

**ELDERPARK HOUSING ASSOCIATION LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

Registered Housing Association Number: HAL 108
Charity Registration Number: SCO32823
FCA Reference Number: 1840RS

**ELDERPARK HOUSING ASSOCIATION LIMITED
THE MANAGEMENT COMMITTEE, EXECUTIVES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2019**

MEMBERS OF THE MANAGEMENT COMMITTEE

Elsbeth Millen	Chairperson
Janet Evans	Vice-Chairperson
Barbara Wilson	Treasurer
Maureen McDonald	Secretary
Anne Melvin	
Marri Holmes	
Ann McEachan	
Alan Bell	
Sadie Montgomery	
Lindsay Roches	Co-opted 28 November 2017, Elected 28 June 2018
Dr Evi Viza	Co-opted 31 January 2018
Martin Costick	Co-opted 30 October 2018
John Kane	Co-opted 30 October 2018
Reinhild Gorniak	Resigned 30 April 2018
Helena Smith	Resigned 27 November 2018
Betty Faulkner	Resigned 26 March 2019

EXECUTIVE OFFICERS

Gary Dalziel	Chief Executive Officer
Shirley McKnight	Deputy Chief Executive Officer
Terry Frew	Maintenance Manager
James McGeough	Finance & Corporate Services Manager
Aidan McGuinness	Housing Manager

REGISTERED OFFICE

31 Garmouth Street, Glasgow, G51 3PR

AUDITORS

French Duncan LLP, Chartered Accountants and Statutory Auditor

BANKERS

Royal Bank of Scotland plc

SOLICITORS

MSM Hart Smith

**ELDERPARK HOUSING ASSOCIATION LIMITED
REPORT FROM THE MANAGEMENT COMMITTEE
FOR THE YEAR ENDED 31 MARCH 2019**

- Partnership working with other agencies
- Maximise the talent and engagement of our staff and committee

An internal audit was conducted in early 2019 on our Strategic and Operational Planning which received 'substantial assurance'.

Risk Management

During the year we commenced work on redesigning our risk management processes recognising that these weren't as robust as we would wish. A draft policy and framework is in development and should be operational by summer 2019.

Review of business and future developments

The Management Committee are satisfied that the state of affairs of the Association are satisfactory. Net assets now stand at £11,793,215 (2018 - £10,959,074). Surplus for the year, pre pension re-measurement, was £959,134 (2018 - £1,035,598).

2018/19 has been a year of positive progress for the organisation as we continue to perform to a high standard and focus our activities on meeting the needs of the tenants and residents within our communities.

While we deliver a range of services to our tenants and residents, invest significant sums of money in improving our properties and work in partnership with other stakeholders within each of our communities the single biggest success remains our exceptionally high levels of tenant satisfaction. We are delighted that 96% of our tenants are satisfied with the overall service we provide and importantly 98% are satisfied both with the opportunities to participate in decision making and being kept informed about the activities of the association.

At the beginning of this financial year we held a launch of the Comprehensive Tenement Refurbishment which had recently been completed at Crossloan Road. This £3.5m project funded by Glasgow City Council and ourselves has completely refurbished 31 homes in this street into extremely attractive, modern and desirable accommodation.

In terms of repairs and maintenance we invested £1,450,443 in completing refurbishment upgrades at 168 older tenement properties which included 159 new kitchen units, 48 bathroom suites, 131 gas boilers, 168 internal doors and 168 radio linked smoke detector systems.

Our cyclical maintenance programme, which included external paintwork, gas boiler and extractor fan servicing, was accomplished at a total cost of £184,567.

To let our properties to a high standard we also carried out extensive remedial works to 95 void properties at a total cost of £235,005.

During the year we completed 4,458 reactive day to day repairs at a total cost of £484,762 with 99.7% of these repairs completed within the target time set and 93.2% of tenants being either very satisfied or satisfied with the overall repairs service provided.

While we continued to deliver effective and high quality services throughout the year behind the scenes we have also been reviewing how we do things. This is none more evident in our reactive repairs service whereby during the year we sought to procure a single contractor capable of delivering all day to day repairs on behalf of the association. The purpose of this is designed to modernise the service with a greater emphasis on IT and technology

**ELDERPARK HOUSING ASSOCIATION LIMITED
REPORT FROM THE MANAGEMENT COMMITTEE
FOR THE YEAR ENDED 31 MARCH 2019**

Further business was delegated to our developing Sub Committee structure, with specific remits delegated and membership drawn from Management Committee.

