



Alexander Sloan
Accountants and Business Advisers

Viewpoint Housing Association Limited

Report and Financial Statements

For the year ended 31 March 2023

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 2023

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VIEWPOINT HOUSING ASSOCIATION LIMITED

BOARD OF TRUSTEES, EXECUTIVE AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2023

Board of Trustees

Iain Donald Ker Thompson
Thomas Paul Roehricht
Caroline Jardine
Katherine Ruthven Kennedy
Carol Lumsden
David Dennis McIntosh
Pamela Russell
John Muir
Jack Clyne
Lee Parry
Stuart Roy McIvor
Stuart Robertson

Chair
Vice Chair
Resigned 20 September 2022

Resigned 20 September 2022

Elected 20 September 2022
Elected 20 September 2022
Elected 20 September 2022

Executive Officers

Jean Gray
John Bain

Tom Hailey
Howard Vaughan

Chief Executive Officer
Director of Business Support / Company
Secretary – left 12 May 2023
Director of Assets
Director of Finance (Director of Finance &
Business Support / Company Secretary
from 1st April 2023)
Director of Housing (Director of Housing &
Care from 1st April 2023)
Director of Care – left 15 December 2022

Esther Wilson

Ann Wood

Registered Office

4 South Oswald Road
Edinburgh
EH9 2HG

External Auditors

Alexander Sloan
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 2023

The Board of Trustees presents its report and the financial statements for the year ended 31 March 2023.

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 end of life care in two 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. The rules 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 2023 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.

On 12 December 2022 Viewpoint closed its other care home at Lennox Row in Trinity with all residents being safely transferred to suitable alternative homes.

The housing support services ceased to be regulated by the Care Inspectorate from 1 April 2022.

VIEWPOINT HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

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. One member was co-opted, three members were elected and one member was reelected. The Board is supported by three committees; 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 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 Board meets as part of their annual Away Day without the Executive Team present. The average attendance by all Board members was 81%.

Management 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, Assets, Housing and Support, Care and Business Support. 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.

The Director of Care left the organisation on 15 December 2022.

A restructured Executive Team will be introduced from 1 April 2023 consisting of Chief Executive, Director of Finance and Business Support, Director of Housing and Care and Director of Assets.

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 the Sustainability, Social Care Staff Support and Stage 3 Adaptations grants.

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 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 2023 Review of Business and Future Developments (Contd.)

ACHIEVEMENTS IN 2022/23

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 one objectives;

- Commenced the implementation of the Care Strategy
- Implemented the final outcomes of the current Tenant Participation Strategy and developed a new Strategy
- Completed Customer Standards review, working towards the development of a Customer Strategy and Charter
- Reviewed resident satisfaction in the care homes
- Continued to identify and pursue further partnership opportunities
- Produced a three year investment programme for the property portfolio
- Continued to consolidate all stock condition and energy performance information
- Working towards a decarbonisation energy efficiency roadmap
- Began exploratory work regarding options for new purpose built care home
- Strengthened the Board through targeted recruitment campaign
- Continued to develop a clear succession plan for future office bearers on the Board
- Maintained robust financial controls validated by internal and external audit processes
- Continued developing a Workforce Planning Strategy
- Continued to review services, achieve targets and improve performance
- Continued to develop and implement a digital roadmap

VIEWPOINT HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

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
- The impact of the Covid-19 pandemic on the business has been reflected in both the operational and strategic risks
- 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

VIEWPOINT HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

Review of Business and Future Developments (Contd.)

OPERATIONAL PERFORMANCE 2022/23

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

Key Performance Indicator	Targets 2022/23	Achieved 2022/23
Void – average days to re-let	88	141.6
% void loss for housing stock	3.25	3.85
Gross Rent Arrears %	2.5	2.98
% complaints responded to in full Stage 1	95	85.45
Average time in working days for full response at Stage 1	5	4.57
% complaints responded to in full Stage 2	95	90
Average time in working days for full response at Stage 2	20	21.11
% tenants satisfied with response repairs	92	86.01
Average time to complete emergency repairs (hours)	2	1.76
% properties meeting SHQS	96	94.28

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 £1,650,631 (2022 - £1,619,218)
- 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 £888,959 (2022 - £804,654)
- Cyclical Maintenance – expenditure in the year was £697,021 (2022 - £583,158)
- 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 £1,882,705 (2022 - £2,267,172)

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 and the Energy Efficiency in Social Housing programme.

