

SHIRE HOUSING ASSOCIATION LIMITED
REPORT and FINANCIAL STATEMENTS
For the year ended 31 March 2022

SHIRE HOUSING ASSOCIATION LIMITED

REPORT and FINANCIAL STATEMENTS

For the year ended 31 March 2022

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SHIRE HOUSING ASSOCIATION LIMITED

MANAGEMENT BOARD, EXECUTIVE AND ADVISERS

For the year ended 31 March 2022

MANAGEMENT BOARD

Lorne Campbell	Chairperson
Hugh Carr *	Vice Chairperson until 22 September 2021. Convenor of the Audit Committee from 22 September 2021
Nick Allan *	Convenor of the Audit Committee until 22 September 2021
William Paterson	
Simon Roberts *	Vice Chairperson from 22 September 2021
Alexander Rae *	
Alisha Malik	
Debra MacLeod	
Rachel Irvine	
William Gallacher*	
Ross Morris	(Appointed 27 October 2021)
Shaun Lowrie	(Appointed 27 October 2021)
Kirsty Hair	(Appointed 26 January 2022)

* Member of the Audit Committee during the year or at the year end.

EXECUTIVE OFFICERS

Jim Munro	Director & Secretary
Claire Donnelly	Head of Corporate Services
Julie Allison	Head of Housing

REGISTERED OFFICE

Netherthird House
Cumnock
Ayrshire
KA18 3DB

EXTERNAL AUDITORS

Chiene + Tait LLP
Chartered Accountants &
Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

INTERNAL AUDITORS

Wylie & Bisset
168 Bath Street
Glasgow
G2 4TP

BANKERS

Bank of Scotland
43/45 Townhead Street
Cumnock
KA18 1LF

Royal Bank of Scotland plc
36 St Andrews Square
Edinburgh
EH2 2YB

SOLICITORS

Addleshaw Goddard
Exchange Tower
19 Canning Street
Edinburgh
EH3 8EH

SHIRE HOUSING ASSOCIATION LIMITED**REPORT of the MANAGEMENT BOARD****For the year ended 31 March 2022**

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

Legal Status

The Association is registered with the Financial Conduct Authority as a Co-operative and Community Benefit Society (No. 2515R(S)), the Scottish Housing Regulator as a registered social landlord (No. HAL296) under the Housing (Scotland) Act 2010 and as is a registered Scottish Charity with the charity number SC038664.

Principal Activities

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

1. providing, constructing, improving and managing land, accommodation and associated facilities and providing care;
2. providing or arranging home maintenance, repair and improvement services and providing facilities and services for the benefit of such people either exclusively for them or together with other persons;
3. undertaking any activities which are charitable, allowed under section 58 of the Housing (Scotland) Act 2001, including any statutory amendment or re-enactment of the provisions of this section from time to time being in force and;
4. carrying on any other charitable activities permitted to registered social landlords from time to time.

Review of Business and Future Developments

Whilst the Covid-19 pandemic continued to significantly affect the Association's services during 2021/22, the Association proactively worked with a range of stakeholders to mitigate its impacts, supporting our communities to recover and flourish.

Governance

Strong governance continues to be the foundation for our business success. New appointments to the Management Board in 2021/22 have further strengthened the skills and capacity of the Board. Robust strategic planning ensures that we deliver high quality services to our customers.

. Risk management remains an integral part of our business, we constantly update and refine our risk map, implementing controls to mitigate risks in all areas of our operation.

Performance

Over the last year the Association has continued to embrace technology allowing staff to work flexibly. This has included implementing a hybrid working pilot, where staff split their time during the week between the workplace and working remotely. The hybrid working pilot will shape and inform our preparations for building a new office hub, and how we deliver services in the future.

Despite the challenges presented by the pandemic, we continued to deliver high quality services to our tenants and stakeholders. Continuous improvement is at the heart of our business and we monitor our operational and financial performance throughout the year, identifying areas where we can improve business efficiency and services to customers. The figures below summarise key performance indicators at 31 March 2022 that were reported in the Scottish Housing Regulator's Annual Return on the Charter along with 31 March 2021 indicators.

	2022	2021
Rent Collected as a percentage of rent due	100.35%	101.03%
Gross rent arrears as a percentage of annual rental income	3.29%	4.03%
Percentage of rent lost due to empty properties	0.85%	1.67%
Average time to complete non-emergency repairs	6.09 days	5.92 days
Average time to complete emergency repairs	2.17 hours	9.72 hours

SHIRE HOUSING ASSOCIATION LIMITED

REPORT of the MANAGEMENT BOARD (continued)

For the year ended 31 March 2022

Achievements

Despite the pandemic, the Association achieved several major milestones during 2021/22:

Community Anchor

Helping our communities mitigate the impact of the pandemic has been a key objective as part of our role as a community anchor. During 2021/22 we secured a further £75,000 of Scottish Government grant funding to support communities recover from the pandemic - since 2020 we have secured a total of £175,000 of Scottish Government pandemic funding. This has allowed us to work with over thirty community groups, supporting activities including community hubs and food delivery services for vulnerable residents.

