

Do Not Staple

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 2021

List No:

5035E

Head or Main Office:

137 Sauchiehall Street

5th Floor

Glasgow

Postcode

G2 3EW

Website address (if available)

www.evh.org.uk

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

Yes

No

('X' in appropriate box)

General Secretary:

Eamonn Connolly

Contact name for queries regarding the completion of this return:

Helen McKenzie

Telephone Number:

0141 352 7435

E-mail:

Contactus@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 1093602

You should sent the annual return to the following address stating the name of the union in subject:

For Employers' Associations based in England and Wales: returns@certoffice.org

For Employers' Associations based in Scotland: ymw@tcyoung.co.uk

Contents

Employers' Association's details.....	1
Return of members.....	2
Change of officers.....	2
Officers in post.....	2a
Revenue Account/General Fund.....	3
Accounts other than the revenue account/general fund.....	4-6
Balance sheet.....	7
Fixed Assets Account.....	8
Analysis of investments.....	9
Analysis of investments income (Controlling interests).....	10
Summary sheet.....	11
Summary Sheet (Only for Incorporated Bodies).....	11a
Notes to the accounts.....	12
Accounting policies.....	13
Signatures to the annual return.....	13
Checklist.....	13
Checklist for auditor's report.....	14
Auditor's report (continued).....	15
Guidance on completion.....	16

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
148				148

Change of Officers

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

Position held	Name of Officer ceasing to hold office	Name of Officer appointed	Date of Change
Director	Clare A Newton		22 April 2021
Director	Pat A McGinlay MBE		19 April 2021
Director		Jennifer M G Young	19 April 2021

Officers in post

(see note 10)

Please complete list of all officers in post at the end of the year to which this form relates.

Name of Officer	Position held
Alison S A'Hara	Director
Morag T Cameron	Director
Brian D Chaplin	Director
John Ferguson MBE JP ret	Director
Nicki R Finlayson	Director
John Kelly	Director
Gordon R Mason	Director
John C McLardie	Director
Robert McLeary	Director
Teresa McNally MBE JP ret	Director
David W Rose	Director
Flora S Wallace	Director
Jim R Weir	Director
Jennifer Young	Director

Revenue Account / General Fund

(see notes 11 to 16)

Previous Year			£	£
	Income			
556,613	From Members	Subscriptions, levies, etc	555,809	555,809
	Investment income	Interest and dividends (gross)		
1,567		Bank interest (gross)	1,902	1,902
		Other (specify)		
		Total Investment Income	1,902	1,902
	Other Income	Rents received		
6,416		Insurance commission		
93,103		Consultancy fees	109,334	109,334
303,752		Publications/Seminars	405,179	405,179
		Miscellaneous receipts (specify)		
66,226		COVID-19 grants	5,000	5,000
		Total of other income		519,513
		Total income		1,077,224
		Interfund Transfers IN		
	Expenditure			
548,591	Administrative expenses	Remuneration and expenses of staff	472,712	472,712
53,693		Occupancy costs	61,102	61,102
11,711		Printing, Stationery, Post	7,448	7,448
3,668		Telephones	3,137	3,137
40,292		Legal and Professional fees	86,704	86,704
		Miscellaneous (specify)		
1,729		Committee costs	2,430	2,430
18,460		Publication and advertising	20,899	20,899
2,596		JNC costs	5,653	5,653
		Total of Admin expenses		660,085
	Other Charges	Bank charges	484	484
574		Depreciation	15,210	15,210
13,491		Sums written off		
		Affiliation fees	4,094	4,094
2,313		Donations	1,750	1,750
44,639		Conference and meeting fees	61,935	61,935
14,888		Expenses	13,088	13,088
		Miscellaneous (specify)		
17,644		Irrecoverable VAT	25,251	25,251
7,008		Bank interest and similar charges	5,000	5,000
-50,989		Pension re-measurement	-52,724	-52,724
		Total of other charges		74,088
1,099		Taxation	-206	-206
		Total expenditure		733,967
		Interfund Transfers OUT		
		Surplus/Deficit for year		343,257
		Amount of fund at beginning of year		1,173,480
		Amount of fund at end of year		1,516,737

Accounts other than Revenue Account/General Fund

(see notes 17 to 18)

