

Landlord Name:	Abertay Housing Association Ltd
RSL Reg No.:	297
Report generated date:	10/08/2020 09:58:30

**Approval**

A1.1	Date approved	26/08/2020
A1.2	Approver	Kathleen Mands
A1.3	Approver job title	Chair

# Audited Financial Statements (AFS) 2019-2020

## STATEMENT OF COMPREHENSIVE INCOME



Scottish Housing  
Regulator

	Current Year	Prior Year
	£'000	£'000
Turnover	8,870.1	8,473.6
Operating costs	(7,105.9)	(6,674.8)
Gain/(loss) on disposal of property, plant and equipment	106.5	179.2
Exceptional items	0.0	0.0
<b>Operating surplus/(deficit)</b>	<b>1,870.7</b>	<b>1,978.0</b>
Share of operating surplus/(deficit) in joint ventures and associates	0.0	0.0
Interest receivable	5.2	2.0
Interest payable	(936.9)	(1,164.2)
Other financing (costs)/income	(349.9)	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>(1,281.6)</b>	<b>(1,162.2)</b>
<b>Surplus/(deficit) before tax</b>	<b>589.1</b>	<b>815.8</b>
Tax (payable)/recoverable	0.0	0.0
<b>Surplus/(deficit) for the year</b>	<b>589.1</b>	<b>815.8</b>
Actuarial (loss)/gain in respect of pension schemes	128.6	147.3
Change in fair value of hedged financial instruments	0.0	0.0
<b>Total comprehensive income for the year</b>	<b>717.7</b>	<b>963.1</b>

## Audited Financial Statements (AFS) 2019-2020

### 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 beginning of the year</b>	0.2	0.0	13,302.1	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	717.7	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
<b>Balance at end of the year</b>	0.2	0.0	14,019.8	0.0	0.0

	Total excluding non-controlling interest	Non-controlling interest	Total including non-controlling interest
	£'000	£'000	£'000
<b>Balance at beginning of the year</b>	13,302.3	0.0	13,302.3
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	717.7	0.0	717.7
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
<b>Balance at end of the year</b>	14,020.0	0.0	14,020.0

# Audited Financial Statements (AFS) 2019-2020

## STATEMENT OF FINANCIAL POSITION



Scottish Housing  
Regulator

	Current Year	Prior Year
	£'000	£'000
<b><u>Non-current assets</u></b>		
Intangible assets and goodwill	0.0	0.0
Housing properties - NBV	49,956.5	49,362.8
Negative goodwill	0.0	0.0
<b>Net housing assets</b>	49,956.5	49,362.8
Non-current investments	0.0	0.0
Other plant, property and equipment	141.7	169.3
Investments in joint ventures and associates	0.0	0.0
<b>Total non-current assets</b>	50,098.2	49,532.1
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	513.6	537.4
Cash and cash equivalents	1,821.9	2,082.5
<b>Total current assets</b>	2,335.5	2,619.9
Payables: amounts falling due within one year	(1,857.3)	(1,976.4)
<b><u>Deferred income: amounts falling due within one year</u></b>		
Scottish housing grants (SHG)	(337.5)	(337.6)
Other grants	0.0	0.0
<b>Total deferred income: amounts falling due within one year</b>	(337.5)	(337.6)
<b>Net current assets/(liabilities)</b>	140.7	305.9
<b>Total assets less current liabilities</b>	50,238.9	49,838.0
Payables: amounts falling due after more than one year	(20,360.0)	(20,853.9)
Provisions	0.0	0.0
Pension asset/(liability)	(964.8)	(743.5)
<b><u>Deferred income: amounts falling due after more than one year</u></b>		
Scottish housing grants (SHG)	(14,894.1)	(14,903.2)
Other grants	0.0	(35.1)
<b>Total deferred income: amounts falling due after more than one year</b>	(14,894.1)	(14,938.3)
<b>Total long term liabilities</b>	(36,218.9)	(36,535.7)
<b>Net assets</b>	14,020.0	13,302.3
<b><u>Capital and reserves</u></b>		
Share capital	0.2	0.2
Revaluation reserves	0.0	0.0
Restricted reserves	0.0	0.0
Revenue reserves	14,019.8	13,302.1
<b>Total reserves</b>	14,020.0	13,302.3

