790)		(17,332,280)	
			<u>(16,689,790)</u>	<u>(17,332,280)</u>	
Net Assets			<u>8,789,218</u>	<u>8,061,168</u>	
Equity					
Share Capital	20		171		184
Revenue Reserves			8,834,047		8,513,984
Pension Reserves			(45,000)		(453,000)
			<u>8,789,218</u>	<u>8,061,168</u>	

The Financial Statements were approved by the Management Committee and authorised for issue and signed on their behalf on 30 June 2020

Committee Member

Victoria Phelps



Victoria Phelps [Jul 2, 2020 14:39 GMT+1]

Committee Member

David Syme



David Syme [Jul 2, 2020 15:37 GMT+1]

Secretary

Joyce Orr



The notes on pages 17 to 32 form part of these financial statements.

Statement of Cash Flows for the Year Ended 31 March 2020

	Notes	2020		2019	
		£	£	£	£
Net cash inflow from operating activities	18		661,501		948,819
Investing Activities					
Improvements to Housing Properties		(270,980)		(490,778)	
Purchase of Other Fixed Assets		(22,704)		(8,866)	
Changes on short term deposits with banks		(52,948)		(363,944)	
Net cash outflow from investing activities			(346,632)		(863,588)
Financing Activities					
Interest Received on Cash and Cash Equivalents		37,949		34,336	
Interest Paid on Loans		(70,669)		(82,540)	
Loan Principal Repayments		(289,038)		(278,959)	
Share Capital Issued		25		28	
Net cash outflow from financing activities			(321,733)		(327,135)
Decrease in cash			(6,864)		(241,904)
Opening Cash & Cash Equivalents			286,486		528,390
Closing Cash & Cash Equivalents			279,622		286,486
Cash and Cash equivalents as at 31 March					
Cash			279,622		286,486
			279,622		286,486

The notes on pages 17 to 32 form part of these financial statements.

Statement of Changes in Equity as at 31 March 2020

	Share Capital	Scottish Housing Association Pension reserve	Revenue Reserve	Total
	£	£	£	£
Balance as at 1 April 2018	191		7,585,895	7,586,086
Issue of Shares	28			28
Cancellation of Shares	(35)			(35)
Other comprehensive income		(453,000)	221,000	(232,000)
Surplus for the year			707,089	707,089
Balance as at 31 March 2019	184	(453,000)	8,513,984	8,061,168
Balance as at 1 April 2019	184	(453,000)	8,513,984	8,061,168
Issue of Shares	25			25
Cancellation of Shares	(38)			(38)
Other comprehensive income		408,000	(45,000)	363,000
Surplus for the year			365,063	365,063
Balance as at 31 March 2020	171	(45,000)	8,834,047	8,789,218

The notes on pages 17 to 32 form part of these financial statements.

Financial Statement for the Year Ended 31 March 2020 – Notes to the Financial Statements

1. PRINCIPAL ACCOUNTING POLICIES

Statement of Compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Statement of Recommended Practice for social housing providers 2018. The Association is a Public Benefit Entity in terms of its compliance with Financial Reporting Standard 102, applicable for accounting periods on or after 1 January 2015.

Going Concern

The Management Committee are aware of material uncertainties related to Covid-19 that may cast doubt upon the Association's ability to continue as a going concern. However, the Management Committee are continually developing and implementing mitigating actions and processes to ensure that the Association continues to function and manage future operations and those of their workforce and stakeholders. The Management Committee is satisfied of the Association's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Revenue

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

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

Retirement Benefits

The Association participates in the Scottish Housing Associations Defined Benefit Pension Scheme where retirement benefits to employees of the Association are funded by the contributions from all participating employers and employees in the Scheme. Payments are made in accordance with periodic calculations by consulting Actuaries and are based on pension costs applicable across the various participating organisations taken as a whole. The Association accounts for this scheme as a defined benefit pension scheme in accordance with FRS 102. The Association also participates in the Scottish Housing Associations Defined Contribution scheme as the defined benefit scheme is closed to new members. Contributions to defined contribution plans are recognised as employee benefit expense when they are due.

