



Alexander Sloan
Accountants and Business Advisers

Viewpoint Housing Association Limited

Report and Financial Statements

For the year ended 31 March 2020

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 2020

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VIEWPOINT HOUSING ASSOCIATION LIMITED

BOARD OF TRUSTEES, EXECUTIVE AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2020

Board of Trustees

Iain Donald Ker Thompson
Thomas Paul Roehricht
Robin Barnes
Nicola Donaldson
Caroline Jardine
Katherine Ruthven Kennedy
Carol Lumsden
Ian Hugh Mackay
David Dennis McIntosh
Robert James McNeill
Pamela Russell
Jean Knight Bennett Simpson
John Muir
Jacqueline Ann McDonald

Chair – Elected 17 September 2019
Vice Chair – Elected 17 September 2019
Resigned 14 May 2019
Resigned 17 September 2019
Appointed 17 September 2019

Resigned 17 September 2019
Appointed 17 September 2019
Resigned 17 September 2019

Co-opted 11 February 2020
Resigned – 2 August 2019

Executive Officers

Jean Gray
Helen McMorran

Howard Vaughan
Esther Wilson
Ann Wood

Chief Executive Officer
Director of Business Support / Company
Secretary
Director of Finance and Assets
Director of Housing and Support
Director of Care

Registered Office

4 South Oswald Road
Edinburgh
EH9 2HG

External Auditors

Alexander Sloan
Accountants & Business Advisers
180 St Vincent Street
Glasgow
G2 5SG

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 2020

The Board of Trustees presents its report and the financial statements for the year ended 31 March 2020.

Legal Status

The Association is registered with the Financial Conduct Authority as a Co-operative and Community Benefit Society (No1228RS), 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 and management of affordable rented accommodation.

Review of Business and Future Developments

Viewpoint Housing Association Ltd (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 1,329 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 three care homes (133 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.

The Scottish Housing Regulator (SHR) introduced its new Regulatory Framework on 1 April 2019. The SHR after receipt of the first annual Assurance Statement from all landlords and having completed their annual risk assessment should have provided all Registered Social Landlords (RSLs) with a regulatory status in line with their Regulatory Framework but this has not yet been provided.

The SHR has intimated that at this point in time, other than the annual regulatory returns required from all RSLs, they do not require any further assurance from Viewpoint.

The Housing Support and @Home services and Care Home services are regulated and inspected by the Care Inspectorate. During the year, the Care Inspectorate introduced a new grading system. At the most recent inspections, for the service standards reviewed, St Raphael's, Marian House and Lennox House were all assessed at Grade 5's. The Housing Support and @Home services received Grade 4s.

VIEWPOINT HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

Review of Business and Future Developments (Contd.)

Viewpoint had a fully owned subsidiary Viewpoint Scotland Limited which was voluntarily wound up and struck off at Companies House on 17 December 2019. The financial results of Viewpoint Scotland Limited for the year ended 31 March 2020 have not been consolidated into Viewpoint as these are of an immaterial nature to the results of Viewpoint.

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. The Chair retired at the AGM and a new Chair was appointed. Four members resigned during the year and two new members appointed and one member reappointed during the year bringing extensive financial management and human resources experience to the Board. The Board is supported by a Risk and Audit Committee and an Operations Committee and a Remuneration Committee, which regularly reviews 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 88%.

Board members attended training including Governance, Risk & Risk Appetite and Finance, completed a skills audit and received individual appraisals during the year.

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 and 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.

Principal Markets and Associated Risks

The policy and strategic priorities for both the Scottish Government and Integrated Health and Social Care Partnerships continue to place an emphasis on enabling older people to live independently at home as long as possible through care at home services as well as the increasing use of technology enabled care. Innovations in these areas continue to be introduced and reviewed by the Association.

Many sheltered housing providers have moved to a retirement housing model where support is no longer provided. Viewpoint operates this model in Fife but is committed at this time to maintaining its support role in Edinburgh and elsewhere in the Lothians albeit the Housing Support Funding is due to be withdrawn.

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Review of Business and Future Developments (Contd.)

There are a number of Care Homes within the Edinburgh area. The focus of Viewpoint will remain on maintaining the high standard of the three existing care homes and demand continues to be high for all three homes.

The Board of Trustees has a comprehensive Risk Policy and Strategic Plan 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.

Amalgamate continue to provide a Health and Safety advisory service during the year as well as carrying out sample audits. The Association has also become an associate member of EVH and joined their Health & Safety Service, which includes support and two yearly audits. Viewpoint continues to deliver essential landlord and occupational health and safety training including gas, electric wiring, fire safety, asbestos, legionella, manual handling and food hygiene.

ACHIEVEMENTS IN 2019/2020

Business and Performance Review

The organisation has a Strategic Business Plan, which has been reviewed in 2019, and will continue to be reviewed annually and approved by the Board.

Viewpoint's vision is 'Joy in Later Years' and its values are

- Our people make great things happen
- Our finances will support the changing needs of the business
- We empower and support people to live as independently as they choose
- Our customers are at the heart of everything we do.
- We assert our influence to create an ever-improving environment for older people, which meets their aspirations.
- We provide great places where people choose to live

In order to achieve our vision and working with the values we have developed together over the past few years we have recognised that we need to ensure we continue to review and develop our strategic plan. While our objectives are all interdependent and all contribute to meeting our vision, we are clear that the overriding priority is to ensure that our current properties and care homes are fit for purpose now and for the future to provide, wherever possible, a home for life for older and vulnerable people in Edinburgh, Fife and the Lothians.

Viewpoint have 5 Strategic Objectives:

1. To ensure our customers are at the heart of what we do
2. To be financially strong enough to support the changing needs of the business
3. To empower and support people to live as independently as they choose
4. To have a Board and staff team that are encouraged to be developing and growing
5. To be efficient and effective whilst considering value for money

VIEWPOINT HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

Review of Business and Future Developments (Contd.)

