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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 2022				
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	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	('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 send the annual return to the following address stating the name of the union in subject:

returns@certoffice.org

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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	Gordon Mason		29 April 2022
Director		Joginder Makar	29 April 2022

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
Joginder Maker	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			
555,809	From Members	Subscriptions, levies, etc	596,308	596,308
	Investment income	Interest and dividends (gross)		
1,902		Bank interest (gross)	2,353	2,353
		Other (specify)		
		Total Investment Income	2,353	2,353
	Other Income	Rents received		
109,334		Insurance commission		
405,179		Consultancy fees	200,733	200,733
		Publications/Seminars	387,089	387,089
		Miscellaneous receipts (specify)		
5,000		COVID-19 grants		
		Total of other income		587,822
		Total income		1,186,483
		Interfund Transfers IN		
	Expenditure			
472,712	Administrative expenses	Remuneration and expenses of staff	466,168	466,168
61,102		Occupancy costs	71,023	71,023
7,448		Printing, Stationery, Post	9,227	9,227
3,137		Telephones	2,253	2,253
86,704		Legal and Professional fees	66,921	66,921
		Miscellaneous (specify)		
2,430		Committee costs	7,331	7,331
20,899		Publication and advertising	32,129	32,129
5,653		JNC costs	7,194	7,194
		Member protect costs	35,046	35,046
		Cost of Living Grant Scheme	82,500	82,500
		Total of Admin expenses		779,792
	Other Charges	Bank charges	683	683
484		Depreciation	20,225	20,225
15,210		Sums written off		
4,094		Affiliation fees	4,493	4,493
1,750		Donations	4,305	4,305
61,935		Conference and meeting fees	63,548	63,548
13,088		Expenses	16,291	16,291
		Miscellaneous (specify)		
25,251		Irrecoverable VAT	35,320	35,320
5,000		Bank interest and similar charges	3,000	3,000
-52,724		Pension re-measurement	132,793	132,793
		Total of other charges		280,658
		Taxation	-28	-28
-206		Total expenditure		1,060,422
		Interfund Transfers OUT		
		Surplus/Deficit for year		126,061
		Amount of fund at beginning of year		1,516,737
		Amount of fund at end of year		1,642,798

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 []

(see notes 19 and 20)

Previous Year		£	£
405,626	Fixed Assets (as at Page 8)	427,030	427,030
	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		
54,222	Sundry debtors	55,039	55,039
1,074,251	Cash at bank and in hand	1,259,572	1,259,572
	Stocks of goods		
	Others (specify)		
188,557	Investment in credit union	190,433	
	Total of other assets	1,505,044	1,505,044
	Total Assets		1,932,074
1,516,737	Revenue Account/ General Fund	1,642,798	
	Revaluation Reserve		
	Liabilities		
2,718	Trade creditors	19,459	
10	Corporation tax		
29,623	Social security and other taxes	20,606	
89,550	Other creditors	89,211	
84,000	Pension provision	160,000	
18	Deferred tax provision		
	Total Liabilities		289,276
	Total Assets		1,932,074

Fixed Assets account

(see note 21)

	Land and Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total £
Cost or Valuation				
At start of period	520,376	95,745		616,121
Additions during period		41,629		41,629
Less: Disposals				
Less: Depreciation	-135,304	-95,416		-230,720
Total to end of period	385,072	41,958		427,030
Book Amount at end of period	385,072	41,958		427,030
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
Total of Fixed Assets	385,072	41,958		427,030

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)

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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	596,308	596,308
From Investments	2,353	2,353
Other Income (including increases by revaluation of assets)	587,822	587,822
Total Income	1,186,483	1,186,483
Expenditure (including decreases by revaluation of assets)		
Total Expenditure	1,060,422	1,060,422
Funds at beginning of year (including reserves)	1,516,737	1,516,737
Funds at end of year (including reserves)	1,642,798	1,642,798
ASSETS		
Fixed Assets		427,030
Investment Assets		
Other Assets		1,505,044
Total Assets		1,932,074
Liabilities		
Total Liabilities		289,276
Net Assets (Total Assets less Total Liabilities)		1,642,798

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)





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:	21 March 2023	Date:	20 March 2023

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 2022 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 2022 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;
- have been prepared in accordance with the requirements of sections 28 to 36 of Trade Union and Labour Relations (Consolidation) Act 1992.

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

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:

17 March 2023

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.

Employers in Voluntary Housing Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 December 2022

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.

Employers in Voluntary Housing Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

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	-	20% - 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.

Employers in Voluntary Housing Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

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.

