

Landlord Name:	Pineview Housing Association Ltd
RSL Reg No.:	231
Report generated date:	08/09/2021 08:33:21

**Approval**

A1.1	Date approved	26/08/2021
A1.2	Approver	Joyce Orr
A1.3	Approver job title	Director and Company Secretary

STATEMENT OF COMPREHENSIVE INCOME

	Current Year	Prior Year
	£'000	£'000
Turnover	3,248.8	2,918.6
Operating costs	(2,488.5)	(2,509.8)
Gain/(loss) on disposal of property, plant and equipment	0.0	0.0
Exceptional items	0.0	0.0
<b>Operating surplus/(deficit)</b>	<b>760.3</b>	<b>408.8</b>
Share of operating surplus/(deficit) in joint ventures and associates	0.0	0.0
Interest receivable	26.9	37.9
Interest payable	(85.8)	(70.7)
Other financing (costs)/income	12.2	(11.0)
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
<b>Total</b>	<b>(46.7)</b>	<b>(43.8)</b>
<b>Surplus/(deficit) before tax</b>	<b>713.6</b>	<b>365.0</b>
Tax (payable)/recoverable	0.0	0.0
<b>Surplus/(deficit) for the year</b>	<b>713.6</b>	<b>365.0</b>
Actuarial (loss)/gain in respect of pension schemes	(508.0)	363.0
Change in fair value of hedged financial instruments	0.0	0.0
<b>Total comprehensive income for the year</b>	<b>205.6</b>	<b>728.0</b>

## Audited Financial Accounts (AFS) 2020-2021

### STATEMENT OF CHANGES IN EQUITY

	Share capital	Revenue reserve Restricted fund	Revenue reserve Unrestricted fund	Restricted reserve	Revaluation reserve
	£'000	£'000	£'000	£'000	£'000
<b>Balance at end of the previous year</b>	0.2	0.0	8,834.0	(45.0)	0.0
Opening balance adjustments	0.0	0.0	0.0	0.0	0.0
Issue of shares	0.1	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	650.6	(445.0)	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	4,552.3	0.0	0.0
<b>Balance at end of the current year</b>	0.3	0.0	14,036.9	(490.0)	0.0

	Total excluding non-controlling interest	Non-controlling interest	Total including non-controlling interest
	£'000	£'000	£'000
<b>Balance at end of the previous year</b>	8,789.2	0.0	8,789.2
Opening balance adjustments	0.0	0.0	0.0
Issue of shares	0.1	0.0	0.1
Cancellation of shares	0.0	0.0	0.0
Surplus/(deficit) from statement of comprehensive income	205.6	0.0	205.6
Transfer from revaluation reserve to revenue reserve	0.0	0.0	0.0
Transfer of restricted expenditure from unrestricted reserve	4,552.3	0.0	4,552.3
<b>Balance at end of the current year</b>	13,547.2	0.0	13,547.2

STATEMENT OF FINANCIAL POSITION

	Current Year	Prior Year
	£'000	£'000
<b><u>Non-current assets</u></b>		
Intangible assets and goodwill	0.0	0.0
Housing properties - NBV	40,529.0	24,895.6
Negative goodwill	0.0	0.0
<b>Net housing assets</b>	<b>40,529.0</b>	<b>24,895.6</b>
Non-current investments	0.0	0.0
Other plant, property and equipment	66.5	71.8
Investments in joint ventures and associates	0.0	0.0
<b>Total non-current assets</b>	<b>40,595.5</b>	<b>24,967.4</b>
Receivables due after more than one year	0.0	0.0
<b><u>Current assets</u></b>		
Investments	0.0	0.0
Stock and work in progress	0.0	0.0
Trade and other receivables due within one year	111.2	64.5
Cash and cash equivalents	3,672.0	4,077.0
<b>Total current assets</b>	<b>3,783.2</b>	<b>4,141.5</b>
Payables: amounts falling due within one year	(843.9)	(640.3)
<b><u>Deferred income: amounts falling due within one year</u></b>		
Scottish housing grants (SHG)	(702.3)	(642.5)
Other grants	0.0	0.0
<b>Total deferred income: amounts falling due within one year</b>	<b>(702.3)</b>	<b>(642.5)</b>
<b>Net current assets/(liabilities)</b>	<b>2,237.0</b>	<b>2,858.7</b>
<b>Total assets less current liabilities</b>	<b>42,832.5</b>	<b>27,826.1</b>
Payables: amounts falling due after more than one year	(2,746.0)	(2,944.6)
Provisions	0.0	0.0
Pension asset/(liability)	(490.0)	(45.0)
<b><u>Deferred income: amounts falling due after more than one year</u></b>		
Scottish housing grants (SHG)	(26,049.3)	(16,047.3)
Other grants	0.0	0.0
<b>Total deferred income: amounts falling due after more than one year</b>	<b>(26,049.3)</b>	<b>(16,047.3)</b>
<b>Total long term liabilities</b>	<b>(29,285.3)</b>	<b>(19,036.9)</b>
<b>Net assets</b>	<b>13,547.2</b>	<b>8,789.2</b>
<b><u>Capital and reserves</u></b>		
Share capital	0.3	0.2
Revaluation reserves	0.0	0.0
Restricted reserves	(490.0)	(45.0)
Revenue reserves	14,036.9	8,834.0
<b>Total reserves</b>	<b>13,547.2</b>	<b>8,789.2</b>

