



Alexander Sloan
Accountants and Business Advisers

Viewpoint Housing Association Limited

Report and Financial Statements

For the year ended 31 March 2024

Registered Social Landlord No. HEP199

FCA Reference No.1228R(S)

Scottish Charity No. SCO05619

VIEWPOINT HOUSING ASSOCIATION LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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VIEWPOINT HOUSING ASSOCIATION LIMITED

BOARD OF TRUSTEES, EXECUTIVE AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2024

Board of Trustees

Iain Donald Ker Thompson	Chair
Thomas Paul Roehricht	Vice Chair
Katherine Ruthven Kennedy	Resigned 19 th September 2023
Carol Lumsden	Resigned 19 th September 2023
David Dennis McIntosh	
Pamela Russell	
Jack Clyne	
Lee Parry	
Stuart Roy McIvor	Resigned 20 th March 2024
Stuart Robertson	
Lesley Anderson	Co-opted 20 th March 2024
Jennifer Brown	Co-opted 20 th March 2024

Executive Officers

Jean Gray	Chief Executive Officer
Tom Hainey	Director of Assets
Howard Vaughan	Director of Finance & Business Support / Company Secretary
Esther Wilson	Director of Housing & Care

Registered Office

4 South Oswald Road
Edinburgh
EH9 2HG

External Auditors

Alexander Sloan LLP
Accountants & Business Advisers
1 Lochrin Square
92-98 Fountainbridge
Edinburgh
EH3 9QA

Internal Auditors

Wylie & Bisset
168 Bath Street
Glasgow
G2 4TP

Bankers

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

Solicitors

TC Young
Melrose House
69a George Street
Edinburgh
EH2 2JG

VIEWPOINT HOUSING ASSOCIATION LIMITED

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

The Board of Trustees presents its report and the financial statements for the year ended 31 March 2024.

Legal Status

The Association is registered with the Financial Conduct Authority as a Co-operative and Community Benefit Society, No1228R(S), the Scottish Housing Regulator as a registered social landlord (No. HEP199) under the Housing (Scotland) Act 2010 and as is a registered Scottish Charity with the charity number SCO05619.

Principal Activities

The principal activities of the Association are the provision of residential care and affordable rented accommodation.

Review of Business and Future Developments

Viewpoint Housing Association Limited (Viewpoint) has its Head Office in Edinburgh and was established in 1947 with the primary objective of providing high quality accommodation and services to tenants and residents across Edinburgh, Lothians and Fife. Viewpoint is a Registered Social Landlord with 1,328 housing properties specialising in the provision of sheltered housing to 24-hour care as well as amenity and general needs housing for people below retirement age. In providing a continuum of care and support, Viewpoint also provide dementia and palliative care in two Edinburgh care homes (98 bed spaces).

Viewpoint is registered with the Office of the Scottish Charities Regulator (OSCR) as a charity and the Scottish Housing Regulator as a Registered Social Landlord.

Viewpoint is a member of the Scottish Federation of Housing Associations (SFHA) and has adopted the SFHA Model Rules which comply with the requirements of the Scottish Housing Regulator. Viewpoint is on the Register of Cooperative and Community Benefit Societies and is registered with the Financial Conduct Authority as a Friendly Society. It is also regulated by the Care Inspectorate.

As at 31 March 2024 Viewpoint considered itself to be compliant with the Regulatory Standards of Governance and Financial Management.

Viewpoint operates two care homes; St Raphael's and Marian House both located in the Grange area of Edinburgh. These homes are regulated and inspected by the Care Inspectorate and are currently both Grade 5s.

Viewpoint sold its Lennox House care home, which had been closed since 12 December 2022 on 28 March 2024.

VIEWPOINT HOUSING ASSOCIATION LIMITED

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

Review of Business and Future Developments (Contd.)

Viewpoint is governed by a voluntary Board of Trustees (Board) whose members each hold one fully paid share of £1 in Viewpoint, are elected by the membership and are unpaid. Three members resigned, two members were co-opted and two members were re-elected in this year. The Board is supported by three committees; Finance, Risk and Audit; Operations and Remuneration. These committees annually review their skills mix and terms of reference. The Board members have adopted the SFHA Code of Conduct for Governing Body Members.

Viewpoint maintains insurance to cover its Board and Officers against liabilities in relation to their duties carried out on behalf of Viewpoint, as authorised by Viewpoint's rules.

The Board meets at least eight times per annum and members take part in the quarterly Finance, Risk & Audit and Operations Committees. In line with business requirements, the Board members may also be asked to participate in short-life working groups when required. The Remuneration Committee meets annually unless there are potential changes to salary or terms and conditions that require further scrutiny. The Board and Executive Team have an annual Away Day to review the strategic direction of the business whilst considering the risks and challenges facing the housing and care sectors. The average attendance by all Board members was 85%.

Management of the overall business is delegated by the Board to the Executive Team. The Chief Executive and Executive Team members hold no interest in Viewpoint's share capital, and although not having the legal status of directors, act as Executives within the authority delegated by the Board. This Team comprises the Chief Executive, Directors of Finance and Business Support, Assets and Housing and Care. Viewpoint has a Schedule of Delegated Authorities setting out those authorities that are reserved by the Board and those delegated to the Committees and Chief Executive.

Principal Markets and Associated Risks

Viewpoint continues its commitment to enable older people to live independently at home as long as possible. The Association remains focused on quality, investment, efficiency and innovation and that, as a not for profit provider it puts its tenants and residents at the forefront of its strategic ambitions.

The Association continues to receive valuable financial assistance from The Viewpoint Trust and wishes to place on record thanks to the Trust for this ongoing support.

Viewpoint kindly acknowledges receipt of financial support from the Scottish Government through Stage 3 Adaptations grant and the Zero Carbon Heat Development Fund.

The Board of Trustees has a comprehensive Strategic Plan and Risk Policy including a statement of its risk appetite. The Risk Register is reviewed bi-annually in line with the Strategic Plan by the Board, quarterly by the Finance, Risk and Audit Committee and monthly by the Executive Team.

VIEWPOINT HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024 Review of Business and Future Developments (Contd.)

ACHIEVEMENTS IN 2023/24

Business and Performance Review

STRATEGIC PLAN 2022-2025

Viewpoint continued to implement its strategic Business Plan 2022-2025. The Plan is underpinned by individual departmental strategies.

The key aims of the Business Plan are as follows;

1. To deliver an excellent customer experience
2. To provide good quality homes
3. To maintain good governance and financial management
4. To value and invest in our people
5. To be efficient and effective whilst considering value for money

The following progress was made against the year two objectives;

- Continued to monitor the progress of the National Care Service
- Continued the implementation of the current Tenant Participation Strategy
- Ongoing review of resident satisfaction in the care homes
- To identify and pursue further partnership opportunities across the business
- Continued to collate all stock condition and energy performance information
- Completed decarbonisation energy efficiency roadmap
- Ongoing options appraisal for purpose built care home
- Continued Board skills development for future succession
- Maintained robust financial controls validated by internal and external audit processes
- People Strategy and associated Action Plan completed for implementation
- Continued to review services, achieve targets and improve performance
- Continued to review the direction of our ICT and Digital Strategies

VIEWPOINT HOUSING ASSOCIATION LIMITED

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

Review of Business and Future Developments (Contd.)