Viewpoint's key themes over this period are:

- The Board are engaged, risk aware and in support of the strategic direction of the business
- Digital evolution moving towards digital first
- Develop a Care Strategy for our homes and tailor support packages for those that need it
- Deliver our Asset Management Strategy to ensure our homes are fuel efficient; fit for purpose and are of the best achievable standard
- Staff are empowered and ready for change and we continue to invest in their development in line with our aims to create a succession plan
- We consider value for money in all that we do
- Continue to implement the Tenants Participation Strategy to ensure customers are also involved and committed to our strategic direction.

The strategic priorities are that Viewpoint will:

- Create a Housing Strategy that is inclusive of services for homelessness, mental health and other needs
- Further develop its organisational capacity by reviewing existing practices and investing in its people and the technical infrastructure
- Continue with its Communications Strategy; review its brand and marketing, vision and values
- Review and roll out our Dementia Strategy to all Viewpoint services
- Improve Customer Satisfaction
- Continue to implement the Tenant Participation Strategy
- Ensure the highest standards of governance and partnership working are adhered to, including compliance with our regulatory frameworks
- Ensure it operates within a sound financial framework, protecting our long term viability whilst prudently utilising the inherent financial strength of the organisation in order to meet existing commitments and potential new opportunities
- Ensure the delivery of high quality, responsive and affordable housing and support services
- Ensure the delivery of high quality, responsive and affordable care services

ORGANISATIONAL RISK - Like all businesses, the Association faces a wide variety of business related risks. During the year 2019/20, the organisation has reviewed its Risk Policy, Risk Register and concluded a significant piece of work with the Board and Executive on Risk Appetite. The outsourced internal auditors have reviewed this work through the recent Governance Audit.

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REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

Review of Business and Future Developments (Contd.)

The key risks have been identified as:

- The impact of the Covid-19 pandemic on the business has been reflected in both the operational and strategic risks.
- Welfare benefit reform and the impact on tenancy sustainability
- Change in Health & Social Priorities / longer term impact on housing support and care homes / decommissioning of services
- Reduction in care home demand / sustainable care models / reputational & financial impact
- Asset Management Strategy – action plan / deliverable within achievable timescales / robust life cycle reporting for accurate financial planning and scenario modelling.
- Regulatory Compliance & Assurance
- The ability of our finances to meet the needs of the business considering unsustainable losses; unexpected increase in interest rates; external & internal fraud; changing environment
- Pay & Conditions Review
- Any impact from Brexit particularly in relation to staff recruitment/retention
- ICT and its alignment with the business needs and requirements now and for the future
- Meeting landlord Health & Safety legislative requirement
- Implement workforce strategy - staff recruitment, retention, ongoing development.

OPERATIONAL PERFORMANCE 2019/20

Viewpoint use Key Performance Indicators to assess its performance and a summary of results for the year are shown in the following table.

Key Performance Indicator	Targets 2019/20	Achieved 2019/20
Void – average days to relet	40	38.39
% void loss for housing stock	1%	1.35%
Gross Rent Arrears	2.5%	3.12%
% complaints responsive Stage 1	95%	100%
% tenants satisfied with response repairs	90%	92.91%
Average time to complete emergency repairs	3.5	1.97
% properties meeting EESSH	100%	95%

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 £1,284,047 (2019 - £1,112,887)
- 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 £930,165 (2019 - £836,149)
- Cyclical Maintenance – expenditure in the year was £674,522 (2019 - £502,855)

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Review of Business and Future Developments (Contd.)

- 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 £851,070 (2019 - £2,050,145)

The Board is confident that the necessary funds will be available in the future to cover the Association's commitments under the Scottish Housing Quality Standards 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 and fire risk assessments for all our properties.

HOUSING SERVICES – In line with Viewpoint's Rent Policy and through consultation the rent increase for 2019/20 was 2%. 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 decreased to just over 38 days. Throughout the year, Viewpoint has reviewed its void processes and the relet standard and this continues to be monitored internally to ensure a high level of satisfaction from new tenants and ensure tenancy sustainability.

Throughout the year, the arrears process has also been reviewed. Viewpoint works closely with anyone who is in arrears and provide financial advice and support to assist those individuals to manage the debt.

Viewpoint continues to work closely with its tenants to gauge where improvements can be made in its estates and communities. Through discussions, it was highlighted that there is a need for a handyman role on its estates and therefore two posts will be recruited in the financial year 2020/21.

COMPLAINTS – Process reviewed and managed centrally with an aim to reducing complaints by dealing more effectively with expressions of dissatisfaction.

TENANT PARTICIPATION - Tenant involvement plays an important part in formulating and agreeing the Association's aims and objectives. During 2019/20, Viewpoint implemented Year 1 of the Tenant Participation Strategy approved in November 2018.

The Annual Tenants' Conference was held in June 2019 and was attended by over 80 tenants. The new Edinburgh Tenants' Forum held a further event later in the year with an attendance of over 120 tenants. Viewpoint will continue to hold conferences and events to promote tenant participation in the organisation.

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Review of Business and Future Developments (Contd.)

Early in the year, the organisation agreed to invest further into tenant participation to ensure delivery of its ambitious implementation plan. A dedicated resource was created, with the post holder joining the organisation in autumn 2019. Although the entire year one actions were not delivered, significant progress was made and the following outcomes delivered:

- Tenants involved in the recruitment of 8 key members of staff
- 2 new tenant groups launched and fully constituted with elected committees in Edinburgh & Fife
- 31 tenants registered on the consultation volunteer bank
- 3 Newsletters produced and delivered to all tenants. In addition, the use of social media has been harnessed, in particular Facebook and Twitter.
- 2 consultations completed with all tenants – Allocations Policy, Rent and Service Charge
- Consultation volunteers participated in various other activities including Procurement and subsequently the tender for the Repairs and Maintenance Contract
- 1 Scrutiny Group set up to review the Lettable Standard
- Regular meetings held in local areas attended by the relevant Housing and Maintenance Officers
- Local consultations carried out – e.g. lounge furnishings, catering
- Ongoing work with Tap Into IT to give tenants the opportunity to gain or enhance digital skills in a relaxed social environment

The Tenant Groups are the representative bodies for all our tenants, and are recognised by the Board and The Scottish Housing Regulator. Through the Tenant participation Officer, local groups of tenants are encouraged to become Registered Tenant Organisations.

