

Landlord Name:	Shettleston Housing Association Ltd
RSL Reg No.:	183
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**Approval**

A1.1	Date approved	20/08/2024
A1.2	Approver	Kirsty Brown
A1.3	Approver job title	Director of Finance & Corporate Services

STATEMENT OF COMPREHENSIVE INCOME

	Current Year	Prior Year
	£'000	£'000
Turnover	12,249.9	11,101.6
Operating costs	(9,037.9)	(8,302.4)
Gain/(loss) on disposal of property, plant and equipment	0.0	0.0
Exceptional items	(47.1)	86.6
<b>Operating surplus/(deficit)</b>	<b>3,164.9</b>	<b>2,885.8</b>
Share of operating surplus/(deficit) in joint ventures and associates	0.0	0.0
Interest receivable	161.7	343.4
Interest payable	(1,271.6)	(1,031.7)
Other financing (costs)/income	40.0	0.0
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>(1,069.9)</b>	<b>(688.3)</b>
<b>Surplus/(deficit) before tax</b>	<b>2,095.0</b>	<b>2,197.5</b>
Tax (payable)/recoverable	0.0	0.0
<b>Surplus/(deficit) for the year</b>	<b>2,095.0</b>	<b>2,197.5</b>
Actuarial (loss)/gain in respect of pension schemes	(583.0)	(593.0)
Change in fair value of hedged financial instruments	0.0	0.0
<b>Total comprehensive income for the year</b>	<b>1,512.0</b>	<b>1,604.5</b>

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>	0.1	0.0	11,043.8	0.7	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	1,512.0	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
<b>Balance at end of the current year</b>	0.1	0.0	12,555.8	0.7	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>	11,044.6	0.0	11,044.6
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	1,512.0	0.0	1,512.0
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
<b>Balance at end of the current year</b>	12,556.6	0.0	12,556.6

STATEMENT OF FINANCIAL POSITION

	Current Year	Prior Year
	£'000	£'000
<b>Non-current assets</b>		
Intangible assets and goodwill	0.0	0.0
Housing properties - NBV	77,574.8	77,459.1
Negative goodwill	0.0	0.0
<b>Net housing assets</b>	<b>77,574.8</b>	<b>77,459.1</b>
Non-current investments	0.0	0.0
Other plant, property and equipment	1,827.5	1,805.6
Investments in joint ventures and associates	0.0	0.0
<b>Total non-current assets</b>	<b>79,402.3</b>	<b>79,264.7</b>
Receivables due after more than one year	669.4	669.4
<b>Current assets</b>		
Investments	0.0	0.0
Stock and work in progress	0.0	0.0
Trade and other receivables due within one year	882.8	530.9
Cash and cash equivalents	1,977.5	1,043.1
<b>Total current assets</b>	<b>2,860.3</b>	<b>1,574.0</b>
Payables: amounts falling due within one year	(1,866.5)	(2,472.7)
<b>Deferred income: amounts falling due within one year</b>		
Scottish housing grants (SHG)	(353.3)	(351.1)
Other grants	0.0	0.0
<b>Total deferred income: amounts falling due within one year</b>	<b>(353.3)</b>	<b>(351.1)</b>
<b>Net current assets/(liabilities)</b>	<b>640.5</b>	<b>(1,249.8)</b>
<b>Total assets less current liabilities</b>	<b>80,712.2</b>	<b>78,684.3</b>
Payables: amounts falling due after more than one year	(51,123.6)	(51,123.6)
Provisions	0.0	0.0
Pension asset/(liability)	(1,047.0)	(487.0)
<b>Deferred income: amounts falling due after more than one year</b>		
Scottish housing grants (SHG)	(15,985.0)	(16,029.1)
Other grants	0.0	0.0
<b>Total deferred income: amounts falling due after more than one year</b>	<b>(15,985.0)</b>	<b>(16,029.1)</b>
<b>Total long term liabilities</b>	<b>(68,155.6)</b>	<b>(67,639.7)</b>
<b>Net assets</b>	<b>12,556.6</b>	<b>11,044.6</b>
<b>Capital and reserves</b>		
Share capital	0.1	0.1
Revaluation reserves	0.0	0.0
Restricted reserves	0.7	0.7
Revenue reserves	12,555.8	11,043.8
<b>Total reserves</b>	<b>12,556.6</b>	<b>11,044.6</b>

