Wheatley Group

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended

31 March 2022

Wheatley Housing Group Limited

Scottish Housing Regulator Registration No. 363
Registered No. SC426094

CHAIR'S REPORT

When Cabinet Secretary for Social Justice, Housing and Local Government, Shona Robison, addressed Wheatley Board in November she asked me to convey her appreciation and thanks to staff for their "outstanding efforts" in response to the pandemic.

Ms Robison later wrote to acknowledge that the work Wheatley does plays an important role in assisting Scottish Government to deliver several key objectives.

It was proof that throughout 2021/22, a year of remobilisation, we had consolidated our position as a high-performing organisation making a positive difference to both national outcomes and the communities in which we are deeply rooted.

It was a year also – my first as Chair – which saw the launch of our new five-year strategy, "*Your Home, Your Community, Your Future*". At its core are exciting, ground-breaking ways of engaging and empowering customers and a greater, more frontline-focused use of technology that enables an even more personalised and efficient provision of services. I cannot emphasise enough the importance of giving the people we work for even more influence and control over what we do, from preparing future plans to shaping current services and making investment decisions in their communities.

Other ambitious elements of the strategy include a commitment to invest £360 million in the 64,000 affordable homes we own and manage and to build 4,000 new affordable homes in support of Scottish Government's "Housing to 2040" vision. Pledges to accelerate the Group's transition to carbon neutral and creating 4,000 new jobs, apprenticeships and training opportunities also demonstrated why Ms Robison hailed Wheatley as a "key and trusted" partner.

Inevitably, the pandemic led to a major review of how we provide services. This has culminated in a hybrid operating model involving less office-based work and a blend of home working with a stronger presence in communities, all supported by a pioneering new Customer First Centre staffed 24/7 by specialist, highly trained staff.

Pivotal to creating the new service model was a re-evaluation of our office footprint in light of the *New Normal, New Wheatley*. What was evident from the start was the essential need for staff to be able to come together to meet, learn and collaborate in surroundings that were welcoming, flexible and digitally enhanced.

Following widespread consultation, plans were formed to convert existing buildings into either Centres of Excellence ("CoE") or Community Touchdown Hubs. Importantly, both are open and available, as they are completed, to customers, stakeholders and community partners. A refurbished Wheatley House opened at the start of the year, providing a template for the other CoEs to follow elsewhere in Glasgow and in Edinburgh, Dumfries and Stranraer.

The work of Wheatley Foundation continued to be central to our pandemic response. Operating in tandem with frontline services, it created 825 jobs, apprenticeships and training opportunities and supported more than 9,000 customers through programmes, such as *EatWell*, *Home Comforts*, *Click and Connect*, bursaries and the Dolly Parton Imagination Library.

CHAIR'S REPORT (continued)

Our wraparound services were never needed more as almost one in three tenants moved on to Universal Credit. Wheatley money advisors enabled customers to claim over £10.6 million in tax credits and benefits to which they were fully entitled and it is to the great credit of both frontline and support staff that our arrears, as reported in the Scottish Housing Regulator Annual Return on the Charter ("ARC"), stood at 4.8% at year-end.

The shape and structure of the Group continued to evolve as tenants of Cube in Glasgow and Glasgow Housing Association ("GHA") voted in an independent ballot to join forces. This led on April 1, this year, to the formation of Wheatley Homes Glasgow, with Cube customers outwith the city voting to become part of Loretto Housing Association.

It is clear to everyone the resilience and excellence of Team Wheatley and dedication and commitment of my fellow board members shone through in 2021/22. I would like to acknowledge the outstanding leadership and service - over three years as a board member and six as chair - of my predecessor, Alastair MacNish. The bar has been set and I will do all I can to build on everything that was achieved during this time.

I conclude this report by paying tribute to Martin Armstrong, who will step down later this year as chief executive. Martin has been a truly outstanding, visionary leader, respected across the UK and beyond. As I have said previously, his legacy is not the hundreds of awards and accreditations won under his stewardship; rather, it is the standards of excellence he has set and maintained and his selfless dedication over 13 years, first at GHA and then at Wheatley.

In Steven Henderson, we have a new leader who knows well not only what Wheatley stands for, but the full scale and range of challenges ahead. I am confident, with the support of everyone at Wheatley, we will meet all of them.

Jo Armstrong

Jo Armstrong

Chair of Wheatley Housing Group Board

CHIEF EXECUTIVE'S REPORT

The second year of the pandemic continued to pose a plethora of problems and challenges for the housing sector in Scotland and beyond. At Wheatley, I am relieved and pleased to report the commitment and resilience of both Team Wheatley and everyone involved in our governance structure resulted in the Group ending the financial year in good shape and well equipped to tackle the trials that still lie ahead.

Our reputation as a high performing organisation was put to the test as never before. However, across the full range of performance indicators, it is clear Wheatley's response to Covid - within the context of a global pandemic - was highly effective and far reaching.

There is no doubt in my mind an ability to embrace change – embedded over the past decade - enabled the Group to go above and beyond in supporting thousands of households in hardship in some of Scotland's most deprived areas.

This was underlined by the recasting of our new five-year strategy, *Your Home, Your Community, Your Future*, to address the *New Normal, New Wheatley*. This included, crucially, implementation in the final quarter of the year of a new service model based on digital transformation, even more personalised services and a blended, flexible way of working.

It is a new way of working that puts customers even more at the heart of what we do, equipping frontline staff to spend even more time supporting tenants in their homes and communities.

Our first Centre of Excellence at Wheatley House in Glasgow opened at the beginning of the year. Others will follow in other parts of Glasgow, as well as Edinburgh, Dumfries and Stranraer, along with Community Touchdown Hubs, providing digitally-enhanced, welcoming facilities for staff, customers, stakeholders and partners to meet, collaborate and learn together. You can read more about *Your Home, Your Community, Your Future* and our ambitious plans here.

The successful launch of a new 24/7 Customer First Centre ("CFC"), staffed by specialist, highly trained advisors, was another pioneering example of how we are providing high quality, customer focused services. In fully utilising communications platforms, from online and telephone to web chat, texts and WhatsApp, the CFC is managing inquiries and requests for assistance quickly and efficiently, whether that is booking a repair, registering for *MyHousing* or making appointments with a wraparound service. The aim is to resolve the vast majority of issues and service requests at the first point of contact.

Like all areas of the business, the CFC's performance is being monitored and evaluated continuously. The early signs are extremely encouraging and it is having already a powerful and positive impact on how we support the people we work for in the 93,600 homes we own and manage across central and southern Scotland.

CHIEF EXECUTIVE'S REPORT (continued)

Since launch 85% of calls are consistently answered within 30 seconds; and over 90% resolved at the first point of contact; call abandonment levels at 3.8% against a target of 7%; and an average wait time of 30 seconds.

That word performance is key to all we do at Wheatley. Despite severe lockdown restrictions, 438 high quality affordable homes were built in communities ranging from Lincluden in Dumfries to South Gilmerton in Edinburgh and Kennishead in Glasgow.

More than £108 million was invested in improving existing homes, supporting a Group tenancy sustainment rate of 91% in a year in which Wheatley let 2,475 homes to homeless applicants, 58% of the total. As a founding partner, we provided 66 homes through the Housing First programme, the multi-agency coalition tackling rough sleeping.

The target of completing emergency repairs within three hours was met and 90.4% of repairs were completed right first time. There was a 30% reduction in the number of accidental fires, the third consecutive year the figure has fallen.

More than 30% of our RSL customers (18,630) are now on Universal Credit, with 4,384 signing on in the year. The Group's welfare benefits advisors assisted 5,606 people claim over £10.6 million in benefits and tax credits to which they were fully entitled and more than £1.6 million in external funding was secured to alleviate fuel poverty in Wheatley communities.

Wheatley Care supported 7,751 people and made an important submission to the Scottish Government consultation on proposals for a National Care Service. Wheatley Foundation supported over 9,000 people, creating 825 jobs, apprenticeships and training opportunities and offering education bursaries to 50 customers and their children.

Platinum status in Investors in People and Investors in Young People was retained and Wheatley's digital presence continued to grow. More than 47,000 customers were registered for an online account in 2021/22 and Group websites recorded more than 1.3 million visits, with the number of followers on social media channels increasing by 28% on the previous year.

In Glasgow, tenants backed overwhelmingly plans for a massive £54 million transformation of the Wyndford estate, allowing work to start next year. This will include demolition of four outdated multi-storey blocks and the building of hundreds of new, energy-efficient homes.

It proved to be an historic year for social housing in Glasgow. Cube tenants in the city voted in an independent ballot to join GHA, paving the way for the creation on April 1 of a new organisation – Wheatley Homes Glasgow – as well as additional investment in existing homes and the building of hundreds of new ones.

CHIEF EXECUTIVE'S REPORT (continued)

A commitment to be carbon neutral for our corporate activities by 2026 was unveiled and investment in low and zero carbon heating systems, including air source heat pumps, solar panels and batteries, as well as a "fabric first" approach to reducing energy demand, lowered carbon emissions in Wheatley homes by more than 8,000 tonnes. Connected Response technology, which reduces costs and cuts emissions from electric storage heating, was installed in almost 1,600 homes. We report separately on our Environmental, Social and Governance activities and a copy of our 2021/22 report can be found here.

In this, my last full year as chief executive, I am immensely proud of everything achieved in these most difficult of times. The cost of living crisis now impacting Wheatley households will ensure 2022/23 is another hugely challenging year. Be assured, we will use and maximise our size, scale and capacity - drawing on the fantastic dedication and commitment of Team Wheatley - to support those most severely affected.

Martin Armstrong

Wheatley Housing Group Chief Executive

THE YEAR AT A GLANCE – HIGHLIGHTS OF 2021/22

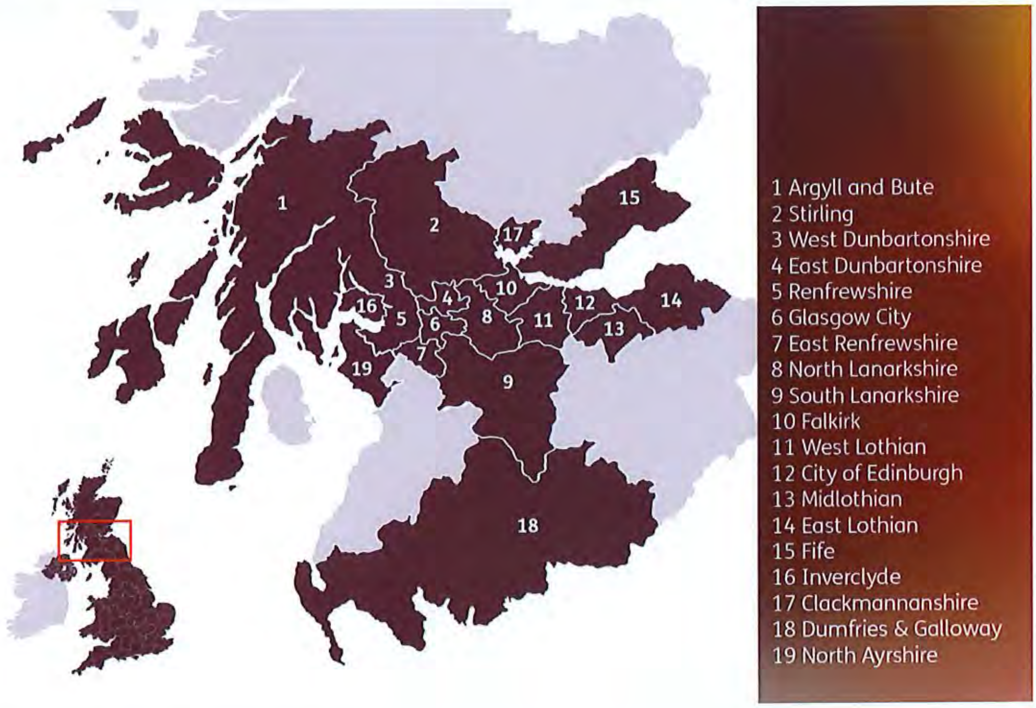
- Turnover grew 8% to £418.0m
- Earnings before interest, tax, depreciation and amortisation (EBITDA) up 5% to £159.7m
- Standard & Poor's credit rating retained at A+ "stable"
- Cash and undrawn facilities of £347.9m and available loan security of £428.1m
- Housing property values increased by £26.9m to £2,617.1m
- Interest costs excluding break fees in the prior year down £5.2m to £63.8m
- Management and administration cost per property of £1,100 down from £1,121
- 438 new homes completed and over 1,650 on site or due on site
- Tenancy sustainment rate of 90.9%
- 2,475 lets made to homeless individuals or households comprising of 56.8% of all lets
- £108.7m invested in our homes and a further £84.8m spent on repairs and maintenance
- Over 9,000 people supported through The Wheatley Foundation this year
- Carbon emissions from our homes reduced by 8,000 tonnes per annum
- 90% of our homes are EPC band C or better – compared to Scotland-wide figure of 45%
- 68% of Care services graded Very Good or Excellent compared to a Scottish average of 44%.

STRATEGIC REPORT

Wheatley Group is Scotland's leading housing, care and property management group and the UK's largest developer of homes for social rent for four out of the last five years running. Our mission is 'Making Homes and Lives Better'.

Owning and managing over 93,600 homes, we serve 210,000 customers in 19 local authority areas across Scotland delivering our services through our Registered Social Landlords, care organisation and commercial property management subsidiary. The activities of the Group are supported by Wheatley Solutions our support services subsidiary. The Group's charitable trust, the Wheatley Foundation, invests its funding to create opportunities for people to improve their lives.

Each part of the Wheatley family is focused on delivering excellence no matter what they do and each remains firmly rooted in their communities, providing services tailored to the needs of their individual customers.



The Wheatley family comprises of:

- Wheatley Homes Glasgow Limited ("WH Glasgow") is the largest part of the Group and has an operational footprint within the Glasgow City Council boundary. At 31 March 2022, WH Glasgow owned or managed over 43,400 affordable homes growing during the year following the successful transfer of the Glasgow properties of fellow Wheatley subsidiary Cube Housing Association ("Cube") in July 2021 and the completion of 248 new homes in the year. WH Glasgow previously operated as The Glasgow Housing Association and has been trading as WH Glasgow since 1 April 2022, legally changing its name on 20 July 2022.
- Loretto Housing Association Limited ("LHA") with 2,500 properties owned and managed also grew during the year following the transfer of Cube properties out-with Glasgow coupled with the completion of 30 new-build homes.

STRATEGIC REPORT (continued)

- Dunedin Canmore Housing Limited ("DCH") which operates in Edinburgh, the Lothians and Fife. Our presence in the east of Scotland continued to grow with 61 properties completed in the year increasing to almost 6,100 homes.
- West Lothian Housing Partnership ("WLHP"), 62 homes were completed during the year increasing to over 800 properties for social rent.
- Dumfries and Galloway Housing Partnership ("DGHP") completed a further 37 new homes this year owning or managing over 10,350 homes.

The RSLs in the Group owned or managed a total of 63,237 homes at the end of the year.