Valuation Of Housing Properties

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

Component	Useful Economic Life
Kitchens	15 Years
Bathrooms	30 Years
Boilers	15 Years
Radiators	30 Years
Windows	30 Years
External Doors	30 Years
Internal Doors	40 Years
Rewiring	40 Years
Structures	50 Years

1. PRINCIPAL ACCOUNTING POLICIES (Continued.)

Depreciation and Impairment of Other Non-Current Assets

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

Asset Category	Depreciation Rate
Office Premises	2%
Furniture, Fittings and Equipment	33%
Motor Vehicles	33%

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

Social Housing Grant and Other Grants in Advance/Arrears

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

Social Housing Grant attributed to individual components is written off to the Statement of Comprehensive Income when these components are replaced.

Social Housing Grant received in respect of revenue expenditure is credited to the Statement of Comprehensive Income in the same period as the expenditure to which it relates.

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

Sales Of Housing Properties

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

Leases/Leased Assets

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

Works to Existing Properties

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

PRINCIPAL ACCOUNTING POLICIES (Continued.)

Key Judgements made in the application of Accounting Policies

a) The Categorisation of Housing Properties

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

b) Identification of cash generating units

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

c) Pension Liability

The Association participates in a defined benefit pension scheme arrangement with the Scottish Housing Association Pension Scheme. The fund is administered by the Pensions Trust. This year the Pension Trust have developed a method of calculating each member's share of the assets and liabilities of the scheme. The Association has adopted this valuation method in line with FRS102.

Financial Instruments - Basic

The Association classes all of its loans as basic financial instruments including agreements with break clauses. The Association recognises basic financial instruments in accordance with Section 11 of Financial Reporting Standard 102.

Estimation Uncertainty

The preparation of financial statements requires the use of certain accounting judgements and accounting estimates. It also requires the Management Committee to exercise judgement in applying the Association's accounting policies. The areas requiring a higher degree of judgement, or complexity, and areas where assumptions or estimates are most significant to the financial statements are disclosed below.

a) Rent Arrears - Bad Debt Provision

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

b) Life Cycle of Components

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

c) Useful life of properties, plant and equipment

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

d) Defined pension liability

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

e) Allocation of share of assets and liabilities for multi employer schemes

Judgements in respect of the assets and liabilities to be recognised are based upon source information provided by administrators of the multi employer pension schemes and estimations performed by the Pensions Trust.

Pineview Housing Association Limited

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

	Notes	2020			2019		
		Turnover	Operating Costs	Operating Surplus / (Deficit)	Turnover	Operating Costs	Operating Surplus / (Deficit)
		£	£	£	£	£	£
Affordable letting activities	3	2,899,463	2,486,187	413,276	2,914,368	2,143,374	770,994
Other Activities	4	19,156	23,649	(4,493)	18,990	23,691	(4,701)
Total		2,918,619	2,509,836	408,783	2,933,358	2,167,065	766,293

3. PARTICULARS OF INCOME & EXPENDITURE FROM AFFORDABLE LETTING ACTIVITIES

	General			2020 Total	2019 Total
	Needs Housing	Sheltered Housing	Shared Ownership		
	£	£	£	£	£
Revenue from Lettings					
Rent receivable net of service charges	2,125,652	22,961	41,971	2,190,584	2,139,410
Service charges receivable	38,702	12,003	3,599	54,304	80,099
Gross income from rent and service charges	2,164,354	34,964	45,570	2,244,888	2,219,509
Less: Rent losses from voids	909	-	-	909	942
Net Rents Receivable	2,163,445	34,964	45,570	2,243,979	2,218,567
Grants released from deferred income	621,540	-	20,950	642,490	679,481
Other revenue grants	12,994	-	-	12,994	16,320
Total turnover from affordable letting activities	2,797,979	34,964	66,520	2,899,463	2,914,368
Expenditure on affordable letting activities					
Management and maintenance administration costs	816,353	-	12,682	829,035	741,990
Service Costs	33,838	17,635	-	51,473	54,967
Planned and cyclical maintenance, including major repairs	449,568	-	-	449,568	145,144
Reactive maintenance costs	218,798	-	-	218,798	180,751
Bad Debts - rents and service charges	7,655	-	-	7,655	20,858
Depreciation of affordable let properties	905,979	-	23,679	929,658	999,664
Impairment of affordable letting activities	-	-	-	-	-
Operating costs of affordable letting activities	2,432,191	17,635	36,361	2,486,187	2,143,374
Operating surplus on affordable letting activities	365,788	17,329	30,159	413,276	770,994
2019	727,166	15,293	28,535		

