

# FORM AR27

Trade Union and Labour Relations (Consolidation) Act 1992

## ANNUAL RETURN FOR AN EMPLOYERS' ASSOCIATION

Name of Employers' Association: Employers in Voluntary Housing

Year ended: 31 December 2017

List No: 5035E

Head or Main Office: 137 Sauchiehall Street  
5<sup>th</sup> Floor  
Glasgow  
G2 3EW

Website address (if available) www.evh.org.uk

Has the address changed during the year to which the return relates?

Yes  No  (Tick as appropriate)

General Secretary: Eamonn Connolly

Contact name for queries regarding the completion of this return: Eamonn Connolly

Telephone Number: 0141 352 7435

e-mail: Eamonn@evh.org.uk

**PLEASE FOLLOW THE GUIDANCE NOTES IN THE COMPLETION OF THIS RETURN.**

**Any difficulties or problems in the completion of this return should be directed to the Certification Office as below or by telephone to: 0330 109 3602**

**The address to which returns and other documents should be sent are:**

**For Employers' Associations based in England and Wales:  
Certification Office for Trade Unions and Employers' Associations  
Lower Ground Floor, Fleetbank House, 2-6 Salisbury Square, London EC4Y 8JX**

**For Employers' Associations based in Scotland:**





supporting  
social  
employers



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social  
employers

**EVH Board of Directors – at 31 December 2017**

**A S A'Hara**  
**M M D Alcorn**  
**H Cameron**  
**B D Chaplin**  
**J Ferguson JP MBE**  
**N R Finlayson**  
**C F R Holyer**  
**J Kelly**  
**G R Mason**  
**P A McGinlay MBE**  
**G H McGuinness MBE**  
**C A Newton**  
**N J Reid BEM**  
**D W Rose**  
**F Wallace**  
**J R Weir**

**Company Secretary – at 31 December 2017**

**E Connolly**

5th Floor, 137 Sauchiehall Street, Glasgow G2 3EW tel 0141 352 7435 fax 0141 352 7449 email [contactus@evh.org.uk](mailto:contactus@evh.org.uk) web [www.evh.org.uk](http://www.evh.org.uk)



EVH is a Company Limited by Guarantee Scotland 184547 / VAT Registration 743 3640 41

## RETURN OF MEMBERS

(see note 9)

NUMBER OF MEMBERS AT THE END OF THE YEAR				
Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (Including Channel Islands)	TOTALS
153				153

## OFFICERS IN POST

(see note 10)

Please attach as an annexe to this form a complete list of all officers in post at the end of the year to which this form relates, with the title of each persons office.

## CHANGE OF OFFICERS

Please complete the following to record any changes of officers during the twelve months covered by this return.

Title of Office	Name of Officer ceasing to hold office	Name of Officer Appointed	Date of Change
Director		John Kelly	02/04/017
Director		Flora Wallace	02/04/017
Director	Jim Michael		02/04/017
Director	Alastair Ramsay		02/04/017

## REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Year			£	£
	<b>INCOME</b>			
499,979	From Members	Subscriptions, levies,	518,633	
1,839	Investment income	Interest and dividends (gross) Bank interest (gross) Other (specify)	1,595	
	Other income	Rents received Insurance commission Consultancy fees Publications/Seminars Miscellaneous receipts Recruitment Pension re-measurement	145,777 230,455 191,508 1,000	520,228
166,965				
240,732				
163,267				
399,000				568,740
1,471,782	<b>TOTAL INCOME</b>			<b>1,088,968</b>
	<b>EXPENDITURE</b>			
	Administrative expenses			
509,233	staff	Remuneration and expenses of	523,487	
67,296		Occupancy costs	65,684	
20,952		Printing, Stationery, Post	19,766	
3,622		Telephones	4,040	
49,491		Legal and Professional fees	43,654	
5,415	costs	Miscellaneous – Committee	7,271	
		Publication and advertising	26,357	
28,770	costs	JNC costs	593	
1,205				690,851
1,545	Other charges	Bank charges	910	
13,942		Depreciation	13,314	
-		Sums written off	-	
2,417		Affiliation fees	4,683	
-		Donations	-	
154,827		Conference and meeting fees	159,405	
21,907		Expenses	22,066	
		Miscellaneous (specify)		
41,668		Irrecoverable VAT	41,888	
	charges	Bank interest and similar	4,166	
25,001				3,493
3,417	Taxation			249,925
950,708	<b>TOTAL EXPENDITURE</b>			<b>940,776</b>

