

Registered Number: HAC225
FCA Reference Number: 2357R(S)

WEST GRANTON HOUSING CO-OPERATIVE LIMITED
ANNUAL REPORT and FINANCIAL STATEMENTS
For the year ended 31 March 2024

CT:

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

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WEST GRANTON HOUSING CO-OPERATIVE LIMITED

STATUTORY INFORMATION

Colin Fraser	Chair re-elected 5 th September 2022 (Sitting Chair from September 2021)
Wendy Riordan	Vice Chair elected 5 th September 2022
Jim Hemphill	Vice Chair re-elected 9 th September 2023
George Thomson	Re-elected 9 th September 2023
Elizabeth Robertson	Re-elected 9 th September 2023
Amanda Aitchison	Re-elected 5 th September 2022
Morag Orr	Elected 5 th September 2022
Lynn Jameson	Elected 9 th September 2023
William Maloney	Co-opted 21 st December 2022; retired 4 th September 2023
James Matthews	Co-opted 20 th September 2023; retired 22 nd April 2024
Mary Fergus	Elected 09 th September 2023; retired 13 th February 2024
Mia Dooner	Casual Vacancy approved 15 th November 2023; retired 06 th December 2023
Alan Lamont	Elected 9 th September 2023
Cameron Durance	Elected 9 th September 2023
Elizabeth Stewart	Elected 9 th September 2023
Stephanie Wilson	Casual Vacancy approved 17 th April 2024

External Auditor

Chiene + Tait LLP (trading as CT)
Chartered Accountants and Statutory Auditors
61 Dublin Street
Edinburgh
EH3 6NL

Internal Auditors

Wbg Audit Limited
168 Bath Street
Glasgow
G2 4TP

Solicitors

T C Young
69a George Street
Edinburgh
EH2 2JG

Governance Consultant

Jennifer Queripel Consulting
"The Poffle"
Aberfeldy
PH15 2EQ

Bankers

Royal Bank of Scotland
142-144 Princes Street
Edinburgh
EH2 4EQ

Lenders

Nationwide Building Society
Northampton Admin Centre
Kings Park Road
Moulton Park
Northampton
NN3 6NW

Data Protection Officer

David Mills
West Granton Housing Co-op
26 Granton Mill Crescent
Edinburgh EH4 4UT

Financial Agents

Prospect Community Housing
6 Westburn Avenue
Edinburgh
EH14 2TH

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

ANNUAL REPORT of the COMMITTEE of MANAGEMENT

For the year ended 31 March 2024

The Committee of Management present their Annual Report and the Financial Statements for the year ended 31 March 2024.

Registration Details

The Co-operative is a registered, non-profit making organisation under the Co-operative and Community Benefit Societies Act 2014 No. 2357R(S). The Co-operative is governed under its Rule Book.

Principal activity

The principal activities of the Co-operative are the provision and management of affordable rented accommodation.

Review of Business and Future Development

Objectives

West Granton Housing Co-operative Limited (WGHC) is a fully mutual co-operative housing association and independent, registered social landlord. WGHC is a not for profit organisation. No surpluses are distributed to members but are used for the objectives of the co-operative. Any additional activities pursued will be as permitted by the Housing (Scotland) Act 2010; designed to help us achieve our corporate objectives and will consider the welfare of the people we house. Its governing body is its Committee of Management, which is elected by its members, from its members. That means all elected members are tenants. Our housing was built in a series of developments between 1994 and 2009. We have no current development plans.

Our Vision Statement is:

"We will be the leading housing co-operative in Scotland, recognised as a Centre of Excellence"

Our Mission Statement is:

" Our Tenants are Paramount in Everything We Do".

Our corporate objectives are:

1. To continue working towards achieving excellence through our commitment to Investors in Excellence
2. To implement a Customer Service Charter
3. To change our approach to complaints handling
4. To continue to seek new ways of increasing our Social Impact
5. To continue our advocacy of the housing co-operative model
6. To continue working towards an integrated approach to asset management

Our 5 core values are:

1. Service
2. Consistency
3. Accountability
4. Learning
5. Excellence

Overview of period

At 1 April 2023 there were 10 members of the Committee of Management. A physical AGM was held on 9th September 2023 (33rd AGM). Three members were required to retire; all 3 were re-elected and 5 new members were elected. During the period 1st April 2023 to 31st March 2024, 2 co-optees, 1 fully elected member and 1 casual vacancy all retired. As of 31st March 2024, and to the date of this report, there are 11 fully elected members and 1 casual vacancy.

During the period, there were 11 Committee Meetings. Minutes of all the meetings can be found on WGHC's website at www.westgrantonhousing.coop The Chairperson carried out the annual performance reviews of all Committee Members and the Chairperson, in turn, had their annual review carried out by the Office Bearers. There were no concerns raised and it was confirmed that the Chair and all Committee Members (including the 1 member who had served 9 continuous years +) were considered to be effective and contributing well.

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

ANNUAL REPORT of the COMMITTEE of MANAGEMENT (continued)

For the year ended 31 March 2024

Overview of period (continued)

Our Governance Consultants, May Murray LLP, were once again commissioned to undertake a full training and skills audit assessment with Committee resulting in a comprehensive training plan including a residential training event in April 2023, which meant that Committee have once again undergone extensive governance training during the period. Committee attended their Annual Strategy Away Day in 2023, analysing risks and setting the strategic steer for the organisation with a more focused approach on Risk Management and Governance Compliance.

There were no notifiable events to the Scottish Housing Regulator within the period.

As of 31 March 2023, and to the date of this report, we own 372 properties.

Overview of period (continued)

The rent increase in April 2023 was 6%.

Revenue has increased by 5.5% compared to last year.

Overall, the Operating Surplus has increased by 9%.

Gross Rent Arrears at 31 March 2024 were £21,337 which is higher than the previous year (2023: £13,300).

The Scottish Housing Regulator's key arrears indicator is "gross arrears" which excludes technical arrears but includes arrears written off in the year. As a percentage of rent due, the gross arrears were 1.15% (2023: 0.76%). This means WGHC was comfortably within its benchmark of 1.30%. WGHC continues to have low rent arrears compared to most Registered Social Landlords (RSLs) for whom the latest published gross arrears average was 4.5% of annual income (source: Scottish Housing Charter Indicator Results for 2022-23).

As at 31st March, WGHC received direct housing cost payments for 63 tenants. WGHC received either full or part housing benefit payments for 108 tenants.