- Lowther Homes Limited ("Lowther") owns a portfolio of 1,177 private rented homes, provides management services to the Group's mid-market rented homes and provides property management services to almost 29,000 customers who own their properties.
- Wheatley Care which in financial terms represents a small but important part of the Group with turnover less than 5% of overall Group revenues. They support over 7,000 people with specialist needs, many of whom live in properties owned by the Registered Social Landlords in the Group.
- Wheatley Solutions provides support services, ranging from finance, IT and procurement to governance, assurance, legal, marketing and communications to the Group's partner organisations.
- The Group's charitable arm, Wheatley Foundation, delivers our community and better lives activity, investing £4.9m in 2021/22 to help improve the lives of the people it supports.

- The Group has a 50% interest in City Building (Glasgow) LLP ("CBG") under a 50:50 joint venture arrangement with Glasgow City Council. The joint venture provides repairs and investment services to the Group subsidiaries, principally those in the west of Scotland. A share of the results of CBG is included in the financial statements.

Wheatley Housing Group Limited, as the Group parent, does not own any homes but provides strategic oversight to all subsidiaries and is registered with the Scottish Housing Regulator.

Review of the year

The year to March 2022 saw the launch of our new five-year strategy, *Your Home, Your Community, Your Future* which sets out the Group's objectives for 2021-26. You can access the strategy here. The achievements delivered over the five years of *Investing in Our Futures*; the Group's first five-year strategy; have allowed us to respond quickly and effectively to the needs of our customers and communities during the pandemic and to remobilise effectively when reinstating our services.

As we complete the first year of our new strategy we are committed to ensuring we support our customers and communities to fully recover from the impact of the pandemic and the unfolding cost of living crisis that is now upon us.

STRATEGIC REPORT (continued)

Your Home, your Community, Your Future builds on our five key strategic themes of:

- **Delivering exceptional customer experience**
- **Making the most of our homes and assets**
- **Changing lives and communities**
- **Developing our shared capability**
- **Enabling our ambitions**

This year saw the full remobilisation of our services after the unparalleled challenges caused by the pandemic. A summary of our work under each of our strategic theme is set out below.

Delivering exceptional customer experience

Strong business performance

Even with the challenges we continued to face this year, Wheatley's social landlords maintained high levels of performance across the indicators we report to the Scottish Housing Regulator.

Strong customer relationships and the high levels of support we provide to customers in financial hardship helped limit the impact of the pandemic and the continued roll out of Universal Credit on rent arrears. Our arrears compared well with the quarterly results published by the Scottish Housing Regulator throughout the year, and at the end of 2021/22, our Group-wide level of gross rent arrears stood at 4.8%, below our target of 5%.

We continued to provide support to homeless people this year, and allocated 2,475 homes to homeless applicants in 2021/22, well above our target of 2,000 homes. Our Group-wide tenancy sustainment rate stood at 91%, against our target of 90%, particularly notable given the high number of lets made to homeless applicants last year.

The average time to complete emergency repairs met our target of three hours and we remained fully compliant with gas safety. This year also saw a 30% reduction in the number of accidental fires in Wheatley homes as we continued our highly successful partnership with Scottish Fire and Rescue.

This year saw the launch of our new operating model, including the 'soft' launch of our new Customer First Centre ("CFC") midway through the year to test the effectiveness of our new systems. The CFC provides specialist support and 24/7 cover, with experienced housing professionals using everything from webchat and WhatsApp, as well as telephone and emails, to offer "one-and-done" solutions to customer service requests and inquiries.

With the full launch of the new service in January 2022, early indications are that the new CFC is making a difference to customer service. Since the introduction of the service, 85% of calls are answered within 30 seconds against a target of 80%; call abandonment levels are at 3.8% well below our target of 7%; and 92% of calls resolved at the first point of contact, against a target of 90%. The overall average waiting time for customers for the same period was 30 seconds.

STRATEGIC REPORT (continued)

Given our extensive consultation with customers on our new operating model this year, we agreed with the Scottish Housing Regulator to postpone our next full customer satisfaction survey until 2022/23.

Improving our repairs service

We resumed a full repairs and maintenance service at the end of April 2021 and worked through the backlog of repairs built up during the previous year of restricted services. Over the year, we delivered over 248,000 reactive repairs, spending £84.8m in repairs and maintenance in our housing properties. This equated to an average repair spend of £1,340 per property.

The average time to complete emergency repairs in 2021/22 met our target of three hours. As a Group, we also managed to complete 90.4% of repairs right first time and achieved tenant satisfaction with repairs of 88.5%.

We saw an increase in the volume of repairs this year, in common with the rest of the housing sector. This higher demand, as well as the length of time it took to work through the backlog from last year and a nationwide shortage of materials, had an impact on our average times to complete non-emergency repairs. The Group average was 8 days, which was above our target of 5.5 days. Our new CFC and the provision of a specialist repairs team will help us improve performance next year.

New ways of working

Our new service model, launched as part of our five-year strategy this year, saw a large number of staff move to hybrid working to help us be even more flexible, engaging and closer to our customers.

This new way of working strengthens our presence in our communities, taking services directly to the people we serve, while also offering staff a positive work-life balance.

Our hybrid model has new Centres of Excellence – places for staff, customers and stakeholders to meet, collaborate and learn – at its core, with the first three centres opening this year. We also started work on new touchdown points, made up of existing facilities within our communities to provide staff with a base between visits to customers' homes.

STRATEGIC REPORT (continued)

Engaging with customers

Enhancing customer engagement, giving customers real influence over services and decision-making, has always been fundamental at Wheatley.

This year, when we consulted with all RSL customers on our plans for a new operating model and a new way of engaging. It was the largest ever tenant engagement exercise and over 5,000 customers took part in the consultation, the highest response rate, with 89% of customers who responded supporting the proposals.

Wheatley Homes Glasgow also asked residents in Wyndford for their views on plans for the £54m transformation of the area. A brochure was sent to all tenants outlining the proposals, and staff contacted tenants at home via phone calls and text messages and held drop-in events to allow the community to have their say. A total of 85% of Wyndford tenants who responded supported the regeneration plans.

Wheatley's new five-year strategy also has a key focus on co-development and co-design, with our *Customer Voices* programme aiming to give customers more control over services and investment decisions strengthening local decision making.

As part of this, Wheatley's social landlords recruited 477 people as *Customer Voices* in the year to influence investment decisions as part of a wider commitment to engage with a panel of 1,500 tenants regularly at all levels. The first Wheatley Homes Glasgow city-wide tenant panel event was held recently with tenants finding out about fire safety, saving money on fuel and heating costs and the opportunities they can access through the Wheatley Foundation. New Tenant Inspection Panels have been set up too which will review performance on repairs and other services. More than 700 customers also took part in neighbourhood walkabouts to identify local priorities. A total of £1.5m has been ringfenced for Customer Voice investment projects next year.

Tenants are widely represented on our Boards with a total of 16 tenants sitting on the Boards of the Group's RSLs, making up 37% of RSL Board members.

Our *You Choose Challenge* saw 77 customers across Wheatley submit ideas for community projects and vote on what they want, with everything from improved storage facilities to new benches and a community garden introduced as a result.

There were 220 new referrals to Wheatley Care's Knightswood Connects project this year, which helped older people in Glasgow develop closer ties to their community and enjoy positive opportunities for engagement.

A total of 20 young people also took part in Wheatley Care's flagship music project 'The Ensemble', which saw them collaborate with professional musicians to create music to help improve confidence, resilience, and mental health.

STRATEGIC REPORT (continued)

Making the most of our homes and assets

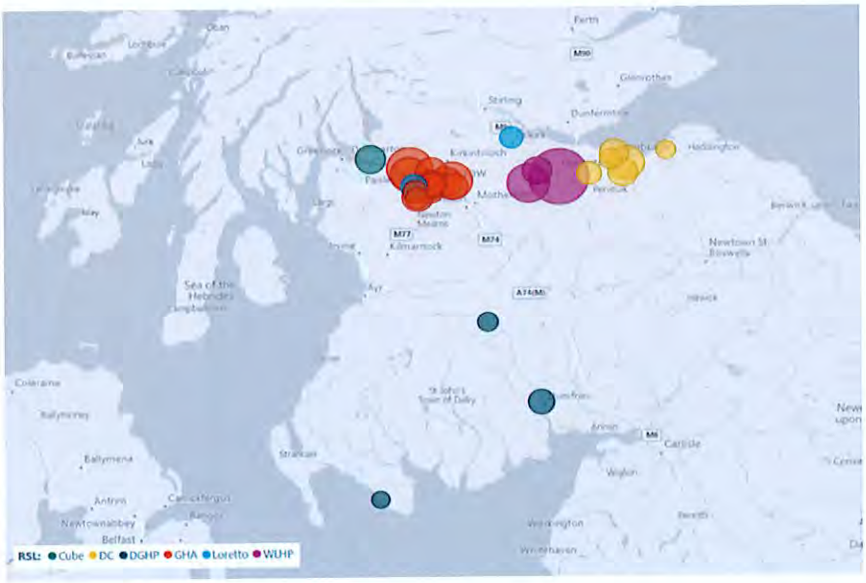
New-build homes

We built 438 new homes over the year, 271 for social rent and 167 for mid-market rent. We also started work on a further 466 new homes at nine sites across the year and are due on site with over 1,180 units.

Our new-build programme included:

- 42 new Wheatley Homes Glasgow homes at Kennishead Avenue, 23 at Auchinlea, 22 at Carnwadric and 19 at Bellrock all for social rent;
- 24 social rent homes for Dunedin Canmore at South Gilmerton, Edinburgh;
- at Newmills, 12 social rent and 15 mid-market rent homes were completed for Dunedin Canmore;
- 32 new DGHP homes at Lincluden Depot, Dumfries and 5 at St Medans, Monreith;
- 21 homes for Loretto at Cobblebrae Farm, Falkirk and 9 at Dargavel Village in Bishopton;
- 42 new WLHP homes at Jarvey Street, Bathgate and 20 at Winchburgh; and
- 37 at Main Street, Baillieston, 32 at Dovehill, 43 at Hurlford and another 30 at Sighthill, all for mid-market rent in Glasgow.

The map below shows the areas and relative size of the developments where we completed new homes in 2021/22.



Our new-build developments were recognised with several awards in 2021/22. Wheatley Homes Glasgow's conversion of a former stable block in Bell Street in Glasgow's Merchant City was awarded the Saltire Medal for Housing Design, while it also won Conservation and Climate Change Award at the Royal Incorporation of Architects in Scotland Awards and Renovation and Conversion of the year at the Herald Property Awards.

STRATEGIC REPORT (continued)

Investment in existing homes

Over the year we invested £108.7m improving our existing homes, making them safer, more energy efficient and more attractive places to live.

Key projects carried out this year included:

- smoke and heat detectors installed in 18,000 homes, an investment of £8.2m;
- £5.2m on new boilers and "Connected Response" installations to cut bills for Wheatley Homes Glasgow tenants with electric heating;
- £6.0m on new windows for more than 900 homes and £4.6m on new kitchens for 600 customers in Dumfries and Galloway;
- £10.4m on new energy efficient heating systems for over 1,300 customers and £3.7m on external wall installation for 148 customers in DGHP;
- £4.8m on new and refurbished cladding for 1,200 Wheatley Homes Glasgow properties;
- £0.6m on new kitchens and bathrooms for Loretto customers;
- £0.6m on bathroom replacements for Dunedin Canmore homes at Pilton Drive North and Castlebrae, Edinburgh.

A further £5.7m was invested in adapting our homes to make them more suitable for customers' needs.

Wyndford regeneration plans

Wheatley Homes Glasgow unveiled plans for a massive £54m transformation of Wyndford this year, with proposals to build hundreds of new homes along with wider investment, and plans to demolish four outdated multi-storey blocks to make way for the new homes. Tenants who took part in a consultation this year supported the regeneration plans and work on the project will start next year.

Sustainability

The importance of sustainability has never been more visible with Glasgow the host city to the 26th UN Climate Conference of the Parties ("COP 26") in November 2021. COP 26 highlighted the challenges brought about by climate change and resulted in an aim to limit global temperature rises to no more than 1.5 degrees. With housing representing a fifth of all carbon emissions in Scotland and as the largest social housing group in Scotland, we are a key partner to Scottish Government in achieving their target of net zero emissions of all greenhouse gases by 2045.

Wheatley is committed to sustainability, with ambitious plans to be carbon neutral for all organisational activities by 2026, and to have low and zero-carbon energy technology in 15,000 homes by the same date, a key part of our new five-year strategy.

Wheatley's *Greener Homes, Greener Lives* campaign will see £100m invested in sustainability initiatives in the period to 2026 to reduce our carbon footprint and tackle fuel poverty. In times of rising fuel costs and other pressures on household budgets keeping our homes affordable has never been more important.

STRATEGIC REPORT (continued)

Greener Homes, Greener Lives investment plans include:

- £36m spent on new double/tripled glazed windows making homes more energy efficient;
- £10m on external wall insulation improving the thermal efficiency of homes and cutting fuel bills;
- £10m on "connected response" an innovative solution to inefficient and expensive electric heating which has been shown to reduce energy use by up to 30%; and
- £10m on new innovative technologies to improve energy efficiency as they become available.

This year, our investment in energy efficient improvements helped us reduce carbon emissions from our homes by more than 8,000 tonnes and make a significant step toward our target of reducing carbon from our homes by 20,000 tonnes by 2026.

Our investment this year took a 'fabric first' approach to reduce energy demand such as the replacement of windows and doors and the installation of external wall insulation. We also installed low and zero carbon heating systems, including air source heat pumps, solar panels and batteries.

A ground-breaking £2.8m decarbonisation and renewable heat project was completed in Dumfries and Galloway, converting over 100 homes from coal fired heating systems to battery storage technology charged by solar panels and air source heat pumps. Match-funded by the Scottish Government through the Social Housing Net Zero Heat Fund, this project is not only a zero carbon solution; the battery technology brings the benefits of access to cheaper tariffs and lower maintenance, providing estimated savings of 60% for customers on the costs of heating and powering their homes.

In Wheatley Homes Glasgow, 'Connected response' technology was installed for the first time in benefitting 1,600 customers and reducing costs and significantly cutting carbon emissions for tenants with electric storage heating.

The new energy efficiency standard for Social Housing ("EESSH2") was launched by Scottish Government in June 2019 and set out the requirement for social rented houses to meet EPC band B where possible by December 2032. Since the publication of the EESSH2 requirements, further updates to Scottish Government targets have been made in the Climate Change Update, the Heat in Buildings Strategy and their Housing to 2040 Route Map. This led to the announcement of an earlier review of EESSH2 targets in 2023 to strengthen and realign the EESSH2 standard with the target for net zero heat in houses from 2040. Historic investment means Wheatley's starting position against revised targets is strong, with 90% of our housing stock already at EPC C or above, compared to the Scotland-wide figure of 45%, demonstrating our track record of investment to date in projects that support net zero targets. We set up the "Pathway to Net-Zero Advisory Group", an independent panel with academics and industry figures to help and advise us on a clear and planned path to meet the requirements of any revised legislation and our wider net zero aims. The Group is chaired by Sean Smith, Professor of Future Construction and Director of Centre for Future Infrastructure at the University of Edinburgh.

STRATEGIC REPORT (continued)

In respect of our organisational activities we became the first housing group in Scotland to gain the prestigious Planet Mark accreditation. We have committed to reduce our carbon emissions to net zero across our corporate activities by 2026 with progress being monitored and reported annually by Planet Mark.