Customer Service Excellence Accreditation

Working with our tenants and stakeholders, providing high quality customer service is a key part of our business philosophy. In May 2021, following an independent review by the Centre for Assessment, we were awarded Customer Service Excellence Accreditation for a further three years. The assessors also highlighted our exceptional customer care working with communities mitigating the impact of the pandemic.

Business Plan

During 2021/22, the Management Board approved our new five-year Business Plan with its:

Vision of:

- Great Homes - where people feel proud to live in high-quality, sustainable homes.
- Great People - where everyone has opportunities to achieve excellence; and
- Vibrant Communities - where people want to belong.

Supported by our core Values of:

- Integrity - we are open and accountable in all we do.
- Inclusion - we value diversity.
- Diligence - we get things right.
- Caring - what matters to you matters to us.

Future Outlook

The Association faces a range of significant long-term challenges. However, our new Business Plan sets out our key strategic objectives for the next five years. These are:

1. Enhancing Community Wellbeing.

Our activities will include continuing support for our communities and stakeholders in mitigating the social and economic impacts of the Covid-19 pandemic. Our new office development will support community wellbeing, having facilities to meet local needs. We will continue to strengthen collaboration with East Ayrshire Council and the East Ayrshire Health and Social Care Partnership to address housing, health, and social care integration, pursuing opportunities to develop new properties. Over the next five years, we will invest approximately £6.7 million to improve the quality of our homes.

SHIRE HOUSING ASSOCIATION LIMITED

REPORT of the MANAGEMENT BOARD (continued)

For the year ended 31 March 2022

Business Plan (continued)

Future Outlook (continued)

2. Empowering our communities through engagement

Implementing our new Community Engagement Strategy will see the Association work with a wide range of partners including Create a Smile Scotland, Cumnock and District Men Shed, The Zone Youth Committee, and New Cumnock Working Men's Club to deliver community benefits. The Association will also be increasing engagement with schools through the Ayrshire Chamber of Commerce's Developing Young Workforce Initiative, and colleges and universities through training opportunities, careers events and skills development.

3. Positive action on climate change - sustainability

To help meet carbon reduction targets, we support a "fabric first approach" developing a new Carbon Reduction Strategy and Energy Efficiency programmes for our assets. We are also hoping to build new housing stock that exceeds future energy efficiency standards, reducing our carbon footprint.

4. Strengthening Internal Capabilities and Resilience.

Working with Ark Consultancy, the Association will be developing and implementing a new Asset Management Strategy to ensure it informs our future investment in our housing stock. We will also be implementing our new People and ICT Strategies, strengthening succession planning, and continuing to upskill staff to embrace future digital services.

Management Board and Executive Officers

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

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

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

Statement of Management Board's Responsibilities

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

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

The Management Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to: ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 2019. It is also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. It is also responsible for ensuring the Association's suppliers are paid promptly.

SHIRE HOUSING ASSOCIATION LIMITED

REPORT of the MANAGEMENT BOARD (continued)

For the year ended 31 March 2022

Going Concern

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

Statement on Internal Financial Control

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

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

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

- formal policies and procedures are in place, including the ongoing documentation of key systems and rules relating to the delegation of authority, which allow the monitoring of controls and restrict the unauthorised use of Association's assets;
- experienced and suitably qualified staff take responsibility for important business functions and annual appraisal procedures have been established to maintain standards of performance;
- forecasts and budgets are prepared which allow the management team and the Management Board to monitor key business risks, financial objectives and the progress being made towards achieving the financial plans set for the year and for the medium term;
- quarterly financial management reports are prepared promptly, providing relevant, reliable and up to date financial and other information, with significant variances from budget being investigated as appropriate;
- regulatory returns are prepared, authorised and submitted promptly to the relevant regulatory bodies;
- all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through the Management Board;
- the Management Board receives reports from management and from the external and internal auditors to provide reasonable assurance that control procedures are in place and are being followed and that a general review of the major risks facing the Association is undertaken;
- formal procedures have been established for instituting appropriate action to correct any weaknesses identified through internal or external audit reports.