Bad debts written off in the year were £687 compared to £110 in the previous year, while the provision for doubtful debts increased by £1,862. There was an increase in Operating costs of 5%.

WGHC had one full time staff member's contract brought to an end during the period. WGHC currently have two new staff on fixed term contracts and efforts to recruit a Planned Maintenance Officer during the period, continue. WGHC commenced its Investors in Excellence journey following Committee approval and it is expected progression through the various stages will take approximately 3 years to complete. Staff attended over 18 training events in the year, in addition to all front line staff and Senior Management successfully completing the Corgi Level 2 Certificate in the Prevention and Management of Damp, Mould and Condensation.

WGHC is a member of ARCHIE (Alliance of Registered housing Co-operatives and Housing Associations Independent in Edinburgh). After 3 years as Chair, WGHC's CEO stepped down from this position in March 2024. Within the year, ARCHIE held 4 physical meetings and collaboratively successfully applied for Lottery Funding to help with the cost of employing a Shared Energy Advisor for Tenants. WGHC contribute £4,475 towards the cost of the Advisor in return for 1 day per week. This has and continues to be of huge benefit to tenants; further funding has since been secured which has resulted in 2 Advisors being shared between ARCHIE partners. ARCHIE CEOs/Directors continue to closely network and support one another on a regular basis.

In the period, the CEO set up the first Scottish Housing Co-op Support Group for CEOs/Directors, of which 7 RSL Housing Co-operatives are members. The group has met 4 times to date and collaboratively signed a joint agreement with "Housing Perks" to offer a wide range of discount vouchers, up to 18% from over 100 shops and brands, to tenants.

The CEO has actively engaged in work involving the advocacy of the housing co-operative model and this has resulted in presentations being given to the Cross Party Group on Co-operatives at Holyrood and Scottish Social Enterprise. In March 2024, WGHC hosted the launch of the Scottish Federation of Housing Association's "Thriving Places" report on community investment in which WGHC's partnership working with local charity, Midnight & Beyond (youth crime prevention) was showcased and attended by Paul McLennan, Scottish Housing Minister.

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

ANNUAL REPORT of the COMMITTEE of MANAGEMENT (continued)

For the year ended 31 March 2024

Overview of period (continued)

WGHC became a member of Co-ops UK during the year, who went on to showcase WGHC in both their Annual and Economic Report as an example of how co-ops effectively contribute to their communities.

Through Co-ops UK, WGHC went on to joint work with University College London's "180 Degrees Consulting" who developed a new Social Value Impact Framework for WGHC and subsequently carried out an impact value assessment using the new model. Their report has recently been completed and will shortly be published and used by WGHC to further its ongoing advocacy work of the social housing co-operative model.

In the period, WGHC commissioned the Tenant Information Service (TIS) to host independent Tenant Feedback Forums with WGHC tenants to produce our first Tenants Charter, which was implemented in May 2024.

WGHC spent £6,705 from its Fuel Assistance Fund providing top-ups on gas and electric meters for tenants struggling with rising energy costs. WGHC continued to fund its new tenancy fuel initiative whereby all tenants signing a new tenancy agreement (whether they be new or existing transfer tenants) receive £50 credit on their utility account. Both initiatives continue on into the new period. WGHC received a further £44,000 in funding from the Scottish Government (£38k in the previous year) through the Scottish Federation of Housing Associations to support the delivery of energy efficient measures, including small appliances and essential warmth items for WGHC tenants. £21k was used to provide new carpets in over 40 WGHC tenants' homes, £8k was spent buying new, thicker curtains for 47 tenants, £2k was spent on new bedding (including warmer duvets), £2k was spent on buying winter jackets and footwear for over 34 families and nearly £2k was spent on buying small, more energy efficient appliances including air fryers, microwaves and electric throws. The remainder was spent on helping tenants with fuel debt and ongoing gas and electric costs, especially for those on low incomes with families and more vulnerable tenants.

There were no properties sold in 2023-24. There continues to be only 1 flat remaining designated for sale when the existing tenancy ends.

WGHC financed the building of its housing stock partly through grant and partly through loans. WGHC has however sought to minimise borrowing and repay loans early where possible. As at 31st March 2024, WGHC had 3 fixed rate loans with an annual average interest rate of 1.216%, and 2 variable rate loans (interest now determined via SONIA, following conversion from LIBOR from 1st January 2022). We have a mix of approximately 60% fixed rate and 40% variable rate loans. Overall, loans reduced during the year by £236,794 to £2,723,358. The minimum covenant required for our loans is 110%, the actual result in the period was 421%.

There were only 31 changes in tenancy in 2023-24 (compared with only 10 in 2022-23). Broken down this is 25 re-lets, 1 assignation, two successions and three mutual exchanges. 23 tenants were surveyed with 100% reported being satisfied with the condition of their new home.

The average time to re-let in 2023-24 was 15.7 days (compared with 19.2 days in the previous year). This is out with our benchmark of 14 days and was due to the illegal occupation of a WGHC property which was unavailable for relet for almost 60 days, before WGHC was able to lawfully recover possession.

WGHC did not raise any court actions within the period.

We completed 1,328 non-emergency repairs within an average of 4.6 days. Our benchmark is 5 working days. This compares with 4.4 days for the same period last year. 93% of these repairs were carried out right first time. It is worth noting that these statistics do not include repairs to void properties or cyclical maintenance.

On average, we responded to emergencies (including central heating breakdowns) in 2 hours 14 minutes. In total we carried out 150 emergency repairs in the period. This is comparable with the 2 hours 13 minutes (for 127) for the same period last year.

12 medical adaptations were undertaken within the year with an average time of 7.17 days to complete. The benchmark is 20 days.

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

ANNUAL REPORT of the COMMITTEE of MANAGEMENT (continued)

For the year ended 31 March 2024

Overview of period (continued)

As at 31.03.24 all of WGHC's stock had a valid landlord gas safety certificate and at no time in the period was there a property without a valid gas safety certificate.

As at 31.03.24 all of WGHC's stock had a valid electrical safety certificate. WGHC has an ongoing rolling programme to ensure that each property, at all times, has a valid 5 year certificate.

As at 31.03.24 all of WGHC's lettable stock met the Energy Efficiency Standards for Social Housing. 311 properties have an Energy Efficiency Rating of C and 61 properties have an Energy Efficiency Rating of B. This means that 61 properties already meeting the proposed, new 2033 Scottish Housing Net Zero Standard rating of 81.

