



Alexander Sloan
Accountants and Business Advisers

Tollcross Housing Association Limited

Report and Financial Statements

For the year ended 31 March 2024

Registered Social Landlord No. HCB197

FCA Reference No.1798RS

Scottish Charity No. SC040876

TOLLCROSS HOUSING ASSOCIATION LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

Contents

	Page
Members of the Management Committee, Executive and Advisers	1
Report of the Management Committee	2 – 8
Report by the Auditors on corporate governance matters	9
Report of the Auditors	10 -13
Statement of comprehensive income	14
Statement of financial position	15
Statement of cash flows	16
Statement of changes in equity	17
Notes to the financial statements	18 - 39

TOLLCROSS HOUSING ASSOCIATION LIMITED

MANAGEMENT COMMITTEE, EXECUTIVE AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2024

Management Committee

Mr C Elliot	Chair
Mr D McPhail	Vice Chair
Ms E Skimins	Secretary
Mr W Dougan	Honorary President
Ms A Bell	
Mr I Smith	Resigned 22 May 2023
Mrs A Phillips	
Mrs E Garscadden	
Mr S Fleming	
Ms G Connolly	
Ms T Findlay	Deceased 01 March 2024
Mr J McMorrow	Co-optee
Ms S May	
Ms G Jackson	
Mrs E Watters	
Ms A Lyness	Appointed 12 September 2023
Ms J Jeffs	Co-opted 20 May 2024

Executive Officers

Mr C Douglas	Chief Executive Officer
Mr T Hastings	Finance Director
Mr J Wilson	Technical Director
Ms F Mills	Housing Director
Mrs A Wilson	Corporate Services Director

Registered Office

868 Tollcross Road
Glasgow
G32 8PF

External Auditors

Alexander Sloan
Accountants and Business Advisers
180 St Vincent Street
Glasgow
G2 5SG

Internal Auditors

Quinn Internal Audit Services Limited
55 Lady Place
Livingston
West Lothian
EH54 6TB

Bankers

Virgin Money
47 Main Street
Baillieston
Glasgow
G69 6SQ

Solicitors

TC Young
Merchants House
7 West George Street
Glasgow
G2 1BA

TOLLCROSS HOUSING ASSOCIATION LIMITED

REPORT OF THE MANAGEMENT COMMITTEE FOR THE YEAR ENDED 31 MARCH 2024

The Management Committee presents its report and the financial statements for the year ended 31 March 2024.

Legal Status

The Association is registered with the Financial Conduct Authority as a Co-operative and Community Benefit Society (No SP1798RS), the Scottish Housing Regulator as a registered social landlord (No. HCB197) under the Housing (Scotland) Act 2010 and as is a registered Scottish Charity with the charity number SC040876.

Principal Activities

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

Strategy and objectives

The Association has incorporated six strategic objectives into its Business Plan which it uses to deliver the aim of improving housing conditions within our area of operation. The objectives are: -

To assess our operating environment and deliver quality, value for money services that meet our customers' needs. This includes an annual assessment of rent affordability, regular reviews of service quality, restoring arrears levels and void turnaround times to pre-pandemic levels and the promotion of digital options to our customers. For the 2023-24 financial year the rent increase was kept well below inflation at 5.0%, our monthly surveys continued to show high levels of customer satisfaction with our overall services and gross rent arrears levels reduced from 3.44% to 3.01%.

To provide quality homes and neighbourhoods. This includes investing over £7.8m in major repairs and renewals during a three-year period, increasing investment in our pre-1919 tenements and building more new homes in the area, to offer a wider choice of house types and tenures. During the 2023-24 financial year our kitchen and bathroom replacement contract was curtailed due to the contractor facing financial problems but did see 23 kitchens and 4 bathrooms replaced at a cost of £168,200. A new central heating replacement contract was started and resulted in 166 systems being replaced at a cost of £592,800 and a further £691,000 was spent on ad-hoc replacements of kitchens, bathrooms, and central heating systems. In addition, we were able to buy back the owner's share of one shared ownership property and purchase one other house in the area and put these into our general needs stock.

To manage our assets well, by spending wisely. This includes meeting legal obligations in relation to tenant safety, developing our asset management information base and improving the energy efficiency of our housing stock. At the end of the 2023-24 financial year, 99% of our properties meet the Energy Efficiency Standards for Social Housing (ESSH), all properties have carbon monoxide detectors and smoke and heat detectors, and we have made further progress with our asset management strategy.

To work with local partners to provide support and opportunities to people in our communities. This includes acting as a community anchor organisation in our area of operation, working with partner organisations to bring relevant services and activities to our community and tackling social isolation by promoting regular activities and events within the community. During the 2023/24 financial year we continued to work closely with Tollcross Community Trust (TCT) and funded Tollcross Advice and Learning Centre at a cost of £117,000, funded a money advice service together with TCT and Shettleston Housing Association at a cost of £26,500 and attracted grant funding of more than £57,500 for cost-of-living support for residents, which was distributed in conjunction with TCT.

TOLLCROSS HOUSING ASSOCIATION LIMITED

To offer a great workplace environment, whereby we will support staff through excellent communications and access to learning and development opportunities, promote a performance culture across all teams, build on improved working between teams and consider long-term options on future working patterns in consultation with staff. Changes to working practices that were brought in during the pandemic have continued to be used, adapted, and improved, to help improve efficiency.

To make sure that the association continues to be well governed and financially sustainable. This involves preparing annual budgets, as well as 5-year and 30-year financial projections, stress testing our annual business plan, implementing a committee succession plan and taking a robust approach to self-assurance.

Review of Business and Future Developments

The results for the year are set out in the Statement of Comprehensive Income on page 14.

During the year to 31 March 2024, the Association has continued its main business of providing affordable rented accommodation for people in housing need. The Association has also carried out a programme of maintenance and improvements to its properties, the costs of which have been adversely affected by high rates of maintenance inflation.

Wider Role activities undertaken during the year included involvement in the Cash for Kids project, initiatives aimed at reducing fuel and food poverty, part funding of two money advice staff in conjunction with Tollcross Community Trust and Shettleston Housing Association, as well as continuing with our long-established Advice and Learning Centre.

In 2024/25 the Association will continue in its main business and will also seek opportunities in terms of development, wider action, and other initiatives, working closely with other partners where appropriate. Grant funding has been agreed by the Scottish Government for the construction of 42 new properties at Altyre Street. Building work will start in quarter 1 and will include several larger family homes to help alleviate the problems faced by the local authority in housing families in temporary accommodation.

The Association is a member of the Scottish Housing Association Pension Scheme (SHAPS) and the Strathclyde Pension Fund (SPF). Details of the performance of each scheme can be found in note 19 of the financial statements.

Principal risks and uncertainties

The principal risks that have been identified and the steps that are being taken to mitigate them are as follows: -

Financial Uncertainties.

Although the rate of inflation has dropped and interest rates have stabilised at a 16-year high, the effect of the cost-of-living crisis on our customers and business cannot be underestimated. The ongoing conflicts in Eastern Europe and the Middle East may have further economic consequences in the year ahead and adjustments may have to be made if the Committee and the Leadership Team decide that it is appropriate.

Since 2021 The Bank of England have used interest rates to try to control high rates of inflation, and now that the latter is close to the Government's 2% target there are suggestions that the Base Rate may reduce in the second half of 2024. Any reduction to interest rates would have a positive effect on the level of loan interest paid by the association as 58% of our borrowing at the year end is on a variable interest rate.

