

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

CT:

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

**MANAGEMENT COMMITTEE, EXECUTIVES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2024**

Management Committee

J Scott	Chairperson
D.Eadie	Vice Chairperson
M Symons	
M MacLaren	Renfrewshire Council representative
A Ballantine	
J Kerr	
E McDermott	
T Thomson	
C Henry	
R Coelho	Appointed 13.09.23
L Mackinnon	Appointed 29.05.24
O Ikeh	Appointed 29.05.24
GL John	Appointed 29.05.24
F Stewart	Appointed 29.05.24

Executives

J Grant	Chief Executive Officer/Secretary
L. Ferrie	Head of Housing
L Reynolds	Head of Property Services
G Scott	Head of Development
L Ramsay	Head of Finance & Corporate Services

Registered Office

Ralston House
Cyril Street
Paisley
PA1 1RW

Auditor

Chiene + Tait LLP (Trading as CT)
Chartered Accountants and
Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

Bankers

The Royal Bank of Scotland plc
Paisley Chief Office
1 Moncrieff Street
Paisley
PA3 2AW

Solicitor

Cochran Dickie
21 Moss Street
Paisley
PA1 1BX

CT:

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

CONTENTS

	Page
Report of the Management Committee (incorporating the Strategic Report)	1 – 5
Report of the Independent Auditor	6 – 8
Management Committee’s Statement of Internal Financial Controls	9
Report by the Auditor to the Management Committee on Corporate Governance Matters	10
Statement of Comprehensive Income	11
Statement of Changes in Capital and Reserves	12
Statement of Financial Position	13
Statement of Cash Flows	14
Notes to the Financial Statements	15 - 35

Registration information

Financial Conduct Authority	Co-operative and Community Benefit Societies Act 2014 Registered number 1991RS
The Scottish Housing Regulator	Housing (Scotland) Act 2010 Registered number HAL207
The Office of the Scottish Charity Regulator	Registered Scottish Charity No: SC035350

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

**REPORT OF THE MANAGEMENT COMMITTEE (INCORPORATING THE STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2024**

The Management Committee presents its report, which incorporates the Strategic Report, and the audited financial statements for the year ended 31 March 2024.

Principal activities

Williamsburgh Housing Association (WHA) is an ambitious and forward thinking social housing provider and is one of Renfrewshire’s leading housing association with a stock of over 1,680. The principal activity of the Association is the provision of rented accommodation and we also provide factoring services to homes and businesses in the Renfrewshire area. We recognise that to deliver our vision and deliver it well, we need to be open to change in order to meet the diverse needs of the wider community and respond to the changing environments our business and our residents currently operate in.

Vision, Mission Statement and Objectives

Our Vision:

W.H.A.’s aim is to be a leading and innovative provider of quality homes and housing services.

Our Mission Statement:

To provide and develop high quality affordable homes and to maintain our commitment to continuous improvement in service delivery and the regeneration of our communities.

Our Objectives:

The W.H.A. strategic objectives are set out in our Business Plan and provide the overall direction for the organisation. The Management Committee has set seven overarching objectives for the coming year:

1. More Homes - New-build programmes and deliberation of strategic acquisitions.
2. Sustainable Homes – Asset Management strategy, tenant safety, net zero investment and capital replacement programmes.
3. Enhanced Governance - Further strengthening Corporate Governance capacity and compliance..
4. Engaged Colleagues – Investors in People accreditation, staff engagement survey.
5. Regenerated Communities – Delivering funded projects.
6. Excellent Services – Tenant engagement, customer service, digital transformation.
7. Value for Money – Develop strategy and deliver action plan.

There are significant opportunities for W.H.A. in taking forward the objectives. These include improvements to the quality and energy efficiency of the housing stock, improving compliance, improved staff engagement, new supply of much needed affordable housing, ensuring rents remain affordable, strong governance and regenerated communities. During 2024/25 a new business plan will be produced in conjunction with tenant consultation on the future direction of the association.

Risk Management

The Association has a risk management policy in place with the principal risks and controlling actions being reviewed by the Management Committee. Each risk has its own individual risk assessment which identifies the risk rating, risk owner, risk description, controlling actions and a quarterly report providing any changes since the most recent review along with the next review date is reported to Management Committee. Set out below are the key risks facing the association and the mitigations and controls that are in place:

Key Risks	Mitigation/Controls
Increased Development costs and timing of cash flows	Budget and business financial planning Business plan stress testing
Unknown future stock investment and maintenance liabilities resulting from Climate Change obligations.	Stock conditioning surveys Asset Management database & strategy in place Contingencies for unknown Climate Change costs
Significant and prolonged cost inflation	Stress testing of business plans Review life cycle periods and component costs Market testing
Health and Safety: Failure to comply with legislation relating to customer safety	Contractor monitoring and reporting procedures KPI's and regulatory reporting External review
Cyber Security : Failure to provide strong systems in relation to cyber security	Gold standard of software External cyber audits Regular in-house risk awareness training

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

REPORT OF THE MANAGEMENT COMMITTEE (INCORPORATING THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

2024/25 is the final year in our current business plan and we continue to work hard to deliver lots of exciting plans. We closely monitor inflation levels and the impact they have on our operating cost base. Our financial plan is designed to provide the assurance that we have the financial resources to implement any mitigating actions and cope with general financial shocks. Furthermore, we stress test our 30 year plans including sensitivities and scenarios to assess the impact of risks with which to evaluate the long-term financial and development capacity.

Review of business and future development

2023/24 has seen the association deliver and progress in many of our planned objectives including introducing new Asset Management and Value for Money strategies as well as undertaking a number of new procurement exercises. Projects focusing on reducing the association's risk have also been achieved during 2023/24 including moving our IT servers to Cloud hosted platforms and completing a full pension review with the Management Committee opting to close the Defined Benefit scheme to all employees and offer a Defined Contribution alternative. We continue to focus on supporting our tenants with 2023/24 seeing our benefits support and advice service accessing over £0.5m of benefit and grant funding for our tenants. We have also introduced a dedicated tenant participation post to increase engagement, advising on our plans as well as asking our tenants opinions on current future services.

Our financial results are strong despite the impact that the economic climate continues to have on our business. We strive to achieve an optimal balance between stock investment, service improvements and rent affordability. We keep our rents as low as possible, with a below inflation rent increase of 5.25% applied in April 2023. A 5.5% increase has also been made in April 2024 to meet inflation-driven increases in our delivery costs. Our rents remain one of the lowest in Renfrewshire and below the Scottish National Average for other social housing providers.

Investment

W.H.A prioritises stock quality and compliance with tenant safety obligations. There is an ongoing commitment to investment and improvement of our properties with the spend this year totalling £3.1m. This comprises of £1.5m in capitalised costs relating to new Windows, Kitchens and Bathrooms, £0.6m on planned and cyclical maintenance and £1m on reactive maintenance. 2024/25 budget includes projected spend of £2.5m for capital replacement projects alone which includes continuation of the current Windows, Bathroom & Kitchen programme.