Reporting against these targets is set out in our Streamlined Energy and Carbon Reporting ("SECR"). Wheatley Housing Group, including its wholly owned subsidiaries, reported the following energy usage and carbon emissions for the year to 31 March 2022:

- Underlying global energy use for the organisation for the year ended 31 March 2022 of 33,540,763kWh (2021: 38,094,060 kWh)
- Annual greenhouse gas ("GHG") emissions for the year reported in tonnes of carbon dioxide equivalent of 12,309.45 tonnes of CO_2 (2021: 13,999.56 tonnes of CO_2)
- Emissions intensity ratio of 0.367 $kgCO_2/kWh$ (2021:0.367 $kgCO_2/kWh$). The ratio is reported as a composite measure of grid purchased electricity and gas carbon intensities which is judged to be reflective of the Group's energy usage and calculated using the UK Government Standard Assessment Procedure ("SAP") table 12 emissions factors for these types of energy uses.

The methodology used to measure usage and emissions complies with the Energy Saving Opportunity Scheme ("ESOS") legislation and has been registered with the Scottish Environmental Protection Agency ("SEPA").

Energy consumption and GHG emissions have continued to reduce in the year to 31 March 2022. Overall since the 2019/20 baseline year, energy consumption and GHG emissions have reduced by 20,879,323 kWh and 7,689.93 tonnes of CO_2. Energy use and emissions data is reported in line with the UK Government Department for Business Energy and Industrial Strategy's 2021 Conversion Factors and guidance from Planet Mark.

This year the first of our new Centres of Excellence were opened to staff and the refurbishment works included the installation of solar PVs, heat pump technology as well as "on demand" lighting systems. Staff were encouraged to use sustainable travel options as part of the move to our new hybrid working model. During the year we launched our new Procurement Strategy, strengthening our sustainability requirements for materials, services and goods. Progress was also made towards electrifying our fleet, and since Q1 2022 we have begun the procurement of 100% renewable electricity through our supply contract.

More information is provided in our Environmental, Social and Governance Report for 2021/22.

STRATEGIC REPORT (continued)

Building Safety

We have undertaken recent fire risk assessments in all our high-rise buildings which have been carried out using the industry standard PAS 79-2:2020 methodology. All our buildings have a valid certification in place with any recommendations actioned and implemented. The Group fire safety operating model and the partnership working with Strathclyde Fire and Rescue Service which is provided through the Group Community Improvement Partnership ("CIP") takes a proactive stance on fire prevention and our work in this area has contributed to over a 30% reduction in accidental dwelling fires across the Group since 2017/18. Over 3,000 home fire safety visits are undertaken per annum.

Since March 2021, all social housing new-build flats and shared multi occupancy residential buildings require sprinkler systems to be installed, however there is no requirement to retrofit systems into existing buildings.

We completed our Group-wide smoke and heat detector programme, installing smoke and heat detectors in over 18,000 of our properties during the year and meeting the Scottish Government legislative requirement for all domestic properties, of all tenures, to have smoke and heat alarms ceiling fitted by February 2022.

There is a rolling annual programme across group to upgrade and re-life smoke and heat detectors in line with guidance which recommends the lithium batteries are replaced every 10 years. This supplements our other compliance obligations in areas such as gas and electrical safety and lift maintenance.

Centres of Excellence

Our new service model, launched as part of our five-year strategy this year, saw us move to hybrid working to help us be even more flexible, engaging and closer to our customers.

Our hybrid model has new Centres of Excellence – places for staff, customers and stakeholders to meet, collaborate and learn – at its core. The first Centre of Excellence, a dynamic, modern facility at Wheatley House in Glasgow city centre, opened in summer 2021, with a centre at Dava Street in Glasgow and another in Dumfries, also opening this year. Work on several more has started in Glasgow and Edinburgh, with another planned in Stranraer.

We also began work on new touchdown points, made up of existing facilities within our communities which will provide staff with a base between visits to customers' homes.

As more of these exciting new meeting, sharing and learning spaces take shape in the months to come, they will enable staff and customers to collaborate and engage like never before.

STRATEGIC REPORT (continued)

Changing lives and communities

Support for customers

Our customers were still feeling the economic impact of the pandemic this year, and we continued to support people in financial hardship brought on by rising fuel prices and the emerging cost of living crisis, as well as the continuing difficulties caused by Universal Credit ("UC").

In the coming year we are focused on supporting our customers in every way we can through funding set aside across a number of initiatives such as *EatWell* and the provision of supermarket vouchers, *Think Yes*, and our *Helping Hand Fund*. The Wheatley Foundation has secured £750,000 of funding from Energy Saving Trust's Energy Redress Scheme which redistributes money from major energy suppliers and has allowed the Wheatley Fuel Advice team help vulnerable tenants with their bills.

In addition to this, we will continue to provide support to customers, as we have done for a number of years, through our small patch sizes and personalised services. This means we can make quick and effective referrals for our tenants to our *Wheatley 360* wraparound services, including money, benefits and fuel advice, which offers vital support to customers and their families. In 2021/22, our fuel advisors helped 3,400 customers save almost £410,000 on their bills over the year. We also helped customers across Wheatley access more than £1.6m in external funding to alleviate fuel poverty.

Around 30% of Wheatley customers are now on UC, an increase of 5% from last year. We assisted 5,600 people with benefit claims over the year and helped them claim back more than £10.6m in benefits and tax credits they were entitled to.

Supporting and creating employment

Despite the challenges remaining from the pandemic, we secured 825 jobs, training and apprenticeship opportunities for people living in Wheatley homes and communities.

Over the year, 127 people took part in *Changing Lives*, our one-year environmental based work placement, or an Environmental Apprenticeship. The community benefit clauses in Wheatley's new-build and investment programmes created over 100 jobs and training opportunities this year. We also rolled out Wheatley Works to Dumfries and Galloway in 2021/22 and helped 74 DGHP customers into work and training.

Working with Wheatley Foundation, our social landlords:

- supported over 2,000 tenants with money, budgeting and benefits through *My Great Start*;
- helped 4,200 households put food on the table through our *EatWell* service;
- helped over 600 customers with one-off essential purchases through our *Barony Support Fund* and *Emergency Response Fund*;
- gave over 750 tenants upcycled furniture through our *Home Comforts* service;
- awarded 50 young people from our homes a bursary to go to university or college;
- provided almost 600 tenants with household items when moving into their home through Starter Packs;
- helped 1,850 people get online through the John Wheatley Learning Network; and
- provided free books every month for almost 800 children under five in our homes through the Dolly Parton Imagination Library.

STRATEGIC REPORT (continued)

Letting homes

Throughout the year, we continued to provide support to homeless people. Over the year, Wheatley allocated 2,475 homes – 58% of relevant lets – to homeless applicants.

Of that total, we provided 66 homes through the Housing First programme, a multi-agency partnership to tackle rough sleeping; 34 were temporary furnished homes converted to permanent homes for the homeless people living in them.

Improving our neighbourhoods

We continued our work to create clean and safe neighbourhoods people are proud to live in. Our environmental teams resumed full service in May 2021 and over the year, they removed almost 140 tonnes of bulk waste from Wheatley communities every week. Across Wheatley, nearly 80 tonnes of furniture was diverted from landfill, upcycled and delivered to customers through our *Home Comforts* service.

We continued our partnership with the environmental charity Keep Scotland Beautiful which sees our communities inspected and assessed to help improve standards. More than three-quarters of Wheatley Homes Glasgow neighbourhoods achieved a five-star rating, the highest possible score, while every other Wheatley neighbourhood assessed in 2021/22 achieved the five-star rating.

Our environmental campaign at the end of 2021/22 helped us engage with partners and customers to improve Wheatley communities.

Wheatley's Community Improvement Partnership ("CIP") – a specialist team of seconded police and our own frontline staff – continued to work with our communities to tackle anti-social behaviour and crime.

In Wyndford, in Glasgow, the CIP's work with partners and community groups led to a 28% reduction in anti-social behaviour reported by customers. In Dumfries, the CIP's work with partners in Lochside and Lincluden resulted in a drop in anti-social behaviour and the removal of unauthorised bonfires, while the CIP also worked with Queen of the South Ladies football team to support a football academy in response to disorder involving young girls. In Edinburgh, the CIP's work with Dunedin Canmore staff saw a 32% reduction in anti-social behaviour reported by customers.

Wheatley Group was named Policing Partner of the Year at the 2022 Chief Constable Bravery and Excellence Awards.

We helped protect customers from the risk of fire by carrying out over 530 home fire safety visits in Wheatley homes over the year. We also carried out fire risk assessments in all our multi-storey blocks and 43 *Livingwell* complexes.

Over the past two years, Wheatley has delivered 520 products including air fryers, fire retardant bedding and stove guard devices, to customers. This year saw a 30% reduction in accidental fires in Wheatley homes.

STRATEGIC REPORT (continued)

Wheatley Care

At Wheatley Care, we continued to grow our capacity to deliver personalised care services this year, enabling the people we work for to achieve their desired outcomes through flexible and responsive support delivered by a trained and skilled workforce. In 2021/22, Wheatley Care supported 7,751 people across our services, helping them get the most out of their lives and achieve their own positive outcomes.

Our Tenancy Support Service ("TSS") continued to support vulnerable tenants of Wheatley's social landlords maintain their tenancies through specialised support, ranging from money and budgeting advice through to help with addictions and health and wellbeing. The TSS supported over 1,250 customers in 2021/22. We also planned a redesign of the service, adapting it to customers' changing needs, which will be rolled out in the months to come.

Wheatley Group's *Livingwell* service helps older tenants to live independently in their own homes for longer, supported by housing staff as well as our care staff. A total of 973 people were supported at 32 *Livingwell* complexes in Glasgow over the year. They enjoyed a range of activities including quizzes, music, and light exercise classes to help them get the most out of life and reduce isolation.

We continued to work with Wheatley's social landlords on the design of new homes for *Livingwell* customers in the east of Scotland, with the first of these new developments, in Livingston, expected later this year.

Wheatley Care's outreach service in Glasgow supported over 1,380 individuals who were experiencing homelessness, living in temporary accommodation or were at risk of homelessness while living in their own homes. The service supported the closure of the Bellgrove Hotel, a private hostel in Glasgow's east end, helping the 57 people who lived there move on to their next positive destination. Some moved into their own tenancies, some into other forms of supported accommodation, while others reconnected with their families.

Last year, Wheatley Care and six partner organisations were awarded the contract for the Glasgow Alliance to End Homelessness, a unique partnership which aims to reduce the risk of homelessness and help people live independently. This year, the partner organisations made good progress appointing a leadership team and putting the necessary processes in place to begin to commission homelessness services next year.

Staff in Wheatley Care continued to work closely with the Group's new-build development team on the design of new homes for people we work for to relocate those living in houses of multiple occupation in West Lothian and Edinburgh to accommodation to support independent living. Over the year we prepared people for moving to their own accommodation, while planning the continuing care and support they will require. Moves are expected to take place in the coming year.

In 2021/22, the Care Inspectorate inspected our Tenancy Support Service, the Falkirk Supported Living Service and our Bathgate Support Service, the first inspections to take place since 2019. Out of our 22 live inspection reports, 68% of our services have achieved a grade of 5 (very good) or above, while the national average is 44%.

This year, we used Wheatley Group's Engagement Framework – *Stronger Voices, Stronger Communities* – to implement a flexible approach to engaging customers in shaping care services for the future.

STRATEGIC REPORT (continued)

We continued to support the people we work for to get the most out their community through a range of activities to improve physical health, mental wellbeing, reduce social isolation and increase access to employment, volunteering and education. Our flagship music project 'The Ensemble' released their debut album 'No Place Like It' this year, further cementing this unique engagement opportunity which sees people we work for collaborate with professional musicians to create music to help improve confidence, resilience and mental health.

Developing our shared capability

Learning and development

We continued to support colleagues across Wheatley to develop their skills, confidence and resilience. Opportunities for staff development and career progression are key to our ambition to attract and retain the best talent in our sectors, reflected in the courses and qualifications we offered new and existing staff over the year.

We grew our digital learning portfolio again in 2021/22, including new courses designed in-house to support teams across the Group, such as the launch of a new project on homelessness.

We developed in-house e-learning on trauma informed and trauma skilled practice to support the delivery of the new Scottish Government Framework and to help our staff best support the people we work for who have experienced trauma. We also introduced courses from the best external providers in areas including cyber security, where the complexity and nature of the subject required external expertise.

Other training for staff included courses on Equality, Diversity and Inclusion, Home Working and Emergency First Aid.

Hundreds of e-learning modules and videos were available to staff via *MyAcademy* over the year, and we continued to offer virtual and face-to-face classroom programmes, workshops and drop-in sessions for role specific learning and development.

Our *Leading with Impact* programme also continued for 15 new managers this year. Senior leaders from across Wheatley took part in their own ongoing development programmes.

We recognised the continuing impact of the pandemic on the mental health of our staff this year. We continued to offer support for emotional wellbeing with access to enhanced counselling services to help employees with any issues they were facing, while Cognitive Behavioural Therapy wellbeing training sessions also helped staff manage anxiety.

Creating opportunities

Our graduate programme *Ignite* – one of the biggest graduate training programmes of its kind in Scotland – continued to help us recruit the brightest talent this year.

Graduates get on-the-job training across the organisation, as well as opportunities for further study, qualifications, and the mentoring support they need to become future leaders in housing.

In 2021/22, we welcomed 25 graduates on to the two-year programme, and a total of 17 graduates from the previous year's intake took part in their first leadership development programme this year. All of them completed their graduate programme over the year, and have secured permanent jobs across the Group, ranging from frontline roles to positions in Wheatley Solutions.

STRATEGIC REPORT (continued)

Despite the challenges remaining from the pandemic, we maintained strong connections with our communities this year too, securing 825 jobs, training and apprenticeship opportunities for people living in Wheatley homes and communities. Over the year, over 120 people took part in *Changing Lives*, our one-year environmental based work placement, or an Environmental Apprenticeship. The community benefit clauses in Wheatley's new-build and investment programmes created 109 jobs and training opportunities this year. We also rolled out *Wheatley Works* to Dumfries and Galloway in 2021/22 and helped 74 DGHP customers into work and training.

Reward and recognition

Our rewards package continued to offer staff an exceptional range of benefits this year, including shopping discounts, help with childcare, help to buy a bicycle, as well as help with the costs of opticians and dental treatments and season ticket loans for travel to work.

We retained both Investors in Young People and Investors in People Platinum status in 2021/22, with assessments carried out through online interviews and focus groups.

STRATEGIC REPORT (continued)

Enabling our ambitions

A key strength of the Group is in its ability to be flexible and responsive to changing needs. This has been of particular importance throughout the last two years. In emerging from the Covid 19 pandemic, we have been able to utilise our financial capacity and flexibility to remobilise our services effectively in all areas of our operations. In our repairs service we invested over £84m in the year, working through increased customer demand now most restrictions have been lifted and the backlog of work postponed during the pandemic. In 2021/22 we also embarked on the Group's largest ever capital investment programme delivering £108.7m of improvements to our tenants' homes, with a portion of this related to planned works that had been delayed from 2020/21 as a direct result of pandemic related restrictions.

As well as getting back to business as usual we have also been able to deliver a number of strategic aims including the introduction of our new ways of working following the favourable response for our tenant consultation and the launch of the new Customer First Centre a cornerstone of our strategic theme to deliver exceptional customer experience. We also opened the first of our new Centres of Excellence.