All economic predictions should be treated with some caution and although the level of inflation has dropped, prices are not falling and the ongoing economic uncertainty continues to affect the association, our tenants and contractors and as a result we are having to tailor our services to the changing needs of our customers.

TOLLCROSS HOUSING ASSOCIATION LIMITED

Although the Association has continued to aid tenants navigate their way through the Cost-of-Living Crisis, in the form of money advice, financial contributions to alleviate fuel poverty, a food project and rent increases being kept below inflation, the Management Committee acknowledges that the economic uncertainty may still lead to increased levels of arrears and void loss. To mitigate these potential problems, ongoing reviews of budgets and other longer term financial projections will be carried out to ensure that any financial challenges can be met. The below inflation rent increases, coupled with the low starting position of our rents will lead to a worsening of the long-term financial projections and tenants have previously been advised that this relative drop in the Association's income will have to be addressed by the imposition of above inflation rent increases at some point in the future. If this rent strategy is not adopted, then it will be difficult for the Association to meet the predicted costs of required future planned investment in our stock and to continue to build more new affordable homes.

The Association will continue to provide as much direct help to as many tenants as possible and maintain high performance levels and service delivery, while pro-actively looking to keep costs under control.

Pensions and Cessation Events

At present the SHAPS pension fund appears to be performing as expected and there will be no changes to funding requirements during the 2024/25 financial year. However, the association has been notified that although there are currently no plans to reintroduce deficit contributions - this will be reassessed as part of the 2024 valuation consultation and that employers should be prepared for the possibility that these contributions may be reintroduced should a deficit be identified at the 2024 or future valuations.

The outcome of the court case regarding the methodology for determining increases to pension being provided is not yet known. It would seem likely that if the methodology used has been incorrect then current and past scheme members will require to make additional payments to cover the cost of the extra pension payments due to members.

The magnitude of the payments required, if the court finds that the wrong methodology has been employed to calculate past pension increases, is not known at this time. This figure for each member Association will no doubt be based on past membership details.

The performance of the Strathclyde Pension Fund has improved significantly over the past three years, to the extent that the Association has been notified that the Employer Contributions due for the next three years will reduce from over 29% to 6.5%

Scottish Housing Regulator and Regulatory Standards

Tollcross Housing Association was issued with a clear Engagement Plan for the year 2024/25 and the Association also confirmed full compliance with the Regulatory Standards through the Annual Assurance Statement submitted last year.

The Association has an extensive and rigorous system of internal and external audit in place. A sample of our procedures and functions are audited each year and through this system of self-examination and assessment we are constantly identifying areas where we can improve performance and service delivery. Where areas for improvement are highlighted, we ensure that appropriate measures are put in place to address these issues and through this system we hope that the organisation is continually improving in all areas.

Health, Safety and Wellbeing

The Health, Safety and Wellbeing of the Association's tenants and staff members is of fundamental importance. The Association has a statutory duty to protect the health and safety of our tenants and staff members and to ensure that all rented properties and workplaces owned and managed by the Association comply with all relevant legal requirements.

The Association has robust and well audited systems in place to control and monitor all aspects of gas and electrical safety, asbestos, legionella, fire safety, health and safety at work and any other matter that places a legal duty on the organisation to protect the health, safety and wellbeing of customers and staff. The Association has a comprehensive training regime in place to ensure that all members of staff are fully aware of their responsibilities regarding health, safety and wellbeing.

TOLLCROSS HOUSING ASSOCIATION LIMITED

Key performance indicators

The Association uses key performance indicators to identify areas of improvement and to help provide further evidence of the effectiveness of the strategies and plans being implemented. The main KPI's reported for the 2023–24 financial year are detailed below:

Key performance indicator	Target	Actual performance
Average length of time to complete emergency repairs	6 hours	2.2 hours
Percentage of reactive repairs completed right first time	95%	93.2%
How many times in the reporting year did you not meet your statutory obligation to complete a gas safety check within 12 months of a gas appliance being fitted or last checked.	0	0
Average time taken to re-let properties	16 days	28 days
Gross rent arrears at 31 March as a percentage of rent due for the reporting year	3.50%	3.01%
Percentage of new tenancies sustained for over a year	90%	95.2%

TOLLCROSS HOUSING ASSOCIATION LIMITED

REPORT OF THE MANAGEMENT COMMITTEE FOR THE YEAR ENDED 31 MARCH 2024

Management Committee and Executive Officers

The members of the Management Committee and the Executive officers are listed on page 1.

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 Governing Body are appointed by the members at the Association's Annual General Meeting.

Statement of Management Committee's Responsibilities

The Co-operative and Community Benefit Societies Act 2014 requires the Management Committee to prepare financial statements for each financial year that 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 period. In preparing those financial statements the Management Committee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 a going concern basis unless it is inappropriate to presume that the Association will continue in business; and
- 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 2024. It is 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.

Going Concern

Based on its budgetary and forecasting processes the Management Committee has a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future; therefore, it continues to adopt the going concern basis of accounting in preparing the annual financial statements.

TOLLCROSS HOUSING ASSOCIATION LIMITED

REPORT OF THE MANAGEMENT COMMITTEE FOR THE YEAR ENDED 31 MARCH 2024

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 receives 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 end 31 March 2024. 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.

Disclosure of Information to the Auditor

The members of the Management Committee at the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant information of which the auditors are unaware. They confirm that they have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

Auditor

A resolution to reappoint the Auditors, Alexander Sloan LLP, will be proposed at the Annual General Meeting.

TOLLCROSS HOUSING ASSOCIATION LIMITED

REPORT OF THE MANNAGEMENT COMMITTEE FOR THE YEAR ENDED 31 MARCH 2024

By order of the Management Committee



Ms E Skimins
Secretary
26 August 2024

TOLLCROSS HOUSING ASSOCIATION LIMITED

REPORT BY THE AUDITORS TO THE MEMBERS OF TOLLCROSS HOUSING ASSOCIATION ON CORPORATE GOVERNANCE MATTERS

In addition to our audit of the financial statements, we have reviewed your statement on page 7 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 to corporate governance matters within Bulletin 2006/5 issued by the Financial Reporting Council. 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 reason given for non-compliance.

Opinion

In our opinion the Statement of Internal Financial Control on page 7 has provided the disclosures required by the relevant Regulatory Standards within the publication "Our Regulatory Framework" and associated Regulatory Advice Notes issued 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 contained within the publication "Our Regulatory Framework" and associated Regulatory Advice Notes issued by the Scottish Housing Regulator in respect of internal financial controls.

████████████████████

ALEXANDER SLOAN LLP
Statutory Auditors
GLASGOW
26 August 2024



TOLLCROSS HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOLLCROSS HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2024

Opinion

We have audited the financial statements of Tollcross Housing Association Limited (the 'Association') for the year ended 31 March 2024 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2024 and of the surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 2024.

Basis of 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 Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other 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 audit opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Management Committee use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Management Committee with respect to going concern are described in the relevant sections of this report.

Other Information

The Management Committee is responsible for the other information. The other information comprises the information contained in the annual report, other than the financial statements and our auditor's report thereon. 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.

TOLLCROSS HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOLLCROSS HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2024 (continued)

Other Information (Contd.)