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 2023

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 2022/23 was 2.9%. 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 141.6 days (2022: 143.9 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.

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

During the year Viewpoint developed its Tenant Participation Strategy 2023-26.

The strategy was reviewed by:

- Tenants – via conversations with tenants at quarterly meetings and coffee mornings gauging how they wished to be involved
- Senior Management and Leadership Teams
- Tenant volunteers - all Tenant Volunteers were sent a copy of the draft document for comment and a meeting was held with those who wished to discuss this with staff

The aims of the Strategy remain the same and 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

VIEWPOINT HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

Review of Business and Future Developments (Contd.)

TENANT PARTICIPATION (Cont'd)

The key required outcomes of the new Strategy identified were;

- 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

CARE HOMES

The overall average occupancy across the three care homes for the year was 84% (2022:94%). 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	94%
Marian House	93%

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 19.

The deficit for the year is £452,736. The underlying surplus for the year excluding the discontinued operation is £197,892.

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 with an emphasis on meeting the needs of its service users.

There is 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 2023

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 £8,787k (2022: £8,479k) and for care homes was £8,726k (2022: £10,167k).

The operating deficit of £368k (2022: £537k surplus) shows a £905k decrease due to increase in maintenance spend much of which related to catch up works not carried out in the previous year due to Covid restrictions. The deficit for housing was £339k (2022: £433k), and a deficit for care homes of £35k (2022: £1,078k surplus).

Viewpoint continued to invest in its properties, with capital spend on housing of £1,770k (2022: £2,236k) and care homes of £113k (2022: £31k).

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.

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 HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

Review of Business and Future Developments (Contd.)

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 be repaid their share 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.

STRATEGIC PLAN 2022-2025

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 year two (2023/24) objectives which underpin these aims are as follows;

- To continue the implementation of the Care Strategy
- To implement the outcomes of the new Tenant Participation Strategy
- Develop Customer Strategy and Charter
- To continually review resident satisfaction in the care homes
- To identify and pursue further partnership opportunities
- Continue to consolidate all stock condition and energy performance information
- Working towards a decarbonisation energy efficiency roadmap
- Consider options for new purpose built care home
- Seek development partner/s to consider strategic development options
- Develop a clear succession plan for future office bearers on the Board
- Maintain robust financial controls validated by internal and external audit processes
- Develop and implement Workforce Planning Strategy
- Continue to review services, achieve targets and improve performance
- Develop and implement a digital roadmap

VIEWPOINT HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

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 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.

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 2023

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 2023. 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

A resolution to reappoint the Auditors, Alexander Sloan, Accountants and Business Advisers, will be proposed at the Annual General Meeting.

By order of the Board of Trustees


Jean Gray
Chief Executive Officer
8 August 2023


Howard Vaughan
Secretary

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
Accountants and Business Advisers
Statutory Auditors
EDINBURGH

8 August 2023



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 2023

Opinion

We have audited the financial statements of Viewpoint Housing Association Limited (the 'Association') for the year ended 31 March 2023 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 2023 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 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 2023 (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 14, 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 2023 (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 2023 (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
Accountants and Business Advisers
Statutory Auditors
EDINBURGH
8 August 2023