Residents and tenants' general views are obtained through regular internal surveys carried out to gain feedback on the services they receive and the homes and communities they live in.

The Association operates a three-year rolling independent tenants' satisfaction survey.

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.

During the year 2019/20 the organisation embarked on, led by the CEO, an Organisation Design Programme. When considering Viewpoint's Strategic Plan, it was agreed that an exercise was required to establish where Viewpoint 'are now' and where they want 'to be' in the future. Throughout the next year and beyond the organisation will continue to implement the proposals agreed through the project and continue to communicate to ensure staff are motivated, empowered, involved and feel invested in.

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

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REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

Review of Business and Future Developments (Contd.)

Viewpoint invested in a new eLearning system to assist the learning & development of all staff. Over 85% of staff have participated in learning opportunities including:

- SVQ Qualifications at levels 2,3 & 4 for care Home and @Home staff
- CIH Level 3 for housing staff
- Health & Safety Training
- RCN Leadership for Nurses
- Mental Health Awareness
- Best practice in Dementia
- Post Graduate Courses across Housing; Law & Practice; Data Protection & Information Governance
- IT Skills Courses
- Professional Development Awards for senior care staff
- Complaints Handling
- Investigation & Discipline Workshops
- REHIS Elementary Food Hygiene Course
- Managing Teams for Performance
- Medication Training for senior care staff
- REHIS Cleaning & Disinfectant Course
- National Consortium of College courses across areas such as Fall Prevention, Positive Dementia Care, Challenging Behaviour, Stroke Awareness, Diabetes Awareness, Continence Care and Tissue Viability.

Additional staff involvement throughout 2019/20 was achieved through the three, quarterly groups, the Employee Forum, the Equality and Diversity Forum and the Health and Safety Consultative Group. The organisation is currently in the process of introducing a Joint Consultative Committee (JCC), which will have a number of staff representatives from across the organisation.

CARE HOMES – Viewpoint are fortunate that in a challenging sector the three Edinburgh care homes are still in high demand. St Raphael's has 63 en-suite rooms across four units and Marian House has 35 en-suite rooms. Both are within the Grange whereas Lennox House is in Trinity and has 34 en-suite rooms.

Viewpoint also have a Dementia Unit adjacent to St Raphael's in the Grange.

The overall average occupancy across the three care homes for 2019/20 was 97%. The individual occupancy for each home was as follows:

Lennox House	96%
Marian House	96%
St Raphael's	98%

Viewpoint continue to look at our staffing structure following the successful introduction of the role of Senior Carer with the aim to improving staff retention and succession planning.

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REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

Review of Business and Future Developments (Contd.)

Throughout the year, Viewpoint continued to invest in staff training to ensure the care services delivered are excellent. The quality of services is reflected in the feedback from the Care Inspectorate in the overall grades of '5' for each home.

Viewpoint continue to offer a range of internal and external events and outings organised by our Activities Coordinators.

FINANCIAL PERFORMANCE - The results for the year are shown in the Statement of Comprehensive Income on Page 18. The income related to housing was £8,602k (2019: £8,341k) and for care homes was £8,342k (2019: £8,062k). The changes in income were due to higher weekly fees charged in the Care Homes, partly due to a lower level of local authority paid residents, and the annual rent and service charge increase for Housing tenants.

The operating surplus of £566k (2019: £911k) shows a £345k decrease from the previous year, mainly due to an increase in investment in our properties. The surplus for housing was £434k (2019: £755k), and for care homes £509k (2019: £744k).

The changes in surplus for housing is mainly due to increased investment on planned and reactive maintenance of the housing properties, whilst for care homes the change in surplus is due to the higher fee levels offset by higher staffing costs and further investment in the care homes.

Viewpoint continued to invest in its properties, with capital spend on housing of £723k (2019: £1,271k) and care homes of £128k (2019: £779k).

Treasury Management

Viewpoint refinanced its loan funding in the year 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. 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 2020

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 and 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 2020/21 PRIORITIES - In the financial year 20/21 Viewpoint will

- continue to consolidate its work, assess its systems, plan change and ensure it considers appropriate timescales for delivery.
- continue to ensure its customers are at the heart of what it does and it delivers person-centred services to both residents and tenants.
- aim to improve the business, modernise systems, focus on tenants and residents, invest and improve its assets whilst ensuring value for money and empowering staff
- begin the implementation of a challenging planned maintenance programme with significant capital and revenue investment. The aim is to have stock that is both energy efficient and fit for purpose for the future
- with an older portfolio of tenants, some with a range of needs Viewpoint will continue to deliver its Dementia Strategy and assist people by adapting their properties, where possible, to give them a home for life.
- gather evidence to help understand the needs of tenants and residents and how it can help them whether that be directly or indirectly.
- ensure it has astute financial management to maximise its impact and protect its longer-term position, including both the affordability of the range of both housing, housing support and care services.
- improve the effectiveness of its systems, evidence what it can do better, be committed to the evolution of its digital journey
- continue to invest in its staff.

What Viewpoint hope to achieve over the next 3 years:

- Invest a minimum of £15 million in its stock over the next three years to ensure it provides good quality homes.
- Ensure its homes meet EESSH by December 2020 but also focus on the future EESSH targets and invest in measures that will help to reduce energy bills.
- Continue to improve the services it delivers; review targets and improve performance
- Provide more online services so that customers can contact Viewpoint at a time and in a way that suits them
- Develop and implement a Care Home Strategy
- Develop and implement a Workforce Planning Strategy

VIEWPOINT HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

Review of Business and Future Developments (Contd.)