# Audited Financial Accounts (AFS) 2020-2021

## STATEMENT OF CASH FLOWS

	Current Year	Prior Year
	£'000	£'000
<b>Net cash inflow/(outflow) from operating activities</b>	1,304.9	731.8
<b>Tax (paid)/refunded</b>	0.0	0.0
<b><u>Cash flow from investing activities</u></b>		
Acquisition and construction of properties	(95.6)	(270.9)
Purchase of other non-current assets	(6.0)	(22.7)
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	26.9	38.0
<b>Net cash inflow/(outflow) from investing activities</b>	<b>(74.7)</b>	<b>(255.6)</b>
<b><u>Cash flow from financing activities</u></b>		
Interest paid	(85.8)	(70.7)
Interest element of finance lease rental payment	0.0	0.0
Share capital received/(repaid)	0.1	0.0
Funding drawn down	15.3	0.0
Funding repaid	(333.5)	(359.4)
Early repayment and associated charges	(1,231.3)	0.0
Capital element of finance lease rental payments	0.0	0.0
Withdrawal from deposits	0.0	0.0
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(1,635.2)</b>	<b>(430.1)</b>
<b>Net change in cash and cash equivalents</b>	<b>(405.0)</b>	<b>46.1</b>
<b>Cash and cash equivalents at end of the previous year</b>	<b>4,077.0</b>	<b>4,030.9</b>
Opening balance adjustment	0.0	
<b>Cash and cash equivalents at end of the current year</b>	<b>3,672.0</b>	<b>4,077.0</b>

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

	Turnover	Operating Costs	Operating Surplus/(Deficit)
	£'000	£'000	£'000
Affordable letting activities	3,241.0	(2,459.6)	781.4
Other activities	7.8	(28.9)	(21.1)
<b>Total</b>	<b>3,248.8</b>	<b>(2,488.5)</b>	<b>760.3</b>

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

	Turnover	Operating Costs	Operating Surplus/(Deficit)
	£'000	£'000	£'000
Affordable letting activities	2,899.4	(2,486.1)	413.3
Other activities	19.2	(23.7)	(4.5)
<b>Total</b>	<b>2,918.6</b>	<b>(2,509.8)</b>	<b>408.8</b>

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	2,435.3	23.0	40.7	0.0	2,499.0	2,190.6
Service charges	0.9	12.0	13.9	0.0	26.8	54.3
<b>Gross income</b>	<b>2,436.2</b>	<b>35.0</b>	<b>54.6</b>	<b>0.0</b>	<b>2,525.8</b>	<b>2,244.9</b>
Voids	(6.0)	0.0	0.0	0.0	(6.0)	(0.9)
<b>Net income</b>	<b>2,430.2</b>	<b>35.0</b>	<b>54.6</b>	<b>0.0</b>	<b>2,519.8</b>	<b>2,244.0</b>
Grants released from deferred income	682.2	0.0	20.1	0.0	702.3	642.4
Revenue grants from Scottish Ministers	18.9	0.0	0.0	0.0	18.9	13.0
Other revenue grants	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total turnover: letting</b>	<b>3,131.3</b>	<b>35.0</b>	<b>74.7</b>	<b>0.0</b>	<b>3,241.0</b>	<b>2,899.4</b>
Management and maintenance administration costs	(848.3)	0.0	(7.4)	0.0	(855.7)	(829.0)
Service costs	(47.3)	(6.4)	0.0	0.0	(53.7)	(51.4)
Planned maintenance	(222.9)	0.0	0.0	0.0	(222.9)	(449.6)
Reactive maintenance	(232.1)	0.0	0.0	0.0	(232.1)	(218.8)
Bad debts written (off)/back	(24.0)	0.0	0.0	0.0	(24.0)	(7.7)
Depreciation: housing	(1,048.9)	0.0	(22.3)	0.0	(1,071.2)	(929.6)
Impairment	0.0	0.0	0.0	0.0	0.0	0.0
<b>Operating costs</b>	<b>(2,423.5)</b>	<b>(6.4)</b>	<b>(29.7)</b>	<b>0.0</b>	<b>(2,459.6)</b>	<b>(2,486.1)</b>
<b>Operating surplus/(deficit)</b>	<b>707.8</b>	<b>28.6</b>	<b>45.0</b>	<b>0.0</b>	<b>781.4</b>	<b>413.3</b>
<b>Prior Year</b>						
<b>Total turnover: letting</b>	<b>2,798.0</b>	<b>34.9</b>	<b>66.5</b>	<b>0.0</b>		
<b>Operating costs</b>	<b>(2,432.1)</b>	<b>(17.6)</b>	<b>(36.4)</b>	<b>0.0</b>		
<b>Operating surplus/(deficit)</b>	<b>365.9</b>	<b>17.3</b>	<b>30.1</b>	<b>0.0</b>		