VIEWPOINT HOUSING ASSOCIATION LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Continuing Operations £	Discontinued Operations £	2023 Total £	Continuing Operations £	Discontinued Operations £	2022 Total £
Revenue	2	16,000,450	1,571,639	17,572,089	16,121,366	2,699,869	18,821,235
Operating costs	2	15,915,793	2,024,375	17,940,168	15,882,814	2,401,214	18,284,028
OPERATING (DEFICIT) / SURPLUS		84,657	(452,736)	(368,079)	238,552	298,655	537,207
Gain on sale of housing stock	7	381,833		381,833	143,320		143,320
Interest receivable and other income		154,737		154,737	85,814		85,814
Interest payable and similar charges	8	(146,561)		(146,561)	(142,415)		(142,415)
Movement in fair value of financial instruments	13	(276,759)		(276,759)	(29,936)		(29,936)
Other Finance income/(charges)	11	-		-	(20,000)		(20,000)
		113,250	-	113,250	36,783	-	36,783
(DEFICIT) / SURPLUS FOR THE YEAR		197,907	(452,736)	(254,829)	275,335	298,655	573,990
Other comprehensive income							
Actuarial gains/(losses) on defined benefit pension plan	20			(489,000)			699,000
TOTAL COMPREHENSIVE INCOME				(743,829)			1,272,990

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 2023

	Notes	£	2023 £	£	2022 £
NON-CURRENT ASSETS					
Housing properties - depreciated cost	12		38,909,979		40,283,384
Other tangible assets	12		677,106		782,446
Investments	13		3,021,625		3,235,548
			<u>42,608,710</u>		<u>44,301,378</u>
CURRENT ASSETS					
Receivables	14	675,711		1,433,737	
Other current assets	15	1,209,616		-	
Cash and cash equivalents	16	5,241,228		6,542,979	
		<u>7,126,555</u>		<u>7,976,716</u>	
CREDITORS: Amounts falling due within one year	17	(3,698,683)		(3,781,621)	
		<u></u>		<u></u>	
NET CURRENT ASSETS			<u>3,427,872</u>		<u>4,195,095</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>46,036,582</u>		<u>48,496,473</u>
CREDITORS: Amounts falling due after more than one year	18		(2,978,659)		(4,524,074)
PENSIONS AND OTHER PROVISIONS FOR LIABILITIES AND CHARGES					
Scottish housing association pension scheme	20	(368,000)		(101,000)	
		<u></u>	<u>(368,000)</u>	<u>(101,000)</u>	
DEFERRED INCOME					
Social housing grants	21	(11,951,290)		(12,388,777)	
Other grants	21	(18,256)		(18,407)	
		<u></u>	<u>(11,969,546)</u>	<u>(12,407,184)</u>	
NET ASSETS			<u>30,720,377</u>		<u>31,464,215</u>
EQUITY					
Share capital	22		118		127
Revenue reserves			31,038,955		31,510,384
Restricted reserve			49,304		54,704
Pension reserves			(368,000)		(101,000)
			<u>30,720,377</u>		<u>31,464,215</u>

The financial statements were approved by the Board of Trustees and authorised for issue and signed on their behalf on 8 August 2023.

Trustee Member

Trustee Member

Secretary

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 2023

	Notes	£	2023 £	£	2022 £
Surplus for the Year			(254,829)		573,990
<i>Adjustments for non-cash items:</i>					
Depreciation of tangible fixed assets	12	1,921,857		1,896,615	
Amortisation of capital grants	21	(540,162)		(535,460)	
(Gain) / Loss on disposal of tangible fixed assets		(316,810)		(143,320)	
Non-cash adjustments to pension provisions		(222,000)		(349,000)	
Change in market value of investments		276,759		29,936	
Share capital written off	22	(16)		(8)	
			1,119,628		898,763
Interest receivable			(154,737)		(85,814)
Interest payable	8		146,561		142,415
Operating cash flows before movements in working capital			856,623		1,529,354
Change in debtors		758,026		(78,383)	
Change in creditors		171,708		149,401	
			929,734		71,018
Net cash inflow from operating activities			1,786,357		1,600,372
Investing Activities					
Acquisition and construction of properties		(1,633,555)		(2,267,172)	
Purchase of other fixed assets		(49,463)		(94,250)	
Capital invested and re-invested dividends		(62,836)		(1,044,839)	
Proceeds on disposal of housing properties		596,250		212,434	
Net cash outflow from investing activities			(1,047,080)		(3,115,742)
Financing Activities					
Loan Advances Received / Movement in loan stock		(455,356)		(463,735)	
Interest received on cash and cash equivalents		154,737		85,814	
Interest paid on loans		(146,561)		(142,415)	
Loan principal repayments		(1,622,984)		(141,961)	
Share capital issued	22	7		1	
Net cash outflow from financing activities			(2,070,157)		(662,296)
Decrease in cash	23		(1,330,880)		(2,177,666)
Opening cash & cash equivalents			6,393,024		8,570,690
Closing cash & cash equivalents			5,062,144		6,393,024
Cash and cash equivalents as at 31 March					
Cash	23		5,241,228		6,542,979
Bank overdraft	17		(179,084)		(149,955)
			5,062,144		6,393,024