- Help tenants and residents to become digitally connected
- Keep rents affordable
- Demonstrate strong financial management and value for money
- Market what Viewpoint does
- Work with Local Authorities and other care Service Commissioners to protect funding where possible
- Work collaboratively with other partners, agencies and volunteers to help increase the activities and support offered
- Extend the ways for tenants and residents to participate and influence the decisions Viewpoint makes
- Develop social media channels
- Continue to promote the positive role older people play in society
- Continue to invest in the Board and staff; develop a corporate training plan
- Ensure all staff understand the vision, values, strategic and operational direction of the organisation and their part in achieving the objectives.
- Consider how provide better office space to promote more inclusive working for staff
- Reduce carbon footprint and develop a Sustainability Strategy
- Develop partnerships and grow the business to benefit customers
- Reduce operating costs and make sure the business is run as efficiently as possible
- Review and modernise business processes

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

VIEWPOINT HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

Statement of Board of Trustees' Responsibilities (Contd.)

- 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.

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.

VIEWPOINT HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

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 2020. No weaknesses were found in the internal financial controls which resulted in material losses, contingencies or uncertainties which require disclosure in the financial statements or in the auditor's report on the financial statements.

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

Helen McMorran
Secretary

11 August 2020

VIEWPOINT HOUSING ASSOCIATION LIMITED

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

In addition to our audit of the financial statements, we have reviewed your statement on pages 12 and 13 concerning the Association's compliance with the information required by the Regulatory Standards in respect of internal financial controls contained in the publication "Our Regulatory Framework" and associated Regulatory Advice Notes which are issued by the Scottish Housing Regulator.

Basis of Opinion

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

Opinion

In our opinion the Statement of Internal Financial Control on page 13 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
GLASGOW
11 August 2020



Alexander Sloan
Accountants and Business Advisers

VIEWPOINT HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VIEWPOINT HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2020

Opinion

We have audited the financial statements of Viewpoint Housing Association Limited (the 'Association') for the year ended 31 March 2020 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 2020 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 Co-operative and Community Benefit Societies Act 2014, Part 6 of the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 2019 issued by the Scottish Housing Regulator.

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

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

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

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. 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.

VIEWPOINT HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VIEWPOINT HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2020 (continued)

Matters on which we are required to report by exception

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

- a satisfactory system of control over transactions has not been maintained; or
- the Association has not kept proper accounting records in accordance with the legislation; or
- 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 pages 12 and 13, 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This 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
GLASGOW
11 August 2020



Alexander Sloan
Accountants and Business Advisers

VIEWPOINT HOUSING ASSOCIATION LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2020

	Notes	£	2020 £	£	2019 £
Revenue	2		17,312,689		16,769,378
Operating costs	2		16,731,051		15,858,142
OPERATING SURPLUS			581,638		911,236
Exceptional item	26	(549,149)		-	
Interest receivable and other income		123,200		84,850	
Interest payable and similar charges	7	(228,989)		(285,654)	
Movement in fair value of financial instruments	12	(155,395)		-	
Other Finance income/(charges)	10	(29,000)		(31,000)	
			(839,333)		(231,804)
(DEFICIT) / SURPLUS FOR THE YEAR			(257,695)		679,432
Other comprehensive income					
Adjustment relating to opening pension liability	18		-		282,938
Actuarial gains/(losses) on defined benefit pension plan	18		690,000		(439,000)
TOTAL COMPREHENSIVE INCOME			432,305		523,370

The results relate wholly to continuing activities.

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 2020

	Notes	2020	2019
		£	£
NON-CURRENT ASSETS			
Housing properties - depreciated cost	11	40,895,686	41,355,891
Other tangible assets	11	948,838	1,002,656
Investments	12	1,903,306	2,010,147
		<u>43,747,830</u>	<u>44,368,694</u>
CURRENT ASSETS			
Receivables	13	665,335	795,869
Cash and cash equivalents	14	8,786,166	9,587,427
		<u>9,451,501</u>	<u>10,383,296</u>
CREDITORS: Amounts falling due within one year	15	<u>(5,354,875)</u>	<u>(6,224,634)</u>
NET CURRENT ASSETS		<u>4,096,626</u>	<u>4,158,662</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>47,844,456</u>	<u>48,527,356</u>
CREDITORS: Amounts falling due after more than one year	16	<u>(4,816,120)</u>	<u>(4,410,357)</u>
PENSIONS AND OTHER PROVISIONS FOR LIABILITIES AND CHARGES			
Scottish housing association pension scheme	18	<u>(392,000)</u>	<u>(1,508,000)</u>
		<u>(392,000)</u>	<u>(1,508,000)</u>
DEFERRED INCOME			
Social housing grants	19	<u>(13,477,702)</u>	<u>(13,882,524)</u>
Other grants	19	<u>(18,709)</u>	<u>(18,860)</u>
		<u>(13,496,411)</u>	<u>(13,901,384)</u>
NET ASSETS		<u>29,139,925</u>	<u>28,707,615</u>
EQUITY			
Share capital	20	136	131
Revenue reserves		29,462,090	30,130,932
Restricted reserve		69,699	84,552
Pension reserves		<u>(392,000)</u>	<u>(1,508,000)</u>
		<u>29,139,925</u>	<u>28,707,615</u>

The financial statements were approved by the Board of Trustees and authorised for issue and signed on their behalf on 11 August 2020.

