



Alexander Sloan
Accountants and Business Advisers

Glen Oaks Housing Association Limited

Report and Financial Statements

For the year ended 31 March 2021

Registered Social Landlord No. HCB241

FCA Reference No. 2402R(S)

Scottish Charity No. SC034301

GLEN OAKS HOUSING ASSOCIATION LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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GLEN OAKS HOUSING ASSOCIATION LIMITED

BOARD, EXECUTIVES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

BOARD

Mr S Gaunt	Chair
Ms K Clayton	Vice-Chair
Ms K Barker	Treasurer
Mrs E Gotowicz	Resigned 28.7.21
Mr J Ayorinde	
Mr A Edgar	
Ms M Flaherty	
Mrs H Gracie	
Ms F Koroma	
Ms A Louden	Resigned 11.2.21
Mrs P McGinlay MBE	
Ms E McShane	Resigned 15.9.20
Mr M Overthrow	
Mr M Smith	

EXECUTIVE OFFICERS

Alasdair McKee	Chief Executive and Secretary
Nicola Logan	Finance Director
Jean Murray	Housing Services Director
Donald Weir	Technical Director

REGISTERED OFFICE

3 Kilmuir Drive
Arden
Glasgow
G46 8BW

EXTERNAL AUDITORS

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

INTERNAL AUDITORS

Henderson Loggie
The Vision Building
20 Greenmarket
Dundee
DD1 4QB

BANKERS

Royal Bank of Scotland
Fenwick Road
Glasgow
G46 6XB

SOLICITORS

T C Young
7 West George Street
Glasgow
G2 1BA

GLEEN OAKS HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2021

The Board presents its report and the financial statements for the year ended 31 March 2021.

Legal Status

The Association is registered with the Financial Conduct Authority as a Co-operative and Community Benefit Society (No. 2402R(S)), the Scottish Housing Regulator as a registered social landlord (No. HCB241) under the Housing (Scotland) Act 2010 and as a registered Scottish Charity with the charity number SC034301.

Principal Activities

The principal activities of the Association are the provision and management of affordable rented accommodation and the development of low-cost home ownership schemes.

Review of Business and Future Developments

Glen Oaks Housing Association identifies with the following Strategic Aims:

- Dedication to offering housing solutions and routes into social inclusion by building, managing and maintaining a range of affordable housing.
- Contributing to community sustainability and regeneration, through innovation and relationships built on trust with our customers and partners.
- Ensure we are an employer of choice and that we deliver quality service and standards throughout our activities including customer involvement.
- Ensure the Association is financially and operationally viable.
- Respect for diversity and ensuring accountability, openness and integrity.
- Ensure all activities comply with good governance.

Our Vision is one of diverse communities in which people can expand their opportunities, exercise choice and maximise their potential. To help achieve this, we want to help to drive innovation and quality in accessible housing in Scotland. Some of the main objectives which we think can help this aim include;

- Achieving continuous improvement in all the services we deliver and achieving and maintaining high standards of business efficiency and effectiveness.
- Creating opportunities for significant levels of user involvement in what we do.

We see these as challenging objectives, which will change the way we deliver our core services of housing, advice and consultancy. In particular, we seek to challenge what we currently do and look to improve, rather than simply carry on with existing patterns of work.

GLEN OAKS HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2021 Review of Business and Future Developments (Contd.)

Operational Review

Corporate Governance

Glen Oaks has a Board that is elected by the members of the Association. It is the responsibility of the Board to undertake the strategy, setting of policy and overall direction of the Association. It also monitors the operational activities of the Association. The members of the Board are unpaid.

The Association also has the following Sub-Committees:

- Finance, Audit and Corporate Services Sub-Committee
- Housing, Technical and Health & Safety Sub-Committee

The Corporate Management Team of Glen Oaks (as listed on page 1) are responsible for achieving the strategy set and undertaking the operational activities in line with policies set. The Corporate Management Team together with the members of the Board are considered to be the Key Management Personnel of the Association.

Our Governing Body is our Board, which is responsible to the wider membership. Board members serve in a voluntary capacity and we recognise that this puts even more onus on us to ensure that we set and achieve high standards of professionalism in our work. We take governance very seriously and in the last year we have continued to build on work from previous years which has strengthened our governance arrangements.

Customer Engagement

Tenant involvement and participation is extremely important to Glen Oaks. We have an established tenant-led Service Improvement Group. During this year the Service Improvement Group reviewed our Communications Strategy and provided feedback in respect of our annual rent review documentation.

The Service Improvement Group will continue to be developed and supported through training provided by TIS.

GLEN OAKS HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2021

Review of Business and Future Developments (Contd.)

Performance Management

The Association operates a robust performance management system based on the annual internal management plan. The objectives contained within this document flow through the entire organisation and are reflected in the individual staff members' development reviews. From these, a training needs assessment is carried out and the appropriate training programme prepared for the year. The Association is committed to involving staff in decision making and policy making. As such, we also have two staff review days each year. We also involve our Board members in a skills and training review.

Glen Oaks is also a member of two benchmarking groups where performance comparisons are reviewed and discussed in detail.

Best use of resources

We are keen to introduce new ways of working that will ensure the best use of our resources. We continue to develop our IT systems and this year we carried out improvements to our tenant portal.