As at 31st March 2024, 91.13% of WGHC's stock meet the Scottish Housing Quality Standard; 7 properties were exempt and we had 26 abeyances where tenants had requested the removal of kitchen cupboard(s) to allow space for their white goods such as a tumble dryer or dishwasher.

All of WGHC's stock had interlinked smoke alarms and heat alarm (in the kitchen) by October 2020.

In the period 1st April 2023 to 31st March 2024, WGHC received 20 reports of either damp, mould or condensation. All were surveyed using I-Auditor software. Remedial works were implemented where required and follow up inspections were carried out to ensure the works undertaken had successfully remedied the cause or source.

In accordance with its statutory requirements, WGHC adopted the new Scottish Public Services Ombudsman's revised Model Complaints Policy in April 2021. There were 22 complaints received within the period: 16 x Stage One complaints and 1 x Stage Two complaint, 2 were upheld; 15 were resolved. All 17 were completed within the required timescales.

In the period 1st April 2023 to 31st March 2024, WGHC received 4 Freedom of Information Requests; all from various journalists. 1 asked about the number of evictions (we had 0); 1 asked about the number of reported pest infestations over the last 5 years (114); 1 asked about the number of incidents at work where staff were subject to an attack of violence (0) and 1 asked if we had any buildings with reinforced autoclaved aerated concrete (0).

In February 2022, WGHC commissioned its large scale tenant satisfaction survey as required by the Scottish Housing Regulator. This is carried out every 3 years by an independent research company. 200 tenants were interviewed over the phone due to Covid advice from the Market Research Society (WGHC normally has these surveys carried out face to face). WGHC maintains exceptionally high levels of tenant satisfaction with 99.5% satisfied overall with WGHC as a landlord, 100% satisfied with the opportunities provided to participate in WGHC's decision making processes and 95% stated that their rents represent good value for money.

Wylie & Bissett commenced its new 3 year internal audit plan.

For January 2024 this covered the areas of Budgetary and Financial Reporting and Reactive Maintenance.

WGHC is a member of the Scottish Housing Association Pension Scheme (SHAPS). At 31 March 2024, WGHC's share of the pension deficit was £226k (2023: £105k).

Cash and bank deposits at 31 March 2024 were £1,095,352 (2023: £1,265,652). Interest receivable from our bank accounts significantly increased on last year due to better interest rates than anticipated (£17,834 in 2024: £8,972 in 2023).

Overall, WGHC has again performed exceptionally well despite ongoing workload pressures from operating within an increasingly regulated environment without a full complement of staff. Committee continued to have a busy period holding 11 meetings within the year but both staff and Committee coped admirably demonstrating resilience and commitment to the tenants and service provision. Moving into the new financial year, WGHC continues to perform well and remains in a financially strong position.

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

ANNUAL REPORT of the COMMITTEE of MANAGEMENT (continued)

For the year ended 31 March 2024

Risk management

The Co-operative has an active risk management process, with policies, risk matrix map and a business continuity plan. All major risks are considered so mitigating action can be planned.

Key risks include: Internal risks - loss of key staff or committee personnel, fraud, health & safety failures; and these are mitigated by robust policies, procedures, and a range of audits. External risks include: - welfare reform impacts, changes in regulatory requirements, inflation and rising interest rates, rising fuel costs, data loss/cyber-security issues and these are mitigated by close attention to external information and advice, active membership of representative bodies and obtaining best-practice advice on IT security and data protection matters.

The future

Our focus in the medium term is:

- on the management and maintenance of existing stock. As our stock ages the replacement of components (kitchens, bathrooms, heating systems etc.) is becoming increasingly important. We are continuing to work towards developing and implementing an established Asset Management/Planned Maintenance focus within the organisation. Recruitment for this role is ongoing.
- to work in close partnership with the Scottish Procurement Alliance for the procurement of contractors for component replacements and planned maintenance works.
- to fully implement our Customer/Tenant Service Charter together with changing the way we deal with complaints by focussing more on learning action points to improve our levels of service.
- to continue with the advocacy of the housing co-operative model (there are only 8 RSL housing co-operatives now left within the Sector)
- to continue to monitor cash flow and maximise rental income.

Maintenance policies

The Co-operative aims to maintain its properties to a high standard. To this end programmes of cyclical maintenance are carried out and programmes of major repairs to cover for such works. Key identified components are capitalised when replaced.

Treasury management

The Co-operative, as a matter of policy, does not enter into transactions of a speculative nature. The surplus funds of the Co-operative are managed carefully using long established banks or building societies.

Employee involvement and Health & Safety

The Co-operative encourages employee involvement in all initiatives. A comprehensive Health & Safety Manual backed up by regular inspections and checks is in operation. There are updates every year from our consultants.

Disabled Employees

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. In the event of employees becoming disabled, every effort is made to retrain them in order that their employment with the Co-operative may continue.

It is the policy of the Co-operative that training, career development and promotion opportunities should be available to all employees.

Reserves

The Co-operative needs to have reserves to ensure the organisation can function into the future and meet its future liabilities, including the major repairs and investment needs of its properties. The revenue reserve of £4.1m reflects primarily the past investment in the housing stock and reserves for future major repairs. The Co-operative has a cash level of £1.1m to support its future plans and operating requirements. The Co-operative reviews its maintenance spending plans regularly and re-assesses them in relation to reserves and cash flows.

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

ANNUAL REPORT of the COMMITTEE of MANAGEMENT (continued)

For the year ended 31 March 2024

Committee of Management and Executive Officers

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

Each member of the Committee of Management holds one fully paid share of £1 in the Co-operative. The Executive Officers hold no interest in the Co-operative's share capital and, although not having the legal status of Directors, they act as Executives within the authority delegated by the Committee of Management.

Disclosure of information to the auditor

To the knowledge and belief of each of the persons who are members of the Committee of Management at the time the report is approved:

- So far as the Committee members are aware, there is no relevant information of which the Co-operative's auditor is unaware and
- They have taken all steps that they ought to have taken as a Committee member in order to make themselves aware of any relevant information, and to establish that the Co-operative's auditor is aware of the information.

Statement of Committee of Management's Responsibilities

The Co-operative and Community Benefit Societies Act 2014 and registered social landlord legislation requires that the Committee of Management prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Co-operative and of the surplus or deficit of the Co-operative for that period. In preparing those financial statements the Committee members are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- 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 Co-operative will continue in business; and
- prepare a Statement on Internal Financial Control.