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	0.0	0.0	0.0	0.0	(21.0)	(21.0)	(12.8)
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	7.8	7.8	(7.9)	(0.1)	8.3
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
<b>Current Year Total</b>	0.0	0.0	0.0	7.8	7.8	(28.9)	(21.1)	
<b>Prior Year Total</b>	0.0	0.0	0.0	19.2	19.2	(23.7)	(4.5)	

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	556
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
<b>Total units owned / managed</b>	<b>852</b>	<b>1</b>	<b>22</b>	<b>0</b>	<b>875</b>	<b>556</b>

COST PER UNIT - Current Year

	General Needs Social Housing	Supported Social Housing Accommodation	Shared Ownership Housing	Other	Total
Management & maintenance administration	£996	£0	£336		£978
Planned maintenance	£262	£0	£0		£255
Reactive maintenance	£272	£0	£0		£265
Total direct maintenance	£534	£0	£0		£520
<b>Total management &amp; maintenance</b>	<b>£1,530</b>	<b>£0</b>	<b>£336</b>		<b>£1,498</b>

COST PER UNIT - Prior Year

	General Needs Social Housing	Supported Social Housing Accommodation	Shared Ownership Housing	Other	Total
Management & maintenance administration	£1,532	£0	£577	-	£1,491
Planned maintenance	£844	£0	£0	-	£809
Reactive maintenance	£411	£0	£0	-	£394
Total direct maintenance	£1,254	£0	£0	-	£1,202
<b>Total management &amp; maintenance</b>	<b>£2,786</b>	<b>£0</b>	<b>£577</b>	<b>-</b>	<b>£2,693</b>

## Audited Financial Accounts (AFS) 2020-2021

### SUPPLEMENTARY ITEMS

	Current Year	Prior Year
	£'000	£'000
Chief Executive emoluments excluding pension contributions	65.7	64.7
Total key management personnel emoluments	76.7	74.2
Total staff costs	654.6	559.4
External auditors' fees – audit	7.3	9.3
External auditors' fees – other	0.0	0.0
Capitalised maintenance costs	95.6	250.5
Capitalised development administration costs	0.0	0.0
Capitalised interest costs	0.0	0.0
Accumulated depreciation	27,360.7	15,725.2
Receivables - gross rental	256.9	
Receivables – bad debt provision	(220.5)	
Receivables - net rental	36.5	17.9
Total Pension deficit recovery payments due	136.7	182.2
Housing loans due within one year	293.1	290.1
Housing loans due after more than one year	2,746.0	2,944.6
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	26/08/2021	
Are the financial statements qualified?	No	
Were there any emphasis of matter points raised in the audit report?	No	
External auditors' name	Chiene and Tait LLP	
Number of years since a full procurement exercise was undertaken for the external auditor	2	
Internal auditors' name	Wylie & Bisset	
Number of years since a full procurement exercise was undertaken for the internal auditor	2	
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 type="checkbox"/>
	Repayment of SHG	<input type="checkbox"/>
	Other	<input type="checkbox"/>
	None	<input checked="" 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?	2	
<b>Staff Pension Schemes</b>		
Which scheme(s) are you members of?	How many participating members in each scheme?	
SHAPS DC	10	
SHAPS final salary	4	