Services

The Association aims to provide an excellent service to our tenants. Our Gold Service scheme has been in place for a number of years and has been well received by tenants. The scheme provides benefits to those tenants that keep to the conditions of their tenancy agreement. In this current year we provided bonus bonds.

Maintenance Policies

In line with the SORP 2018, replacements to building components (as identified in Note 1) are capitalised in the accounts as they occur. All other major repairs are charged to the Statement of Comprehensive Income.

GLEN OAKS HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2021

Review of Business and Future Developments (Contd.)

Development Issues

The Association completed the remaining 39 new houses from a 49 unit housing development via a Design & Build Contract with AS Homes (Scotland) Ltd. The project was funded by a grant from the Scottish Government via Glasgow City Council and Private Finance.

The Association received planning permission for a further 30 unit development at Kilmuir Crescent, Arden and received in principle approval for a 47 unit development at Kennisholm Avenue, Old Darnley. Both projects will be financed through Scottish Government grant funding and from private finance.

Housing Issues

The Association has an income maximisation team, supported by welfare rights and debt/energy advisers. We have an early intervention approach to supporting tenants who are having difficulty paying their rent. This has been essential due to the hardship faced by some of our tenants through the Pandemic. We currently have 62% of our tenants who receive assistance with housing costs. This year we collected 101.51% of our rental income with gross rent arrears reducing from 3.57% to 3.42%.

Our stock turnover decreased this year from 9.25% to 7.42%. However, we saw an increase in void rent loss due to the restrictions in letting properties during the first quarter of the year. Additionally, with the requirements of social distancing our contractor's performance was greatly reduced as it took longer for properties to be repaired, prior to letting. As a result, our void rent loss increased from 0.57%, to 1.79%. It is anticipated that this will improve as we move out of lockdown. During the year we worked in partnership with the Glasgow City Council to increase the number of temporary furnished flats available for homeless persons. We leased 14 flats to GCC for this purpose and worked with GCC Local Lettings Community to ensure that we contributed to the targets set by the Council to permanently rehouse homeless applicants. We have been successful in supporting many of our previously homeless tenants and have recorded 100% tenancy sustainment in the last year. We continue to see a healthy demand for our properties, with reduced refusal rates. We had 416 applicants on our housing list at the end of March, an increase of 60 applicants on the previous year. We continue to offer a fully responsive Anti-Social Behaviour Service to our tenants and improved upon our response rate of 93.12% achieving 98.47% cases resolved within locally agreed targets this year.

Communities Issues

The home is fundamental to the well-being of people and the sustainment of communities. The shaping of services and the creation of networks to support our communities is an essential part of our business. This approach enabled us to quickly respond and support many of our vulnerable tenants at the start of the Pandemic. We have been very successful during 2020/21 in obtaining a total of £273,301.80 in funding, to assist us to continue delivering services to the communities we serve. Funding sources were GCC Glasgow Communities Fund £126,383, the SG Debt Advice Levy Fund (administered by Advice Pro) £34,000; SG Wellbeing Fund £41,231, GCC Digital Inclusion Fund £15,000, GCC Addressing Future Needs £5000, SG Connecting Scotland £14,260, Cash for Kids £11,390, Reconnect Covid White Goods and Furniture Emergency Fund £5553.80, Ripple Effect £3,500, GCC IGF £6,500, G53 Together £6,500 and Enabling Communities Fund £3,984. This funding has allowed us to provide Digital and Financial Inclusion services, helping with money, debt, energy and digital support. It has also given us the opportunity to purchase digital devices, supplying free wi-fi and cyber security for our residents. Salary costs for our Tenancy Sustainment services has meant that we have been able to deliver hot food to 171 families on a weekly basis over 4 months of the Pandemic and obtained emergency white goods for those in need. A befriending service has been established and wellbeing activities have been held via Zoom and latterly through our walking club. We have co-ordinated partnership working with local community groups and charities, to deliver on our wider role strategy. We continue to work closely with the Community Planning Partnership and Health and Social Care Partnership to create a sense of "Place".

GLEN OAKS HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2021

Review of Business and Future Developments (Contd.)

Working with our tenants and volunteers, we are seeing greater participation and engagement from within our communities. Our recent Tenant Satisfaction Survey showed that 97% of our tenants were satisfied with the opportunities to participate in the Association's services. We are in the process of establishing a community garden which has been supported by AS Homes who recently completed our 49 new build homes. Funding has been obtained to develop this through 21/22.

Property Maintenance

The major repairs programme was largely suspended during 2020-21 because of the pandemic. The only projects on-site were as follows:

- Continuation of installation of linked smoke and heat alarms at various properties.
- Commencement of timber fence replacement contract in Ben Macdui Gardens, Darnley.

In addition, a full programme of cyclical maintenance took place which included:

- Electrical safety inspections
- External and Internal paintwork
- Gas servicing
- 6 monthly inspections of common water tanks
- Servicing of ventilation units
- Landscape maintenance and tree pruning
- Commencement of monthly tenement backcourt bulk uplift service

The reactive and void maintenance programmes both continued through the year, at a reduced level at times in line with Scottish Government pandemic restrictions.