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 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 require us to report to you if, in our opinion:

- proper books of account have not been kept by the Association in accordance with the requirements of the legislation;
- a satisfactory system of control over transactions has not been maintained by the Association in accordance with the requirements of the legislation;
- the Statement of Comprehensive Income and Statement of Financial Position 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 the Management Committee

As explained more fully in the statement of Management Committee's responsibilities as set out on page 6, the Management Committee is responsible for the preparation of the financial statements and for being satisfied that they give true and fair view, and for such internal control as the Management Committee determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management Committee is responsible for assessing the 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 Management Committee either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

TOLLCROSS HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOLLCROSS HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2024 (continued)

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we gained an understanding of the legal and regulatory framework applicable to the Association through discussions with the Management Committee and other management, and from our wider knowledge and experience of the RSL sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Association, including the Co-operative and Community Benefit Societies Act 2014 (and related regulations), the Housing (Scotland) Act 2010 and other laws and regulations applicable to a registered social housing provider in Scotland. We also considered the risks of non-compliance with the other requirements imposed by the Scottish Housing Regulator and we considered the extent to which non-compliance might have a material effect on the financial statements.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Association's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reviewing the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing the Association's Assurance Statement and associated supporting information; and
- reviewing correspondence with the Scottish Housing Regulator.

TOLLCROSS HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOLLCROSS HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2024 (continued)

The extent to which the audit was considered capable of detecting irregularities including fraud (Contd.)

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. The description forms part of our audit report.

Use of our Report

This report is made solely to the Association's members as a body, in accordance with Part 7 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.

████████████████████

ALEXANDER SLOAN LLP
Statutory Auditors
GLASGOW
26 August 2024



TOLLCROSS HOUSING ASSOCIATION LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024		2023	
		£	£	£	£
Revenue	2		10,573,834		10,050,441
Operating costs	2		7,945,152		7,283,508
OPERATING SURPLUS			2,628,682		2,766,933
Interest receivable and other income		418,433		150,476	
Interest payable and similar charges	7	(1,699,532)		(1,299,638)	
			(1,281,099)		(1,149,162)
Surplus on ordinary activities before taxation	8		1,347,583		1,617,771
SURPLUS FOR THE YEAR			1,347,583		1,617,771
Other comprehensive income					
Actuarial gains/(losses) in respect of the Strathclyde Pension Fund	18		451,000		341,000
Actuarial gains/(losses) in respect of the SHAPS	18		(417,000)		(329,000)
TOTAL COMPREHENSIVE INCOME			1,381,583		1,629,771

The results relate wholly to continuing activities.

The notes on pages 18 to 39 form an integral part of these financial statements.

TOLLCROSS HOUSING ASSOCIATION LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

	Notes	2024		2023	
		£	£	£	£
NON-CURRENT ASSETS					
Housing properties - depreciated cost	10		62,454,939		61,797,167
Other tangible assets	10		3,504,592		3,580,833
Investments	11		1		1
			<u>65,959,532</u>		<u>65,378,001</u>
CURRENT ASSETS					
Receivables	12	1,222,991		408,509	
Investments	13	6,735,571		7,249,810	
Cash and cash equivalents	14	4,152,724		3,807,960	
			<u>12,111,286</u>	<u>11,466,279</u>	
CREDITORS: Amounts falling due within one year	15	(2,677,749)		(2,487,737)	
			<u>9,433,537</u>	<u>8,978,542</u>	
NET CURRENT ASSETS					
TOTAL ASSETS LESS CURRENT LIABILITIES					
			<u>75,393,069</u>	<u>74,356,543</u>	
CREDITORS: Amounts falling due after more than one year	16		(25,288,639)		(26,338,620)
PENSIONS AND OTHER PROVISIONS FOR LIABILITIES AND CHARGES					
Scottish housing association pension scheme	18	(615,000)		(246,000)	
Strathclyde pension fund	18	469,000		-	
			<u>(146,000)</u>	<u>(246,000)</u>	
DEFERRED INCOME					
Social housing grants	19	(12,173,706)		(11,368,818)	
			<u>(12,173,706)</u>	<u>(11,368,818)</u>	
NET ASSETS					
EQUITY					
Share capital	20		135		99
Revenue reserves			37,930,589		36,649,006
Pension reserves			(146,000)		(246,000)
			<u>37,784,724</u>		<u>36,403,105</u>

The financial statements including the Income and Expenditure Account and Balance Sheet were approved by the Management Committee and authorised for issue and signed on their behalf by 0 January 1900.

██████████
Committee Member

██████████
Committee Member

██████████
Secretary

The notes on pages 18 to 39 form an integral part of these financial statements.

TOLLGROSS HOUSING ASSOCIATION LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024		2023	
		£	£	£	£
Surplus for the Year			1,347,583		1,617,771
<i>Adjustments for non-cash items:</i>					
Depreciation of tangible fixed assets	10	1,585,131		1,523,797	
Amortisation of capital grants	19	(221,708)		(197,653)	
Non-cash adjustments to pension provisions		(66,000)		(72,000)	
Share capital written off	20	(16)		(18)	
			<u>1,297,407</u>	<u>1,254,126</u>	
Interest receivable			(418,433)	(150,476)	
Interest payable	7		<u>1,699,532</u>	<u>1,299,638</u>	
Operating cash flows before movements in working capital			3,926,089		4,021,059
Change in debtors		(814,482)		(116,624)	
Change in creditors		<u>185,899</u>		<u>(143,935)</u>	
			<u>(628,583)</u>	<u>(260,559)</u>	
Net cash inflow from operating activities			<u>3,297,506</u>	<u>3,760,500</u>	
Investing Activities					
Acquisition and construction of properties		(2,151,509)		(1,504,491)	
Purchase of other fixed assets		(15,153)		(17,704)	
Social housing grant received		1,026,596		-	
Changes on short term deposits with banks		<u>514,239</u>		<u>(57,538)</u>	
Net cash outflow from investing activities			<u>(625,827)</u>	<u>(1,579,733)</u>	
Financing Activities					
Interest received on cash and cash equivalents		418,433		150,476	
Interest paid on loans		(1,699,532)		(1,299,638)	
Loan principal repayments		(1,045,868)		(954,256)	
Share Capital Issued	20	<u>52</u>		<u>2</u>	
Net cash outflow from financing activities			<u>(2,326,915)</u>	<u>(2,103,416)</u>	
Increase in cash	21		<u>344,764</u>	<u>77,351</u>	
Opening cash & cash equivalents			<u>3,807,960</u>	<u>3,730,609</u>	
Closing cash & cash equivalents			<u>4,152,724</u>	<u>3,807,960</u>	
Cash and cash equivalents as at 31 March					
Cash	21		<u>4,152,724</u>	<u>3,807,960</u>	
			<u>4,152,724</u>	<u>3,807,960</u>	

The notes on pages 18 to 39 form an integral part of these financial statements.

TOLLCROSS HOUSING ASSOCIATION LIMITED

STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2024

	Share Capital	Strathclyde Pension Reserve	Scottish Housing Association Pension reserve	Revenue Reserve	Total
	£	£	£	£	£
Balance as at 1 April 2022	115	(272,000)	(58,000)	35,103,235	34,773,350
Issue of Shares	2	-	-	-	2
Cancellation of Shares	(18)	-	-	-	(18)
Other comprehensive income	-	341,000	(329,000)	-	12,000
Other movements	-	(69,000)	141,000	(72,000)	-
Surplus for the year	-	-	-	1,617,771	1,617,771
Balance as at 31 March 2023	99	-	(246,000)	36,649,006	36,403,105
Balance as at 1 April 2023	99	-	(246,000)	36,649,006	36,403,105
Issue of Shares	52	-	-	-	52
Cancellation of Shares	(16)	-	-	-	(16)
Other comprehensive income	-	451,000	(417,000)	-	34,000
Other movements	-	18,000	48,000	(66,000)	-
Surplus for the year	-	-	-	1,347,583	1,347,583
Balance as at 31 March 2024	135	469,000	(615,000)	37,930,589	37,784,724

The notes on pages 18 to 39 form an integral part of these financial statements.