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 2023

	Share Capital £	Restricted Reserve £	Scottish Housing Association Pension reserve £	Revenue Reserve £	Total £
Balance as at 1 April 2021	134	69,699	(1,149,000)	31,270,399	30,191,232
Issue of Shares	1	-	-	-	1
Cancellation of Shares	(8)	-	-	-	(8)
Other comprehensive income	-	-	699,000	-	699,000
Revaluation in year	-	-	-	-	-
Other movements	-	(14,995)	349,000	(334,005)	-
Prior Period Adjustment	-	-	-	-	-
Surplus for the year	-	-	-	573,990	573,990
Balance as at 31 March 2022	127	54,704	(101,000)	31,510,384	31,464,215
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

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 2023 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 2019. 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 2023

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 2023 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 2023 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 2023 NOTES TO THE FINANCIAL STATEMENTS (continued)

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

		2023			2022		
	Notes	Turnover £	Operating costs £	Operating surplus / (deficit) £	Turnover £	Operating costs £	Operating surplus / (deficit) £
Affordable letting activities	3	8,786,936	9,126,353	(339,417)	8,479,297	8,912,640	(433,343)
Other Activities	4	8,785,153	8,813,815	(28,662)	10,341,938	9,371,388	970,550
Total		17,572,089	17,940,168	(368,079)	18,821,235	18,284,028	537,207

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

	General Needs Housing £	Supported Housing £	2023 Total £	2022 Total £
Revenue from Lettings				
Rent receivable net of service charges	1,437,462	6,159,535	7,596,997	7,350,980
Service charges receivable	40,563	930,266	970,829	1,013,250
Gross income from rent and service charges	1,478,025	7,089,801	8,567,826	8,364,230
Less: Rent losses from voids	45,846	296,206	342,052	500,393
Income from rents and service charges	1,432,179	6,793,595	8,225,774	7,863,837
Grants released from deferred income	77,137	463,025	540,162	535,460
Other revenue grants	-	21,000	21,000	80,000
Total turnover from affordable letting activities	1,509,316	7,277,620	8,786,936	8,479,297
Expenditure on affordable letting activities				
Management and maintenance administration costs	446,243	1,976,397	2,422,640	2,470,541
Service costs	111,982	1,992,285	2,104,267	2,160,792
Planned and cyclical maintenance, including major repairs	189,732	1,289,569	1,479,301	1,266,124
Reactive maintenance costs	229,418	1,325,258	1,554,676	1,513,179
Bad Debts - rents and service charges	21,653	5,343	26,996	31,588
Depreciation of affordable let properties	276,211	1,262,262	1,538,473	1,470,416
Operating costs of affordable letting activities	1,275,239	7,851,114	9,126,353	8,912,640
Operating surplus on affordable letting activities	234,077	(573,494)	(339,417)	(433,343)
2022	209,254	(642,597)		

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 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)
	£	£	£	£	£	£	2023	2022
Factoring	-	-	32,750	32,750	-	30,712	2,038	(3,072)
Support activities	-	-	-	-	-	1,230	(1,230)	(107,954)
Care activities (Notes 1/2)	211,490	-	8,514,499	8,725,989	(20,084)	8,780,758	(34,685)	1,077,746
Uncapitalised development administration costs/								
Abortive costs	-	-	8,764	8,764	-	-	8,764	8,084
Other activities	-	-	17,650	17,650	-	21,199	(3,549)	(4,254)
Total From Other Activities	211,490	-	8,573,663	8,785,153	(20,084)	8,833,899	(28,662)	970,550
2022	1,359,554	11,470	8,970,914	10,341,938	29,144	9,342,244	970,550	

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 £1,571,639 (2022: £2,699,869) and expenditure of £2,024,375 (2022: £2,401,214) resulting in a deficit for the service of £452,736 (2022: surplus of £298,655).

