

**SPIRE VIEW HOUSING ASSOCIATION LIMITED  
REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

Registered Housing Association Number: HAC 136  
FCA Reference Number: 2295R (S)  
Scottish Charity Registration Number: SC033266

# **SPIRE VIEW HOUSING ASSOCIATION LIMITED**

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**SPIRE VIEW HOUSING ASSOCIATION LIMITED  
REPORT FROM THE MANAGEMENT COMMITTEE  
FOR THE YEAR ENDED 31 MARCH 2018**

**MEMBERS OF THE  
MANAGEMENT COMMITTEE**

Charlie Lunn	(Chairperson)	
Alan Brown	(Vice Chairperson)	
Tilly McIlroy	(Former Vice Chairperson)	(Resigned 30/10/2017)
Jean Lunn	(Secretary)	
Lynda Mullholland	(Treasurer)	
Frances McEwan	(Committee Member)	
William Tibbs	(Committee Member)	(Deceased 11/04/2018)
Andrew Samson	(Committee Member)	
Clare O'Donnell	(Committee Member)	
Stirling Wilson	(Committee Member)	(Resigned 27/11/2017)
Thomas Boyle	(Committee Member)	(Resigned 30/05/2018)
Allan Stewart	(Committee Member)	(Co-opted 26/03/2018)
Caitlin Heaney	(Committee Member)	(Co-opted 31/05/2018)
Ross Love	(Committee Member)	(Co-opted 31/05/2018)
Isobel Heeps	(Committee Member)	
Eddie Heron	(Committee Member)	
Louise Irving	(Committee Member)	

**EXECUTIVE OFFICERS**

Fiona Murphy	(Director)
Donna Richardson	(Housing Manager)

**REGISTERED OFFICE**

43 Tharsis Street  
Roystonhill  
Glasgow  
G21 2JF

**AUDITOR**

French Duncan LLP  
Chartered Accountants  
Statutory Auditor  
133 Finnieston Street  
Glasgow  
G3 8HB

**BANKERS**

Santander	Clydesdale Bank plc	Nationwide Building Society
Bridle Road	66 Queen Street	Caledonia House, Carnegie Avenue
Bootle, Merseyside	Glasgow	Dunfermline
L30 4GB	G31 3DS	KY11 8PJ

**SOLICITORS**

TC Young	BTO Solicitors
7 West George Street	40 St Vincent Street
Glasgow	Glasgow
G2 1BA	G2 5HS

# **SPIRE VIEW HOUSING ASSOCIATION LIMITED**

## **REPORT FROM THE MANAGEMENT COMMITTEE**

### **FOR THE YEAR ENDED 31 MARCH 2018**

The Management Committee presents their report and the audited Financial Statements for the year ended 31 March 2018.

#### **Legal Status**

The Association is a registered non-profit making organisation under the Co-operative and Community Benefit Societies Act 2014 No.2295R (S). The Association is governed under its Rule Book. The Association is a Registered Scottish Charity with the charity number SC033266.

#### **Principal Activities**

The principal activities of the Association are the provision and management of affordable rented accommodation.

#### **Strategy and Objectives**

The Association's mission is to provide locally based, high quality, affordable housing and services which will contribute to the well-being of the community we serve. The vision for Spire View Housing Association is to be the landlord of choice in our neighbourhood, working with our customers, community and local stakeholders to create an area where people choose and are happy to live. Great service and value for money are at our core and we strive relentlessly to balance both. The achievement of our mission, vision and strategic objectives is underpinned by our values of Excellence, Accountability and Partnership Working, which shape how we do business. During 2017/2018, we agreed a completely new 3 year Business Plan. As part of this process, we reviewed and updated our Strategic Objectives to state that we will;

- Maintain and enhance strong strategic governance
- Ensure that customers receive the highest possible standard of service at all times
- Provide quality homes in an attractive environment
- Seek to improve our financial strength and deliver value for money
- Develop our leadership and staff
- Continue our role as a community anchor by providing services and improving our communities to grow and thrive

This comprehensive review of our strategy and objectives took account of tenant views and priorities and was prepared following a joint strategy day with our partners at Copperworks Housing Association. As well as clarifying our purpose, potential and priorities, the new plan reaffirmed the strategic direction of the Association.

#### **Review of business**

Our progress during the year was excellent and included;

- Securing funding to purchase the Rainbow Hall and progressing plans to create a state of the art community facility to meet the needs and demands of the local Community in which we operate. This project went on site in February 2018 and the expected completion date is April 2019.
- Significant planned maintenance works to include render replacement at 91-99 James Nisbet Street and window replacement at 80 – 100 Roystonhill.
- Acquisition of the former social work building at Glenbarr Street, with the intention of demolishing the building and replacing it with 24 new build flats.
- A Comprehensive review of our 30 year projections, including sensitivity analysis and our Treasury Management Strategy. This is to ensure the Association continues to remain financially viable in the short, medium and long-term. The updated Business Plan incorporates all these changes.

**SPIRE VIEW HOUSING ASSOCIATION LIMITED  
REPORT FROM THE MANAGEMENT COMMITTEE  
FOR THE YEAR ENDED 31 MARCH 2018**

- A review and update of Financial Regulations and Procedures to ensure they remain as relevant and robust as possible.
- A comprehensive review, with expert assistance, of all the Risks facing the Association and systems in place for monitoring, reporting and mitigation.
- Continued our programme of independent internal audit.
- A continuation of our Wider Role programme to include the provision of various services including; Money Advice, Financial Capability and Tenancy Support. We also secured significant Wider Role funding to support Royston Youth Action and the activities they deliver in the local community.
- A thorough programme of appraisals and training for staff and management committee.
- Progression towards the revised staffing structure including an extension of the service sharing arrangements with Copperworks to include Corporate Services and Maintenance Administration.
- 2 community events / fun days including a 'spring clean up' and 'Christmas Event'.
- Continued membership and an active, leading role in the Royston Strategy Group which includes all RSL's, MP, Councillors, MSP, Rosemount Development Trust, GHA, Rosemount Lifelong Learning, Police, Fire Service, Royston Youth Action, North Glasgow Community Food Initiative and local schools.