Account 2		Fund Account	
Name of account:		£	£
Income			
From members			
Investment income			
Other Income (specify)			
		Total Income	
Interfund Transfers IN			
Expenditure			
Administrative expenses			
Other expenditure (specify)			
		Total Expenditure	
Interfund Transfers OUT			
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Account 3		Fund Account	
Name of account:		£	£
Income			
From members			
Investment income			
Other income (specify)			
		Total Income	
Interfund Transfers IN			
Expenditure			
Administrative expenses			
Other expenditure (specify)			
		Total Expenditure	
Interfund Transfers OUT			
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Accounts other than Revenue Account/General Fund

(see notes 17 to 18)

Account 4		Fund Account	
Name of account:		£	£
Income	From members		
	Investment income		
	Other income (specify)		
		Total Income	
		Interfund Transfers IN	
Expenditure	Administrative expenses		
	Other expenditure (specify)		
		Total Expenditure	
	Interfund Transfers OUT		
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Account 5		Fund Account	
Name of account:		£	£
Income	From members		
	Investment income		
	Other income (specify)		
		Total Income	
	Interfund Transfers IN		
Expenditure	Administrative expenses		
	Other expenditure (specify)		
		Total Expenditure	
	Interfund Transfers OUT		
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Accounts other than Revenue Account/General Fund

(see notes 17 to 18)

Account 6		Fund Account	
Name of account:		£	£
Income			
From members			
Investment income			
Other income (specify)			
		Total Income	
Interfund Transfers IN			
Expenditure			
Administrative expenses			
Other expenditure (specify)			
		Total Expenditure	
Interfund Transfers OUT			
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Account 7		Fund Account	
Name of account:		£	£
Income			
From members			
Investment income			
Other income (specify)			
		Total Income	
Interfund Transfers IN			
Expenditure			
Administrative expenses			
Other expenditure (specify)			
		Total Expenditure	
Interfund Transfers OUT			
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Balance Sheet as at [31 December 2021]

(see notes 19 and 20)

Previous Year		£	£
409,597	Fixed Assets (as at Page 8)	405,626	405,626
	Investments (as per analysis on page 9)		
	Quoted (Market value £) as at Page 9		
	Unquoted (Market value £) as at Page 9		
	Total Investments		
	Other Assets		
52,271	Sundry debtors	54,222	54,222
792,333	Cash at bank and in hand	1,074,251	1,074,251
	Stocks of goods		
	Others (specify)		
186,700	Investment in credit union	188,557	
	Total of other assets	1,317,030	1,317,030
	Total Assets		1,722,656
1,173,480	Revenue Account/ General Fund	1,516,737	
	Revaluation Reserve		
	Profit and loss account brought forward		
	Liabilities		
4,131	Trade creditors	2,718	
1,063	Corporation tax	10	
11,997	Social security and other taxes	29,623	
55,194	Other creditors	89,550	
195,000	Pension provision	84,000	
36	Deferred tax provision	18	
	Total Liabilities		205,919
	Total Assets		1,722,656

Fixed Assets account

(see note 21)

	Land and Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total £
Cost or Valuation				
At start of period	520,376	84,506		604,882
Additions during period		11,239		11,239
Less: Disposals				
Less: Depreciation	-124,896	-85,599		-210,495
Total to end of period	395,480	10,146		405,626
Book Amount at end of period	395,480	10,146		405,626
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
Total of Fixed Assets	395,480	10,146		405,626

Analysis of Investments

(see note 22)

Quoted		Other Funds
	British Government & British Government Guaranteed Securities	
	British Municipal and County Securities	
	Other quoted securities (to be specified)	
	Total Quoted (as Balance Sheet)	
	Market Value of Quoted Investments	
Unquoted	British Government Securities	
	British Municipal and County Securities	
	Mortgages	
	Other unquoted investments (to be specified)	
	Total Unquoted (as Balance Sheet)	
	Market Value of Unquoted Investments	

* 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 note 23)

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

Yes		No	X
-----	--	----	----------

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 24 to 33)