TOLLCROSS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS

1. PRINCIPAL ACCOUNTING POLICIES

Statement of Compliance and Basis of Accounting

These financial statements were 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 2018. The Association is a Public Benefit Entity in terms of its compliance with Financial Reporting Standard 102, applicable for accounting periods on or after 1 January 2019. They comply with the Determination of Accounting Requirements 2024. A summary of the principal accounting policies is set out below

Revenue

Revenue comprises rental and service charge income receivable in the period, income from shared ownership first tranche sales, sales of properties built for sale, other services provided, revenue grants receivable and government grants released to income in the period.

The Association recognises rent receivable net of losses from voids. Service Charge Income (net of voids) is recognised with expenditure as it 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 they relate. Revenue grants are receivable when the conditions for receipt of the agreed grant funding have been met.

Retirement Benefits

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 organisations taken as a whole. The Association accounts for this scheme as a defined benefit pension scheme in accordance with FRS 102.

A pension scheme liability is recognised in the Statement of Financial Position to the extent that the company has a legal or constructive obligation to settle the liability whilst a pension scheme asset is recognised only to the extent that the surplus may be recovered by reduced future contributions. In the event that the pension scheme reports a surplus of net assets over net liabilities, the actuary is commissioned to calculate the asset ceiling that restricts the level of surplus recognised to that which may be recovered by reduced future contributions.

The Association participates in the Scottish Housing Association Pension Scheme (SHAPS) a multi-employer defined benefit scheme. 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 organisations taken as a whole. The Association accounts for this scheme as a defined benefit pension scheme in accordance with FRS 102.

Going Concern

On the basis that the Management Committee has a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future, the Association has adopted the going concern basis of accounting in preparing these financial statements.

TOLLCROSS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

1. PRINCIPAL ACCOUNTING POLICIES (continued.)

Housing Properties

Housing properties are held for the provision of social housing. Housing properties are stated at cost less accumulated depreciation and impairment losses. Cost includes acquisition of land and buildings and development cost. The Association depreciates housing properties over the useful life of each major component. Housing under construction and land are not depreciated.

<i>Component</i>	<i>Useful Economic Life</i>
Land	Not depreciated
Structure	Over 100 years
Roof	Over 50 years
Radiators	Over 30 years
Windows	Over 25 years
Kitchen	Over 20 years
Bathroom	Over 20 years
Boilers	Over 15 years

Depreciation and Impairment of Other Tangible Assets

Non-current assets are stated at cost less accumulated depreciation. Depreciation is charged over the expected economic useful lives of the assets at the following annual rates:

<i>Asset Category</i>	<i>Depreciation Rate</i>
Fixtures and Fittings	Over 4 years
Office Property	Over 15 years
New Office Property	Over 50 years
Commercial Premises	Over 10 years
Computer Equipment	Over 3 years

The carrying values of non-current assets are reviewed for impairment at the end of each reporting period.

Social Housing Grants and Other Capital Grants

Social housing grants and other capital grants are accounted for using the Accrual Method as outlined in Section 24 of Financial Reporting Standard 102. Grants are treated as deferred income and recognised in income on a systematic basis over the expected useful life of the property and assets to which they relate.

Social housing grant attributed to individual components is written off to the statement of comprehensive income when these components are replaced.

Although social housing grant is treated as a grant for accounting purposes, it may nevertheless become repayable in certain circumstances, such as the disposal of certain assets. The amount repayable would be restricted to the net proceeds of sale.

Sales Of Housing Properties

First tranche shared ownership disposals are credited to turnover on completion. The cost of construction of these sales is taken to operating cost. In accordance with the statement of recommended practice, disposals of subsequent tranches are treated as non-current asset disposals with the gain or loss on disposal shown 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.

Taxation

The Association is a Registered Scottish Charity and is not liable to taxation on its charitable activities.

TOLLCROSS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (Continued)

1. PRINCIPAL ACCOUNTING POLICIES (continued.)

Leases

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 or the term of the lease whichever is shorter.

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, a material reduction in future maintenance costs, or a significant extension of the life of the property.

Capitalisation Of Development Overheads

Directly attributable development administration costs relating to ongoing development activities are capitalised.

Borrowing Costs

Interest incurred on financing a development is capitalised up to the date of practical completion of the scheme. All other borrowing costs are expensed to the statement of comprehensive income using the effective interest rate method.

Property Development Cost

The proportion of the development cost of shared ownership properties expected to be disposed of as a first tranche sale is held in current assets until it is disposed of. The remaining part of the development cost is treated as a non-current asset. Surpluses made on the disposal of first tranche sales are taken to the Statement of Comprehensive Income.

Property developments that are intended for resale are included in current assets until disposal.

VAT

The Association is VAT registered but the substantial proportion of its income is exempt for VAT purposes. As a result most of the VAT paid is not recovered and therefore expenditure is shown inclusive of VAT.

Basis of Consolidation

The Association has obtained exemption from the Financial Conduct Authority from producing Consolidated Financial Statements as provided by Section 14(2A) of the Friendly and Industrial and Provident Societies Act 1968. The financial statements for Tollcross Housing Association Limited present information about it as an individual undertaking and not about the group.

Financial Instruments - Basic

The Association classes all of its loans as basic financial instruments including agreements with break clauses. The Association recognises basic financial instruments 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.

Cash and Liquid Resources

Cash comprises cash at bank and in hand, deposits repayable on demand less overdrafts. Liquid resources are current asset investments that can't be disposed of without penalty and are readily convertible into amounts of cash at their carrying value.

Impairment

The Association assesses at the end of each accounting period whether there are indications that a non-current asset may be impaired or that an impairment loss previously recognised has fully or partially reversed.

Where the carrying value of non-current assets is less than their recoverable amounts the shortfall is recognised as an impairment loss in the Statement of Comprehensive Income. The recoverable amount is the higher of the fair value less costs to sell and value-in-use of the asset based on its service potential.

Impairment losses previously recognised are reversed if the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in the Statement of Comprehensive Income.

TOLLCROSS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

1. PRINCIPAL ACCOUNTING POLICIES (continued.)

Key Judgements and estimates made in the application of Accounting Policies

The preparation of financial statements requires the use of certain accounting judgements and accounting estimates. It also requires the the Association to exercise judgement in applying the it'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 are disclosed below.

Key Judgements

a) 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 Management Committee considers its cash-generating units to be the schemes in which it manages its housing property for asset management purposes.

c) Financial instrument break clauses

The Management Committee has considered the break clauses attached to the financial instruments that it has in place for its loan funding. In their judgement these break clauses do not cause the financial instrument to be classified as a complex financial instrument and therefore they meet the definition of a basic financial instrument.

d) Pension Liability

The Association participated in a defined benefit pension scheme arrangement with the Scottish Housing Association Pension Scheme. The fund is administered by the Pensions Trust. The Pension Trust have developed a method of calculating each member's share of the assets and liabilities of the scheme. The Association has decided that this method is appropriate and provides a reasonable estimate of the pension assets and liabilities of the Association and has therefore adopted this valuation method. Judgements relating to the benefits issue are included in Note 29.