STATEMENT OF CASH FLOWS

	Current Year	Prior Year
	£'000	£'000
<b>Net cash inflow/(outflow) from operating activities</b>	4,975.7	5,350.8
<b>Tax (paid)/refunded</b>	0.0	0.0
<b><u>Cash flow from investing activities</u></b>		
Acquisition and construction of properties	(2,283.0)	(5,686.7)
Purchase of other non-current assets	(157.8)	(30.1)
Sales of properties	0.0	0.0
Sales of other non-current assets	0.0	0.0
Capital grants received	310.4	1,000.1
Capital grants repaid	0.0	0.0
Interest received	161.7	343.4
<b>Net cash inflow/(outflow) from investing activities</b>	<b>(1,968.7)</b>	<b>(4,373.3)</b>
<b><u>Cash flow from financing activities</u></b>		
Interest paid	(2,072.6)	(1,834.9)
Interest element of finance lease rental payment	0.0	0.0
Share capital received/(repaid)	0.0	0.0
Funding drawn down	0.0	500.0
Funding repaid	0.0	0.0
Early repayment and associated charges	0.0	(353.0)
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>(2,072.6)</b>	<b>(1,687.9)</b>
<b>Net change in cash and cash equivalents</b>	<b>934.4</b>	<b>(710.4)</b>
<b>Cash and cash equivalents at end of the previous year</b>	<b>1,043.1</b>	<b>1,753.5</b>
Cash and cash equivalents Opening balance adjustment	0.0	0.0
<b>Cash and cash equivalents at end of the current year</b>	<b>1,977.5</b>	<b>1,043.1</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	11,959.5	(9,022.3)	2,937.2
Other activities	290.4	(15.6)	274.8
<b>Total</b>	<b>12,249.9</b>	<b>(9,037.9)</b>	<b>3,212.0</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	10,828.3	(8,247.6)	2,580.7
Other activities	273.3	(54.8)	218.5
<b>Total</b>	<b>11,101.6</b>	<b>(8,302.4)</b>	<b>2,799.2</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	10,981.7	0.0	33.8	0.0	11,015.5	10,079.7
Service charges	478.6	0.0	2.5	0.0	481.1	438.9
<b>Gross income</b>	<b>11,460.3</b>	<b>0.0</b>	<b>36.3</b>	<b>0.0</b>	<b>11,496.6</b>	<b>10,518.6</b>
Voids	(76.7)	0.0	0.0	0.0	(76.7)	(77.2)
<b>Net income</b>	<b>11,383.6</b>	<b>0.0</b>	<b>36.3</b>	<b>0.0</b>	<b>11,419.9</b>	<b>10,441.4</b>
Grants released from deferred income	352.2	0.0	0.0	0.0	352.2	282.6
Revenue grants from Scottish Ministers	149.4	0.0	0.0	0.0	149.4	96.2
Other revenue grants	38.0	0.0	0.0	0.0	38.0	8.1
<b>Total turnover: letting</b>	<b>11,923.2</b>	<b>0.0</b>	<b>36.3</b>	<b>0.0</b>	<b>11,959.5</b>	<b>10,828.3</b>
Management and maintenance administration costs	(3,123.7)	0.0	(15.8)	0.0	(3,139.5)	(2,806.6)
Service costs	(1,048.9)	0.0	(5.2)	0.0	(1,054.1)	(989.3)
Planned maintenance	(1,221.3)	0.0	0.0	0.0	(1,221.3)	(987.0)
Reactive maintenance	(1,409.9)	0.0	0.0	0.0	(1,409.9)	(1,373.4)
Bad debts written (off)/back	(30.2)	0.0	0.0	0.0	(30.2)	(103.7)
Depreciation: housing	(2,159.2)	0.0	(8.1)	0.0	(2,167.3)	(1,987.6)
Impairment	0.0	0.0	0.0	0.0	0.0	0.0
<b>Operating costs</b>	<b>(8,993.2)</b>	<b>0.0</b>	<b>(29.1)</b>	<b>0.0</b>	<b>(9,022.3)</b>	<b>(8,247.6)</b>
<b>Operating surplus/(deficit)</b>	<b>2,930.0</b>	<b>0.0</b>	<b>7.2</b>	<b>0.0</b>	<b>2,937.2</b>	<b>2,580.7</b>
<b>Prior Year</b>						
<b>Total turnover: letting</b>	<b>10,781.4</b>	<b>0.0</b>	<b>46.9</b>	<b>0.0</b>		
<b>Operating costs</b>	<b>(8,214.4)</b>	<b>0.0</b>	<b>(33.2)</b>	<b>0.0</b>		
<b>Operating surplus/(deficit)</b>	<b>2,567.0</b>	<b>0.0</b>	<b>13.7</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	0.0	0.0	0.0
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	64.7	64.7	(6.9)	57.8	7.2
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	225.7	225.7	(8.7)	217.0	211.3
<b>Current Year Total</b>	0.0	0.0	0.0	290.4	290.4	(15.6)	274.8	
<b>Prior Year Total</b>	0.0	0.0	0.0	273.3	273.3	(54.8)	218.5	