RATIOS

	Current Year	Prior Year	Prior Year Sector Median
<b>Financial capacity</b>			
Interest cover	1,552.2%	1,088.8%	442.1%
Gearing	(4.7%)	(9.6%)	54.1%
<b>Efficiency</b>			
Voids	0.2%	0.0%	0.6%
Arrears	1.4%	0.8%	2.2%
Bad debts	1.0%	0.3%	0.8%
Staff costs / turnover	20.1%	19.2%	20.7%
Key management personnel / staff costs	11.7%	13.3%	14.6%
Turnover per unit	£3,713	£5,249	£5,194
Responsive repairs to planned maintenance ratio	1.4	3.2	1.9
<b>Liquidity</b>			
Current ratio	2.4	3.2	1.9
<b>Profitability</b>			
Gross surplus / (deficit)	23.4%	14.0%	19.6%
Net surplus / (deficit)	22.0%	12.5%	11.9%
EBITDA / revenue	53.4%	37.3%	31.4%
<b>Financing</b>			
Debt burden ratio	0.9	1.1	2.1
Net debt per unit	(£723)	(£1,515)	£7,053
Debt per unit	£3,473	£5,818	£10,560
<b>Diversification</b>			
Income from non-rental activities	22.4%	23.1%	17.5%

## Comments

Page	Field	Comment
SOCI	Interest payable	Increased due to breakage costs paid when settling a fixed rate loan as part of the Kendoon HA transfer.
SOCI	Other financing (costs)/income	Job retention scheme grant from Scottish Government less DB pension costs recognised in SOCI
SOCI	Actuarial (loss)/gain in respect of pension schemes	Movement in SHAPS pension follows TPT actuarial assumptions at the end of each reporting period.
SOCE	Transfer of restricted expenditure from unrestricted reserve - Funds & Reserves	This represents the acquisition of Kendoon HA through transfer of engagements at 1 Feb 21.
SOFP	Housing properties - NBV	Main driver of increase relates to taking ownership of Kendoon HA housing properties following transfer, remaining movements are the typical in-year additions, disposals and depreciation.
SOFP	Pension asset/(liability)	Large movement in SHAPS pension scheme deficit reflects the actuarial assumptions of TPT at each year end.
SOFP	Scottish housing grants (SHG)	Main driver of change is taking on the Kendoon HA SHG balance with the usual amortisation and elimination on disposals beyond that.
SOFP	Restricted reserves	Reserve relates to the SHAPS DB pension deficit, Large movement in SHAPS pension scheme deficit reflects the actuarial assumptions of TPT at each year end.
SOCF	Acquisition and construction of properties	Lower programme of improvements carried out in the year given COVID-19 issues.
SOCF	Funding drawn down	Scottish Government Job Retention Scheme grant
SOCF	Early repayment and associated charges	Cash movement related to Kendoon HA transfer of engagements
Analysis - Affordable Lettings	Service charges	Majority of service charges removed following rent restructure
Analysis - Affordable Lettings	Voids	Impact of COVID on increasing timescales involved in the turnaround of void properties

Page	Field	Comment
Analysis - Affordable Lettings	Grants from Scottish Ministers	Stage 3 adaptations variable depending on work carried out in year, slightly more this year
Analysis - Affordable Lettings	Planned maintenance	Lower programme of work following COVID-19 related issues in the year.
Analysis - Affordable Lettings	Bad debts written (off)/back	Increase in bad debts following the impact of COVID-19 on tenants and the impact on ability to chase arrears as a result.
Analysis - Affordable Lettings	Depreciation: housing	Higher depreciation this year following increase to housing properties balance mainly as a result of Kendoon HA transfer.
Analysis - Other Activities	Wider role	More assistance was given out to local community charities to help them deliver services during the pandemic
Analysis - Other Activities	Factoring	Factoring arrears case currently being handled.
Supplementary Items	Total staff costs	Includes pension deficit payments this year
Supplementary Items	Capitalised maintenance costs	Less major repairs carried out in the year due to COVID-19 related issues.
Supplementary Items	Accumulated depreciation	Large increase in accumulated depreciation due to taking on Kendoon HA housing properties post transfer.
Supplementary Items	Receivables - net rental	Gross and net arrears have increased due to the impact of COVID-19 on tenants and ability to chase those arrears. Also taking on Kendoon HA arrears cases post-transfer, action plan to tackle these in place.
Supplementary Items	Total Pension deficit recovery payments due	Followed SHR guidance on this being PSD contributions (cash) to 31 March 2023
Contextual Information	How many staff members not currently contributing to a pension scheme?	Opted-out