<b>521,074</b>	<b>Surplus/Deficit for year</b>	<b>148,192</b>
<b>80,573</b>	<b>Amount of fund at beginning of year</b>	<b>601,647</b>
<b>601,647</b>	<b>Amount of fund at end of year</b>	<b>749,839</b>

**ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND**

(see notes 17 to 18)

<b>ACCOUNT 2</b>		<b>Fund Account</b>	
<b>Name of account:</b>		<b>£</b>	<b>£</b>
<b>Income</b>	From members		
	Investment income		
	Other income (specify)		
	<b>Total Income</b>		
<b>Expenditure</b>	Administrative expenses		
	Other expenditure (specify)		
	<b>Total Expenditure</b>		
		<b>Surplus (Deficit) for the year</b>	
		<b>Amount of fund at beginning of year</b>	
		<b>Amount of fund at the end of year (as Balance Sheet)</b>	

<b>ACCOUNT 3</b>		<b>Fund Account</b>	
<b>Name of account:</b>		<b>£</b>	<b>£</b>
<b>Income</b>	From members		
	Investment income		
	Other income (specify)		
	<b>Total Income</b>		
<b>Expenditure</b>	Administrative expenses		
	Other expenditure (specify)		
	<b>Total Expenditure</b>		
		<b>Surplus (Deficit) for the year</b>	

Amount of fund at beginning of year  
Amount of fund at the end of year (as Balance Sheet)


**ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND**

(see notes 17 to 18)

<b>ACCOUNT 4</b>		<b>Fund Account</b>	
<b>Name of account:</b>		<b>£</b>	<b>£</b>
<b>Income</b>	From members		
	Investment income		
	Other income (specify)		
	<b>Total Income</b>		
<b>Expenditure</b>	Administrative expenses		
	Other expenditure (specify)		
	<b>Total Expenditure</b>		
	<b>Surplus (Deficit) for the year</b>		
	<b>Amount of fund at beginning of year</b>		
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		

<b>ACCOUNT 5</b>		<b>Fund Account</b>	
<b>Name of account:</b>		<b>£</b>	<b>£</b>
<b>Income</b>	From members		
	Investment income		
	Other income (specify)		
	<b>Total Income</b>		
<b>Expenditure</b>	Administrative expenses		
	Other expenditure (specify)		
	<b>Total Expenditure</b>		
	<b>Surplus (Deficit) for the year</b>		
	<b>Amount of fund at beginning of year</b>		



Amount of fund at the end of year (as Balance Sheet)

**ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND**

(see notes 17 to 18)

<b>ACCOUNT 6</b>		<b>Fund Account</b>	
<b>Name of account:</b>		<b>£</b>	<b>£</b>
<b>Income</b>	From members		
	Investment income		
	Other income (specify)		
	<b>Total Income</b>		
<b>Expenditure</b>	Administrative expenses		
	Other expenditure (specify)		
	<b>Total Expenditure</b>		
	<b>Surplus (Deficit) for the year</b>		
<b>Amount of fund at beginning of year</b>			
<b>Amount of fund at the end of year (as Balance Sheet)</b>			

<b>ACCOUNT 7</b>		<b>Fund Account</b>	
<b>Name of account:</b>		<b>£</b>	<b>£</b>
<b>Income</b>	From members		
	Investment income		
	Other income (specify)		
	<b>Total Income</b>		
<b>Expenditure</b>	Administrative expenses		
	Other expenditure (specify)		
	<b>Total Expenditure</b>		
	<b>Surplus (Deficit) for the year</b>		
<b>Amount of fund at beginning of year</b>			

Amount of fund at the end of year (as Balance Sheet)

## BALANCE SHEET AS AT 31 December 2017

(see notes 19 and 20)

