



**ABERDEEN SOROPTIMIST
HOUSING SOCIETY LIMITED**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

FCA Registration Number: 2127R(S)

Registered Social Landlord Number: 62

Scottish Registered Charity Number: SC000171

ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Contents	Page
Officers and Professional Advisers	3
Report of the Board	4-5
Statement of the Board Responsibilities	6
Statement on Internal Financial Control	7 - 8
Independent Auditor's Report	9 - 12
Statement of Comprehensive Income	13
Statement of Financial Position	14
Statement of Changes in Reserves	15
Statement of Cash Flows	16
Notes to the Financial Statements	17 - 31

Registration Particulars:

FCA Number	2127R(S)
Charity Number	SC000171
RSL Number	62



ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

31 MARCH 2021

Board of Directors

A Mitchell (Chair)
M McFadyen (Vice Chair)
D Hekelaar (Treasurer & Secretary)
S Kinsey
H Smith
I Walker
A Silver
L Montgomery

Secretary

D Hekelaar

Registered Office

22 Abercrombie Court
Arnhall Business Park
Prospect Road
Westhill
Aberdeenshire
AB32 6FE

Solicitor

Ledingham Chalmers
Johnstone House
52-54 Rose Street
Aberdeen
AB10 1UD

Banker

The Bank of Scotland plc
Aberdeen Mile End
PO Box 17235
Edinburgh
EH11 1YH

Auditor

Anderson Anderson & Brown Audit LLP
Kingshill View
Prime Four Business Park
Kingswells
Aberdeen
AB15 8PU

ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED

REPORT OF THE BOARD OF DIRECTORS

31 MARCH 2021

The Board of Directors present their report and audited financial statements for the year ended 31 March 2021.

THE MEMBERS OF THE BOARD OF DIRECTORS

The current members of the Board of Directors are as shown on page 3.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The Society has made a surplus of £22,994. It continues to be the Society's policy to invest surplus cash in order to achieve a satisfactory return while minimising risk. It is important to the Society that it has funds in place when required to meet its future planned maintenance obligations. The Board has considered the impact of the covid-19 pandemic and expects it to have a limited impact on the Society.

During 2020/21 the Society's Board and examined the merits of a potential transfer of engagements to Osprey Housing Limited (OHL), its current Management Agents.

The outcome of this evaluation process was that the Board agreed that it was in the best interests of its tenants, to pursue a Transfer of Engagements to OHL.

This process will be subject to tenant approval and, if approved, is likely to complete by 30 September 2021.

REVIEW OF FINANCIAL RESULTS

The surplus for the year amounted to £22,994 (2020 – £12,169).

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The members of the Board who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. They have each confirmed that they have taken all the steps that they ought to have taken as members of the Board in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

APPOINTMENT OF AUDITOR

Anderson Anderson & Brown Audit LLP has expressed its willingness to continue in office and a resolution proposing their re-appointment will be submitted at the annual general meeting.

By order of the Board



.....
Chairman

.....
Date 26 July 2021

ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED

STATEMENT OF RESPONSIBILITIES OF THE BOARD

31 MARCH 2021

The Co-operative and Community Benefit Societies Act 2014 and registered social housing legislation require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Society and of the surplus or deficit for that period. In preparing these financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the RSL and to enable it 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 – February 2019. It has general responsibility for taking reasonable steps to safeguard the assets of the Society and to prevent and detect fraud and other irregularities.

ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED

BOARD'S STATEMENT ON INTERNAL FINANCIAL CONTROL

31 MARCH 2021

The Board acknowledge their ultimate responsibility for ensuring that the Society has in place a system of controls that is appropriate to the various business environments in which it operates. These controls are designed to give reasonable assurance with respect to

- The reliability of financial information used within the Society or for publication;
- The maintenance of proper accounting records; and
- The safeguarding of assets (against unauthorised use or disposition).