Treasury Management

W.H.A's Treasury Management policy seeks to ensure that the association has access to sufficient resources to operate its business. Our policy is reviewed annually and complies with best practice, as set out in the CIPFA Code of Practice for Treasury Management in the Public Services (the Code) and in line with the expectations of the Scottish Housing Regulator (SHR) as set out in the Standards of Governance and Financial Management. W.H.A's Finance, Audit & Corporate Service Sub Committee receive quarterly reports reviewing treasury management operations.

Reserves Policy

W.H.A's reserve policy is to reinvest surpluses in improving and developing homes. This means that the majority of its reserves are tied up in property and not available in cash. The Association maintains a level of cash adequate to meet the day to day requirements of the business.

Development

We are delighted to have in April 2024 begun the development of 33 new family homes, for affordable rent, at Cartha Crescent, Paisley, to be built by McTaggart Construction with an estimated completion date of spring 2025. The new homes are a mixture of terrace and semi-detached properties, and are a mix of 3, 4 and 5 person properties. The project is set to cost a total of £7.3m made possible by working in partnership with Renfrewshire Council and a grant of £3.2m from The Scottish Government's Affordable Housing Supply Programme.

Further development projects

Development projects currently in the pipeline are North Road, Johnstone (28 Units). Due to increases in new build costs and cuts to Scottish Government capital budgets for social housing the association intends to develop a New Housing Supply Strategy during 2024/25. This will assess options considering value for money, housing needs/demands and potential further buy-back options.

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED**REPORT OF THE MANAGEMENT COMMITTEE (INCORPORATING THE STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2024****Key performance indicators (KPI's)**

We continue to focus on our key performance indicators and achieve high standard of performance. The 2023/24 Annual Return on the Scottish Social Housing Charter (ARC) as submitted to The Scottish Housing Regulator are shown below and compared against 2022/23 results:

	2023/24	2022/23
% of tenants who feel that the rent for their property represents good value for money	92.95%	92.95%
% of tenants who were satisfied with the quality of their home	93.91%	93.91%
% of stock meeting the Scottish Housing Quality Standard	99.11%	95.76%
Average length of time (hours) to complete emergency repairs	1.71	1.61
Average length of time (hours) to complete non-emergency repairs	4.50	4.23
Average length of time (days) taken to re-let properties	24.47	29.63
% of rent lost through properties being empty in the last year	0.53%	0.81%
Rent collected from tenants as a percentage of total rent due in the year	100.43%	100.18%

The ARC return shows that 92.95% of our tenants believe that their rent represents good value for money.

Average response time for emergency repairs was under 2 hours and less than 5 days for non-emergency repairs demonstrating our commitment to excellent services.

Subsidiary

The subsidiary, Williamsburgh Property Services Ltd, stopped trading with effect of midnight 31st March 2023 with the factoring service transferred to Williamsburgh Housing Association Ltd from 1st April 2023. Companies House strike off of Williamsburgh Property Services Ltd was actioned 10th October 2023.

The scrutiny and reporting of the factoring service is the sole responsibility of the Management Committee of W.H.A. and as such quarterly reporting of KPIs, performance and financial performance/forecasts are made via delegated authority to the Operations & Performance & the Finance, Audit & Corporate Services Sub-Committees. There is no change to the service provision for factored owners.

The members of the Management Committee and the Association's Executive Officers are satisfied with the Association's performance during the year. The surplus for the year was £1,356,947 (2023 – surplus of £942,898). Net assets stand at £37,078,262 (2023 - £35,721,311).

The Management Committee and executive officers

The Management Committee and executive officers of the Association are listed on the first page of the financial statements. Each member of the Management Committee holds one fully paid share of £1 each in the Association. The executive officers of the Association 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 committee.

The Association is recognised by HM Revenue & Customs as a charity and qualifies for the tax exemptions for charitable trades provided by Part 11 of the Corporation Tax Act 2010. The association, from 1st April 2023, also operate a non-charitable trade in providing a service to factored owners and as such, any surplus on this trade is subject to corporation tax.

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

REPORT OF THE MANAGEMENT COMMITTEE (INCORPORATING THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

Statement of committee's responsibilities

The Management Committee is responsible for preparing the annual report and financial statements in accordance with applicable law and regulations.

The Co-operative and Community Benefit Societies Act 2014 and registered social housing legislation require the Management Committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of the income and expenditure of the Association for that period. In preparing these financial statements, the Management Committee is required to:

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

The Management Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 2024 as issued by the Scottish Housing Regulator. It has general responsibility for taking reasonable steps to safeguard the assets of the Association and to prevent and detect fraud and other irregularities.

The Management Committee is responsible for the maintenance and integrity of the corporate and financial information included on the Association's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to the auditor

To the knowledge and belief of each of the persons who are members of the Management Committee at the time the report is approved:

- So far as the Committee members are aware, there is no relevant information of which the Association's auditor is unaware; and
- Members have taken all the steps that ought to have taken as Committee members in order to make themselves aware of any relevant audit information, and to establish that the Association's auditor is aware of the information.

Corporate Governance

The Association has complied throughout the accounting period with the Code of Best Practice published by the Cadbury Committee on the Financial Aspects of Corporate Governance in 1992.

Charitable Donations

During the year, the Association made charitable donations amounting to £NIL (2023 - £Nil).

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED


**REPORT OF THE MANAGEMENT COMMITTEE (INCORPORATING THE STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2024**

Auditor

A resolution to re-appoint the auditors, CT, will be proposed at the Annual General Meeting.

The Report of the Management Committee (incorporating the Strategic Report) has been approved by the Management Committee:

By order of the Management Committee


John Scott
Chairperson

Date: 15 August 2024

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WILLIAMSBURGH HOUSING ASSOCIATION LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024****Opinion**

We have audited the financial statements of Williamsburgh Housing Association Limited (the 'Association') for the year ended 31 March 2024 which comprise the Statement of Comprehensive Income, the Statement of Changes in Capital and Reserves, the Statement of Financial Position, the Statement of Cash Flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, Part 6 of the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 2024 issued by the Scottish Housing Regulator.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WILLIAMSBURGH HOUSING ASSOCIATION LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024



Other information (continued)

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 requires 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 financial statements 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 Management Committee

As explained more fully in the Statement of the Management Committee's Responsibilities set out on page 3 the Management Committee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Management Committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management Committee is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management Committee 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.