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 2020

	Notes	£	2020 £	£	2019 £
(Deficit) / Surplus for the Year			(257,695)		679,432
<i>Adjustments for non-cash items:</i>					
Depreciation of tangible fixed assets	11	2,090,682		1,869,914	
Amortisation of capital grants	19	(532,596)		(628,535)	
(Gain) / Loss on disposal of tangible fixed assets		-		5,412	
Loss on disposal of housing components	-	18,540		351,113	
Non-cash adjustments to pension provisions		(426,000)		(411,000)	
Change in market value of investments		155,395		(10,036)	
Share capital written off	20	(2)		(13)	
			1,306,019		1,176,855
Interest receivable			(123,200)		(84,850)
Interest payable	7		228,989		285,654
Operating cash flows before movements in working capital			1,154,113		2,057,091
Change in debtors		130,534		51,187	
Change in creditors		(899,135)		74,026	
			(768,601)		125,213
Net cash inflow from operating activities			385,512		2,182,304
Investing Activities					
Acquisition and construction of properties		(1,422,972)		(2,225,909)	
Purchase of other fixed assets		(187,931)		(192,658)	
Purchase of investment portfolio		(48,565)		(2,000,000)	
Social housing grant received		143,327		99,695	
Investment in subsidiaries	11			-	
Proceeds on disposal of other tangible assets		-		13,301	
Net cash outflow from investing activities			(1,516,130)		(4,305,571)
Financing Activities					
Loan repayments from Subsidiary		-		11,767	
Loan Advances Received / Movement in loan stock		5,143,940		(506,094)	
Interest received on cash and cash equivalents		123,200		84,850	
Interest paid on loans		(228,989)		(285,654)	
Loan principal repayments		(4,685,729)		(216,604)	
Share capital issued	20	7		6	
Net cash inflow / (outflow) from financing activities			352,429		(911,729)
Decrease in cash	21		(778,189)		(3,034,996)
Opening cash & cash equivalents			9,213,661		12,248,657
Closing cash & cash equivalents			8,435,472		9,213,661
Cash and cash equivalents as at 31 March					
Cash	21		8,786,166		9,587,427
Bank overdraft			(350,694)		(373,766)
			8,435,472		9,213,661

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 2020

	Share Capital	Restricted Reserve	Scottish Housing Association Pension reserve	Revenue Reserve	Total
	£	£	£	£	£
Balance as at 1 April 2018	138	91,079	-	28,093,035	28,184,252
Issue of Shares	6	-	-	-	6
Cancellation of Shares	(13)	-	-	-	(13)
Other comprehensive income	-	-	(630,000)	1,351,938	721,938
Revaluation in year	-	-	-	-	-
Other movements	-	(6,527)	-	6,527	-
Surplus for the year	-	-	-	679,432	679,432
Balance as at 31 March 2019	<u>131</u>	<u>84,552</u>	<u>(1,508,000)</u>	<u>30,130,932</u>	<u>28,707,615</u>
Balance as at 1 April 2019	131	84,552	(1,508,000)	30,130,932	28,707,615
Issue of Shares	7	-	-	-	7
Cancellation of Shares	(2)	-	-	-	(2)
Other comprehensive income	-	-	690,000	-	690,000
Other movements	-	(14,853)	426,000	(411,147)	-
Deficit for the year	-	-	-	(257,695)	(257,695)
Balance as at 31 March 2020	<u>136</u>	<u>69,699</u>	<u>(392,000)</u>	<u>29,462,090</u>	<u>29,139,925</u>

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 2020 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 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 2020 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>
Main	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 2020 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 2020 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 for asset management purposes.

c) Pension Liability

The Association participates in a defined benefit pension scheme arrangement with the Scottish Housing Association Pension Scheme. The fund is administered by the Pensions Trust. 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 2020 NOTES TO THE FINANCIAL STATEMENTS (continued)

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

		2020			2019		
	Notes	Turnover £	Operating costs £	Operating surplus / (deficit) £	Turnover £	Operating costs £	Operating surplus / (deficit) £
Affordable letting activities	3	8,601,650	8,151,749	449,901	8,341,956	7,586,972	754,984
Other Activities	4	8,711,039	8,579,302	131,737	8,427,422	8,271,170	156,252
Total		17,312,689	16,731,051	581,638	16,769,378	15,858,142	911,236

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

	General Needs Housing £	Supported Housing £	2020 Total £	2019 Total £
Revenue from Lettings				
Rent receivable net of service charges	1,333,629	5,752,708	7,086,337	6,861,194
Service charges receivable	57,269	1,040,053	1,097,322	1,099,634
Gross income from rent and service charges	1,390,898	6,792,761	8,183,659	7,960,828
Less: Rent losses from voids	13,142	101,463	114,605	145,217
Income from rents and service charges	1,377,756	6,691,298	8,069,054	7,815,611
Grants released from deferred income	74,500	458,096	532,596	526,345
Total turnover from affordable letting activities	1,452,256	7,149,394	8,601,650	8,341,956
Expenditure on affordable letting activities				
Management and maintenance administration costs	408,973	1,828,414	2,237,387	2,181,690
Service costs	147,360	1,844,500	1,991,860	1,864,905
Planned and cyclical maintenance, including major repairs	232,676	1,212,289	1,444,965	1,198,791
Reactive maintenance costs	178,289	981,207	1,159,496	974,236
Bad Debts - rents and service charges	9,982	(14,626)	(4,644)	(30,432)
Depreciation of affordable let properties	239,859	1,082,826	1,322,685	1,397,782
Operating costs of affordable letting activities	1,217,139	6,934,610	8,151,749	7,586,972
Operating surplus on affordable letting activities	235,117	214,784	449,901	754,984
2019	185,770	569,214		

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 NOTES TO THE FINANCIAL STATEMENTS (continued)