Our frontline service model with its small patch sizes complemented by our new Customer First Centre allowed our housing officers to spend time with customers where it was most needed. This is particularly important as we were able to support an increasing numbers of our tenants moving onto Universal Credit. At the end of the year over 18,500 of our tenants were in receipt of UC an increase of almost 4,400 in the year. We were able to offer support and help customers manage pressures on their household finances, making early referrals to our welfare benefits and money advisors. This has helped our customers in manging their rent accounts and has been a key part of managing arrears levels which were 4.8% as at the end of the 2021/22 rental year, increasing marginally from 4.49% in 2021 and well below the sector average. These are as reported in the Scottish Housing Regulator's Annual Return on the Charter and adjusted for timing relative to the receipt of housing benefit. Current tenant arrears of 3.39% (2021: 3.13%) were reported on the same basis. Arrears at the balance sheet date reported a similar trend at 5.73% (2021: 4.82%). Looking forward into 2022/23 and the emerging cost of living crisis we remain committed to using our resources to help our tenants deal with the impact of the cost-of-living crisis in every way we can.

We started the year holding significant cash balances with over £130m of available funds. Holding a higher level of available funds was a decision made at the start of the pandemic to provide a high level of financial flexibility allowing us to adapt our operational model to short notice changes in guidance and regulations. While some lower level restrictions were re-introduced at points during the year, as previously planned, we utilised a portion of our cash balances to deliver repairs and investment work reducing cash funds to £62m at the end of the year. While balances held are historically higher than usual, this provided a good balance between borrowings and cash while Covid-19 is still with us.

STRATEGIC REPORT (continued)

At the end of the year, the Group had access to undrawn loan facilities of £285.7m and, including the £62m of cash balances, provides sufficient financial capacity to deliver the strategic targets set out in our 2021-26 strategy *Your Home, Your Community, Your Future*. Financial covenants in place with the Group's lenders continue to be met and our updated financial projections also provide a comfortable level of headroom against the covenants taking into account financial risk from increasing inflationary pressures and the challenging operating environment around higher utility, fuel and material costs as well as forecast increases in the Bank of England base rate, including subjecting our forecasts to a variety of stress testing scenarios.

A key driver of financial agility within the business is our continued focus on the delivery of operational efficiencies, embedding those targets within our financial projections and annual budgets. This year adjusted EBITDA after excluding non-cash accounting adjustments for new-build grant, investment property valuation movements and FRS 102 pension movements grew to £159.7m an increase of £8.3m compared to £151.4m generated in 2020/21.

We achieved one of our key strategic financial objectives in 2020/21 through the generation of sufficient levels of adjusted EBITDA to cover interest costs and capital investment in full. The restrictions that were in place during 2020/21 lowered our planned capital investment spend in the year allowing achievement of this milestone earlier than set out in our financial projections.

For 2021/22, the capital investment programme included an element of non-recurring spend including the roll forward of £22.6m of delayed 2020/21 investment projects primarily in DGHP and a further £8.2m of spend on the smoke and heat detector programme to meet the revised Scottish Government February 2022 deadline. Inclusion of these non-recurring items took the total capital investment spend for the year up to over £108m and meant that, when comparing to adjusted EBITDA, capital investment spend and interest costs was £10.7m higher. Looking ahead, returning to a position where adjusted EBITDA exceeds interest costs and capital expenditure remains sustainable as demonstrated in our updated financial projections. The additional investment in properties in Dumfries and Galloway has allowed DGHP to achieve compliance with the Scottish Housing Quality Standard ("SHQS") other than in properties which are exempt for technical reasons.

The Group's annual turnover rose 8% to £418.0m which included the recognition of £41.1m of new-build and other revenue grant. We will always be driven to provide our customers with excellent services that represent value for money and through this remobilisation year we continued to deliver on our cost efficiency targets reducing management and administration cost per unit to £1,100. This builds on the reduction through the period of the last strategy since 2016 during which management cost per unit reduced from £1,177.

Following the restructuring of our fixed rate loan arrangements in March 2021 net financing costs excluding the break fees in 2020/21 have reduced from £69.0m to £63.7m. In May 2022, we secured a new £100m sustainability linked facility provided through a partnership with four of the UK's leading banks.

STRATEGIC REPORT (continued)

The Group's balance sheet position strengthened with net assets increasing by over £14m to £1,233.1m.

Our commercial factoring and private letting operations continued to generate a surplus, with an operating margin of 23%. This allowed a gift aid payment of £2.6m to be made to the Wheatley Foundation for community investment projects.

Standard & Poor's annual review of the financial outlook for the Group was carried out in April 2022. In publishing the results of the review, they commented on our clear strategy and our focus on the core objectives of providing affordable homes and wraparound services to our communities while delivering operational efficiencies. They also noted that this placed the Group in good shape facing into an increasingly difficult operating environment. Their review acknowledged that liquidity remains a key strength and recognised our continued emphasis on achieving sustainability targets including energy efficiency, carbon neutrality and access to affordable homes; metrics which are relevant to our recent refinancing activity. In concluding, they reaffirmed our credit rating at A+, "stable" outlook and we are pleased to remain one of the highest rated social housing groups in the UK.

STRATEGIC REPORT (continued)

Financial Performance – Group Highlights

The Group's key financial performance indicators in this, the first year of our new *Your Home, Your Community, Your Future* strategy continued the trend set in the previous strategy. This included the ongoing achievement of our cost efficiency targets, the delivery of Value for Money services, maintenance of high levels of customer satisfaction and a strong performance in non-financial measures.

Statement of Comprehensive Income

- The Group generated an operating surplus of £82.9m (2021: £76.7m) for the year after a movement on valuation of newly completed investment properties of £3.1m. The prior year operating surplus was after a movement on the valuation of investment properties of £7.4m and the write off of goodwill of £0.6m on the acquisition of GBG Enterprises.

- Net interest costs in the year of £63.7m are £35.3m lower than the prior year. The prior year figure included £30.0m of one-off loan restructuring fees which were incurred in moving some legacy fixed rate loan arrangements to lower floating rates. This restructuring has reduced net financing costs by £5.3m from £69.0m in 2020/21, strengthening the Group business plan.

- Investment properties are held on the Statement of Financial Position at valuation and on completion of new-build properties, FRS 102 requires the associated grant income to be recognised through profit or loss under the performance model which results in an initial non-cash accounting loss of £3.1m on valuation being reported in operating surplus.

Table 1:

Five -Year Summary	2018 £m	2019 £m	2020 £m	2021 £m	2022 £m
Statement of Comprehensive Income					
Turnover	304.5	333.6	357.1	388.6	418.0
Operating expenditure	(244.1)	(266.8)	(271.6)	(303.9)	(332.0)
Other gains and losses	1.8	(10.6)	229.3	(8.0)	(3.1)
Operating surplus	**62.2**	**56.2**	**314.8**	**76.7**	**82.9**
Gain on disposal of fixed assets	3.4	0.0	0.7	1.8	1.1
Net finance charges	(58.3)	(56.7)	(71.4)	(99.0)	(63.7)
Movement in fair value of financial instruments	(0.3)	(4.7)	0.5	(2.2)	(4.3)
Operating surplus for the year before tax	**7.0**	**(5.2)**	**244.6**	**(22.7)**	**16.0**
Operating surplus	**62.2**	**56.2**	**314.8**	**76.7**	**82.9**
Adjusted for:					
New build grant	(37.5)	(51.0)	(50.5)	(28.9)	(36.5)
Other gains and losses	(1.8)	10.6	(229.3)	8.0	3.1
Depreciation and other non cash accounting items	68.8	89.3	85.0	95.6	110.2
EBITDA	**91.7**	**105.1**	**120.0**	**151.4**	**159.7**
Adjusted for:					
Investment in existing affordable housing	(69.6)	(63.8)	(66.2)	(47.6)	(108.7)
EBITDA MRI	**22.1**	**41.3**	**53.8**	**103.8**	**51.0**

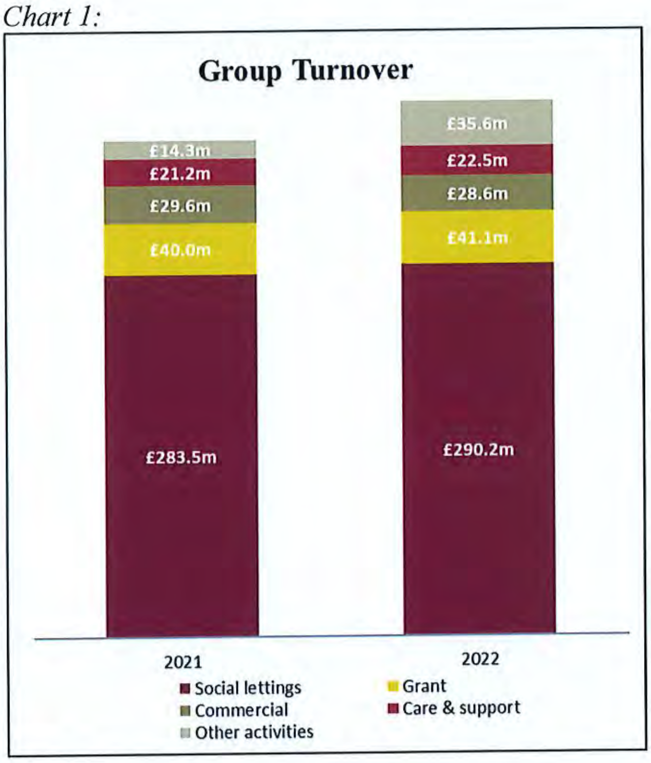
STRATEGIC REPORT (continued)

- As shown in the summary of the Statement of Comprehensive Income in table 1 above, total turnover increased by 8% to £418.0m, up from £388.6m in 2021. The increase of £29.4m is driven by the receipt of £12.9m of funds to be reinvested in capital projects reported in other activities and an increase in net income from social housing activities following the completion of new-build properties in the year.

- Turnover generated in the Group's core social letting business from rents and service charges grew to £290.2m up from £283.5m in the prior year, an increase of £6.7m.

- Non-social housing activities represent a relatively small proportion of the Group's overall turnover. In 2021/22, care and support income of £22.5m represented 5% of Group turnover. Commercial factoring and letting activities generated a further £28.6m or 7%. Other income of £22.7m includes funds received for reinvestment into our properties, grants and donations to the Wheatley Foundation, income from owners for improvements and commercial property income.

Chart 1:



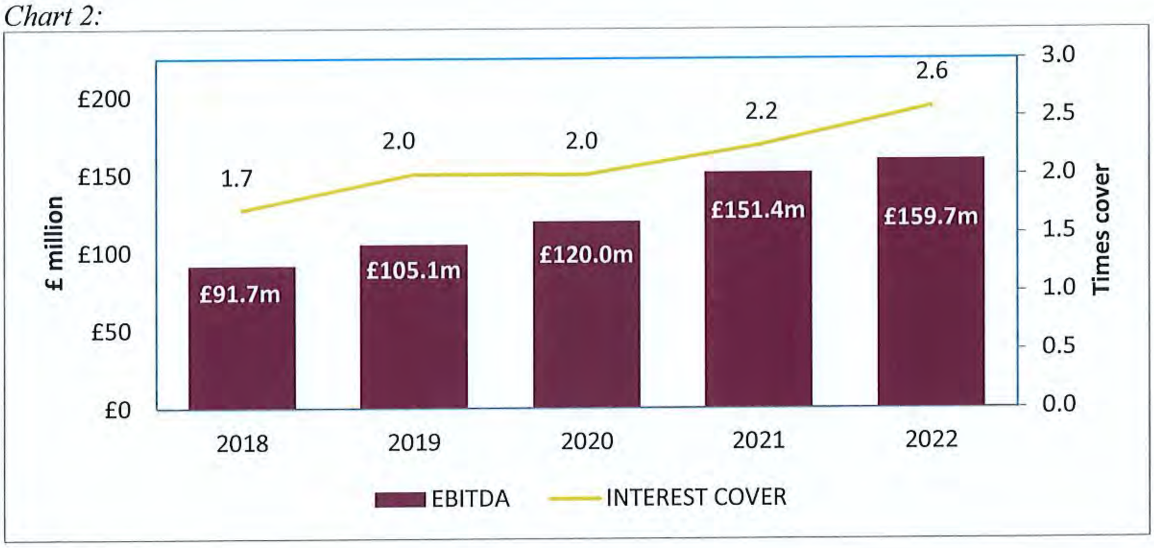
STRATEGIC REPORT (continued)

- EBITDA or earnings before interest, tax, depreciation and amortisation adjusted to remove new-build government grant and non-cash accounting adjustments reported in other gains and losses and FRS 102 pension costs grew to a new high point of £159.7m from £151.4m in the prior year as shown in table 1.

- EBITDA has improved over the five years from 2017/18 by £68.0m or 74%. Of this growth, £21.2m arises from the partnership with DGHP in 2019/20, with the balance of £46.8m driven by operational efficiencies and improvements in financial performance.

- The Group's ability to meet interest payments due on borrowings from EBITDA also known as interest cover, has also shown sustained grown increase once again in 2021/22 to 2.6 times up from 2.2 times in the prior year and up from 1.7 times since 2017/18 as shown in chart 2.

Chart 2:



STRATEGIC REPORT (continued)

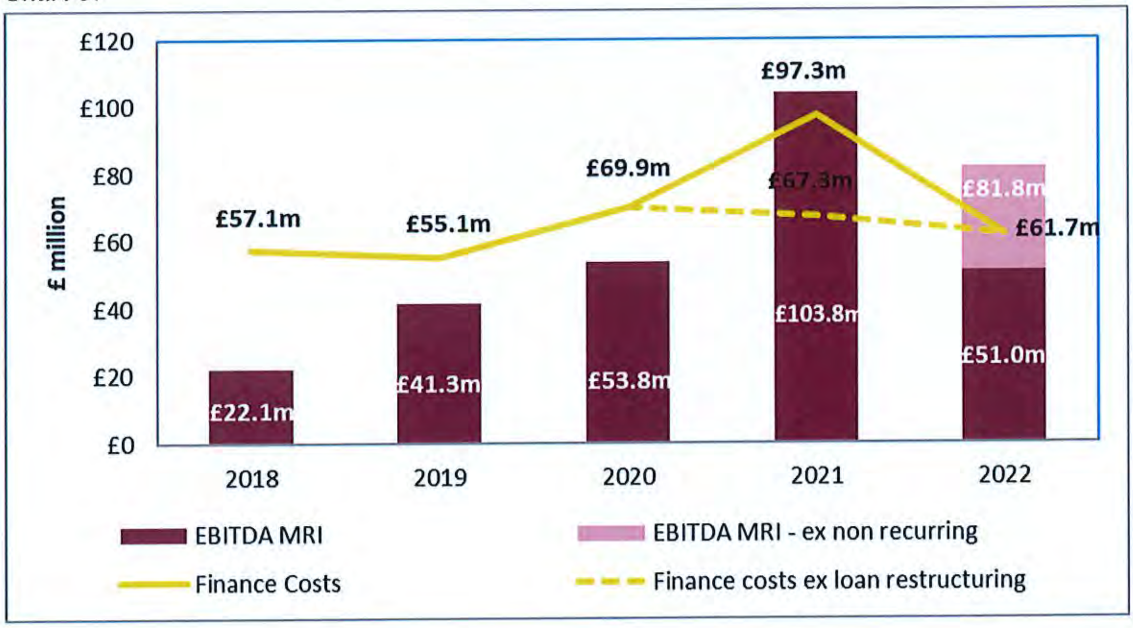
- The Group uses adjusted EBITDA after taking account of all fixed asset capital investment spend in existing social housing as a key indicator of financial strength. This is referred to as EBITDA MRI (as shown in table 1) and is assessed relative to interest payments for the year to show the earnings available to service borrowings. Strengthening the ability of the Group to generate surpluses over and above the level required to fund capital investment and service debt, new borrowing only for funding new-build development is a key strategic objective.