Accounting entries in respect of transactions regarding the Strathclyde Pension Scheme within the financial statements are based on the actuary's report on the scheme. The actuary has a number of assumptions in their calculations and details of any key assumptions are included within the notes to the financial statements.

Where a pension scheme asset is recognised, it is based on the actuary's calculation of the asset ceiling that restricts the level of surplus that should be recognised. The actuary's estimate considers the entity's future service costs, future estimated employer contributions and the funding time horizon.

Estimation Uncertainty

a) Valuation of housing properties

The Association estimates housing properties at deemed cost which is based on existing use valuations at the date of transition to FRS 102 at 1 April 2014.

b) 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.

c) Main Components of Housing Properties and their useful lives

The Association assess the cost of housing properties by splitting into separately identifiable components. These components were identified by knowledgeable and experienced staff members and based on costing models.

d) Recoverable amount of rental and other trade receivables

The Association reviews rental arrears and other trade receivables with appropriately experienced senior management on a case by case basis with the balance outstanding together with the payment history of the individual tenant being taking into account.

e) Defined pension liability

In determining the value of the Association's share of defined benefit pension scheme assets and obligations, the valuation prepared by the Scheme actuary includes estimates of life expectancy, salary growth, inflation and the discount rate on corporate bonds.

f) Allocation of costs for shared ownership

The Association allocate management and administration costs on the basis of rental income that shared ownership properties represent of the Association's total rental income.

TOLLCROSS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

2. PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS OR DEFICIT

	Notes	2024			2023		
		Turnover £	Operating costs £	Operating surplus / (deficit) £	Turnover £	Operating costs £	Operating surplus / (deficit) £
Affordable letting activities	3	10,363,627	7,680,530	2,683,097	9,856,073	7,036,538	2,819,535
Other Activities	4	210,207	264,622	(54,415)	194,368	246,970	(52,602)
Total		10,573,834	7,945,152	2,628,682	10,050,441	7,283,508	2,766,933

3. PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS OR DEFICIT FROM AFFORDABLE LETTING ACTIVITIES

	General Needs Housing £	Supported Housing £	Shared Ownership £	2024 Total £	2023 Total £
Revenue from Lettings					
Rent receivable net of service charges	9,678,176	265,246	39,360	9,982,782	9,512,619
Service charges receivable	169,374	-	-	169,374	171,296
Gross income from rent and service charges	9,847,550	265,246	39,360	10,152,156	9,683,915
Less: Rent losses from voids	69,659	13,058	-	82,717	72,462
Income from rents and service charges	9,777,891	252,188	39,360	10,069,439	9,611,453
Grants released from deferred income	221,708	-	-	221,708	197,653
Other revenue grants	72,480	-	-	72,480	46,967
Total turnover from affordable letting activities	10,072,079	252,188	39,360	10,363,627	9,856,073
Expenditure on affordable letting activities					
Management and maintenance administration costs	2,965,468	-	-	2,965,468	2,860,787
Service costs	568,433	-	-	568,433	540,965
Planned and cyclical maintenance, including major repairs	972,850	-	-	972,850	895,650
Reactive maintenance costs	1,643,779	-	-	1,643,779	1,274,565
Bad Debts - rents and service charges	36,264	-	-	36,264	38,677
Depreciation of affordable let properties	1,493,736	-	-	1,493,736	1,425,894
Operating costs of affordable letting activities	7,680,530	-	-	7,680,530	7,036,538
Operating surplus on affordable letting activities	2,391,549	252,188	39,360	2,683,097	2,819,535
2023	2,533,375	247,252	38,908		

TOLLCROSS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. PARTICULARS OF REVENUE, OPERATING COSTS AND OPERATING SURPLUS OR DEFICIT FROM OTHER ACTIVITIES

	Grants from Scottish Ministers	Other revenue grants	Other income	Total Turnover	Other operating costs	Operating surplus / (deficit) 2024	Operating surplus / (deficit) 2023
	£	£	£	£	£	£	£
Wider role activities	-	57,650	-	57,650	201,866	(144,216)	(137,724)
Factoring	-	-	105,080	105,080	62,756	42,324	35,269
Support activities	-	-	30,641	30,641	-	30,641	31,222
Other activities	-	-	16,836	16,836	-	16,836	18,631
Total From Other Activities	-	57,650	152,557	210,207	264,622	(54,415)	(52,602)
2023	-	46,000	148,368	194,368	246,970	(52,602)	

TOLLCROSS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

5. OFFICERS' EMOLUMENTS

	2024	2023
	£	£
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.		
Aggregate emoluments payable to Officers with emoluments greater than £60,000 (excluding pension contributions)	380,847	294,030
	<u> </u>	<u> </u>
Pension contributions made on behalf on Officers with emoluments greater than £60,000	66,002	53,327
	<u> </u>	<u> </u>
Emoluments payable to Chief Executive (excluding pension contributions)	90,496	85,416
Pension contributions paid on behalf of the Chief Executive	14,827	14,088
	<u> </u>	<u> </u>
Total emoluments payable to the Chief Executive	105,323	99,504
	<u> </u>	<u> </u>
Total emoluments paid to key management personnel	446,849	412,061
	<u> </u>	<u> </u>

The number of Officers, including the highest paid Officer, who received emoluments, including pension contributions, over £60,000 was in the following ranges:-

	Number	Number
£70,001 to £80,000	-	1
£80,001 to £90,000	3	2
£90,001 to £100,000	1	1
£100,001 to £110,000	1	-

6. EMPLOYEE INFORMATION

	2024	2023
	No.	No.
Average monthly number of full time equivalent persons employed during the year	42	42
	<u> </u>	<u> </u>
Average total number of employees employed during the year	45	44
	<u> </u>	<u> </u>
Staff costs were:	£	£
Wages and salaries	1,668,052	1,613,094
National insurance costs	180,392	158,205
Pension costs	221,609	225,654
Temporary, agency and seconded staff	-	27,708
	<u> </u>	<u> </u>
	2,070,053	2,024,661
	<u> </u>	<u> </u>

TOLLCROSS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2024	2023
	£	£
On bank loans and overdrafts	1,689,532	1,291,638
SHAPS defined benefit pension liability - interest charge	10,000	-
Strathclyde Pension Fund - interest expense	-	8,000
	<u>1,699,532</u>	<u>1,299,638</u>

8. SURPLUS FOR THE YEAR

	2024	2023
	£	£
Surplus For The Year is stated after charging/(crediting):		
Depreciation - non-current assets	1,499,017	1,443,021
Loss on component disposals	86,113	80,776
Auditors' remuneration - audit services	15,936	15,180
Auditors' remuneration - other services	528	520
	<u>1,611,594</u>	<u>1,639,507</u>

9. CORPORATION TAX

The Association is a Registered Scottish Charity and is not liable to United Kingdom Corporation Tax on its charitable activities.