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

	Grants from Scottish Ministers	Other revenue grants	Supporting people income	Other income	Total Turnover	Operating costs - bad debts	Other operating costs	Operating surplus / (deficit) 2020	Operating surplus / (deficit) 2019
	£	£	£	£	£	£	£	£	£
Factoring	-	-	-	28,106	28,106	-	26,229	1,877	4,198
Support activities	-	-	195,974	114,818	310,792	-	498,568	(187,776)	(188,530)
Care activities	-	-	-	8,342,236	8,342,236	45,205	7,788,370	508,661	743,710
Uncapitalised development administration costs/ Aborive costs	-	-	-	14,737	14,737	-	203,358	(188,621)	(304,930)
Other activities	-	-	-	15,168	15,168	-	17,572	(2,404)	(118,196)
Total From Other Activities	-	-	195,974	8,515,065	8,711,039	45,205	8,534,097	131,737	156,252
2019	-	-	171,895	8,255,527	8,427,422	19,881	8,251,289	156,252	

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 NOTES TO THE FINANCIAL STATEMENTS (continued)

5. OFFICERS' EMOLUMENTS

	2020 £	2019 £
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)	<u>372,987</u>	<u>285,921</u>
Pension contributions made on behalf on Officers with emoluments greater than £60,000	<u>23,513</u>	<u>18,263</u>
Emoluments payable to Chief Executive (Appointed 1 April 2019) (excluding pension contributions)	95,450	69,732
Pension contributions paid on behalf of the Chief Executive (Appointed 1 April 2019)	<u>7,118</u>	<u>4,071</u>
Total emoluments payable to the Chief Executive (Appointed 1 April 2019)	<u>102,568</u>	<u>73,803</u>
Total emoluments paid to key management personnel	<u>372,987</u>	<u>340,029</u>

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	3
£80,001 to £90,000	1	1
£100,001 to £110,000	<u>1</u>	<u>-</u>

6. EMPLOYEE INFORMATION

	2020 No.	2019 No.
Average monthly number of full time equivalent persons employed during the year	<u>268</u>	<u>272</u>
Average total number of employees employed during the year	<u>308</u>	<u>320</u>
Staff costs were:	£	£
Wages and salaries	6,889,595	6,420,661
National insurance costs	568,523	528,805
Pension costs	356,007	250,765
Temporary, agency and seconded staff	674,981	532,850
	<u>8,489,106</u>	<u>7,733,081</u>

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 NOTES TO THE FINANCIAL STATEMENTS (continued)

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2020	2019
	£	£
On bank loans and overdrafts	<u>228,989</u>	<u>285,654</u>

8. (DEFICIT) / SURPLUS FOR THE YEAR

	2020	2019
	£	£
(Deficit) / Surplus For The Year is stated after charging/(crediting):		
Depreciation - non-current assets	2,090,682	1,788,896
Auditors' remuneration - audit services	17,460	14,436
Operating lease rentals - other	2,795	2,795
Gain on sale of other non-current assets	<u>(15,704)</u>	<u>(8,303)</u>

9. CORPORATION TAX

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

10. OTHER FINANCE INCOME / (CHARGES)

	2020	2019
	£	£
Net interest on pension obligations	<u>(29,000)</u>	<u>(31,000)</u>

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. NON-CURRENT ASSETS

(a) Housing Properties	Housing Properties Held for Letting £	Care Homes £	Total £
COST			
At 1 April 2019	63,575,060	10,609,373	74,184,433
Additions	1,294,580	128,392	1,422,972
Disposals	(550,817)	-	(550,817)
At 31 March 2020	64,318,823	10,737,765	75,056,588
DEPRECIATION			
At 1 April 2019	28,856,249	3,972,293	32,828,542
Charge for Year	1,590,096	258,837	1,848,933
Disposals	(516,573)	-	(516,573)
At 31 March 2020	29,929,772	4,231,130	34,160,902
NET BOOK VALUE			
At 31 March 2020	34,389,051	6,506,635	40,895,686
At 31 March 2019	34,718,811	6,637,080	41,355,891

	2020		2019	
Expenditure on Existing Properties	Component replacement £	Improvement £	Component replacement £	Improvement £
Amounts capitalised	851,069	571,902	2,212,608	-
Amounts charged to the statement of comprehensive income	985,570	-	1,353,546	-

All land and housing properties are heritable.

Additions to housing properties include capitalised development administration costs of £Nil (2019-£Nil)

The Association's lenders have standard securities over housing property with a carry value of £2,212,535 (2019 - £20,448,285)

The depreciation charge on housing properties as shown above differs from that per Note 3 due to accelerated depreciation on component replacements.

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 NOTES TO THE FINANCIAL STATEMENTS (continued)

11. NON CURRENT ASSETS (continued)

(b) Other tangible assets	Office Premises £	Furniture & Equipment £	Machinery & Equipment £	Total £
COST				
At 1 April 2019	883,156	1,436,685	92,074	2,411,915
Additions	-	153,347	34,584	187,931
At 31 March 2020	883,156	1,590,032	126,658	2,599,846
DEPRECIATION				
At 1 April 2019	315,435	1,016,738	77,086	1,409,259
Charge for year	24,684	202,095	14,970	241,749
At 31 March 2020	340,119	1,218,833	92,056	1,651,008
NET BOOK VALUE				
At 31 March 2020	543,037	371,199	34,602	948,838
At 31 March 2019	567,721	419,947	14,988	1,002,656

12. FIXED ASSET INVESTMENTS

	2020 £	2019 £
Subsidiary undertakings	-	11
Investments	1,903,306	2,010,136
	<u>1,903,306</u>	<u>2,010,147</u>

Subsidiary Undertakings

Viewpoint Housing Association Limited had the following wholly owned subsidiary undertaking. The registered office of the subsidiary was 4 South Oswald Road, Edinburgh, EH9 2HG. The subsidiary was dissolved on 17th December 2019.