Previous Year		£	£
452,657	<b>Fixed Assets</b> (as at page 11)		440,745
	<b>Investments</b> (as per analysis on page 13)		
	Quoted (Market value £ )		
	Unquoted		
189,498	<b>Total</b>		440,745
	<b>Investments</b>		191,000
	<b>Other Assets</b>		
64,718	Sundry debtors		54,058
401,612	Cash at bank and in hand		438,091
	Stocks of goods		
	Others (specify)		
	<b>Total of</b>		
	<b>other assets</b>		683,149
1,108,485	<b>TOTAL ASSETS</b>		1,123,894
601,647	Fund (Account)		749,839
	Fund (Account)		
	Fund (Account)		
	Revaluation Reserve		
	<b>Liabilities</b>		
44,965	Loans	-	
-	Bank overdraft	-	
16,934	Tax payable	7,975	
-	Sundry creditors	-	
17,939	Accrued expenses	15,080	
427,000	Provisions	351,000	
	Other liabilities		
506,838	<b>TOTAL LIABILITIES</b>		374,055
1,108,485	<b>TOTAL ASSETS</b>		1,123,894

## FIXED ASSETS ACCOUNT

(see note 21)

	Land & Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total
	£	£	£	£
<b>COST OR VALUATION</b>				
At start of period	447,520	5,137		452,657
Additions during period		1,403		1,403
Less: Disposals during period				
Less: DEPRECIATION:	(10,408)	(2,907)		(13,315)
Total to end of period				
<b>BOOK AMOUNT at end of period</b>				
	437,112	3,633		440,745
Freehold	437,112			
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				

AS BALANCE SHEET	437,112	3,633		440,745
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# ANALYSIS OF INVESTMENTS

(see note 22)

		Other Funds £
<b>QUOTED</b>	British Government & British Government Guaranteed Securities	
	British Municipal and County Securities	
	Other quoted securities (to be specified)	
	<b>TOTAL QUOTED (as Balance Sheet)</b>	
	<b>*Market Value of Quoted Investments</b>	
<b>UNQUOTED</b>	British Government Securities	
	British Municipal and County Securities	
	Mortgages	
	Other unquoted securities (to be specified)	
	<b>TOTAL QUOTED (as Balance Sheet)</b>	
	<b>*Market Value of Unquoted Investments</b>	

\* Market value of investments to be stated where these are different from the figures quoted in the balance sheet

**ANALYSIS OF INVESTMENT INCOME  
(CONTROLLING INTERESTS)**

(see notes 23 to 25)



**Does the association, or any constituent part of the association, have a controlling interest in any limited company?**

YES

NO

If YES name the relevant companies:

COMPANY NAME

COMPANY REGISTRATION NUMBER (If not registered in England & Wales, state where registered)

**INCORPORATED EMPLOYERS' ASSOCIATIONS**

**Are the shares which are controlled by the association registered in the association's name**

YES

NO

If NO, please state the names of the persons in whom the shares controlled by the association are registered.

COMPANY NAME

NAMES OF SHAREHOLDERS

**UNINCORPORATED EMPLOYERS ASSOCIATIONS**

**Are the shares which are controlled by the association registered in the names of the association's trustees?**

YES

NO

If NO, state the names of the persons in whom the shares controlled by the association are registered.

COMPANY NAME

NAMES OF SHAREHOLDERS

## SUMMARY SHEET

(see notes 26 to 35)

	All funds except Political Funds £	Political Funds £	Total Funds £
<b>INCOME</b>			
From Members	518,633		
From Investments	1,595		
Other Income (including increases by revaluation of assets)	568,749		
<b>Total Income</b>	<b>1,088,977</b>		
<b>EXPENDITURE</b> (including decreases by revaluation of assets)			
<b>Total Expenditure</b>	<b>940,776</b>		
<b>Funds at beginning of year</b> (including reserves)	601,647		
<b>Funds at end of year</b> (including reserves)	749,839		
<b>ASSETS</b>			
Fixed Assets			440,745
Investment Assets			-
Other Assets			683,149
		<b>Total Assets</b>	<b>1,123,894</b>
<b>LIABILITIES</b>			
		<b>Total Liabilities</b>	<b>374,055</b>
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			<b>749,839</b>

# NOTES TO THE ACCOUNTS

(see note 36)

All notes to the accounts must be entered on or attached to this part of the return.