It is the Board's responsibility to establish and maintain systems of internal financial control. Such systems can only provide reasonable and not absolute assurance against material misstatement or loss. Key elements include ensuring that:

- Policies and procedures are in place, all key systems have either been documented or are in the process of being documented, including the rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the Society's assets;
- Experienced and suitably qualified Management Agents take responsibility for important business functions;
- Forecasts and budgets are prepared regularly which allow the Board to monitor the key business risks and financial objectives and progress towards the financial plans set for the year and the medium term; regular management accounts are prepared promptly, providing relevant, reliable and up-to-date financial and other information and any significant variance from budgets are investigated as appropriate;
- All significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures;
- The Board review reports from Management Agents and from external auditors to provide reasonable assurance that control procedures are in place and are being followed;
- Formal procedures have been established for instituting appropriate action to correct weaknesses identified from the above reports; and
- The Board have identified the controls necessary to manage and mitigate identified risks.

ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED**BOARD'S STATEMENT ON INTERNAL FINANCIAL CONTROL
(Continued)****31 MARCH 2021**

The Board has reviewed the system of internal financial control in the Society during the year ended 31 March 2021. No weaknesses were found in internal financial controls which could result in material losses, contingencies, or uncertainties which require disclosure in the financial statements or in the auditor's report on the financial statements. These arrangements are considered appropriate to the scale and range of the Society's activities and comply with the requirements contained in the Scottish Housing Regulator's Guidance.

By order of the Board

Alison Mitchell
Chair

Date: 26 July 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED

OPINION

We have audited the financial statements of Aberdeen Soroptimist Housing Society Limited for the year ended 31 March 2021, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in reserves, the Statement of cashflows 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 Society's affairs as at 31 March 2021 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been properly prepared in accordance with the Industrial and Provident Societies Act 1965 and 1978, the Co-operative and Community Benefit Societies Act 2014, the Friendly and Industrial and Provident Services Act 1968, the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements, February 2019.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 director'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 on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED (continued)**

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the board of directors' report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED (continued)

RESPONSIBILITIES OF THE BOARD OF DIRECTORS

As explained more fully in the Statement of responsibilities of the board on page 6, the board of directors 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 Board of directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of directors are responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Society 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 Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: timing of recognition of commercial income, posting of unusual journals along with complex transactions and manipulating the Society's key performance indicators to meet targets. We discussed these risks with client management, designed audit procedures to test the timing of commercial revenue, tested a sample of journals to confirm they were appropriate and reviewed areas of judgement for indicators of management bias to address these risks.

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 Auditors' report.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED (continued)**

USE OF OUR REPORT

This report is made solely to the Society's members, as a body, in accordance with Part 7 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Society'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 Society and the Society's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Shaw (Senior Statutory Auditor)
For and on behalf of Anderson Anderson & Brown Audit LLP
Statutory Auditor
Kingshill View
Prime Four Business Park
Kingswells
ABERDEEN
AB15 8PU

19 August 2021

ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Year ended 31 March 2021	Year ended 31 March 2020
		£	£
Turnover	2	75,641	71,590
Less: Operating Costs	2	(53,841)	(58,891)
Operating Surplus	2	21,800	12,699
Loss on disposal of Property		(545)	(1,969)
Interest receivable	5	1,739	1,439
Surplus for the year		22,994	12,169
Unrealised deficit on revaluation of investments		-	-
Total Comprehensive Income for the year		22,994	12,169

The results relate wholly to continuing activities.

The accompanying notes form part of these financial statements.

ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	Notes	31 March 2021 £	31 March 2020 £
Tangible Fixed Assets			
Housing Properties	8	484,429	493,874
Total Fixed Assets		<u>484,429</u>	<u>493,874</u>
Current Assets			
Trade and other debtors	9	11,317	4,895
Cash and cash equivalents		<u>220,431</u>	<u>201,694</u>
		231,748	206,589
Creditors: amounts falling due within one year	10	<u>(16,646)</u>	<u>(19,436)</u>
Net current assets		<u>215,101</u>	<u>187,153</u>
Total assets less current liabilities		699,531	681,027
Creditors: amounts falling due after more than one year	11	<u>(365,888)</u>	<u>(370,350)</u>
Total Net Assets		<u><u>333,643</u></u>	<u><u>310,677</u></u>
Reserves			
Share Capital	12	26	54
Income and expenditure reserves	13	<u>333,617</u>	<u>310,623</u>
Total Reserves		<u><u>333,643</u></u>	<u><u>310,677</u></u>

These financial statements were approved by the Board, authorised for issue on 26 July 2021, and signed on their behalf by:

Board Member



Board Member



Secretary



ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED

STATEMENT OF CHANGES IN RESERVES

YEAR TO 31 MARCH 2021

	Notes	Income and expenditure reserve £	Total £
Balance at 1 April 2020		310,623	310,623
Surplus for the year		22,994	22,994
Balance as at 31 March 2021		<u>333,617</u>	<u>333,617</u>

ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED

STATEMENT OF CASHFLOWS

YEAR TO 31 MARCH 2021

	Notes	2021 £	2020 £
Net cash generated from operating activities	14	19,304	19,541
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of tangible fixed assets		(2,306)	(5,012)
Interest received		1,739	1,439
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES		<u>18,737</u>	<u>15,968</u>
CASH FLOW INFLOW FROM FINANCING ACTIVITIES			
New secured loans		-	-
Repayments of borrowings		-	-
NET CASH (USED IN) FINANCING ACTIVITIES		<u>-</u>	<u>-</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		<u>18,737</u>	<u>15,968</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		<u>201,694</u>	<u>185,726</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	14	<u><u>220,431</u></u>	<u><u>201,694</u></u>

ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021

1. Accounting Policies

The Association is registered under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Scottish Housing Regulator under the Housing (Scotland) Act 2010.

The Aberdeen Soroptimist Housing Society Limited is a Public Benefit Entity.

(a) Introduction and Accounting Basis

These financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”), the Housing SORP 2018 “Statement of Recommended Practice for Registered Housing Providers” (“SORP 2018”) and they comply with the Determination of Accounting Requirements 2015, and under the historical cost convention, modified to include certain financial instruments at fair value.

The financial statements are prepared in Sterling (£).

(b) Critical Accounting Estimates and Areas of Judgement

Preparation of the financial statements requires management to make critical judgements and estimates concerning the future. Estimates and judgements are continually evaluated and are based on historical experience, advice from qualified experts and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included below (Note – we have included examples below – this list is not exhaustive).

Critical accounting estimates

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on the asset management projections and reactive repairs expenditure.

ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****AS AT 31 MARCH 2021****1. Accounting Policies (continued)****(c) Going Concern**

After reviewing detailed cashflow and Business Plan projections, taking account of bank facilities, and making such enquiries as they consider appropriate, the Board are satisfied the Society has adequate resources to continue to operate for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

(d) Turnover

Turnover represents rental and service charge income receivable from tenants and revenue grants receivable from local authorities and the Scottish Government.

(e) Service Charges

Surpluses and deficits arising on the provision of services to the Society's tenants are carried forward and adjusted in the charges levied in future years.

ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021

1. Accounting Policies (continued)

(f) Tangible fixed assets – Housing Properties (note 8)

Housing properties are properties for the provision of social housing or to otherwise provide social benefit and are properties available for rent.

Completed housing properties are stated at cost less accumulated depreciation and impairment losses. Mile End House was bequeathed to the Society.

Housing properties, all of which are heritable properties, are stated at cost less accumulated depreciation. The development costs of housing properties include the following:

- Cost of acquiring land and buildings
- Development expenditure

Works to existing properties will generally be capitalised under the following circumstances:

- (i) Where a component of the housing property that has been treated separately for depreciation purposes and depreciated over its useful economic life is replaced or restored; or
- (ii) Where the subsequent expenditure provides an enhancement of the economic benefits of the tangible fixed assets in excess of the previously assessed standard of performance. Such enhancement can occur if the improvements result in an increase in rental income, a material reduction in future maintenance costs or a significant extension of the life of the property.

Works to existing properties, which fail to meet the above criteria, are charged to the Income and Expenditure account.

The major components of the Partnership are Land, Structure, Kitchen, Bathroom, Doors, Windows, Heating System, Boiler and Insulation. Each component has a substantially different economic life and is depreciated over this individual life. This is compliant with the SORP 2018.

ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021

1. Accounting Policies (continued)

(g) Depreciation – Housing Properties

Depreciation is charged on a straight line basis over the expected economic useful lives of each major component that makes up the housing property as follows:

Land	Not Depreciated
Structure	100 years
Kitchen	20 years
Bathroom	20 years
Doors	25 years
Windows	25 years
Heating System	25 years
Boiler	15 years
Insulation	20 years

(h) Government Grants

Government grants include grants receivable from the Scottish Government, local authorities and other government bodies. Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met, and the grants will be received.