The Management Board has reviewed the effectiveness of the system of internal financial control in existence in the Association for the year end 31 March 2022. No weaknesses were found in the internal financial controls which resulted in material losses, contingencies or uncertainties which require disclosure in the financial statements or in the auditor's report on the financial statements.

Donations

During the year the Association made charitable donations of £11,461 (2021 - £11,350).

Disclosure of Information to the Auditor

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

SHIRE HOUSING ASSOCIATION LIMITED

REPORT of the MANAGEMENT BOARD (continued)

For the year ended 31 March 2022

Auditor

A resolution to reappoint the Auditors, Chiene + Tait LLP, Chartered Accountants and Statutory Auditor, will be proposed at the Annual General Meeting.

By order of the Management Board



JIM MUNRO
Secretary

30 June 2022

**REPORT by the AUDITORS to the MEMBERS of
SHIRE HOUSING ASSOCIATION LIMITED
on CORPORATE GOVERNANCE MATTERS**

In addition to our audit of the financial statements, we have reviewed your statement on page 5 concerning the Association's compliance with the information required by the Regulatory Standards in respect of internal financial controls contained in the publication "Our Regulatory Framework" and associated Regulatory Advice Notes which are issued by the Scottish Housing Regulator.

Basis of Opinion

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

Opinion

In our opinion the Statement of Internal Financial Control on page 5 has provided the disclosures required by the relevant Regulatory Standards within the publication "Our Regulatory Framework" and associated Regulatory Advice Notes issued by the Scottish Housing Regulator in respect of internal financial controls and is consistent with the information which came to our attention as a result of our audit work on the financial statements.

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



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

Date: 30 June 2022

INDEPENDENT AUDITORS' REPORT to the MEMBERS of

SHIRE HOUSING ASSOCIATION LIMITED

For the year ended 31 March 2022

Opinion

We have audited the financial statements of Shire Housing Association Limited (the 'Association') for the year ended 31 March 2022 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2022 and of the surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 2019.

Basis of Opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Management Board use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Management Board with respect to going concern are described in the relevant sections of this report.

Other Information

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

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.

INDEPENDENT AUDITORS' REPORT to the MEMBERS of

SHIRE HOUSING ASSOCIATION LIMITED (continued)

For the year ended 31 March 2022

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Association and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Management Board.

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

Responsibilities of the Management Board

As explained more fully in the statement of Management Board's responsibilities as set out on page 4, the Management Board is responsible for the preparation of the financial statements and for being satisfied that they give true and fair view, and for such internal control as the Management Board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Association and the industry in which it operates and considered the risk of acts by the Association which were contrary to applicable laws and regulations, including fraud. These included but were not limited to the Housing SORP 2018, the Co-operative and Community Benefit Societies Act 2014 and the Housing (Scotland) Act 2010.

We focused on laws and regulations that could give rise to a material misstatement in the Association's financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of the members;
- review of minutes of board meetings throughout the period;
- review of legal correspondence or invoices, and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

INDEPENDENT AUDITORS' REPORT to the MEMBERS of

SHIRE HOUSING ASSOCIATION LIMITED (continued)

For the year ended 31 March 2022

Auditor's responsibilities for the audit of the financial statements (continued)

There are inherent limitations in an audit of financial statements and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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 Auditor
61 Dublin Street
Edinburgh
EH3 6NL

30 June _____ 2022

SHIRE HOUSING ASSOCIATION LIMITED**STATEMENT of COMPREHENSIVE INCOME****For the year ended 31 March 2022**

	Notes	2022		2021	
		£	£	£	£
Revenue	2		5,315,372		5,098,352
Operating costs	2		(3,872,271)		(3,609,098)
Operating surplus			1,443,101		1,489,254
Interest receivable and other income		2,726		5,224	
Interest payable and similar charges	7	(163,297)		(759,226)	
Other finance charges	9	(11,000)		(1,000)	
			(171,571)		(755,002)
Surplus for the year			1,271,530		734,252
Actuarial gains/(losses) on defined benefit pension plan	16		372,000		(623,000)
Total comprehensive income			1,643,530		111,252


The results relate wholly to continuing activities.

The notes on pages 15 to 28 form an integral part of these financial statements.