Our Audit Sub Committee is remitted to meet at least four times per annum. During 2018/19, the Sub Committee met four times. It gave detailed consideration to financial policies, returns and quarterly Management and full Draft Annual Accounts.

The Chief Executive, and other senior managers of the Association, are salaried staff. However, they hold no interest in the Association's share capital. Although not having the legal status of Trustees, they act within Financial Regulations and a Scheme of Delegated Authority laid down by the Management Committee.

Statement of Management Committee's responsibilities

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

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

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

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

In so far as the Management Committee are aware:

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

**ELDERPARK HOUSING ASSOCIATION LIMITED
REPORT FROM THE MANAGEMENT COMMITTEE
FOR THE YEAR ENDED 31 MARCH 2019**

Auditors

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

Charitable Donations

During the year the Association made charitable donations amounting to £2,732 (2018 - £3,475)

By order of Management Committee



Maureen McDonald,
Secretary

Date: 10 June 2019

ELDERPARK HOUSING ASSOCIATION LIMITED
INDEPENDENT AUDITORS REPORT TO THE MANAGEMENT COMMITTEE OF ELDERPARK HOUSING ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2019

OPINION

We have audited the financial statements of Elderpark Housing Association Limited for the year ended 31 March 2019 which comprise a statement of comprehensive income, statement of financial position, statement of cash flows, statement of changes in capital and reserves and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion the Financial Statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2019 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014, Part 6 of the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements December 2014.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

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

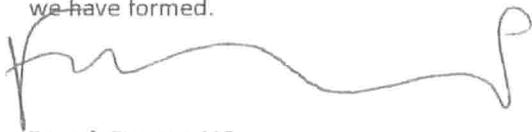
**ELDERPARK HOUSING ASSOCIATION LIMITED
INDEPENDENT AUDITORS REPORT TO THE MANAGEMENT COMMITTEE OF ELDERPARK HOUSING
ASSOCIATION LIMITED FOR THE YEAR ENDED 31 MARCH 2019**

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

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

USE OF OUR REPORT

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



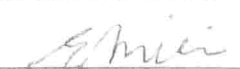
French Duncan LLP
Chartered Accountants and Statutory Auditors
133 Finnieston Street
GLASGOW
G3 8HB


Date: 11/06/2019.

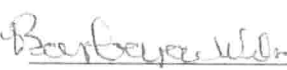
ELDERPARK HOUSING ASSOCIATION LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019

		2019	2018
	Notes	£	(as restated) £
NON-CURRENT ASSETS			
Housing properties - depreciated cost	11(a)	60,019,730	58,684,713
Other tangible fixed assets	11(b)	<u>702,914</u>	<u>720,693</u>
		60,722,644	59,405,406
CURRENT ASSETS			
Debtors	12	299,474	459,766
Cash at bank and in hand		<u>11,980,428</u>	<u>11,765,645</u>
		12,279,902	12,225,411
CREDITORS: amounts falling due within one year	13	<u>(2,145,875)</u>	<u>(2,524,063)</u>
NET CURRENT ASSETS		<u>10,134,027</u>	<u>9,701,348</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		70,856,671	69,106,754
CREDITORS: amounts falling due after more than one year	14	(15,007,473)	(15,206,527)
PROVISIONS FOR LIABILITIES			
pension - deficit funding liability		-	(797,000)
pension - defined benefit liability	23	(1,013,887)	-
DEFERRED INCOME			
Social Housing Grants	16	(42,569,617)	(41,658,987)
Other Grants	16	<u>(472,479)</u>	<u>(485,166)</u>
		<u>11,793,215</u>	<u>10,959,074</u>
EQUITY			
Share capital	17	570	563
Revenue reserve	17	<u>11,792,645</u>	<u>10,958,511</u>
		<u>11,793,215</u>	<u>10,959,074</u>

The financial statements were approved by the Management Committee, authorised for issue, and signed on its behalf on 10 June 2019.


 Elspeth Millen
 Chairperson


 Maureen McDonald
 Secretary


 Barbara Wilson
 Treasurer

The notes on page 16 to 37 form part of these financial statements.