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WILLIAMSBURGH HOUSING ASSOCIATION LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

CT:

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the Association operates in and how the Association is complying with the legal and regulatory frameworks;
- inquired of management and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud; and
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures, we consider that the most significant laws and regulations that have a direct impact on the financial statements were, but not limited to, FRS 102, Housing SORP 2018, the Scottish Housing Regulator's Determination of Accounting Requirements 2024, the Co-operative and Community Benefit Societies Act 2014 and the Housing (Scotland Act) 2010. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures against the requirements of the relevant financial reporting standards.

We also performed audit procedures to inquire of management, and those charged with governance whether the Association is in compliance with these laws and regulations, inspected correspondence with regulatory authorities including mandatory submissions to the Regulator, reviewed minutes of meetings of the Management Committee and relevant sub-committees, and reviewed available online information.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Association's members, as a body, in accordance with Section 87 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, as a body, 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.


CT
Chartered Accountants and Statutory Auditors
61 Dublin Street
Edinburgh
EH3 6NL

Date: 15 August 2024

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

**MANAGEMENT COMMITTEE'S STATEMENT OF INTERNAL FINANCIAL CONTROLS
FOR THE YEAR ENDED 31 MARCH 2024**

The Management Committee acknowledges its ultimate responsibility for ensuring that the Association has in place a system of controls that is appropriate for the various business environments in which it operates.

These controls are designed to give reasonable assurance with respect to:

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

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


- Formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the 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 regularly, which allow the Management Committee and staff to monitor the key business risks and progress towards financial plans set for the year and medium term;
- Regular management accounts are prepared timeously, providing relevant, reliable and up to date financial and other information and significant variances from budget are investigated where appropriate; and
- All significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures.

The Management Committee reviews reports from the Chief Executive Officer, staff and the external and internal auditors to provide reasonable assurance that control procedures are in place and are being followed.

Formal procedures have been established for instituting appropriate action to correct weaknesses identified from the above reports.

The Management Committee has confirmed the existence of the system of internal financial control in the Association for the year ended 31 March 2024.

By order of the Management Committee


John Scott
Chairperson

Date: 15 August 2024

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

**REPORT OF THE AUDITOR TO THE MANAGEMENT COMMITTEE OF
WILLIAMSBURGH HOUSING ASSOCIATION LIMITED ON CORPORATE GOVERNANCE MATTERS
FOR THE YEAR ENDED 31 MARCH 2024**

In addition to our audit of the Financial Statements, we have reviewed your statement on page 9 concerning the Association's compliance with the information required by the Regulatory Standards in respect of internal financial controls contained within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes which are issued by the Scottish Housing Regulator.

Basis of Opinion

We carried out our review having regard to the requirements on corporate governance matters within Bulletin 2009/4 issued by the Financial Reporting Council. The Bulletin does not require us to review the effectiveness of the Association's procedures for ensuring compliance with the guidance notes, nor to investigate the appropriateness of the reason given for non-compliance.

Opinion

In our opinion the Statement on Internal Financial Control on page 9 has provided the disclosures required by the relevant Regulatory Standards within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes issued by the Scottish Housing Regulator in respect of internal financial controls and is consistent with the information which came to our attention as a result of our audit work on the Financial Statements.

Through our enquiry of certain members of the Management Committee and Officers of the Association and examination of relevant documents, we have satisfied ourselves that the Management Committee's Statement on Internal Financial 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 Advisory Notes issued by the Scottish Housing Regulator in respect of internal financial controls.

CT

Chartered Accountants and Statutory Auditors
61 Dublin Street
Edinburgh
EH3 6NL

Date:

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	2024 £	2023 £
Turnover	4	9,066,548	8,612,023
Operating expenditure	4	(7,227,438)	(7,215,769)
Operating surplus	4	1,839,110	1,396,254
Gain on sale of fixed assets	10	-	3,451
Interest receivable and other income	11	287,837	84,193
Interest payable and similar charges	12	(17,000)	-
Surplus for the year		2,109,947	1,483,898
Actuarial gain/(loss) in respect of pension scheme	23	(753,000)	(541,000)
Total comprehensive income for the year		1,356,947	942,898

The results for the year relate wholly to continuing activities.

The financial statements on pages 11 to 35 were authorised for issue by the Management Committee on 15 August 2024 and were signed on its behalf by:

Jonathan Grant
Secretary

John Scott
Chairperson

David Eadie
Vice Chairperson

The notes on pages 15 to 35 form part of these financial statements.

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

**STATEMENT OF CHANGES IN CAPITAL AND RESERVES
AS AT 31 MARCH 2024**

	Share Capital £	Revenue Reserves £	Total Capital & Reserves £
Balance at 1 April 2023	85	35,721,226	35,721,311
Total comprehensive income		1,356,947	1,356,947
Shares issued during the year	10	-	10
Shares cancelled during the year	(6)	-	(6)
	<u>89</u>	<u>37,078,173</u>	<u>37,078,262</u>
Balance at 31 March 2024	<u>89</u>	<u>37,078,173</u>	<u>37,078,262</u>

**STATEMENT OF CHANGES IN CAPITAL AND RESERVES
AS AT 31 MARCH 2023**

	Share Capital £	Revenue Reserves £	Total Capital & Reserves £
<i>Balance at 1 April 2022</i>	83	34,778,328	34,778,411
<i>Total comprehensive income</i>	-	942,898	942,898
<i>Shares issued during the year</i>	3	-	3
<i>Shares cancelled during the year</i>	(1)	-	(1)
	<u>85</u>	<u>35,721,226</u>	<u>35,721,311</u>
<i>Balance at 31 March 2023</i>	<u>85</u>	<u>35,721,226</u>	<u>35,721,311</u>

The notes on pages 15 to 35 form part of these financial statements.

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	Notes	2024 £	2023 £
Tangible fixed assets			
Housing properties	13	70,422,126	70,594,389
Other fixed assets	15	347,346	336,227
Investments	16	-	2
		<u>70,769,472</u>	<u>70,930,618</u>
Current assets			
Debtors	17	633,838	352,512
Cash and cash equivalents	18	11,748,082	9,708,576
		<u>12,381,920</u>	<u>10,061,088</u>
Creditors: amounts falling due within one year	19	<u>(3,631,686)</u>	<u>(3,296,295)</u>
Net current assets		<u>8,750,234</u>	<u>6,764,793</u>
Total assets less current liabilities		<u>79,519,706</u>	<u>77,695,411</u>
Creditors: amounts falling due after more than one year	20	<u>(41,362,444)</u>	<u>(41,588,100)</u>
Pension – defined benefit liability	23	<u>(1,079,000)</u>	<u>(386,000)</u>
Net assets		<u><u>37,078,262</u></u>	<u><u>35,721,311</u></u>
Capital and reserves			
Share capital	22	89	85
Revenue reserves		<u>37,078,173</u>	<u>35,721,226</u>
		<u><u>37,078,262</u></u>	<u><u>35,721,311</u></u>

The financial statements on pages 11 to 35 were authorised for issue by the Management Committee on 15 August 2024 and were signed on its behalf by:


Jonathan Grant
Secretary


John Scott
Chairperson


David Eadie
Vice Chairperson

The notes on pages 15 to 35 form part of these financial statements.