	All Funds	Total Funds
		£
Income		
From Members	555,809	555,809
From Investments	1,902	1,902
Other Income (including increases by revaluation of assets)	519,513	519,513
Total Income	1,077,224	1,077,224
Expenditure (including decreases by revaluation of assets)		
Total Expenditure	733,967	733,967
Funds at beginning of year (including reserves)	1,173,480	1,173,480
Funds at end of year (including reserves)	1,516,737	1,516,737
ASSETS		
Fixed Assets		405,626
Investment Assets		
Other Assets		1,317,030
Total Assets		1,722,656
Liabilities		
Total Liabilities		205,919
Net Assets (Total Assets less Total Liabilities)		1,516,737

Summary Sheet

(see notes 24 to 33)

		All Funds	Total Funds
		£	£
Income			
	From Members		
	From Investments		
	Other Income (including increases by revaluation of assets)		
	Total Income		
Expenditure (including decreases by revaluation of assets)			
	Total Expenditure		
Funds at beginning of year (including reserves)			
Funds at end of year (including reserves)			
ASSETS			
	Fixed Assets		
	Investment Assets		
	Other Assets		
	Total Assets		
Liabilities			
	Total Liabilities		
Net Assets (Total Assets less Total Liabilities)			

Notes to the accounts

(see note 34)

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

See the attached notes to the Financial Statement

Accounting policies

(see notes 35 & 36)

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

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.

Signatures to the annual return

(see notes 37 and 38)

Including the accounts and balance sheet contained in the return.

Please copy and paste your electronic signature here

Secretary's Signature:		Chairman's Signature:	
			<small>(or other official whose position should be stated)</small>
Name:	Eamonn Connolly	Name:	David Rose
Date:	02 March 2022	Date:	02 March 2022

Checklist

(see note 39)

(please enter 'X' as appropriate)

Is the return of officers attached? (see Page 2)	Yes	X	No	
Has the list of officers been completed? (see Page 2A)	Yes	X	No	
Has the return been signed? (see Note 37)	Yes	X	No	
Has the auditor's report been completed? (see Note 41)	Yes	X	No	
Is the rule book enclosed? (see Note 39)	Yes	X	No	
Has the summary sheet been completed? (see Notes 6 and 24 to 33)	Yes	X	No	

Checklist for auditor's report

(see notes 41 to 44)

The checklist below is for guidance. A report is still required either set out overleaf or by way of an attached auditor's report that covers the 1992 Act requirements.

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)

Please explain in your report overleaf or attached.

2. 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)

Please explain in your report overleaf or attached.

3. Your auditors or auditor must include in their report the following wording:

In our opinion the financial statements:

- give a true and fair view of the matters to which they relate to.
- have been prepared in accordance with the requirements of the sections 28, 32 and 36 of the Trade Union and Labour Relations (consolidation) Act 1992.

Auditor's report (continued)

Opinion

We have audited the financial statements of Employers in Voluntary Housing Limited (the 'company') for the year ended 31 December 2021 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).

In our opinion the financial statements:

- Give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;

Signature(s) of auditor or auditors:

Malcolm R Beveridge

Name(s):

Chiene + Tait LLP

Profession(s) or Calling(s):

ICAS

Address(es)

61 Dublin Street
Edinburgh
EH3 6NL

Date:

04 March 2022

Contact name for enquiries 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.

Opinion

We have audited the financial statements of Employers in Voluntary Housing Limited (the 'company') for the year ended 31 December 2021 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).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with the requirements of sections 28, 32 and 36 of the Trade Union and Labour Relations (consolidation) Act 1992.
- 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

In auditing the financial statements, we have concluded that the directors' 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 company'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 directors with respect to going concern are described in the relevant sections of this report.

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.

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.

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:

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company which were contrary to applicable laws and regulations, including fraud. These included but were not limited to the Companies Act 2006, Trade Union Legislation and general Health and Safety Regulations.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

We focused on laws and regulations that could give rise to a material misstatement in the company's financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of key management personnel and the directors;
- review of minutes of board meetings throughout the period;
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

There are inherent limitations in an audit of financial statements and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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. This description forms part of our auditor's report.

Use of our report

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.

1. General information

The company is a private company limited by guarantee, registered in Scotland. The address of the registered office is 5th Floor, 137 Sauchiehall Street, Glasgow, G2 3EW.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', and specifically with FRS 102 Section 1A.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

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.

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.

3. Accounting policies (continued)

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.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

3. Accounting policies (continued)

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.