**Future Developments**

Future developments as clearly defined within our new Business Plan include;

**Objective 1 – Maintain and enhance strong strategic governance.**

In summary we will;

- Strengthen our Committee through a recruitment campaign to bolster both numbers and the range of skills on our Committee. This will also be an important part of succession planning to make sure the governing body is shaped for the future.
- Continue to deliver a training programme to develop our Management Committee to ensure that individually and collectively, they demonstrate high levels of effective governance over the organisation. This will include a comprehensive programme of induction and development for new Committee members. Where sensible, we will develop our approach to delivery along with other local RSLs to share costs and learning.
- Continue to review our governance, finance, corporate and service policy suite. All staff and tenants will be encouraged to actively participate in the development of key policies to ensure all policies and related procedures are up to date, reflect law and regulatory requirements and good practice and are embedded in our operations. Regular in-house training will be carried out on new policies and procedures as they are introduced for staff and committee.
- Complete required actions on recent internal audits and agree and deliver our annual Internal Audit Programme to test the resilience of key areas of our business against policy and best practice.
- Conduct a self-assessment to test how we govern and manage against the SHR Regulatory Standards of Governance and Financial Management.
- Review and update our procurement policy to ensure our approach to procuring new goods, services and works complies with legal and regulatory requirements.

**SPIRE VIEW HOUSING ASSOCIATION LIMITED  
REPORT FROM THE MANAGEMENT COMMITTEE  
FOR THE YEAR ENDED 31 MARCH 2018**

- Review our Risk Management Policy to ensure the continued active consideration of risk management in our strategic and operational activity. We will continue to run regular refresher training sessions and workshops on risk for Committee and staff team to understand our operating environment, key financial assumptions and to test our ability to respond if risks materialise.

**Objective 2 – We will ensure that customers receive the highest possible standard of service at all times.**

- We always seek to improve the performance that we currently achieve against the performance indicators of the Annual Return of the Charter (ARC). We are currently in low engagement with the Scottish Housing Regulator and our aim is to continue to be a well performing RSL. We aim to achieve our Key Performance Targets in 2018/19 to drive this level of high performance, continuous improvement and excellent customer service.
- Our firm focus will always be on finding and delivering the right solutions, at the right time and in the right manner to suit the needs of individual customers.
- Our tenants are at the heart of the service. We enjoy high levels of tenant satisfaction with our service, however we cannot be complacent and will continue to conduct our 3 yearly Tenant Satisfaction Survey which is next due during 2018/2019. We will also continue to conduct our repairs service satisfaction surveys on a daily basis. This will allow us to review our strategic and operational plans and adjust them where appropriate to reflect tenant feedback.
- In this computer age, we will continue to play our part in supporting digital engagement in the community. In 2018/19, we will support digital engagement in the community informed by our customer surveys and other data to help improve access and opportunity for tenants to do business with us and others online, as well as access jobs, training and to help build social networks via the internet.

**Objective 3 - Provide Quality Homes in an Attractive Environment**

Effective management of our physical assets will always be a top strategic objective and part of our core business. In 2018/19, we will:

- Build on the existing knowledge on the condition of our stock by undertaking a further Stock Condition Survey, supplemented by operational knowledge to create a full and accurate picture of investment needs and stock performance.
- Update our 30 year investment plan and Investment Strategy so that we can identify any financial risks to the Association when preparing budgets.
- Review our approach to Estate Management to ensure our tenants and residents continue to enjoy living in an attractive environment, and that the area within which we operate continues to appeal to new and potential customers.
- Increase our stock and the provision of additional homes where possible through New Build Development.

**SPIRE VIEW HOUSING ASSOCIATION LIMITED  
REPORT FROM THE MANAGEMENT COMMITTEE  
FOR THE YEAR ENDED 31 MARCH 2018**

**Objective 4 – Seek to Improve our Financial Strength and Deliver Value for Money**

Our new business plan sets out our financial position over the short, medium and long term. We have run a host of sensitivities to stress test our financial plans against the key risks that could affect us. The results indicate a business capable of withstanding challenges.

- We will maintain the solid financial base of the organisation now and in the future. We have updated our budgets and long term financial assumptions to ensure they fully reflect our long term stock investment needs and will ensure that we manage our service in line with or better than budget assumptions.
- We remain conscious that we want to keep our management costs as low as possible, yet ensure that we maintain and improve the standard of service to customers. We can do this by continuing to share services with Copperworks Housing Association and other local RSLs/ partners. We will carry out a review of the Service Sharing Arrangements with Copperworks to evaluate the ongoing efficiency and effectiveness of the model as well as allowing an opportunity to consider any development opportunities.
- Our recently reviewed Rent Policy demonstrates that we fully understand the need to consider affordability and comparability of rent charges whilst supporting the financial well-being of the Association and our investment requirements. We applied a 3.5% increase on our rents for 2018/19 to reflect our current and future costs. We will conduct a comprehensive review of our rent charges during 2018/19 to ensure we will continue to meet all tenant and business requirements.

**Objective 5 - Develop our Leadership and Staff**

We recognise the vital importance of strong and visionary leadership from the Committee and senior team to developing our staff to be the best they can be.

In 2018/19, we will help achieve this by:

- Conducting annual Committee and staff performance evaluations to ensure all parties understand the vision, values, strategic direction and delivery commitments of the organisation and their part in achieving same.
- From this, we will create learning and development plans to ensure Committee and staff members are trained and developed to deliver on expectations and to reach their full potential.
- We will ensure new members undergo comprehensive induction and future development and training.

**SPIRE VIEW HOUSING ASSOCIATION LIMITED  
REPORT FROM THE MANAGEMENT COMMITTEE  
FOR THE YEAR ENDED 31 MARCH 2018**

**Objective 6 – Continue our Role as a Community Anchor by providing services and improving our communities to grow and thrive.**

In 2018/19 we will help achieve this by:

- Safeguarding our culture of innovation, customer/business and excellence
- Continuing to Conduct Committee/staff member annual appraisals
- Continuing with learning and development for committee and staff
- Ensuring Succession Planning is discussed at regular intervals for both staff and committee
- Conducting a review of our Wider Role Strategy
- Continuing the construction of a purpose built, state of the art community facility

**Principal Risks and Uncertainties Faced**

The comprehensive review during 2017/18 identified and analysed several risks facing the Association including those relating to;

- Welfare reform
- Potential IT Systems Failures
- Tenant Expectations
- EESSH Compliance
- Interest Rates
- Changing Regulatory Landscape
- Rent Levels
- Effective Governance
- New Build Development

Using a robust scoring matrix, the Association considered the level of risk presented to the organisation and the control measures required in order to mitigate the risk. The residual risk level was then calculated, an action plan developed and risk 'owner' identified. The risk register is overseen by the Management Committee quarterly through business planning and reporting.