Employers in Voluntary Housing Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

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 (2021: 10).

6. Profit before taxation

Profit before taxation is stated after charging:

	2022	2021
	£	£
Depreciation of tangible assets	<u>20,225</u>	<u>15,210</u>

7. Tax on profit

Major components of tax income

	2022	2021
	£	£
Current tax:		
UK current tax expense	–	10
Adjustments in respect of prior periods	<u>(10)</u>	<u>(198)</u>
Total current tax	<u>(10)</u>	<u>(188)</u>
Deferred tax:		
Origination and reversal of timing differences	<u>(18)</u>	<u>(18)</u>
Tax on profit	<u>(28)</u>	<u>(206)</u>

Employers in Voluntary Housing Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

7. Tax on profit *(continued)*

Reconciliation of tax income

The tax assessed on the profit on ordinary activities for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK of 19% (2021: 19%).

	2022	2021
	£	£
Profit on ordinary activities before taxation	258,826	290,327
Profit on ordinary activities by rate of tax	48,905	55,417
Adjustment to tax charge in respect of prior periods	(28)	(198)
Effect of expenses not deductible for tax purposes	176,080	147,936
Effect of revenue exempt from tax	(224,985)	(203,361)
Tax on profit	(28)	(206)

8. Tangible assets

	Heritable Property £	Computers & Printers £	Furniture & Fittings £	Office Improvements £	Total £
Cost					
At 1 January 2022	520,376	25,251	7,023	63,471	616,121
Additions	–	7,218	–	34,411	41,629
At 31 December 2022	520,376	32,469	7,023	97,882	657,750
Depreciation					
At 1 January 2022	124,896	17,324	4,804	63,471	210,495
Charge for the year	10,408	6,198	740	2,879	20,225
At 31 December 2022	135,304	23,522	5,544	66,350	230,720
Carrying amount					
At 31 December 2022	385,072	8,947	1,479	31,532	427,030
At 31 December 2021	395,480	7,927	2,219	–	405,626

9. Debtors

	2022	2021
	£	£
Trade debtors	44,173	42,025
Other debtors	10,866	12,197
	55,039	54,222

Employers in Voluntary Housing Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

10. Investments

	2022 £	2021 £
Community investment bond	1,000	1,000
Investment deposit with Pollok Credit Union	189,433	187,557
	<u>190,433</u>	<u>188,557</u>

11. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	19,459	2,718
Corporation tax	–	10
Social security and other taxes	20,606	29,623
Other creditors	89,211	89,550
	<u>129,276</u>	<u>121,901</u>

12. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £25,072 (2021: £34,952).

Employers in Voluntary Housing Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

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 2021. This valuation revealed a deficit of £27m. The Recovery Plan put in place to eliminate the deficit following the previous triennial valuation was ceased with effect from 30 September 2022.

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:

	2022	2021
	£	£
Present value of defined benefit obligations	(1,714,000)	(2,763,000)
Fair value of plan assets	<u>1,554,000</u>	<u>2,679,000</u>
	<u>(160,000)</u>	<u>(84,000)</u>

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

	2022
	£
At 1 January 2022	2,763,000
Interest expense	45,000
Benefits paid	(30,000)
Expenses	2,000
Remeasurements:	
Actuarial gains and losses	(1,066,000)
At 31 December 2022	<u>1,714,000</u>

Employers in Voluntary Housing Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

12. Employee benefits *(continued)*

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

	2022 £
At 1 January 2022	2,679,000
Interest income	44,000
Benefits paid	(30,000)
Contributions by employer	60,000
Remeasurements:	
Actuarial gains and losses	(1,199,000)
At 31 December 2022	<u>1,554,000</u>

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

	2022 £	2021 £
Recognised in profit or loss:		
Current service cost	2,000	2,000
Net interest expense	1,000	3,000
	<u>3,000</u>	<u>5,000</u>
Recognised in other comprehensive income:		
Remeasurement of the liability:		
Actuarial gains and losses	132,793	52,724

The return on plan assets are as follows:

	2022 £	2021 £
Return on assets of benefit plan	(1,118,000)	287,000

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

	2022 %	2021 %
Discount rate	4.42	1.62
Expected rate of salary increase	3.62	3.96
Inflation assumption (RPI)	2.96	3.36
Inflation assumption (CPI)	<u>2.62</u>	<u>2.96</u>

13. Operating leases

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

	2022 £	2021 £
Not later than 1 year	2,036	2,036
Later than 1 year and not later than 5 years	2,036	4,071
	<u>4,072</u>	<u>6,107</u>

Employers in Voluntary Housing Limited

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Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

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.