ORGANISATIONAL RISK

The Board and Executive Team continue to regularly review and identify the key risks facing the organisation. The risk framework is designed to integrate risk management into the culture of the organisation, raise awareness and support improved decision making and manage risk in accordance with good practice.

The key risks have been identified as:

- The inability to deliver care to care home residents due to staff shortages
- The inability to deliver EESSH 2 (Energy Efficiency Standards for Social Housing) aligned with the impact of the Climate Change Action Plan
- Risks in the area of Human Resources including succession planning and skills shortages
- ICT and its alignment with the business needs and requirements now and for the future
- Systems are in place and maintained to support the evolving operational and strategic requirements of the business
- Regulatory Compliance & Assurance
- Meeting Landlord Health & Safety legislative requirements
- Asset Management Strategy – action plan / deliverable within achievable timescales / robust life cycle reporting for accurate financial planning and scenario modelling
- Danger of cyber security attacks
- Failure to protect residents and tenants from harm
- Exposure to and impact of General Data Protection Regulation (GDPR) and Freedom of Information (FOI) breaches
- The ability of the finances to meet the needs of the business considering unsustainable losses; unexpected increase in interest rates; external & internal fraud; changing environment
- The impact of longer term voids both in housing and care homes
- Welfare benefit reform and the impact on tenancy sustainability
- Impact of continuing high inflation
- Concern about reliability of gas supplies from Russia
- Uncertainty surrounding future of National Care Home Contract
- Inability to recruit new Board members
- Remedial work required where Reinforced Autoclaved Aerated Concrete (RAAC) has been identified in properties
- Environmental, social and governance (ESG) reporting and impact on future funding

VIEWPOINT HOUSING ASSOCIATION LIMITED

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

Review of Business and Future Developments (Contd.)

OPERATIONAL PERFORMANCE 2023/24

Viewpoint review key performance indicators against agreed targets to assess its performance (including those outlined in the table below).

Key Performance Indicator	Targets 2023/24	Achieved 2023/24
Void – average days to re-let	60	84
% void loss for housing stock	2.7%	1.99%
Gross Rent Arrears %	2.5%	2.84%
% complaints responded to in full Stage 1	95%	95.77%
Average time in working days for full response at Stage 1	5	5.03
% complaints responded to in full Stage 2	95%	85.71%
Average time in working days for full response at Stage 2	20	18.09
% tenants satisfied with response repairs	92%	86.33%
Average time to complete emergency repairs (hours)	2	1.53
% properties meeting SHQS	99.85%	98.86%

ASSET MANAGEMENT - The Association seeks to maintain its properties to the highest standard. To this end, it carries out repairs and maintenance in distinct time frames:

- Routine Maintenance, which is carried out as emergency, urgent and routine timescales - expenditure in the year was £1,967,249 (2023 - £1,650,631)
- A programme of Planned Repairs carried out throughout the year to deal with the gradual and predictable deterioration of building attributes - expenditure in the year was £1,487,046 (2023 - £888,959)
- Cyclical Maintenance – expenditure in the year was £570,259 (2023 - £697,021)
- A long-term programme of major repairs for the replacement of components, which have come to the end of their economic lives - direct expenditure capitalised in the year, was £2,142,425 (2023 - £1,882,705)

The Board will endeavour to ensure that the necessary funds will be available in the future to cover the Association's commitments under the Scottish Housing Quality Standard, Energy Efficiency in Social Housing programme and the Net Zero Agenda.

Landlord Health & Safety – The Association has an ongoing programme of works to ensure that all statutory and regulatory regulations continue to be met. This includes gas safety, electrical, water (legionella), asbestos, lifts and fire risk assessments for all its properties.

VIEWPOINT HOUSING ASSOCIATION LIMITED

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

Review of Business and Future Developments (Contd.)

HOUSING SERVICES

In line with Viewpoint's Rent Policy whilst considering affordability and through consultation with tenants the rent increase for 2023/24 was 7%. The Association's policy follows the generally accepted practice/principles of the Social Housing Sector.

The average time taken to re-let properties this year has improved to 84 days (2023: 141.6 days).

Viewpoint works closely with anyone who is in arrears and provides access to welfare and financial advice and support to assist individuals to manage their debt during the challenges of the current cost of living crisis.

Viewpoint continues to work closely with its tenants to gauge where improvements can be made in its estates and communities.

COMPLAINTS

Viewpoint adheres to the Model Complaints Handling Procedure ('Model CHP') in line with the Scottish Public Services Ombudsman ('SPSO') request and this is available via the website.

TENANT PARTICIPATION

Viewpoint continued to deliver its Tenant Participation Strategy 2023-2025.

The aims of the Strategy are to:

- Show Viewpoint's commitment to involving tenants in services, homes and communities
- Be flexible and reflect local circumstances
- Set out how Viewpoint works with tenants to deliver this commitment; and
- Put in place meaningful, measurable and achievable targets

This will be done through:

- Informing: Sharing knowledge tenants want
- Consultation: Listening to hear tenants views
- Participation: Understanding to Act

The key required outcomes of the Strategy are;

- Consultation at a local level remains a priority
- The creation of one strategic group for all tenants
- The continued importance of tenant volunteers
- Scrutiny (review) groups to undertake service reviews

VIEWPOINT HOUSING ASSOCIATION LIMITED

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

Review of Business and Future Developments (Contd.)

TENANT PARTICIPATION (Cont'd)

An annual implementation plan is agreed at the beginning of each financial year which sets out in detail actions being undertaken. Progress is then reported at the year end. The main outcomes achieved in 2023/24 were:

- Completion of the Customer Service Standards Review. A report was received by the Board and new Customer Service Standards approved in May 2023;
- Action plans to implement the Customer Service Standards and priorities from the Tenant Satisfaction Survey are being implemented, and although there is still work to do, good progress has been made;
- Three editions of *Newspoint* produced with the tenants' editorial team and greater input from tenants for articles;
- Recruitment of 6 new tenant volunteers, including 2 Fife tenants; and
- Continued partnership with *Tap Into IT* with *Tappers* clubs being held across sites on a weekly basis.

CARE HOMES

The overall average occupancy across the two care homes for the year was 93% (2023: 84% Excluding Lennox House which was closed during the year the average occupancy was 94%).

The individual occupancy for each home was as follows:

St Raphael's	96%
Marian House	89%

The Association closed its Lennox House care home on 12 December 2022. The financial impact of the discontinued activity is outlined in the Statement of Comprehensive Income on page 18.