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	£	2024 £	£	2023 £
Net cash generated from operating activities	24	3,299,617		2,174,179	
Cash flow from investing activities					
Purchase of property, plant & equipment		(1,981,289)		(4,049,945)	
Proceeds from sale of property, plant & equipment		-		6,500	
Grants received		433,331		-	
Interest received		287,837		82,193	
		<u>(1,260,121)</u>		<u>(3,961,252)</u>	
Cash flow from financing activities					
Interest paid		-		-	
Repayment of borrowings		-		-	
Issue of share capital		10		3	
		<u>10</u>		<u>3</u>	
Net change in cash and cash equivalents			2,039,506		(1,787,070)
Cash and cash equivalents at 1 April			9,708,576		11,495,646
Cash and cash equivalents at 31 March			<u>11,748,082</u>		<u>9,708,576</u>

(i) Analysis of changes in net debt

	At 1 April 2024 £	Cash flows £	Other non- cash changes £	At 31 March 2024 £
Cash and cash equivalents				
Cash	9,708,576	2,039,506	-	11,748,082
Overdrafts	-	-	-	-
Cash equivalents	-	-	-	-
Total	<u>9,708,576</u>	<u>2,039,506</u>	<u>-</u>	<u>11,748,082</u>

The notes on pages 15 to 35 form part of these financial statements.

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

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

1. General information

The financial statements have been prepared in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice) and comply with the requirements of the Determination of Housing Requirements 2019 as issued by the Scottish Housing Regulator and the Statement of Recommended Practice for Social Housing Providers issued in 2018. The principal accounting policies are set out below.

The preparation of these financial statements in compliance with FRS 102 requires the use of certain accounting estimates. It also requires management to exercise judgement in applying the Association's accounting policies (see note 3).

The presentation currency is pounds sterling and the financial statements are rounded to the nearest whole number.

The Association is a Co-operative and Community Benefit Society limited by shares and is incorporated in the United Kingdom. The Association is a registered social landlord in Scotland and its registered number is HAL207. The registered address is Ralston House, Cyril Street, Paisley, PA1 1RW.

The Association is defined as a public benefit entity and thus the Association complies with all disclosure requirements relating to public benefit entities.

2. Principal Accounting Policies

(a) Basis of accounting

The financial statements are prepared on the historical cost basis of accounting and in accordance with applicable accounting standards.

The effect of events relating to the year ended 31 March 2024, which occurred before the date of approval of the financial statements by the Management Committee have been included in the statements to the extent required to show a true and fair view of the state of affairs as at 31 March 2024 and of the results for the year ended on that date. The Association had a subsidiary company, Williamsburgh Property Services Limited, which stopped trading on 31st March 2023 and the factoring service is provided by Williamsburgh Housing Association Ltd as from 1st April 2023.

(b) Going concern

The Association has shown a strong surplus year on year and the Committee believes that the Association will carry on this trend for the foreseeable future. In addition to this, the Association has a strong net current assets position. The assessment of going concern includes the review of 30 year plans and the impact that recent inflation increases have had on the association. The Management Committee have therefore adopted the going concern basis in preparing the financial statements.

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

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

2. Principal Accounting Policies (continued)

(c) Turnover

Turnover represents rental and service charge income receivable and fees or revenue grants receivable from local authorities and from the Scottish Government. Income from rental and service charges is recognised when the Association is entitled to it, it is probable it will be received and it can be measured reliably.

Income from revenue grants receivable have been covered in a separate accounting policy below.

(d) Apportionment of management expenses

Direct employee, administration and operating expenditure have been apportioned to the relevant sections of the Statement of Comprehensive Income on the basis of costs of staff directly attributable to the operations dealt with in the financial statements.

The costs of cyclical and major repairs are charged to the Statement of Comprehensive Income in the year in which they are incurred.

(e) Interest receivable

Interest receivable is recognised in the Statement of Comprehensive Income using the effective interest method.

(f) Interest payable

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

(g) Tangible fixed assets - housing properties

Housing properties are stated at historical cost less accumulated depreciation. The development cost of housing properties includes the following:

- (i) cost of acquiring land and buildings;
- (ii) development expenditure; and
- (iii) internal administrative costs relating to the acquisition and development of housing properties.

These costs are termed "qualifying costs" by the Scottish Government for approved Housing Association Grant.

Expenditure on schemes is written off in the year unless it is recognised that the schemes will be developed to completion.

Refurbishment expenditure on existing properties is capitalised to the extent that the expenditure represents improvements to the properties or replacement of components.

(h) Impairment of fixed assets

Reviews for impairment of housing properties are carried out on an annual basis and any impairment in an income-generating unit is recognised by a charge to the Statement of Comprehensive Income. Impairment is recognised where the carrying value of an income-generating unit exceeds the higher of its net realisable value or its value in use. Value in use represents the net present value of expected future cash flows from these units. Impairment of assets would be recognised in the Statement of Comprehensive Income.

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024****2. Principal Accounting Policies (continued)****(i) Depreciation**Housing land and buildings

Each housing unit has been split between its major component parts. Each major component is depreciated on a straight line basis over its expected economic useful life. During 2023/24 following a new Asset Management Strategy and stock conditioning survey, the association reviewed the economic useful lives amending depreciation calculations accordingly as follows:

	2023/24	2022/23
Land – not depreciated		
Structure	over 60 years	over 50 years
Windows	over 50 years	over 30 years
Bathrooms	over 20 years	over 20 years
Pipework	over 40 years	over 12 years
Kitchen	over 15 years	over 15 years
Boilers	over 15 years	over 12 years
Roofs	over 60 years	over 40 years

Other fixed assets

Other fixed assets policy is to capitalise spend on items greater than £2,500 with the exception of Laptops, I Pads, and personal computer spend which are held as fixed assets. They are stated at cost less accumulated depreciation. Depreciation is charged by equal annual instalments at rates estimated to write off costs less any residual value over their expected useful lives. The following rates have been used:

Furniture & Fittings	- 10-20% per annum on cost
Vehicle	- 20% per annum on cost
Office premises	- 4-20% per annum on cost

(j) Development Administration Costs

Development administration costs relating to development activities are capitalised based on an apportionment of the staff time spent on this activity.

(k) Investments

There are no current fixed asset investments. Last year relates to the investment in the subsidiary company, Williamsburgh Property Services Limited, a company previously registered in Scotland with a principal activity of provision of factoring property services to owners. Williamsburgh Property Services Limited stopped trading as of midnight 31 March 2023 and strike off by Companies House was actioned on 0th October 2023 with the factoring service now fully provided by Williamsburgh Housing Association.