- Chart 3 shows the progress against this objective over the five years since 2017/18 and the achievement of this financial milestone for the first time in 2020/21 where EBITDA MRI of £103.8m exceeded interest costs of £97.3m providing 107% EBITDA MRI interest cover.

- For 2021/22, after deducting capital investment of £108.7m, EBITDA MRI is £51.0m, which is £10.7m lower than interest payments for the year. The investment programme this year included an element of non-recurring spend such as £22.6m of catch up works in DGHP which had been postponed from 2020/21 and £8.2m for the installation of smoke and heat detectors meeting the Scottish Government legislative deadline of February 2022.

- Excluding the non-recurring items, EBITDA MRI of £81.8m would have been reported which is £20.1m higher than interest payments of £61.7m. Maintaining EBITDA MRI in excess of interest costs is a sustainable position longer term as demonstrated in the Group's financial projections.

Chart 3:



STRATEGIC REPORT (continued)

- The benefit of the March 2021 loan restructuring and the move from fixed rate arrangements to lower floating rates can be seen in the reduction in interest payments year on year as shown on chart 2. Excluding the £30.0m one off loan restructuring fees in 2020/21, interest payments have reduced by £5.6m from £67.3m to £61.7m.

- The strengthening of the Group's financial positions on EBITDA, interest cover and EBITDA MRI measures demonstrates the Group's commitment to the achievement of sustained cost efficiencies in our operating cost base. The achievement of cost efficiencies have helped to grow earnings to a level that comfortably supports the servicing of borrowings, allowing the Group to maintain a high degree of financial flexibility, and be responsive and agile to changes in our plans. This is demonstrated by our ability to deliver the significant level of catch-up investment work in 2021/22. Generating sufficient earnings to invest in and maintain existing homes and service debt also allows us to meet the strategic objective of increasing the provision of new homes in our communities and to ensure we provide our existing customers with value for money services.

Statement of Financial Position

- Total reserves of £1,233.1m increased by £14.8m in the year. Social and mid-market rent housing properties increased by £48.5m this year representing the long-term value of investment in customers' homes and the investment in the new-build programme which has seen a total of 438 new homes completed in the year.

- While the valuation of social and mid-market rent properties increased this year, the basis of the Existing Use for Social Housing Valuation methodology ("EUV-SH") will not always reflect the scale of capital investment spend in the year. A downward valuation movement of £66.6m is reported through the Statement of Comprehensive Income and is driven by factors such as the decision this year to progress with regeneration projects in Glasgow and Dumfries which increases the numbers of social housing properties re-classified for demolition and consequently held at nil value. Our commitment to keep rents affordable for tenants will also create a downward valuation movement in circumstances where inflation is increasing and, at the time of writing, projected to run higher than the Bank of England's long term 2% target until mid-2024.

- Debt and gearing levels remain sustainable, with long term loans of £1,510.2m (2021: £1,479.4m). Gross debt per unit was £23,439 (2021: £23,068), which remains below the majority of large UK housing groups. Gearing, measured by net debt as a percentage of asset values in the Statement of Financial Position also remained comfortable at 53% at 31 March 2022 (2021: 50%).

- Current liabilities of £186.3m are reported, an increase of £27.4m on the £158.9m at 31 March 2021. This is driven by an increase in the amount of borrowings due under lender agreements to be repayable within the year, and increase in the amount of new-build grant income claimed and received which is due to be released on completion of properties in the next twelve months.

STRATEGIC REPORT (continued)

Table 2:

Five -Year Summary	2018 £m	2019 £m	2020 £m	2021 £m	2022 £m
Statement of Financial Position					
Social housing and investment properties	1,908.2	2,087.5	2,573.6	2,710.6	2,759.1
Other fixed assets	75.3	70.9	72.9	65.2	121.3
Current assets	136.1	103.2	170.5	189.0	120.5
	2,119.6	2,261.6	2,817.0	2,964.8	3,000.9
Current liabilities	130.8	144.2	131.6	158.9	186.3
Long term loans	1,091.1	1,173.6	1,452.5	1,479.4	1,493.7
Other long term creditors	57.4	47.8	62.4	78.9	78.3
Provisions and pensions	67.0	50.1	29.7	29.3	9.5
Reserves	773.3	845.9	1,140.8	1,218.3	1,233.1
	2,119.6	2,261.6	2,817.0	2,964.8	3,000.9

	2018 £m	2019 £m	2020 £m	2021 £m	2022 £m
Gearing					
Social housing properties	1,728.7	1,887.3	2,350.8	2,474.7	2,496.8
Market-rent properties	167.8	188.6	209.8	222.9	248.9
Asset values	1,896.5	2,075.9	2,560.6	2,697.6	2,745.7
Loans	1,091.4	1,177.6	1,461.7	1,487.4	1,510.2
Cash	(52.3)	(33.6)	(116.4)	(132.2)	(62.2)
Net debt	1,039.1	1,144.0	1,345.3	1,355.2	1,448.0
Gearing %	55%	55%	53%	50%	53%

Cashflow and liquidity

A strength of the Group is in its ability to generate high levels of cash from core housing operations, particularly through the disruption caused to the business by the pandemic. This strength was recognised by S&P during their recent review of the Group's credit rating. During the year the Group generated £162.4m of net cash from operating activities, an increase of £3.6m on the £158.8m generated in 2020/21. This demonstrates the translation of improvements to adjusted EBITDA into sustained cashflow generation shown on the cashflow statement on page 70. New borrowings have been limited to the planned £28.0m drawdown to utilise the full EIB facility, with operational cashflows and available liquidity more than sufficient to fund the significant capital investment programme this year and our growing new-build programme.

- Rental cashflows remained strong and dependable with arrears levels being closely monitored as more tenants moved over to claim Universal Credit. The addition of 413 new homes in 2020/21 and a further 438 during the year also contributed. Management costs reduced to £1,100 per unit from £1,121 the year before with these savings, benefitting cash generated from core operations.

STRATEGIC REPORT (continued)

- After taking account of investing and financing activities, cash and cash equivalents were £62.2m; a reduction of £70.0m in the year. A higher level of liquidity had been retained through 2020/21 to provide flexibility throughout the pandemic. The restrictions in place during 2020/21 had caused some disruption to the capital investment programme and new-build programme and following the remobilisation of the business during 2021/22 these funds have provided capacity to deliver capital investment and repairs work which was postponed during the pandemic.

- To help support the development of new housing, grant income of £41.9m (2021: £44.7m) was accessed from the Scottish Government and local authorities.

STRATEGIC REPORT (continued)

Social Letting Activities highlights

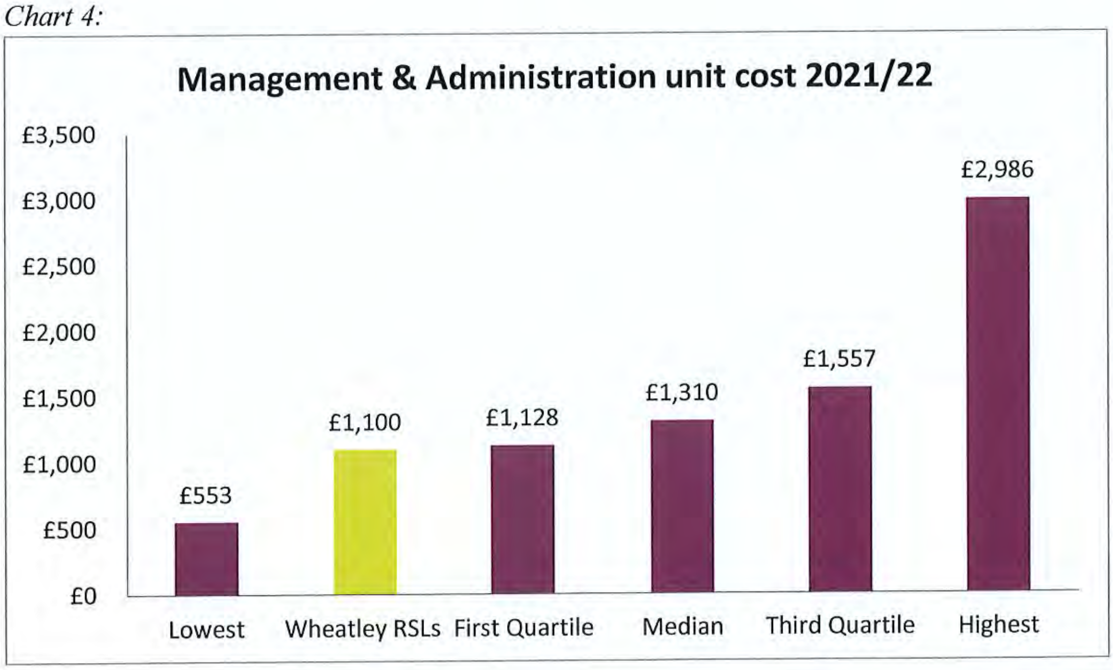
In addition to the Group measures of operating surplus and EBITDA and EBITDA MRI, further key performance indicators ("KPIs") are used to assess and benchmark performance of our Registered Social Landlords against our strategic objective of delivering exceptional customer experience with a particular focus on services representing Value for Money.

- Management and administration costs

  Management costs are reported in note 4 to these financial statements. For the Group Registered Social Landlords, management cost per unit in 2021/22 was £1,100, down from £1,121 in the prior year and down from £1,177 since 2016. Wheatley Group's management cost per unit has been consistently below the median for the sector as compared against other mainstream Scottish RSLs with a majority of stock classified as general needs. This has been achieved against a context where around one in four of the Group's properties are high-rise flats, and by virtue of the services provided such as the investment in concierge and environmental services management costs in these properties are higher than similar low-rise properties.

  The reduction in the measure as shown in chart 4 is a reflection of the achievement of our savings target this financial year combined with the work we have done to streamline our operational cost base over the previous strategic period. This has been achieved through the effective use of our group structure and the sharing of infrastructure and working platforms. The development of our new ways of working and the enhancement of our digital services will enable us to access future cost efficiencies.

Chart 4:



Source: Scottish Housing Regulator comparison of Scottish RSL unit costs 2020/21
Wheatley Housing Group Financial Statements 2021/22 note 4, note 17

STRATEGIC REPORT (continued)

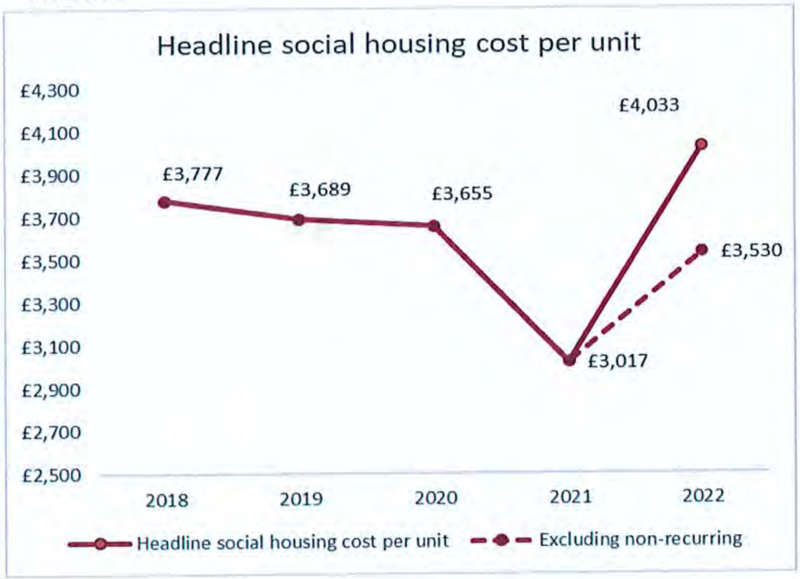
- Social Housing cost per unit

  The timing of capital investment in our social housing and the catch-up programme of postponed work in 2021/20 has an effect on the Group's headline social housing cost per unit.

  In 2020/21, the pandemic related restrictions and associated disruption to the delivery of the Group's investment programme reduced capital investment spend below planned levels and in turn lowered headline social housing cost per unit to £3,017. The increase this year in the size of the 2021/22 capital investment programme to deliver all the planned works that were postponed during the pandemic in DGHP and the non-recurring smoke and heat detector installation programme flows through to headline social housing cost per unit and in turn increases it to £4,033.

  On a return to planned levels of capital investment, and as the Group's cost and other efficiency targets continue to be met, the historic underlying reducing trend in operating cost per unit is expected to resume. For comparison, excluding the £30.8m of non-recurring capital investment spend in 2021/22, social housing operating costs at £3,478 continue to show a downward trend when compared to the measure pre-pandemic.

Chart 5:



Treasury Management

Long term debt facilities

As at 31 March 2022, Wheatley Group had £1,805.7m (2021: £1,813.6m) of bond and bank funding facilities in place with total Group drawn debt balances of £1,520.0m (2021: £1,499.5m).

The debt facilities of Wheatley Homes Glasgow, West Lothian Housing Partnership, Loretto Housing and Dunedin Canmore Housing were provided through intra-Group arrangements with our RSL Group treasury vehicle, Wheatley Funding No.1 Ltd ("WFL1"). The funding facilities of WFL1 consisted of bank facilities from a syndicate of three commercial lenders, as well as two

STRATEGIC REPORT (continued)

debt facilities from the European Investment Bank, a committed facility with HSBC, private note placements with BlackRock and bond funding raised on the debt capital markets. WFL1 facilities totalled £1,472.7m at 31 March 2022 (2021: £1,480.6m). These loans are secured on property assets of these RSLs through a security trust structure.

In addition to group funding through WFL1, Dunedin Canmore Housing has a £16.5m direct loan from The Housing Finance Corporation ("THFC") secured on DCH property assets and a £16.0m unsecured loan from Allia Social Impact Finance Limited ("Allia").

Dumfries and Galloway Housing Partnership Limited joined the Wheatley Group in December 2019 and remained funded on a stand-alone basis until 1 April 2022 when it acceded to the WFL1 borrowing arrangements. As at 31 March 2022, DGHP's facilities totalled £224.0m (2021: £224.0m) consisting of a private note placement with M&G, a revolving credit facility from RBS and direct loans from THFC and Allia.

Wheatley Funding No.2 Ltd ("WFL2") is the funding vehicle for the commercial activities of the Wheatley Group with a £76.5m (2021: £76.5m) debt facility in place with Scottish Widows, secured against properties for mid-market rent.

