

Landlord Name:	Irvine Housing Association Ltd
RSL Reg No.:	280
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Approval

A1.1	Date approved	22/09/2023
A1.2	Approver	James Strang
A1.3	Approver job title	Chair of the Board



STATEMENT OF COMPREHENSIVE INCOME

	Current Year	Prior Year
	£'000	£'000
Turnover	12,055.0	11,479.0
Operating costs	(7,800.0)	(6,712.0)
Gain/(loss) on disposal of property, plant and equipment	0.0	0.0
Exceptional items	0.0	0.0
Operating surplus/(deficit)	4,255.0	4,767.0
Share of operating surplus/(deficit) in joint ventures and associates	0.0	0.0
Interest receivable	0.0	0.0
Interest payable	(1,534.0)	(1,248.0)
Other financing (costs)/income	0.0	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
Total	(1,534.0)	(1,248.0)
Surplus/(deficit) before tax	2,721.0	3,519.0
Tax (payable)/recoverable	0.0	0.0
Surplus/(deficit) for the year	2,721.0	3,519.0
Actuarial (loss)/gain in respect of pension schemes	0.0	0.0
Change in fair value of hedged financial instruments	0.0	0.0
Total comprehensive income for the year	2,721.0	3,519.0

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	0.0	0.0	23,330.0	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	2,721.0	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
Balance at end of the current year	0.0	0.0	26,051.0	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	23,330.0	0.0	23,330.0
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	2,721.0	0.0	2,721.0
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
Balance at end of the current year	26,051.0	0.0	26,051.0

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	108,307.0	92,858.0
Negative goodwill	0.0	0.0
Net housing assets	108,307.0	92,858.0
Non-current investments	0.0	0.0
Other plant, property and equipment	517.0	592.0
Investments in joint ventures and associates	0.0	0.0
Total non-current assets	108,824.0	93,450.0
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	993.0	1,561.0
Cash and cash equivalents	19.0	0.0
Total current assets	1,012.0	1,561.0
Payables: amounts falling due within one year	(3,297.0)	(3,433.0)
<u>Deferred income: amounts falling due within one year</u>		
Scottish housing grants (SHG)	(277.0)	(269.0)
Other grants	(26.0)	(25.0)
Total deferred income: amounts falling due within one year	(303.0)	(294.0)
Net current assets/(liabilities)	(2,588.0)	(2,166.0)
Total assets less current liabilities	106,236.0	91,284.0
Payables: amounts falling due after more than one year	(39,199.0)	(30,416.0)
Provisions	0.0	0.0
Pension asset/(liability)	0.0	0.0
<u>Deferred income: amounts falling due after more than one year</u>		
Scottish housing grants (SHG)	(37,465.0)	(34,313.0)
Other grants	(3,521.0)	(3,225.0)
Total deferred income: amounts falling due after more than one year	(40,986.0)	(37,538.0)
Total long term liabilities	(80,185.0)	(67,954.0)
Net assets	26,051.0	23,330.0
<u>Capital and reserves</u>		
Share capital	0.0	0.0
Revaluation reserves	0.0	0.0
Restricted reserves	0.0	0.0
Revenue reserves	26,051.0	23,330.0
Total reserves	26,051.0	23,330.0

STATEMENT OF CASH FLOWS

	Current Year	Prior Year
	£'000	£'000
Net cash inflow/(outflow) from operating activities	5,839.0	2,818.0
Tax (paid)/refunded	0.0	0.0
<u>Cash flow from investing activities</u>		
Acquisition and construction of properties	(17,291.0)	(9,336.0)
Purchase of other non-current assets	(3.0)	(37.0)
Sales of properties	0.0	0.0
Sales of other non-current assets	0.0	0.0
Capital grants received	3,758.0	7,927.0
Capital grants repaid	0.0	0.0
Interest received	0.0	0.0
Net cash inflow/(outflow) from investing activities	(13,536.0)	(1,446.0)
<u>Cash flow from financing activities</u>		
Interest paid	(1,534.0)	(1,265.0)
Interest element of finance lease rental payment	0.0	0.0
Share capital received/(repaid)	0.0	0.0
Funding drawn down	9,250.0	0.0
Funding repaid	0.0	(15.0)
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	7,716.0	(1,280.0)
Net change in cash and cash equivalents	19.0	92.0
Cash and cash equivalents at end of the previous year	0.0	0.0
Cash and cash equivalents Opening balance adjustment	0.0	(92.0)
Cash and cash equivalents at end of the current year	19.0	0.0

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

	Turnover	Operating Costs	Operating Surplus/(Deficit)
	£'000	£'000	£'000
Affordable letting activities	11,738.0	(7,394.0)	4,344.0
Other activities	317.0	(406.0)	(89.0)
Total	12,055.0	(7,800.0)	4,255.0