The Committee Members are also responsible for:

- keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Co-operative;
- ensuring that the financial statements comply with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Housing Scotland Act 2010 and the Determination of the Accounting Requirements December 2024; and
- maintaining a satisfactory system of control over accounting records and transactions, and for safeguarding all assets of the Co-operative and, hence, take reasonable steps to prevent and detect fraud and other irregularities.

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

Insofar as the Committee of Management are aware:

- There is no relevant audit information (information needed by the Housing Co-operative's auditors in connection with preparing their report) of which the Co-operative's auditors are unaware; and
- The Committee of Management 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 Co-operative's auditors are aware of that information.

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

ANNUAL REPORT of the COMMITTEE of MANAGEMENT (continued)

For the year ended 31 March 2024

Statement of Internal Financial Control

The Committee of Management acknowledges its ultimate responsibility for ensuring that the Co-operative has in place a system of controls that is appropriate for the business environment in which it operates. These controls are designed to give reasonable assurance with respect to:

- the reliability of financial information used within the Co-operative, or for publication;
- the maintenance of proper accounting records;
- the safeguarding of assets against unauthorised use or disposition.

It is the Committee of Management's responsibility to establish and maintain systems of Internal Financial Control. Such systems can only provide reasonable and not absolute assurance against material financial mis-statement or loss. Key elements of the Co-operative's systems include ensuring that:

- formal policies and procedures are in place, including the ongoing documentation of key systems and rules relating to the delegation of authority which allow the monitoring of controls and restrict the unauthorised use of Co-operative's assets;
- experienced and suitably qualified staff take responsibility for important business functions and annual appraisal procedures have been established to maintain standards of performance;
- forecasts and budgets are prepared which allow the management team and the Committee of Management to monitor key business risks, financial objectives and the progress being made towards achieving the financial plans set for the year and for the medium term;
- quarterly financial management reports are prepared promptly, providing relevant, reliable and up-to-date financial and other information, with significant variances from budget being investigated as appropriate.
- regulatory returns are prepared, authorised and submitted promptly to the relevant regulatory bodies;
- all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through the Committee of Management;
- the Committee of Management receive reports from management and from the external and internal auditors to provide reasonable assurance that control procedures are in place and are being followed and that a general review of the major risks facing the Co-operative is undertaken;
- formal procedures have been established for instituting appropriate action to correct any weaknesses identified through internal or external audit reports.

The Committee of Management has reviewed the effectiveness of the system of internal financial control in existence in the Co-operative for the year ended 31 March 2024. No weaknesses were found in the internal financial controls which resulted in material losses, contingencies or uncertainties which require disclosure in the financial statements or in the auditor's report on the financial statements.


Donations

During the year the Co-operative made charitable donations amounting to £13,000 (2023: £3,275).

Auditor

CT are now in their third year as WGHC's serving financial auditor.

The Report of the Committee of Management has been approved on behalf of the Committee of Management by:



LARKE ADGER
Secretary

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

REPORT of the AUDITOR on CORPORATE GOVERNANCE MATTERS

CT:

For the year ended 31 March 2024

In addition to our audit of the Financial Statements, we have reviewed your statement on page 8 concerning the Co-operative's compliance with the information required by the Regulatory Standards in respect of internal financial controls contained within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes which are issued by the Scottish Housing Regulator.


Basis of Opinion

We carried out our review having regard to the requirements on corporate governance matters within Bulletin 2006/5 issued by the Financial Reporting Council. The Bulletin does not require us to review the effectiveness of the Co-operative's procedures for ensuring compliance with the guidance notes, nor to investigate the appropriateness of the reason given for non-compliance.

Opinion

In our opinion the Statement on Internal Financial Controls on page 8 has provided the disclosures required by the relevant Regulatory Standards within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes issued by the Scottish Housing Regulator in respect of internal financial controls and is consistent with the information which came to our attention as a result of our audit work on the Financial Statements.

Through our enquiry of certain members of the Committee of Management and Officers of the Co-operative and examination of relevant documents, we have satisfied ourselves that the Committee of Management's Statement on Internal Financial Controls appropriately reflects the Co-operative's compliance with the information required by the relevant Regulatory Standards in respect of internal financial controls contained within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes issued by the Scottish Housing Regulator in respect of internal financial controls.



CT
Chartered Accountants and Statutory Auditors
61 Dublin Street
Edinburgh
EH3 6NL

Date: 29 July 2024

**INDEPENDENT AUDITOR'S REPORT to the MEMBERS of
WEST GRANTON HOUSING CO-OPERATIVE LIMITED**

CT:

For the year ended 31 March 2024

Opinion

We have audited the financial statements of West Granton Housing Co-operative Limited (the 'Co-operative') for the year ended 31 March 2024 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Capital and Reserves the Statement of Cash Flows 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Co-operative's affairs as at 31 March 2024 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 prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, Part 6 of the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements – 2024.

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 Association 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 Committee of Management's 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 about the Co-operative'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 Committee of Management with respect of 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 Committee of Management is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

**INDEPENDENT AUDITOR'S REPORT to the MEMBERS of
WEST GRANTON HOUSING CO-OPERATIVE LIMITED (continued)**

CT:

For the year ended 31 March 2024

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- proper books of account have not been kept by the Co-operative in accordance with the requirements of the legislation;
- a satisfactory system of control over transactions has not been maintained by the Co-operative in accordance with the requirements of the legislation;
- the financial statements are not in agreement with the books of account of the Co-operative; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Committee of Management

As explained more fully in the Statement of the Committee of Management's Responsibilities set out on page 6, the Committee of Management is 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 Committee of Management 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 Committee of Management are responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intend to liquidate the association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

INDEPENDENT AUDITOR'S REPORT to the MEMBERS of
WEST GRANTON HOUSING CO-OPERATIVE LIMITED (continued)

CT:

For the year ended 31 March 2024

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the Co-operative operates in and how the Co-operative is complying with the legal and regulatory frameworks.
- inquired of management and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud; and
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.


As a result of these procedures, we consider that the most significant laws and regulations that have a direct impact on the financial statements were, but not limited to, FRS 102, Housing SORP 2018, the Scottish Housing Regulator's Determination of Accounting Requirements 2024, the Co-operative and Community Benefit Societies Act 2014 and the Housing (Scotland Act) 2010. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures against the requirements of the relevant financial reporting standards.

We also performed audit procedures to inquire of management, and those charged with governance whether the Co-operative is in compliance with these laws and regulations, inspected correspondence with regulatory authorities including mandatory submissions to the Regulator, reviewed minutes of meetings of the Committee of Management and relevant sub-committees, and reviewed available online information.