Risk Management Policy

The Association has a formal risk management process to assess business risks and implement risk management strategies. This involved identifying the types of risks the Association faces, prioritising them in terms of potential impact and likelihood of occurrence and identifying means of mitigating the risks. As part of this process the Board has reviewed the adequacy of the Association's current Internal Controls.

In addition, the Board has considered the guidance for directors of public listed companies contained within the Turnbull Report. The Board believe that, although this is not mandatory for the Association, it should, as a public body, adopt these guidelines as best practice.

Accordingly the Board have set policies on internal controls which cover the following:

- Consideration of the type of risks the Association faces;
- The level of risks which they regard as acceptable;
- The likelihood of the risks concerned materialising;
- The Association's ability to reduce the incidence and impact on the business of risks that do materialise;
- Clarified the responsibility of management to implement policies and identify and evaluate risks;
- Communicated that employees have responsibility for internal control as part of their accountability for achieving objectives;
- Embedded the control system in the RSL's operations so that it becomes part of the culture of the Association;
- Developed systems to respond quickly to evolving risks arising from factors within and to changes in the external environment; and
- Included procedures for reporting failings immediately to appropriate levels of management and the Board together with details of corrective action being taken.

GLEN OAKS HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2021

Covid-19 Pandemic

During the extremely challenging circumstances of the Covid-19 pandemic the Association has continued to deliver services in line with Government guidelines. The Board is proud of the efforts of the staff team throughout this period and recognises the many challenges faced by our tenants. Our staff team have worked hard to help and support tenants, and our Go Connect project carried out many initiatives as outlined in this report.

Board and Executive Officers

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

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

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

Statement of Board's Responsibilities

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

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

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

Going Concern

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

GLEEN OAKS HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2021

Statement on Internal Financial Control

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

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

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

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

The Board has reviewed the effectiveness of the system of internal financial control in existence in the Association for the year end 31 March 2021. No weaknesses were found in the internal financial controls which resulted in material losses, contingencies or uncertainties which require disclosure in the financial statements or in the auditor's report on the financial statements.

Donations

During the year the Association made charitable donations of £300 (2020 - £263).

Disclosure of Information to the Auditor

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

Auditor

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

GLEN OAKS HOUSING ASSOCIATION LIMITED

REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2021

By order of the Board



Alasdair McKee
Secretary
18 August 2021

GLEN OAKS HOUSING ASSOCIATION LIMITED

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

In addition to our audit of the financial statements, we have reviewed your statement on page 8 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 8 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 and Officers of the Association and examination of relevant documents, we have satisfied ourselves that the Board's Statement on Internal Financial Control appropriately reflects the Association's compliance with the information required by the relevant Regulatory Standards in respect of internal financial controls contained within the publication "Our Regulatory Framework" and associated Regulatory Advice Notes issued by the Scottish Housing Regulator in respect of internal financial controls.



ALEXANDER SLOAN
Accountants and Business Advisers
Statutory Auditors
GLASGOW
18 August 2021



GLEN OAKS HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLEN OAKS HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of Glen Oaks Housing Association Limited (the 'Association') for the year ended 31 March 2021 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 2021 and of the surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 2019.

Basis of Opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Board'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 Board with respect to going concern are described in the relevant sections of this report.

Other Information

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

GLEN OAKS HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLEN OAKS HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2021 (continued)

Other Information (Contd.)

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 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 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

As explained more fully in the statement of Board's responsibilities as set out on page 7, the Board is responsible for the preparation of the financial statements and for being satisfied that they give true and fair view, and for such internal control as the Board determines 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 Board is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

GLEN OAKS HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLEN OAKS HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2021 (continued)

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

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

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

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

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

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

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

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

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

GLEN OAKS HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLEN OAKS HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2021 (continued)

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

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

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

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

Use of our Report

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



ALEXANDER SLOAN
Accountants and Business Advisers
Statutory Auditors
GLASGOW
18 August 2021



GLEN OAKS HOUSING ASSOCIATION LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021	2020
		£	£
Revenue	2	6,927,461	6,655,373
Operating costs	2	4,804,621	5,012,301
OPERATING SURPLUS		2,122,840	1,643,072
Gain on sale of housing stock	7	39,498	35,792
Interest receivable and other income		4,337	37,780
Interest payable and similar charges	8	(1,102,840)	(1,156,603)
Other Finance income/(charges)	11	(1,000)	(30,000)
		(1,060,005)	(1,113,031)
SURPLUS FOR THE YEAR	9	1,062,835	530,041
Other comprehensive income			
Actuarial gains/(losses) on defined benefit pension plan	19	(965,000)	1,067,000
TOTAL COMPREHENSIVE INCOME		97,835	1,597,041

The results relate wholly to continuing activities.

The notes on pages 19 to 36 form an integral part of these financial statements.