Defined benefit plans

The company recognises a defined net benefit pension asset or liability in the statement of financial position as the net total of the present value of its obligations and the fair value of plan assets out of which the obligations are to be settled. The defined benefit liability is measured on a discounted present value basis using a rate determined by reference to market yields at the reporting date on high quality corporate bonds. Defined benefit obligations and the related expenses are measured using the projected unit credit method. Plan surpluses are recognised as a defined benefit asset only to the extent that the surplus is recoverable either through reduced contributions in the future or through refunds from the plan.

Changes in the net defined benefit asset or liability arising from employee service are recognised in profit or loss as a current service cost where it relates to services in the current period and as a past service cost where it relates to services in prior periods. Costs relating to plan introductions, benefit changes, curtailments and settlements are recognised in profit or loss in the period in which they occur.

Net interest is determined by multiplying the net defined benefit liability by the discount rate, both as determined at the start of the reporting period, taking account of any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. Net interest is recognised in profit or loss.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

3. Accounting policies (continued)

Defined contribution plans (continued)

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Company limited by guarantee

The company is limited by guarantee and does not have a share capital. As such no director has a beneficial interest in the company. The liability of the members is limited to one pound sterling each.

5. Employee numbers

The average number of persons employed by the company during the year amounted to 10 (2020: 13).

6. Profit before taxation

Profit before taxation is stated after charging:

	2021 £	2020 £
Depreciation of tangible assets	<u>15,210</u>	<u>13,491</u>

7. Tax on profit

Major components of tax (income)/expense

	2021 £	2020 £
Current tax:		
UK current tax expense	10	1,063
Adjustments in respect of prior periods	<u>(198)</u>	–
Total current tax	<u>(188)</u>	<u>1,063</u>
Deferred tax:		
Origination and reversal of timing differences	<u>(18)</u>	36
Tax on profit	<u>(206)</u>	<u>1,099</u>

The company's taxable income for the year ended 31 December 2021 is bank interest received and profit arising on room hire to non members.

7. Tax on profit (continued)

Reconciliation of tax (income)/expense

The tax assessed on the profit on ordinary activities for the year is lower than (2020: lower than) the standard rate of corporation tax in the UK of 19% (2020: 19%).

	2021 £	2020 £
Profit on ordinary activities before taxation	<u>290,327</u>	<u>246,383</u>
Profit on ordinary activities by rate of tax	55,417	46,813
Adjustment to tax charge in respect of prior periods	(198)	–
Effect of expenses not deductible for tax purposes	147,936	133,729
Effect of revenue exempt from tax	(203,361)	<u>(179,443)</u>
Tax on profit	<u>(206)</u>	<u>1,099</u>

8. Tangible assets

	Heritable Property £	Computers & Printers £	Furniture & Fittings £	Office Improvements £	Total £
Cost					
At 1 January 2021	520,376	16,231	4,804	63,471	604,882
Additions	–	9,020	2,219	–	11,239
At 31 December 2021	<u>520,376</u>	<u>25,251</u>	<u>7,023</u>	<u>63,471</u>	616,121
Depreciation					
At 1 January 2021	114,488	12,522	4,804	63,471	195,285
Charge for the year	10,408	4,802	–	–	15,210
At 31 December 2021	<u>124,896</u>	<u>17,324</u>	<u>4,804</u>	<u>63,471</u>	210,495
Carrying amount					
At 31 December 2021	<u>395,480</u>	<u>7,927</u>	<u>2,219</u>	–	405,626
At 31 December 2020	<u>405,888</u>	<u>3,709</u>	–	–	<u>409,597</u>

9. Debtors

	2021 £	2020 £
Trade debtors	42,025	35,414
Other debtors	12,197	16,857
	<u>54,222</u>	<u>52,271</u>

10. Investments

	2021	2020
	£	£
Community investment bond	1,000	1,000
Investment deposit with Pollok Credit Union	187,557	185,700
	<u>188,557</u>	<u>186,700</u>

11. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	2,718	4,131
Corporation tax	10	1,063
Social security and other taxes	29,623	11,997
Other creditors	89,550	55,194
	<u>121,901</u>	<u>72,385</u>

12. Employee benefits**Defined contribution plans**

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £34,952 (2020: £39,034).

12. Employee benefits (continued)

Defined benefit plans

The Company 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 pension schemes in the UK.