(l) Debtors

Short term debtors are measured at transaction price, less any impairment.

(m) Rental arrears

Rental arrears represent amounts due by tenants for rental of social housing properties at the year end. Rental arrears are reviewed regularly by management and written down to the amount deemed recoverable. Any provision deemed necessary is shown alongside gross rental arrears in Note 17.

(n) Cash and cash equivalents

Cash comprises cash at bank and in hand and deposits repayable on demand.

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

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

2. Principal Accounting Policies (continued)

(o) Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

(p) Government Capital Grants

Government Capital Grants, at amounts approved by the Scottish Government or local authorities, are paid directly to the Association as required to meet its liabilities during the development process. This is treated as a deferred capital grant and is released to income in accordance with the accrual model over the useful life of the asset it relates to. The accrual model requires the Association to recognise income on a systematic basis over the period in which the Association recognises the related costs for which the grant is intended to compensate. Grant income has been recalculated in line with the amendment to the depreciation of component costs as a result of changes to the economic useful lives of the components.

(q) Government Revenue Grants

Government revenue grants are recognised using the accrual model which means the Association recognises the grant in income on a systematic basis over the period in which the Association recognises the related costs for which the grant is intended to compensate.

(r) Non-Government Capital and Revenue Grants

Non-government capital and revenue grants are recognised using the performance model. If there are no performance conditions attached the grants are recognised as revenue when the Association is entitled to them, it is probable they will be received and they can be measured reliably.

A grant that imposes specific future performance related conditions on the recipient is recognised as revenue only when the performance related conditions are met.

A grant received before the revenue recognition criteria are satisfied is recognised as a liability.

(s) Operating Leases

Rentals paid under operating leases are charged to the statement of comprehensive income as they are incurred.

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

2. Principal Accounting Policies (continued)**(t) Financial instruments**

The Association only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at the present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a rental arrear deferred beyond normal Association terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets are derecognised when contractual rights to the cash flows from the assets expire, or when the Association has transferred substantially all the risks and rewards of ownership.

Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

(u) Pensions (Note 23)

The Association participates in The Scottish Housing Associations' Defined Benefits Pension Scheme (SHAPS) and 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 Associations taken as a whole.

The SHAPS is accounted for as a defined benefit scheme and as such the amount charged to the Statement of Comprehensive Income in respect of pension costs and other post-retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost. The interest cost is included within other finance costs/income. Actuarial gains and losses arising from new valuations and from updating valuations to the reporting date are recognised in Other Comprehensive Income.

Defined benefit schemes are funded, with the assets held separately from the Association in separate trustee administered funds. Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at each reporting date.

The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency. A pension scheme asset is recognised on the Statement of Financial Position only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the reporting date. A pension scheme liability is recognised to the extent that the Association has a legal or constructive obligation to settle the liability.

The Association has opted to close the Defined Benefit Scheme to future accrual benefits with effect from 31st March 2024. All members as at 31st March 2024 will transfer to the Defined Contribution scheme.

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

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

2. Principal Accounting Policies (continued)

(v) Sale of housing properties

Properties are disposed of under the appropriate legislation and guidance. All costs and grants relating to the share of property sold are removed from the financial statements at the date of sale. Any grants received that cannot be repaid from the proceeds of sale are abated and the grants removed from the financial statements.

3. Judgements in applying policies and key sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The members of the Management Committee consider the following to be critical judgements in preparing the financial statements:

- The categorisation of housing properties as property, plant and equipment in line with the requirements of the SORP;
- The amount disclosed as 'operating profit' is representative of activities that would normally be regarded as 'operating'; and
- The identification of a cash-generating unit for impairment purposes.

The Management Committee are satisfied that the accounting policies are appropriate and applied consistently. Key sources of estimation have been applied as follows:

Estimate

Basis of estimation

Useful lives of property, plant and equipment.

The useful lives of property, plant and equipment are based on the knowledge of senior management at the Association, with reference to expected asset life cycles.

The main components of housing properties and their useful lives.

The cost of housing properties is split into separately identifiable components. These components were identified by knowledgeable and experienced staff members and based on expected asset life cycles.

Recoverable amount of rental and other trade receivables.

Rental arrears and other trade receivables are reviewed by appropriately experienced senior management team members on a case by case basis with the balance outstanding together with the payment history of the individual tenant being taken into account.

The obligations under the SHAPS defined benefit pension scheme.

This has relied on the actuarial assumptions of a qualified actuary which have been reviewed and are considered reasonable and appropriate.

The impairment of housing properties

At each reporting date, experienced senior management team shall determine whether housing properties are impaired by comparing carrying value against depreciated replacement cost.

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

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

4. Particulars of turnover, operating expenditure and operating surplus/(deficit)

		2024			2023		
Notes	Turnover £	Operating Expenditure £	Operating Surplus/ (Deficit) £	Turnover £	Operating Expenditure £	Operating Surplus/ (Deficit) £	
Affordable lettings	5	8,665,693	6,718,796	1,946,897	8,578,642	7,087,755	1,490,887
Other activities	6	400,855	508,642	(107,787)	33,381	128,015	(94,634)
		<u>9,066,548</u>	<u>7,227,438</u>	<u>1,839,110</u>	<u>8,612,023</u>	<u>7,215,770</u>	<u>1,396,253</u>

There are no other accommodation types other than General Needs and Supported Housing.

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

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

5. Particulars of turnover, operating expenditure and operating surplus from affordable letting activities

	General Needs Housing £	Supported Housing £	2024 Total £	2023 Total £
Income from rent and service charges				
Rent receivable net of service charge	6,965,058	150,686	7,115,744	6,610,575
Service charges	314,160	22,472	336,632	197,275
Gross income from rents and service charges	7,279,218	173,158	7,452,376	6,807,850
Less voids	(46,935)	-	(46,935)	(59,757)
Net income from rents and service charges	7,232,283	173,158	7,405,441	6,748,093
Release of deferred Government capital grants	1,181,521	34,933	1,216,454	1,768,413
Grants from the Scottish Ministers	43,798	-	43,798	62,136
Total turnover from affordable letting activities	8,457,602	208,091	8,665,693	8,578,642
Expenditure				
Management and maintenance administration costs	(2,758,213)	(67,863)	(2,826,076)	(2,531,053)
Service charges	(319,935)	(22,472)	(342,407)	(231,003)
Planned and cyclical maintenance costs	(568,121)	(8,055)	(576,176)	(541,999)
Reactive maintenance costs	(930,548)	(19,898)	(950,446)	(847,560)
Bad debts – rent and service charges	44,390	1,092	45,482	(45,224)
Depreciation of social housing	(2,017,223)	(51,950)	(2,069,173)	(2,890,916)
Operating expenditure for affordable letting activities	(6,549,650)	(169,146)	(6,718,796)	(7,087,755)
Operating Surplus on affordable letting activities 2024	1,907,952	38,945	1,946,897	1,490,887
Operating Surplus on affordable letting activities 2023	1,460,528	30,359		1,490,887