GLEN OAKS HOUSING ASSOCIATION LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	Notes	2021		2020	
		£	£	£	£
NON-CURRENT ASSETS					
Housing properties - depreciated cost	12		59,731,820		59,616,366
Other tangible assets	12		308,653		338,879
Intangible assets	12		243,515		283,281
Investments	13		47,064		28,500
			<u>60,331,052</u>		<u>60,267,026</u>
CURRENT ASSETS					
Receivables	14	471,317		434,698	
Cash and cash equivalents	15	8,319,044		5,635,898	
		<u>8,790,361</u>		<u>6,070,596</u>	
CREDITORS: Amounts falling due within one year	16	<u>(2,652,194)</u>		<u>(3,173,128)</u>	
NET CURRENT ASSETS			<u>6,138,167</u>		<u>2,897,468</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>66,469,219</u>		<u>63,164,494</u>
CREDITORS: Amounts falling due after more than one year	17		<u>(27,555,878)</u>		<u>(24,985,226)</u>
PENSIONS AND OTHER PROVISIONS FOR LIABILITIES AND CHARGES					
Scottish housing association pension scheme	19	<u>(877,000)</u>		<u>(148,000)</u>	
			<u>(877,000)</u>		<u>(148,000)</u>
DEFERRED INCOME					
Social housing grants	20	<u>(27,083,837)</u>		<u>(27,149,814)</u>	
Other grants	20	<u>(2,472,554)</u>		<u>(2,499,333)</u>	
			<u>(29,556,391)</u>		<u>(29,649,147)</u>
NET ASSETS			<u>8,479,950</u>		<u>8,382,121</u>
EQUITY					
Share capital	21		98		104
Revenue reserves			9,356,852		8,530,017
Pension reserves			<u>(877,000)</u>		<u>(148,000)</u>
			<u>8,479,950</u>		<u>8,382,121</u>

The financial statements were approved by the Board and authorised for issue and signed on their behalf on 18 August 2021.



Committee member



Committee member



Secretary

The notes on pages 19 to 36 form an integral part of these financial statements.

GLEN OAKS HOUSING ASSOCIATION LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021		2020	
		£	£	£	£
Surplus for the Year			1,062,835		530,041
<i>Adjustments for non-cash items:</i>					
Depreciation of tangible fixed assets	12	1,218,779		1,096,614	
Amortisation of intangible assets	12	39,766		37,739	
Amortisation of capital grants	20	(327,067)		(312,938)	
Gain on disposal of tangible fixed assets		(39,498)		(37,044)	
Non-cash adjustments to pension provisions		(236,000)		(169,000)	
Change in market value of investments		(18,564)		-	
Share capital written off	21	(6)		(13)	
			637,410		615,358
Interest receivable			(4,337)		(37,780)
Interest payable	8		1,102,840		1,156,603
Operating cash flows before movements in working capital			2,798,748		2,264,222
Change in debtors		(36,619)		121,016	
Change in creditors		(348,684)		(187,679)	
			(385,303)		(66,663)
Net cash inflow from operating activities			2,413,445		2,197,559
Investing Activities					
Acquisition and construction of properties		(1,298,745)		(7,093,240)	
Purchase of Intangible Fixed Assets		-		(27,657)	
Purchase of other fixed assets		(12,600)		(61,912)	
Social housing grant received		234,311		3,014,357	
Proceeds on disposal of housing properties		46,836		39,912	
Net cash outflow from investing activities			(1,030,198)		(4,128,540)
Financing Activities					
Loan Advances Received		3,000,000		1,000,000	
Loan redemption payments		-		(450,337)	
Interest received on cash and cash equivalents		4,337		37,780	
Interest paid on loans		(1,102,840)		(1,156,603)	
Loan principal repayments		(601,598)		(539,082)	
Share capital issued	21	-		6	
Net cash inflow / (outflow) from financing activities			1,299,899		(1,108,236)
Increase/(decrease) in cash	26		2,683,146		(3,039,217)
Opening cash & cash equivalents			5,635,898		8,675,115
Closing cash & cash equivalents			8,319,044		5,635,898
Cash and cash equivalents as at 31 March					
Cash	26		8,319,044		5,635,898
			8,319,044		5,635,898

The notes on pages 19 to 36 form an integral part of these financial statements.

GLEN OAKS HOUSING ASSOCIATION LIMITED

STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2021

	Share Capital	Scottish Housing Pension reserve	Revenue Reserve	Total
	£	£	£	£
Balance as at 1 April 2019	111	(1,384,000)	8,168,976	6,785,087
Issue of Shares	6	-	-	6
Cancellation of Shares	(13)	-	-	(13)
Other comprehensive income	-	1,067,000	-	1,067,000
Revaluation in year	-	-	-	-
Other movements	-	169,000	(169,000)	-
Surplus for the year	-	-	530,041	530,041
Balance as at 31 March 2020	104	(148,000)	8,530,017	8,382,121
Balance as at 1 April 2020	104	(148,000)	8,530,017	8,382,121
Issue of Shares	-	-	-	-
Cancellation of Shares	(6)	-	-	(6)
Other comprehensive income	-	(965,000)	-	(965,000)
Revaluation in year	-	-	-	-
Other movements	-	236,000	(236,000)	-
Surplus for the year	-	-	1,062,835	1,062,835
Balance as at 31 March 2021	98	(877,000)	9,356,852	8,479,950

The notes on pages 19 to 36 form an integral part of these financial statements.

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 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 beginning on or after 1 January 2019. They comply with the Determination of Accounting Requirements 2019. A summary of the principal accounting policies is set out below.

Revenue

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

The Association recognises 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 an employee benefit expense when they are due.