## 5. Auditor's remuneration

	2017 £	2016 £
Fees payable for the audit of the financial statements	<u>5,745</u>	<u>5,330</u>

## 6. Employee numbers

The average number of persons employed by the company during the year, including the directors, amounted to 14 (2016: 14).

## 7. Profit before taxation

Profit before taxation is stated after charging:

	2017 £	2016 £
Depreciation of tangible assets	<u>13,315</u>	<u>13,942</u>

## 8. Tax on profit

Major components of tax expense

	2017 £	2016 £
<b>Current tax:</b>		
UK current tax expense	3,500	3,547
Adjustments in respect of prior periods	(7)	(130)
Total current tax	<u>3,493</u>	<u>3,417</u>
<b>Tax on profit</b>	<u>3,493</u>	<u>3,417</u>

The company's taxable income for the year ended 31 December 2017 is bank interest received and profit arising on room hire to non-members.

### Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2016: lower than) the standard rate of corporation tax in the UK of 19.25% (2016: 20%).

	2017 £	2016 £
Profit on ordinary activities before taxation	<u>150,685</u>	<u>125,491</u>
Profit on ordinary activities by rate of tax	29,007	25,098
Adjustment to tax charge in respect of prior periods	(7)	(130)
Effect of expenses not deductible for tax purposes	179,169	108,400
Effect of revenue exempt from tax	<u>(204,676)</u>	<u>(129,951)</u>
Tax on profit	<u>3,493</u>	<u>3,417</u>

A reduction in the UK corporation tax rate from 20% to 19% took effect from 1 April 2017. A further reduction from 19% to 17% will take effect from 1 April 2020.

**9. Tangible assets**

	Heritable Property £	Computers & Printers £	Furniture & Fittings £	Office Improvements £	Total £
<b>Cost</b>					
At 1 January 2017	520,376	19,733	31,072	63,471	634,652
Additions	—	1,403	—	—	1,403
<b>At 31 December 2017</b>	<u>520,376</u>	<u>21,136</u>	<u>31,072</u>	<u>63,471</u>	<u>636,055</u>
<b>Depreciation</b>					
At 1 January 2017	72,856	16,242	29,426	63,471	181,995
Charge for the year	10,408	2,328	579	—	13,315
<b>At 31 December 2017</b>	<u>83,264</u>	<u>18,570</u>	<u>30,005</u>	<u>63,471</u>	<u>195,310</u>
<b>Carrying amount</b>					
At 31 December 2017	<u>437,112</u>	<u>2,566</u>	<u>1,067</u>	<u>—</u>	<u>440,745</u>
At 31 December 2016	<u>447,520</u>	<u>3,491</u>	<u>1,646</u>	<u>—</u>	<u>452,657</u>

**10. Debtors**

	2017 £	2016 £
Trade debtors	25,782	49,900
Other debtors	28,276	14,818
	<u>54,058</u>	<u>64,718</u>

**11. Investments**

	2017 £	2016 £
Investment deposit with Poilok Credit Union	<u>191,000</u>	<u>189,498</u>

**12. Creditors: amounts falling due within one year**

	2017 £	2016 £
Bank loans and overdrafts	—	4,956
Corporation tax	3,499	3,549
Social security and other taxes	4,476	13,385
Other creditors	15,080	17,939
	<u>23,055</u>	<u>39,829</u>

**13. Creditors: amounts falling due after more than one year**

	2017 £	2016 £
Bank loans and overdrafts	—	<u>40,009</u>

**14. Pension scheme**

The Company operates both a defined benefit pension scheme and a defined contribution scheme for its employees.