	2020	Profit / (Loss)	2019	Profit / (Loss)
	Reserves £	£	Reserves £	£
Viewpoint Scotland Limited	<u>Nil</u>	<u>Nil</u>	<u>(354)</u>	<u>13,865</u>

Investment Portfolio

	2020 £	2019 £
At 1 April 2019	2,010,136	2,010,136
Additions - net reinvested dividends	48,565	-
Unrealised losses taken to the statement of comprehensive income	(155,395)	-
At 31 March 2020	<u>1,903,306</u>	<u>2,010,136</u>

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. RECEIVABLES

	2020	2019
	£	£
Gross arrears of rent & service charges	620,418	505,882
Less: Provision for doubtful debts	(182,096)	(170,511)
<i>Net arrears of rent and service charges</i>	438,322	335,371
Other receivables	227,013	181,304
Amounts due from group undertakings	-	279,194
	<u>665,335</u>	<u>795,869</u>

14. CASH AND CASH EQUIVALENTS

	2020	2019
	£	£
Cash at bank and in hand	8,769,064	9,586,194
Balances held in deposit accounts	17,102	1,233
	<u>8,786,166</u>	<u>9,587,427</u>

15. PAYABLES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Bank overdrafts	350,694	373,766
Bank loans	137,770	229,262
Loan Stock	3,109,975	2,966,035
Trade payables	323,255	968,756
Rent received in advance	324,111	246,253
Other taxation and social security	155,369	141,727
Other payables	420,858	443,657
Accruals and deferred income	532,843	855,178
	<u>5,354,875</u>	<u>6,224,634</u>

At the balance sheet date there were pension contributions outstanding of £59,862 (2019: £40,639).

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

	2020	2019
	£	£
Bank loans	4,816,120	4,410,357

17. DEBT ANALYSIS - BORROWINGS

	2020	2019
	£	£
Bank Loans		
Amounts due within one year	137,770	229,262
Amounts due in one year or more but less than two years	141,635	241,237
Amounts due in two years or more but less than five years	476,112	816,778
Amounts due in more than five years	4,198,373	3,352,342
	<u>4,953,890</u>	<u>4,639,619</u>

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

Lender	Properties Secured	Effective Interest Rate	Maturity (Year)	Variable or Fixed
CAF Bank	112	2.4%	2044	Fixed

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 NOTES TO THE FINANCIAL STATEMENTS (continued)

18. 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 2018 by a professionally qualified actuary using the Projected Unit Credit method. The market value of the Scheme's assets at the valuation date was £877m. The valuation revealed a shortfall of assets compared with the value of liabilities of £121m (equivalent to a past service funding level of 89%). A recovery plan is in place to eliminate the past service deficit which runs to 28 February 2022.

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

In 2019 the Pensions Trust, the administrator of the Scheme developed a method of determining the share of assets and liabilities for individual employers. This method was adopted by the Association in 2019 and resulted in an adjustment to the opening pension liability recognised in the statement of financial position of £282,938.

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

	2020	2019
	£	£
Fair value of plan assets	11,322,000	11,787,000
Present value of defined benefit obligation	11,714,000	13,295,000
Defined benefit asset / (liability) to be recognised	(392,000)	(1,508,000)

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 NOTES TO THE FINANCIAL STATEMENTS (continued)

18. RETIREMENT BENEFIT OBLIGATIONS (continued)

Scottish Housing Association Pension Scheme (continued.)

Reconciliation of opening and closing balances of the defined benefit obligation

	2020 £	2019 £
Defined benefit obligation at the start of period	13,295,000	12,921,000
Expenses	14,000	14,000
Interest expense	295,000	319,000
Actuarial losses (gains) due to scheme experience	(108,000)	(87,000)
Actuarial losses (gains) due to changes in demographic assumptions	(87,000)	43,000
Actuarial losses (gains) due to changes in financial assumptions	(1,177,000)	677,000
Benefits paid and expenses	(518,000)	(592,000)
Defined benefit obligation at the end of period	11,714,000	13,295,000

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

	2020 £	2019 £
Fair value of plan assets at start of period	11,787,000	11,441,000
Interest income	266,000	288,000
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	(682,000)	194,000
Contributions by the employer	469,000	456,000
Benefits paid and expenses	(518,000)	(592,000)
Fair value of plan assets at the end of period	11,322,000	11,787,000

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2020 was £(416,000).

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 NOTES TO THE FINANCIAL STATEMENTS (continued)

18. RETIREMENT BENEFIT OBLIGATIONS (continued)

Scottish Housing Association Pension Scheme (continued.)

Defined benefit costs recognised in the statement of comprehensive income

	2020 £	2019 £
Expenses	14,000	14,000
Net interest expense	29,000	31,000
	<u>43,000</u>	<u>45,000</u>
Defined benefit costs recognised in statement of comprehensive income	43,000	45,000

Defined benefit costs recognised in the other comprehensive income

	2020 £	2019 £
Experience on plan assets (excluding amounts included in interest income) - (loss) / gain	(682,000)	194,000
Experience gains and losses arising on plan liabilities - gain	108,000	87,000
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligations - gain / (loss)	87,000	(43,000)
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligations - gain / (loss)	1,177,000	(677,000)
	<u>690,000</u>	<u>(439,000)</u>
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain / (loss)	690,000	(439,000)
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in interest cost) - gain / (loss)	-	-
	<u>690,000</u>	<u>(439,000)</u>
Total amount recognised in other comprehensive income - gain (loss)	690,000	(439,000)

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 NOTES TO THE FINANCIAL STATEMENTS (continued)

18. RETIREMENT BENEFIT OBLIGATIONS (continued)

Scottish Housing Association Pension Scheme (continued.)