Going Concern

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

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 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>
Kitchens	Over 15 years
Bathrooms	Over 20 years
Boilers/Fires	Over 15 years
Windows/Doors	Over 25 years
Land	Not depreciated
Structure	Over 100 years
Roofs	Over 60 years
Mechanical Systems	Over 30 years
Electrics	Over 30 years
Windows 2	Over 45 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% Per annum
Furniture and Equipment	25% Per annum
Motor Vehicles	25% Per annum
Housing Software	10% Per annum

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.

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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.

VAT

The Association was previously registered for VAT but de-registered during the 2019/20 financial period. A substantial proportion of its income is exempt for VAT purposes. As a result most of the VAT paid was not recovered and therefore expenditure is shown inclusive of VAT.

Investment Properties

Investment properties are stated on an EUV-SH basis with the latest valuation having been performed by an independent professional adviser, JLL, in May 2021.

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 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 the Association to exercise judgement in applying the 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 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 considers its cash-generating units to be the schemes in which it manages its housing property for asset management purposes.

c) Financial instrument break clauses

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

d) Pension Liability

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

Estimation Uncertainty

a) Rent Arrears - Bad Debt Provision

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

b) Life Cycle of Components

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

c) Useful life of properties, plant and equipment

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

d) 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.

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS (continued)

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

		2021			2020		
	Notes	Turnover £	Operating costs £	Operating surplus / (deficit) £	Turnover £	Operating costs £	Operating surplus / (deficit) £
Affordable letting activities	3	6,724,468	4,344,523	2,379,945	6,476,090	4,422,008	2,054,082
Other Activities	4	202,993	460,098	(257,105)	179,283	590,293	(411,010)
Total		6,927,461	4,804,621	2,122,840	6,655,373	5,012,301	1,643,072

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

	General Needs Housing £	Shared Ownership -	2021 Total £	2020 Total £
Revenue from Lettings				
Rent receivable net of service charges	6,237,518	101,906	6,339,424	6,051,308
Service charges receivable	168,036	433	168,469	147,989
Gross income from rent and service charges	6,405,554	102,339	6,507,893	6,199,297
Less: Rent losses from voids	110,492	-	110,492	36,146
Income from rents and service charges	6,295,062	102,339	6,397,401	6,163,151
Grants released from deferred income	327,067	-	327,067	312,939
Total turnover from affordable letting activities	6,622,129	102,339	6,724,468	6,476,090
Expenditure on affordable letting activities				
Management and maintenance administration costs	1,809,826	13,938	1,823,764	1,836,696
Service costs	262,104	-	262,104	176,935
Planned and cyclical maintenance, including major repairs	491,076	-	491,076	499,315
Reactive maintenance costs	581,021	-	581,021	750,905
Bad Debts - rents and service charges	10,605	-	10,605	97,838
Depreciation of affordable let properties	1,166,315	9,638	1,175,953	1,060,319
Operating costs of affordable letting activities	4,320,947	23,576	4,344,523	4,422,008
Operating surplus on affordable letting activities	2,301,182	78,763	2,379,945	2,054,082
2020	1,974,623	79,459		

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 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	Other income	Total Turnover	Operating costs - bad debts	Other operating costs	Operating surplus / (deficit) 2021	Operating surplus / (deficit) 2020
	£	£	£	£	£	£	£	£
Wider role activities	74,825	55,505	-	130,330	-	230,566	(100,236)	(236,563)
Investment property activities	-	-	18,564	18,564	-	-	18,564	-
Factoring	-	-	48,043	48,043	-	53,786	(5,743)	2,048
Uncapitalised development administration costs	-	-	-	-	-	139,642	(139,642)	(131,708)
Other activities	-	-	6,056	6,056	-	33,402	(27,346)	(25,785)
Rechargeable repairs	-	-	-	-	-	2,702	(2,702)	(19,002)
Total From Other Activities	74,825	55,505	72,663	202,993	-	460,098	(257,105)	(411,010)
2020	106,956	540	71,787	179,283	13,896	576,397	(411,010)	

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 NOTES TO THE FINANCIAL STATEMENTS (continued)

5. OFFICERS' EMOLUMENTS

	2021	2020
	£	£
The Officers are defined in the Co-operative and Community Benefit Societies Act 2014 as the members of the Board, managers and employees of the Association.		
Aggregate emoluments payable to Officers with emoluments greater than £60,000 (excluding pension contributions)	314,229	321,124
Pension contributions made on behalf on Officers with emoluments greater than £60,000	29,480	29,131
Emoluments payable to Chief Executive (excluding pension contributions)	80,948	79,673
Pension contributions paid on behalf of the Chief Executive	8,088	8,199
Total emoluments payable to the Chief Executive	89,036	87,872
Total emoluments paid to Key Management personnel	343,709	350,254

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
£70,001 to £80,000	3	3
£80,001 to £90,000	1	1

6. EMPLOYEE INFORMATION

	2021	2020
	No.	No.
Average monthly number of full time equivalent persons employed during the year	35	32
Average total number of employees employed during the year	37	34
Staff costs were:	£	£
Wages and salaries	1,160,769	1,142,335
National insurance costs	118,854	114,022
Pension costs	120,854	115,016
Temporary, agency and seconded staff	-	29,873
	1,400,477	1,401,246

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 NOTES TO THE FINANCIAL STATEMENTS (continued)