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

	Other Income	Total Turnover	Operating Costs Bad Debts	Operating Costs Other	Operating Surplus / (Deficit) 2020	Operating Surplus / (Deficit) 2019
	£	£	£	£	£	£
Wider role activities	-	-	-	12,761	(12,761)	(12,201)
Factoring	19,156	19,156	-	10,888	8,268	7,500
Total From Other Activities	19,156	19,156	-	23,649	(4,493)	(4,701)
2019	18,990	18,990	-	23,691	(4,701)	

Pineview Housing Association Limited

5. OFFICERS' EMOLUMENTS

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

Aggregate Emoluments payable to Officers with Emoluments greater than £60,000 (excluding Pension Contributions)

Pension contributions made on behalf of Officers with emoluments greater than £60,000

Emoluments payable to Director (excluding pension contributions)

Total Emoluments paid to key management personnel

£60,001 to £70,000

2020	2019
£	£
64,710	63,225
9,448	9,235
64,710	63,225
74,158	70,821
Number	Number
1	1

6. EMPLOYEE INFORMATION

The average monthly number of full time equivalent persons employed during the year was:

The average total number of Employees employed during the year was:

Staff Costs were:

Wages and Salaries
 Social Security Costs
 Other Pension Costs
 Temporary, Agency and Seconded Staff

2020	2019
No.	No.
11	12
12	12
£	£
407,066	384,042
38,127	36,514
40,964	38,904
73,280	14,427
559,437	473,887

During the year employer contributions of £15,176 (2019: £13,795) were made to the Scottish Housing Association Defined Contribution scheme.

7. GAIN/ LOSS ON SALE OF HOUSING STOCK

There have been no sales of housing stock during the year.

	2020	2019
	£	£
Sales Proceeds	-	-
Cost of Sales	-	-
	<hr/>	<hr/>
Gain/ Loss On Sale Of Housing Stock	-	-
	<hr/> <hr/>	<hr/> <hr/>

8. INTEREST PAYABLE & SIMILAR CHARGES

On Bank Loans & Overdrafts

	2020	2019
	£	£
On Bank Loans & Overdrafts	70,669	82,540
	<hr/>	<hr/>
	70,669	82,540
	<hr/> <hr/>	<hr/> <hr/>

9. SURPLUS FOR THE YEAR

Surplus For The Year of £365,063 is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation - Tangible Owned Fixed Assets	946,916	1,008,916
Auditors' Remuneration - Audit Services	9,300	8,500
Operating Lease Rentals - Other	2,743	2,743
	<hr/>	<hr/>
	<hr/> <hr/>	<hr/> <hr/>

10. TAX ON SURPLUS ON ORDINARY ACTIVITIES

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

11. OTHER FINANCE INCOME / CHARGES

Interest Cost on Pension Scheme

	2020	2019
	£	£
Interest Cost on Pension Scheme	11,000	11,000
	<hr/>	<hr/>
	<hr/> <hr/>	<hr/> <hr/>

12. NON-CURRENT ASSETS

(a) Housing Proper	Housing Properties Held for Letting £	Shared Ownership Completed £	Total £
COST			
As at 1 April 2019	39,233,467	1,238,909	40,472,376
Additions	250,540	20,440	270,980
Disposals	(122,506)	-	(122,506)
	-----	-----	-----
As at 31 March 2020	39,361,501	1,259,349	40,620,850
	-----	-----	-----
DEPRECIATION			
As at 1 April 2019	14,500,841	417,169	14,918,010
Charge for Year	905,979	23,679	929,658
Disposals	(122,506)	-	(122,506)
	-----	-----	-----
As at 31 March 2020	15,284,314	440,848	15,725,162
	-----	-----	-----
NET BOOK VALUE			
As at 31 March 2020	24,077,187	818,501	24,895,688
	=====	=====	=====
As at 31 March 2019	24,732,626	821,740	25,554,366
	=====	=====	=====

Additions to housing properties include capitalised major repair costs to existing properties of £250,540 and purchase of property of £20,440 (2019 £490,778).