**Financial/Non-Financial KPI's**

Performance Indicators and Targets were reviewed during the business planning process. These aim to maintain and further improve our positive performance across a number of key areas including arrears, voids, complaints, tenant satisfaction, repairs, gas safety, SHQS, EESSH, anti-social behaviour and staff absence.

**Governance**

The members of the Management Committee and Executive Officers are listed on page 3.

Each member of the Management Committee holds one fully paid share of £1 in the Association. The Executive Officers hold no interest in the association's share capital and, although not having the legal status of Directors, they act as Executives within the authority delegated by the Management Committee.

The members of the Management Committee are also Trustees of the Charity. Members of the Management Committee are appointed by the members at the Association's Annual General Meeting.

**Auditor**

A resolution to re-appoint the auditor, French Duncan LLP, Chartered Accountants, will be proposed at the Annual General Meeting



**SPIRE VIEW HOUSING ASSOCIATION LIMITED  
REPORT FROM THE MANAGEMENT COMMITTEE  
FOR THE YEAR ENDED 31 MARCH 2018**

**Donations**

During the year the Association made charitable donations amounting to £1,765 (2017 - £1,542).

By order of Management Committee

Signature



Jean Lunn, Secretary

Date: 18/09/2018

**SPIRE VIEW HOUSING ASSOCIATION LIMITED**  
**REPORT FROM THE MANAGEMENT COMMITTEE**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**Statement of Management Committee's responsibilities**

The Co-operative and Community Benefit Societies Act 2014 require The Management Committee to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Association and of the surplus or deficit of the Association for that year. In preparing those Financial Statements, the Management Committee is required to:-

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business;
- Prepare a statement on Internal Financial Control.

The Management Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to ensure that the Financial Statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements - 2014. They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. It is also responsible for ensuring the Association's suppliers are paid promptly.

The Management Committee must in determining how amounts are presented within items in the income and expenditure account and balance sheet, have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting practices.

In so far as the Management Committee are aware:

- There is no relevant audit information (information needed by the Housing Association's auditors in connection with preparing their report) of which the Association's auditors are unaware, and
- The Management Committee have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Housing Association's auditors are aware of that information.

**SPIRE VIEW HOUSING ASSOCIATION LIMITED  
REPORT FROM THE MANAGEMENT COMMITTEE  
FOR THE YEAR ENDED 31 MARCH 2018**

**Statement on Internal Financial Control**

The Management Committee acknowledges its ultimate responsibility for ensuring that the Association has in place a system of controls that is appropriate for the business environment in which it operates. These controls are designed to give reasonable assurance with respect to:

- The reliability of financial information used within the Association, or for publication;
- The maintenance of proper accounting records; and
- The safeguarding of assets against unauthorised use or disposition.

It is the Management Committee's responsibility to establish and maintain systems of Internal Financial Control. Such systems can only provide reasonable and not absolute assurance against material financial misstatement or loss. Key elements of the Association's systems include ensuring that:

- Formal policies and procedures are in place, including the ongoing documentation of key systems and rules relating to the delegation of authority, which allow the monitoring of controls and restrict the unauthorised use of Association's assets;
- Experienced and suitably qualified staff take responsibility for important business functions and annual appraisal procedures have been established to maintain standards of performance;
- Forecasts and budgets are prepared which allow the management team and the Management Committee to monitor key business risks, financial objectives and the progress being made towards achieving the financial plans set for the year and for the medium term;
- Quarterly financial management reports are prepared promptly, providing relevant, reliable and up to date financial and other information, with significant variances from budget being investigated as appropriate;
- Regulatory returns are prepared, authorised and submitted promptly to the relevant regulatory bodies;
- All significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through the Management Committee;
- The Management Committee receive reports from management and from the external and internal auditors to provide reasonable assurance that control procedures are in place and are being followed and that a general review of the major risks facing the Association is undertaken; and
- Formal procedures have been established for instituting appropriate action to correct any weaknesses identified through internal or external audit reports.

The Management Committee has reviewed the effectiveness of the system of internal financial control in existence in the Association for the year ended 31 March 2018. No weaknesses were found in the internal financial controls which resulted in material losses, contingencies or uncertainties which require disclosure in the financial statements or in the auditor's report on the financial statements.

**SPIRE VIEW HOUSING ASSOCIATION LIMITED**  
**REPORT BY THE AUDITOR TO THE MANAGEMENT COMMITTEE OF SPIRE VIEW HOUSING**  
**ASSOCIATION LIMITED ON CORPORATE GOVERNANCE MATTERS FOR THE YEAR ENDED 31 MARCH**  
**2018**

In addition to our audit of the Financial Statements, we have reviewed your statement on page 11 concerning the Association's compliance with the information required by the Regulatory Standards in respect of internal financial controls contained in the publication "Our Regulatory Framework" and associated Regulatory Advice Notes which are issued by the Scottish Housing Regulator.

**Basis of Opinion**

We carried out our review having regard to the requirements relating to corporate governance matters within Bulletin 2006/5 issued by the Auditing Practices Board. The Bulletin does not require us to review the effectiveness of the Association's procedures for ensuring compliance with the guidance notes, nor to investigate the appropriateness of the reasons given for non-compliance.

**Opinion**

In our opinion the Statement on Internal Financial Control on page 11 has provided the disclosures required by the relevant Regulatory Standards with the publication "Our Regulatory Framework" and associated Regulatory Advice Notes by the Scottish Housing Regulator in respect of internal financial controls and is consistent with the information which came to our attention as a result of our audit work on the Financial Statements.

Through enquiry of certain members of The Management Committee and Officers of the Association, and examination of relevant documents, we have satisfied ourselves that The Management Committee's Statement on Internal Financial Control appropriately reflects the Association's compliance with the information required by the relevant Regulatory Standards in respect of internal financial controls within the publication "Our Regulatory Framework" and associated Regulatory Advice Notes issued by the Scottish Housing Regulator in respect of internal financial controls.



