

| | |
|------------------------|----------------------------------|
| Landlord Name: | Pineview Housing Association Ltd |
| RSL Reg No.: | 231 |
| Report generated date: | 11/08/2023 11:19:36 |

Approval

| | | |
|------|--------------------|------------|
| A1.1 | Date approved | 29/06/2023 |
| A1.2 | Approver | Joyce Orr |
| A1.3 | Approver job title | Director |

STATEMENT OF COMPREHENSIVE INCOME

| | Current Year | Prior Year |
|---|----------------|----------------|
| | £'000 | £'000 |
| Turnover | 4,783.1 | 4,644.7 |
| Operating costs | (3,665.8) | (3,762.0) |
| Gain/(loss) on disposal of property, plant and equipment | 0.0 | 0.0 |
| Exceptional items | 0.0 | 0.0 |
| Operating surplus/(deficit) | 1,117.3 | 882.7 |
| Share of operating surplus/(deficit) in joint ventures and associates | 0.0 | 0.0 |
| Interest receivable | 36.8 | 10.0 |
| Interest payable | (35.3) | (51.7) |
| Other financing (costs)/income | 14.9 | (11.2) |
| Release of negative goodwill | 0.0 | 0.0 |
| Movement in fair value of financial instruments | 0.0 | 0.0 |
| Decrease in valuation of housing properties | 0.0 | 0.0 |
| Reversal of previous decrease in valuation of housing properties | 0.0 | 0.0 |
| Total | 16.4 | (52.9) |
| Surplus/(deficit) before tax | 1,133.7 | 829.8 |
| Tax (payable)/recoverable | 0.0 | 0.0 |
| Surplus/(deficit) for the year | 1,133.7 | 829.8 |
| Actuarial (loss)/gain in respect of pension schemes | (227.0) | 351.0 |
| Change in fair value of hedged financial instruments | 0.0 | 0.0 |
| Total comprehensive income for the year | 906.7 | 1,180.8 |

STATEMENT OF CHANGES IN EQUITY

| | Share capital | Revenue reserve Restricted fund | Revenue reserve Unrestricted fund | Restricted reserve | Revaluation reserve |
|--|---------------|------------------------------------|--------------------------------------|--------------------|------------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Balance at end of the previous year | 0.2 | 0.0 | 14,727.7 | 0.0 | 0.0 |
| Opening balance adjustments | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Issue of shares | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Cancellation of shares | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Surplus/(deficit) from statement of comprehensive income | 0.0 | 0.0 | 906.7 | 0.0 | 0.0 |
| Transfer from revaluation reserve to revenue reserve | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Transfer of restricted expenditure from unrestricted reserve | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Balance at end of the current year | 0.2 | 0.0 | 15,634.4 | 0.0 | 0.0 |

| | Total excluding non-controlling interest | Non-controlling interest | Total including non-controlling interest |
|--|--|-----------------------------|--|
| | £'000 | £'000 | £'000 |
| Balance at end of the previous year | 14,727.9 | 0.0 | 14,727.9 |
| Opening balance adjustments | 0.0 | 0.0 | 0.0 |
| Issue of shares | 0.0 | 0.0 | 0.0 |
| Cancellation of shares | 0.0 | 0.0 | 0.0 |
| Surplus/(deficit) from statement of comprehensive income | 906.7 | 0.0 | 906.7 |
| Transfer from revaluation reserve to revenue reserve | 0.0 | 0.0 | 0.0 |
| Transfer of restricted expenditure from unrestricted reserve | 0.0 | 0.0 | 0.0 |
| Balance at end of the current year | 15,634.6 | 0.0 | 15,634.6 |