ELDERPARK HOUSING ASSOCIATION LIMITED
STATEMENT OF CHANGES IN CAPITAL AND RESERVES
FOR THE YEAR ENDED 31 MARCH 2019

	Share Capital	Revenue Reserve	Total
	£	£	£
Balance as at 1 April 2018 (as restated)	563	10,958,511	10,959,074
Issue of Shares	7	-	7
Cancelled shares	-	-	-
Surplus for Year	-	959,134	959,134
Other comprehensive income	-	(125,000)	(125,000)
Balance as at 31 March 2019	<u>570</u>	<u>11,792,645</u>	<u>11,793,215</u>

	Share Capital	Revenue Reserve	Total
	£	£	£
Balance as at 1 April 2017 (as restated)	559	9,922,913	9,923,472
Issue of Shares	4	-	4
Cancelled shares	-	-	-
Surplus for Year (as restated)	-	1,035,598	1,035,598
Balance as at 31 March 2018 (as restated)	<u>563</u>	<u>10,958,511</u>	<u>10,959,074</u>

ELDERPARK HOUSING ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
NOTES TO THE FINANCIAL STATEMENTS

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

Valuation of Housing Properties

Housing Properties are stated at cost less accumulated depreciation. Housing under construction and Land are not depreciated. The Association depreciates housing properties by major component on a straight line basis over the estimated useful economic lives of each identified component. All components are categorised as Housing Properties within note 11. Impairment reviews are carried out if events or circumstances indicate that the carrying value of the components listed below is higher than the recoverable amount.

Component	Useful Economic Life
Structure	50 years
Roof	40 years
Windows	40 years
Lifts	40 years
External Fabric	40 years
Bathrooms	35 years
Composite Flooring	25 years
Kitchens	20 years
Door Entry	20 years
Heating	15 years

Depreciation and Impairment of Other Non-Current Assets

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

Heritable Office Property	- 2%	Straight Line
Office Improvements	-20%	Reducing Balance
Fixtures, Fittings & Equipment	-20%	Reducing Balance

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

Social Housing Grant and Other Grants in Advance/Arrears

Social Housing Grants and Other Capital Grants are accounted for using the Accrual Method as outlined in Section 24 of Financial Reporting Standard 102. Grants are treated as deferred income and recognised in income on a systematic basis over the expected useful life of the property and assets to which it relates.

Social Housing Grant attributed to individual components is written off to the Statement of Comprehensive Income when these components are replaced.

Social Housing Grant received in respect of revenue expenditure is credited to the Statement of Comprehensive Income in the same year as the expenditure to which it relates.

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

ELDERPARK HOUSING ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
NOTES TO THE FINANCIAL STATEMENTS

1. PRINCIPAL ACCOUNTING POLICIES (Continued)

Development Interest

Interest incurred on financing a development is capitalised up to the date of practical completion of the scheme.

Key Judgements made in the application of Accounting Policies

a) The Categorisation of Housing Properties

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

b) Identification of cash generating units

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

c) Pension liability

In May 2019 the Association received details from the Pension Trust of its share of assets, liabilities and scheme deficit. The Association has used this information as the basis of the pension defined benefit liability as disclosed in these accounts. The Management Committee consider this is the best estimate of their scheme liability.

Financial Instruments – Basic

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

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

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

ELDERPARK HOUSING ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
NOTES TO THE FINANCIAL STATEMENTS

3. PARTICULARS OF INCOME AND EXPENDITURE FROM SOCIAL LETTINGS

	General Needs Housing	Supported Housing	Shared Ownership	2019 Total	2018 Total (as restated)
	£	£	£	£	£
Revenue from lettings					
Rent receivable net of identifiable service charges	4,883,465	-	16,231	4,899,696	4,658,779
Service charges receivable	98,470	-	1,253	99,723	91,825
Gross rents receivable	4,981,935	-	17,484	4,999,419	4,750,604
Less rent losses from voids	(54,538)	-	-	(54,538)	(47,258)
Net rents receivable	4,927,397	-	17,484	4,944,881	4,703,346
Amortisation of Social Housing & Other Grants	1,323,596	-	-	1,323,596	1,284,579
Revenue grants from local authorities and other agencies	-	-	-	-	-
Other Revenue grants	-	-	-	-	-
Total income from social letting	6,250,993	-	17,484	6,268,477	5,987,925
Expenditure on social letting activities					
Management and maintenance administration costs	1,403,263	-	11,350	1,414,613	1,260,008
Service costs	159,599	-	2,057	161,656	150,226
Planned and cyclical maintenance including major repairs	430,607	-	-	430,607	418,685
Reactive maintenance	751,522	-	-	751,522	675,867
Bad debts - rents and service charges	47,966	-	-	47,966	35,062
Depreciation of social housing	1,979,314	-	17,571	1,996,885	1,955,619
Operating costs of social letting	4,772,271	-	30,978	4,803,249	4,495,467
Operating surplus / (deficit) on social letting activities	1,478,722	-	(13,494)	1,465,228	1,492,458
2018	1,504,512	-	(12,054)	1,492,458	

ELDERPARK HOUSING ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
NOTES TO THE FINANCIAL STATEMENTS

5. BOARD MEMBERS AND OFFICERS EMOLUMENTS

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

	2019	2018
	£	£
Aggregate emoluments payable to officers with emoluments greater than £60,000 (excluding pension contributions)	72,669	69,504
Emoluments payable to the director (excluding pension contributions)	72,669	69,504
Pension contributions paid on behalf of the director	4,650	4,448
	<hr/>	<hr/>
	Number	Number

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

£60,001 - £70,000	-	1
£70,001 - £80,000	1	-
£80,001 - £90,000	-	-
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Payments made to board members during the year for reimbursement of expenses totalled £1,296 (2018 - £1,272).