SHIRE HOUSING ASSOCIATION LIMITED**STATEMENT of FINANCIAL POSITION****As at 31 March 2022**

	Notes	2022		2021	
		£	£	£	£
Non-current assets					
Housing properties – depreciated cost	10		26,180,231		26,058,860
Other tangible assets	10		1,013,427		1,030,093
			-----		-----
			27,193,658		27,088,953
Current assets					
Receivables	11	407,046		401,299	
Cash and cash equivalents	12	4,378,577		3,335,620	
			-----		-----
		4,785,623		3,736,919	
Creditors: amounts falling due within one year	13	(1,917,266)		(1,083,980)	
			-----		-----
Net current assets			2,868,357		2,652,939
			-----		-----
Total assets less current liabilities			30,062,015		29,741,892
Creditors: amounts falling due after more than one year	14		(7,009,972)		(7,565,611)
Pensions and other provisions for liabilities and charges					
Scottish Housing Association pension scheme	16		(84,000)		(574,000)
Deferred income					
Social Housing Grants	17	(10,676,208)		(10,993,294)	
Other grants	17	(296,992)		(257,670)	
			-----		-----
			(10,973,200)		(11,250,964)
			-----		-----
Net assets			11,994,843		10,351,317
			=====		=====
Equity					
Share capital	18		80		84
Revenue reserves			11,994,763		10,351,233
			-----		-----
			11,994,843		10,351,317
			=====		=====

The financial statements were approved by the Management Board and authorised for issued and signed on their behalf on 30 June 2022.


 Lorne Campbell
 Board Member (Chair)


 Simon Roberts
 Board Member (Vice Chair)


 Jim Munro
 Secretary

The notes on pages 15 to 28 form an integral part of these financial statements

SHIRE HOUSING ASSOCIATION LIMITED**STATEMENT of CASH FLOWS****For the year ended 31 March 2022**

	Notes	2022		2021	
		£	£	£	£
Surplus for the year			1,271,530		734,252
Adjustments for non-cash items					
Depreciation of tangible fixed assets	10	1,029,610	1,021,536		
Amortisation of capital grants	17	(277,764)	(276,207)		
Loss on disposal of tangible fixed assets		-	4,311		
Adjustments to pension provisions		(117,998)	(147,000)		
Share capital written off	18	(8)	(15)		
		-----	-----		
			633,840		602,625
Interest receivable			(2,726)		(5,224)
Interest payable	7		163,297		759,226
			-----		-----
Operating cash flows before movements in working capital			2,065,941		2,090,879
Change in debtors		(5,750)	(43,525)		
Change in creditors		254,769	225,524		
		-----	-----		
			249,019		181,999
			-----		-----
Net cash inflow from operating activities			2,314,960		2,272,878
Investing activities					
Acquisition and construction of properties		(826,560)	(1,390,557)		
Purchase of other fixed assets		(14,951)	(42,790)		
Social housing grant received		-	52,436		
Other grants received		-	60,000		
		-----	-----		
Net cash (outflow) from operating activities			(841,511)		(1,320,911)
Financing activities					
Loan advances received		-	8,000,000		
Interest received on cash and cash equivalents		2,726	5,224		
Interest paid on loans		(147,508)	(148,645)		
Loan principal repayments		(285,714)	(10,600,000)		
Loan fees paid		-	(157,884)		
Share capital issued	18	4	3		
		-----	-----		
Net cash (outflow) from financing activities			(430,492)		(2,901,302)
			-----		-----
Increase/(Decrease) in cash	19		1,042,957		(1,949,335)
Opening cash and cash equivalents			3,335,620		5,284,955
			-----		-----
Closing cash and cash equivalents			4,378,577		3,335,620
			=====		=====
Cash and cash equivalents at 31 March					
Cash	19		4,378,577		3,335,620
			=====		=====

The notes on pages 15 to 28 form an integral part of these financial statements

SHIRE HOUSING ASSOCIATION LIMITED**STATEMENT of CHANGES in EQUITY****For the year ended 31 March 2022**

	Share Capital	Revenue Reserve	Total
	£	£	£
Balance as at 1 April 2020	96	10,239,981	10,240,077
Issue of shares	3	-	3
Cancellation of shares	(15)	-	(15)
Other comprehensive income	-	(623,000)	(623,000)
Surplus for the year	-	734,252	734,252
	-----	-----	-----
Balance at 31 March 2021	84	10,351,233	10,351,317
	=====	=====	=====
Balance as at 1 April 2021	84	10,351,233	10,351,317
Issue of shares	4	-	4
Cancellation of shares	(8)	-	(8)
Other comprehensive income	-	372,000	372,000
Surplus for the year	-	1,271,530	1,271,530
	-----	-----	-----
Balance at 31 March 2022	80	11,994,763	11,994,843
	=====	=====	=====

The notes on pages 15 to 28 form an integral part of these financial statements.