The surplus for the year is £2,123,741 (2023: Deficit £254,829). The underlying surplus for the year excluding the discontinued operation is £400,978 (2023: £197,907).

STAFF ENGAGEMENT & PERFORMANCE MANAGEMENT

High quality staff are an essential part of the ongoing success of the organisation and the range of services delivered. Service delivery is under-pinned by staff performance and remains a high priority as Viewpoint aim to continue to improve performance.

All employees are required to comply with the SFHA Code of Conduct for Employees and sign an annual declaration.

Viewpoint continues to develop its staff in line with its strategic objectives through a range of face to face and online training and further staff engagement through Health and Safety Consultative Group and the Joint Consultative Committee.

VIEWPOINT HOUSING ASSOCIATION LIMITED

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

Review of Business and Future Developments (Contd.)

FINANCIAL PERFORMANCE

The results for the year are shown in the Statement of Comprehensive Income on Page 18. The income related to housing was £8,969k (2023: £8,226k) and for care homes was £8,077k (2023: £8,726k).

The operating deficit of £244k (2023: £368k deficit) shows a £124k decrease due to increase in maintenance spend £787k. The deficit for housing was £416k (2023: £339k deficit), and a surplus for care homes of £153k (2023: £35k deficit).

Viewpoint continued to invest in its properties, with capital spend on housing of £2,132k (2023: £1,770k) and care homes of £11k (2023: £113k).

Treasury Management

Viewpoint refinanced its loan funding in 2019 with CAF Bank on a 25 year term loan with the first three years being at a fixed rate. The related borrowing covenants are being comfortably met.

RBC Brewin Dolphin were appointed Investment Managers in April 2018 and £2m of free reserves were invested in a balanced portfolio in May 2018 with a further £1m invested in November 2021. The Board acknowledged that this would be a longer-term investment with the primary objective to achieve an overall return in excess of inflation and as a result, the Board has not set a specific income target. They have also intimated that income from the portfolio will be capitalised.

From an ethical point of view, the Board are also mindful that the portfolio is sensitive to the objectives and mission of Viewpoint.

Part of Viewpoint's finance had previously been raised through loan-stock provided by loan-stock tenants. These loans are unsecured and at Kilravock House are repaid six months after a loan-stock tenancy has ended or earlier if the property is re-let in that period. At all other properties holding loan-stock tenants, loans are repaid in full as tenancies end.

Viewpoint has introduced a replacement to its loan-stock agreement and new tenancies at Kilravock are offered on a shared ownership basis. Existing loan-stock tenants have been offered an opportunity to convert to this new arrangement. No new loan-stock tenancies will be offered. Upon the ending of any shared ownership agreements, the shared owner will dispose of their share to the next shared owner based on the prevailing market value at the time of sale.

For any borrowing decisions Viewpoint will consider the status of the shared ownership (and remaining loan-stock) and related liabilities at that point.

VIEWPOINT HOUSING ASSOCIATION LIMITED

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

Review of Business and Future Developments (Contd.)

STRATEGIC PLAN 2022-2025

The key aims of this three year Business Plan are as follows;

1. To deliver an excellent customer experience
2. To provide good quality homes
3. To maintain good governance and financial management
4. To value and invest in our people
5. To be efficient and effective whilst considering value for money

The year three (2024/25) objectives which underpin these aims are as follows;

- Actively seek development partner(s) for future housing projects
- Develop detailed proposals for redevelopment of existing sites
- Investigate replacement heating and energy efficiency solutions in line with net zero agenda
- Secure Local Authority support and Scottish Government grant funding for new affordable housing project(s)
- Consider options for a new purpose built care home
- Review outcomes in line with updated stock condition and energy efficiency data
- Consider the implications and opportunities of proposed National Care Service
- Identify and pursue partnership opportunities to benefit the business
- Conduct new Tenant Satisfaction Survey
- Continue to enhance the quality of services in care homes
- Commence the implementation of new People Strategy
- Continue through strong financial management to create a framework for ongoing investment in properties
- Demonstrate best value through robust financial controls and procurement
- Implement recommendations from internal and external audits to improve efficiencies
- Review targets and improve performance
- Complete review of ICT and Digital infrastructure and systems

VIEWPOINT HOUSING ASSOCIATION LIMITED

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

Board of Trustees and Executive Officers

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

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

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

Statement of Board of Trustees' Responsibilities

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

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

The Board of Trustees 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 2024. It is also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. It is also responsible for ensuring the Association's suppliers are paid promptly.

Going Concern

Based on its budgetary and forecasting processes the Board of Trustees 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 Board of Trustees 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.

VIEWPOINT HOUSING ASSOCIATION LIMITED

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

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

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

The Board of Trustees has reviewed the effectiveness of the system of internal financial control in existence in the Association for the year end 31 March 2024. 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.

Disclosure of Information to the Auditor

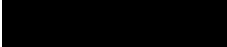
The members of the Board of Trustees at the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant information of which the auditors are unaware. They confirm that they have taken all steps that they ought to have taken to make themselves aware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

Auditor

The Association is completing a tender exercise for the appointment of external auditors for 24/25 and beyond. The successful Firm will be proposed at the Annual General Meeting.

By order of the Board of Trustees


Jean Gray
Chief Executive Officer


Howard Vaughan
Secretary

30/8/2024

VIEWPOINT HOUSING ASSOCIATION LIMITED

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

In addition to our audit of the financial statements, we have reviewed your statement on pages 11-12 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 pages 11-12 has provided the disclosures required by the relevant Regulatory Standards within the publication "Our Regulatory Framework" and associated Regulatory Advice Notes issued by the Scottish Housing Regulator in respect of internal financial controls and is consistent with the information which came to our attention as a result of our audit work on the financial statements.

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


ALEXANDER SLOAN LLP
Accountants and Business Advisers
Statutory Auditors
EDINBURGH

2/9/2024


Alexander Sloan
Accountants and Business Advisers

VIEWPOINT HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VIEWPOINT HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2024

Opinion

We have audited the financial statements of Viewpoint Housing Association Limited (the 'Association') for the year ended 31 March 2024 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 2024 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 2024.

Basis of Opinion

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

Conclusions relating to going concern

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

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

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

Other Information

The Board of Trustees 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.

VIEWPOINT HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VIEWPOINT HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2024 (continued)

Other Information (Contd.)