7. GAIN ON SALE OF HOUSING STOCK

	2021	2020
	£	£
Sales proceeds	46,836	38,660
Cost of sales	7,338	2,868
	<u> </u>	<u> </u>
Gain on sale of housing stock	39,498	35,792
	<u> </u>	<u> </u>

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2021	2020
	£	£
On bank loans and overdrafts	1,102,840	1,156,603
	<u> </u>	<u> </u>
	1,102,840	1,156,603
	<u> </u>	<u> </u>

9. SURPLUS FOR THE YEAR

	2021	2020
	£	£
Surplus For The Year is stated after charging/(crediting):		
Depreciation - non-current assets	1,200,165	1,095,801
Loss on component disposals	-	2,920
Auditors' remuneration - audit services	9,400	9,000
Gain on sale of other non-current assets	-	(1,252)
	<u> </u>	<u> </u>

10. CORPORATION TAX

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

11. OTHER FINANCE INCOME / (CHARGES)

	2021	2020
	£	£
Net interest on pension obligations	(1,000)	(30,000)
	<u> </u>	<u> </u>

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 NOTES TO THE FINANCIAL STATEMENTS (continued)

12. NON-CURRENT ASSETS

(a) Housing Properties	Housing Properties Held for Letting £	Housing Properties In course of Construction £	Shared Ownership Completed £	Care Home £	Total £
COST					
At 1 April 2020	64,208,258	6,526,671	1,478,840	1,130,981	73,344,750
Additions	336,024	962,721	-	-	1,298,745
Disposals	(504,883)	-	(50,847)	-	(555,730)
Transfers	7,110,697	(7,110,697)	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2021	71,150,096	378,695	1,427,993	1,130,981	74,087,765
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
DEPRECIATION					
At 1 April 2020	12,369,437	-	1,190,543	168,404	13,728,384
Charge for Year	1,131,917	-	9,638	15,784	1,157,339
Transfers	-	-	(43,509)	-	(43,509)
Disposals	(486,269)	-	-	-	(486,269)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2021	13,015,085	-	1,156,672	184,188	14,355,945
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET BOOK VALUE					
At 31 March 2021	58,135,011	378,695	271,321	946,793	59,731,820
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2020	51,838,821	6,526,671	288,297	962,577	59,616,366
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Expenditure on Existing Properties	2021		2020	
	Component replacement £	Improvement/ Repairs £	Component replacement £	Improvement/ Repairs £
Amounts capitalised	94,083	91,067	1,338,337	501,255
Amounts charged to the statement of comprehensive income	-	1,072,097	-	1,250,220
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

All land and housing properties are heritable.

The Association's lenders have standard securities over housing property with a carry value of £53,190,330 (2020 - £43,456,295).

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

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 NOTES TO THE FINANCIAL STATEMENTS (continued)

12. NON CURRENT ASSETS (continued)

(b) Other tangible assets	Office Premises £	Furniture & Equipment £	Machinery & Equipment £	Total £
COST				
At 1 April 2020	334,168	365,836	15,951	715,955
Additions	-	12,600	-	12,600
Eliminated on disposals	-	-	-	-
At 31 March 2021	<u>334,168</u>	<u>378,436</u>	<u>15,951</u>	<u>728,555</u>
DEPRECIATION				
At 1 April 2020	89,714	285,371	1,991	377,076
Charge for year	6,685	32,152	3,989	42,826
Eliminated on disposals	-	-	-	-
At 31 March 2021	<u>96,399</u>	<u>317,523</u>	<u>5,980</u>	<u>419,902</u>
NET BOOK VALUE				
At 31 March 2021	<u>237,769</u>	<u>60,913</u>	<u>9,971</u>	<u>308,653</u>
At 31 March 2020	<u>244,454</u>	<u>80,465</u>	<u>13,960</u>	<u>338,879</u>

12. (c) Intangible assets

	Housing Software £	Total £
COST		
At 1 April 2020	403,218	403,218
Additions	-	-
At 31 March 2021	<u>403,218</u>	<u>403,218</u>
AMORTISATION		
At 1 April 2020	119,937	119,937
Charge for year	39,766	39,766
At 31 March 2021	<u>159,703</u>	<u>159,703</u>
NET BOOK VALUE		
At 31 March 2021	<u>243,515</u>	<u>243,515</u>
At 31 March 2020	<u>283,281</u>	<u>283,281</u>

13. FIXED ASSET INVESTMENTS

	2021 £	2020 £
At 1 April 2020 and 31 March 2021	<u>47,064</u>	<u>28,500</u>

The above investments relate to investment properties which were valued by an independent professional adviser, JLL, in May 2021 on an EUV-SH Basis.