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

	Turnover	Operating Costs	Operating Surplus/(Deficit)
	£'000	£'000	£'000
Affordable letting activities	11,185.0	(6,322.0)	4,863.0
Other activities	294.0	(390.0)	(96.0)
Total	11,479.0	(6,712.0)	4,767.0

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	11,440.0	0.0	0.0	0.0	11,440.0	10,821.0
Service charges	47.0	0.0	0.0	0.0	47.0	40.0
Gross income	11,487.0	0.0	0.0	0.0	11,487.0	10,861.0
Voids	(94.0)	0.0	0.0	0.0	(94.0)	(40.0)
Net income	11,393.0	0.0	0.0	0.0	11,393.0	10,821.0
Grants released from deferred income	303.0	0.0	0.0	0.0	303.0	294.0
Revenue grants from Scottish Ministers	0.0	0.0	0.0	0.0	0.0	0.0
Other revenue grants	42.0	0.0	0.0	0.0	42.0	70.0
Total turnover: letting	11,738.0	0.0	0.0	0.0	11,738.0	11,185.0
Management and maintenance administration costs	(2,743.0)	0.0	0.0	0.0	(2,743.0)	(2,671.0)
Service costs	(423.0)	0.0	0.0	0.0	(423.0)	(407.0)
Planned maintenance	(603.0)	0.0	0.0	0.0	(603.0)	(617.0)
Reactive maintenance	(1,628.0)	0.0	0.0	0.0	(1,628.0)	(974.0)
Bad debts written (off)/back	(149.0)	0.0	0.0	0.0	(149.0)	(113.0)
Depreciation: housing	(1,848.0)	0.0	0.0	0.0	(1,848.0)	(1,540.0)
Impairment	0.0	0.0	0.0	0.0	0.0	0.0
Operating costs	(7,394.0)	0.0	0.0	0.0	(7,394.0)	(6,322.0)
Operating surplus/(deficit)	4,344.0	0.0	0.0	0.0	4,344.0	4,863.0

Prior Year

Total turnover: letting	11,185.0	0.0	0.0	0.0
Operating costs	(6,322.0)	0.0	0.0	0.0
Operating surplus/(deficit)	4,863.0	0.0	0.0	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	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Care and repair	198.0	0.0	0.0	0.0	198.0	(233.0)	(35.0)	(46.0)
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	100.0	100.0	(173.0)	(73.0)	(50.0)
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	19.0	19.0	0.0	19.0	0.0
Current Year Total	198.0	0.0	0.0	119.0	317.0	(406.0)	(89.0)	
Prior Year Total	223.0	0.0	0.0	71.0	294.0	(390.0)	(96.0)	

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	2,443	0	0	0	2,443	2,326
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	2,443	0	0	0	2,443	2,326

COST PER UNIT - Current Year

	General Needs Social Housing	Supported Social Housing Accommodation	Shared Ownership Housing	Other	Total
Management & maintenance administration	£1,123	-	-	-	£1,123
Planned maintenance	£247	-	-	-	£247
Reactive maintenance	£666	-	-	-	£666
Total direct maintenance	£913	-	-	-	£913
Total management & maintenance	£2,036	-	-	-	£2,036

COST PER UNIT - Prior Year

	General Needs Social Housing	Supported Social Housing Accommodation	Shared Ownership Housing	Other	Total
Management & maintenance administration	£1,148	-	-	-	£1,148
Planned maintenance	£265	-	-	-	£265
Reactive maintenance	£419	-	-	-	£419
Total direct maintenance	£684	-	-	-	£684
Total management & maintenance	£1,832	-	-	-	£1,832

SUPPLEMENTARY ITEMS

	Current Year	Prior Year
	£'000	£'000
Chief Executive emoluments excluding pension contributions	104.0	105.0
Total key management personnel emoluments	429.0	146.0
Total staff costs	1,784.0	1,615.0
External auditors' fees – audit	30.0	24.0
External auditors' fees – other	0.0	0.0
Capitalised maintenance costs	2,014.0	2,482.0
Capitalised development administration costs	0.0	0.0
Capitalised interest costs	0.0	0.0
Accumulated depreciation	20,799.0	19,432.0
Receivables - gross rental	712.0	
Receivables – bad debt provision	(362.0)	(259.0)
Receivables - net rental	350.0	841.0
Total Pension deficit recovery payments due	0.0	0.0
Housing loans due within one year	0.0	0.0
Housing loans due after more than one year	26,000.0	26,000.0
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	297.0
Intra-group loans due within one year	0.0	0.0
Intra-group loans due after more than one year	13,199.0	4,045.0
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	15/09/2023	
Are the financial statements qualified?	No	
Were there any emphasis of matter points raised in the audit report?	No	
External auditors' name	BDO	
Number of years since a full procurement exercise was undertaken for the external auditor	1	
Internal auditors' name	Internal	
Number of years since a full procurement exercise was undertaken for the internal auditor	10+	
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?	3	