STATEMENT OF FINANCIAL POSITION

| | Current Year | Prior Year |
|---|-------------------|-------------------|
| | £'000 | £'000 |
| <u>Non-current assets</u> | | |
| Intangible assets and goodwill | 0.0 | 0.0 |
| Housing properties - NBV | 38,622.6 | 39,408.6 |
| Negative goodwill | 0.0 | 0.0 |
| Net housing assets | 38,622.6 | 39,408.6 |
| Non-current investments | 0.0 | 0.0 |
| Other plant, property and equipment | 43.3 | 51.6 |
| Investments in joint ventures and associates | 0.0 | 0.0 |
| Total non-current assets | 38,665.9 | 39,460.2 |
| Receivables due after more than one year | 0.0 | 0.0 |
| <u>Current assets</u> | | |
| Investments | 0.0 | 0.0 |
| Stock and work in progress | 0.0 | 0.0 |
| Trade and other receivables due within one year | 184.8 | 75.8 |
| Cash and cash equivalents | 4,672.4 | 4,270.5 |
| Total current assets | 4,857.2 | 4,346.3 |
| Payables: amounts falling due within one year | (851.5) | (889.5) |
| <u>Deferred income: amounts falling due within one year</u> | | |
| Scottish housing grants (SHG) | (981.2) | (987.6) |
| Other grants | 0.0 | 0.0 |
| Total deferred income: amounts falling due within one year | (981.2) | (987.6) |
| Net current assets/(liabilities) | 3,024.5 | 2,469.2 |
| Total assets less current liabilities | 41,690.4 | 41,929.4 |
| Payables: amounts falling due after more than one year | (2,065.2) | (2,378.9) |
| Provisions | 0.0 | 0.0 |
| Pension asset/(liability) | (168.0) | (25.0) |
| <u>Deferred income: amounts falling due after more than one year</u> | | |
| Scottish housing grants (SHG) | (23,822.6) | (24,797.6) |
| Other grants | 0.0 | 0.0 |
| Total deferred income: amounts falling due after more than one year | (23,822.6) | (24,797.6) |
| Total long term liabilities | (26,055.8) | (27,201.5) |
| Net assets | 15,634.6 | 14,727.9 |
| <u>Capital and reserves</u> | | |
| Share capital | 0.2 | 0.2 |
| Revaluation reserves | 0.0 | 0.0 |
| Restricted reserves | 0.0 | 0.0 |
| Revenue reserves | 15,634.4 | 14,727.7 |
| Total reserves | 15,634.6 | 14,727.9 |

STATEMENT OF CASH FLOWS

| | Current Year | Prior Year |
|--|----------------|----------------|
| | £'000 | £'000 |
| Net cash inflow/(outflow) from operating activities | 1,550.9 | 1,614.3 |
| | | |
| Tax (paid)/refunded | 0.0 | 0.0 |
| | | |
| <u>Cash flow from investing activities</u> | | |
| | | |
| Acquisition and construction of properties | (816.8) | (638.3) |
| Purchase of other non-current assets | (1.7) | (10.3) |
| Sales of properties | 0.0 | 0.0 |
| Sales of other non-current assets | 0.0 | 0.0 |
| Capital grants received | 0.0 | 0.0 |
| Capital grants repaid | 0.0 | 0.0 |
| Interest received | 36.8 | 10.0 |
| Net cash inflow/(outflow) from investing activities | (781.7) | (638.6) |
| | | |
| <u>Cash flow from financing activities</u> | | |
| | | |
| Interest paid | (20.3) | (51.7) |
| Interest element of finance lease rental payment | 0.0 | 0.0 |
| Share capital received/(repaid) | 0.0 | (0.1) |
| Funding drawn down | 0.0 | 1.8 |
| Funding repaid | (347.0) | (327.2) |
| Early repayment and associated charges | 0.0 | 0.0 |
| Capital element of finance lease rental payments | 0.0 | 0.0 |
| Withdrawal from deposits | 0.0 | 0.0 |
| Net cash inflow/(outflow) from financing activities | (367.3) | (377.2) |
| | | |
| Net change in cash and cash equivalents | 401.9 | 598.5 |
| | | |
| Cash and cash equivalents at end of the previous year | 4,270.5 | 3,672.0 |
| Cash and cash equivalents Opening balance adjustment | 0.0 | 0.0 |
| Cash and cash equivalents at end of the current year | 4,672.4 | 4,270.5 |

Particulars of turnover, operating costs and operating surplus or deficit – Current Year

| | Turnover | Operating Costs | Operating Surplus/(Deficit) |
|-------------------------------|----------------|------------------|-----------------------------|
| | £'000 | £'000 | £'000 |
| Affordable letting activities | 4,750.0 | (3,581.5) | 1,168.5 |
| Other activities | 33.1 | (84.3) | (51.2) |
| Total | 4,783.1 | (3,665.8) | 1,117.3 |

Particulars of turnover, operating costs and operating surplus or deficit – Prior Year

| | Turnover | Operating Costs | Operating Surplus/(Deficit) |
|-------------------------------|----------------|------------------|-----------------------------|
| | £'000 | £'000 | £'000 |
| Affordable letting activities | 4,636.5 | (3,738.4) | 898.1 |
| Other activities | 8.2 | (23.6) | (15.4) |
| Total | 4,644.7 | (3,762.0) | 882.7 |