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 NOTES TO THE FINANCIAL STATEMENTS (continued)

14. RECEIVABLES		
	2021	2020
	£	£
Gross arrears of rent & service charges	401,507	383,512
Less: Provision for doubtful debts	(194,515)	(188,358)
<i>Net arrears of rent and service charges</i>	206,992	195,154
Other receivables	264,325	239,544
	<u>471,317</u>	<u>434,698</u>

15. CASH AND CASH EQUIVALENTS		
	2021	2020
	£	£
Cash at bank and in hand	8,319,044	5,635,898
	<u>8,319,044</u>	<u>5,635,898</u>

16. PAYABLES: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2021	2020
	£	£
Bank loans	491,770	664,020
Trade payables	266,536	628,781
Rent received in advance	197,129	150,102
Other payables	992,903	990,815
Accruals and deferred income	703,856	739,410
	<u>2,652,194</u>	<u>3,173,128</u>

17. PAYABLES: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
	2021	2020
	£	£
Bank loans	27,555,878	24,985,226
	<u>27,555,878</u>	<u>24,985,226</u>

18. DEBT ANALYSIS - BORROWINGS		
	2021	2020
	£	£
Bank Loans		
Amounts due within one year	491,770	664,020
Amounts due in one year or more but less than two years	599,276	664,020
Amounts due in two years or more but less than five years	1,789,029	1,992,060
Amounts due in more than five years	25,167,573	22,329,146
	<u>28,047,648</u>	<u>25,649,246</u>

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

Lender	Number of Properties Secured	Effective Interest Rate	Maturity (Year)	Variable or Fixed
Nationwide	Standard security over 5 properties	3.2%	2033	Variable
Nationwide	Standard security over 33 properties	0.7%	2030	Variable
Nationwide	Standard security over 22 properties	3.2%	2033	Variable
Nationwide	Standard security over 53 properties	0.7%	2034	Variable
RBS	Standard security over 78 properties	1.8%	2025	Variable
RBS	Standard security over 78 properties	1.8%	2041	Variable
THFC	Standard security over 913 properties	6.4%	2039	Fixed
Bank of Scotland	Standard security over 145 properties	3.2%	2043	Fixed
Bank of Scotland	Standard security over 145 properties	1.9%	2043	Variable

Included within Loans after five years is £1,311,595 (2020 - £1,383,385) relating to a premium received on issue of a £14.3M bond. This is being released to the Statement of Comprehensive Income over the period of the bond.

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 NOTES TO THE FINANCIAL STATEMENTS (continued)

19. RETIREMENT BENEFIT OBLIGATIONS

Scottish Housing Association Pension Scheme

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

The 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, sets 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 employers. Therefore in certain circumstances the Association may become liable for the obligations of a third party.

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

	2021 £	2020 £
Fair value of plan assets	6,998,000	7,381,000
Present value of defined benefit obligation	7,875,000	7,529,000
Surplus / (deficit) in plan	<u>(877,000)</u>	<u>(148,000)</u>
Defined benefit asset / (liability) to be recognised	<u>(877,000)</u>	<u>(148,000)</u>

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 NOTES TO THE FINANCIAL STATEMENTS (continued)

19. RETIREMENT BENEFIT OBLIGATIONS (continued)

Scottish Housing Association Pension Scheme (continued.)

Reconciliation of opening and closing balances of the defined benefit obligation

	2021 £	2020 £
Defined benefit obligation at the start of period	7,529,000	8,145,000
Expenses	8,000	6,000
Interest expense	166,000	190,000
Actuarial losses (gains) due to scheme experience	(44,000)	142,000
Actuarial losses (gains) due to changes in demographic assumptions	-	(45,000)
Actuarial losses (gains) due to changes in financial assumptions	1,363,000	(868,000)
Benefits paid and expenses	(1,147,000)	(41,000)
Defined benefit obligation at the end of period	<u>7,875,000</u>	<u>7,529,000</u>

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

	2021 £	2020 £
Fair value of plan assets at start of period	7,381,000	6,761,000
Interest income	165,000	160,000
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	354,000	296,000
Contributions by the employer	245,000	205,000
Benefits paid and expenses	(1,147,000)	(41,000)
Fair value of plan assets at the end of period	<u>6,998,000</u>	<u>7,381,000</u>

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2021 was £519,000.

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
 NOTES TO THE FINANCIAL STATEMENTS (continued)

19. RETIREMENT BENEFIT OBLIGATIONS (continued)

Scottish Housing Association Pension Scheme (continued.)

Defined benefit costs recognised in the statement of comprehensive income

	2021	2020
	£	£
Expenses	8,000	6,000
Net interest expense	1,000	30,000
	<u>9,000</u>	<u>36,000</u>
Defined benefit costs recognised in statement of comprehensive income	<u>9,000</u>	<u>36,000</u>

Defined benefit costs recognised in the other comprehensive income

	2021	2020
	£	£
Experience on plan assets (excluding amounts included in interest income) - gain /(loss)	354,000	296,000
Experience gains and losses arising on plan liabilities - gain /(loss)	44,000	(142,000)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligations - gain /(loss)	-	45,000
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligations - gain / (loss)	(1,363,000)	868,000
Total amount recognised in other comprehensive income - gain (loss)	<u>(965,000)</u>	<u>1,067,000</u>

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 NOTES TO THE FINANCIAL STATEMENTS (continued)

19. RETIREMENT BENEFIT OBLIGATIONS (continued)

Scottish Housing Association Pension Scheme (continued.)