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

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

6. Particulars of turnover, operating expenditure and operating surplus/(deficit) from other activities

	2024		2023		2024	2023	
	Grants from Scottish Ministers £	Other revenue grants £	Other income £	Total Turnover £	Total Turnover £	Other operating expenditure £	Operating surplus/(deficit) £
Wider role activities *	-	54,628	-	54,628	32,350	114,738	(51,362)
Care and repair of property	-	-	-	-	-	-	-
Factoring **	-	-	346,171	346,171	-	341,825	4,346
Development and construction of property activities	-	-	-	-	-	52,079	(44,302)
Support activities	-	-	-	-	-	-	-
Care activities	-	-	-	-	-	-	-
Agency/management services for RSLs	-	-	-	-	-	-	-
Other agency /management services	-	-	-	-	-	-	-
Developments for sale to RSLs	-	-	-	-	-	-	-
Development and improvements for sale to non RSLs	-	-	-	-	-	-	-
Other activities	-	-	56	56	1,031	-	1,031
Total from other activities 2024	-	54,628	346,227	400,855	33,381	508,642	(107,787)
Total from other activities 2023	-	32,350	1,031	33,381	33,381		(94,633)

* Undertaken to support the community, other than the provision, construction, improvement and management of housing.

** Factoring service previously carried out by Williamsburgh Property Services Ltd.

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

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

7. Directors' Emoluments

The directors are defined as the members of the Management Committee, the Director and any other person reporting directly to the Director or the Management Committee whose total emoluments exceed £60,000 per year. No emoluments were paid to any member of the Committee of Management during the year (2023 – none). The Association considers key management personnel to be the Management Committee and senior management team (Executives) of the Association only.

	2024 £	2023 £
Emoluments of the current Director (excluding pension contributions)	<u>84,529</u>	<u>79,026</u>
Total expenses reimbursed insofar as not chargeable to UK income tax	<u>-</u>	<u>-</u>

The director is an ordinary member of the Association's defined contribution pension scheme. No enhanced or special terms apply to membership and they have no other pension arrangements to which the Association contributes. The Association's contributions for the Director were £8,453 (2023 - £7,858).

The emoluments of key management (excluding pension contributions and including benefits in kind) for the year were £347,712 (2023 - £332,776). Their employers' NI contributions for the year were £38,731 (2023 - £39,038) and their pension contributions for the year were £51,775 (2023 - £51,379).

The emoluments of key management whose total emoluments exceed £60,000 (excluding pension contributions and including benefits in kind) for the year were £347,712 (2023 - £209,293). Their employers' NI contributions for the year were £38,731 (2023 - £25,172) and their pension contributions for the year were £51,775 (2023 - £31,661).

The number of key management whose emoluments exceed £60,000 in the year are as follows:

	2024 Number	2023 Number
£60,000 - £69,999	4	2
£70,000 - £79,999	-	1
£80,000 - £89,999	1	-
£90,000 - £99,999	-	-
	<u>1,211</u>	<u>1,407</u>
Committee Members Expenses	<u>1,211</u>	<u>1,407</u>

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

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

8. Employee Information	2024 Number	2023 Number
The average number of full-time equivalent employees during the year was:	43.4	39.1
Staff costs during year:		
Wages and salaries	1,748,949	1,614,381
Social security costs	173,058	165,034
Pension costs	246,675	229,922
Defined benefit pension liability – staff service costs (note 22)	(77,000)	(44,063)
Agency costs	-	2,696
	<u>2,091,682</u>	<u>1,967,970</u>
9. Operating surplus	£	£
Operating surplus is stated after charging:		
Depreciation on tangible fixed assets	2,142,434	2,962,291
Auditor's remuneration – audit fees	16,284	13,824
Auditor's remuneration – non-audit fees	-	384
Operating leases	5,710	5,710
	<u>2,164,428</u>	<u>2,992,209</u>
10. Gain on disposal of property, plant and equipment	2024 £	2023 £
Vehicle disposal	-	3,451
	<u>-</u>	<u>3,451</u>
11. Interest receivable and other income	2024 £	2023 £
Bank interest receivable	287,837	82,193
Defined benefit pension liability – interest gain (Note 23)	-	2,000
	<u>287,837</u>	<u>84,193</u>
12. Interest payable and similar charges	2024 £	2023 £
On bank loans and overdrafts	-	-
Defined benefit pension liability – interest charge (Note 23)	17,000	-
	<u>17,000</u>	<u>-</u>

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

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

13. Tangible Fixed Assets - Housing properties	Housing Properties Held for Letting £	Housing Properties under Construction £	Total £
Cost			
As at 1 April 2023	124,444,043	267,744	124,711,787
Additions during year:			
Components	1,520,702	126,208	1,646,910
Property	250,000		250,000
Disposals during year:			
Property	-	-	-
Components	(516,578)	-	(516,578)
As at 31 March 2024	<u>125,698,167</u>	<u>393,952</u>	<u>126,092,119</u>
Depreciation			
As at 1 April 2023	54,117,398	-	54,117,398
Charge for the year	2,048,081	-	2,048,081
Disposals during year:			
- Property	-	-	-
- Components	(495,486)	-	(495,486)
As at 31 March 2024	<u>55,669,993</u>	<u>-</u>	<u>55,669,993</u>
Net Book Value			
As at 31 March 2024	<u>70,028,174</u>	<u>393,952</u>	<u>70,422,126</u>
As at 31 March 2023	<u>70,326,645</u>	<u>267,744</u>	<u>70,594,389</u>

Additions to Housing Properties during the year includes no capitalised interest (2023 - £nil) and £19,963 capitalised administration costs (2023 - £54,343). All housing properties are freehold. Properties with a cost of £nil (2022 - £nil) and accumulated depreciation of £nil (2023 - £nil) were disposed of in the year for net proceeds (after grant repaid of £nil) of £nil (2023 - £nil).

Components with a cost of £516,578 (2023 - £374,460) and accumulated depreciation of £495,486 (2023 - £352,214) were disposed of in the year.

Included in housing properties is land with a historic cost allocation of £7,709,247 (2023 - £7,693,549).