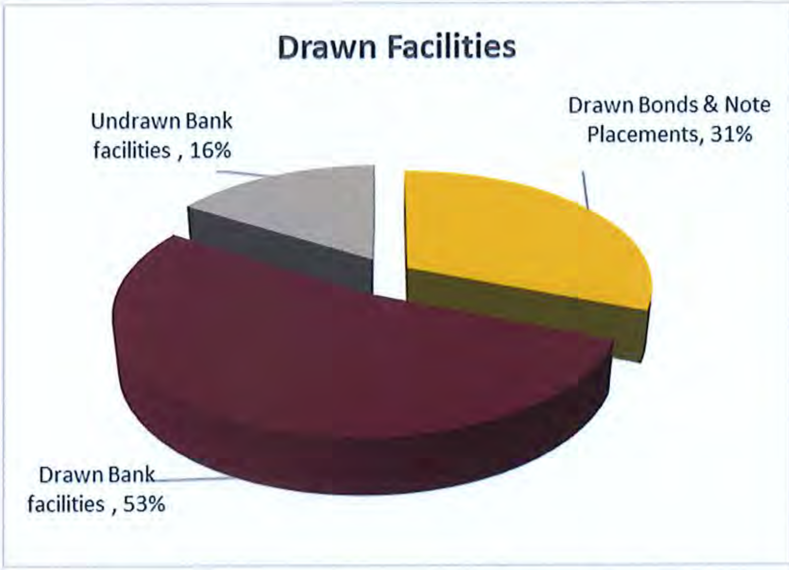
The committed funding facilities in place on 31 March 2022 comprised the following:

Group Co	Facility	Principal
WGC plc	Public bond - issued 2014/15	£300.0m
WFL1	Private Placement loan notes - issued 2017/18	£100.0m
WFL1	Private Placement loan notes - issued 2018/19	£50.0m
WFL1	HSBC facility	£100.0m
WFL1	Commercial bank syndicated facility	£648.2m
WFL1	European Investment Bank facilities (2003 & 2018)	£274.5m
DCH	THFC facilities	£ 16.5m
DCH	Allia loan	£ 16.0m
WFL2	Scottish Widows facility	£ 76.5m
DGHP	Private Placement loan notes – issued 2019/20	£114.0m
DGHP	RBS facility	£ 35.0m
DGHP	THFC facilities	£ 40.0m
DGHP	Allia facilities	£ 35.0m
		£1,805.7m

STRATEGIC REPORT (continued)

Total drawn balances as at 31 March 2022 were £1,520.0m. Group RSLs had drawn £1,179.8m from WFL1. DCH's direct loans were drawn at £16.5m from THFC and £16.0m from Allia. In WFL 2, Lowther Homes had fully drawn the £76.5m facility. DGHP had fully drawn facilities from M&G, THFC and Allia, totalling £189.0m.

Chart 6:



As at 31 March 2022, £285.7m (15.8%) of borrowing facilities were undrawn (2021: £314.1m, 17%).

The weighted average duration of drawn debt across the Group following the refinancing exercise which became effective on 1 April 2022 is 16.5 years (2021: 17.16 years). Under the Group Treasury Management Policy, no more than 10% of its total loan maturities fall due for repayment within 24 months (Liquidity Golden Rule).

The historic weighted average cost of drawn debt, inclusive of margins and hedging activities, was 3.96% on a Group-wide basis at 31 March 2022 on an annual effective rate basis (2021: 3.99%). Asset value (for debt security purposes) was £2,987.8m at 31 March 2022, with £428.1m (14%) of assets being unsecured.

Counterparty risk

The notional pooling of surplus cash across RSLs is used to enhance the Group's ability to earn interest on cash balances. Cash balances are held in accounts that earn interest and minimise balances held in zero interest accounts.

The Group operates a conservative counterparty risk management strategy that aims to minimise the risk of a financial loss, reputational loss or liquidity exposure as the result of counterparty to any treasury transaction becoming insolvent. As at 31 March 2022, all cash investments are held with counterparties who meet the criteria of the Group Treasury Management Policy.

STRATEGIC REPORT (continued)

Interest rate risk

The Group's Treasury Management Policy sets out an on-going objective in relation to the proportion of fixed versus floating rate debt, with the target proportion in the policy specified at 75 – 95% across the term of the debt. At 31 March 2022, 89.9% of Group borrowings were at fixed rates (2021: 89.0%).

In respect of bank loans, the Group hedges against interest rate risk through the use of embedded hedges within its bank facilities, the terms of which permit these loans to be classified as "basic" financial instruments under FRS 102. The Group does not have any stand-alone derivatives across any of the debt instruments and no margin call clauses existed in any loan or derivative contracts entered into by Group entities.

Currency risk

The Group borrows and invests surplus cash only in sterling and does not have any foreign currency risk.

Loan covenant compliance

Loan covenants relate to interest cover, borrowing levels relative to surplus generation and per unit, and asset cover, based on social housing asset values. Covenants are monitored monthly and were comfortably met throughout the year and at the year end for all loan facilities.

On behalf of the Board

Jo Armstrong

Jo Armstrong, Chair

25 August 2022

DIRECTORS' REPORT

The Directors present their report together with the audited consolidated financial statements of the Group for the year ended 31 March 2022.

Result for the year
The result for the year and an analysis of the performance of the Group has been included within the Strategic Report.

Wheatley Board, Committee structure and related matters
Wheatley Housing Group ("the company") is the parent company of the Group which comprises a range of subsidiaries, referred hereafter as 'partners'. Our partners include: five Registered Social Landlords; a commercial subsidiary; our care subsidiary; a group services company Wheatley Solutions, The Wheatley Foundation and a 50:50 joint venture with Glasgow City Council - City Building (Glasgow) LLP.

All members of the Group work collaboratively to ensure that each member can achieve more for their customers and communities through being part of the Group than they could on their own.

The Group is regulated by the Scottish Housing Regulator ("SHR") and complies with the SHR's Regulatory Framework and Regulatory Standards of Governance.

As at 31 March 2022, the company's Articles of Association allowed for the appointment of up to fifteen directors as follows:

- Up to seven Independent Non-Executive Directors
- Up to six subsidiary Chair Board Directors
- Up to two Co-opted Directors
- Up to one 'Other' Director

The Directors of the Group Board who hold current appointments up to the date of signing the financial statements are listed below together with any Group Committees served on at any point over the same period, followed by a list of Directors who resigned during the year.

DIRECTORS' REPORT (continued)

CURRENT APPOINTMENTS

Jo Armstrong Group Chair

Appointment 24 June 2015 and was appointed Group Chair on 29 September 2021.

Jo is one of Scotland's leading business economists whose extensive professional career spans financial services, the Scottish civil service and charitable sector. An experienced Non-Executive Director and Chair, she is currently panel member of the Competition and Markets Authority, a member of the Water Industry Commission for Scotland, Chair of Hub West Scotland and a member of the Institute of Director Scotland Advisory Board.
Previously, Jo chaired OFGEM's expert panel for its Electricity Network Innovation Fund; was a budget advisor to two Scottish parliamentary committees; an honorary professor of Public Policy at Glasgow University and is a former chair of ENABLE Scotland. She holds two degrees in economics from the University of Strathclyde.

Group Boards and Committees
Group Strategic Development Committee (Chair from 29 September 2021)
Group Remuneration, Appointments, Appraisals and Governance Committee (Chair from 29 September 2021)

Martin Kelso Group Vice Chair

Appointment 1 June 2016 and was appointed Group Vice-Chair on 29 September 2021.

A Chartered Accountant, also holding a MBA from Cranfield University, he has substantial senior experience in financial, general and change management roles. Martin chairs the Group Audit Committee. He has led successful programmes involving new business start-ups, merger and integration, business disposals rectification of control failures across a range of roles including as Interim Strategic Finance Director of Virgin Money, Finance Director of Intelligent Finance (HBOS) and commercial lending and finance roles at Halifax.
Martin currently provides expert financial and change management consultancy services across a range of sectors and is a Trustee with his local Citizens Advice Bureau.

Group Boards and Committees
Group Audit Committee (Chair until 29 September 2021)
Group Strategic Development Committee
Group Remuneration, Appointments, Appraisals and Governance Committee
Wheatley Group Capital PLC (Chair and Non-Executive Director)
Wheatley Funding No1 Limited (Chair and Non-Executive Director)
Wheatley Funding No2 Limited (Chair and Non-Executive Director)

DIRECTORS' REPORT (continued)

Martin Armstrong Director

Appointment 17 September 2012.

Martin is widely regarded as one of the foremost figures within affordable housing and the wider public sector. Under his leadership, Wheatley has established a formidable track record and reputation across the UK and in Europe as a leading housing, care and property-management group. Wheatley – which owns or manages 93,600 homes – encompasses five Registered Social Landlords, a commercial subsidiary, an award-winning care organisation and a charitable foundation. His housing career, spanning more than 25 years and covering the length and breadth of England and Scotland, has been marked by a string of national and international awards and accreditations. These include the European Foundation for Quality Management's UK Award for Leadership and Quality Scotland's Leadership Award. In March 2018, Martin was named as Director of the Year in the large business category by The Institute of Directors Scotland. In 2014, he led Wheatley's £300 million debut bond issue on the capital markets.

Group Boards and Committees
Wheatley Enterprises Limited (Director)

Jo Boaden CBE Non Executive Director

Appointment 17 December 2018.

Jo started her career as an Environmental Health Officer in Glasgow and has since held a number of senior roles in housing, regeneration and social policy across the UK in both the public and private sectors. Prior to her retirement, Jo was Chief Executive of the Northern Housing Consortium for 9 years.
An experienced Non Executive, Jo is a member of the Board of the Regulator of Social Housing in England and Chair of CaCHE North and the Midlands Hub – the UK collaborative centre for housing evidence. Prior to this Jo was Chair of Your Homes Newcastle, one of the largest property management organisations in the North East.
A former winner of the prestigious Woman of the Year title at the 2018 Women in Housing Awards, Jo was awarded a CBE for services to housing in 2018 and holds a LLB (Hons) and MBA.

Group Boards and Committees
Wheatley Homes Glasgow (Parent Appointee)
Group Strategic Development Committee
Wheatley Solutions (Non Executive Director and Chair from 29 September 2021)

Lindsey Cartwright Subsidiary Chair Director

Appointment 29 September 2021.

Lindsey is a qualified solicitor with over 20 years' experience and Chair of Wheatley Care. She is accredited by the Law Society of Scotland as a specialist in employment law. Lindsey has been a Partner with Morton Fraser LLP since 2010. She has considerable understanding of business development and strategy and sits as a Non-Executive Member of Morton Fraser's Management Board.

Group Boards and Committees
Wheatley Care (Chair from 29 September 2021)

Maureen Dowden Subsidiary Chair Director

Appointment 12 May 2020

Maureen has worked in housing for almost 40 years, a career that started in local government and went on to include senior positions at The Glasgow Housing Association and Wheatley Group prior to retiring in early 2018. She has a particular expertise in corporate governance in regulated environments, and community empowerment and engagement. An experienced Non-Executive, Maureen is Vice Chair of Thenue Housing and has previously held roles on the Boards of Quality Scotland Foundation, Loretto Housing Association and Supporting Communities Northern Ireland.

Group Boards and Committees
Dumfries and Galloway Housing Partnership (Chair)

DIRECTORS' REPORT (continued)

Bryan Duncan Non Executive Director

Appointment 17 January 2019

A Chartered Surveyor, he has spent more than 35 years specialising in commercial and residential property investment, development and asset management. Bryan was an equity partner at Donaldsons LLP, a senior director at DTZ and is currently the founder/owner of Henry Duncan, a niche commercial and residential property investor, developer and financier.
Bryan also has a wide range of non-executive experience and currently serves as a Non-Executive Director of a number of organisations including Hope for Glasgow Ltd, Cornhill Scotland and the London City Mission. Bryan holds an Executive MBA and Diploma in Management Studies.

Group Boards and Committees
Group Remuneration, Appointments, Appraisals and Governance Committee
Group Strategic Development Committee
City Building (Glasgow) LLP (Wheatley appointee)
Wheatley Developments Scotland (Non Executive Director and Chair)

Caroline Gardner CBE Non Executive Director

Appointment 29 September 2021

A qualified accountant, Caroline was the Auditor General for Scotland from 2012 to 2020. She was responsible for auditing the Scottish Government and public bodies in Scotland and reported to the Scottish Parliament.
Prior to this she held several senior roles, including as Controller of Audit and Deputy Auditor General in Audit Scotland as well as Chief Financial Officer in the Turks and Caicos Islands Government.
Caroline is an experienced non-executive director and holds various positions including on the PwC Audit Oversight Body, the International Federation of Accountants, Public Sector Audit Appointments Ltd and as an independent member of the House of Lords Audit Committee. Caroline is a Fellow and past President of the Chartered Institute of Public Finance and Accountancy, a Fellow of the Royal Society of Edinburgh, and holds an MBA from Warwick Business School.

Group Boards and Committees
Group Audit Committee (Chair), Group Strategic Development Committee, Group Remuneration, Appointments, Appraisals and Governance Committee, Wheatley Group Capital PLC (Non-Executive Director), Wheatley Funding No1 Limited (Non-Executive Director), Wheatley Funding No2 Limited (Non-Executive Director)

DIRECTORS' REPORT (continued)

Eric Gibson Subsidiary Chair Director

Appointment 29 September 2021.

Prior to his appointment to the Wheatley Group Board, Eric was a Non-Executive Director of Cube Housing Association and also served as the Vice Chair of The Wheatley Foundation from its formation in 2016 until 2021. Eric was career banker and Fellow of the Chartered Institute of Bankers in Scotland, and held various senior management roles with Bank of Scotland and Lloyds Banking Group. During his banking career, Eric worked with SME and corporate customers in a wide variety of sectors. On leaving banking in 2014, Eric established his own advisory business which he ran for three years. He was formerly a Board member at Social Investment Scotland where, in addition to his Board role, he chaired the Credit Risk Committee.

Directorships and Committee memberships
Lowther Homes (Chair from 29 September 2021)
Loretto Housing (Chair from 29 September 2021)

Professor Paddy Gray Non Executive Director

Appointment 26 April 2017.

Paddy is one of the UK housing sector's most eminent figures and is regarded as an authority on housing strategy and social policy, nationally and internationally. In 2017, he was named the top "Power Player" in the UK housing sector by trade magazine 24 Housing.
He is Professor Emeritus of Housing at the University of Ulster and has had more than 300 publications on housing-related issues. He continues to regularly contribute to international conferences and seminars as well as act as an external examiner for housing degrees at several universities and professional bodies.
Paddy has a wide range of Non Executive experience including as the first Irish President of the UK Chartered Institute of Housing, having previously served as Vice President and Treasurer. His awards include Honorary Fellowship of Royal Institute of Chartered Surveyors 2012, Belfast Ambassador of the Year Award 2014 Visit Belfast, Outstanding Contribution to Work Experience. National Undergraduates Employability Awards UK 2015
In 2020 he was awarded an OBE for services to housing.
He is a Visiting Professor at Fujian Jiangxia University China and Spiru Haret University Bucharest Romania.

Directorships and Committee memberships
Wheatley Homes Glasgow (Parent Appointee and Vice Chair)
City Building (Glasgow) LLP (Wheatley appointee)
Wheatley Foundation (Non-Executive director and Chair)

Bernadette Hewitt Subsidiary Chair Director

Appointment 25 October 2016.

Bernadette has a wide range of governance, community development and Non Executive experience across a range private, regulated and not-for-profit organisations.
A passionate advocate of community engagement and empowerment Bernadette is the Vice-Chair of Barmulloch Community Development Company. She is also a former member of the Glasgow Community Planning Partnership Strategic Board. Bernadette is a tenant of Wheatley Homes Glasgow.