Particulars of turnover, operating costs and operating surplus or deficit from affordable letting activities

| | General Needs Social Housing | Supported Social Housing Accommodation | Shared Ownership Housing | Other | Current Year Total | Prior Year Total |
|---|---------------------------------|--|--------------------------------|------------|-----------------------|------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Rent receivable | 3,621.4 | 23.0 | 42.0 | 0.0 | 3,686.4 | 3,591.6 |
| Service charges | 0.9 | 12.0 | 14.1 | 0.0 | 27.0 | 26.9 |
| Gross income | 3,622.3 | 35.0 | 56.1 | 0.0 | 3,713.4 | 3,618.5 |
| Voids | (9.7) | 0.0 | 0.0 | 0.0 | (9.7) | (9.6) |
| Net income | 3,612.6 | 35.0 | 56.1 | 0.0 | 3,703.7 | 3,608.9 |
| Grants released from deferred income | 960.2 | 0.0 | 21.2 | 0.0 | 981.4 | 966.4 |
| Revenue grants from Scottish Ministers | 64.9 | 0.0 | 0.0 | 0.0 | 64.9 | 61.2 |
| Other revenue grants | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total turnover: letting | 4,637.7 | 35.0 | 77.3 | 0.0 | 4,750.0 | 4,636.5 |
| Management and maintenance administration costs | (967.2) | 0.0 | (0.5) | 0.0 | (967.7) | (1,010.3) |
| Service costs | (71.5) | (2.1) | 0.0 | 0.0 | (73.6) | (49.8) |
| Planned maintenance | (403.2) | 0.0 | 0.0 | 0.0 | (403.2) | (346.4) |
| Reactive maintenance | (570.2) | (0.4) | 0.0 | 0.0 | (570.6) | (542.4) |
| Bad debts written (off)/back | 36.4 | 0.0 | 0.0 | 0.0 | 36.4 | (30.8) |
| Depreciation: housing | (1,578.4) | 0.0 | (24.4) | 0.0 | (1,602.8) | (1,758.7) |
| Impairment | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Operating costs | (3,554.1) | (2.5) | (24.9) | 0.0 | (3,581.5) | (3,738.4) |
| Operating surplus/(deficit) | 1,083.6 | 32.5 | 52.4 | 0.0 | 1,168.5 | 898.1 |
| Prior Year | | | | | | |
| Total turnover: letting | 4,526.4 | 35.0 | 75.1 | 0.0 | | |
| Operating costs | (3,690.7) | (13.7) | (34.0) | 0.0 | | |
| Operating surplus/(deficit) | 835.7 | 21.3 | 41.1 | 0.0 | | |

Particulars of turnover, operating costs and operating surplus or deficit from other activities

| | Grants from Scottish Ministers | Other revenue grants | Supporting people income | Other income | Total turnover | Other operating costs | Current Year Operating surplus/(deficit) | Prior Year Operating surplus/(deficit) |
|--|--------------------------------------|----------------------------|--------------------------------|--------------|-------------------|-----------------------------|--|--|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Wider role | 0.0 | 24.5 | 0.0 | 0.0 | 24.5 | (67.8) | (43.3) | (9.3) |
| Care and repair | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Investment property activities | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Factoring | 0.0 | 0.0 | 0.0 | 8.6 | 8.6 | (16.5) | (7.9) | (6.1) |
| Support activities | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Care activities | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Contracted out services undertaken for RSLs | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Contracted out services undertaken for others | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Developments for sale to RSLs | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Developments for sale to non-RSLs | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Uncapitalised development administration costs | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other activities | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | | | | | | | | |
| Current Year Total | 0.0 | 24.5 | 0.0 | 8.6 | 33.1 | (84.3) | (51.2) | |
| | | | | | | | | |
| Prior Year Total | 0.0 | 0.0 | 0.0 | 8.2 | 8.2 | (23.6) | (15.4) | |

ANALYSIS - UNITS

| | General Needs Social Housing | Supported Social Housing Accommodation | Shared Ownership Housing | Other | Current Year Total | Prior Year Total |
|---------------------------------------|------------------------------|--|--------------------------|----------|--------------------|------------------|
| Units owned and managed at year end | 852 | 1 | 22 | 0 | 875 | 875 |
| Units managed, not owned at year end | 0 | 0 | 0 | 0 | 0 | 0 |
| Units owned, not managed at year end | 0 | 0 | 0 | 0 | 0 | 0 |
| Units held for demolition at year end | 0 | 0 | | 0 | 0 | 0 |
| Total units owned / managed | 852 | 1 | 22 | 0 | 875 | 875 |