14. Housing Stock

The number of housing units in management as at 31 March 2024 was:

	2024 Number	2023 Number
General Needs Housing	1,649	1,644
Supported Housing	36	37
Total Units	<u>1,685</u>	<u>1,681</u>

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

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

15. Tangible Fixed Assets - Other fixed assets

	Office Premises £	Office Vehicle £	Furniture & Fittings £	Total £
Cost				
At 31 March 2023	436,257	38,548	567,739	1,042,544
Additions during year	35,159	36,889	12,332	84,380
Disposals	(82)	-	(82,995)	(83,077)
At 31 March 2024	<u>471,334</u>	<u>75,437</u>	<u>497,076</u>	<u>1,043,847</u>
Depreciation				
At 1 April 2023	371,412	7,711	327,194	706,317
Charge for year	18,334	15,087	30,250	63,671
On disposals	(82)	-	(73,405)	(73,487)
At 31 March 2024	<u>389,664</u>	<u>22,798</u>	<u>284,039</u>	<u>696,501</u>
Net Book Value				
At 31 March 2024	<u>81,670</u>	<u>52,639</u>	<u>213,037</u>	<u>347,346</u>
At 31 March 2023	<u>64,845</u>	<u>30,837</u>	<u>240,545</u>	<u>336,227</u>

16. Investments

	2024 £	2023 £
Investment in subsidiary undertaking	-	2

During 2005/06 Williamsburgh Housing Association Limited acquired 2 ordinary £1 shares in Williamsburgh Property Services Limited which represented 100% shareholding in Williamsburgh Property Services Limited. Williamsburgh Property Services Ltd stopped trading as at midnight 31 March 2023 and the registered company strike off occurred on 10th October 2023.

As at 31 March 2024 the capital and reserves and results for the year of Williamsburgh Property Services Limited were:

	2024 £	2023 £
Capital and reserves	-	2
Profit for the year	-	-

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

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

17. Debtors	2024 £	2023 £
Arrears of rent and service charges	244,106	297,046
Less: provision for doubtful debts	(149,451)	(181,642)
	<u>94,655</u>	<u>115,404</u>
Other debtors	35,674	32,545
Amounts due from subsidiary	-	-
Prepayments and accrued income	503,509	204,563
	<u>633,838</u>	<u>352,512</u>
	<u><u>633,838</u></u>	<u><u>352,512</u></u>
18 Cash and cash equivalents	2024 £	2023 £
Current accounts	3,636,937	2,619,289
Deposit accounts	8,111,105	7,089,200
Cash in hand	40	87
	<u>11,748,082</u>	<u>9,708,576</u>
	<u><u>11,748,082</u></u>	<u><u>9,708,576</u></u>
19. Creditors – Amounts falling due within one year	2024 £	2023 £
Other taxes and social security costs	43,209	47,105
Owed to contractors	1,494,768	673,256
Rents and service charges in advance	545,961	567,141
Trade creditors	141,075	88,711
Sundry creditors and accruals	162,513	160,454
Deferred Income	42,000	-
Amounts due to subsidiary	-	2
Deferred Government capital grants	1,202,160	1,759,626
	<u>3,631,686</u>	<u>3,296,295</u>
	<u><u>3,631,686</u></u>	<u><u>3,296,295</u></u>

Pension contributions of £37,175 were outstanding at the year-end (2023 - £Nil).

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

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

20. Creditors – Amounts falling due after one year	2024 £	2023 £
Deferred Government capital grants	<u>41,362,444</u>	<u>41,588,100</u>
21. Deferred capital grants	2024 £	2023 £
Deferred capital grants at 1 April	43,347,726	45,116,139
Grants received in year	433,331	-
Released to income in year	(1,216,454)	(1,768,413)
Deferred capital grants at 31 March	<u>42,564,603</u>	<u>43,347,726</u>
	2024 £	2023 £
Split:		
Due within one year	1,202,160	1,759,626
Due between one and two years	1,192,143	1,744,323
Due between two and five years	3,536,294	5,122,980
Due after five years	36,634,006	34,720,797
	<u>42,564,603</u>	<u>43,347,726</u>
22. Share capital	2024 £	2023 £
Shares of £1 each fully paid and issued as at 1 April	85	83
Shares issued in year	10	3
Shares cancelled in year	(6)	(1)
As at 31 March	<u>89</u>	<u>85</u>

All shares are non-withdrawable and do not carry any right to interest or dividend.

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

23. Retirement Benefit Obligations

Williamsburgh Housing Association Limited (the Association) participates in the Scottish Housing Associations' Pension Scheme (the "Scheme").

The Scheme is a multi-employer defined benefit scheme which provides benefits to some 150 non-associated employers. The Scheme is funded. 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 pension schemes in the UK.

The Scheme offers six benefit structures to employers, namely:

- Final salary with a 1/60th accrual rate;
- Career average revalued earnings with a 1/60th accrual rate;
- Career average revalued earnings with a 1/70th accrual rate;
- Career average revalued earnings with a 1/80th accrual rate;
- Career average revalued earnings with a 1/120th accrual rate contracted in; and
- Defined Contribution (DC) option.

An employer can elect to operate different benefit structures for their active members (as at the first day of April in any given year) . The DC option can be introduced by the employer on the first day of any month after giving a minimum of three months' prior notice.

Williamsburgh Housing Association Limited closed the final salary with a 1/60th accrual rate for all members from 31st March 2024 , (note the scheme was closed to new entrants from 31 March 2021) and all current members will transfer to the Defined Contribution scheme from April 2024. During the accounting period the Association paid DB contributions at the rate of 18.4% of pensionable salaries. Member contributions were 14.0% and at the Statement of Financial Position date there were 21 (2023 -23) members of the DB Scheme.

The Defined Contribution (DC) scheme was originally introduced to the association from 1 July 2018. The Association pays contributions at the rate of 10.45% of pensionable salaries and member contributions pay a minimum of 5% with new staff members automatically auto enrolled into the DC scheme. At the Statement of Financial Position date there were 19 (2023 – 17) active members of the DC Scheme

The Trustees commission an actuarial valuation of the Scheme every three years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required, so that the Scheme can meet its pension obligations as they fall due.

The last triennial valuation of the Scheme for funding purposes was carried out as at 30 September 2021 and has produced a net deficit of £27m –(equivalent to a funding level of 98%). A Recovery Plan was previously in place to eliminate the deficit which ran to 30 September 2022 for the majority of employers, although certain employers have different arrangements.

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

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024****23. Retirement Benefit Obligations (continued)**

The SHAPS defined benefit pension liability is accounted for as a defined benefit pension scheme from 1 April 2018 onwards. In accordance with FRS 102 section 28, the operating and financing costs of pension and post-retirement schemes (determined by TPT) are recognised separately in the Statement of Comprehensive Income. Service costs are systematically spread over the service lives of the employees and financing costs are recognised in the period in which they arise. The difference between actual and expected returns on assets during the year, including changes in the actuarial assumptions, is recognised in Other Comprehensive Income.

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

On 21 March 2023 the Scheme Trustee issued an update to employers which included an estimate of the potential total additional liabilities at the total scheme level estimating that this could potentially increase the value of the full Scheme liabilities by £27m. We note that this estimate has been calculated as at 30 September 2022 on the Scheme's Technical Provisions basis. Until the Court direction is received, it is unknown whether the full (or any) increase in liabilities will apply and therefore, in line with the prior year, no adjustment has been made in these financial statements in respect of this.