**French Duncan LLP**

Chartered Accountants  
Statutory Auditor

GLASGOW

Date: 19/09/2018

**SPIRE VIEW HOUSING ASSOCIATION LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE MANAGEMENT COMMITTEE OF SPIRE VIEW HOUSING ASSOCIATION FOR THE YEAR ENDED 31 MARCH 2018**

**OPINION**

We have audited the financial statements of Spire View Housing Association Limited for the year ended 31 March 2018 which comprise a statement of comprehensive income, statement of financial position, statement of cash flows, and statement of changes in reserves and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion the Financial Statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2018 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014, Part 6 of the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements December 2014.

**BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs UK) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the housing association in accordance with the ethical requirements that are relevant to our audit of financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**CONCLUSIONS RELATING TO GOING CONCERN**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the committee members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the committee members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the association's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**OTHER INFORMATION**

The other information comprises the information contained in the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial

**SPIRE VIEW HOUSING ASSOCIATION LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE MANAGEMENT COMMITTEE OF SPIRE VIEW HOUSING ASSOCIATION FOR THE YEAR ENDED 31 MARCH 2018**

statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you, if in our opinion:

- a satisfactory system of control over transactions has not been maintained; or,
- the Association has not kept proper accounting records; or,
- the financial statements are not in agreement with the books of account of the Association; or
- we have not received all the information and explanations we require for our audit.

**RESPONSIBILITIES OF COMMITTEE MEMBERS**

As explained more fully in the management committee's responsibilities statement set out on page 10, the committee members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management committee are responsible for assessing the housing association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee members either intend to liquidate the housing association or to cease operations, or have no realistic alternative but to do so.

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

We have been appointed as auditor under the Co-operative and Community Benefit Societies Act 2014 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**SPIRE VIEW HOUSING ASSOCIATION LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE MANAGEMENT COMMITTEE OF SPIRE VIEW HOUSING ASSOCIATION FOR THE YEAR ENDED 31 MARCH 2018**

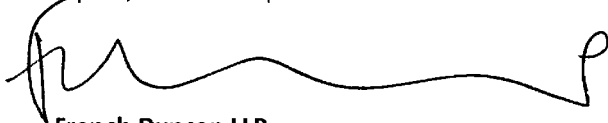
As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide the basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the housing association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee members.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the housing association to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**USE OF OUR REPORT**

This report is made solely to the Association's members, as a body, in accordance with Section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.



**French Duncan LLP**  
Chartered Accountants and Statutory Auditor  
133 Finnieston Street  
GLASGOW  
G3 8HB

Date: 19/09/2018

**SPIRE VIEW HOUSING ASSOCIATION LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	2018 £	2017 £
<b>REVENUE</b>	2	1,985,833	2,027,816
Operating costs	2	<u>(1,559,856)</u>	<u>(1,597,445)</u>
<b>OPERATING SURPLUS</b>	2, 8	425,977	430,371
Loss on sale of housing stock		-	(3,294)
Interest receivable and other similar income		875	1,180
Interest payable and other similar charges	7	(27,019)	(52,770)
Other Finance Charges	9	<u>(3,000)</u>	<u>(18,000)</u>
		<u>(29,144)</u>	<u>(72,884)</u>
<b>SURPLUS FOR THE YEAR</b>		396,833	357,487
<b>OTHER COMPREHENSIVE INCOME</b>			
SHAPS pension adjustment	21	3,000	372,000
<b>TOTAL COMPREHENSIVE INCOME</b>		<u><u>399,833</u></u>	<u><u>729,487</u></u>

The results for the year relate wholly to continuing activities.


The notes on page 20 to 38 form part of these financial statements.



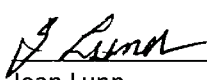
**SPIRE VIEW HOUSING ASSOCIATION LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2018**

	Notes	2018 £	2017 £
<b>NON-CURRENT ASSETS</b>			
Housing properties - depreciated cost	10(a)	10,238,596	9,985,813
Other tangible fixed assets	10(b)	<u>580,588</u>	<u>361,470</u>
		10,819,184	10,347,283
<b>CURRENT ASSETS</b>			
Debtors	12	202,962	480,508
Cash at bank and in hand		<u>1,785,866</u>	<u>1,520,064</u>
		1,988,828	2,000,572
<b>CREDITORS:</b> amounts falling due within one year	13	<u>(729,351)</u>	<u>(610,448)</u>
<b>NET CURRENT ASSETS</b>		<u>1,259,477</u>	<u>1,390,124</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		12,078,661	11,737,407
<b>CREDITORS:</b> amounts falling due after more than one year			
housing property loans	14	(2,519,095)	(2,816,042)
retirement benefit scheme deficit	14	(232,734)	(348,332)
<b>DEFERRED INCOME</b>	15	<u>(575,417)</u>	<u>(221,242)</u>
		<u>8,751,415</u>	<u>8,351,791</u>
<b>EQUITY</b>			
Share capital	17	193	402
Revenue reserve		<u>8,751,222</u>	<u>8,351,389</u>
		<u>8,751,415</u>	<u>8,351,791</u>

The financial statements were approved by the Management Committee, authorised for issue, and signed on its behalf on 18 September 2018.

  
 Charlie Lunn  
 Chairperson

  
 Alan Brown  
 Vice Chairperson

  
 Jean Lunn  
 Secretary

The notes on page 20 to 38 form part of these financial statements.

**SPIRE VIEW HOUSING ASSOCIATION LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

	<b>Notes</b>	<b>2018</b> <b>£</b>	<b>2017</b> <b>£</b>
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	16	<u>925,560</u>	<u>379,316</u>
<b>INVESTING ACTIVITIES</b>			
Acquisition and construction of housing properties	(471,701)	(886,079)	
Purchase of other fixed assets	(236,176)	-	
Sale of tangible fixed assets	-	214,148	
Social Housing Grant received	357,933	225,000	
Social Housing Grant repaid	-	-	
Proceeds of disposals of housing properties	-	-	
<b>NET CASH OUTFLOW FROM INVESTING ACTIVITIES</b>		<u>(349,944)</u>	<u>(446,931)</u>
<b>NET CASH INFLOW/ (OUTFLOW) BEFORE FINANCING</b>		575,616	(67,615)
<b>FINANCING ACTIVITIES</b>			
Issue of ordinary share capital	33	13	
Interest received	875	1,180	
Interest paid	(27,019)	(52,770)	
Loan principal repayments	(283,703)	(272,297)	
<b>NET CASH OUTFLOW FROM FINANCING</b>		<u>(309,814)</u>	<u>(323,874)</u>
<b>INCREASE / (DECREASE) IN CASH</b>		265,802	(391,489)
<b>OPENING CASH AND CASH EQUIVALENTS</b>		1,520,064	1,911,553
<b>CLOSING CASH AND CASH EQUIVALENTS</b>		<u><u>1,785,866</u></u>	<u><u>1,520,064</u></u>