SHIRE HOUSING ASSOCIATION LIMITED**NOTES to the FINANCIAL STATEMENTS****For the year ended 31 March 2022****1. Principal Accounting Policies****Statement of Compliance and Basis of Accounting**

These financial statements were prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Statement of Recommended Practice for social housing providers 2018. The Association is a Public Benefit Entity in terms of its compliance with Financial Reporting Standard 102, applicable for accounting periods beginning on or after 1 January 2019. They comply with the Determination of Accounting Requirements 2019. A summary of the principal accounting policies is set out below

Revenue

Revenue comprises rental and service charge income receivable in the period, other services provided, revenue grants receivable and government grants released to income in the period.

The Association recognises revenue on rent receivable net of losses from void properties. 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.

Retirement Benefits

The Association previously participated in the Scottish Housing Association Pension Scheme (SHAPS) a multi-employer defined benefit scheme where retirement benefits to employees of the Association are funded by the contributions from all participating employers and employees in the Scheme. For employees of the Association, the Scheme is now closed to future accrual. Payments towards past deficits are made in accordance with periodic calculations by consulting Actuaries and are based on pension costs applicable across the various participating organisations taken as a whole. The Association accounts for this scheme as a defined benefit pension scheme in accordance with FRS 102. The Association moved to the SHAPS defined contribution scheme on leaving the defined benefit scheme. Contributions to defined contribution plans are recognised as an employee benefit expense when they are due.

Going Concern

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

Housing Properties

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

Component	Useful Economic Life
Land	N/A
Structure	50 years
Roofs	50 years
Doors & Windows	20 years
Central Heating	20 years
Kitchens	20 years
Bathrooms	30 years
Electrics	30 years

Depreciation and Impairment of Other Tangible Assets

Asset Category	Depreciation Rate
Office Premises	3% (average) straight line
Furniture & Equipment	25% straight line

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

SHIRE HOUSING ASSOCIATION LIMITED**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022****1. Principal Accounting Policies (continued)****Social Housing Grants and Other Capital Grants**

Social housing grants and other capital grants are accounted for using the Accrual Method as outlined in Section 24 of Financial Reporting Standard 102. Grants are treated as deferred income and recognised in income on a systematic basis over the expected useful life of the property and assets to which they relate.

Any remaining Social Housing Grant attributed to individual components is written off to the statement of comprehensive income when these components are replaced.

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

Taxation

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

Works to Existing Properties

The Association capitalises major repairs expenditure where these works result in an enhancement of economic benefits by increasing the net rental stream over the life of the property, a material reduction in future maintenance costs, or a significant extension of the life of the property.

Capitalisation of Development Overheads

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

Development Interest

Interest incurred on financing a development is capitalised up to the date of practical completion of the scheme.

Financial Instruments - Basic

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

The Association's debt instruments are measured at amortised cost using the effective interest rate method.

Cash and Liquid Resources

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

Impairment

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

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

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

Key Judgements and estimates made in the application of Accounting Policies

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

SHIRE HOUSING ASSOCIATION LIMITED**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022****1. Principal Accounting Policies (continued)**Key Judgements*a) Categorisation of Housing Properties*

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

b) Identification of cash generating units

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

c) Financial instrument break clauses

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

d) Pension Liability

The Association participates in a defined benefit pension scheme arrangement with the Scottish Housing Association Pension Scheme. The fund is administered by the Pensions Trust. The Pension Trust have developed a method of calculating each member's share of the assets and liabilities of the scheme. The Association has decided that this method is appropriate and provides a reasonable estimate of the pension assets and liabilities of the Association and has therefore adopted this valuation method.

Estimation Uncertainty*a) Rent Arrears - Bad Debt Provision*

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

b) Life Cycle of Components

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

c) Useful life of properties, plant and equipment

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

d) Defined pension liability

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

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

	2022			2021		
	Turnover	Operating costs	Operating surplus/ (deficit)	Turnover	Operating costs	Operating surplus/ (deficit)
	£	£	£	£	£	£
Affordable letting activities (note 3)	4,851,513	3,409,140	1,442,373	4,712,837	3,234,082	1,478,755
Other activities (note 4)	463,859	463,131	728	385,515	375,016	10,499
Total	5,315,372	3,872,271	1,443,101	5,098,352	3,609,098	1,489,254

SHIRE HOUSING ASSOCIATION LIMITED**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022****3. Particulars of turnover, operating costs and operating surplus or deficit from affordable letting activities**