Government grants received for housing properties are recognised in income over the useful economic life of the structure of the asset under the accruals model.

On disposal of an asset for which government grant was received, if there is no obligation to repay the grant, then any unamortised grant remaining is derecognised as a liability and recognised as income. Where there is a requirement to repay a grant, a liability is included in the Statement of Financial Position to recognise this obligation.

(i) Other Grants

Grants received from non-government sources are recognised using the performance model. Grants are recognised as income when the associated performance conditions are met.

ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021

1. Accounting Policies (continued)

(j) Impairment of Fixed Assets

An assessment is made at each reporting date of whether there are indications that a fixed asset (including housing properties) may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Society estimates the recoverable amount of the asset.

Impairment is calculated as the difference between the carrying value of income generating units and the estimated value in use at the date an impairment loss is recognised. Value in use represents the net present value of expected future cashflows from these units. The length of the forecast is 50 years.

Impairment of assets would be recognised in the Income and Expenditure account.

(k) Value Added Tax

Aberdeen Soroptimist Housing Society Limited is not VAT registered.

(l) Deposits and Liquid Resources

Cash, for the purpose of the statement of cashflows, comprises cash in hand and deposits repayable on demand.

(m) Taxation

As a Registered Social Landlord and Registered Charity, the Society is exempt from payment of corporation tax on its social letting activities.

ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021

1. Accounting Policies (continued)

(n) Financial assets

Debtors

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with a trade debtor constitutes a financing transaction, the debtor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

A provision for impairment of debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cashflows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in income and expenditure.

Financial liabilities

Trade creditors

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a trade creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cashflows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021

1. Accounting Policies (continued)

(o) Provisions

Provisions are recognised when the Society has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2021

2) Particulars of turnover, operating costs, operating surplus

	Note	Turnover	Operating Costs	Operating Surplus	Operating Surplus for Previous period of account
		£	£	£	£
Social Lettings	3a	70,214	48,692	21,522	12,557
Other activities	3b	5,427	5,149	278	142
Total		75,641	53,841	21,800	12,669
Total for previous period of account		71,590	(58,891)	12,699	

ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2021

3a.) Particulars of turnover, operating costs and operating surplus from affordable letting activities (note all from General Needs Housing)

	2021	2020
	£	£
Rents receivable net of identifiable service charges	62,836	61,134
Service charges	3,031	3,031
Gross income from rents and service charges	65,867	64,165
Less: voids	(115)	(984)
Net income from rents and service charges	65,752	63,181
Grants released from deferred income	4,462	4,462
Other Revenue grants	-	-
Total turnover from affordable letting activities	70,214	67,643
Management and maintenance administration costs	25,452	24,485
Service costs	2,600	2,416
Planned and cyclical maintenance including major repairs costs	1,005	6,826
Reactive and void maintenance costs	8,429	10,089
Bad debts – rent and service charges	-	61
Depreciation of affordable let properties	11,206	11,199
Operating costs for affordable letting activities	48,692	55,086
Operating Surplus for affordable letting activities	21,522	12,557
Operating Surplus for affordable letting activities for previous period of account	12,557	

ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2021

3b.) Particulars of turnover, operating costs and operating surplus from other activities

	Grants from Scottish Ministers	Other revenue grants	Supporting people income	Other income	Total turnover	Operating costs – bad debts	Other operating costs	Operating surplus	Operating surplus for previous period of account
	£	£	£	£	£	£	£	£	£
Other activities	5,399	-	-	28	5,427	-	5,149	278	142
Total from other activities	5,399	-	-	-	5,427	-	5,149	278	142
Total from other activities for the previous period of account	3,940	-	-	7	3,947	-	3,805	329	

ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2021

4. Housing Stock

The number of units in management at 31 March was as follows:

	2021	2020
	No	No
General Needs	15	15
Total units in management	<u>15</u>	<u>15</u>

5. Interest Receivable and similar income

	2021	2020
	£	£
Interest on bank deposits	1,739	1,439
	<u>1,739</u>	<u>1,439</u>

6. Operating Surplus is stated after charging

	2021	2020
	£	£
Loss on sale of fixed assets	545	1,969
Depreciation of housing properties	<u>11,206</u>	<u>11,199</u>

Fees payable to Anderson Anderson and Brown Audit LLP in respect of audit services is as follows:

	2021	2020
	£	£
Audit services - statutory audit of the Association	2,911	2,773
	<u>2,911</u>	<u>2,773</u>

ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2021

7. Board Expenditure

No member of the Board received any emoluments in respect of their services to the Society.