**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	2,433	0	12	0	2,445	2,442
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>2,433</b>	<b>0</b>	<b>12</b>	<b>0</b>	<b>2,445</b>	<b>2,442</b>

**COST PER UNIT - Current Year**

	General Needs Social Housing	Supported Social Housing Accommodation	Shared Ownership Housing	Other	Total
Management & maintenance administration	£1,284	-	£1,317	-	£1,284
Planned maintenance	£502	-	£0	-	£500
Reactive maintenance	£579	-	£0	-	£577
Total direct maintenance	£1,081	-	£0	-	£1,076
<b>Total management &amp; maintenance</b>	<b>£2,365</b>	<b>-</b>	<b>£1,317</b>	<b>-</b>	<b>£2,360</b>

**COST PER UNIT - Prior Year**

	General Needs Social Housing	Supported Social Housing Accommodation	Shared Ownership Housing	Other	Total
Management & maintenance administration	£1,149	-	£1,167	-	£1,149
Planned maintenance	£407	-	£0	-	£404
Reactive maintenance	£566	-	£0	-	£562
Total direct maintenance	£973	-	£0	-	£967
<b>Total management &amp; maintenance</b>	<b>£2,122</b>	<b>-</b>	<b>£1,167</b>	<b>-</b>	<b>£2,116</b>

SUPPLEMENTARY ITEMS

	Current Year	Prior Year
	£'000	£'000
Chief Executive emoluments excluding pension contributions	95.4	89.2
Total key management personnel emoluments	251.2	251.7
Total staff costs	2,150.0	2,207.3
External auditors' fees – audit	21.4	19.0
External auditors' fees – other	1.0	2.5
Capitalised maintenance costs	2,144.9	1,541.6
Capitalised development administration costs	138.0	269.0
Capitalised interest costs	0.0	0.0
Accumulated depreciation	14,300.0	12,217.2
Receivables - gross rental	499.9	503.6
Receivables – bad debt provision	(317.5)	(355.5)
Receivables - net rental	182.4	148.1
Total Pension deficit recovery payments due	0.0	353.0
Housing loans due within one year	829.0	816.0
Housing loans due after more than one year	50,294.6	51,123.6
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	669.4	669.4
Intra-group receivables (trading)	46.8	1.3
Other intra-group payables (trading)	225.6	122.0

**CONTEXTUAL INFORMATION**

Accounting year end	March	
Date financial statements authorised	20/08/2024	
Are the financial statements qualified?	No	
Were there any emphasis of matter points raised in the audit report?	No	
External auditors' name	Azets	
Number of years since a full procurement exercise was undertaken for the external auditor	4	
Internal auditors' name	Wbg	
Number of years since a full procurement exercise was undertaken for the internal auditor	4	
Do you have an Audit Committee?	Yes	
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	-	
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?	1	
<b>Staff Pension Schemes</b>		
Which scheme(s) are you members of?	How many participating members in each scheme?	
SHAPS CARE 70th	0	
LGPS - Strathclyde Pension Fund	3	
SHAPS DC	38	

SUBSIDIARIES AND CONNECTED ORGANISATIONS - SUBSIDIARIES

Subsidiary name	Subsidiary status during Financial year	Accounts status	Company Turnover £'000	Company Operating surplus/(deficit) £'000	Company Net assets £'000
Upkeep Shettleston Community Enterprises	Active	Audited	2,580.1	130.5	571.6
<b>Activities</b>					
Other business activities					
East End Housing Development	Active	Audited	283.0	27.1	152.8
<b>Activities</b>					
Ownership of mid-market rent – low cost home ownership properties					
<b>Activities</b>					
<b>Activities</b>					

**SUBSIDIARIES AND CONNECTED ORGANISATIONS - SUBSIDIARIES**

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<b>Activities</b>					
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<b>Activities</b>					
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<b>Activities</b>					
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<b>Activities</b>					
<b>Activities</b>					
<b>Activities</b>					
<b>Activities</b>					