TOLLCROSS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
NOTES TO THE FINANCIAL STATEMENTS (continued)

10. NON-CURRENT ASSETS

(a) Housing Properties	Housing Properties Held for Letting £	Housing Properties In course of Construction £	Shared Ownership Completed £	Mortgage to Rent Properties £	Total £
COST					
At 1 April 2023	69,907,046	379,912	393,018	505,120	71,185,096
Additions	1,675,195	467,926	-	8,388	2,151,509
Disposals	(218,490)	-	-	(4,788)	(223,278)
Transfers	34,283	-	(34,283)	-	-
At 31 March 2024	<u>71,398,034</u>	<u>847,838</u>	<u>358,735</u>	<u>508,720</u>	<u>73,113,327</u>
DEPRECIATION					
At 1 April 2023	9,290,068	-	39,474	58,387	9,387,929
Charge for Year	1,394,394	-	4,409	8,820	1,407,623
Transfers	3,654	-	(3,654)	-	-
Disposals	(135,632)	-	-	(1,532)	(137,164)
At 31 March 2024	<u>10,552,484</u>	<u>-</u>	<u>40,229</u>	<u>65,675</u>	<u>10,658,388</u>
NET BOOK VALUE					
At 31 March 2024	<u>60,845,550</u>	<u>847,838</u>	<u>318,506</u>	<u>443,045</u>	<u>62,454,939</u>
At 31 March 2023	<u>60,616,978</u>	<u>379,912</u>	<u>353,544</u>	<u>446,733</u>	<u>61,797,167</u>

Expenditure on Existing Properties	2024		2023	
	<i>Component replacement</i> £	<i>Improvement</i> £	<i>Component replacement</i> £	<i>Improvement</i> £
Amounts capitalised	1,451,905	-	1,345,419	-
Amounts charged to the statement of comprehensive income	-	2,616,629	-	2,170,215
	<u>1,451,905</u>	<u>2,616,629</u>	<u>1,345,419</u>	<u>2,170,215</u>

All land and housing properties are heritable.

The Association's lenders have standard securities over housing property with a carry value of £36,579,851 (2023 - £36,284,575)

TOLLCROSS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

10. NON CURRENT ASSETS (continued)

(b) Other tangible assets	Office Premises and lock ups £	Fixtures, fittings & Equipment £	Machinery & Equipment £	Computer Equipment £	Total £
COST					
At 1 April 2023	4,157,873	299,743	-	-	4,457,616
Additions	-	15,153	-	-	15,153
Eliminated on disposals	-	(11,402)	-	-	(11,402)
At 31 March 2024	<u>4,157,873</u>	<u>303,494</u>	<u>-</u>	<u>-</u>	<u>4,461,367</u>
DEPRECIATION					
At 1 April 2023	590,206	286,577	-	-	876,783
Charge for year	79,281	12,113	-	-	91,394
Eliminated on disposals	-	(11,402)	-	-	(11,402)
At 31 March 2024	<u>669,487</u>	<u>287,288</u>	<u>-</u>	<u>-</u>	<u>956,775</u>
NET BOOK VALUE					
At 31 March 2024	<u>3,488,386</u>	<u>16,206</u>	<u>-</u>	<u>-</u>	<u>3,504,592</u>
At 31 March 2023	<u>3,567,667</u>	<u>13,166</u>	<u>-</u>	<u>-</u>	<u>3,580,833</u>

11. FIXED ASSET INVESTMENTS

	2024 £	2023 £
Subsidiary undertakings	1	1
	<u>1</u>	<u>1</u>

Subsidiary Undertakings

Tollcross Housing Association Limited has the following wholly owned subsidiary undertakings. The registered office of the subsidiary is 868 Tollcross Road, Glasgow, G32 8PF.

	2024 Reserves £	Profit / (Loss) £	2023 Reserves £	Profit / (Loss) £
Auchenshuggle Develops Limited	<u>14,816</u>	<u>14,815</u>	<u>11,375</u>	<u>11,374</u>

TOLLCROSS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

12. RECEIVABLES

	2024	2023
	£	£
Gross arrears of rent and service charges	312,100	309,717
Less: Provision for doubtful debts	<u>(186,467)</u>	<u>(184,562)</u>
<i>Net arrears of rent and service charges</i>	125,633	125,155
Prepayments and accrued income	202,013	205,733
Other receivables	865,332	46,249
Amounts due from group undertakings	30,013	31,372
	<u>1,222,991</u>	<u>408,509</u>

13. CURRENT ASSET INVESTMENTS

	2024	2023
	£	£
Current asset investments	6,735,571	7,249,810
	<u>6,735,571</u>	<u>7,249,810</u>

14. CASH AND CASH EQUIVALENTS

	2024	2023
	£	£
Cash at bank and in hand	1,465,308	1,132,956
Balances held in deposit accounts	2,687,416	2,675,004
	<u>4,152,724</u>	<u>3,807,960</u>

TOLLCROSS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

15. PAYABLES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Housing loans	1,049,981	1,045,868
Trade payables	383,521	203,045
Rent received in advance	741,709	708,244
Other taxation and social security	75,431	70,744
Other payables	222,539	223,519
Accruals and deferred income	204,568	236,317
	<u>2,677,749</u>	<u>2,487,737</u>

16. PAYABLES: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024	2023
	£	£
Housing loans	25,288,639	26,338,620
	<u>25,288,639</u>	<u>26,338,620</u>

17. DEBT ANALYSIS - BORROWINGS

	2024	2023
	£	£
Housing Loans		
Amounts due within one year	1,049,981	1,045,868
Amounts due in one year or more but less than two years	5,341,799	1,049,983
Amounts due in two years or more but less than five years	3,860,586	7,842,879
Amounts due in more than five years	16,086,254	17,445,758
	<u>26,338,620</u>	<u>27,384,488</u>

The Association has a number of bank loans the principal terms of which are as follows:

Lender	Number of Properties Secured	Effective Interest Rate	Maturity (Year)	Variable or Fixed
Royal Bank of Scotland	1,500	5.3%	2041	Fixed
Royal Bank of Scotland	1,500	7.1%	2029	Variable
Royal Bank of Scotland	1,500	7.1%	2037	Variable
Royal Bank of Scotland	1,500	6.9%	2025	Variable
Clydesdale Bank	370	6.9%	2030	Variable

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

TOLLCROSS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

18. RETIREMENT BENEFIT OBLIGATIONS

Tollcross Housing Association participates in two pension schemes: the Scottish Housing Association Pension Scheme and the Strathclyde Pension Fund.

Scottish Housing Association Pension Scheme

Tollcross Housing Association Limited participates in the Scottish Housing Association Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 150 non-associated employers. The Scheme is a defined benefit scheme in the UK.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pensions schemes in the UK.

The last valuation of the Scheme was performed as at 30 September 2021 by a professionally qualified actuary using the Projected Unit Credit method. The market value of the Scheme's assets at the valuation date was £1,173m. The valuation revealed a shortfall of assets compared with the value of liabilities of £27m (equivalent to a past service funding level of 98%).

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 reapportioned amongst the remaining employer. Therefore in certain circumstances the Association may become liable for the obligations of a third party.

Present values of defined benefit obligation, fair value of assets and defined benefit asset / (liability)

	2024	2023	2022
	£	£	£
Fair value of plan assets	4,260,000	4,489,000	6,764,000
Present value of defined benefit obligation	4,875,000	4,735,000	6,822,000
Surplus / (deficit) in plan	(615,000)	(246,000)	(58,000)
Unrecognised surplus	-	-	-
Defined benefit asset / (liability) to be recognised	(615,000)	(246,000)	(58,000)

TOLLCROSS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
NOTES TO THE FINANCIAL STATEMENTS (continued)

18. RETIREMENT BENEFIT OBLIGATIONS (continued)

Scottish Housing Association Pension Scheme (continued.)