COST PER UNIT - Current Year

| | General Needs Social Housing | Supported Social Housing Accommodation | Shared Ownership Housing | Other | Total |
|---|------------------------------|--|--------------------------|----------|---------------|
| Management & maintenance administration | £1,135 | £0 | £23 | - | £1,106 |
| Planned maintenance | £473 | £0 | £0 | - | £461 |
| Reactive maintenance | £669 | £400 | £0 | - | £652 |
| Total direct maintenance | £1,142 | £400 | £0 | - | £1,113 |
| Total management & maintenance | £2,278 | £400 | £23 | - | £2,219 |

COST PER UNIT - Prior Year

| | General Needs Social Housing | Supported Social Housing Accommodation | Shared Ownership Housing | Other | Total |
|---|------------------------------|--|--------------------------|----------|---------------|
| Management & maintenance administration | £1,166 | £7,300 | £436 | - | £1,155 |
| Planned maintenance | £407 | £0 | £0 | - | £396 |
| Reactive maintenance | £637 | £0 | £0 | - | £620 |
| Total direct maintenance | £1,043 | £0 | £0 | - | £1,016 |
| Total management & maintenance | £2,209 | £7,300 | £436 | - | £2,170 |

SUPPLEMENTARY ITEMS

| | Current Year | Prior Year |
|--|--------------|------------|
| | £'000 | £'000 |
| Chief Executive emoluments excluding pension contributions | 78.2 | 74.2 |
| Total key management personnel emoluments | 160.4 | 152.3 |
| Total staff costs | 928.2 | 962.6 |
| External auditors' fees – audit | 14.3 | 8.2 |
| External auditors' fees – other | 0.0 | 0.0 |
| Capitalised maintenance costs | 816.8 | 638.3 |
| Capitalised development administration costs | 0.0 | 0.0 |
| Capitalised interest costs | 0.0 | 0.0 |
| Accumulated depreciation | 29,961.0 | 28,755.3 |
| Receivables - gross rental | 322.8 | |
| Receivables – bad debt provision | (190.8) | (248.3) |
| Receivables - net rental | 132.0 | 41.9 |
| Total Pension deficit recovery payments due | 69.1 | 134.1 |
| Housing loans due within one year | 299.8 | 333.1 |
| Housing loans due after more than one year | 2,065.2 | 2,378.9 |
| Other loans due within one year | 0.0 | 0.0 |
| Other loans due after more than one year | 0.0 | 0.0 |
| Overdraft / bridging finance | 0.0 | 0.0 |
| Intra-group loans due within one year | 0.0 | 0.0 |
| Intra-group loans due after more than one year | 0.0 | 0.0 |
| Intra-group lending | 0.0 | 0.0 |
| Intra-group receivables (trading) | 0.0 | 0.0 |
| Other intra-group payables (trading) | 0.0 | 0.0 |

CONTEXTUAL INFORMATION

| | | |
|---|--------------------------|-------------------------------------|
| Accounting year end | March | |
| Date financial statements authorised | 29/06/2023 00:00:00 | |
| Are the financial statements qualified? | No | |
| Were there any emphasis of matter points raised in the audit report? | No | |
| External auditors' name | | |
| Number of years since a full procurement exercise was undertaken for the external auditor | 4 | |
| Internal auditors' name | Wylie & Bisset | |
| Number of years since a full procurement exercise was undertaken for the internal auditor | 4 | |
| Do you have an Audit Committee? | No | |
| Do you have a Treasury Management Strategy? | Yes | |
| How do you account for capital grant income? | Accruals method | |
| Calendar year of last housing asset revaluation | N/A | |
| Contingent liabilities | Legal action | <input type="checkbox"/> |
| | LSVT contract compliance | <input type="checkbox"/> |
| | Pension | <input checked="" type="checkbox"/> |
| | Repayment of SHG | <input type="checkbox"/> |
| | Other | <input type="checkbox"/> |
| | None | <input type="checkbox"/> |
| SHAPS financial assessment risk rating | Low | |
| Are you appealing this risk rating? | No | |
| How many staff members not currently contributing to any scheme? | 0 | |

Staff Pension Schemes

| Which scheme(s) are you members of? | How many participating members in each scheme? |
|-------------------------------------|--|
| SHAPS DC | 16 |
| SHAPS final salary | 4 |
| | |
| | |
| | |
| | |
| | |
| | |
| | |