**SPIRE VIEW HOUSING ASSOCIATION LIMITED**  
**STATEMENT OF CHANGES IN CAPITAL AND RESERVES**  
**FOR THE YEAR ENDED 31 MARCH 2018**

	<b>Share Capital</b>	<b>Revenue Reserve</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Balance as at 1 April 2017	402	8,351,389	8,351,791
Issue of Shares	33	-	33
Cancelled shares	(242)	-	(242)
Surplus for Year	-	399,833	399,833
Balance as at 31 March 2018	<u>193</u>	<u>8,751,222</u>	<u>8,751,415</u>

	<b>Share Capital</b>	<b>Revenue Reserve</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Balance as at 1 April 2016	410	7,621,902	7,622,312
Issue of Shares	13	-	13
Cancelled shares	(21)	-	(21)
Surplus for Year	-	357,487	357,487
SHAPS pension adjustment	-	372,000	372,000
Balance as at 31 March 2017	<u>402</u>	<u>8,351,389</u>	<u>8,351,791</u>

**SPIRE VIEW HOUSING ASSOCIATION LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**  
**NOTES TO THE FINANCIAL STATEMENTS**

**1. PRINCIPAL ACCOUNTING POLICIES**

**Legal status**

The Association is incorporated under the Co-operative and Community Benefits Societies Act 2014 and is registered by the Financial Conduct Authority. The Association is a Public Benefit Entity in terms of its compliance with Financial Reporting Standard 102.

**Basis of Accounting**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Statement of Recommended Practice for Social Housing Providers 2014 and comply with the requirements of the Determination of Housing Requirements 2014 as issued by the Scottish Housing Regulator.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Association's accounting policies (see below).

The following principal accounting policies have been applied:

**Going Concern**

The association has considerable financial resources together with long term arrangements with its tenants who are protected by the Scottish Secure Tenancy agreement. As a consequence, the Management Committee believe that the association is well placed to manage its business risks successfully.

The Management Committee monitor the operations and performance of the association through reports provided at their monthly meetings and they have a reasonable expectation that the association has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the annual report and accounts.

**Revenue**

The Association recognises rent receivable net of losses from voids. Service Charge Income (net of voids) is recognised as expenditure is incurred as this is considered to be the point when the service has been performed and the revenue recognition criteria is met.

Government Grants are released to income over the expected useful life of the asset to which it relates.

**Retirement Benefits**

The Association participates in the Scottish Housing Association Defined Benefits Pension Scheme and retirement benefits to employees of the Association are funded by the contributions from all participating employers and employees in the Scheme. Payments are made in accordance with periodic calculations by consulting Actuaries and are based on pension costs applicable across the various participating Associations taken as a whole.

The Association accounts for amounts that it has agreed to pay towards the Scheme deficit in accordance with paragraph 28.11A of FRS 102. The present value of this liability has been recognised in the Statement of Financial Position. The discount rate applied to this obligation is that of a yield rate for the high quality corporate bond.

**SPIRE VIEW HOUSING ASSOCIATION LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**  
**NOTES TO THE FINANCIAL STATEMENTS**

**1. PRINCIPAL ACCOUNTING POLICIES (Continued)**

**Valuation of Housing Properties**

Housing Properties are stated at cost less accumulated depreciation. Housing under construction and Land are not depreciated. The Association depreciates housing properties by major component on a straight line basis over the estimated useful economic lives of each identified component. All components are categorised as Housing Properties within note 10. Impairment reviews are carried out if events or circumstances indicate that the carrying value of the components listed below is higher than the recoverable amount.

<b>Component</b>	<b>Useful Economic Life</b>
Land	Not Depreciated
Structure	60 years
Roofs	60 years
Boilers	15 years
Bathrooms	20 years
Windows	30 years
Kitchens	20 years
Central Heating	30 years

**Depreciation and Impairment of Other Non-Current Assets**

Non-Current Assets are stated at cost less accumulated depreciation. Depreciation is charged on a straight line basis over the expected economic useful lives of the assets at the following annual rates:-

Office Premises	2% Straight Line
Office Furniture	15% Straight Line
Office Equipment	33.33% Straight Line
CCTV System	10% Straight Line
Community Hub	Not depreciated this year as it is in the course of construction

The carrying value of non-current assets is reviewed for impairment at the end of each reporting year.

**SPIRE VIEW HOUSING ASSOCIATION LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**  
**NOTES TO THE FINANCIAL STATEMENTS**

**1. PRINCIPAL ACCOUNTING POLICIES (Continued)**

Disposals of housing property under the Right to Buy scheme are treated as a non-current asset disposals and any gain and loss on disposal accounted for in the Statement of Comprehensive Income.

Disposals under shared equity schemes are accounted for in the Statement of Comprehensive Income. The remaining equity in the property is treated as a non-current asset investment, which is matched with the grant received.

**Estimation Uncertainty**

The preparation of financial statements requires the use of certain accounting estimates. It also requires the Management Committee to exercise judgement in applying the Association's Accounting Policies. The areas requiring a higher degree of judgement, or complexity, and areas where assumptions or estimates are most significant to the financial statements, is disclosed below:

**Rent Arrears - Bad Debt Provision**

The Association assesses the recoverability of rent arrears through a detailed assessment process which considers: tenant payment history, arrangements in place, and court action.

**Life Cycle of Components**

The Association estimates the useful lives of major components of its housing property with reference to surveys carried out by external qualified surveyors.

**Useful Lives of Other Fixed Assets**

The useful lives of other fixed Assets are based on the knowledge of senior management at the Association with reference to expected asset life cycles.

**Pension Liabilities**

This has relied on the actuarial assumptions of qualified actuaries which have been reviewed and are considered reasonable and appropriate.

**Costs of Shared Ownership**

The Association allocates costs to shared ownership properties on a percentage basis split across the number of properties the Association owns.

**Leases/Leased Assets**

Costs in respect of operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term. Assets held under finance leases and hire purchase contracts are capitalised in the Statement of Financial Position and are depreciated over their useful lives.