	General Housing 2022	2021
	£	£
Rent receivable net of service charges	4,492,842	4,441,977
Service charges receivable	8,461	8,453
	-----	-----
Gross income from rent and service charges	4,501,303	4,450,430
<u>Less:</u> Rent losses from voids	(42,337)	(80,661)
	-----	-----
Income from rents and service charges	4,458,966	4,369,769
Grants released from deferred income	277,764	276,207
Revenue grants from Scottish Ministers	106,456	63,806
Other revenue grants	8,327	3,055
	-----	-----
Total turnover from affordable letting activities	4,851,513	4,712,837
	-----	-----
Expenditure on affordable letting activities		
Management and maintenance administration costs	1,258,250	1,216,922
Service costs	8,461	8,453
Planned and cyclical maintenance, including major repairs	471,455	360,925
Reactive maintenance costs	672,884	648,489
Bad debts – rents and service charges	97	10,404
Depreciation of affordable let properties	997,993	988,889
	-----	-----
Operating costs of affordable letting activities	3,409,140	3,234,082
	-----	-----
Operating surplus on affordable letting activities	1,442,373	1,478,755
	=====	=====

SHIRE HOUSING ASSOCIATION LIMITED
NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2022

4. Particulars of revenue, operating costs and operating surplus or deficit from other activities

	Grants from Scottish Ministers £	Other income £	Total turnover £	Operating costs - bad debts £	Other operating costs £	Operating surplus/ (deficit) 2022 £	Operating surplus/ (deficit) 2021 £
Wider role activities	82,902	-	82,902	-	95,424	(12,522)	(14,330)
Care and repair	353,287	-	353,287	-	339,863	13,424	24,673
Factoring	-	27,670	27,670	3,395	24,449	(174)	-
Other activities	-	-	-	-	-	-	156
	436,189	27,670	463,859	3,395	459,736	728	10,499

5. Officers Emoluments

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

	2022 £	2021 £
Aggregate emoluments payable to Officers with emoluments greater than £60,000 (excluding pension contributions)	214,761	148,801
Pension contributions paid on behalf of Officers with emoluments greater than £60,000	15,350	10,629
Emoluments payable to Director and Secretary (excluding pension contributions)	85,242	84,564
Pension contributions paid on behalf of the Director and Secretary	6,078	6,030
Total emoluments payable to the Director and Secretary	91,320	90,594
Total emoluments paid to key management personnel (excluding pension contributions)	214,761	178,400

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

	2022 No.	2021 No.
£60,001 to £70,000	1	1
£70,001 to £80,000	1	-
£90,001 to £100,000	1	1

SHIRE HOUSING ASSOCIATION LIMITED

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2022

10. Non-current assets

	Housing Properties Held for Letting £
(a) Housing Properties	
Cost	
At 1 April 2021	37,994,901
Additions	1,119,364
Disposals	(179,740)

At 31 March 2022	38,934,525

Depreciation	
At 1 April 2021	11,936,041
Charge for year	997,993
Disposals	(179,740)

At 31 March 2022	12,754,294

Net book value	
At 31 March 2022	26,180,231
	=====
At 31 March 2021	26,058,860
	=====

	2022		2021	
Expenditure on existing properties	Component Replacement £	Improvement £	Component Replacement £	Improvement £
Amounts capitalised	1,119,364	-	1,189,059	-
Amounts charged to the statement of Comprehensive income	-	823,025	-	843,421
	=====	=====	=====	=====
		Furniture and equipment		
(b) Other tangible assets	Office Premises £	£	Land £	Total £
Cost				
At 1 April 2021	228,356	131,108	840,274	1,199,738
Additions	-	14,951	-	14,951
Eliminated on disposal	-	(14,889)	-	(14,889)
	-----	-----	-----	-----
At 31 March 2022	228,356	131,170	840,274	1,199,800
	-----	-----	-----	-----
Depreciation				
At 1 April 2021	88,342	81,303	-	169,645
Charge for year	7,332	24,285	-	31,617
Eliminated on disposal	-	(14,889)	-	(14,889)
	-----	-----	-----	-----
At 31 March 2022	95,674	90,699	-	186,373
	-----	-----	-----	-----
Net book value				
At 31 March 2022	132,682	40,471	840,274	1,013,427
	=====	=====	=====	=====
At 31 March 2021	140,014	49,805	840,274	1,030,093
	=====	=====	=====	=====

SHIRE HOUSING ASSOCIATION LIMITED**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022**