ELDERPARK HOUSING ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
NOTES TO THE FINANCIAL STATEMENTS

10. OTHER FINANCE INCOME/CHARGES

	2019	2018
	£	£
Unwinding of discounted liabilities	<u>-</u>	<u>12,000</u>

11. NON-CURRENT ASSETS

a) Housing Properties

	Housing Properties Held for Letting £	Housing Properties Under Construction £	Completed Shared Ownership Properties £	Total £
COST				
At start of year	82,617,530	596,623	873,364	84,087,517
Additions	1,840,301	1,491,601	-	3,331,902
Disposals	(1,016,113)	-	-	(1,016,113)
Transfers between categories	33,167	-	(33,167)	-
At end of year	<u>83,474,885</u>	<u>2,088,224</u>	<u>840,197</u>	<u>86,403,306</u>
DEPRECIATION				
At start of year (as restated)	25,117,830	-	284,974	25,402,804
Charged during year	1,979,314	-	17,571	1,996,885
Eliminated on disposal	(1,016,113)	-	-	(1,016,113)
At end of year	<u>26,081,031</u>	<u>-</u>	<u>302,545</u>	<u>26,383,576</u>
NET BOOK VALUE				
At end of year	<u>57,393,854</u>	<u>2,088,224</u>	<u>537,652</u>	<u>60,019,730</u>
At start of year	<u>57,499,700</u>	<u>596,623</u>	<u>588,390</u>	<u>58,684,713</u>

Additions to Housing Properties includes Capitalised Development Administration Costs totalling £67,671 (2018 - £60,378) and Capitalised Major Repair Costs of £1,472,843 (2018 - £1,279,658).

ELDERPARK HOUSING ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
NOTES TO THE FINANCIAL STATEMENTS

13. CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Housing Loans	376,053	371,112
Trade Payables	292,415	369,339
Rent in Advance	112,162	116,573
Other Payables	1,238,281	1,225,432
Liability for Past Service Contribution Arrangements	-	268,000
Accruals and Deferred Income	106,728	173,607
Bank overdraft	20,236	-
	<u>2,145,875</u>	<u>2,524,063</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2019	2018
	£	£
Accruals	367,193	190,709
Housing loans	<u>14,640,280</u>	<u>15,015,818</u>
	<u>15,007,473</u>	<u>15,206,527</u>

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

Lender	Security	Effective		Variable/Fixed
		Interest Rate	Maturity	
RBS	Standard Security over 4 properties	5.30%	2039	Fixed
RBS	Standard Security over 133 properties	5.62%	2040	Fixed
RBS	Standard Security over 114 properties	LIBOR +1.45%	2040	Variable/Fixed
Clydesdale	Standard Security over 40 properties	5.53%	2026	Fixed
Allia	No Standard Security	3.30%	2027	Fixed
Charity Bank	Standard Security over 35 properties	Base +1.75%	2042	Variable

With the exception of the Allia loan all of the Association's bank borrowings are repayable on a monthly or quarterly basis with the principal being amortised over the term of the loans. The Allia loan is a bullet repayment with capital and rolled up interest being paid on maturity.

ELDERPARK HOUSING ASSOCIATION LIMITED
 FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
 NOTES TO THE FINANCIAL STATEMENTS

16. DEFERRED INCOME

	2019	2018 (as restated)
	£	£
Social Housing Grants		
Balance as at 1 April 2018 (as restated)	41,658,987	41,417,962
Additions in year	2,221,539	1,512,818
Released / Repaid as the result of property disposal	-	-
Amortisation in Year	(1,310,909)	(1,271,793)
Balance as at 31 March 2019	<u>42,569,617</u>	<u>41,658,987</u>
Other Grants		
Balance as at 1 April 2018	485,166	462,102
Additions in year	-	35,850
Released / Repaid as the result of property disposal	-	-
Amortisation in Year	(12,687)	(12,786)
Balance as at 31 March 2019	<u>472,479</u>	<u>485,166</u>
Total deferred grants	<u><u>43,042,096</u></u>	<u><u>42,144,153</u></u>