The amount recognised in the income and expenditure account is as follows:

	2017 £	2016 £
Defined benefit scheme		
- Current service cost	—	—
Defined contribution scheme	<u>41,639</u>	<u>40,956</u>
Total charge in operating profit	<u>41,639</u>	<u>40,956</u>
Defined benefit scheme		
- Net interest expense	<u>4,000</u>	<u>23,000</u>
Total charge	<u>45,639</u>	<u>63,956</u>

**Defined benefit scheme - Scottish Housing Associations' Pension Scheme**

The company participates in the scheme, a multi-employer scheme which provides benefits to over 150 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

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 pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

**14. Pension scheme (continued)**

A full actuarial valuation for the scheme was carried out at 30 September 2015. This actuarial valuation showed assets of £616m, liabilities of £814m and a deficit of £198m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

**Deficit contributions**

From 1 April 2017 to 28 February 2022: £25,735,092 per annum (payable monthly, increasing by 3% each 1st April)

From 1 April 2017 to 30 June 2025: £727,217 per annum (payable monthly, increasing by 3% each 1st April)

From 1 April 2017 to 31 October 2028: £1,239,033 per annum (payable monthly, increasing by 3% each 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

#### 14. Pension scheme (continued)

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

#### PRESENT VALUES OF PROVISION

	31 December 2017 (£000s)	31 December 2016 (£000s)	31 December 2015 (£000s)
Present value of provision	351	427	878

#### RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period Ending 31 December 2017 (£000s)	Period Ending 31 December 2016 (£000s)
Provision at start of period	427	878
Unwinding of the discount factor (interest expense)	4	23
Deficit contribution paid	(79)	(75)
Re-measurements - impact of any change in assumptions	(1)	17
Re-measurements - amendments to the contribution schedule	-	(416)
Provision at end of period	351	427

#### INCOME AND EXPENDITURE IMPACT

	Period Ending 31 December 2017 (£000s)	Period Ending 31 December 2016 (£000s)
Interest expense	4	23
Re-measurements - impact of any change in assumptions	(1)	17
Re-measurements - amendments to the contribution schedule	-	(416)

#### ASSUMPTIONS

	31 December 2017 % per annum	31 December 2016 % per annum	31 December 2015 % per annum
Rate of discount	1.18	1.11	2.72

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The employer's share of the scheme debt on withdrawal from the scheme is calculated on the day of the annual funding update, 30 September 2016. The estimated debt for the company is £3,241,450.

**15. Operating leases**

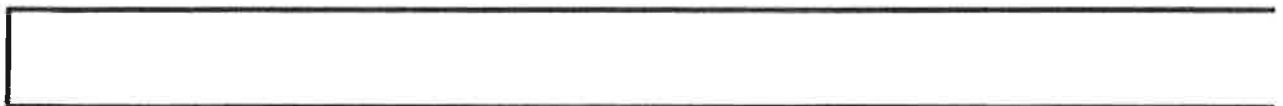
The total future minimum lease payments under non-cancellable operating leases are as follows:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Not later than 1 year	<b>3,609</b>	<b>3,609</b>
Later than 1 year and not later than 5 years	<b>5,500</b>	<b>9,110</b>
	<b><u>9,109</u></b>	<b><u>12,719</u></b>

**16. Related party transactions**

The directors of the company are also Board Members of member Housing Associations with which the company transacts. All transactions with the Housing Associations are made on a commercial basis.

No other transactions with related parties were undertaken such as are required to be disclosed under FRS 102 Section 1a.



# ACCOUNTING POLICIES

(see notes 37 and 38)

## Accounting policies

### Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

### Going concern

The financial statements have been prepared on a going concern basis. The directors have assessed the Company's ability to continue as a going concern and have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

### Revenue recognition

The turnover shown in the Income and Expenditure Account represents amounts earned during the year, exclusive of Value Added Tax.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

### Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

### Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:



Heritable Property	-	2% straight line
Computers & Printers	-	33% straight line
Furniture & Fittings	-	33% straight line
Office Improvements	-	33% straight line

#### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

#### **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

#### **Financial Instruments**

Basic financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### **Employee benefits**

The Company provides a range of benefits to employees, including paid holiday arrangements and defined benefit and defined contribution pension plans.