**Works to Existing Properties**

The Association capitalises major repairs expenditure where these works result in an enhancement of economic benefits by increasing the net rental stream over the life of the property.

**SPIRE VIEW HOUSING ASSOCIATION LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**  
**NOTES TO THE FINANCIAL STATEMENTS**

**1. PRINCIPAL ACCOUNTING POLICIES (Continued)**

**Key Judgements made in the application of Accounting Policies**

**a) The Categorisation of Housing Properties**

In the judgement of the Management Committee the entirety of the Association's housing stock is held for social benefit and is therefore classified as Property, Plant and Equipment in accordance with FRS 102.

**b) Identification of cash generating units**

The Association considers its cash-generating units to be schemes in which it manages its housing property for asset management purposes.

**c) Pension Liability**

In March 2018 the Association received details from The Pension Trust of the provisional valuation of the pension scheme at September 2015 and The Pension Trust's estimate of the Association's future past service deficit contributions.

The Association has used this to provide the basis of the pension past service deficit liability in the financial statements. The Management Committee feel this is the best available estimate of the past service liability.

**Financial Instruments – Basic**

The Association only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like rents, accounts receivable and payable, loans from banks and related parties.

These are recognised in accordance with Section 11 of Financial Reporting Standard 102.

The Association's debt instruments are measured at amortised cost using the effective interest rate method.

SPIRE VIEW HOUSING ASSOCIATION LIMITED  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018  
NOTES TO THE FINANCIAL STATEMENTS

2. PARTICULARS OF REVENUE, COST OF SALES, OPERATING COSTS AND OPERATING SURPLUS

		2018			2017		
	Note	Revenue £	Operating Costs £	Operating surplus/ (deficit) £	Revenue £	Operating Costs £	Operating surplus/ (deficit) £
Affordable letting activities	3	1,758,805	(1,352,472)	406,333	1,727,634	(1,309,263)	418,371
Other activities	4	227,028	(207,384)	19,644	300,182	(288,182)	12,000
<b>Total</b>		<u>1,985,833</u>	<u>(1,559,856)</u>	<u>425,977</u>	<u>2,027,816</u>	<u>(1,597,445)</u>	<u>430,371</u>



**SPIRE VIEW HOUSING ASSOCIATION LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**  
**NOTES TO THE FINANCIAL STATEMENTS**

**3. PARTICULARS OF INCOME AND EXPENDITURE FROM SOCIAL LETTING**

	General Needs Housing £	Shared Ownership Housing £	2018 Total £	2017 Total £
<b>Revenue from lettings</b>				
Rent receivable net of identifiable service charges	1,704,274	2,304	1,706,578	1,680,241
Service charges receivable	-	-	-	-
<b>Gross rents receivable</b>	<u>1,704,274</u>	<u>2,304</u>	<u>1,706,578</u>	<u>1,680,241</u>
Less rent losses from voids	(3,449)	-	(3,449)	(5,846)
<b>Net rents receivable</b>	<u>1,700,825</u>	<u>2,304</u>	<u>1,703,129</u>	<u>1,674,395</u>
Amortisation of Capital Grant	3,758	-	3,758	3,758
Revenue Grants from Scottish Ministers	44,808	-	44,808	49,481
Revenue grants from local authorities and other agencies	7,110	-	7,110	-
Other Revenue grants	-	-	-	-
<b>Total income from social letting</b>	<u>1,756,501</u>	<u>2,304</u>	<u>1,758,805</u>	<u>1,727,634</u>
<b>Expenditure on social letting activities</b>				
Aborted Scheme Costs	7,110	-	7,110	-
Management and maintenance administration costs	663,299	-	663,299	592,824
Service costs	-	-	-	-
Planned and cyclical maintenance including major repairs	237,427	-	237,427	266,413
Reactive maintenance	220,892	-	220,892	230,684
Bad debts - rents and service charges	4,826	-	4,826	290
Depreciation of social housing	218,918	-	218,918	219,052
<b>Operating costs of social letting</b>	<u>1,352,472</u>	<u>-</u>	<u>1,352,472</u>	<u>1,309,263</u>
<b>Operating surplus on social letting activities</b>	<u>404,029</u>	<u>2,304</u>	<u>406,333</u>	<u>418,371</u>
<b>2017</b>	<u>418,371</u>	<u>-</u>	<u>418,371</u>	

**SPIRE VIEW HOUSING ASSOCIATION LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**  
**NOTES TO THE FINANCIAL STATEMENTS**

**4. PARTICULARS OF INCOME AND EXPENDITURE FROM OTHER ACTIVITIES**

	Grants from Scottish Ministers £	Other revenue grants £	Supporting people income £	Other income £	Total Turnover £	Operating costs bad debts £	Operating costs other £	Operating surplus/ (deficit) 2018 £	Operating surplus/ (deficit) 2017 £
Wider Role									
Activities	138,093	-	-	-	138,093	-	(138,400)	(307)	-
Factoring	-	-	-	-	-	-	-	-	-
Support activities	-	-	-	-	-	-	-	-	-
Contracted out services									
undertaken for RSLs	-	-	-	72,690	72,690	-	(48,898)	23,792	-
Services									
Other activities	-	-	-	16,245	16,245	-	(20,086)	(3,841)	12,000
<b>TOTAL FROM</b>									
<b>OTHER ACTIVITIES</b>	138,093	-	-	88,935	227,028	-	(207,384)	19,644	12,000
<b>TOTAL FROM</b>									
<b>OTHER ACTIVITIES</b>	244,896	-	-	55,286	300,182	-	(288,182)	12,000	
<b>FOR 2017</b>									

**SPIRE VIEW HOUSING ASSOCIATION LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**  
**NOTES TO THE FINANCIAL STATEMENTS**

**5. BOARD MEMBERS AND OFFICERS EMOLUMENTS**

The officers are defined in the Co-operative and Community Benefit Societies Act 2014 as the members of the Management Committee, managers and employees of the Association.

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Aggregate emoluments payable to officers with emoluments greater than £60,000 (excluding pension contributions)	76,777	79,041
Emoluments payable to the directors (excluding pension contributions)	76,777	79,041
Pension contributions paid on behalf of the directors	7,383	8,336
Total emoluments paid to key management personnel	<u>139,767</u>	<u>97,119</u>
	<b>Number</b>	<b>Number</b>

Total number of officers, including the highest paid officer, who received emoluments (excluding pension contributions) over £60,000 was in the following ranges:

£70,001 - £80,000	<u>1</u>	<u>1</u>
-------------------	----------	----------

Payments to board members during the year for reimbursement of expenses amounted to £3,285 (2017 - £881).