RATIOS

| | Current Year | Prior Year | Prior Year Sector Median |
|---|--------------|------------|--------------------------------|
| Financial capacity | | | |
| Interest cover | 7,821.2% | 3,141.8% | 532.3% |
| Gearing | (14.8%) | (10.6%) | 47.9% |
| Efficiency | | | |
| Voids | 0.3% | 0.3% | 0.9% |
| Gross arrears | 8.7% | 8.0% | 3.9% |
| Net arrears | 3.6% | 1.2% | 1.9% |
| Bad debts | (1.0%) | 0.9% | 0.4% |
| Staff costs / turnover | 19.4% | 20.7% | 21.1% |
| Key management personnel / staff costs | 17.3% | 15.8% | 14.5% |
| Turnover per unit | £5,466 | £5,308 | £5,458 |
| Responsive repairs to planned maintenance ratio | 2.1 | 1.8 | 1.7 |
| Liquidity | | | |
| Current ratio | 2.7 | 2.3 | 2.1 |
| Profitability | | | |
| Gross surplus / (deficit) | 23.4% | 19.0% | 18.7% |
| Net surplus / (deficit) | 23.7% | 17.9% | 12.7% |
| EBITDA / revenue | 39.8% | 43.1% | 29.4% |
| EBITDA exc. deferred grant | 19.3% | 22.3% | 19.0% |
| Financing | | | |
| Debt burden ratio | 0.5 | 0.6 | 1.9 |
| Net debt per unit | (£2,637) | (£1,781) | £7,102 |
| Debt per unit | £2,703 | £3,099 | £10,687 |
| Diversification | | | |
| Income from non-rental activities- | 22.6% | 22.3% | 17.6% |

Comments

| Page | Field | Comment |
|--------------------------------|---|---|
| SOCI | Interest receivable | Interest rates increasing, the Association is benefitting from this in-line with the Treasury Management Strategy |
| SOCI | Interest payable | Loan balances continue to be paid down, high proportion of fixed rate loans insulates Association from interest rate increases |
| SOCI | Other financing (costs)/income | Interest income on SHAPS DB pension scheme per TPT FRS 102 DB disclosure tool |
| SOCI | Actuarial (loss)/gain in respect of pension schemes | Actuarial loss on SHAPS DB pension scheme per TPT FRS 102 DB disclosure tool |
| SOCE | Cancellation of shares - Funds & Reserves | £13 cancellations in 2022-23, rounds to £nil. |
| SOFP | Trade and other receivables due within one year | Main movement due to increased rent arrears while provision has come down due to more robust calculation method approved by external auditor. |
| SOFP | Pension asset/(liability) | SHAPS DB pension scheme liability per TPT FRS 102 DB disclosure tool |
| SOCF | Acquisition and construction of properties | Amount of component replacements varies year on year according to planned maintenance programme, more due in 2022-23 than 2021-22. |
| SOCF | Interest received | Interest rates increasing, the Association is benefitting from this in-line with the Treasury Management Strategy |
| Analysis - Affordable Lettings | Service costs | The cost of providing services has increased, mostly relating to staff time. |
| Analysis - Affordable Lettings | Planned maintenance | Amount of planned maintenance work required varies year on year according to planned maintenance programme, more due in 2022-23 than 2021-22. |
| Analysis - Affordable Lettings | Bad debts written (off)/back | The change in bad debt provision methodology lead to a credit adjustment which was greater than the bad debts written off in the period. |
| Analysis - Other | Wider role | Deficits are comparable year-on-year once the cost |

| Page | Field | Comment |
|-----------------------------|---|---|
| Activities | | of providing the welfare rights service is factored in, this was allocated to admin in 2021-22 and wider action in 2022-23. |
| Analysis - Other Activities | Factoring | Larger deficit mainly due to increased staff costs in providing the factoring service. |
| Supplementary Items | External auditors' fees - audit | Accrual accounting adjustments impacted the fee in the prior year, actual fees are comparable year-on-year. |
| Supplementary Items | Capitalised maintenance costs | Amount of component replacements varies year on year according to planned maintenance programme, more due in 2022-23 than 2021-22. |
| Supplementary Items | Receivables - bad debt provision | Main movement due to more robust calculation method approved by external auditor. |
| Supplementary Items | Receivables - net rental | Main movement due to increased rent arrears while provision has come down due to more robust calculation method approved by external auditor. |
| Supplementary Items | Total Pension deficit recovery payments due | Total pension past service deficit contributions due to TPT. |