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 Co-operative's members, as a body, in accordance with the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Co-operative'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 Co-operative and the Co-operative's members as a body for our audit work, for this report, or for the opinions we have formed.


CT
Chartered Accountants and Statutory Auditors
61 Dublin Street
Edinburgh
EH3 6NL

Date: 29 July 2024

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

STATEMENT of COMPREHENSIVE INCOME





For the year ended 31 March 2024

	Notes	2024 £	2023 £
Revenue	2	2,320,308	2,200,223
Operating costs	2	(2,005,357)	(1,911,539)
Operating surplus		314,951	288,684
Interest receivable and other income		17,834	8,972
Interest payable and similar charges	7	(77,033)	(52,737)
Other finance charges	10	(5,000)	-
		(64,199)	(43,765)
Surplus on ordinary activities before taxation		250,752	244,919
Tax on surplus on ordinary activities	9	(3,388)	(1,705)
Surplus for the year		247,364	243,214
Other comprehensive income			
Actuarial (losses)/gains on defined benefit pension plan	23	(116,000)	(91,000)
Total comprehensive income for the year		131,364	152,214

The results relate wholly to continuing activities.

The financial statements were approved by the Committee of Management and authorised for issue on

17th July 2024 and signed on its behalf by:


 Committee Member

 Committee Member

 Wendy P Jordan

 Larke Adger
 Secretary

The notes on pages 17 to 31 form part of these financial statements


WEST GRANTON HOUSING CO-OPERATIVE LIMITED

STATEMENT OF FINANCIAL POSITION


As at 31 MARCH 2024

	Notes	2024 £	2023 £
Non-current assets			
Housing properties – depreciated cost	11(a)	16,989,493	17,177,107
Other non-current assets	11(b)	224,633	242,211
		<u>17,214,126</u>	<u>17,419,318</u>
Current assets			
Receivables	13	64,868	40,606
Cash at bank and in hand		1,095,362	1,265,652
		<u>1,160,220</u>	<u>1,306,258</u>
Creditors: amounts falling due within one year	14	(391,993)	(365,195)
Net current assets		<u>768,227</u>	<u>941,063</u>
Total assets less current liabilities		<u>17,982,353</u>	<u>18,360,381</u>
Creditors: amounts falling due after more than one year	15	(2,474,305)	(2,712,741)
Pensions and other provisions for liabilities and charges			
Scottish Housing Association Pension Scheme	24	(226,000)	(105,173)
Deferred income			
Social Housing Grants	17	(11,181,636)	(11,573,505)
Net assets		<u>4,100,412</u>	<u>3,968,962</u>
Equity			
Share capital	18	368	370
Revenue reserves		4,326,044	4,073,765
Pension reserves		(226,000)	(105,173)
		<u>4,100,412</u>	<u>3,968,962</u>


The financial statements were approved by the Committee of Management and authorised for issue on 17th July 2024 and signed on its behalf by:



 Colin Fraser
 Committee Member



 Wendy Riordan
 Committee Member



 Larke Adger
 Secretary

The notes on pages 17 to 31 form part of these financial statements.

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

STATEMENT of CASH FLOWS

For the year ended 31 March 2024

	Notes	£	2024 £	£	2023 £
Net cash inflow from operating activities	16		656,269		599,650
Investing activities					
Acquisition and constructions of properties		(526,292)		(422,014)	
Purchase of other fixed assets		(4,301)		(2,599)	
Proceeds on disposal of other tangible assets		-		1,283	
Net cash outflow from investing activities			(530,593)		(423,330)
Financing activities					
Interest received on cash and cash equivalents		17,834		8,972	
Interest paid on loans		(77,033)		(52,737)	
Loan principal repayments		(236,794)		(238,439)	
Share capital issued		17		7	
Net cash outflow from financing activities			(295,976)		(282,197)
Decrease in cash			(170,300)		(105,877)
Opening cash and cash equivalents			1,265,652		1,371,529
Closing cash and cash equivalents			1,095,352		1,265,652
Cash and cash equivalents as at 31 March 2024					
Cash			1,095,352		1,265,652

The notes on pages 17 to 31 form part of these financial statements

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

STATEMENT of CHANGES in EQUITY

For the year ended 31 March 2024

	Share Capital £	SHA Pension Reserves £	Revenue Reserves £	Total Reserves £
Balance at 31 March 2022	371	(41,000)	3,857,378	3,816,749
Issue of shares	7	-	-	7
Cancellation of shares	(8)	-	-	(8)
Other comprehensive income	-	(91,085)	85	(91,000)
Other movements	-	26,912	(26,912)	-
Surplus for the year	-	-	243,214	243,214
Balance at 31 March 2023	370	(105,173)	4,073,765	3,968,962
Issue of shares	17	-	-	17
Cancellation of shares	(19)	-	-	(19)
Other comprehensive income	-	(116,000)	88	(115,912)
Other movements	-	(4,827)	4,827	-
Surplus for the year	-	-	247,364	247,364
Balance at 31 March 2024	368	(226,000)	4,326,044	4,100,412

The notes on pages 17 to 31 form part of these financial statements

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

NOTES to the FINANCIAL STATEMENTS

For the year ended 31 March 2024

1. Principle accounting policies

Statement of Compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Statement of Recommended Practice for social housing providers 2018. The Co-operative is a Public Benefit Entity in terms of its compliance with Financial Reporting Standard 102, applicable for accounting periods on or after 1 January 2015.

Basis of Accounting

The Financial Statements have been prepared in accordance with applicable Accounting Standards, the Statement of Recommended Practice - Accounting by Registered Social Landlords 2014, and on the historical cost basis. They also comply with the Determination of Accounting Requirements 2024. A summary of the more important accounting policies is set out below.

Revenue

The Co-operative recognises rent receivable net of losses from voids.
Government Grants are released to income over the expected useful life of the asset to which it relates.

Retirement Benefits

The Co-operative participates in the Scottish Housing Co-operatives Defined Benefit Pension Scheme where retirement benefits to employees of the Co-operative are funded by the contributions from all participating employers and employees in the Scheme. Payments are made in accordance with periodic calculations by consulting Actuaries and are based on pension costs applicable across the various participating organisations taken as a whole. The Co-operative accounts for this scheme as a defined benefit pension scheme in accordance with FRS 102.

Valuation Of Housing Properties

Housing Properties are stated at cost less accumulated depreciation. Housing under construction and Land are not depreciated. The Co-operative 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.