Directorships and Committee memberships
Wheatley Homes Glasgow Board (Chair), Group Audit Committee
Group Remuneration, Appointments, Appraisals and Governance Committee, Group Strategic Development Committee
Wheatley Solutions (Non-Executive Director)
Wheatley Enterprises Limited (Non-Executive Director)
City Building (Glasgow) LLP (Wheatley appointee and Vice-Chair

Manish Joshi Non Executive Director

Appointment 27 April 2022

With extensive experience in philanthropic and business sectors – at local, national and global levels - as well as experience in strategy, organisational design and governance and stakeholder management, Manish is currently the Chief Executive of the University of Strathclyde's Student Union.
Manish graduated from Strathclyde University himself with a BA (Hons) in Economics. Previously he has held roles in which he has developed talent, fostered diversity and built high performing teams including as Chief Executive of Network Care and Director of Stakeholder Engagement at Global Call for Climate Action. Manish also has voluntary experience as he is currently a trustee of the Scottish Council for Voluntary Organisations (SCVO) and had served as an advisor to both COP26: Stop Climate Chaos Scotland and the European Climate Foundation: Movements Fund.

Directorships and Committee memberships
Wheatley Solutions (Non-Executive Director)

DIRECTORS' REPORT (continued)

Mairi Martin Subsidiary Chair Director

Appointment 29 September 2021.

Mairi is a highly experienced senior leader with a particular expertise in strategic business transformation through people and technology. She is currently Executive Director of Transformation and a member of the Executive Team of Mencap UK, a large UK charity for people with a learning disability, and Chair of West Lothian Housing Partnership.
Mairi has a wide range of housing and care experience having spent seven years at Cornerstone, where she was responsible for varied business support functions with particular expertise in HR, strategy, and technology. Prior to this she spent 13 years at Riverside Group, one of the UK's largest housing and care providers, and was latterly Executive Director of Resources.

Directorships and Committee memberships
West Lothian Housing Partnership (Chair from 29 September 2021)

Mary Mulligan Subsidiary Chair Director

Appointment 25 October 2017

Mary is a former Member of the Scottish Parliament. She brings extensive governance experience from this role, having served in a range of roles including Deputy Minister for Health and Community Care and Minister for Housing and Communities as well as a member serving on a number of parliamentary Committees.
Mary has also worked across the public, private and not-for-profit sectors and has significant experience in social policy, partnership working and community development and engagement. She has also an experienced Non Executive, having served on the Board of a number of charitable organisations.

Directorships and Committee memberships
Dunedin Canmore Housing Limited (Chair)

DIRECTORS' REPORT (continued)

PREVIOUS APPOINTMENTS

Alastair MacNish OBE Group Chair

Appointment 17 September 2012 , Chair since 31 March 2015, resigned 29 September 2021.

Alastair spent his career in local government, initially in finance as a Chartered Accountant and then five years as the Chief Executive of South Lanarkshire Council – Scotland's third largest local authority at the time. He was formerly the Chairman of the Accounts Commission and Audit Scotland and has advised the Scottish Government on a wide range of issues, including chairing the Leadership Advisory Panel on Local Government Leadership Capacity and providing expert evidence to the Scottish Parliament Local Government and Communities Committee on budget setting. Alastair also chaired Greenock Medical Aid Society and The Royal Caledonian Curling Club, as well as being a director of the Scottish Curling Trust and a Board director of British Curling. He has been Chair of Wheatley Housing Group Limited since 31 March 2015.

Directorships and Committee memberships – up to 29 September 2021
Wheatley Group Remuneration, Appointments, Appraisals and Governance Committee (Chair)
Wheatley Group Strategic Development Committee (Chair)
Wheatley Enterprises Limited (Non Executive Director)

Shiela Gunn Group Vice Chair

Appointment 6 November 2012, Vice Chair since 28 October 2015, resigned 29 September 2021

A non-executive director with particular experience in remuneration, executive reward and pensions, and commercial adviser to a range of businesses, Sheila has a track record of Board-level success gained as counsel in numerous leading companies. A highly accomplished commercial lawyer and accredited mediator, Sheila worked in legal private practice for 23 years and left to pursue a management career in industry and undertake non-executive appointments. Sheila currently holds a number of Non Executive roles across a range of sectors including as a member of the Accounts Commission, a member of the Reassure Life and Standard Life Independent Governance Committees, a Non-Executive Director of the Scottish Building Society, a member of the ICAS Ethics Board and a trustee of the Chartered Banker.

Directorships and Committee memberships – up to 29 September 2021
Wheatley Group Audit Committee
Wheatley Group Remuneration, Appointments, Appraisals and Governance Committee
Wheatley Group Strategic Development Committee
Wheatley Solutions Limited (Chair)
Lowther Homes Limited (Non Executive Director)
YourPlace Property Management (Non Executive Director)
Wheatley Enterprises Limited (Non Executive Director)

John Hill Subsidiary Chair Director

Appointment 16 December 2015, resigned 29 September 2021.

A qualified accountant, John retired having been Depute Chief Executive of West Lothian Council. He has significant experience at executive and senior management level in local government, including senior roles leading the council's operational services; housing, construction and building services; Direct Labour Organisation, and business services.
John has experience in Non-Executive and Board roles, including having served on the Improvement Service PSIF Board, Chairing West Lothian Recycling Ltd and as Scottish Secretary of the Association for Public Service Excellence.

Directorships and Committee memberships – up to 29 September 2021
West Lothian Housing Partnership Limited Board (Chair)

Peter Kelly Subsidiary Chair Director

Appointment 1 May 2016, resigned 29 September 2021

Peter is a Banking Partner at Scotland's largest law firm, Brodies LLP, and holds both a LLB (Hons) and BAcc from the University of Glasgow. He acts for lenders and borrowers in leveraged, real estate and corporate finance transactions. Peter also specialises in healthcare, renewables and third sector deals and is recognised as a ranked individual for Banking and Finance by Chambers & Partners. Peter also has significant experience in the care sector, having served as a Non-Executive Director with the Balhousie Group and as Company Secretary of a nursing home.

Directorships and Committee memberships – up to 29 September 2021
Group Audit Committee
Cube Housing Association Limited Board (Chair)

DIRECTORS' REPORT (continued)

Angela Mitchell Non Executive Director

Appointment 3 May 2019, resigned 27 April 2022.

A technology specialist, Angela is passionate about applying digital and IT to improve business outcomes. She has been a partner at Deloitte since 2010 where she oversees their public sector technology business across the UK as well as leading the Scottish public sector practice and being the Glasgow Office Senior partner. Angela has over 23 years' experience in IT, digital consulting and in delivering transformation programmes. She has a strong track record in leading complex projects for clients across the public sector, including government, health and policing. For the last 10 years, Angela has sponsored Deloitte's Technology Women's Network which supports women to continue their careers in technology and encourages girls from school age to consider careers in STEM. She is also a member of the CBI's Women in Technology Group. Angela holds a BSc Hons (First class) in Laser Physics and Optoelectronics and a MSc in Business Information Technology Systems.

Directorships and Committee memberships – up to 27 April 2022
Group Audit Committee
Wheatley Solutions (Non-Executive Director)

James Muir Subsidiary Chair Director

Appointment 16 December 2015, resigned 29 September 2021

James is a Chartered Accountant and experienced business leader with over 25 years' experience in financial, operational and strategic roles across a range of sectors including utilities, health, financial and outsourcing services.
He is currently the Chief Commercial Officer at V.Group, a leading independent provider of vessel management and marine services. He previously held roles within the V.Group as Commercial Director, Business Development Director and Operations Director as well as accounting and finance roles in private and public sector organisations.

Directorships and Committee memberships – up to 29 September 2021
Wheatley Care (Chair)

DIRECTORS' REPORT (continued)

Attendance at meetings*

Name	Group Board	Group Audit Committee	Group Remuneration, Appointments, Appraisals and Governance Committee	Group Strategic Development Committee	Group Development Committee
Alastair MacNish	2/2	-	4/4	-	-
Sheila Gunn	2/2	0/2	4/4	-	-
Jo Armstrong	8/8	2/2	6/6	-	2/2
Martin Kelso	8/8	4/4	6/6	-	-
Martin Armstrong	8/8	-	-	-	-
Jo Boaden	8/8	-	-	-	-
Lindsey Cartwright	5/5	-	-	-	-
Maureen Dowden	7/8	-	-	-	-
Bryan Duncan	8/8	-	2/2	-	5/5
Caroline Gardner	5/5	2/2	2/2	-	-
Eric Gibson	5/5				
Professor Paddy Gray	7/8	-	-	-	-
Peter Kelly	2/2	1/2	-	-	-
Bernadette Hewitt	6/8	4/4	4/6	-	-
John Hill	2/2	-	-	-	-
Mairi Martin	4/5	-	-	-	-
Angela Mitchell	5/8	4/4	-	-	-
James Muir	2/2	-	-	-	-
Mary Mulligan	8/8	-	-	-	-

The Group Board is responsible for the strategic direction of the Group and financial planning. Key responsibilities are:

- approval of the Group strategy;
- approval of the Group Business Plan, budget and any variations and amendments to them, together with other matters which fall within the role of the Group Board;
- approval of the creation of new subsidiaries and partnerships;
- approval of the Group governance arrangements, systems of internal control and delegations and identification of risk;
- defining and ensuring compliance with our values and objectives as a registered social landlord; and
- approving each year's Group financial statements.

DIRECTORS' REPORT (continued)

The main activities and approvals of the Group Board during the year were:

- ongoing oversight of the impact of the pandemic on the Group's activities and agreement of our associated response;
- setting Terms of Reference for an independent strategic governance review and agreeing an implementation plan following completion of the review;
- appointment of a new Group Chair and Group Vice Chair;
- approved the succession planning process for the Group Chief Executive;
- approved a revised three Board year succession plan;
- commissioned and reviewed an independent review of the Group's response to the pandemic;
- approved five-year Group plans for investment and development;
- agreed plans for regeneration of Wyndford;
- reviewed the findings of an independently conducted five year review of City (Building) Glasgow our joint venture with Glasgow City Council;
- reviewed the Group's pensions strategy;
- agreed that all Registered Social Landlords initiate a consultation with all tenants on their future operating and engagement models;
- agreed that West Lothian Housing Partnership engage with tenants on proposals to transfer their stock to Dunedin Canmore Housing to form a single east of Scotland vehicle;
- approval of the Group business plan and budget, including comprehensive stress testing of the business plan;
- approved a number of changes to the Group's borrowing arrangements;
- approved a group sustainable finance framework ; and
- oversight of partner financial and operational performance.

The Board is supported in discharging its duties by four sub-Committees: Remuneration, Appointments, Appraisal & Governance; Group Audit; Group Strategic Development and Group Development Committee.

The role and remit of the Committees are set out below:

Group Audit Committee
The Committee is made up of up to seven members from the Group Board and co-opted members. The Committee is responsible for:

- reviewing the Group's system of internal control, compliance assurance and risk management;
- providing an overview of the internal and external audit functions;
- scrutinising the financial statements;
- appointing and agreeing the remuneration of the external auditor;
- monitoring the implementation of internal audit recommendations;
- reviewing internal audit reports and external audit reports and management letters, and monitoring the implementation of audit recommendations arising therefrom;
- reviewing the internal audit plan and scope of work; and
- reviewing the effectiveness of the overall risk strategy.

DIRECTORS' REPORT (continued)

The main activities of the Group Audit Committee during the year were:

- introducing a new approach to, and undertaking, a self-assessment of its performance
- overseeing the 2020/21 financial statements;
- reviewing key accounting judgements and estimates;
- reviewing the outcome of the Internal Audit Internal Quality Assessment;
- reviewing the Group's cyber security arrangements and associated planned future activities
- reviewing the annual anti-fraud, bribery and corruption report
- approving the rolling Internal Audit plan;
- approval of revised Anti-Money Laundering Policy
- considered the findings from an external review of the Group's Business Plan model
- reviewing the Group's strategic risk register and making recommendations to the Board on changes to risk profile and mitigations; and
- scrutinising the Group's fire safety arrangements, ongoing fire risk assessment programme and accidental dwelling fire incidents.

The Committee reports to the Group Board via its Chair.

Group Remuneration, Appointments, Appraisals and Governance Committee

The Committee is made up of up to five members inclusive of the Group Chair, Vice-Chair, and the Chairs of Wheatley Homes Glasgow and the Group Audit Committee.
It is responsible for:

- approving the process for recruitment, selection, succession planning and appraisal of Board members;
- ensuring Board members within the Group have the necessary balance of skills and experience to fulfil their roles;
- evaluation and review of Group's governance framework;
- making recommendations to the Group Board regarding the appointment and remuneration of the Group Chief Executive and Group Board Directors; and
- succession planning arrangements across the Group.

The main activities of the Remuneration, Appointments, Appraisals and Governance Committee during the year were:

- oversight of progress implementing the strategic governance review implementation plan
- oversight of the Group Chair and Group Vice-Chair sucession planning process;
- development of recommendations to the Board in respect of the Group's succession planning arrangements in particular a new approach to incorporating diversity indicators;
- review and approval of changes to partner constitutions
- review of the Group's approach to Board appraisal and expenses, hospitality and remuneration policies;
- oversight of the Group's Board member recruitment and approval of all appointments to subsidiary Boards, and
- annual review of the remuneration and conditions of the Group Chief Executive.

The Committee reports to the main Board via its Chair.

Group Strategic Development Committee

The Committee is made up of up to six members of the Group Board. It is responsible for reviewing any new major strategic projects and initiatives on behalf of the Group Board.

The Board did not refer any matters to the Committee during the year.

DIRECTORS' REPORT (continued)

The Committee reports to the Group Board via its Chair.

Group Development Committee
The Committee is made up of up to nine members inclusive of at least one Group Board member and up to six members drawn from partners' Boards.
It is responsible for:

- approving the Group's development strategy;
- approval of individual development projects within agreed criteria;
- approval of non-material cost variations;
- approval of land acquisitions or options to acquire; and
- allocation of the Group Development Fund.

The main activities of the Group Development Committee during the year were:

- oversight of the impact of the pandemic on our development activity and remobilisation approach;
- financial risk and exposure monitoring of development counterparties
- approval of the five-year Group Development strategy;
- approval of development projects;
- reviewed the approach to mitigating risk in development projects;
- considered independent research on construction material shortages and future supply issues and the implications for our future development programme: and
- oversight of development financial and operational performance.

The Committee reports to the main Board via its Chair.

DIRECTORS' REPORT (continued)

Executive Team

The Executive Team provide day to day leadership of the Group and are responsible for the implementation of the strategic direction and financial planning on behalf of the Board.

Martin Armstrong Group Chief Executive

Martin sits on the Board of Wheatley Housing Group and also leads the Group's Executive team.

Steven Henderson Group Director of Finance

Steven Henderson joined Wheatley Group as Director of Finance in 2013 from the European Investment Bank (EIB). An experienced Chartered Accountant, Steven has specialised in housing and regeneration finance throughout his career. He worked for PricewaterhouseCoopers in Glasgow and also held a senior position with Ernst & Young before moving to EIB in Luxembourg where he was responsible for investment of £250 million of EU Structural Funds, as well as lending activity for the bank in the UK social housing, regeneration, climate change and sustainability sectors. During his time at Wheatley, the Group has raised more than £1.2 billion of private and public investment, which has funded investment in existing homes and one of the UK's most ambitious house-building programmes. Steven will take over the position of Wheatley Group Chief Executive later in 2022.