# Audited Financial Statements (AFS) 2019-2020

## STATEMENT OF CASH FLOWS



Scottish Housing  
Regulator

	Current Year	Prior Year
	£'000	£'000
<b>Net cash inflow/(outflow) from operating activities</b>	3,480.7	3,109.1
<b>Tax (paid)/refunded</b>	0.0	0.0
<b><u>Cash flow from investing activities</u></b>		
Acquisition and construction of properties	(2,760.9)	(5,150.4)
Purchase of other non-current assets	(4.9)	(5.2)
Sales of properties	133.6	261.7
Sales of other non-current assets	0.0	0.0
Capital grants received	282.2	552.9
Capital grants repaid	0.0	(43.0)
Interest received	5.2	2.0
<b>Net cash inflow/(outflow) from investing activities</b>	(2,344.8)	(4,382.0)
<b><u>Cash flow from financing activities</u></b>		
Interest paid	(936.9)	(1,164.2)
Interest element of finance lease rental payment	0.0	0.0
Share capital received/(repaid)	0.0	0.0
Funding drawn down	0.0	3,310.0
Funding repaid	(459.6)	(564.6)
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
<b>Net cash inflow/(outflow) from financing activities</b>	(1,396.5)	1,581.2
<b>Net change in cash and cash equivalents</b>	(260.6)	308.3
<b>Cash and cash equivalents at beginning of the year</b>	2,082.5	1,774.2
<b>Cash and cash equivalents at end of the year</b>	1,821.9	2,082.5

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

	<b>Turnover</b>	<b>Operating Costs</b>	<b>Operating Surplus/(Deficit)</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Affordable letting activities	8,366.6	(6,757.6)	1,609.0
Other activities	503.5	(348.3)	155.2
<b>Total</b>	<b>8,870.1</b>	<b>(7,105.9)</b>	<b>1,764.2</b>

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

	<b>Turnover</b>	<b>Operating Costs</b>	<b>Operating Surplus/(Deficit)</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Affordable letting activities			
Other activities			
<b>Total</b>			

## Audited Financial Statements (AFS) 2019-2020

### 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	7,736.1	0.0	0.0	0.0	7,736.1	7,349.9
Service charges	283.8	0.0	0.0	0.0	283.8	285.0
<b>Gross income</b>	8,019.9	0.0	0.0	0.0	8,019.9	7,634.9
Voids	(40.7)	0.0	0.0	0.0	(40.7)	(45.3)
<b>Net income</b>	7,979.2	0.0	0.0	0.0	7,979.2	7,589.6
Grants released from deferred income	337.8	0.0	0.0	0.0	337.8	337.6
Revenue grants from Scottish Ministers	0.0	0.0	0.0	0.0	0.0	0.0
Other revenue grants	49.6	0.0	0.0	0.0	49.6	76.4
<b>Total turnover: letting</b>	8,366.6	0.0	0.0	0.0	8,366.6	8,003.6
Management and maintenance administration costs	(2,121.6)	0.0	0.0	0.0	(2,121.6)	(2,074.2)
Service costs	(153.5)	0.0	0.0	0.0	(153.5)	(159.7)
Planned maintenance	(486.8)	0.0	0.0	0.0	(486.8)	(452.2)
Reactive maintenance	(1,764.3)	0.0	0.0	0.0	(1,764.3)	(1,497.3)
Bad debts written (off)/back	(91.3)	0.0	0.0	0.0	(91.3)	(83.3)
Depreciation: housing	(2,140.1)	0.0	0.0	0.0	(2,140.1)	(2,064.4)
Impairment	0.0	0.0	0.0	0.0	0.0	0.0
<b>Operating costs</b>	(6,757.6)	0.0	0.0	0.0	(6,757.6)	(6,331.1)
<b>Operating surplus/(deficit)</b>	1,609.0	0.0	0.0	0.0	1,609.0	1,672.5

#### Prior Year

<b>Total turnover: letting</b>	8,003.6	0.0	0.0	0.0
<b>Operating costs</b>	(6,331.1)	0.0	0.0	0.0
<b>Operating surplus/(deficit)</b>	1,672.5	0.0	0.0	0.0

## Audited Financial Statements (AFS) 2019-2020

### 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	101.1	0.0	0.0	62.8	163.9	(92.0)	71.9	44.8
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	200.2	200.2	(201.2)	(1.0)	0.1
Support activities	0.0	0.0	0.0	139.4	139.4	(55.1)	84.3	81.4
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>	101.1	0.0	0.0	402.4	503.5	(348.3)	155.2	
<b>Prior Year Total</b>	74.5	0.0	0.0	395.5	470.0	(343.7)	126.3	

# Audited Financial Statements (AFS) 2019-2020

## 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	1796	0	0	0	1796	1792
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>	1796	0	0	0	1796	1792

## COST PER UNIT - Current Year

	General Needs Social Housing	Supported Social Housing Accommodation	Shared Ownership Housing	Other	Total
Management & maintenance administration	£1,181	Input string was r	Input string was	Input string was	£1,181
Planned maintenance	£271	Input string was r	Input string was	Input string was	£271
Reactive maintenance	£982	Input string was r	Input string was	Input string was	£982
Total direct maintenance	£1,253	Input string was r	Input string was	Input string was	£1,253
<b>Total management &amp; maintenance</b>	£2,435	Input string was r	Input string was	Input string was	£2,435