The last triennial valuation of the scheme for funding purposes was carried out as at 30 September 2018. This valuation revealed a deficit of £121m. A Recovery Plan has been put in place to eliminate the deficit which runs to 31 March 2023 for the majority of employers, although certain employers have different arrangements.

The Scheme is classified as a 'last-man standing arrangement'. Therefore, the Association 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. As at 30 September 2020, the potential debt on withdrawal from the scheme was £1,593,978.

For financial years ending on or before 28 February 2019, it has not been possible for the Association to obtain sufficient information to enable it to account for the Scheme as a defined benefit scheme, therefore the Company has previously accounted for the Scheme as a defined contribution scheme. For financial years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the Company to account for the Scheme as a defined benefit scheme.

For accounting purposes, two actuarial valuations for the Scheme were carried out with effective dates of 30 November 2019 and 30 November 2020. The liability figures from each valuation are rolled forward to the relevant accounting dates, if applicable, and are used in conjunction with the Company's fair share of the Scheme's total assets to calculate the Company's net deficit or surplus at the accounting period start and end dates.

The statement of financial position net defined benefit liability is determined as follows:

	2021	2020
	£	£
Present value of defined benefit obligations	(2,763,000)	(2,474,000)
Fair value of plan assets	<u>2,679,000</u>	<u>2,279,000</u>
	<u>(84,000)</u>	<u>(195,000)</u>

Changes in the present value of the defined benefit obligations are as follows:

	2021
	£
At 1 January 2021	2,474,000
Interest expense	40,000
Benefits paid	(29,000)
Expenses	2,000
Remeasurements:	
Actuarial gains and losses	276,000
At 31 December 2021	<u>2,763,000</u>

12. Employee benefits (continued)

Changes in the fair value of plan assets are as follows:

	2021 £
At 1 January 2021	2,279,000
Interest income	37,000
Benefits paid	(29,000)
Contributions by employer	63,276
Remeasurements:	
Actuarial gains and losses	328,724
At 31 December 2021	2,679,000

The total costs for the year in relation to defined benefit plans are as follows:

	2021 £	2020 £
Recognised in profit or loss:		
Expenses	2,000	2,000
Net interest expense	3,000	5,000
	<u>5,000</u>	<u>7,000</u>
Recognised in other comprehensive income:		
Remeasurement of the liability:		
Actuarial gains and losses	52,724	50,990

The return on plan assets are as follows:

	2021 £	2020 £
Return on assets of benefit plan	<u>287,000</u>	<u>171,000</u>

The principal actuarial assumptions as at the statement of financial position date were:

	2021 %	2020 %
Discount rate	1.62	1.63
Expected rate of salary increase	3.96	3.02
Inflation assumption (RPI)	3.36	3.02
Inflation assumption (CPI)	<u>2.96</u>	<u>2.02</u>

The mortality assumptions adopted at 30 November 2021 imply the following life expectancies:

	Life expectancy at age 65 (years)
Male retiring in 2021	21.5
Female retiring in 2021	23.4
Male retiring in 2041	22.8
Female retiring in 2041	25.0

Employee benefits (continued)

Assets

	2021	2020
	£	£
Global Equity	478,000	379,000
Absolute Return	123,000	132,000
Distressed Opportunities	83,000	66,000
Credit Relative Value	74,000	52,000
Alternative Risk Premia	98,000	91,000
Emerging Markets Debt	95,000	120,000
Risk Sharing	68,000	79,000
Insurance-Linked Securities	50,000	50,000
Property	49,000	39,000
Infrastructure	137,000	118,000
Private Debt	56,000	52,000
Opportunistic Illiquid Credit	75,000	56,000
High Yield	3,000	91,000
Opportunistic Credit	17,000	56,000
Cash	15,000	2,000
Corporate Bond Fund	156,000	120,000
Liquid Credit	15,000	20,000
Long Lease Property	63,000	50,000
Secured Income	124,000	77,000
Over 15 Year Gilts	1,000	1,000
Liability Driven Investment	912,000	618,000
Currency Hedging	(18,000)	-
Net Current Assets	5,000	10,000
Total Assets	<u>2,679,000</u>	<u>2,279,000</u>

13. Operating leases

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

	2021	2020
	£	£
Not later than 1 year	2,036	3,680
Later than 1 year and not later than 5 years	4,071	5,598
	<u>6,107</u>	<u>9,278</u>

14. 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.