CONNECTED ORGANISATIONS

<b>Activities</b>	
<b>Activities</b>	
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CONNECTED ORGANISATIONS

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**RATIOS**

	Current Year	Prior Year	Prior Year Sector Median
<b>Financial capacity</b>			
Interest cover	247.9%	310.3%	425.2%
Gearing	391.4%	460.8%	44.8%
<b>Efficiency</b>			
Voids	0.7%	0.7%	0.8%
Gross arrears	4.4%	4.8%	3.9%
Net arrears	1.6%	1.4%	1.9%
Bad debts	0.3%	1.0%	0.5%
Staff costs / turnover	17.6%	19.9%	21.0%
Key management personnel / staff costs	11.7%	11.4%	16.7%
Turnover per unit	£5,010	£4,546	£5,571
Responsive repairs to planned maintenance ratio	2.4	1.8	1.6
<b>Liquidity</b>			
Current ratio	1.3	0.6	1.9
<b>Profitability</b>			
Gross surplus / (deficit)	25.8%	26.0%	16.2%
Net surplus / (deficit)	17.1%	19.8%	11.1%
EBITDA / revenue	26.0%	30.0%	28.8%
EBITDA exc. deferred grant	23.1%	27.5%	16.1%
<b>Financing</b>			
Debt burden ratio	4.2	4.7	1.7
Net debt per unit	£20,101	£20,842	£7,062
Debt per unit	£20,909	£21,269	£10,190
<b>Diversification</b>			
Income from non-rental activities-	6.8%	5.9%	17.4%

## Comments

Page	Field	Comment
SOCI	Exceptional items	Decrease in fair value of investment properties.
SOCI	Interest receivable	£91.9k gift aid from subsidiary included. £69.8k interest received.
SOCI	Interest payable	Higher average interest rate for the 12 month period than prior year. Amortised break costs offset against this figure - see cashflow for actual interest paid.
SOCI	Other financing (costs)/income	£40k net interest on pension scheme asset.
SOCI	Actuarial (loss)/gain in respect of pension schemes	SHAPS DB loss £741k. Strathclyde DB gain £158k.
SOFP	Receivables due after more than one year	Loan due from subsidiary.
SOFP	Pension asset/(liability)	SHAPS DB liability £1,243k. Strathclyde DB asset £196k.
SOCF	Net cash inflow/(outflow) from operating activities	Gift Aid removed and included in Interest Received.
SOCF	Acquisition and construction of properties	New build development included in prior year - 44 units at St Marks.
SOCF	Purchase of other non-current assets	Investment in IT this year.
SOCF	Interest received	Includes £91.9k gift aid from subsidiary.
Analysis - Affordable Lettings	Grants released from deferred income	Increase due to 44 new units completed at St Marks in the prior year, charged for the full year.
Analysis - Affordable Lettings	Grants from Scottish Ministers	Higher grant level received this year.
Analysis - Affordable Lettings	Other grants	Retrofit project grant funding received this year.
Analysis - Affordable Lettings	Planned maintenance	Expenditure held back / reduced where possible in prior year due to threat of rent freeze.
Analysis - Affordable Lettings	Bad debts written (off)/back	Detailed review of bad debt provision.
Analysis - Other	Factoring	Detailed review of factoring bad debt provision.

Page	Field	Comment
Activities		Impact being reduction in operating costs.
Analysis - Other Activities	Other activities	Uplift mainly due to increased management charge to subsidiary companies. This is due to high inflation rate / EVH salary award for 2023/24.
Supplementary Items	External auditors' fees - other	New audit requirements in prior year.
Supplementary Items	Capitalised maintenance costs	Spend restricted in prior year due to threat of rent freeze.
Supplementary Items	Capitalised development administration costs	No development projects in year; capitalised maintenance administration only this year.
Supplementary Items	Accumulated depreciation	Increase reflects depreciation charge for full year on the 44 new units completed in the prior year along with the increased investment in component renewals this year.
Supplementary Items	Receivables - net rental	Bad debt provision reviewed downwards in 2023/24.
Supplementary Items	Total Pension deficit recovery payments due	No payment due.
Supplementary Items	Intra-group receivables (trading)	£33.7k due from Upkeep and £13.1k due from EEHDC - year end balance depends on timing of payment runs.
Supplementary Items	Other intra-group payables (trading)	Due to Upkeep. Variance from last year is due to timing of year end payment runs.