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 (2022: £126,523) and expenditure of £1,230 (2022: £205,957) resulting in a deficit for the @ Home service of £1,230 (2022: deficit of £79,435).

The Association no longer provide the @ Home service.

Note 3

During this and 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 £211,490 (2022 : £1,359,554) 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 2023 NOTES TO THE FINANCIAL STATEMENTS (continued)

5. OFFICERS' EMOLUMENTS

	2023 £	2022 £
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)	405,086	325,100
Pension contributions made on behalf on Officers with emoluments greater than £60,000	34,636	31,835
Emoluments payable to Chief Executive Officer (excluding pension contributions)	99,558	100,139
Pension contributions paid on behalf of the Chief Executive Officer	7,110	7,052
Total emoluments payable to the Chief Executive Officer	106,668	107,191
Total emoluments paid to key management personnel	451,245	424,071

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	2
£70,001 to £80,000	1	-
£80,001 to £90,000	1	1
£100,001 to £110,000	1	1

6. EMPLOYEE INFORMATION

	2023 No.	2022 No.
Average monthly number of full time equivalent persons employed during the year	241	264
Average total number of employees employed during the year	256	284
Staff costs were:	£	£
Wages and salaries	7,142,731	7,420,231
National insurance costs	648,419	644,991
Pension costs	370,389	383,124
Temporary, agency and seconded staff	1,035,980	1,289,961
	9,197,519	9,738,307

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 NOTES TO THE FINANCIAL STATEMENTS (continued)

7. GAIN ON SALE OF HOUSING STOCK

	2023	2022
	£	£
Sales proceeds	596,250	210,000
Cost of sales	214,417	66,680
Gain on sale of housing stock	<u>381,833</u>	<u>143,320</u>

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2023	2022
	£	£
On bank loans and overdrafts	<u>146,561</u>	<u>142,415</u>

9. (DEFICIT) / SURPLUS FOR THE YEAR

	2023	2022
	£	£
(Deficit) / Surplus For The Year is stated after charging/(crediting):		
Depreciation - non-current assets	1,921,857	1,896,615
Auditors' remuneration - audit services	<u>20,520</u>	<u>23,623</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)

	2023	2022
	£	£
Net interest on pension obligations	<u>-</u>	<u>(20,000)</u>

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
NOTES TO THE FINANCIAL STATEMENTS (continued)

12. NON-CURRENT ASSETS

(a) Housing Properties	Housing Properties Held for Letting £	Care Homes £	Shared Ownership Completed £	Housing Properties in Course of Construction £	Total £
COST					
At 1 April 2022	65,880,352	10,781,064	557,893		77,219,309
Additions	1,769,977	112,728	-		1,882,705
Disposals	(438,538)	(26,595)	(393,579)		(858,712)
Transfers	(743,427)	-	743,427		-
Transferred to current assets	-	(2,363,713)	-		(2,363,713)
At 31 March 2023	66,468,364	8,503,484	907,741		75,879,589
DEPRECIATION					
At 1 April 2022	31,896,510	4,783,745	255,670		36,935,925
Charge for Year	1,538,473	228,581	-		1,767,054
Transfers	(338,416)	-	338,416		-
Transferred to current assets	-	(1,154,097)	-		(1,154,097)
Disposals	(373,515)	(26,595)	(179,162)		(579,272)
At 31 March 2023	32,723,052	3,831,634	414,924		36,969,610
NET BOOK VALUE					
At 31 March 2023	33,745,312	4,671,850	492,817		38,909,979
At 31 March 2022	33,983,842	5,997,319	302,223		40,283,384

	2023		2022	
Expenditure on Existing Properties	Component replacement £	Improvement £	Component replacement £	Improvement £
Amounts capitalised	1,882,705	-	2,267,172	-
Amounts charged to the statement of comprehensive income	-	3,236,611	-	3,007,030

All land and housing properties are heritable.