## COST PER UNIT - Prior Year

	General Needs Social Housing	Supported Social Housing Accommodation	Shared Ownership Housing	Other	Total
Management & maintenance administration					
Planned maintenance					
Reactive maintenance					
Total direct maintenance					
<b>Total management &amp; maintenance</b>					

# Audited Financial Statements (AFS) 2019-2020

## SUPPLEMENTARY ITEMS



Scottish Housing  
Regulator

	Current Year	Prior Year
	£'000	£'000
Chief Executive emoluments excluding pension contributions	60.3	81.5
Total key management personnel emoluments	145.7	186.3
Total staff costs	1,543.9	1,522.3
External auditors' fees – audit	8.5	8.1
External auditors' fees – other	0.9	1.0
Capitalised maintenance costs	1,967.6	1,279.2
Capitalised development administration costs	0.0	0.0
Capitalised interest costs	0.0	0.0
Accumulated depreciation	21,132.1	19,136.1
Receivables - net rental	138.6	117.5
Total Pension deficit recovery payments due	0.0	0.0
Housing loans due within one year	504.7	470.4
Housing loans due after more than one year	20,360.0	20,853.9
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

# Audited Financial Statements (AFS) 2019-2020

## CONTEXTUAL INFORMATION



Scottish Housing  
Regulator

Accounting year end	March		
Date financial statements authorised	26/08/2020		
Are the financial statements qualified?	No		
Were there any emphasis of matter points raised in the audit report?	No		
External auditors' name	Alexander Sloan		
Number of years since a full procurement exercise was undertaken for the external auditor	4		
Internal auditors' name	Quinn Internal Audit Services		
Number of years since a full procurement exercise was undertaken for the internal auditor	3		
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	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	N/A		
Are you appealing this risk rating?	N/A		
How many staff members not currently contributing to any scheme?	7		

### Staff Pension Schemes

Which scheme(s) are you members of?	How many participating members in each scheme?
Tayside Superannuation Fund	38

# Audited Financial Statements (AFS) 2019-2020

## RATIOS

	Current Year	Prior Year	Prior Year Sector Median
<b>Financial capacity</b>			
Interest cover	372.1%		404.8%
Gearing	135.8%		57.1%
<b>Efficiency</b>			
Voids	0.5%		0.6%
Arrears	1.7%		2.2%
Bad debts	1.1%		0.7%
Staff costs / turnover	17.4%		20.2%
Key management personnel / staff costs	9.4%		15.9%
Turnover per unit	£4,939		£5,121
Responsive repairs to planned maintenance ratio	1.4		1.8
<b>Liquidity</b>			
Current ratio	1.1		1.8
<b>Profitability</b>			
Gross surplus / (deficit)	21.1%		19.9%
Net surplus / (deficit)	6.6%		12.6%
EBITDA / revenue	23%		30.0%
<b>Financing</b>			
Debt burden ratio	2.4		2.1
Net debt per unit	£10,603		£6,784
Debt per unit	£11,617		£10,311
<b>Diversification</b>			
Income from non-rental activities	10%		18.0%

## Comments

Page	Field	Comment
SOCI	Interest receivable	Interest higher than previous years due to level of cash balances throughout the year.
SOCE	Balance at beginning of the year - Non-controlling interest & Totals	No non-controlling interest
SOCF	Acquisition and construction of properties	New build spend in 2019/20 was £3,078k less than the previous year
SOCF	Interest received	Interest higher than previous years due to level of cash balances throughout the year.
Analysis - Affordable Lettings	Other grants	2019/20 included a full year of ACF funding. That project finished on 30/6/19, and a further smaller project started on 1/1/20.
Analysis - Affordable Lettings	Reactive maintenance	2019/20 includes smoke and heat detector replacement
Analysis - Other Activities	Care and repair	In 2019/20 there were a number of major adaptations which were part funded. There were no major adaptations the previous year.
Analysis - Other Activities	Factoring	Small operating deficit this year
Analysis - Other Activities	Support activities	Minimal change in surplus from last year
Supplementary Items	Chief Executive emoluments excluding pension contributions	The Chief Executive post was vacant for part of the year
Supplementary Items	Total key management personnel emoluments	The Chief Executive post was vacant for part of the year
Supplementary Items	Capitalised maintenance costs	Variance due to split of planned maintenance between revenue and components
Supplementary Items	Receivables - net rental	Rent arrears has risen by £11k, and provision for bad debt fallen by £9k due to age of arrears