All land and housing properties are heritable.

Total expenditure on existing properties in the year amounted to £905,449 (2019 £816,673). This includes the amount capitalised for component additions of £250,540 (2019 £490,778).

The Association's Lenders have standard securities over Housing Property with a carrying value of £17,724,140 (2019 £18,112,763).

12. NON CURRENT ASSETS (Continued)

(b) Other Tangible Assets	Office Premises & Equipment £	Furniture & Equipment £	Motor Vehicles £	Total £
COST				
As at 1 April 2019	171,590	131,794	30,546	333,930
Additions	-	22,704	-	22,704
	-----	-----	-----	-----
As at 31 March 2020	171,590	154,498	30,546	356,634
	-----	-----	-----	-----
AGGREGATE DEPRECIATION				
As at 1 April 2019	119,546	117,532	30,546	267,624
Charge for year	3,432	13,826	-	17,258
	-----	-----	-----	-----
As at 31 March 2020	122,978	131,358	30,546	284,882
	-----	-----	-----	-----
NET BOOK VALUE				
As at 31 March 2020	48,612	23,140	-	71,752
	=====	=====	=====	=====
As at 31 March 2019	52,044	14,262	-	66,306
	=====	=====	=====	=====

13. CAPITAL COMMITMENTS

	2020 £	2019 £
Capital Expenditure that has been contracted for but has not been provided for in the Financial Statements	91,492	565,322
	-----	-----

The above commitments will be financed by the Association's own resources.

14. COMMITMENTS UNDER OPERATING LEASES

At the year end, the total future minimum lease payments under non-cancellable operating leases were as follows:-

Other

Not later than one year

Later than one year and not later than five years

Later than five years

2020 £	2019 £
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3,437	2,743
-------	-------

4,093	7,986
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Pineview Housing Association Limited

15. RECEIVABLES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Arrears of Rent & Service Charges	116,929	93,716
Less: Provision for Doubtful Debts	(99,060)	(71,000)
	<hr/>	<hr/>
Other Receivables	17,869 46,553	22,716 58,420
	<hr/>	<hr/>
	<u>64,422</u>	<u>81,136</u>

16. PAYABLES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Housing Loans	290,106	273,435
Trade Payables	82,691	108,213
Rent Received in Advance	160,877	160,015
Other Payables	48,670	34,525
Accruals and Deferred Income	57,915	59,784
	<hr/>	<hr/>
	<u>640,259</u>	<u>635,972</u>

At the balance sheet date there were pension contributions outstanding of £NIL (2019 £NIL).

17. PAYABLES: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020 £	2019 £
Housing Loans	2,944,627	3,250,336
	<hr/>	<hr/>
	2,944,627	3,250,336
Housing Loans		
Amounts due within one year	290,106	273,435
Amounts due in one year or more but less than two years	314,779	274,052
Amounts due in two years or more but less than five years	838,493	776,864
Amounts due in more than five years	1,791,355	2,199,420
	<hr/>	<hr/>
	3,234,733	3,523,771
Less: Amount shown in Current Liabilities	290,106	273,435
	<hr/>	<hr/>
	<u>2,944,627</u>	<u>3,250,336</u>

The Association has a number of long-term housing loans the terms and conditions of which are as follows:

Lender	Number of Properties Secured	Effective Interest Rate	Maturity (Year)	Variable / Fixed
Clydesdale Bank	Standard security over 29 properties	1.04%	2022	Variable
Clydesdale Bank	Standard security over 29 properties	0.72%	2023	Variable
Clydesdale Bank	Standard security over 29 properties	2.33%	2025	Fixed
Clydesdale Bank	Standard security over 56 properties	1.07%	2029	Variable
Clydesdale Bank	Standard security over 38 properties	0.72%	2031	Variable
Nationwide	Standard security over 51 properties	1.31%	2031	Fixed
Nationwide	Standard security over 36 properties	1.38%	2033	Fixed
Nationwide	Standard security over 87 properties	1.38%	2033	Fixed

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

Pineview Housing Association Limited

18. STATEMENT OF CASH FLOWS

Reconciliation of surplus for the year to net cash inflow from operating activities