11. Receivables	2022	2021
	£	£
Gross arrears of rent and service charges	153,217	176,569
<u>Less: Provision for doubtful debts</u>	(120,000)	(147,000)
Net arrears of rent and service charges	33,217	29,569
Other receivables	373,829	371,730
	407,046	401,299
	=====	=====
12. Cash and cash equivalents	2022	2021
	£	£
Cash at bank and in hand	4,378,577	3,335,620
	=====	=====
13. Payables: Amounts falling due within one year	2022	2021
	£	£
Bank loans	571,428	285,714
Trade payables	557,515	266,821
Rent received in advance	209,983	200,482
Other taxation and social security	21,464	20,640
Other payables	33,218	37,148
Accruals and deferred income	523,656	273,175
	1,917,264	1,083,980
	=====	=====
14. Payables: Amounts falling due after more than one year	2022	2021
	£	£
Bank loans	7,009,972	7,565,611
	=====	=====
15. Debt analysis: Borrowings	2022	2021
	£	£
Bank loans		
Amounts due within one year	571,428	285,714
Amounts due in one year or more but less than two years	571,428	571,428
Amounts due in two years or more but less than five years	1,714,284	1,714,284
Amounts due in more than five years	4,724,260	5,279,899
	7,581,400	7,851,325
	=====	=====

SHIRE HOUSING ASSOCIATION LIMITED**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022****15. Debt analysis:** Borrowings (continued)

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

Lender	Number of Properties Secured	Interest Rate	Maturity (Year)	Variable or fixed
Royal Bank of Scotland plc	453	1.7%	2035	Fixed

All the Association's bank borrowings are repayable on a quarterly basis from November 2021 with the principal being amortised over the terms of the loans.

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

	2022	2021
	£	£
Due to lenders	7,714,286	8,000,000
Unamortised loan fees	(132,886)	(148,675)
	-----	-----
	7,581,400	7,851,325
	=====	=====

16. Retirement benefit obligations

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

The Association moved to a defined contribution scheme in 1 April 2014 but has a net liability for the past service deficit in the defined benefit scheme.

The last triennial valuation of the Scheme for funding purposes was carried out as at 30 September 2018 by a professionally qualified actuary using the Projected Unit Credit method. The market value of the Scheme's assets at the valuation date was £877m. The valuation revealed a shortfall of assets compared with the value of liabilities of £121m (equivalent to a past service funding level of 89%). A recovery plan is in place to eliminate the past service deficit which runs to 31 March 2023.

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

In 2019 the Pensions Trust, the administrator of the Scheme developed a method of determining the share of assets and liabilities for individual employers. This method was adopted by the Association in 2019 and resulted in an adjustment to the opening pension liability recognised in the statement of financial position of £213,000. The latest accounting valuation was carried out with an effective date of 30 September 2021. The liability figures from this valuation were rolled forward for the accounting year ended 31 March 2022.

The liabilities at 31 March are compared with the Association's fair share of the Scheme's total assets to calculate the net deficit.

SHIRE HOUSING ASSOCIATION LIMITED**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022****16. Retirement benefit obligations (continued)**

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

	2022	2021
	£	£
Fair value of plan assets	5,335,000	5,160,000
Present value of defined benefit obligation	(5,419,000)	(5,734,000)
	-----	-----
(Deficit) in plan	(84,000)	(574,000)
Unrecognised surplus	-	-
	-----	-----
Defined benefit (liability) to be recognised)	(84,000)	(574,000)
	=====	=====
Defined benefit costs recognise in the statement of comprehensive income		
Expenses	4,000	5,000
Net interest expense	11,000	1,000
	-----	-----
Defined benefit costs recognised in statement of comprehensive income	15,000	6,000
	=====	=====
Experience on plan assets (excluding amounts included in interest income) – gain	29,000	367,000
Experience gains and losses arising on plan liabilities – (loss)	(65,000)	(36,000)
Effects of changes in the demographic assumptions underlying the present value of The defined benefit obligations – (loss)	(18,000)	-
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligations – gain/(loss)	<u>426,000</u>	<u>(954,000)</u>
Total actuarial gains and losses (before restriction due to some of the surplus not being recognizable) – gain/(loss)	372,000	(623,000)
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in interest cost) – gain/(loss)	-	-
	-----	-----
Total amount recognised in other comprehensive income – gain/(loss)	372,000	(623,000)
	=====	=====
Reconciliation of opening and closing balances of the defined benefit obligations		
Defined benefit obligation at the start of period	5,734,000	4,778,000
Expenses	4,000	5,000
Interest expense	123,000	112,000
Actuarial losses due to scheme experience	65,000	36,000
Actuarial losses due to changes in demographic assumptions	18,000	-
Actuarial (gains)/losses due to changes in financial assumptions	(426,000)	954,000
Benefits paid and expenses	(99,000)	(151,000)
	-----	-----
Defined benefit obligation at the end of period	5,419,000	5,734,000
	=====	=====

SHIRE HOUSING ASSOCIATION LIMITED**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022****16. Retirement benefit obligations (continued)**

	2022	2021
	£	£

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

Fair value of plan assets at start of period	5,160,000	4,680,000
Interest income	112,000	111,000
Experience on plan assets (excluding amounts included in interest income) – gain	29,000	367,000
Contributions by the employer	133,000	153,000
Benefits paid and expenses	(99,000)	(151,000)
	5,335,000	5,160,000
	5,335,000	5,160,000

Fair value of plan assets at the end of the year.