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- proper books of account have not been kept by the Association in accordance with the requirements of the legislation;
- a satisfactory system of control over transactions has not been maintained by the Association in accordance with the requirements of the legislation;
- the Statement of Comprehensive Income and Statement of Financial Position are not in agreement with the books of account of the Association; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Board of Trustees

As explained more fully in the statement of Board of Trustees' responsibilities as set out on page 11, the Board of Trustees is responsible for the preparation of the financial statements and for being satisfied that they give true and fair view, and for such internal control as the Board of Trustees 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 Board of Trustees is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Trustees 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:

VIEWPOINT HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VIEWPOINT HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2024 (continued)

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we gained an understanding of the legal and regulatory framework applicable to the Association through discussions with the Board of Trustees and other management, and from our wider knowledge and experience of the RSL sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Association, including the Co-operative and Community Benefit Societies Act 2014 (and related regulations), the Housing (Scotland) Act 2010 and other laws and regulations applicable to a registered social housing provider in Scotland. We also considered the risks of non-compliance with the other requirements imposed by the Scottish Housing Regulator and we considered the extent to which non-compliance might have a material effect on the financial statements.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting Care Inspectorate Reports; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Association's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reviewing the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing the Association's Assurance Statement and associated supporting information; and
- reviewing correspondence with the Scottish Housing Regulator; and
- reviewing Care Inspectorate Reports for care homes.

VIEWPOINT HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VIEWPOINT HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2024 (continued)

The extent to which the audit was considered capable of detecting irregularities including fraud (Contd.)

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Description of the auditor's responsibilities for the audit of the 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: <http://www.frc.org.uk/auditorsresponsibilities>. The description forms part of our audit report.

Use of our Report

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



ALEXANDER SLOAN LLP
Accountants and Business Advisers
Statutory Auditors
EDINBURGH

2/9/2024



VIEWPOINT HOUSING ASSOCIATION LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Continuing Operations £	Discontinued Operations £	2024 Total £	Continuing Operations £	Discontinued Operations £	2023 Total £
Revenue	2	17,710,963	-	17,710,963	16,000,450	1,571,639	17,572,089
Operating costs	2	17,836,006	118,632	17,954,638	15,915,793	2,024,375	17,940,168
OPERATING DEFICIT		(125,043)	(118,632)	(243,675)	84,657	(452,736)	(368,079)
Gain on sale of housing stock	7	289,798		289,798	381,833		381,833
Exceptional item	27	-	1,841,395	1,841,395	-		-
Interest receivable and other income		245,951		245,951	154,737		154,737
Interest payable and similar charges	8	(200,667)		(200,667)	(146,561)		(146,561)
Movement in fair value of financial instruments	13	208,939		208,939	(276,759)		(276,759)
Other Finance income/(charges)	11	(18,000)		(18,000)	-		-
SURPLUS / (DEFICIT) FOR THE YEAR		400,978	1,722,763	2,123,741	197,907	(452,736)	(254,829)
Other comprehensive income							
Actuarial gains/(losses) on defined benefit pension plan	20	526,021	1,841,395	2,367,416	113,250	-	113,250
TOTAL COMPREHENSIVE INCOME				2,123,741	197,907	(452,736)	(254,829)
				(595,000)			(489,000)
				1,528,741			(743,829)

Income and expenditure reported above include discontinued operations relating to Lennox House Care Home. These operations ceased at 12 December 2022. Full details are provided in Note 4. The notes on pages 22 to 40 form an integral part of these financial statements.

VIEWPOINT HOUSING ASSOCIATION LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

	Notes	2024		2023	
		£	£	£	£
NON-CURRENT ASSETS					
Housing properties - depreciated cost	12		38,888,859		38,909,979
Other tangible assets	12		665,982		677,106
Investments	13		3,296,532		3,021,625
			<u>42,851,373</u>		<u>42,608,710</u>
CURRENT ASSETS					
Receivables	14	865,031		675,711	
Other current assets	15	-		1,209,616	
Cash and cash equivalents	16	7,415,090		5,241,228	
		<u>8,280,121</u>		<u>7,126,555</u>	
CREDITORS: Amounts falling due within one year	17	(4,382,071)		(3,698,683)	
		<u>3,898,050</u>		<u>3,427,872</u>	
NET CURRENT ASSETS					
			<u>3,898,050</u>		<u>3,427,872</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
			<u>46,749,423</u>		<u>46,036,582</u>
CREDITORS: Amounts falling due after more than one year	18		(2,917,632)		(2,978,659)
PENSIONS AND OTHER PROVISIONS FOR LIABILITIES AND CHARGES					
Scottish housing association pension scheme	20	(981,000)		(368,000)	
		<u>(981,000)</u>		<u>(368,000)</u>	
DEFERRED INCOME					
Social housing grants	21	(10,583,585)		(11,951,290)	
Other grants	21	(18,105)		(18,256)	
		<u>(10,601,690)</u>		<u>(11,969,546)</u>	
NET ASSETS					
			<u>32,249,101</u>		<u>30,720,377</u>
EQUITY					
Share capital	22		101		118
Revenue reserves			33,185,278		31,038,955
Restricted reserve			44,722		49,304
Pension reserves			(981,000)		(368,000)
			<u>32,249,101</u>		<u>30,720,377</u>

The financial statements were approved by the Board of Trustees and authorised for issue and signed on their behalf on 30/8/2024



Trustee Member
Iain Thompson



Trustee Member
Tom Roehricht



Secretary
Howard Vaughan

The notes on pages 22 to 40 form an integral part of these financial statements.

VIEWPOINT HOUSING ASSOCIATION LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024	2023
		£	£
Surplus for the Year		2,123,741	(254,829)
<i>Adjustments for non-cash items:</i>			
Depreciation of tangible fixed assets	12	1,919,170	1,921,857
Amortisation of capital grants	21	(541,390)	(540,162)
(Gain) / Loss on disposal of tangible fixed assets		(2,131,193)	(316,810)
Non-cash adjustments to pension provisions		18,000	(222,000)
Change in market value of investments		(208,939)	276,759
Share capital written off	22	(21)	(16)
		(944,373)	1,119,628
Interest receivable		(245,951)	(154,737)
Interest payable	8	200,667	146,561
Operating cash flows before movements in working capital		1,134,084	856,623
Change in other current assets		1,209,616	-
Change in debtors		(189,320)	758,026
Change in creditors		192,257	171,708
		1,212,553	929,734
Net cash inflow from operating activities		2,346,637	1,786,357
Investing Activities			
Acquisition and construction of properties		(1,681,648)	(1,633,555)
Purchase of other fixed assets		(122,237)	(49,463)
Capital invested and re-invested dividends		(65,968)	(62,836)
Proceeds on disposal of housing properties		2,502,718	596,250
Net cash outflow from investing activities		(187,390)	(1,047,080)
Financing Activities			
Loan Advances Received / Movement in loan stock		(69,500)	(455,356)
Interest received on cash and cash equivalents		245,951	154,737
Interest paid on loans		(200,667)	(146,561)
Loan principal repayments		(65,835)	(1,622,984)
Share capital issued	22	4	7
Net cash outflow from financing activities		(90,047)	(2,070,157)
Increase/(decrease) in cash	23	2,069,200	(1,330,880)
Opening cash & cash equivalents		5,062,144	6,393,024
Closing cash & cash equivalents		7,131,344	5,062,144
Cash and cash equivalents as at 31 March			
Cash	23	7,415,090	5,241,228
Bank overdraft	17	(283,746)	(179,084)
		7,131,344	5,062,144

The notes on pages 22 to 40 form an integral part of these financial statements.