	2020 £	2019 £
Surplus for the year	365,063	707,089
Depreciation	946,916	1,008,916
Gain on disposal	-	-
Amortisation of Capital Grants	(642,490)	(679,481)
Change in debtors	16,714	5,144
Change in creditors	8,056	(95,018)
Unwinding of Discount on Pension Liability	-	(46,000)
Transfer of interest to financial activities	(32,720)	48,204
Share Capital Written Off	(38)	(35)
	<hr/>	<hr/>
Net cash inflow from operating activities	661,501	948,819

Analysis of Changes in Net Debt

	2019 £	Cash flows £	Non-cash changes		2020 £
			Finance leases	Other changes	
Long-term borrowings	(3,250,336)	305,709			(2,944,627)
Short-term borrowings	(273,435)	(16,671)			(290,106)
					-
Total liabilities	<u>(3,523,771)</u>	<u>289,038</u>	<u>-</u>	<u>-</u>	<u>(3,234,733)</u>
Cash and cash equivalents	4,030,948	46,085			4,077,033
Total net debt	<u>507,177</u>	<u>335,123</u>	<u>-</u>	<u>-</u>	<u>842,300</u>

19. DEFERRED INCOME

	Housing Properties Held for Letting £	Shared Ownership Completed £	Total £
Social Housing Grants			
As at 1 April 2019	28,360,143	1,000,244	29,360,387
Eliminated on disposal of components and property	(89,547)	-	(89,547)
As at 31 March 2020	<u>28,270,596</u>	<u>1,000,244</u>	<u>29,270,840</u>
Amortisation			
As at 1 April 2019	11,664,941	363,166	12,028,107
Amortisation in year	621,540	20,950	642,490
Eliminated on disposal	(89,547)	-	(89,547)
As at 31 March 2020	<u>12,196,934</u>	<u>384,116</u>	<u>12,581,050</u>
Net book value			
As at 31 March 2020	<u>16,073,662</u>	<u>616,128</u>	<u>16,689,790</u>
As at 31 March 2019	<u>16,695,202</u>	<u>637,078</u>	<u>17,332,280</u>

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

	2020 £	2019 £
Amounts due within one year	642,490	679,481
Amounts due in one year or more	16,047,300	16,652,799
	<u>16,689,790</u>	<u>17,332,280</u>

20. SHARE CAPITAL

	2020 £	2019 £
Shares of £1 each Issued and Fully Paid		
As at 1 April 2019	184	191
Issued in year	25	28
Cancelled in year	(38)	(35)
As at 31 March 2020	<u>171</u>	<u>184</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.

Pineview Housing Association Limited

21. HOUSING STOCK

The number of units of accommodation in management at the year end was:-

	2020 No.	2019 No.
General Needs - Built by Association	426	425
General Needs - Purchased by Association	107	107
Shared Ownership	22	23
Supported Housing	1	1
	<u>556</u>	<u>556</u>

22. RELATED PARTY TRANSACTIONS

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

Any transactions between the Association and any entity with which a Management Committee member has a connection with is made at arm's length and is under normal commercial terms.

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

	2020 £	2019 £
Rent received from tenants on the Management Committee and their close family members	30,140	37,575

At the year end total rent arrears owed by the tenant members on the Management Committee (and their close family) were £227 (2019 £190).

Members of the Management Committee who are tenants	5	6
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23. DETAILS OF ASSOCIATION

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

The Association's principal place of business is 5 Rozelle Avenue, Drumchapel, Glasgow .

The Association is a Registered Social Landlord and Scottish Charity that owns and manages social housing property in Drumchapel.

24. MANAGEMENT COMMITTEE MEMBER EMOLUMENTS

Management Committee members received £674 (2019 £696) in the year by way of reimbursement of expenses. No remuneration is paid to Management Committee members in respect of their duties to the Association.

25. INVESTMENTS**Short term deposits**

	2020	2019
	£	£
Short term deposits	3,797,410	3,744,462

26. SHAPS PENSION PROVISION

	2020	2019
	£	£
As at 1 April 2019	(453,000)	-
Decrease/(increase) in Provision	408,000	(453,000)
Balance as at 31 March 2020	(45,000)	(453,000)

The pension provision is equal to the deficit in the plan, arrived at by deducting the present value of defined benefit obligation from the fair value of plan assets - as detailed at note 27.