Reconciliation of opening and closing balances of the defined benefit obligation

	2024	2023
	£	£
Defined benefit obligation at the start of period	4,735,000	6,822,000
Current service cost	33,000	58,000
Expenses	7,000	6,000
Interest expense	227,000	189,000
Contributions by plan participants	89,000	90,000
Actuarial losses (gains) due to scheme experience	121,000	(234,000)
Actuarial losses (gains) due to changes in demographic assumptions	(30,000)	(109,000)
Actuarial losses (gains) due to changes in financial assumptions	(6,000)	(1,824,000)
Benefits paid and expenses	(301,000)	(263,000)
Defined benefit obligation at the end of period	<u>4,875,000</u>	<u>4,735,000</u>

Reconciliation of opening and closing balances of the fair value of plan assets

	2024	2023
	£	£
Fair value of plan assets at start of period	4,489,000	6,764,000
Interest income	217,000	189,000
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	(332,000)	(2,496,000)
Contributions by the employer	98,000	205,000
Contributions by plan participants	89,000	90,000
Benefits paid and expenses	(301,000)	(263,000)
Fair value of plan assets at the end of period	<u>4,260,000</u>	<u>4,489,000</u>

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2024 was (£115,000).

TOLLCROSS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
NOTES TO THE FINANCIAL STATEMENTS (continued)

18. RETIREMENT BENEFIT OBLIGATIONS (continued)

Scottish Housing Association Pension Scheme (continued.)

Defined benefit costs recognised in the statement of comprehensive income

	2024	2023
	£	£
Current service cost	33,000	58,000
Expenses	7,000	6,000
Net interest expense	10,000	-
	<u>50,000</u>	<u>64,000</u>
Defined benefit costs recognised in statement of comprehensive income	50,000	64,000

Defined benefit costs recognised in the other comprehensive income

	2024	2023
	£	£
Experience on plan assets (excluding amounts included in interest income) - gain /(loss)	(332,000)	(2,496,000)
Experience gains and losses arising on plan liabilities - gain /(loss)	(121,000)	234,000
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligations - gain /(loss)	30,000	109,000
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligations - gain / (loss)	6,000	1,824,000
	<u>(417,000)</u>	<u>(329,000)</u>
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain / (loss)	(417,000)	(329,000)
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in interest cost) - gain / (loss)	-	-
	<u>(417,000)</u>	<u>(329,000)</u>
Total amount recognised in other comprehensive income - gain (loss)	(417,000)	(329,000)

TOLLCROSS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

18. RETIREMENT BENEFIT OBLIGATIONS (continued)

Scottish Housing Association Pension Scheme (continued.)

Assets	2024	2023	2022
	£	£	£
Absolute Return	191,000	61,000	310,000
Alternative Risk Premia	153,000	26,000	279,000
Corporate Bond Fund	-	6,000	428,000
Credit Relative Value	150,000	171,000	217,000
Distressed Opportunities	157,000	138,000	242,000
Emerging Markets Debt	75,000	35,000	252,000
Currency Hedging	(2,000)	9,000	(25,000)
Global Equity	490,000	118,000	1,337,000
Private Equity	3,000	-	-
Infrastructure	408,000	484,000	422,000
Insurance-Linked Securities	26,000	125,000	142,000
Liability Driven Investment	1,541,000	1,901,000	1,637,000
Long Lease Property	32,000	150,000	195,000
Net Current Assets	5,000	10,000	22,000
Over 15 Year Gilts	-	-	3,000
Private Debt	172,000	201,000	170,000
Property	180,000	187,000	175,000
Risk Sharing	256,000	327,000	221,000
Secured Income	142,000	300,000	361,000
Opportunistic Illiquid Credit	170,000	198,000	224,000
High Yield	1,000	23,000	66,000
Cash	110,000	19,000	19,000
Liquid Credit	-	-	43,000
Opportunistic Credit	-	-	24,000
Total assets	<u>4,260,000</u>	<u>4,489,000</u>	<u>6,764,000</u>

None of the fair values of the assets shown above include any direct investment in the Association's own financial instruments or any property occupied by, or other assets used by the Association.

Key Assumptions

	2024	2023	2022
Discount Rate	4.9%	4.9%	2.8%
Inflation (RPI)	3.2%	3.2%	3.6%
Inflation (CPI)	2.8%	2.7%	3.2%
Salary Growth	3.8%	3.7%	4.2%

Allowance for commutation of pension for cash at retirement 75% of maximum allowance

The mortality assumptions adopted at 31 March 2024 imply the following life expectancies:

	Life expectancy at age 65 years (years)
Male retiring in 2024	20.2
Female retiring in 2024	22.7
Male retiring in 2044	21.4
Female retiring in 2044	<u>24.1</u>

TOLLCROSS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
NOTES TO THE FINANCIAL STATEMENTS (continued)

18. RETIREMENT BENEFIT OBLIGATIONS (continued)

Strathclyde Pension Fund Defined Benefit Scheme

The Association operates a defined benefit scheme as an admitted body under the Strathclyde Pension Fund, the assets of which are held in a separate trustee administered fund.

The administering authority has responsibility for the management of the Fund. As most of the Fund's investments are equity based, there is an inherent risk of volatility in the investment market having a significant effect on the value of the fund's assets. In order to mitigate this risk, the Fund holds a diverse investment portfolio with a range of investment managers.

The following figures are prepared by the Actuaries in accordance with their understanding of FRS 102 and Guidance Note 36: Accounting for Retirement Benefits under FRS 102 issued by the Institute and Faculty of Actuaries.

Principal Actuarial Assumptions

Assumptions as at 31 March 2024	2024 %p.a.	2023 %p.a.	2022 %p.a.
Pension Increase Rate (CPI)	2.75	2.95	3.20
Salary Increase Rate	3.45	3.65	3.90
Discount Rate	4.85	4.75	2.70

Members of the Scheme

	2024 No	2023 No
Employee members	8	12
Deferred pensioners	-	1
Pensioners	2	-
	<u>10</u>	<u>13</u>

Expected Return on Assets

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period as follows:

Asset Class	2024 % p.a.	2023 % p.a.
Equities	58	60
Bonds	27	28
Property	10	10
Cash	5	2
Total	<u>100</u>	<u>100</u>

Mortality Rates

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2022 model, with a 25% weighting of 2022 data, a 0% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and long term rate of employment of 1.5% p.a. for both males and females. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males (Years)	Females (Years)
Current Pensioners	17.5	21.7
Future Pensioners	21.1	23.5

TOLLCROSS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
NOTES TO THE FINANCIAL STATEMENTS (continued)

18. RETIREMENT BENEFIT OBLIGATIONS (continued)

Strathclyde Pension Fund Defined Benefit Scheme (continued)

Net Pension Liability	2024	2023
	£	£
Fair value of employer's assets	3,836,000	3,773,000
Present value of scheme liabilities	(2,099,000)	(2,586,000)
	<u>1,737,000</u>	<u>1,187,000</u>
Surplus on assets not recognised	(1,268,000)	(1,187,000)
	<u>469,000</u>	<u>-</u>

Reconciliation of fair value of employer assets

	2024	2023
	£	£
Opening fair value of employer assets	3,773,000	3,739,000
Expected return on assets	179,000	102,000
Contributions by members	21,000	24,000
Contributions by the employer	86,000	98,000
Actuarial gains / (losses)	(111,000)	(162,000)
Estimated benefits paid	(112,000)	(28,000)
	<u>3,836,000</u>	<u>3,773,000</u>