In 2019 the Pensions Trust, the administrator of the scheme, developed a method of determining the share of asset 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 (£576,000).

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

	31 March 2024	31 March 2023
	£'000	£'000
Fair value of plan assets	7,403	7,396
Present value of defined benefit obligation	(8,482)	(7,782)
Defined benefit liability to be recognised	1,079	(386)

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

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

23. Retirement Benefit Obligations (continued)

Reconciliation of opening and closing balances of the defined benefit obligation

	Year ended 31 March 2024 £'000	Year ended 31 March 2023 £'000
Defined benefit obligation at start of period	(7,782)	(13,159)
Current service cost	(165)	(262)
Expenses	(12)	(11)
Interest expense	(378)	(356)
Contributions by plan participants	(45)	(66)
Actuarial gain/(losses) due to scheme experience	(476)	1,411
Actuarial losses due to changes in demographic assumptions	47	162
Actuarial gains/(losses) due to changes in financial assumptions	65	3,400
Benefits paid and expenses	264	1,099
Defined benefit liability at the end of the period	(8,482)	(7,782)

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

	Year ended 31 March 2024 £'000	Year ended 31 March 2023 £'000
Fair value of plan assets at start of the period	7,396	13,100
Interest income	361	358
Experience on plan assets (excluding amounts included in interest income) - gain	(389)	(5,514)
Contributions by the employer	254	485
Contributions by plan participants	45	66
Benefits paid and expenses	(264)	(1,099)
Fair value of plan assets at end of period	7,403	7,396

Defined benefit costs recognised in the Statement of Comprehensive Income

	Year ended 31 March 2024 £'000	Year ended 31 March 2023 £'000
Current service cost	165	262
Admin expenses	12	11
Net interest expense	17	(2)
Defined benefit costs recognised in Statement of Comprehensive Income	194	271

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

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

23. Retirement Benefit Obligations (continued)

Defined benefit costs recognised in Other Comprehensive Income

	Year ended 31 March 2024 £'000	Year ended 31 March 2023 £'000
Experience on plan assets (excluding amounts included in net interest – gain)	(389)	(5,514)
Experience gains and losses arising on the plan liabilities – gain	(476)	1,411
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - losses	47	162
Effects of changes in the financial assumptions underlying the present Value of the defined benefit obligation – gain/(loss)	65	3,400
Total amount recognised in other comprehensive income – gain/ (loss)	(753)	(541)

Fund allocation for employer's calculated share of assets

	31 March 2024 £'000	31 March 2023 £'000
Global Equity	851	195
Absolute Return	333	101
Distressed Opportunities	272	227
Credit Relative Value	261	282
Alternative Risk Premia	267	43
Index Linked All Stock Gilts	2,677	3,132
Emerging Markets Debt	130	57
Risk Sharing	444	539
Insurance-Linked Securities	46	206
Property	313	308
Infrastructure	709	797
Private Equity	6	-
Private Debt	298	330
Opportunistic Liquid Credit	295	327
High Yield	1	37
Opportunistic Credit	-	-
Cash	192	31
Corporate Bond Fund	-	10
Liquid Credit	-	-
Long Lease Property	55	248
Secured Income	247	495
Over 15 Year Gilts	-	-
Liability Driven Investment	(3)	14
Net Current Assets	9	17
Total Assets	7,403	7,396

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

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

23. Retirement Benefit Obligations (continued)

Employer debt on withdrawal

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Scheme. The debt is due in the event of the employer ceasing to participate in the Scheme or the Scheme winding up. The debt for the Scheme as a whole is calculated by comparing the liabilities for the Scheme (calculated on a buyout basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Scheme. If the liabilities exceed assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the Scheme's liability attributable to employment with the leaving employer compared to the total amount of the Scheme's liabilities (relating to employment with all the employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Scheme liabilities, Scheme investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

The Association has been notified by TPT of the estimated employer debt on withdrawal from the Scheme based on the financial position of the Scheme as at 30 September 2023. As of this date the estimated employer debt for the Association was £2,726,549 (2023 - £3,545,213).

	2024 £	2023 £
24. Net Cash Flow from Operating Activities		
Surplus for the year	2,109,947	1,483,898
<u>Adjustment for non-cash items:</u>		
Depreciation of tangible fixed assets including loss on disposal of components	2,142,434	2,962,291
Decrease/(increase) in trade and other debtors	(281,326)	(78,642)
(Increase)/decrease in trade and other creditors	892,859	(125,310)
Interest charge in respect of the defined benefit pension liability	17,000	(2,000)
Staff service costs in respect of the defined benefit pension liability	(77,000)	(44,063)
<u>Adjustments for investing and financing activities:</u>		
Net proceeds from sale of tangible fixed assets	-	(3,451)
Interest payable	-	-
Interest received	(287,837)	(82,193)
Release of deferred Government capital grants	(1,216,454)	(1,768,413)
SHAPS past service deficit payment	-	(167,937)
Shares cancelled	(6)	(1)
	<u>3,299,617</u>	<u>2,174,179</u>
Net cash inflow from operating activities	<u>3,299,617</u>	<u>2,174,179</u>

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

25. Capital Commitments	2024	2023
	£	£
Capital expenditure that has been contracted for but has not been provided for in the financial statements	<u>786,866</u>	<u>177,168</u>
The above commitments will be financed by:		
Association's reserves	<u>786,866</u>	<u>177,168</u>

26. Other Financial Commitments

At 31 March 2024, the Association had total commitments under non-cancellable operating leases as detailed below:

	2024	2023
	£	£
Within 1 year	5,710	5,710
Between 2 and 5 years	8,090	13,800
Over 5 years	-	-
Total	<u>13,800</u>	<u>19,510</u>

27. Related Party Transactions

There are two tenant members and eight non-tenant members of the Management Committee. Of the eight Committee members who are non-tenants one is a representative of Renfrewshire Council. All transactions with members of the Management Committee are carried out at arm's length.

During 2023/24 there were no agency services provided to Williamsburgh Property Services Limited with Williamsburgh Property Services Ltd ceasing trading as at 31 Marh 2023 (strike off 10th Octoer 2023). Costs of services provision were recharged to Williamsburgh Property Services Limited during the year 2023 (£70,461) which were recharged to Williamsburgh Property Services Limited.

Management committee members

As detailed above, the Association has Management Committee members who are also tenants. The total rent charged in the year relating to tenant Management Committee members is £10,703 (2023 - £9,990). The total rent arrears relating to tenant Management Committee members included within debtors at the year-end is £nil (2023 - £nil). The total prepaid rent relating to tenant Management Committee members included within creditors is £591 (2023 - £412).