VIEWPOINT HOUSING ASSOCIATION LIMITED

STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2024

	Share Capital	Restricted Reserve	Scottish Housing Association Pension reserve	Revenue Reserve	Total
	£	£	£	£	£
Balance as at 1 April 2022	127	54,704	(101,000)	31,510,384	31,464,215
Issue of Shares	7	-	-	-	7
Cancellation of Shares	(16)	-	-	-	(16)
Other comprehensive income	-	-	(489,000)	-	(489,000)
Revaluation in year	-	-	-	-	-
Other movements	-	(5,400)	222,000	(216,600)	-
Deficit for the year	-	-	-	(254,829)	(254,829)
Balance as at 31 March 2023	118	49,304	(368,000)	31,038,955	30,720,377
Balance as at 1 April 2023	118	49,304	(368,000)	31,038,955	30,720,377
Issue of Shares	4	-	-	-	4
Cancellation of Shares	(21)	-	-	-	(21)
Other comprehensive income	-	-	(595,000)	-	(595,000)
Revaluation in year	-	-	-	-	-
Other movements	-	(4,582)	(18,000)	22,582	-
Surplus for the year	-	-	-	2,123,741	2,123,741
Balance as at 31 March 2024	101	44,722	(981,000)	33,185,278	32,249,101

The notes on pages 22 to 40 form an integral part of these financial statements.

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS

1. PRINCIPAL ACCOUNTING POLICIES

Statement of Compliance and Basis of Accounting

These financial statements were prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Statement of Recommended Practice for social housing providers 2018. The Association is a Public Benefit Entity in terms of its compliance with Financial Reporting Standard 102, applicable for accounting periods on or after 1 January 2019. They comply with the Determination of Accounting Requirements 2024. A summary of the principal accounting policies is set out below

Revenue

Revenue comprises rental and service charge income receivable in the period, income from provision of care services, income from shared ownership first tranche sales, sales of properties built for sale, other services provided, revenue grants receivable and government grants released to income in the period.

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

Government grants are released to income over the expected useful life of the asset to which they relate. Revenue grants are receivable when the conditions for receipt of the agreed grant funding have been met.

Retirement Benefits

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

Going Concern

On the basis that the Board of Trustees 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.

Investments

Unlisted investments are initially recognised at cost and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment. Listed investments are measured at fair value with changes in fair value recognised in the Statement of Comprehensive Income.

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

1. PRINCIPAL ACCOUNTING POLICIES (continued.)

Housing Properties

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

<i>Component</i>	<i>Useful Economic Life</i>
Structure	Over 60 years
Windows	Over 30 years
Heating Systems	Over 20 years
Kitchens	Over 20 years
Bathrooms	Over 20 years
Lifts	Over 20 years
Fire Systems	Over 10 years
Door Systems	Over 10 years

Depreciation and Impairment of Other Tangible Assets

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

<i>Asset Category</i>	<i>Depreciation Rate</i>
Office Premises	2%
Furniture & Fittings	20%
Computer & Office Equipment	20%
Vans	25%

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

Social Housing Grants and Other Capital Grants

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

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

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

Sales Of Housing Properties

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

Disposals under shared equity schemes are accounted for in the Statement of Comprehensive Income. The remaining equity in the property is treated as a non-current asset investment, which is matched with the grant received.

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (Continued)

1. PRINCIPAL ACCOUNTING POLICIES (continued.)

Taxation

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

Leases

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

Works to Existing Properties

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

Capitalisation Of Development Overheads

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

Housing Property Managed By Agents

Where a third party manages the Association's housing property the accounting treatment reflects the substance of the transactions. The property is only excluded if the rights and obligations associated with the scheme has been transferred to the third party.

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.

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

1. PRINCIPAL ACCOUNTING POLICIES (continued.)

Key Judgements and estimates made in the application of Accounting Policies

The preparation of financial statements requires the use of certain accounting judgements and accounting estimates. It also requires the Association to exercise judgement in applying the 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.

Key Judgements

a) Categorisation of Housing Properties

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

b) Identification of cash generating units

The Board of Trustees considers its cash-generating units to be the schemes in which it manages its housing property and for asset management purposes and individual care homes.

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. 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.

d) Loan stock

Loan stock are secured loans from tenants under the terms of the Association's tenancy agreements. The Board has now reviewed the accounting treatment and, as the Association has no right to defer these liabilities beyond one year, they are of the opinion that these liabilities should be categorised as short term.

Estimation Uncertainty

a) Rent Arrears - Bad Debt Provision

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

b) Life Cycle of Components

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

c) Useful life of properties, plant and equipment

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

d) Costs of shared ownership

The Association allocates costs to shared ownership properties on an percentage basis split across the number of properties the Association owns.

e) Defined pension liability

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

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

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

		2024			2023		
	Notes	Turnover £	Operating costs £	Operating surplus / (deficit) £	Turnover £	Operating costs £	Operating surplus / (deficit) £
Affordable letting activities	3	9,567,035	9,983,491	(416,456)	8,786,936	9,126,353	(339,417)
Other Activities	4	8,143,928	7,971,147	172,781	8,785,153	8,813,815	(28,662)
Total		17,710,963	17,954,638	(243,675)	17,572,089	17,940,168	(368,079)

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

	General Needs Housing £	Supported Housing £	2024 Total £	2023 Total £
Revenue from Lettings				
Rent receivable net of service charges	1,538,500	6,583,817	8,122,317	7,596,997
Service charges receivable	43,768	979,678	1,023,446	970,829
Gross income from rent and service charges	1,582,268	7,563,495	9,145,763	8,567,826
Less: Rent losses from voids	33,247	143,078	176,325	342,052
Income from rents and service charges	1,549,021	7,420,417	8,969,438	8,225,774
Grants released from deferred income	77,609	463,322	540,931	540,162
Other revenue grants	-	-	-	21,000
Total turnover from affordable letting activities	1,637,033	7,930,002	9,567,035	8,786,936
Expenditure on affordable letting activities				
Management and maintenance administration costs	428,585	1,896,533	2,325,118	2,422,640
Service costs	125,178	2,162,952	2,288,130	2,104,267
Planned and cyclical maintenance, including major repairs	223,551	1,597,734	1,821,285	1,479,301
Reactive maintenance costs	308,339	1,570,676	1,879,015	1,554,676
Bad Debts - rents and service charges	7,767	46,817	54,584	26,996
Depreciation of affordable let properties	278,479	1,336,880	1,615,359	1,538,473
Operating costs of affordable letting activities	1,371,899	8,611,592	9,983,491	9,126,353
Operating surplus on affordable letting activities	265,134	(681,590)	(416,456)	(339,417)
2023	234,077	(573,494)		

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

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

	Grants from Scottish Ministers	Supporting people income	Other income	Total Turnover	Operating costs - bad debts	Other operating costs	Operating surplus / (deficit)	Operating surplus / (deficit)
	£	£	£	£	£	£	2024	2023
Factoring	-	-	33,884	33,884	-	29,693	4,191	2,038
Support activities	-	-	-	-	-	-	-	(1,230)
Care activities (Notes 1/2)	-	-	8,077,456	8,077,456	41,968	7,882,006	153,482	(34,685)
Uncapitalised development administration costs/ Abortive costs	-	-	12,817	12,817	-	-	12,817	8,764
Other activities	-	-	19,771	19,771	-	17,480	2,291	(3,549)
Total From Other Activities	-	-	8,143,928	8,143,928	41,968	7,929,179	172,781	(28,662)
2023	211,490	-	8,573,663	8,785,153	(20,084)	8,833,899	(28,662)	

Note 1

The Association discontinued care home activities at Lennox House Care Home on 12 December 2022. The income for the service in the year was £0 (2023: £1,571,639) and expenditure of £118,632 (2023: £2,024,375) resulting in a deficit for the service of £118,632 (2023: deficit of £452,736).