There are no Directors receiving emoluments of £60,000 or more.

	2021	2020
	£	£
Total expenses reimbursed to members of the Board in so far as not chargeable to UK income tax	-	310

ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2021

8a.) Tangible Fixed Assets – Housing Properties

	Housing Properties under construction	Housing Properties held for letting	Total
Cost	£	£	£
At 1 April 2020	-	626,400	626,400
Additions during year	-	2,306	2,306
Disposals during year	-	(2,017)	(2,017)
At 31 March 2021	-	626,689	626,689
Depreciation			
Restated at 1 April 2020	-	(132,526)	(132,526)
Charge for year	-	(11,206)	(11,206)
Disposals for year	-	1,472	1,472
At 31 March 2021	-	(142,260)	(142,260)
Net Book Value			
At 31 March 2021	-	484,429	484,429
At 31 March 2020	-	493,874	493,874

Interest of £nil (2020: £nil) has been included in cost of housing properties. All land and property is owned by the Society. None of the properties are held under lease.

8b.) Fixed Asset Disclosure

	Year ended 31 March 2021	Year ended 31 March 2020
	£	£
Major repairs expensed	-	-
Replacement of components	2,306	5,012
Total	2,306	5,012

ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2021

9. Debtors	2021	2020
	£	£
Amounts falling due within one year		
Gross rents and service charges in arrears	394	115
Less: bad debt provision	(61)	(61)
	<u>333</u>	<u>54</u>
Prepayments and other debtors	10,984	4,842
	<u>11,317</u>	<u>4,895</u>
 10. Creditors due within one year	 2021	 2020
	£	£
Prepaid Rent	2,489	2,045
Accruals	9,003	10,672
Trade Creditors	692	2,257
Deferred Capital Grant	4,462	4,462
	<u>16,646</u>	<u>19,436</u>
 11. Deferred Capital Grant	 2021	 2020
	£	£
As at 1 April 2020	374,812	379,274
Capital grant released	(4,462)	(4,462)
As at 31 March 2021	<u>370,350</u>	<u>374,812</u>
 Amounts to be released within one year	 4,462	 4,462
Amounts to be released in more than one year	<u>365,888</u>	<u>370,350</u>
	<u>370,350</u>	<u>374,812</u>

ABERDEEN SOROPTIMIST HOUSING SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

AS AT 31 MARCH 2021

12. Share Capital

	2021	2020
	£	£
Shares of £1 each, issued and fully paid:	No.	No.
At 31 March 2020	54	58
Issued during year	-	-
Cancelled during year	(28)	(4)
At 31 March 2021	<u>26</u>	<u>54</u>

13. Income and Expenditure Reserve

	2021	2020
	£	£
Income and Expenditure reserve comprises:		
As at 1 April 2020	310,623	298,454
Surplus for year	22,994	12,169
As at 31 March 2021	<u>333,617</u>	<u>310,623</u>

14. Notes to Cashflow Statement

	2021	2020
	£	£
Reconciliation of operating surplus to net cash inflow from activities		
Surplus for the year	22,994	12,169
Adjustments for non-cash items:	-	-
Depreciation of tangible fixed assets	11,206	11,199
Amortisation of capital grant	(4,462)	(4,462)
Loss on disposal of tangible fixed assets	545	1,969
Gain on Sale of Investments	-	-
Share Capital	(28)	(4)
Dividend income received	-	-
Interest received	(1,739)	(1,439)
Operating cashflows before movement in working capital	<u>28,516</u>	<u>19,432</u>
(Increase)/Decrease in trade and other debtors	(6,422)	3,226
Decrease in trade and other creditors	(2,790)	(3,117)
Cash generated from operations	<u>19,304</u>	<u>19,541</u>