##### **(I) Short term benefits**

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

##### **(II) Pensions**

The Company participates in the Scottish Housing Associations' defined benefits pension scheme. The Scheme is a multi-employer scheme where scheme assets are co-mingled for investment purposes, benefits are paid from 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, it is accounted for under FRS 102 as a defined contribution scheme and the accounting charge in respect of the current contributions for the period the current employer contribution payable. The Company has an agreement with the Scheme Trustees in respect

of past service deficit contributions during the recovery period and provision has been made for the present value of the future contributions due under this agreement. The unwinding of the discount under this accounting procedure is accounted for within finance costs and actuarial re-measurements are accounted for within other comprehensive income.

The Company also makes contributions to defined contribution schemes in respect of employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

## SIGNATURES TO THE ANNUAL RETURN

(see notes 39 and 40)

Including the accounts and balance sheet contained in the return.

Secretary's Signature: <u>E. Lally</u>	Chairman's Signature: <u>Gordon Mason</u> (or other official whose position should be stated)
Name: <u>EAMONN CONNOLLY</u>	Name: <u>GORDON MASON</u>
Date: <u>29/03/2018</u>	Date: <u>29/03/2018</u>

## CHECK LIST

(see note 41)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 3)	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 3)	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
HAS THE RETURN BEEN SIGNED? (see Note 38)	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
HAS THE AUDITOR'S REPORT BEEN COMPLETED (see Note 39)	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
IS A RULE BOOK ENCLOSED? (see Note 40)	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
HAS THE SUMMARY SHEET BEEN COMPLETED (see Notes 6 and 25 to 34)	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>

# AUDITOR'S REPORT

(see notes 42 to 47)

made in accordance with section 36 of the Trade Union and Labour Relations  
(Consolidation) Act 1992.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they relate?  
(See section 36(1) and (2) of the 1992 Act and notes 43 and 44)

YES/NO

If "No" please explain below.

2. Have the auditors or auditor carried out such investigations in the preparation of their audit report as will enable them to form an opinion as to:
- (a) whether the trade union has kept proper accounting records in accordance with section 28 of the 1992 Act;
  - (b) whether it has maintained a satisfactory system of control over its transactions in accordance with the requirements of that section; and
  - (c) whether the accounts to which the report relates agree with the accounting records?
- (See section 36(3) of the 1992 Act, set out in note 43)

YES/NO

If "No" please explain below.

3. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:
- (a) kept proper accounting records with respect to its transactions and its assets and liabilities; and
  - (b) established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances.
- (See section 36(4) of the 1992 Act set out in note 43)

YES/NO

If "No" please explain below.

4. Please set out a copy of the report made by the auditors or auditor to the union on the accounts to which this AR27 relates. The report is to set out the basis upon which the audit has been conducted and/or such other statement as the auditor considers appropriate. Such a statement may be provided as a separate document.  
(See note 45)

## **AUDITOR'S REPORT (continued)**

### **Opinion**

We have audited the financial statements of Employers In Voluntary Housing Limited for the year ended 31 December 2017 which comprise the income statement, statement of comprehensive income, statement of financial position, statement of changes in equity and the 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company'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 included in the annual report, other than the financial statements and our auditor's report thereon. The directors 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 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

**DO NOT STAPLE  
PRINT ON ONE SIDE ONLY  
Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors 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 directors 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

Signature(s) of auditor or auditors:	<i>Malcolm A Beveridge</i>	
Name(s):	Chiene + Tait LLP	
Profession(s) or Calling(s):	ICAS	
Address(es):	61 Dublin Street Edinburgh EH3 6NL	
Date:	18 April 2018	
Contact name and telephone number:	Malcolm Beveridge 0131 558 5800	

N.B. When notes to the accounts are referred to in the auditor's report a copy of those notes must accompany this return.

**EVERY EMPLOYERS' ASSOCIATION IS REQUIRED BY LAW TO COMPLETE THIS RETURN.  
THE REFUSAL OR WILFUL NEGLECT TO PERFORM THIS DUTY IS A CRIMINAL OFFENCE.**

**THERE IS NO LEGAL REQUIREMENT FOR THIS RETURN TO BE "APPROVED" BY THE  
GOVERNING BODY OF THE ASSOCIATION BEFORE SUBMISSION TO THE**