Note 2

The Association discontinued the @ Home service which was transferred to a new provider from 1 April 2022. The income for the service in the year was £0 (2023: £0) and expenditure of £0 (2023: £1,230) resulting in a deficit for the @ Home service of £0 (2023: deficit of £1,230).

The Association no longer provide the @ Home service.

Note 3

During the previous year the Association accessed Scottish Government support available to Social Care Providers in response to the Covid19 Pandemic (commonly referred to as the Sustainability Fund). A total of £0 (2023 : £211,490) was accessed in relation to the financial year. There were no unfulfilled conditions in respect of sustainability fund payments at the year end.

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

5. OFFICERS' EMOLUMENTS

	2024	2023
	£	£
The Officers are defined in the Co-operative and Community Benefit Societies Act 2014 as the members of the Board of Trustees, managers and employees of the Association.		
Aggregate emoluments payable to Officers with emoluments greater than £60,000 (excluding pension contributions)	383,600	405,086
Pension contributions made on behalf on Officers with emoluments greater than £60,000	35,684	34,636
Emoluments payable to Chief Executive Officer (excluding pension contributions)	115,000	99,558
Pension contributions paid on behalf of the Chief Executive Officer	8,165	7,110
Total emoluments payable to the Chief Executive Officer	123,165	106,668
Total emoluments paid to key management personnel	392,995	451,245

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

	Number	Number
£60,001 to £70,000	-	2
£70,001 to £80,000	-	-
£80,001 to £90,000	-	1
£90,001 to £100,000	2	-
£100,001 to £110,000	1	1
£110,001 to £120,000	-	-
£120,001 to £130,000	1	-

6. EMPLOYEE INFORMATION

	2024	2023
	No.	No.
Average monthly number of full time equivalent persons employed during the year	217	241
Average total number of employees employed during the year	230	256
Staff costs were:	£	£
Wages and salaries	6,773,474	7,142,731
National insurance costs	608,781	648,419
Pension costs	366,384	370,389
Temporary, agency and seconded staff	465,652	1,035,980
	8,214,291	9,197,519

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

7. GAIN ON SALE OF HOUSING STOCK

	2024	2023
	£	£
Sales proceeds	425,000	596,250
Cost of sales	135,202	214,417
Gain on sale of housing stock	<u>289,798</u>	<u>381,833</u>

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2024	2023
	£	£
On bank loans and overdrafts	<u>200,667</u>	<u>146,561</u>

9. SURPLUS / (DEFICIT) FOR THE YEAR

	2024	2023
	£	£
Surplus / (Deficit) For The Year is stated after charging/(crediting):		
Depreciation - non-current assets	1,919,170	1,921,857
Auditors' remuneration - audit services	<u>17,856</u>	<u>20,520</u>

10. CORPORATION TAX

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

11. OTHER FINANCE INCOME / (CHARGES)

	2024	2023
	£	£
Net interest on pension obligations	<u>(18,000)</u>	<u>-</u>

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
NOTES TO THE FINANCIAL STATEMENTS (continued)

12. NON-CURRENT ASSETS

(a) Housing Properties	Housing Properties Held for Letting £	Care Homes £	Shared Ownership Completed £	Total £
COST				
At 1 April 2023	66,468,364	8,503,484	907,741	75,879,589
Additions	2,131,718	10,707	-	2,142,425
Disposals	(1,555,126)	-	(247,989)	(1,803,115)
Transfers	(405,800)	-	405,800	-
Transferred to current assets	-	-	-	-
	<u>66,639,156</u>	<u>8,514,191</u>	<u>1,065,552</u>	<u>76,218,899</u>
At 31 March 2024	66,639,156	8,514,191	1,065,552	76,218,899
DEPRECIATION				
At 1 April 2023	32,723,052	3,831,634	414,924	36,969,610
Charge for Year	1,615,359	176,661	-	1,792,020
Transfers	(184,561)	-	184,561	-
Transferred to current assets	-	-	-	-
Disposals	(1,318,803)	-	(112,787)	(1,431,590)
	<u>32,835,047</u>	<u>4,008,295</u>	<u>486,698</u>	<u>37,330,040</u>
At 31 March 2024	32,835,047	4,008,295	486,698	37,330,040
NET BOOK VALUE				
At 31 March 2024	<u>33,804,109</u>	<u>4,505,896</u>	<u>578,854</u>	<u>38,888,859</u>
At 31 March 2023	<u>33,745,312</u>	<u>4,671,850</u>	<u>492,817</u>	<u>38,909,979</u>

2024

2023

Expenditure on Existing Properties	<i>Component replacement £</i>	<i>Improvement £</i>	<i>Component replacement £</i>	<i>Improvement £</i>
Amounts capitalised	2,142,425	-	1,882,705	-
Amounts charged to the statement of comprehensive income	-	4,024,554	-	3,236,611
	<u>2,142,425</u>	<u>4,024,554</u>	<u>1,882,705</u>	<u>3,236,611</u>

All land and housing properties are heritable.