**SPIRE VIEW HOUSING ASSOCIATION LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**  
**NOTES TO THE FINANCIAL STATEMENTS**

**6. EMPLOYEE INFORMATION**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Staff costs during the year:		
Wages and salaries	355,768	327,406
Social security costs	34,210	33,187
Pension costs	21,464	8,696
	<u>411,442</u>	<u>369,289</u>

	<b>Number</b>	<b>Number</b>
The average number of full time equivalent persons employed during the year was	<u>10</u>	<u>10</u>

**7. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	<u>27,019</u>	<u>52,770</u>

**SPIRE VIEW HOUSING ASSOCIATION LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**  
**NOTES TO THE FINANCIAL STATEMENTS**

**8. OPERATING SURPLUS FOR THE YEAR**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Surplus is stated after charging:		
Depreciation of tangible owned fixed assets	235,976	235,297
Auditors' remuneration - audit services	8,000	7,731
- other services	-	700
Operating lease rentals - other	4,068	2,670
Amortisation of capital grants	<u>3,758</u>	<u>3,758</u>

**9. OTHER FINANCE CHARGES**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Unwinding of discounted liabilities	<u>3,000</u>	<u>18,000</u>

**SPIRE VIEW HOUSING ASSOCIATION LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**  
**NOTES TO THE FINANCIAL STATEMENTS**

**10. NON-CURRENT ASSETS**

**a) Housing Properties**

	<b>Housing Properties Held for Letting £</b>	<b>Housing Properties in the Course of Construction £</b>	<b>Shared Ownership Properties Held for Letting £</b>	<b>Total £</b>
<b>COST</b>				
At start of year	10,546,345	-	53,466	10,599,811
Additions	315,137	156,564	-	471,701
Disposals	-	-	-	-
Transfers to stock	-	-	-	-
At end of year	<u>10,861,482</u>	<u>156,564</u>	<u>53,466</u>	<u>11,071,512</u>
<b>DEPRECIATION</b>				
At start of year	613,998	-	-	613,998
Charged during year	218,918	-	-	218,918
Eliminated on disposal	-	-	-	-
At end of year	<u>832,916</u>	<u>-</u>	<u>-</u>	<u>832,916</u>
<b>NET BOOK VALUE</b>				
At end of year	<u>10,028,566</u>	<u>156,564</u>	<u>53,466</u>	<u>10,238,596</u>
At start of year	<u>9,932,347</u>	<u>-</u>	<u>53,466</u>	<u>9,985,813</u>

There were no impairment charges in the year.

There were no capitalised development administration charges in the year.

New components capitalised during the year amounted to £315,137.

The Association's lenders have standard securities over housing property with a carrying value of £10,028,566 (2017 - £9,932,347).

**SPIRE VIEW HOUSING ASSOCIATION LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**  
**NOTES TO THE FINANCIAL STATEMENTS**

**11(b) NON-CURRENT ASSETS**

**b) Other tangible assets**

	Office Premises £	Office Furniture £	Office Equipment £	CCTV System £	Community Hub £	Total £
<b>COST</b>						
At start of year	515,641	43,664	96,209	30,948	-	686,462
Additions	-	5,417	-	-	230,759	236,176
Disposals	-	-	-	-	-	-
At end of year	<u>515,641</u>	<u>49,081</u>	<u>96,209</u>	<u>30,948</u>	<u>230,759</u>	<u>922,638</u>
<b>DEPRECIATION</b>						
At start of year	162,673	42,857	88,515	30,947	-	324,992
Charged during year	10,313	928	5,817	-	-	17,058
Disposals	-	-	-	-	-	-
At end of year	<u>172,986</u>	<u>43,785</u>	<u>94,332</u>	<u>30,947</u>	<u>-</u>	<u>342,050</u>
<b>NET BOOK VALUE</b>						
At end of year	<u>342,655</u>	<u>5,296</u>	<u>1,877</u>	<u>1</u>	<u>230,759</u>	<u>580,588</u>
At start of year	<u>352,968</u>	<u>807</u>	<u>7,694</u>	<u>1</u>	<u>-</u>	<u>361,470</u>

The Community Hub was still in the course of construction at the year end. No depreciation charge will be made until the project has been completed.

**11. COMMITMENTS UNDER OPERATING LEASES**

	<b>2018</b> <b>£</b>	<b>2017</b> <b>£</b>
At the year end, the total future minimum lease payments under non-cancellable operating leases were as follows:-		
Not later than one year	5,619	4,068
Later than one year and not later than five years	8,057	4,016
Later than five years	-	-
	<u>13,676</u>	<u>8,084</u>

**SPIRE VIEW HOUSING ASSOCIATION LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**  
**NOTES TO THE FINANCIAL STATEMENTS**

**12. DEBTORS**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Arrears of Rent & Service Charges	48,521	55,608
Less: Provision for Doubtful Debts	<u>(5,536)</u>	<u>(5,536)</u>
	42,985	50,072
Other Debtors	<u>159,977</u>	<u>430,436</u>
	<u>202,962</u>	<u>480,508</u>

**13. CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	299,939	286,694
Trade Payables	118,672	106,287
Rent in Advance	43,835	48,169
Other Taxation and Social Security	9,470	10,477
Other Payables	165,577	22,827
Liability for Past Service Contribution Arrangements	75,266	34,668
Accruals and Deferred Income	<u>16,592</u>	<u>101,326</u>
	<u>729,351</u>	<u>610,448</u>



**SPIRE VIEW HOUSING ASSOCIATION LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**  
**NOTES TO THE FINANCIAL STATEMENTS**

**14. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Liability for Past Service Contribution Arrangements	232,734	348,332
Housing loans	2,519,095	2,816,042
Deferred Income	575,417	221,242
	<u>3,327,246</u>	<u>3,385,616</u>

The Bank loans are repayable as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Between one and two years	302,859	288,794
Between two and five years	803,746	879,138
In five years or more	1,412,490	1,648,110
	<u>2,519,095</u>	<u>2,816,042</u>

The Association has a number of long term housing loans, the terms and conditions of which are as follows:

All of the Association's bank borrowings are repayable on a monthly basis with the principal being amortised Over the term of the loans.