The actual return on plan assets (including any changes in share of assets) over the year ended 31 March 2022 was £141,000.

In May 2021 the Scheme Trustee (TPT Retirement Solutions) notified employers of a review of historic scheme benefit changes, and this review has raised legal questions regarding whether and when some historic benefit changes should take effect, the outcome of which could give rise to an increase in liabilities for some employers. The Scheme Trustee has determined that it is prudent to seek clarification from the Court on these items. This process is ongoing and the matter is unlikely to be resolved before late 2024 at the earliest.

On 4 May 2022 the Scheme Trustee issued an update to employers which included an estimate of the potential total additional liabilities at total scheme level, on a Technical Provisions basis. However, until Court directions are received, it is not possible to calculate the impact of this issue on an individual employer basis with any accuracy. As a result of this no allowance will be made for this within the accounting disclosures included in this note.

	Social Housing Grants	Other Housing Grants	Total
	£	£	£
17. Deferred income			
Capital grants received			
At 1 April 2021	14,148,857	574,346	14,723,203
Reclassification	(52,436)	52,436	-
	14,096,421	626,782	14,723,203
At 31 March 2022	14,096,421	626,782	14,723,203
Amortisation			
At 1 April 2021	3,155,563	316,676	3,472,239
Reclassification	(350)	350	-
Amortisation in year	265,000	12,764	277,764
	3,420,213	329,790	3,750,003
At 31 March 2022	3,420,213	329,790	3,750,003
Net book value			
At 31 March 2022	10,676,208	296,992	10,973,200

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

	2022
	£
Amounts due within one year	277,763
Amounts due in more than one year	10,695,437
	10,973,200
	10,973,200

SHIRE HOUSING ASSOCIATION LIMITED**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022**

18. Share capital	2022	2021
	£	£
Shares of £1 each, issued and fully paid		
At 1 April	84	96
Issued in year	4	3
Cancelled in year	(8)	(15)
	-----	-----
At 31 March	80	84
	=====	=====

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 and members' meetings.

19. Cash flows	2022	2021
	£	£
Reconciliation of net cash flow to movement in net debt		
Increase/(Decrease) in cash	1,042,957	(1,949,335)
Cashflow from change in net debt	258,714	2,757,884
Other non-cash changes	(15,789)	(626,446)
	-----	-----
Movement in net debt during the year	1,285,882	182,013
Net debt at 1 April	(4,515,705)	(4,697,808)
	-----	-----
Net debt at 31 March	(3,229,823)	(4,515,705)
	=====	=====

Analysis of changes in net debt	At 1 April 2021	Cash flows	Other Changes	At 31 March 2022
	£	£	£	£
Cash and cash equivalents	3,335,620	1,042,957	-	4,378,577
Debt: Due within one year	(285,714)	285,714	(571,428)	(571,428)
Due after more than one year	(7,565,611)	-	555,639	(7,009,972)
	-----	-----	-----	-----
Net debt	(4,515,705)	1,328,671	(15,789)	(3,203,823)
	=====	=====	=====	=====

SHIRE HOUSING ASSOCIATION LIMITED**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022**

20. Capital Commitments	2022	2021
	£	£
Capital Expenditure that has been contracted for but has not been provided for in the financial statements	68,528	374,429
	=====	=====

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

21. Commitments under operating leases

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

Other	2022	2021
	£	£
Expiring in the next year	3,194	1,080
Expiring later than one year and not later than five years	10,258	11,556
Expiring later than five years	-	5,376
	=====	=====

22. Details of Association

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

The Association's principal place of business is Netherthird House, Cumnock, Ayrshire, KA18 3DB.

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

23. Management Board Member emoluments

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

24. Housing Stock	2022	2021
	No.	No.
The number of units of accommodation in management at the year end was:		
General needs - Built by Association	194	194
General Needs - Purchased by Association	770	770
	-----	-----
	964	964
	=====	=====

SHIRE HOUSING ASSOCIATION LIMITED**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022****25. Related party transactions**

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

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

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

	2022	2021
	£	£
Rent received from tenants on the Management Board and their close family members	-	1,062
	=====	=====

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

	2022	2021
	£	£
Members of the Management Board who are tenants	-	-
	=====	=====