Additions to housing properties include capitalised development administration costs of £Nil (2023-£Nil)

The Association's lenders have standard securities over housing property with a carry value of £2,369,673 (2023 - £2,444,276)

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

12. NON CURRENT ASSETS (continued)

(b) Other tangible assets	Office Premises £	Furniture & Equipment £	Machinery & Equipment £	Total £
COST				
At 1 April 2023	883,156	1,505,612	113,158	2,501,926
Additions	-	122,237	-	122,237
Eliminated on disposals	-	(90,816)	(45,810)	(136,626)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2024	883,156	1,537,033	67,348	2,487,537
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
DEPRECIATION				
At 1 April 2023	414,171	1,297,491	113,158	1,824,820
Charge for year	24,684	102,466	-	127,150
Eliminated on disposals	-	(84,605)	(45,810)	(130,415)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2024	438,855	1,315,352	67,348	1,821,555
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET BOOK VALUE				
At 31 March 2024	444,301	221,681	-	665,982
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2023	468,985	208,121	-	677,106
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

13. FIXED ASSET INVESTMENTS

	2024 £	2023 £
Investments	3,296,532	3,021,625
	<u> </u>	<u> </u>
	3,296,532	3,021,625
	<u> </u>	<u> </u>
Investment Portfolio		
	2024 £	2023 £
At 1 April 2023 and 31 March 2024	3,296,532	3,021,625
	<u> </u>	<u> </u>
	2024 £	2023 £
At 1 April 2023	3,021,625	3,235,548
Additions - net reinvested dividends	65,968	62,836
Gains/(losses) taken to the statement of comprehensive income	208,939	(276,759)
	<u> </u>	<u> </u>
At 31 March 2024	3,296,532	3,021,625
	<u> </u>	<u> </u>

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. RECEIVABLES		
	2024	2023
	£	£
Gross arrears of rent & service charges	726,345	516,850
Less: Provision for doubtful debts	(300,053)	(234,525)
<i>Net arrears of rent and service charges</i>	426,292	282,325
Other receivables	438,739	393,386
	<u>865,031</u>	<u>675,711</u>

15. OTHER CURRENT ASSETS		
	2024	2023
	£	£
Property surplus to activities	-	1,209,616
	<u>-</u>	<u>1,209,616</u>

Following the closure of Lennox House Care Home in December 2022, the Board deemed the property to be surplus to operational requirements and was marketed for sale. Accordingly the asset was moved from Non-Current Assets to Current Assets. The sale completed on 28th March 2024 (Note 27).

16. CASH AND CASH EQUIVALENTS		
	2024	2023
	£	£
Cash at bank and in hand	7,414,673	5,240,162
Balances held in deposit accounts	417	1,066
	<u>7,415,090</u>	<u>5,241,228</u>

17. PAYABLES: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2024	2023
	£	£
Bank overdrafts	283,746	179,084
Bank loans	67,708	72,516
Loan Stock	1,200,604	1,270,104
Trade payables	1,117,939	613,898
Rent received in advance	349,192	356,941
Other taxation and social security	148,339	162,444
Other payables	433,632	410,754
Accruals and deferred income	780,911	632,942
	<u>4,382,071</u>	<u>3,698,683</u>

At the balance sheet date there were pension contributions outstanding of £67,888 (2023: £60,663).

18. PAYABLES: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
	2024	2023
	£	£
Bank loans	2,917,632	2,978,659

19. DEBT ANALYSIS - BORROWINGS		
	2024	2023
	£	£
Bank Loans		
Amounts due within one year	67,708	72,516
Amounts due in one year or more but less than two years	72,741	76,874
Amounts due in two years or more but less than five years	250,017	258,626
Amounts due in more than five years	2,594,874	2,643,159
	<u>2,985,340</u>	<u>3,051,175</u>

The Association has one bank loan the principal terms of which are as follows:

Lender	Properties Secured	Effective Interest Rate	Maturity (Year)	Variable or Fixed
CAF Bank	112	6.85%	2044	Variable

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

20. RETIREMENT BENEFIT OBLIGATIONS

Scottish Housing Association Pension Scheme

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

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

The last valuation of the Scheme was performed as at 30 September 2021 by a professionally qualified actuary using the Projected Unit Credit method. The market value of the Scheme's assets at the valuation date was £1,173m. The valuation revealed a shortfall of assets compared with the value of liabilities of £27m (equivalent to a past service funding level of 98%).

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.

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

	2024	2023
	£	£
Fair value of plan assets	7,734,000	8,378,000
Present value of defined benefit obligation	8,715,000	8,746,000
	<u> </u>	<u> </u>
Defined benefit asset / (liability) to be recognised	(981,000)	(368,000)
	<u> </u>	<u> </u>

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

20. RETIREMENT BENEFIT OBLIGATIONS (continued)

Scottish Housing Association Pension Scheme (continued.)

Reconciliation of opening and closing balances of the defined benefit obligation

	2024	2023
	£	£
Defined benefit obligation at the start of period	8,746,000	12,345,000
Expenses	12,000	12,000
Interest expense	418,000	337,000
Actuarial losses (gains) due to scheme experience	39,000	(279,000)
Actuarial losses (gains) due to changes in demographic assumptions	(73,000)	(274,000)
Actuarial losses (gains) due to changes in financial assumptions	60,000	(2,848,000)
Benefits paid and expenses	(487,000)	(547,000)
Defined benefit obligation at the end of period	<u>8,715,000</u>	<u>8,746,000</u>

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

	2024	2023
	£	£
Fair value of plan assets at start of period	8,378,000	12,244,000
Interest income	400,000	337,000
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	(569,000)	(3,890,000)
Contributions by the employer	12,000	234,000
Benefits paid and expenses	(487,000)	(547,000)
Fair value of plan assets at the end of period	<u>7,734,000</u>	<u>8,378,000</u>

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2024 was £169,000 (2023: (£3,553,000)).

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
NOTES TO THE FINANCIAL STATEMENTS (continued)

20. RETIREMENT BENEFIT OBLIGATIONS (continued)

Scottish Housing Association Pension Scheme (continued.)

Defined benefit costs recognised in the statement of comprehensive income

	2024 £	2023 £
Expenses	12,000	12,000
Net interest expense	18,000	-
	<u>30,000</u>	<u>12,000</u>
Defined benefit costs recognised in statement of comprehensive income	<u>30,000</u>	<u>12,000</u>

Defined benefit costs recognised in the other comprehensive income

	2024 £	2023 £
Experience on plan assets (excluding amounts included in interest income) - (loss) / gain	(569,000)	(3,890,000)
Experience gains and losses arising on plan liabilities - gain	(39,000)	279,000
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligations - gain / (loss)	73,000	274,000
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligations - gain / (loss)	(60,000)	2,848,000
	<u>(595,000)</u>	<u>(489,000)</u>
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain / (loss)	(595,000)	(489,000)
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in interest cost) - gain / (loss)	-	-
	<u>(595,000)</u>	<u>(489,000)</u>
Total amount recognised in other comprehensive income - gain (loss)	<u>(595,000)</u>	<u>(489,000)</u>

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

20. RETIREMENT BENEFIT OBLIGATIONS (continued)

Scottish Housing Association Pension Scheme (continued.)