Additions to housing properties include capitalised development administration costs of £Nil (2022-£Nil)

The Association's lenders have standard securities over housing property with a carry value of £2,444,276 (2022 - £2,476,201)

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 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 2022	883,156	1,456,149	113,158	2,452,463
Additions	-	49,463	-	49,463
Eliminated on disposals	-	-	-	-
At 31 March 2023	883,156	1,505,612	113,158	2,501,926
DEPRECIATION				
At 1 April 2022	389,487	1,176,018	104,512	1,670,017
Charge for year	24,684	121,473	8,646	154,803
Eliminated on disposals	-	-	-	-
At 31 March 2023	414,171	1,297,491	113,158	1,824,820
NET BOOK VALUE				
At 31 March 2023	468,985	208,121	-	677,106
At 31 March 2022	493,669	280,131	8,646	782,446

13. FIXED ASSET INVESTMENTS

	2023 £	2022 £
Investments	3,021,625	3,235,548
	<u>3,021,625</u>	<u>3,235,548</u>
Investment Portfolio		
	2023 £	2022 £
At 1 April 2022 and 31 March 2023	3,021,625	3,235,548
	<u>3,021,625</u>	<u>3,235,548</u>
	2023 £	2022 £
At 1 April 2022	3,235,548	2,220,645
Additions - net reinvested dividends	62,836	44,839
Additions - capital invested	-	1,000,000
Disposals	-	-
Unrealised gains/(losses) taken to the statement of comprehensive income	(276,759)	(29,936)
At 31 March 2023	<u>3,021,625</u>	<u>3,235,548</u>

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. RECEIVABLES

	2023	2022
	£	£
Gross arrears of rent & service charges	516,850	838,045
Less: Provision for doubtful debts	(234,525)	(251,256)
<i>Net arrears of rent and service charges</i>	282,325	586,789
Other receivables	393,386	846,948
	<u>675,711</u>	<u>1,433,737</u>

15. OTHER CURRENT ASSETS

	2023	2022
	£	£
Property surplus to activities	1,209,616	-
	<u>1,209,616</u>	<u>-</u>

Following the closure of Lennox House Care Home in December 2022, the Board has deemed the property to be surplus to operational requirements and will be marketed for sale. Accordingly the asset has been moved from Non-Current Assets to Current Assets.

16. CASH AND CASH EQUIVALENTS

	2023	2022
	£	£
Cash at bank and in hand	5,240,162	6,541,472
Balances held in deposit accounts	1,066	1,507
	<u>5,241,228</u>	<u>6,542,979</u>

17. PAYABLES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Bank overdrafts	179,084	149,955
Bank loans	72,516	150,085
Loan Stock	1,270,104	1,725,460
Trade payables	613,898	609,694
Rent received in advance	356,941	309,861
Other taxation and social security	162,444	170,720
Other payables	410,754	420,006
Accruals and deferred income	632,942	245,840
	<u>3,698,683</u>	<u>3,781,621</u>

At the balance sheet date there were pension contributions outstanding of £60,663 (2022: £69,080).