Reconciliation of defined benefit obligations

	2024	2023
	£	£
Opening defined benefit obligation	2,586,000	4,011,000
Current service cost	68,000	159,000
Interest cost	123,000	110,000
Contributions by members	21,000	24,000
Actuarial gains / (losses)	(587,000)	(1,690,000)
Estimated benefits paid	(112,000)	(28,000)
	<u>2,099,000</u>	<u>2,586,000</u>

TOLLCROSS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
NOTES TO THE FINANCIAL STATEMENTS (continued)

18. RETIREMENT BENEFIT OBLIGATIONS (continued)

Strathclyde Pension Fund Defined Benefit Scheme (continued)

Analysis of amount charged to the statement of comprehensive income

	2024 £	2023 £	2022 £
Charged to operating costs:			
Service cost	68,000	159,000	202,000
	<u>68,000</u>	<u>159,000</u>	<u>202,000</u>
Charged to other finance costs / (income)			
Expected return on employer assets	(179,000)	(102,000)	(68,000)
Interest on pension scheme liabilities	123,000	110,000	83,000
	<u>(56,000)</u>	<u>8,000</u>	<u>15,000</u>
Net charge to the statement of comprehensive income	<u>12,000</u>	<u>167,000</u>	<u>217,000</u>

Actuarial gain / (loss) recognised in other comprehensive income

	2024 £	2023 £	2022 £
Actuarial gain/(loss) recognised in year	476,000	1,528,000	545,000
Restriction on surplus	1,268,000	1,187,000	-
Cumulative actuarial gains	<u>2,710,000</u>	<u>2,234,000</u>	<u>706,000</u>

Analysis of projected amount to be charged to the statement of comprehensive income for the year ended 31 March 2025

	£	% of pay	% of pay
Projected current service cost	67,000	(21)	(21)
Interest on obligation	103,000	(32)	(32)
Expected return on plan assets	(186,000)	58	58
	<u>(16,000)</u>	<u>5</u>	<u>5</u>

Contributions made by the Association for the year ended 31 March 2025 are estimated to be approximately £21,000.

TOLLCROSS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

19. DEFERRED INCOME

	Social Housing Grants £	Other Housing Grants £	Non Housing Grants £	Total £
Capital grants received				
At 1 April 2023	11,368,818	-	-	11,368,818
Additions in the year	1,026,596	-	-	1,026,596
Eliminated on disposal	-	-	-	-
At 31 March 2024	<u>12,395,414</u>	<u>-</u>	<u>-</u>	<u>12,395,414</u>
Amortisation				
At 1 April 2023	-	-	-	-
Amortisation in year	221,708	-	-	221,708
Eliminated on disposal	-	-	-	-
At 31 March 2024	<u>221,708</u>	<u>-</u>	<u>-</u>	<u>221,708</u>
Net book value				
At 31 March 2024	<u>12,173,706</u>	<u>-</u>	<u>-</u>	<u>12,173,706</u>
At 31 March 2023	<u>11,368,818</u>	<u>-</u>	<u>-</u>	<u>11,368,818</u>

This is expected to be released to the Statement of Comprehensive Income in the following years:

	2024 £	2023 £
Amounts due within one year	199,681	197,145
Amounts due in more than one year	11,974,025	11,171,673
	<u>12,173,706</u>	<u>11,368,818</u>

20. SHARE CAPITAL

Shares of £1 each, issued and fully paid	2024 £	2023 £
At 1 April	99	115
Issued in year	52	2
Cancelled in year	(16)	(18)
At 31 March	<u>135</u>	<u>99</u>

Each member of the Association holds one share of £1 in the Association. These shares carry no rights to dividend 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.

TOLLCROSS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

21. CASH FLOWS

Reconciliation of net cash flow to movement in net debt

	£	2024 £	£	2023 £
Increase in cash	344,764		77,351	
Change in liquid resources	(514,239)		57,538	
Cashflow from change in net debt	<u>1,045,868</u>		<u>954,256</u>	
Movement in net debt during the year		876,393		1,089,145
Net debt at 1 April		<u>(16,326,718)</u>		<u>(17,415,863)</u>
Net debt at 31 March		<u>(15,450,325)</u>		<u>(16,326,718)</u>

	At 01 April 2023	Cashflows	Other Changes	At 31 March 2024
	£	£	£	£
Cash and cash equivalents	3,807,960	344,764	-	4,152,724
Bank overdrafts	-	-	-	-
	<u>3,807,960</u>	<u>344,764</u>	<u>-</u>	<u>4,152,724</u>
Liquid resources	7,249,810	(514,239)	-	6,735,571
Debt: Due within one year	(1,045,868)	1,045,868	(1,049,981)	(1,049,981)
Due after more than one year	(26,338,620)	-	1,049,981	(25,288,639)
Net debt	<u>(16,326,718)</u>	<u>876,393</u>	<u>-</u>	<u>(15,450,325)</u>

22. COMMITMENTS UNDER OPERATING LEASES

	2024 £	2023 £
At the year end, the total minimum lease payments under non-cancellable operating leases were as follows:		
Other		
Expiring in the next year	<u>-</u>	<u>-</u>

23. FUTURE OPERATING INCOME

	2024 £	2023 £
At the year end, the total minimum lease payments under non-cancellable operating leases were		
Land and Buildings		
Expiring in the next year	30,240	7,200
Expiring later than one year and not later than five years	45,360	-
Expiring later than five years	<u>-</u>	<u>-</u>

24. DETAILS OF ASSOCIATION

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

The Association's principal place of business is 868 Tollcross Road , Glasgow , G32 8PF .

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

25. MANAGEMENT COMMITTEE MEMBER EMOLUMENTS

Management Committee members received £5,209 (2023 - £4,658) in the year by way of reimbursement of expenses. No remuneration is paid to members in respect of their duties to the Association.

TOLLCROSS HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 NOTES TO THE FINANCIAL STATEMENTS (continued)

27. HOUSING STOCK

The number of units of accommodation in management at the year end was:-	2024 No.	2023 No.
General needs	2,230	2,228
Supported housing	57	57
Shared ownership	14	15
Mid-market rent	12	12
	<u>2,313</u>	<u>2,312</u>

28. RELATED PARTY TRANSACTIONS

Members of the Management Committee are related parties of the Association as defined by Financial Reporting Standard 102.

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 (and their close family) were as follows:

	2024	2023
	£	£
Rent received from tenants on the Management Committee and their close family members	<u>43,385</u>	<u>41,352</u>

At the year end total rent arrears owed by the tenant members on the Management Committee (and their close family) were £98 (2023 - £132).

Members of the Management Committee who are tenants	10	10
---	----	----

During the year the Association charged rent of £29,520 (2023 - £28,800) to its subsidiary, Auchenshuggle Develops Limited and a management charge of £30,000 (2023 - £31,222). The amount due by the subsidiary included within debtors at the year end is £30,013 (2023 - £31,372).

29. CONTINGENT LIABILITY

We were notified in 2021 by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee is seeking clarification from the Court on these items, and this process is ongoing with it being unlikely to be resolved before the end of 2024 at the earliest. It is estimated that this could potentially increase the value of the full Scheme liabilities by £27m. We note that this estimate has been calculated as at 30 September 2022 on the Scheme's Technical Provisions basis. Until the Court direction is received, it is unknown whether the full (or any) increase in liabilities will apply and therefore, in line with the prior year, no adjustment has been made in these financial statements in respect of this.