

Minutes of Management Committee meeting – Tuesday 31st August 2021
Held via zoom at 4.00pm

Action

Present: Margaret McIntyre (MM), Alex Cameron (AC), Jonah Chireka (JC), Betty Macneill (BM), Surjit Chowdhary (SC), Munir Choudry (MC), Bob Turnbull (BT), Ruth McCluskey (RM), Alison Devlin (AD).

In attendance: Patrick Mc Grath (PM), Mandy Wright (MW), Fiona Connolly (FC), Des Phee (DP), Aileen Radford (AR), Steven Cunningham (StC) (Alexander Sloan), Elisa Campanaro (EC).

Apologies: Apologies received from Shirley Robison

**Item 1:
Annual
Accounts
2021-2022** MW thanked everyone for coming to the extra meeting today and apologised for the accounts not being ready for last week's meeting. The new system has created a number of challenges which were compounded by the remote nature of the external audit. She also explained that while SHA's accounts were being submitted for approval, the subsidiary accounts would be brought back at a later date, once the audit was complete and the SFARS Board had reviewed the accounts.

StC from Alexander Sloan went over the accounts and highlighted the key figures.

Statement of Comprehensive Income:-

- Revenue Income - £14.4m
- Operating Costs - £11.9m
- Surplus for the year - £2.8m which is an increase from last year's surplus of £283,862.
- Other comprehensive income (defined benefit pension plan) – (£353,000)
- Total comprehensive income = £2.5m

Statement of Financial Position:-

- Assets - £111.5m
- Negative Goodwill – (£4.4m)
- Receivables - £1.4m
- Shared Equity properties for sale - £121,126
- Cash - £5.2m
- Pension Liability – SHAPS £526,367 and Strathclyde Pension Fund £189,000.
- Deferred Income - £61.6m
- Net assets £45.6m with last year being £43.1m

Notes of Financial Statements:-

- Note 6 – pension figure to be checked and will be updated before final version signed
- SFARS reserves to be added £143,725

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- Note 12 – surplus £149k

Questions raised by committee:-

BT asked why there was no balance for factoring within the accounts. StC advised that all factoring figures will go into their own accounts (SFARS). However these will be brought to the SFARS Board for approval first and then on to the Management Committee for approval. They will also be added into the consolidated accounts.

StC explained that the only accounts being approved at this meeting will be the SHA accounts. The Regulator only requires a full set of SHA accounts.

AC asked for an explanation on negative goodwill. StC advised that this relates to SST (second stage transfer) properties acquired at less than their value. The figure is spread over the life of the assets.

MC noted the surplus is £2.87m and asked how this compared to last year. StC advised that this has increased from last year which was only £283k.

AC asked about the net cash outflowing which is down £800k. MW commented that the Association is spending less on interest and the RBS loan capital was repaid last year.

MW advised that committee members have been in contact to advise of minor typos and grammar corrections and will ensure these are updated in the final version of the accounts.

StC will issue the accounts for electronic signature to both MM, AC and JC. This will hopefully be tomorrow or Thursday. The Letter of Representation also needs to be signed at the same time.

The Accounts were approved by Committee – proposed by MC and seconded by BM.