When a component is replaced the replacement cost is capitalised. The cost of the original component and depreciation to date is written out of fixed assets. Any remaining cost not depreciated is written out of fixed assets to the statement of comprehensive income as a loss on disposal of fixed assets and included in depreciation of housing within operating costs for social letting.

Component	Useful Economic Life
Land	N/A
Structure (including roof)	50 years
External render	35 years
Radiators	30 years
Windows	25 years
External doors	25 years
Bathrooms	20 years
Kitchen	15 years
Boller	15 years
Lift	15 years

Structure of one renovated flat in West Pilton Drive has a useful economic life of only 25 years.

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

NOTES to the FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

1. Principle accounting policies (continued)

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:

Asset Category	Depreciation Rate
Office premises	over 50 years from practical completion
Office equipment, fixtures and fittings	over 4 years from acquisition
Flat white goods and fittings	over 6 years from acquisition
Playground equipment	over 10 years from acquisition

The carrying value of non-current assets are reviewed for impairment at the end of each reporting period. Individual items of less than approximately £500 are charged to operating costs and not depreciated. The carrying value of the tangible assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

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 period 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.

Sales Of Housing Properties

First tranche Shared Ownership disposals are credited to turnover on completion. The cost of construction of these sales is taken to operating cost. In accordance with the Statement of Recommended Practice, disposals of subsequent tranches are treated as non-current asset disposals with the gain or loss on disposal shown in the Statement of Comprehensive Income.

Disposals of housing property under the Right to Buy scheme are treated as non-current asset disposals and any gain or loss on disposal accounted for in the Statement of Comprehensive Income.

Disposals under shared equity schemes are accounted for in the Statement of Comprehensive Income. The remaining equity in the property is treated as a non-current asset investment, which is matched with the grant received.

Taxation Non-charities

As a fully mutual co-operative housing association, under s488 of the Income and Corporation Taxes Act, the Co-operative is only liable for tax on investment income. The Co-operative is not eligible for grants towards corporation tax.

Leases/Leased Assets

Costs in respect of operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term. Assets held under finance leases and hire purchase contracts are capitalised in the Statement of Financial Position and are depreciated over their useful lives.

Works to Existing Properties

The Co-operative capitalises major repairs expenditure where these works result in an enhancement of economic benefits by increasing the net rental stream over the life of the property.

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

NOTES to the FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2024

1. Principle accounting policies (continued)

Estimation Uncertainty

The preparation of financial statements requires the use of certain accounting judgements and accounting estimates. It also requires the Committee of Management to exercise judgement in applying the Association's accounting policies. The areas requiring a higher degree of judgement, or complexity, and areas where assumptions or estimates are most significant to the financial statements are disclosed below.

- a) **Rent Arrears - Bad Debt Provision**
The Co-operative assesses the recoverability of rent arrears through a detailed assessment process which considers tenant payment history, arrangements in place and court action.
- b) **Life Cycle of Components**
The Co-operative estimates the useful lives of major components of its housing property with reference to surveys carried out by external qualified surveyors.
- c) **Useful life of properties, plant and equipment**
The Co-operative assesses the useful life of its properties, plant and equipment and estimates the annual charge to be depreciated based on this assessment.
- d) **Defined pension liability**
Determining the value of the Co-operative's share of defined benefit pension scheme assets and obligations, the valuation prepared by the Scheme actuary includes estimates of life expectancy, salary growth, inflation and the discount rate on corporate bonds.

Key Judgements made in the application of Accounting Policies

- a) **The Categorisation of Housing Properties**
In the judgement of the Committee of Management 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 Co-operative considers its cash-generating units to be the schemes in which it manages its housing property for asset management purposes.
- c) **Financial instrument break clauses**
The Co-operative has considered the break clauses attached to the financial instruments that it has in place for its loan funding. In the judgement of the Committee of Management, these break clauses do not cause the financial instrument to be classified as a complex financial instrument and therefore they meet the definition of a basic financial instrument.
- d) **Pension Liability**
The Co-operative participates in a defined benefit pension scheme arrangement with the Scottish Housing Association Pension Scheme. The fund is administered by the Pensions Trust. The Pension Trust have developed a method of calculating each member's share of the assets and liabilities of the scheme. The Co-operative has decided that this method is appropriate and provides a reasonable estimate of the pension assets and liabilities of the Co-operative and has therefore adopted this valuation method.

Financial Instruments - Basic

The Co-operative classes all of its loans as basic financial instruments including agreements with break clauses. The Co-operative recognises basic financial instruments in accordance with Section 11 of Financial Reporting Standard 102.

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

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2024

2. Particulars of turnover, operating costs and operating surplus

	2024	Operating	Operating	2023	Operating	Operating
	Turnover	Costs	Surplus	Turnover	Costs	Surplus
	£	£	£	£	£	£
Affordable letting activities (note 3)	2,254,007	1,940,292	313,715	2,149,395	1,861,450	287,945
Other activities (note 4)	66,301	65,065	1,236	60,826	50,089	739
	<u>2,320,308</u>	<u>2,005,357</u>	<u>314,951</u>	<u>2,200,223</u>	<u>1,911,539</u>	<u>288,684</u>

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2024

3. Particulars of income and expenditure from affordable letting activities

	2024 Total £	2023 Total £
Revenue from lettings		
Rent receivable	1,865,644	1,755,394
Gross income from rents	1,865,644	1,755,394
<u>Less:</u> Rent losses from voids	7,378	3,156
<u>Less:</u> Rent losses from voids -- unlettable	904	930
Net rents receivable	1,857,362	1,751,308
Grants released from deferred income	391,869	391,869
Grants from Scottish Ministers	4,776	6,218
Total turnover from affordable letting activities	2,254,007	2,149,395
Expenditure on affordable letting activities		
Management and maintenance administration costs	757,295	639,966
Planned and cyclical maintenance, including major repairs	187,362	334,388
Reactive maintenance costs	279,178	173,410
Bad debts – rents	2,549	(1,375)
Depreciation of affordable let properties	713,908	715,061
Operating costs of affordable letting activities	1,940,292	1,861,450
Operating surplus on affordable letting activities	313,715	287,945

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2024

4. Particulars of revenue, operating costs and operating surplus or deficit from other activities

	Other Revenue Grants £	Other Income £	Total Turnover £	Other Revenue Costs £	Total Operating Costs £	Operating surplus/ (deficit) 2024 £	Operating surplus/ (deficit) 2023 £
Expired shares retained	-	17	17	-	-	17	7
SFHA Cost of Living Grant	50,783	-	50,783	(50,783)	(50,783)	-	-
National Lottery Community Fund	14,282	-	14,282	(14,282)	(14,282)	-	-
Other activities	-	1,219	1,219	-	-	1,219	732
Total from other activities	65,065	1,236	66,301	(65,065)	(65,065)	1,236	739

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2024

5. Officers' emoluments

The officers are defined in the Co-operative and Community Benefit Societies Act 2014 as the members of the Committee of Management, managers and employees of the co-operative. The members of the Committee of Management, the CEO and COO are considered the key management personnel.