Assets

	2024	2023	2022
	£	£	£
Absolute Return	348,000	114,000	561,000
Alternative Risk Premia	278,000	48,000	506,000
Corporate Bond Fund	-	11,000	774,000
Credit Relative Value	272,000	320,000	393,000
Distressed Opportunities	285,000	258,000	439,000
Emerging Markets Debt	136,000	65,000	456,000
Fund of Hedge Funds	-	16,000	(45,000)
Global Equity	890,000	221,000	2,421,000
Index Linked All Stock Gilts	-	-	-
Infrastructure	741,000	903,000	764,000
Insurance-Linked Securities	48,000	233,000	257,000
Liability Driven Investment	2,797,000	3,547,000	2,963,000
Currency Hedging	(3,000)	-	-
Long Lease Property	58,000	281,000	353,000
Net Current Assets	9,000	19,000	39,000
Over 15 Year Gilts	-	-	5,000
Private Equity	6,000	-	-
Private Debt	311,000	374,000	308,000
Property	327,000	349,000	317,000
Risk Sharing	464,000	611,000	399,000
Secured Income	258,000	560,000	654,000
Opportunistic Illiquid Credit	308,000	370,000	406,000
High Yield	1,000	42,000	119,000
Liquid Credit	-	-	78,000
Cash	200,000	35,000	34,000
Opportunistic credit	-	1,000	43,000
Total assets	<u>7,734,000</u>	<u>8,378,000</u>	<u>12,244,000</u>

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

Key Assumptions

	2024	2023	2022
Discount Rate	4.9%	4.9%	2.8%
Inflation (RPI)	3.2%	3.2%	3.7%
Inflation (CPI)	2.8%	2.7%	3.3%
Salary Growth	3.8%	3.7%	4.3%
	75% of		75% of
Allowance for commutation of pension for cash at retirement	maximum allowance	75% of maximum allowance	maximum allowance

The mortality assumptions adopted at 31 March 2024 imply the following life expectancies:

	Life expectancy at age 65 years (years)
Male retiring in 2023	20.2
Female retiring in 2023	22.7
Male retiring in 2043	21.4
Female retiring in 2043	<u>24.1</u>

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

21. DEFERRED INCOME

	Social Housing Grants £	Other Housing Grants £	Total £
Capital grants received			
At 1 April 2023	30,717,150	359,952	31,077,102
Additions in the year	111,468	-	111,468
Eliminated on disposal	(1,616,794)	-	(1,616,794)
At 31 March 2024	<u>29,211,824</u>	<u>359,952</u>	<u>29,571,776</u>
Amortisation			
At 1 April 2023	18,765,860	341,696	19,107,556
Amortisation in year	541,239	151	541,390
Eliminated on disposal	(678,860)	-	(678,860)
At 31 March 2024	<u>18,628,239</u>	<u>341,847</u>	<u>18,970,086</u>
Net book value			
At 31 March 2024	<u>10,583,585</u>	<u>18,105</u>	<u>10,601,690</u>
At 31 March 2023	<u>11,951,290</u>	<u>18,256</u>	<u>11,969,546</u>

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

	2024 £	2023 £
Amounts due within one year	541,018	540,162
Amounts due in more than one year	10,060,672	11,429,385
	<u>10,601,690</u>	<u>11,969,547</u>

22. SHARE CAPITAL

Shares of £1 each, issued and fully paid	2024 £	2023 £
At 1 April	118	127
Issued in year	4	7
Cancelled in year	(21)	(16)
At 31 March	<u>101</u>	<u>118</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.

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

23. CASH FLOWS

Reconciliation of net cash flow to movement in net funds

	£	2024 £	£	2023 £
Increase / (decrease) in cash	2,069,200		(1,330,880)	
Change in liquid resources	-		-	
Cashflow from change in net debt	65,835		1,622,984	
	<u> </u>	<u>2,135,035</u>	<u> </u>	<u>292,104</u>
Movement in net funds in the year				
Net funds at 1 April		2,010,969		1,718,865
		<u> </u>		<u> </u>
Net funds at 31 March		<u>4,146,004</u>		<u>2,010,969</u>

Analysis of changes in net funds

	At 1-Apr-23 £	Cashflows £	Other Changes £	At 31-Mar-24 £
Cash and cash equivalents	5,241,228	2,173,862	-	7,415,090
Bank overdrafts	(179,084)	(104,662)	-	(283,746)
	<u>5,062,144</u>	<u>2,069,200</u>	<u> </u>	<u>7,131,344</u>
Debt: Due within one year	(72,516)	65,835	(61,027)	(67,708)
Due after more than one year	(2,978,659)	-	61,027	(2,917,632)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net funds	<u>2,010,969</u>	<u>2,135,035</u>	<u> </u>	<u>4,146,004</u>

24. CAPITAL COMMITMENTS

	2024 £	2023 £
Capital Expenditure that has been contracted for but has not been provided for in the financial statements	786,017	171,060
	<u> </u>	<u> </u>

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

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

25. 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 4 South Oswald Road, Edinburgh, EH9 2HG.

The Association is a Registered Social Landlord and Scottish Charity that owns and manages social housing property in Edinburgh, Lothians and Fife.

26. BOARD OF TRUSTEES MEMBER EMOLUMENTS

Board of Trustees members received £22 (2023 - £20) in the year by way of reimbursement of expenses. No remuneration is paid to Board of Trustees members in respect of their duties to the Association.

27. EXCEPTIONAL ITEM

	2024	2023
	£	£
Disposal of property surplus to activities	(1,841,395)	-

The sale of Lennox House Care Home completed on 28th March 2024 and a gain on sale was recognised of £1,841,395

28. HOUSING STOCK

The number of units of accommodation in management at the year end was:-	2024	2023
	No.	No.
General needs	243	243
Supported housing	1,059	1,063
Shared Ownership	26	22
	<u>1,328</u>	<u>1,328</u>

Housing units managed by the Association and leased to another body:

Name of Organisation	Number of Units	
	2024	2023
	No.	No.
The Action Group	6	6
Carr-Gomm	7	7
SAMH	3	3

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

29. RELATED PARTY TRANSACTIONS

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

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

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

	2024	2023
	£	£
Rent received from tenants on the Board of Trustees and their close family members	<u>19,960</u>	<u>13,598</u>

At the year end total rent arrears owed by the tenant members on the Board of Trustees (and their close family) were £368 (2023 - £542).

Members of the Board of Trustees who are tenants	3	2
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Viewpoint Trust provides financial assistance to Viewpoint Housing Association by way of grants the amount paid in the year was £11,636 (2023: £30,812) of this £2,876 (2023: £2,223) was outstanding at the year end.

Viewpoint Housing Association provided management services to Viewpoint Trust in the year. The amount paid amounted to £4,846 (2023: £4,846), of this £1,212 (2023: £1,212) was outstanding at the year end.

30. CONTINGENT LIABILITIES

Pension Scheme

We have been notified by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee has been advised to seek clarification from the Court on these items. This process is ongoing and the matter is unlikely to be resolved before the end of 2025 at the earliest. It is recognised that this could potentially impact the value of Scheme liabilities, but until Court directions are received, it is not possible to calculate the impact of this issue, particularly on an employer basis, with any accuracy at this time. No adjustment has been made in these financial statements in respect of this potential issue.

RAAC

During the year Reinforced Autoclaved Aerated Concrete (RAAC) was found at a small number of developments. At the year-end remedial works were outstanding at three developments and the cost of these works is uncertain and will be allocated to planned maintenance during the next year.