In the year to 31st March 2020 the deficit in the plan has reduced due to the impact of actuarial gains on the defined benefit obligation and gains on the plan assets and contributions paid by the employer and members.

27 RETIREMENT BENEFIT OBLIGATIONS**Scottish Housing Association Pension Scheme**

Pineview Housing Association Limited participates in the Scottish Housing Association Pension Scheme (the scheme). The assets of which are held in a separate trustee administered fund. The Association has employees in the defined contribution scheme and employees in the defined benefit scheme.

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

The last valuation of the Scheme was performed as at 30th September 2018 by a professionally qualified actuary using the Projected Unit Credit method. The market value of the Scheme's assets at the valuation date was £877m. The valuation revealed a shortfall of assets compared with the value of liabilities of £121m (equivalent to a past service funding level of 89%). All Scheme members have agreed to make contributions towards the past service deficit.

The administering authority has responsibility for the management of the Fund. As most of the Fund's investments are equity based, there is an inherent risk of volatility in the investment market having a significant effect on the value of the fund's assets. In order to mitigate this risk, the Fund holds a diverse investment portfolio with a range of investment managers.

27 RETIREMENT BENEFIT OBLIGATIONS**Fair value of scheme assets by category**

	2020	2019
	£000	£000
Growth Assets	1,251	1,119
Matching Plus	477	262
Liability Driven Investment	667	853
Net Current Assets	18	2
	<hr/>	<hr/>
	2,413	2,236
	<hr/>	<hr/>

Net Pension Liability

	2020	2019
	£000	£000
Fair value of employer's assets	2,413	2,236
Present value of scheme liabilities	(2,458)	(2,689)
Present value of unfunded liabilities	-	-
	<hr/>	<hr/>
	(45)	(453)
	<hr/>	<hr/>

Reconciliation of fair value of employer assets

	2020	2019
	£000	£000
Opening fair value of employer assets	2,236	2,050
Expected Return on Assets	53	54
Contributions by Members	54	21
Contributions by the Employer	97	94
Actuarial Gains / (Losses)	22	74
Estimated Benefits Paid	(49)	(57)
	<hr/>	<hr/>
Closing fair value	2,413	2,236
	<hr/>	<hr/>

Reconciliation of defined benefit obligations

	2020	2019
	£000	£000
Opening defined benefit obligation	2,689	2,454
Current Service Cost	41	39
Interest Expense	64	63
Contributions by members	22	21
Actuarial Losses/ (Gains)	(309)	169
Estimated Benefits Paid	(49)	(57)
	<hr/>	<hr/>
Closing defined benefit obligation	2,458	2,689
	<hr/>	<hr/>

27. RETIREMENT BENEFIT OBLIGATIONS**Analysis of amount charged to the Statement of Comprehensive Income**

	2020 £	2019 £
Charged to operating costs:		
Service cost	13,071	10,059
	<u>13,071</u>	<u>10,059</u>
	13,071	10,059
	<u>13,071</u>	<u>10,059</u>
Charged to Other Finance Costs / (Income)		
Expected Return on employer assets	(43,000)	(54,000)
Interest on pension scheme liabilities	52,000	63,000
	<u>9,000</u>	<u>9,000</u>
	52,000	63,000
	<u>22,071</u>	<u>19,059</u>
Net Charge to the Statement of Comprehensive Income	22,071	19,059

Actuarial Gain / (Loss) recognised in the Statement of Comprehensive Income

	2020 £	2019 £000
Actuarial gain/(loss) recognised in year	363,000	(95,000)
Cumulative actuarial gains	268,000	(95,000)

Actuarial gain/(loss) is a non-cash item that occurs due to changes in actuarial assumptions used by The Pensions Trust (TPT) for the Scottish Housing Associations' Pension Scheme (SHAPS). This figure can be subject to significant change year on year.

28. SUBSEQUENT EVENTS

Subsequent to the year-end the Management Committee are aware of material uncertainties related to Covid-19 that may cast doubt upon the Association's ability to continue as a going concern. However, the Management Committee are continually developing and implementing mitigating actions and processes to ensure that the Association continues to function and manage future operations and those of their workforce and stakeholders.