This is expected to be released to the Statement of Comprehensive Income as follows:

Amounts due within one year	1,429,445	1,355,891
Amounts due in one year or more	<u>41,612,651</u>	<u>40,788,262</u>
	<u><u>43,042,096</u></u>	<u><u>42,144,153</u></u>

ELDERPARK HOUSING ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
NOTES TO THE FINANCIAL STATEMENTS

18. CAPITAL COMMITMENTS

	2019	2018
	£	£
Expenditure contracted but not provided for in accounts	13,131,286	212,125
Funded by:		
Social Housing Grant	4,425,780	212,125
Private Finance	5,000,000	
Other Public Subsidy	407,486	-
Reserves	<u>3,298,020</u>	<u>-</u>
	<u>13,131,286</u>	<u>212,125</u>
Expenditure authorised by the management committee not contracted for	-	14,190,008
Funded by:		
Social Housing Grant	-	5,590,000
Loan facility	-	5,000,008
Own resources	-	3,200,000
Other Public Subsidy	<u>-</u>	<u>400,000</u>
	<u>-</u>	<u>14,190,008</u>

19. HOUSING STOCK

The number of units of accommodation in management at the year end was:-	2019	2018
	No.	No.
General Needs - House	160	159
- Tenement	1,029	1,031
- Four in a block	8	8
- Other flat/maisonette	59	58
Shared ownership	<u>7</u>	<u>8</u>
	<u>1,263</u>	<u>1,264</u>

ELDERPARK HOUSING ASSOCIATION LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
NOTES TO THE FINANCIAL STATEMENTS

23. RETIREMENT BENEFIT OBLIGATIONS

The Association participates in the Scottish Housing Associations' 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 2015. This valuation revealed a deficit of £198m. A Recovery Plan has been put in place to eliminate the deficit which runs to 28 February 2022 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.

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 Association has 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 Association 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 31 March 2018 and 30 September 2018. The liability figures from each valuation are rolled forward to the relevant accounting dates, if applicable, and are used in conjunction with the Association's fair share of the Scheme's total assets to calculate the Association's net deficit or surplus at the accounting period start and end dates.

**PRESENT VALUES OF DEFINED BENEFIT OBLIGATION,
 FAIR VALUE OF ASSETS AND DEFINED BENEFIT ASSET (LIABILITY)**

	31 March 2019	31 March 2018
	(£000s)	(£000s)
Fair value of plan assets	6,552	6,501
Present value of defined benefit obligation	7,566	7,350
Surplus (deficit) in plan	(1,014)	(849)
Unrecognised surplus	-	-
Defined benefit asset (liability) to be recognised	(1,014)	(849)
Deferred tax	-	-
Net defined benefit asset (liability) to be recognised	(1,014)	(849)

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23. RETIREMENT BENEFIT OBLIGATIONS (continued)

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE FAIR VALUE OF PLAN ASSETS

	Period ended 31 March 2019 (£000s)
Fair value of plan assets at start of period	6,501
Interest income	162
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	143
Contributions by the employer	357
Contributions by plan participants	75
Benefits paid and expenses	(686)
Assets acquired in a business combination	-
Assets distributed on settlements	-
Exchange rate changes	-
Fair value of plan assets at end of period	6,552

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2019 was £305,000.

DEFINED BENEFIT COSTS RECOGNISED IN STATEMENT OF COMPREHENSIVE INCOME (SOCl)

	Period from 31 March 2018 to 31 March 2019 (£000s)
Current service cost	153
Expenses	8
Net interest expense	20
Losses (gains) on business combinations	-
Losses (gains) on settlements	-
Losses (gains) on curtailments	-
Losses (gains) due to benefit changes	-
Defined benefit costs recognised in statement of comprehensive income (SoCI)	181

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23. RETIREMENT BENEFIT OBLIGATIONS (continued)

KEY ASSUMPTIONS

	31 March 2019	31 March 2018
	% per annum	% per annum
Discount Rate	2.29	2.55
Inflation (RPI)	3.30	3.20
Inflation (CPI)	2.30	2.20
Salary Growth	3.30	3.20
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31 March 2019 imply the following life expectancies:

	Life expectancy at age 65 (Years)
Male retiring in 2019	21.7
Female retiring in 2019	23.4
Male retiring in 2039	23.1
Female retiring in 2039	24.7

As a result of the pension remeasurement basis during the year the movement in the opening pension liability of £216,000 is shown separately in the Statement of Comprehensive Income.