



CATHCART & DISTRICT HOUSING ASSOCIATION LTD

MINUTES OF THE FULL COMMITTEE OF MANAGEMENT MEETING HELD ON TUESDAY 4 JULY 2023 AT 6.30 PM VIA ZOOM CLOUD MEETINGS

PRESENT:

Committee Member	Attended	Apologies
Alastair Penney (Chair)	✓	
Marion McMillan (Vice Chair)	✓	
Chris Carr (Treasurer)	✓	
Sue Harper		✓
Bruce Strathearn	✓	
Betty Carter		✓
Trudi Tokarczyk	✓	
Gamal Haddou	✓	
Patricia Crockett	✓	
Teresa Gallagher	✓	
Lesley Dunan	✓	

IN ATTENDANCE:

Staff Member	Attended	Apologies
Christine Leitch	✓	
Lorraine Glasgow	✓	
Emma Connelly	✓	
Fettes McDonald	✓	
Sandy Squires	✓	
Martin Dobson	✓	

Attendance 82%

Item No.	Issue	Action By
1.0	Apologies	
1.1	Apologies were received from BC and SH.	
2.0	Annual Accounts for the Year Ended 31st March 2023	
2.1	<p>Report of the Committee of Management Fettes advised that the Committee is to consider and formally approve the annual accounts tonight. Christine explained that the accounts have been revised and LD's name has now been added to the list of Management Committee members.</p> <p>Fettes referred to page (number redacted) and summarised the Committee's responsibilities. He advised that Housing Association legislation requires the Committee to prepare the accounts for the year, be responsible for keeping proper accounting records, and safeguard the assets of the Association. He noted there is a resolution to re-appoint (organisation redacted) on page (number redacted) which will be proposed at the AGM.</p> <p>Fettes then provided an overview of the Annual Accounts for the year ended 31st March 2023.</p>	
2.2	<p>Statement of Comprehensive Income He reported that turnover for the year was (figure redacted) and is down from</p>	

<p>2.3</p> <p>2.4</p>	<p>the previous year which is primarily due to the level of amortised HAG that was an adjustment from the prior year.</p> <p>Fettes highlighted that costs are up from around (figure redacted) to (figure redacted). He detailed there were management costs of (figure redacted) which is primarily down to matters reported during the year. Repairs are (figure redacted) higher and some costs relate to the landlord compliance work. Property depreciation is down from the previous year and is a non-cash item. Fettes noted that there is an operating deficit of (figure redacted).</p> <p>There is a revaluation of (figure redacted) which is a reversal of the impairment of (address redacted). Fettes explained that the impairment of last year has been removed. He advised interest received is well up from the previous year due to increased rates and because we have been making use of deposits.</p> <p>Fettes detailed that we have not taken out any more loans and our existing loans are being charged at a higher rate of interest. There are other finance charges of (figure redacted) which is part of the year end pension adjustment.</p> <p>There is an actuarial loss of (figure redacted) which is in respect of the pension scheme. Fettes advised each year the Pensions Trust issues a statement and this tends to fluctuate. He clarified this is not physical cash and is just an accounting provision. The annual surplus for the year before the main pension adjustment was (figure redacted). However, due to the non-cash annual pension accounting adjustment, this results in a deficit for the year of (figure redacted).</p> <p>Statement of Financial Position</p> <p>Fettes highlighted that social housing is approx. (figure redacted) which is up from the previous year. He advised the movement in the year would include the costs of (address redacted).</p> <p>Fettes explained that not much was spent on other fixed assets but there is depreciation on various furniture and fittings etc. He reported that the properties held for sale at (address redacted) are no longer held in social housing but are held in stock.</p> <p>Trade and other debtors are higher. Fettes highlighted that rent arrears are down (percentage redacted) compared to the previous financial year. The figure is sitting at (percentage redacted) which is still higher than most other RSLs.</p> <p>The loans at the year end are (figure redacted) down from (figure redacted). The balance of HAG is written off over time. The pension scheme liability was (figure redacted) in the previous year and is sitting at (figure redacted) this year. Fettes expressed this will move from year to year. He noted that total net assets are (figure redacted).</p> <p>Finance Consultants Report</p> <p>Fettes advised that adjustments were made at the end of the audit last year and there have been adjustments this year, but this is to reflect the impending sale of (address redacted). Fettes confirmed he is happy with the figures and that they represent a true and fair view.</p>	
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	He explained there were some changes noted in the auditor's schedule of adjusted errors relating to prepayments and accruals that totalled approx. (figure redacted) . There were other entries about the change of (address redacted) .	
3.0	Auditors Report	
3.1	<p>Sandy expressed that the audit went smoothly, and they only found a few small items such as the prepayments and accruals which did not need to be adjusted but they were.</p> <p>He noted that the audit report is clean and there is nothing to report on governance. Sandy confirmed he is happy with the progress made.</p>	
4.0	Management Letter	
4.1	<p>Sandy explained the management letter has commented on things that can be improved over time. The auditors have mentioned things from last year in terms of the fixed asset register and where they see potential improvements. He highlighted these are 'would likes' rather than 'must haves'.</p> <p>Fettes explained he emailed Christine today regarding the bad debt provision and it is just a case of replacing a paragraph in the debt management policy. Martin detailed that the methodology in place is quite prudent, but the auditors would be quite happy to see this written in the policy to confirm the calculation. Fettes advised that FMD will deal with the Housing Property Register. Sandy explained this does not impact the outcomes and it is a 'would like' rather than a 'must have'.</p> <p>GH asked Sandy if they have clients that use asset management software. Sandy confirmed a few but there are mixed results depending on time and input. He highlighted it requires a big commitment of time and making sure the information going into that is correct. Sandy suggested agreeing on a component accounting spreadsheet first. Christine explained there may be a provision to do it on our housing management system, but she would have to check this with them first.</p> <p>GH asked if we could add a sentence to the accounts stating that the committee is not worried by the operating loss, and this is due to higher costs etc. Fettes suggested it could be added at 1.1. Sandy reported the main audit test is the going concern and they have spent a lot of time looking at budgets and financial projections etc. He added it is a deficit because the Association has had additional expenses during the year. Sandy advised there was a going concern note in the accounts because of Covid-19 but he is relatively comfortable that this does not need to be included this year.</p> <p>GH pointed out that at note (number redacted) less is in capitals and asked if this is normal. Fettes confirmed this would be changed.</p>	<p>CL</p> <p>FM</p> <p>FM</p>
5.0	Letter of Representation	
5.1	<p>The Committee confirmed they were happy with the letter.</p> <p>The Letter of Representation was proposed for approval by TG and seconded by MM.</p>	
6.0	Approval of Annual Accounts	
6.1	Fettes confirmed the changes will be made to the accounts, the Committee would then sign them, and a copy would be sent to (company redacted) . Christine asked Sandy for an abridged copy of the accounts for the AGM. Sandy confirmed he would do this.	

	The Annual Accounts for the Year Ended 31 st March 2023 were proposed for approval by PC and seconded by GH.	
7.0	Date of Next Meeting	
7.1	The next Management Committee meeting will be held on 15th August 2023 at 6.30 pm. There being no further business, the meeting closed at 7.00 pm.	