Assets

	2021	2020
	£'000	£'000
Absolute Return	345	453
Alternative Risk Premia	281	592
Corporate Bond Fund	528	539
Credit Relative Value	202	178
Distressed Opportunities	239	135
Emerging Markets Debt	282	262
Fund of Hedge Funds	-	-
Global Equity	1,083	1,015
Infrastructure	391	435
Insurance-Linked Securities	146	198
Liability Driven Investment	1,683	1,944
Long Lease Property	162	180
Net Current Assets	52	56
Over 15 Year Gilts	3	94
Private Debt	165	146
Property	125	137
Risk Sharing	250	234
Secured Income	385	410
Opportunistic Liquid Credit	179	180
Liquid credit	121	193
High Yield	183	-
Opportunistic Credit	191	-
Cash	2	-
	<u>6,998</u>	<u>7,381</u>
Total assets	<u>6,998</u>	<u>7,381</u>

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

Key Assumptions

	2021	2020	2019
Discount Rate	2.2%	2.4%	2.3%
Inflation (RPI)	3.3%	2.6%	3.3%
Inflation (CPI)	2.9%	1.6%	2.3%
Salary Growth	3.9%	2.6%	3.3%
Allowance for commutation of pension for cash at retirement	<u>75%</u>	<u>75%</u>	<u>75%</u>

The mortality assumptions adopted at 31 March 2021 imply the following life expectancies:

	Life expectancy at age 65 years (years)
Male retiring in 2021	21.5
Female retiring in 2021	23.4
Male retiring in 2041	22.8
Female retiring in 2041	<u>25.0</u>

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 NOTES TO THE FINANCIAL STATEMENTS (continued)

20. DEFERRED INCOME

	Social Housing Grants £	Other Housing Grants £	Total £
Capital grants received			
At 1 April 2020	32,920,516	2,677,957	35,598,473
Additions in the year	234,311	-	234,311
At 31 March 2021	<u>33,115,175</u>	<u>2,677,957</u>	<u>35,793,132</u>
Amortisation			
At 1 April 2020	5,770,702	178,624	5,949,326
Amortisation in year	300,288	26,779	327,067
At 31 March 2021	<u>6,031,338</u>	<u>205,403</u>	<u>6,236,741</u>
Net book value			
At 31 March 2021	<u>27,083,837</u>	<u>2,472,554</u>	<u>29,556,391</u>
At 31 March 2020	<u>27,149,814</u>	<u>2,499,333</u>	<u>29,649,147</u>
Total at 31 March 2021	<u>27,083,837</u>	<u>2,472,554</u>	<u>29,556,391</u>
Total at 31 March 2020	<u>27,149,814</u>	<u>2,499,333</u>	<u>29,649,147</u>

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

	2021 £	2020 £
Amounts due within one year	327,067	312,938
Amounts due in more than one year	29,229,324	29,336,209
	<u>29,556,391</u>	<u>29,649,147</u>

21. SHARE CAPITAL

Shares of £1 each, issued and fully paid	2021 £	2020 £
At 1 April	104	111
Issued in year	-	6
Cancelled in year	(6)	(13)
At 31 March	<u>98</u>	<u>104</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.

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 NOTES TO THE FINANCIAL STATEMENTS (continued)

22. DETAILS OF ASSOCIATION

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

The Association's principal place of business is 3 Kilmuir Drive, Arden, Glasgow, G46 8BW.

The Association is a Registered Social Landlord and Scottish Charity that owns and manages social housing property in the Greater Pollok area of South West Glasgow.

23. BOARD MEMBER EMOLUMENTS

Board members received £0 (2020 - £994) in the year by way of reimbursement of expenses. No remuneration is paid to Board members in respect of their duties to the Association.

24. HOUSING STOCK

The number of units of accommodation in management at the year end was:-	2021 No.	2020 No.
General needs	1,352	1,312
Shared ownership	36	37
	<u>1,388</u>	<u>1,349</u>

25. RELATED PARTY TRANSACTIONS

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

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

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

	2021 £	2020 £
Rent received from tenants on the Board and their close family members	<u>46,470</u>	<u>45,616</u>

At the year end total rent arrears owed by the tenant members on the Board (and their close family) were £1,884 (2020 - £1,565).

Members of the Board who are tenants	6	7
Members of the Board who are local authority employees	-	1

GLEN OAKS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 NOTES TO THE FINANCIAL STATEMENTS (continued)

26 STATEMENT OF CASH FLOWS

Reconciliation of net cash flow to movement in net funds

	£	2021 £	£	2020 £
Increase / (decrease) in cash	2,683,146		(3,039,217)	
Cashflow from change in net debt	(2,398,402)		(10,581)	
	<u> </u>		<u> </u>	
Movement in net debt during the year		284,744		(3,049,798)
Net debt at 1 April 2020		(20,013,348)		(16,963,550)
		<u> </u>		<u> </u>
Net debt at 31 March 2021		(19,728,604)		(20,013,348)

	At 01 April 2020	Cashflows	Other Changes	At 31 March 2021
Cash at bank and in hand	5,635,898	2,683,146	-	8,319,044
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Debt: Due within one year	(664,020)	(2,398,402)	2,570,652	(491,770)
Due after more than one year	(24,985,226)	-	(2,570,652)	(27,555,878)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net Debt	(20,013,348)	284,744	-	(19,728,604)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

27 CAPITAL COMMITMENTS

	2021 £	2020 £
Capital Expenditure that has been contracted for but has not been provided for in the financial statements	208,891	937,907
	<u> </u>	<u> </u>

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