Loans are secured by specific charges on the Associations properties and are operating on a variable rate of interest. These loans are linked to LIBOR and the margins range between 0.26% and 0.45%.

**SPIRE VIEW HOUSING ASSOCIATION LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**  
**NOTES TO THE FINANCIAL STATEMENTS**

**15. DEFERRED INCOME**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Social Housing Grants</b>		
Balance as at 1 April 2017	221,242	-
Additions in year	127,933	225,000
Amortisation in Year	<u>(3,758)</u>	<u>(3,758)</u>
Balance as at 31 March 2018	<u>345,417</u>	<u>221,242</u>
 <b>Other Grants</b>		
 Additions in year	 230,000	 -
 Balance as at 31 March 2018	 <u>230,000</u>	 <u>-</u>
 <b>Total deferred grants</b>	 <u>575,417</u>	 <u>221,242</u>
 This is expected to be released to the Statement of Comprehensive Income as follows:		
 Amounts due within one year	 3,758	 3,758
Amounts due in one year or more	<u>571,659</u>	<u>217,484</u>
	<u>575,417</u>	<u>221,242</u>

**16. STATEMENT OF CASH FLOWS**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Reconciliation of operating surplus to balance as at 31 March 2018		
Operating Surplus	425,977	430,371
Depreciation	235,976	235,011
Amortisation of Capital Grants	(3,758)	(3,758)
Change in debtors	277,546	(159,438)
Change in creditors	65,061	(54,849)
Movement in deficit contributions	(75,000)	(68,000)
Cancelled shares	(242)	(21)
 Balance as at 31 March 2018	 <u>925,560</u>	 <u>379,316</u>

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**17. SHARE CAPITAL**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Shares of £1 each Issued and Fully Paid</b>		
At 1 April 2017	402	410
Issued in year	33	13
Cancelled in year	(242)	(21)
At 31 March 2018	<u>193</u>	<u>402</u>

Each member of the Association holds one share of £1 in the Association. These shares carry no rights to dividends or distributions on a winding up. When a shareholder ceases to be a member, that person's share is cancelled and the amount paid thereon becomes the property of the Association. Each member has a right to vote at members' meetings.

**18. HOUSING STOCK**

The number of units of accommodation in management at the year end was:-	<b>2018</b>	<b>2017</b>
	<b>No.</b>	<b>No.</b>
General Needs - New Build	556	556
Shared Ownership	<u>1</u>	<u>1</u>
	<u>557</u>	<u>557</u>

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**19. RELATED PARTY TRANSACTIONS**

Members of the Management Committee are related parties of the Association as defined by Financial Reporting Standard 102. The related party relationships of the members of the Management Committee are summarised as:

- 10 Members are tenants of the Association
- Management Committee members cannot use their position to their advantage. Any transactions between the Association and any entity with which a Management Committee member has a connection with is made at arm's length and is under normal commercial terms.

Transactions with Management Committee members were as follows:

- Rent Received from Tenants on the Committee – £28,476.
- Factoring income received from Owner Occupiers in the Committee - £Nil.
- At the year-end total rent arrears owed by the tenant members of the Committee were – £703.
- At the year-end total rent arrears owed by Owner Occupiers of the Committee were - £Nil.

**20. DETAILS OF ASSOCIATION**

The Association is a Registered Society registered within the Financial Conduct Authority and is domiciled in Scotland.

The Association's principal place of business is 43 Tharsis Street, Roystonhill, Glasgow, G21 2JF.

The Association is a Registered Social Landlord and Scottish Charity that owns and manages social housing in Glasgow.

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**21. RETIREMENT BENEFIT OBLIGATIONS**

**General**

Spire View Housing Association Limited participates in the Scottish Housing Association Pension Scheme (the Scheme).

The Scheme is a multi-employer defined benefit scheme. The Scheme is funded and is contracted out of the state scheme.

It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to individual participating employers as the scheme is a multi-employer arrangement where the assets are co-mingled for investment purposes, benefits are paid from the total scheme assets, and the contribution rate for all employers is set by reference to the overall financial position of the scheme rather than by reference to individual employer experience. Accordingly, due to the nature of the Scheme, the accounting charge for the year under FRS102 represents the employer contribution payable.

The last formal valuation of the Scheme was performed as at 30 September 2015 by a professionally qualified Actuary using the Projected Unit Credit method. The market value of the Scheme's assets at the valuation date was £616m. The valuation revealed a shortfall of assets compared with the value of liabilities of £198m, equivalent to a past service funding level of 76%.

The Scheme operates on a 'last man standing' basis, meaning that in the event of an employer withdrawing from the Scheme and being unable to pay its share of the debt on withdrawal, then the liability of the withdrawing employer is re-apportioned amongst the remaining employers. Therefore in certain circumstances the Association may become liable for the obligations of a third party.

All employers in the scheme have entered into an agreement to make additional contributions to fund the Scheme's past service deficit. This obligation has been recognised in terms of Para 28.11A of Financial Reporting Standard 102. At the balance sheet date the present value of this obligation was £308,000 (2017 – £383,000). This was calculated by reference to the terms of the agreement and discounting the liability using the yield rate of high quality corporate bond with a similar term. The discount rate used was 1.51%.

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Provision at start of period	383,000	805,000
Unwinding of the discount factor	3,000	18,000
Deficit contribution paid	(75,000)	(68,000)
Remeasurements – Impact of any change in assumption	(3,000)	11,000
Remeasurements – Amendments to the contribution schedule	-	(383,000)
Provision at end of period	<u>308,000</u>	<u>383,000</u>

The Association made payments totalling £96,178 (2017: £87,615) to the pension scheme during the year. This is inclusive of deficit payments of £75,000 (2017 - £68,000). Contributions totalling £9,198 (2017 - £8,228) were payable to the fund at the balance sheet date and are included in creditors.

As a result of the 2015 Actuarial Valuation the liability for the Pension deficit was recalculated resulting in a significant reduction to the pension deficit liability in the previous year of £383,000. There is no similar adjustment this year.

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**22. CONTINGENT LIABILITIES**

The pension withdrawal debt as at 30 September 2017 for Spire View Housing Association Limited was £2,529,507.

**23. CAPITAL COMMITMENTS**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Expenditure contracted but not provided for in accounts	<u>1,837,731</u>	<u>315,682</u>