2 officers (2023: 1 officer) of the Co-operative received emoluments greater than £60,000.

	2024 £	2023 £
Pension contributions made on behalf of officers with emoluments greater than £60,000	11,935	6,177
Social security paid on behalf of CEO & COO (2023 CEO only)	14,281	8,026
Emoluments payable to CEO & COO (2023 CEO only)	132,214	70,886
Total emoluments paid to key management personnel	158,430	85,089

The number of officers, including the highest paid officer, who received emoluments over £60,000 was in the following ranges:

	No.	No.
£60,001 to £70,000	1	-
£70,001 to £80,000	-	1
£80,001 to £90,000	1	-

6. Employee

The average monthly number of full-time equivalent persons employed during the year was

The average total number of employees employed during the year was

	2024 No.	2023 No.
The average monthly number of full-time equivalent persons employed during the year was	8	9
The average total number of employees employed during the year was	7	8

	£	£
Staff costs were:		
Wages and salaries	290,890	277,244
National insurance costs	24,581	26,775
Other pension costs	77,664	74,001
Temporary, agency & seconded staff	22,473	-
Redundancy costs	-	10,457
Employee Life Assurance	1,313	1,381
	416,921	389,858

7. Interest payable and similar charges

On bank loans and overdrafts

	2024 £	2023 £
On bank loans and overdrafts	77,033	52,737

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2024

8. Surplus for the year	2024	2023
	£	£
Surplus for the year is stated after charging/(crediting)		
Depreciation – tangible owned fixed assets	735,787	739,935
Auditor's remuneration – audit services	9,390	9,390
Auditors' remuneration – other services	1,176	1,068
Operating lease rentals – other	2,787	2,605
	=====	=====
9. Tax on ordinary activities	2024	2023
	£	£
Analysis of charge in year		
Current tax:		
UK corporation	3,388	1,705
Total current tax	-----	-----
	3,388	1,705
	=====	=====
10. Other finance/ (income) charges	2023	2022
	£	£
Net interest on pension obligations	5,000	-
	=====	=====

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2024

	Housing properties held for letting £
11. Non-current assets	
(a) Housing properties	
Cost	
As at 1 April 2023	28,981,176
Additions	526,292
Disposals	(258,561)

As at 31 March 2024	29,248,907

Depreciation	
As at 1 April 2023	11,804,067
Charge for year	713,908
Disposals	(258,561)

As at 31 March 2024	12,259,414

Net book value	
As at 31 March 2024	16,989,493
	=====
As at 31 March 2023	17,177,107
	=====

All land and housing properties are freehold. All land included in fixed assets is owned by the Cooperative. Land is included at historic cost.

Total expenditure on existing properties in the year amounted to £784,853 (2023 - £572,942). The amount capitalised is £526,292 (2023: £422,014) with the balance charged to the statement of comprehensive income. The amounts capitalised can be further split between component replacement of £526,292 (2023: £422,014) and improvement of £Nil (2023: £Nil).

Changes to historic cost of houses held for letting results from additions and disposals from replacement of housing components in the year. Any net book value remaining on components replaced is added to depreciation in the year of disposal.

The Co-operative's Lenders have standard securities over Housing Property with a carrying value of £12,328,654 (2023: £12,465,200).

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2024

11(b) Other non-current assets	Office Premises £	Office Furniture & Equipment £	Playground Equipment £	White Goods & Fittings £	Total £
Cost					
As at 1 April 2023	311,934	96,499	58,556	11,950	478,939
Additions	-	4,301	-	-	4,301
Disposals	-	(10,784)	-	-	(10,784)
As at 31 March 2024	311,934	90,016	58,556	11,950	472,456
Aggregate depreciation					
As at 1 April 2023	112,703	81,307	32,174	10,544	236,728
Charge for year	6,825	9,271	5,086	697	21,879
Disposals	-	(10,784)	-	-	(10,784)
As at 31 March 2024	119,528	79,794	37,260	11,241	247,823
Net book value					
As at 31 March 2024	192,406	10,222	21,296	709	224,633
As at 31 March 2023	199,231	15,192	26,382	1,406	242,211

12. Commitments under operating leases

At the year end, the total future minimum lease payments under non-cancellable operating leases were as follows:

	2024 £	2023 £
Other		
Not later than one year		
Later than one year and not later than five years	2,573	2,605
Expiring later than five years	8,846	6,548
	498	-
	=====	=====

13. Receivables: Amounts falling due within one year

	2024 £	2023 £
Arrears of rent and service charges	41,420	22,495
<u>Less: Provision for doubtful debts</u>	(9,223)	(7,361)
Other receivable	32,197	15,134
	32,671	25,472
	64,868	40,606
	=====	=====

14. Payables: Amounts falling due within one year

	2024 £	2023 £
Housing loans		
Trade payables	249,052	247,410
Rent received in advance	-	14,197
Corporation tax payable	29,516	32,299
Other taxation and social security	3,388	1,705
Other payables	18,062	7,116
Accruals and deferred income	-	2,504
	91,975	59,964
	391,993	365,195
	=====	=====

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2024

15. Payables: Amounts falling due after more than one year	2024	2023
	£	£
Liability for past service contributions		-
Housing loans	2,474,305	2,712,741
	=====	=====
Housing loans		
Amounts due within one year	249,052	247,410
Amounts due in one year or more but less than two years	226,569	253,103
Amounts due in two years of more but less than five years	726,839	706,693
Amounts due in more than five years	1,520,898	1,752,945
	-----	-----
	2,723,358	2,960,151
<u>Less:</u> Amount shown in current liabilities	249,052	247,410
	-----	-----
	2,474,305	2,712,741
	=====	=====

Housing loans are secured by specific charges on the Co-operative's properties. Loans are repayable at current rates of interest ranging from 1.21% to 5.69%.