Staff Pension Schemes

Which scheme(s) are you members of?	How many participating members in each scheme?
Legal & General (DC)	38

SUBSIDIARIES AND CONNECTED ORGANISATIONS
SUBSIDIARIES

Subsidiary name		Subsidiary status during Financial year	Accounts status	Subsidiary company Turnover £'000	Subsidiary company Operating surplus/(deficit) £'000	Subsidiary company Net assets £'000
Thistle Housing		Dormant	Unaudited	0.0	0.0	6.0

SUBSIDIARIES AND CONNECTED ORGANISATIONS
SUBSIDIARIES

Subsidiary name		Subsidiary status during Financial year	Accounts status	Subsidiary company Turnover £'000	Subsidiary company Operating surplus/(deficit) £'000	Subsidiary company Net assets £'000

RATIOS

	Current Year	Prior Year	Prior Year Sector Median
Financial capacity			
Interest cover	380.6%	222.8%	532.3%
Gearing	150.4%	130.1%	47.9%
Efficiency			
Voids	0.8%	0.4%	0.9%
Gross arrears	6.2%	10.2%	3.9%
Net arrears	3.1%	7.8%	1.9%
Bad debts	1.3%	1.0%	0.4%
Staff costs / turnover	14.8%	14.1%	21.1%
Key management personnel / staff costs	24.0%	9.0%	14.5%
Turnover per unit	£4,935	£4,935	£5,458
Responsive repairs to planned maintenance ratio	1.6	3.2	1.7
Liquidity			
Current ratio	0.3	0.4	2.1
Profitability			
Gross surplus / (deficit)	35.3%	41.5%	18.7%
Net surplus / (deficit)	22.6%	30.7%	12.7%
EBITDA / revenue	33.9%	33.3%	29.4%
EBITDA exc. deferred grant	31.4%	30.8%	19.0%
Financing			
Debt burden ratio	3.3	2.6	1.9
Net debt per unit	£16,038	£13,045	£7,102
Debt per unit	£16,045	£13,045	£10,687
Diversification			
Income from non-rental activities-	5.5%	5.7%	17.6%

Comments

Page	Field	Comment
SOCI	Operating costs	Significant increases in repairs & maintenance due to inflation and appointment of new contractor following a re-tendering exercise.
SOCI	Interest payable	Increase attributable to rising interest rates and high loan balances
SOFP	Housing properties - NBV	£15m invested in new homes in the year
SOCF	Net cash inflow/(outflow) from operating activities	Expenditure on capital improvements was recategorized from operating activities to investing activities.
SOCF	Acquisition and construction of properties	£15m invested in building new homes in the year
Analysis - Affordable Lettings	Service charges	Increase is attributable to service charges applied to new homes completed in the year
Analysis - Affordable Lettings	Voids	Significant increase in both volume of voids and re-let times.
Analysis - Affordable Lettings	Other grants	As anticipated, grant claims in respect of Housing 1st for families grant were exhausted half way through the year
Analysis - Affordable Lettings	Reactive maintenance	High inflation and appointment of new contractor following tender process has resulted in significant increase
Analysis - Affordable Lettings	Bad debts written (off)/back	High bad debt provision linked to cost of living crisis and rising arrears
Analysis - Affordable Lettings	Depreciation: housing	Additional depreciation charges relating to new homes and component replacements
Analysis - Other Activities	Care and repair	Reduction in disabled adaptations linked to reduction in grant funding
Analysis - Other Activities	Factoring	Increased bad debt provision
Analysis - Other Activities	Other activities	One off receipt from local authority in relation to EWI project
Supplementary Items	Total key management personnel emoluments	Includes all staff with emoluments > £60k so impacted by one off redundancy payments

Page	Field	Comment
Supplementary Items	Capitalised maintenance costs	Fewer contracts than in previous year due to changes in staff team following restructure.
Supplementary Items	Receivables - gross rental	Fluctuation due to timing of receipts of Housing Benefit
Supplementary Items	Receivables - bad debt provision	Increased provision due to rising arrears linked to cost of living crisis
Supplementary Items	Receivables - net rental	Fluctuation due to timing of receipts of Housing Benefit and greater provision for bad debts
Supplementary Items	Overdraft / bridging finance	No overdraft in the year
Supplementary Items	Intra-group loans due after more than one year	SoFP includes capitalised finance costs of £82k. Intra-Group loan balance is actually £13,281k but is being recorded as £13,199k to account for the capitalised finance costs and remove the validation error.
Contextual Information	Full procurement exercise undertaken for external auditor	auditor same as previous year
Contextual Information	Full procurement exercise undertaken for internal auditor	Internal audit is conducted by a dedicated team within the Riverside Group Ltd so no procurement exercise is necessary
Contextual Information	How many staff members not currently contributing to a pension scheme?	Two part time members of staff and one temporary staff member have opted out of the pension scheme