Assets

	2020	2019	2018
	£	£	£
Absolute Return	695,000	998,000	1,358,000
Alternative Risk Premia	907,000	658,000	433,000
Corporate Bond Fund	827,000	827,000	799,000
Credit Relative Value	272,000	205,000	-
Distressed Opportunities	207,000	201,000	52,000
Emerging Markets Debt	403,000	378,000	391,000
Fund of Hedge Funds	-	33,000	329,000
Global Equity	1,557,000	1,896,000	2,058,000
Infrastructure	667,000	494,000	209,000
Insurance-Linked Securities	304,000	306,000	313,000
Liability Driven Investment	2,981,000	4,194,000	4,027,000
Long Lease Property	277,000	143,000	-
Net Current Assets	86,000	12,000	21,000
Over 15 Year Gilts	144,000	303,000	370,000
Private Debt	224,000	152,000	106,000
Property	211,000	234,000	452,000
Risk Sharing	359,000	342,000	104,000
Secured Income	628,000	411,000	419,000
Opportunistic Illiquid Credit	276,000	-	-
Liquid Credit	297,000	-	-
Total assets	11,322,000	11,787,000	11,441,000

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

	2020	2019	2018
Discount Rate	2.4%	2.3%	2.5%
Inflation (RPI)	2.7%	3.3%	3.2%
Inflation (CPI)	1.7%	2.3%	2.2%
Salary Growth	2.7%	3.3%	3.2%
	75% of	75% of	75% of
Allowance for commutation of pension for cash at retirement	maximum allowance	maximum allowance	maximum allowance

The mortality assumptions adopted at 31 March 2020 imply the following life expectancies:

	Life expectancy at age 65 years
	(years)
Male retiring in 2020	21.5
Female retiring in 2020	23.2
Male retiring in 2040	22.8
Female retiring in 2040	24.5

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 NOTES TO THE FINANCIAL STATEMENTS (continued)

19. DEFERRED INCOME

	Social Housing Grants £	Other Housing Grants £	Total £
Capital grants received			
At 1 April 2019	30,611,792	359,952	30,971,744
Additions in the year	143,327	-	143,327
Eliminated on disposal	(20,634)	-	(20,634)
At 31 March 2020	<u>30,734,485</u>	<u>359,952</u>	<u>31,094,437</u>
Amortisation			
At 1 April 2019	16,729,268	341,092	17,070,360
Amortisation in year	532,445	151	532,596
Eliminated on disposal	(4,930)	-	(4,930)
At 31 March 2020	<u>17,256,783</u>	<u>341,243</u>	<u>17,598,026</u>
Net book value			
At 31 March 2020	<u>13,477,702</u>	<u>18,709</u>	<u>13,496,411</u>
At 31 March 2019	<u>13,882,524</u>	<u>18,860</u>	<u>13,901,384</u>

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

	2020 £	2019 £
Amounts due within one year	529,311	527,874
Amounts due in more than one year	12,967,100	13,373,510
	<u>13,496,411</u>	<u>13,901,384</u>

20. SHARE CAPITAL

Shares of £1 each, issued and fully paid	2020 £	2019 £
At 1 April	131	138
Issued in year	7	6
Cancelled in year	(2)	(13)
At 31 March	<u>136</u>	<u>131</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 2020 NOTES TO THE FINANCIAL STATEMENTS (continued)

21. CASH FLOWS

Reconciliation of net cash flow to movement in net funds

	2020	2019
	£	£
Decrease in cash	(778,189)	(3,034,996)
Cashflow from change in net debt	(314,271)	216,604
Movement in net funds in the year	(1,092,460)	(2,818,392)
Net funds at 1 April	4,574,042	7,392,434
Net funds at 31 March	<u>3,481,582</u>	<u>4,574,042</u>

<i>Analysis of changes in net funds</i>	<i>At 01 April 2019</i>	<i>Cashflows</i>	<i>Other Changes</i>	<i>At 31 March 2020</i>
	£	£	£	£
Cash and cash equivalents	9,587,427	(801,261)	-	8,786,166
Bank overdrafts	(373,766)	23,072	-	(350,694)
Debt: Due within one year	9,213,661	(778,189)	-	8,435,472
Due after more than one year	(229,262)	(314,271)	405,763	(137,770)
	(4,410,357)	-	(405,763)	(4,816,120)
Net funds	<u>4,574,042</u>	<u>(1,092,460)</u>	<u>-</u>	<u>3,481,582</u>

22. CAPITAL COMMITMENTS

	2020	2019
	£	£
Capital Expenditure that has been contracted for but has not been provided for in the financial statements	<u>409,967</u>	<u>104,514</u>

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

23. COMMITMENTS UNDER OPERATING LEASES

	2020	2019
	£	£
At the year end, the total minimum lease payments under non-cancellable operating leases were as follows:		
Other		
Expiring in the next year	2,795	2,795
Expiring later than one year and not later than five years	<u>2,096</u>	<u>4,891</u>

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 NOTES TO THE FINANCIAL STATEMENTS (continued)

24. 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.

25. BOARD OF TRUSTEES MEMBER EMOLUMENTS

Board of Trustees members received £2,083 (2019 - £658) 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.

26. EXCEPTIONAL ITEM

	2020	2019
	£	£
Breakage costs	549,149	-

During the year the Association re-financed. As a result the Association was required to pay breakage costs on the redeemed loan.

27. HOUSING STOCK

The number of units of accommodation in management at the year end was:-	2020 No.	2019 No.
General needs	246	246
Supported housing	1,083	1,083
	<u>1,329</u>	<u>1,329</u>

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

Name of Organisation	Number of Units	
	2020 No.	2019 No.
The Action Group	6	6
Carr-Gomm	7	7
SAMH	2	2

VIEWPOINT HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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:

	2020	2019
	£	£
Rent received from tenants on the Board of Trustees and their close family members	8,746	17,054
Members of the Board of Trustees who are tenants	2	2

Viewpoint Trust provides financial assistance to Viewpoint Housing Association by way of grants the amount paid in the year was £17,629 (2019: £16,069) of this £2,282 (2019: £2,336) 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 (2019: £4,846), of this £1,212 (2019 £1,212) was outstanding at the year end.

29. NON ADJUSTING POST BALANCE SHEET EVENT

At the time of approving the financial statements, the United Kingdom is impacted by the Coronavirus pandemic. The Association is monitoring the position and updating its plans accordingly. Like most RSLs, however, the virus is likely to impact the Association's activities.