16. Statement of cashflows	2024	2023
	£	£
Reconciliation of surplus for the year to net cash inflow from operating activities		
Surplus for the year	131,364	152,214
Depreciation	735,787	739,935
Non-cash adjustments to pension provisions	120,912	64,172
Amortisation of capital grants	(391,869)	(391,869)
Change in debtors	(24,262)	1,487
Change in creditors	25,157	(10,046)
Interest receivable	(17,834)	(8,972)
Interest payable	77,033	52,737
Share capital written off	(19)	(8)
	-----	-----
Net cash inflow from operating activities	656,269	599,650
	=====	=====

	At		At
	1 April		31 March
Analysis of changes in net debt	2023	Cashflows	2024
	£	£	£
Cash at bank and in hand	1,265,652	(170,300)	1,095,352
	-----	-----	-----
	1,265,652	(170,300)	1,095,352
Debt: Due within one year	(247,410)	236,794	(249,052)
Debt: Due after more than one year	(2,712,741)	-	238,436
	-----	-----	-----
Net debt	(1,694,499)	66,494	(1,628,005)
	=====	=====	=====

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2024

	Social Housing Grants £
17. Deferred income	
Social Housing Grants	
As at 1 April 2023	19,579,260
As at 31 March 2024	19,579,260
Amortised	
As at 1 April 2023	8,005,755
Amortisation in year	391,869
As at 31 March 2024	8,397,624
Net book value	
As at 31 March 2024	11,181,636
As at 31 March 2023	11,573,505

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

	2024 £	2023 £
Amount due within one year	391,869	391,869
Amounts due in one year or more	10,789,767	11,181,636
	11,181,636	11,573,505

18. Share capital	2024 £	2023 £
Shares at £1 each issued and fully paid		
As at 1 April 2023	370	371
Issued in year	17	7
Cancelled in year	(19)	(8)
	368	370

Each member of the Co-operative holds one share of £1 each. These shares carry no rights to dividend or distributions on a winding up. When a shareholder ceases to be a member, that person's share is cancelled, and the amount paid thereon becomes the property of the Co-operative. Each member has a right to vote at members' meetings.

19. Housing Stock	2024 No.	2023 No.
The number of units of accommodation in management at the year end was:		
General needs housing	372	372

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2024

20. Related Party Transactions

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

Any transactions between the Co-operative and any entity with which a Committee of Management member has a connection with is made at arm's length and is under normal commercial terms.

Transactions with Committee of Management members (and their close family) were as follows:

	2024 £	2023 £
Rent receivable from tenants on the Committee of management and their close family members	66,878 =====	67,984 =====

At the year-end total rent arrears owed by the tenant members on the Committee of Management (and their close family) were £1,209 (2023: £778).

	2024 No.	2023 No.
Members of the Committee of Management who are tenants	12 =====	10 =====
Members of the Committee of Management who are local authority employees	3 =====	3 =====

21. Details of Co-Operative

The Co-operative is a Registered Society, registered with the Financial Conduct Authority and is domiciled in Scotland.

The Co-operative's principal place of business is 26 Granton Mill Crescent, Edinburgh EH4 4UT.

The Co-operative is a Registered Social Landlord that owns and manages social housing property in Edinburgh.

22. Committee of Management Member Emoluments

Committee of Management members received £554 (2023: £405) in the year by way of reimbursement of expenses. No remuneration is paid to Committee of Management members in respect of their duties to the Co-operative.

23. Retirement Benefit Obligations

Scottish Housing Association Pension Scheme

The Co-operative 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.

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2024

23. Retirement Benefit Obligations (continued)

The Scheme operates on a 'last man standing' basis, meaning that in the event of an employer withdrawing from the Scheme and being unable to pay its share of the debt on withdrawal then the liability of the withdrawing employer is re-appointed amongst the remaining employers. Therefore, in certain circumstances the Association may become liable for the obligations of a third party.

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. A recovery plan was put in place to eliminate the deficit which ran to 30 September 2022.

For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year-ends from 31 March to 28 February inclusive. The latest accounting valuation was carried out with an effective date of 30 September 2023. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2024 to 28 February 2025 inclusive.

During 2022/23 the Co-operative was advised that following the triennial valuation no further deficit contribution would be required at this time and as from October 2022, we have stopped paying additional amounts. The next triennial valuation will be undertaken September 2024, following which the actuary will project the liabilities and funding position for the pension fund. Until this is complete it is uncertain what the requirement will be in terms of funding any further deficit position. The position regarding any future deficit payment requirements, if required, is unlikely to be known before September 2025 with any payments, if due, commencing April 2026. Based on the current market movements it is anticipated that there is a likelihood that further contributions from employers will be required, however it is not possible to calculate the impact of this issue with any accuracy beyond the provision for £226,000 which has been made based on the accounting requirements.

In May 2021 the Scheme Trustee (TPT Retirement Solutions) notified employers of a review of historic scheme benefit changes, and this review has raised legal questions regarding whether and when some historic benefit changes should take effect, the outcome of which could give rise to an increase in liabilities for some employers. The Scheme Trustee has determined that it is prudent to seek clarification from the Court on these items, and a date for this has now been set for 2025.

On 4 May 2023, the Scheme Trustee issued an update to employers which included an estimate of the potential additional liabilities at the full scheme level, on a Technical Provisions basis. However, until Court directions are received, it is not possible to calculate the impact on an individual employer basis with any accuracy. As a result of this, no provision will be made for the potential additional liabilities within the financial statements or the related accounting disclosures included in this note.

Net pension liability	2024
	£'000
Fair value of employer's assets	1,593
Present value of scheme liabilities	1,819

	(226)
	=====

WEST GRANTON HOUSING CO-OPERATIVE LIMITED

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2024

23. Retirement Benefit Obligations (continued)

Reconciliation of fair value of employer assets

Opening fair value of employer assets	1,638
Expected return on assets	
Contributions by members	
Actuarial gains/(losses)	
Estimated benefits paid	(45)
Closing fair value	1,593

2024
£'000

Opening defined benefit obligation	1,743
Current service cost	-
Interest cost	86
Contributions by members	-
Actuarial gains	35
Estimated benefits paid	(45)
Closing defined benefit obligations	1,819

Analysis of amount charged to the Statement of Comprehensive Income

Charged to operating costs:	
Service cost	-
Expenses	2
Charged to other finance costs/(income)	5
Expected return on employer assets	-
Interest on pension scheme liabilities	-
Net charge to the Statement of Comprehensive Income	7

24. SHAPS pension provision

	2024 £	2023 £
As at 31 March 2023	(105,173)	(41,000)
Decrease in provision	(120,827)	(64,173)
Balance as at 31 March 2024	(226,000)	(105,173)

