

BUIDHEANN TIGHEADAS LOCH AILLSE AGUS AN
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LOCHALSH AND SKYE HOUSING ASSOCIATION

MINUTES of the 41st ANNUAL GENERAL MEETING held on
Monday, 9 September 2024 at 2.00 pm at Morrison House and by Teams

PRESENT: Mr I Young (Chairperson), Mr D Clapham (Vice-Chairperson), Mr I Lewis, Ms L Williams, Mr R Muir, Mr R Nairn, Mrs A Sinclair, Mr G Gormal, Mr R Liley, Miss F Duguid, Ms L Kirkwood, Mrs M Gillies, Ms M Hannah (Citizen's Advice Bureau), Ms J Boulton, Mr D Gillies, Mr A MacDonald (Am Fasgadh), Mr J Davidson, Ms Y Hutchison-Barrett, Mrs M Taylor, Ms G Sherwood.

Proxy forms: None

IN ATTENDANCE: Ms Lowri Richards (Chief Executive).
Mr G Coull (Director of Finance and Corporate Services)
Jennifer MacInnes (Corporate Services Assistant)
Nicola Kemp (Corporate Services Assistant)

APOLOGIES: Ms M Drysdale, Mrs P James, Crossroads Care, Mrs J Millington, Mrs J Turkington, Mr J Ellis, Mrs M Douglas, Mrs M MacRaild, Mr D MacKenzie, Mr J Campbell, Mr R MacDougall, Mr G Morgan, Mr R MacKinnon, Mr R Wilson, Mr S Davies, Ms S Ladlow, Mr L MacDonald, Mrs P Simmister, Mr I MacKenzie, Raasay Community Council, Mrs A MacSween, Mrs L MacIntosh, Mrs J Masson, Mr N MacLean, Mr H MacDonald, Mrs I MacLeod, Ms L Hellon.

2. MINUTES OF THE PREVIOUS ANNUAL GENERAL MEETING (17 July 2023)

The Minutes had been circulated previously and were moved for adoption by Liz Williams, seconded by Moira Gillies and approved unanimously.

3. CHAIRPERSON'S REPORT

The Chairperson welcomed the members to the 41st Annual General Meeting of the Association and gave the following report:

Welcome to all shareholders and thank you for attending. The report covers the period 1 April 2023 to 31 March 2024. It is important to note that as the company shareholders we own the company. The Board sets the strategic direction and ensures good governance alongside the CE and staff, who deliver ours and the tenants objectives.

The report covers the last year, although as we are now in September there may be some cross over.

There have been a number of staff changes with Neil Clapperton the CE leaving in February, we were fortunate to get Alastair MacGregor to cover as Interim Chief Executive as he came with a wealth of experience. We have now recruited Lowri Richards as Chief Executive.

Other staff who have left in the year were Donnie MacKay, Energy Advice Manager, Anna Pophanken, Project Officer, Helen Brown, Corporate Services Manager, Sarah Williams, Governance and Compliance Officer, Hayley McCutcheon, Housing Services Clerical Assistant, Lesley Kirkwood, Legal Services Manager, Michelle Seviour, Housing Services Clerical Assistant.

Staff who started over the year were, Dana Campbell, who commenced in a maternity cover post as Corporate Service Assistant, before taking up the permanent position of Human Resources Officer, Mike Shucksmith, Development Officer, Chris Grimston, who started as Technical Assistant, then was appointed as Trainee Property Services Officer in July 2024, Marina Slater, Property Services Assistant, Chris Brown, Electrician, Graham Thomson, Estates Assistant, Warren Shepherd, Cleaner. More recently, in the current financial year Nicola Kemp has commenced as Corporate Services Assistant, Stephen O'Leary, Housing Services Clerical Assistant and Alex MacKinnon as Health & Safety and Fleet Officer.

There have also been a number of Board changes, with Rory Brown, Ken Wong, Robin Sarkar, Donnie Fergusson, Emma Johnson and John Watson resigning. We will be putting together a strategy to attract new members.

Successes

We have had a successful unqualified Audit of Finances and thanks to Graeme Coull, Director of Finance and Corporate Services and his team, you will hear more later from Graeme.

We've increased our levels of tenant interaction and support thanks to Lowri Richards and her team.

We now have 838 Rental Properties and 18 Shared Ownership Properties, with new developments at Campbell's Farm - Broadford, Garden Site - Armadale, Raasay and are currently on-site at Glenelg. We are continuing to assist NHS Highland with their staffing issues by leasing properties to them.

The staff are at the heart of the organisation and all sections are performing well against our peer group.

Challenges

We have faced challenges with Care and Repair and Handyperson funding and we are also waiting to see if there are going to be more cuts to development funding as we hope to move forward with the Kiltaraglen development.

Affordable warmth is still a big challenge for us and our tenants and we are currently negotiating with Scottish Government for special funding for affordable warmth project.

We are also dealing with inflation, rising costs and rents.

We have had engagement from the Scottish Housing Regulator, and have been dealing with the issues raised.