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

	2023	2022
	£	£
Bank loans	2,978,659	4,524,074

19. DEBT ANALYSIS - BORROWINGS

	2023	2022
	£	£
Bank Loans		
Amounts due within one year	72,516	150,085
Amounts due in one year or more but less than two years	76,874	161,805
Amounts due in two years or more but less than five years	258,626	509,709
Amounts due in more than five years	2,643,159	3,852,560
	<u>3,051,175</u>	<u>4,674,159</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	5.9%	2044	Variable

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 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)

	2023	2022
	£	£
Fair value of plan assets	8,378,000	12,244,000
Present value of defined benefit obligation	8,746,000	12,345,000
	<u> </u>	<u> </u>
Defined benefit asset / (liability) to be recognised	(368,000)	(101,000)
	<u> </u>	<u> </u>

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 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

	2023	2022
	£	£
Defined benefit obligation at the start of period	12,345,000	13,125,000
Expenses	12,000	12,000
Interest expense	337,000	273,000
Actuarial losses (gains) due to scheme experience	(279,000)	197,000
Actuarial losses (gains) due to changes in demographic assumptions	(274,000)	49,000
Actuarial losses (gains) due to changes in financial assumptions	(2,848,000)	(857,000)
Benefits paid and expenses	(547,000)	(454,000)
Defined benefit obligation at the end of period	8,746,000	12,345,000

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

	2023	2022
	£	£
Fair value of plan assets at start of period	12,244,000	11,976,000
Interest income	337,000	253,000
Experience on plan assets (excluding amounts included in interest income)		
- gain (loss)	(3,890,000)	88,000
Contributions by the employer	234,000	381,000
Benefits paid and expenses	(547,000)	(454,000)
Fair value of plan assets at the end of period	8,378,000	12,244,000

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2023 was £(3,553,000) (2022: £341,000).

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 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

	2023 £	2022 £
Expenses	12,000	12,000
Net interest expense	-	20,000
	<u>12,000</u>	<u>32,000</u>
Defined benefit costs recognised in statement of comprehensive income	12,000	32,000

Defined benefit costs recognised in the other comprehensive income

	2023 £	2022 £
Experience on plan assets (excluding amounts included in interest income) - (loss) / gain	(3,890,000)	88,000
Experience gains and losses arising on plan liabilities - gain	279,000	(197,000)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligations - gain /(loss)	274,000	(49,000)
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligations - gain / (loss)	2,848,000	857,000
	<u>(489,000)</u>	<u>699,000</u>
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain / (loss)	(489,000)	699,000
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in interest cost) - gain / (loss)	-	-
	<u>(489,000)</u>	<u>699,000</u>
Total amount recognised in other comprehensive income - gain (loss)	(489,000)	699,000

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

20. RETIREMENT BENEFIT OBLIGATIONS (continued)

Scottish Housing Association Pension Scheme (continued.)

Assets

	2023	2022	2021
	£	£	£
Absolute Return	114,000	561,000	590,000
Alternative Risk Premia	48,000	506,000	480,000
Corporate Bond Fund	11,000	774,000	903,000
Credit Relative Value	320,000	393,000	345,000
Distressed Opportunities	258,000	439,000	409,000
Emerging Markets Debt	65,000	456,000	483,000
Fund of Hedge Funds	16,000	(45,000)	-
Global Equity	221,000	2,421,000	1,853,000
High Yield	42,000	119,000	-
Infrastructure	903,000	764,000	669,000
Insurance-Linked Securities	233,000	257,000	250,000
Liability Driven Investment	3,547,000	2,963,000	2,879,000
Long Lease Property	281,000	353,000	278,000
Net Current Assets	19,000	39,000	89,000
Over 15 Year Gilts	-	5,000	6,000
Private Debt	374,000	308,000	282,000
Property	349,000	317,000	215,000
Risk Sharing	611,000	399,000	428,000
Secured Income	560,000	654,000	658,000
Opportunistic Illiquid Credit	370,000	406,000	307,000
Opportunistic Credit	1,000	43,000	-
Liquid Credit	-	78,000	207,000
Cash	35,000	34,000	4,000
Total assets	8,378,000	12,244,000	11,335,000

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

	2023	2022	2021
Discount Rate	4.9%	2.8%	2.1%
Inflation (RPI)	3.2%	3.7%	3.3%
Inflation (CPI)	2.7%	3.3%	2.8%
Salary Growth	3.7%	4.3%	3.8%
	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 2023 imply the following life expectancies:

	Life expectancy at age 65 years (years)
Male retiring in 2023	20.5
Female retiring in 2023	23
Male retiring in 2043	21.7
Female retiring in 2043	24.4

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 NOTES TO THE FINANCIAL STATEMENTS (continued)

21. DEFERRED INCOME

	Social Housing Grants £	Other Housing Grants £	Total £
Capital grants received			
At 1 April 2022	30,614,626	359,952	30,974,578
Additions in the year	102,524	-	102,524
Eliminated on disposal	-	-	-
At 31 March 2023	30,717,150	359,952	31,077,102
Amortisation			
At 1 April 2022	18,225,849	341,545	18,567,394
Amortisation in year	540,011	151	540,162
Eliminated on disposal	-	-	-
At 31 March 2023	18,765,860	341,696	19,107,556
Net book value			
At 31 March 2023	11,951,290	18,256	11,969,546
At 31 March 2022	12,388,777	18,407	12,407,184

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

	2023 £	2022 £
Amounts due within one year	540,162	535,209
Amounts due in more than one year	11,429,385	11,871,975
	11,969,547	12,407,184

22. SHARE CAPITAL

Shares of £1 each, issued and fully paid	2023 £	2022 £
At 1 April	127	134
Issued in year	7	1
Cancelled in year	(16)	(8)
At 31 March	118	127

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 2023 NOTES TO THE FINANCIAL STATEMENTS (continued)

23. CASH FLOWS

Reconciliation of net cash flow to movement in net funds

	2023	2022
	£	£
Decrease in cash	(1,330,880)	(2,177,666)
Change in liquid resources	-	-
Cashflow from change in net debt	1,622,984	141,961
Movement in net funds in the year	292,104	(2,035,705)
Net funds at 1 April	1,718,865	3,754,570
Net funds at 31 March	2,010,969	1,718,865

	At 1-Apr-22	Cashflows	Other Changes	At 31-Mar-23
	£	£	£	£
Cash and cash equivalents	6,542,979	(1,301,751)	-	5,241,228
Bank overdrafts	(149,955)	(29,129)	-	(179,084)
	6,393,024	(1,330,880)	-	5,062,144
Debt: Due within one year	(150,085)	1,622,984	(1,545,415)	(72,516)
Due after more than one year	(4,524,074)	-	1,545,415	(2,978,659)
Net funds	1,718,865	292,104	-	2,010,969

24. CAPITAL COMMITMENTS

	2023	2022
	£	£
Capital Expenditure that has been contracted for but has not been provided for in the financial statements	171,060	448,142

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

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 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 £20 (2022 - £1,194) 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. HOUSING STOCK

The number of units of accommodation in management at the year end was:-	2023 No.	2022 No.
General needs	243	243
Supported housing	1,063	1,085
	<u>1,306</u>	<u>1,328</u>

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

Name of Organisation	Number of Units	
	2023 No.	2022 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 2023 NOTES TO THE FINANCIAL STATEMENTS (continued)

28. 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:

	2023 £	2022 £
Rent received from tenants on the Board of Trustees and their close family members	13,598	9,311

At the year end total rent arrears owed by the tenant members on the Board of Trustees (and their close family) were £542 (2022 - £0).

Members of the Board of Trustees who are tenants	2	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 £30,812 (2022: £90,225) of this £2,223 (2022: £1,895) 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 (2022: £4,846), of this £1,212 (2022: £1,212) was outstanding at the year end.

29. CONTINGENT LIABILITY

The Association was notified in 2021 by TPT Retirement Solutions (the Trustee of the Scottish Housing Association Pension 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 is seeking clarification from the Court on these items, and this process is ongoing with it being unlikely to be resolved before the end of 2024 at the earliest. Further correspondence received from TPTRS in March 2023 provided an indicative estimate of the potential additional liabilities attributable to individual employers at 30th September 2022. For Viewpoint Housing Association the amount quoted at this date is material. However, given the estimate is at a date different to the year-end financial statements, together with key uncertainties described above, the Board of Management do not believe that they have a reliable estimate of the contingent liability at 31 March 2023 to disclose.