We previously acted as an Agent for the Scottish Government in administering the Shared Equity Scheme. Following the retirement of our Legal Services Manager this is now being administered by Highland Residential, which is part of Albyn Housing Association.

Conclusion

It has been a very challenging year with some major staffing changes and I would say the staff and my Board colleagues have managed this process extremely well, so thanks to everyone for this. I would also like to thank our tenants for their understanding of our pressures and in always telling us what they think – good or bad.

Lochalsh and Skye Housing Association is proud to be part of the Lochalsh and Skye Community.

4. ANNUAL REPORT AND FINANCIAL STATEMENTS TO 31 MARCH 2024

Our Report and Financial Statements were considered and approved by our Board on 26 August 2024 and are presented to you at this Annual General Meeting in final form.

➤ Page 3

As the Association is a Charity, the individuals referred to collectively as our Board members also act as the Trustees of the Charity and are responsible for ensuring that the Report and Annual Financial Statements are presented to the Annual General Meeting.

The members of the Board are listed on this page, as is the Company Secretary who is Lesley MacIntosh (our Finance Services Manager) and the Executive Officer who was Alistair MacGregor (Interim Chief Executive). Our key advisers are also listed.

➤ Pages 4 - 8

These pages form the "Report of the Board" and describe key aspects of the Association's work during the year. We also list our relationships with other charities and organisations, namely:-

The Highland Housing Alliance, and
Communities Housing Trust.

On page 5, under the heading "Going Concern", the Board reports that it has concluded that the present arrangements are adequate for the Association to meet

its liabilities as they fall due for the foreseeable future. Accordingly, we continue to adopt the Going Concern basis in preparing the financial statements. The report also includes details of the Association's Risk Management Plan.

➤ **Page 9**

The "Statement of Board's Responsibilities" describes the legislative and Accounting Requirements that the Board are responsible for complying with in respect of the preparation of the financial statements and the safeguarding of the assets of the Association.

➤ **Page 10**

The "Board's Statement of Internal Financial Control" describes the policies and procedures that we have in place to provide reasonable assurance with respect to:-

- The maintenance of proper accounting records
- The reliability of information used within the Association or for publication
- The safeguarding of assets against unauthorised use or disposition

Importantly, the Board confirm that having reviewed our systems of internal financial control, no weaknesses were found requiring disclosure in the financial statements.

➤ **Pages 11 and 12**

The "Independent Auditors Report to the Members of the Association" confirms that our auditors have carried out a full and extensive audit of the financial statements and in their opinion they give a true and fair view of the Association's affairs.

The auditors also confirm that they have nothing to report in respect of those matters that they are required to report by exception.

➤ **Page 13**

The "Independent Auditors Report to the Members of the Association on Corporate Governance Matters" confirms that our auditor's opinion is that LSHA has complied with the Regulatory Standards published by the Scottish Housing Regulator in respect of internal financial controls. The statements included in the auditor's reports above should provide members with assurance that the Association's financial statements and our financial procedures are in order.

➤ **Page 14**

Statement of Comprehensive Income

Relative to the previous year:

- Turnover rose by £0.8m from £5.7m to £6.5m
- Operating Expenditure increased by £0.9m from £4.8m to £5.7m.

- Operating Surplus decreased by £42k from £889k to £847k.
- Interest receivable increased by £27k from £7k to £34k.
- Interest and financing costs increased by £385k from £823k to £1.2m.
- Net Surplus for the year decreased by £445k from a surplus of £73k to a deficit of £372k.
- As the Association is a Charity there is no taxation due.
- "Other Comprehensive Income" includes a loss adjustment of £396k (last year £274k) which relates to actuarial losses in respect of the pension scheme.

➤ Page 15

Statement of Financial Position

- Fixed Assets have increased from £85.8m to £86.2m.
- Current Assets amount to £2.6m of which £0.5m is cash and cash equivalents.
- Total Assets Less Current Liabilities have decreased from £86.8m to £84.9m.
- Long-term Liabilities, which include loans and deferred housing grants, have decreased from £80.5m to £79.0m
- Net Assets have decreased from £6.1m to £5.3m represented by:-

Share Capital	£100
Income & Expenditure Reserve	£5,307,163

Members were advised that if they wished to receive the full copy of the Report and Financial Statements, these would be available free of charge by post or viewed on our web site www.LSHA.co.uk.

Members **noted** the report.

5. **Appointment of Auditors**

The Chairperson reported that RSM UK Audit LLP had been appointed and their appointment for the year 2024-2025 was approved.

6. Election of the Board

In accordance with the Rules, three members of the Board were due to retire in rotation and these were:

Mr Robin Nairn
Mr Gareth Morgan
Mr John Watson

Mr Nairn and Mr Morgan had indicated that they were willing to continue as Board members and were automatically re-elected.

Mr Watson had indicated he no longer wished to remain on the Board.

Mrs Joanne Boulton, was also elected to the Board.

Mr Roger Liley expressed an interest in rejoining the Board.

There being no other competent business, the meeting closed at 2.20 p.m.

Chairperson

Ia H. Young