Graham Isdale Group Director of Corporate Affairs

A former UK Board director of one of the world's largest communications companies, Graham joined Glasgow Housing Association in 2009. He was previously instrumental in building two of the biggest independent PR consultancies in the UK and has handled major crisis, issues-management and communications assignments for multi-nationals all over the world, as well as FTSE 100 companies and Government departments and agencies. Graham is also a former regional newspaper editor.

Frank McCafferty Group Director of Repairs & Assets

Frank joined Wheatley Group in March 2022 from South Lanarkshire Council where he was Head of Property Services. Frank, a qualified Chartered Surveyor, has more than 30 years' experience in the construction, property-management and asset-management industry across both the public and private sectors. Frank is responsible for Wheatley Group's investment programme and the repairs service provided by in-house teams in the east and south and City Building Glasgow, jointly owned with the City Council and employing almost 2500 employees, in the west.

Laura Pluck Group Director of Communities

Laura has more than 20 years' experience working in the social care sector in a range of operational and strategic roles. She was previously Managing Director of Wheatley Care. Laura has a BA Honours in Social Policy from Paisley University and holds a number of professional care qualifications. She has significant experience in leadership, performance and quality improvement, as well as regulatory compliance. Laura was appointed to Wheatley Group's Executive Team in April 2022.

Hazel Young Group Director of Housing and Property Management

Having more than 25 years of experience in the housing sector, Hazel has worked in several senior management roles within Wheatley Group since 2008, including Managing Director of Dunedin Canmore, WLHP and Loretto Housing, Director of Policy and Service Development at Wheatley and South Area Housing Director at Glasgow Housing Association. Hazel has a Political Economy and Philosophy degree from the University of Glasgow and an MSc in Housing from the London School of Economics. Hazel joined Wheatley Group's Executive Team in April 2022.

DIRECTORS' REPORT (continued)

STATEMENT ON INTERNAL FINANCIAL CONTROL

1. Corporate Governance Statement

The Group complies with the Regulatory Standards of Governance and Financial Management issued by the Scottish Housing Regulator. In accordance with the UK Listing Authority's Listing Rule 17, details of the administrative, management and supervisory bodies which govern the Group, including Wheatley Group Capital plc, are set out on pages 38 to 50.

The internal control and risk management systems which cover the Group's consolidated annual financial statements are set out below.

2. Background and responsibility

The system of internal financial controls is designed to manage risk to a reasonable level agreed by the Board (which is managed to within agreed levels of risk appetite) rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is designed to:

- identify and prioritise the risks to the achievement of the organisation's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised;
- manage them efficiently, effectively and economically;
- safeguard assets against unauthorised use or disposition; and
- manage the maintenance of proper accounting records.

3. Overview of main features of the system of Internal Financial Control

The Board of Wheatley Housing Group is responsible for ensuring that an effective system of internal financial control is maintained within all members of the Group. This system of internal financial control can provide reasonable but not absolute assurance against material misstatement or loss.

The key methods by which the Board establishes the framework for providing effective internal financial control are as follows:

- Corporate Governance arrangements as outlined in the Corporate Governance Statement;
- regular meetings of the Board, and Subsidiary Boards, which have a schedule of matters that are specifically reserved for approval and are the subject of regular standard reports as required;

DIRECTORS' REPORT (continued)

- arrangements under terms of reference for the Group Audit Committee to meet regularly and receive reports from management and internal and external auditors on the system of internal control in operation across the Group, and to oversee arrangements for provision of reasonable assurance that control procedures are in place and are being followed.
- written policies and procedures including Standing Orders setting out delegated authorities across Group Subsidiaries;
- an organisational structure to support business processes and with clear lines of responsibility;
- the employment of suitably qualified and experienced staff to take responsibility for key areas of the business. This is supported by a formal personal development programme;
- an Internal Audit function with an Audit Plan which produces an annual Internal Audit Report Opinion;
- adoption of a risk-based approach to internal control through evaluating the likelihood and impact of identified corporate risks, vesting responsibility for risk management and internal control with designated owners and with an ongoing process of monitoring and reporting progress against the company's key risks established through the corporate risk management framework;
- a Business Plan and Budget supporting strategic and operational plans, financial targets, regularly revised forecasts, a comparison of actual with budget and with forecast on a quarterly basis, operating cash flow and variance statements, and key performance indicators, all of which are reviewed by the Board; and
- measurement of financial and other performance against the Delivery Plan objectives and key performance indicators and targets.

4. Role of Internal Audit

The Group Audit Committee oversees the Internal Audit function which has a pivotal role in assessing the Group's internal financial controls. As part of Internal Audit work, reviews are directed by the Group Audit Committee using a risk-based approach to assess the robustness of the implementation of the Group's key systems of internal control.

Internal Audit provides information on the various strengths and weaknesses on the approach the Group has adopted, and provides recommendations where improvements are necessary and desirable for good governance and effective risk management. Management across the Group is responsible for the implementation of improvements and agreed actions identified from Internal Audit activity.

DIRECTORS' REPORT (continued)

In line with good practice, Internal Audit provides the Group Audit Committee and the Board with an Annual Internal Audit Opinion which summarises all the work completed during the year. The overall Internal Audit opinion provided in the 2021/22 statement is detailed below:

"Based on our Group-wide work undertaken in 2021/22 a substantial level of assurance can be given that there is a sound system of internal control, designed to support achievement of relevant organisational objectives, except for weaknesses in Lowther Homes processes and controls in relation to the administration of deposits where there is limited assurance. Some weaknesses in the design and or consistent application of controls exist for both Lowther Homes and across the wider Group. Management has agreed to the improvements to the control environment and the progress of implementing these additional controls will be reported to the Group Audit Committee."

5. Risk and Control Framework

Wheatley Housing Group recognises the importance of effective identification, evaluation and management of all key strategic and operational risks, and this is a requirement set out by the Scottish Housing Regulator's Regulatory Standards.

"The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose."

Risk management is a key element of the Group's overarching governance arrangements as it demonstrates that the Group has considered those areas which put the achievement of its strategic objectives under threat, that it has analysed the consequences of things going wrong and identified the actions and controls needed to prevent or limit these consequences; in accordance with agreed levels of risk appetite.

As the parent company, Wheatley Housing Group oversees the governance arrangements to address the risks associated with control of activities, and managing the risks, of all subsidiaries; to ensure that there is an appropriate use of funds across the Group; to ensure that risks to the core business of the Group are managed and mitigated to within tolerance and that strong governance arrangements are upheld by all subsidiaries to protect the reputation of the Group.

Risk Management covers the whole spectrum of risks and not just those associated with finance, health and safety, business continuity and insurance. It also includes risks associated with service provision, effectiveness and continuity, public image (reputation), compliance with legislation and regulation and environment.

DIRECTORS' REPORT (continued)

Roles and Responsibilities

Risk Management is the responsibility of everyone in the organisation, whether or not they have a formally defined role in the process.

To ensure the successful implementation of the Risk Management Policy and Strategy, clear roles and responsibilities for the Risk Management process have been established. The Board has overall responsibility for ensuring the effectiveness of this framework. The Board also agrees risk appetite levels that are embedded within strategic risk registers and used to determine the Group's approach to managing risk.

The Executive Team is the facilitator of the Risk Management Framework and processes. Its role is to ensure compliance with the Risk Management Framework, including monitoring of Departmental risk registers to ensure they are kept up to date, new and emerging risks are identified, and risk scores are challenged.

Risk Management forms an integral part of the culture and the way the Group is run. Risk Management plans are incorporated and embedded into business plans of all applicable sections of the organisation (e.g. service improvement plans, project plans, team plans, individual plans). In this way, Risk Management is not the responsibility of senior management alone, but more appropriately the responsibility of all colleagues.

DIRECTORS' REPORT (continued)

Principal risks facing the Group

The most significant financial and operational risks facing the Group and key mitigations are summarised below:

Risk	Mitigation
Covid-19 future waves	• Contingency plan in place at both Group and local level for adapting service models including protocols for services depending on level of government restrictions • Operational safety manuals are able to be reinstated at short notice • Stocks of PPE being maintained • Link into Scottish Government through the sector resilience group to input and understand responses and guidance
Building safety	• Group fire safety team focuses on identification of fire prevention actions for implementation by RSL senior management • Reporting of implementation of actions to Group Audit Committee • Compliance and investment programmes in place to meet building safety regulations and best practice guidance • Community Improvement Partnership focussed on fire prevention and education • Fire prevention and mitigation framework in place including approach to high rise block inspections, *Livingwell* locations and fire risk assessments
New operating model implementation	• Group Board oversight with results of the customer consultation reported • Detailed implementation and communication plans monitored by the Group Executive Team • Launch of the Customer First Centre and rollout of Centres of Excellence and delivery of the digital programme • Roll-out of the new model incorporated into the 2022-23 delivery plan and progress reported at Board level
Care and support services	• Clear governance and authorising environment approved and in place and monitored at Board level • Care Quality Framework approved in April 2022 and being implemented • Care assurance framework in place to monitor compliance with policies and procedures and follow-up from Care Inspectorate visits • Close monitoring of changeover in service users and focus on redeployment of resources and improvements to help retention of users • Protecting People Policy Framework in place
Rent arrears arising from Universal Credit	• Updated rent and income framework implemented • Ongoing campaigns and programmes of contact with customers affected by financial hardship. • Dedicated Universal Credit team • Use of *GoMobile* for staff to assist customers with online transactions • Working with partners to influence UK and Scottish policy and funding environment • Small housing patch sizes allow staff to work proactively with customers to avoid arrears • Accessible online service portal • Support available from Wheatley 360 welfare benefits advisors • Group business plan contains sufficient headroom to mitigate the financial impact in relation to risk of increased bad debts and rent arrears • Arrears levels reviewed by Boards at each meeting
Impact of the cost of living crisis on our customers	• New rent and income framework implemented with an emphasis on support for our customers • Group wraparound services tailored for the needs of our customers • Group universal credit team analysis of impact of pressures on customers
Availability of financial support from Scottish Government and / or local government	• Regular engagement with Scottish Government representatives to proactively present the case for housing investment directly and through our representative bodies • Participating in the Scottish Government review of grant availability • Green Investment Plan developed for discussion with Scottish Government • Financial planning sensitivities undertaken to understand the potential impact under a variety of grant scenarios

DIRECTORS' REPORT (continued)

Principal risks facing the Group (continued)

Risk	Mitigation
Climate change impact on Group assets and services	• Strategic objective to reduce emissions from corporate activities to net zero by 2026 • Discussions with Scottish Government in relation to the Wheatley Green Investment Plan • Business continuity plans include responses to severe weather scenarios • Annual Environmental, Social and Governance report published • Sustainability framework in development to support future access to sustainability linked finance • Increased focus in Group external communications with customers and stakeholders on work to address climate change • Climate impact assessment report commissioned and climate change impacts overlaid on Group's geographical locations
Cyber Security	• IT cyber security live tests undertaken and results report to the Group Board • Information and cyber security Group policy in place with training mandatory for all staff • Established processes across key risk areas • External assessment of Group information security and IT general controls • Bi-annual cyber security assessment conducted • Internal Security Working Group established • Biannual cyber security update reported to the Group Audit Committee
Failure to recruit, develop, retain staff and succession planning	• Performance appraisal system in place for all staff • *MyAcademy* provides in-house training across the Group • Training logs held for each staff member and completed as part of regular discussions • Wheatley leadership development programme, succession planning and talent management programmes in place • *Ignite* graduate programme in place • Regular surveys of staff satisfaction
Governance structure	• Governance arrangements regularly reviewed by Scottish Housing Regulator, external consultants, internal and external audit functions • Agreement of the Group authorising environment • Importance of skills balance and development of senior management and Board members recognised in the Corporate Strategy • Appropriate training initiatives in place, tailored in particular to tenant Board members • Formal succession planning in place for Board members
Group Credit Rating	• Group's business plan based on maintaining a strong standalone credit rating • Financial plans drawn up to maintain strong levels of liquidity to mitigate refinance risk • Ongoing dialogue maintained with credit rating agencies to avoid unexpected rating changes • Mitigation drafting used in legal clauses avoiding cross default • Negotiation period on mitigation measures included in legal clauses • Maintenance of strong relationships with alternative funders
New funding sources and adverse market changes	• Strong levels of headroom maintained to provide sufficient cash resources with compliance reported to Group Board • Diversification of funding sources to provide options for future funding • Sterling borrowing only, no foreign currency exposure • Group IRR reviewed regularly to ensure projects are profitable • Annual ESG reporting in place • Sustainability Financing Framework issued in Q3 2021/22 • Group Board monitoring and revised Treasury Management Policy to Group Board
Business continuity/disaster recovery	• Business continuity implementation Group collates, reviews and updates Group disaster recovery and business continuity plans • Annual testing of plans • Group assurance team monitor progress and robustness of plans
Failure to achieve planned growth in commercial operations	• Robust monitoring arrangements in place to appraise the operational performance and delivery of strategic objectives • Responsibility and accountability allocated at an appropriate level within the organisation and reported regularly to senior management and Board

DIRECTORS' REPORT (continued)

Principal risks facing the Group (continued)

Risk	Mitigation
Pension costs	• Group pensions policy in place setting out approach to management of pension costs • Wheatley defined contribution scheme established, default scheme for new joiners and auto-enrolment • Consolidation of legacy defined benefit arrangements to reduce risk of cessation liabilities being triggered
Political and policy changes	• Established stakeholder management framework • Relevant staff members focussed on responding to changes in policy and administration as they arise • Group does not build homes for sale mitigating potential property market risk
Compliance with laws and regulations	• Group wide Scottish Housing Charter Assurance process established by Tenant Scrutiny Panel to review outcomes. Similar process introduced for non-RSIs • FCA regulations considered when developing new products and services • Qualified personnel are employed by the Group to ensure compliance with legal and regulatory standards • New product offerings follow a clear approval process • Group-wide approach to information management with Privacy Impact Statements implemented across the Group • On-going relationship with Scottish Housing Regulator • Appropriate professional advice is sought in response to changes internally, externally and in relation to new offerings to customers • Changes to legislation are identified and implemented by responsible officers

Supply chain disruption	• Supplier financial health assessment carried out and regular contract management meetings held
	• Proactive monitoring of supply chains by operational leads
	• Regular engagement with Scottish Government as potential issues emerge
	• Use of procurement frameworks to mitigate the impact of:
	    • supplier price increase risk
	    • supplier insolvency
	• Management of appropriate stock levels and where possible advance purchase in repairs and investment programmes
	• Specific contingency plans in place for key services and supplies
	• Local staff employed directly by City Building, Dunedin Canmore Property Services and Dumfries and Galloway Housing Partnership
	• Regular engagement with new-build contractors and testing of financial standing and adequacy of available resources to deliver obligations
	• Utilisation of Group and third party frameworks to minimise price increases

Implementation of partnership promises	• Partnership implementation plan mainstreamed into the Group's strategy and included in the Group's performance framework
Customter Satisfaction	• Key element of the Group 2021-26 strategy • Variety of methods used to collect customer feedback which is used to inform plans drawn up to include customer views • Recognition of satisfaction drivers for different customer groups • Small housing officer patch sizes to help personalise services under the *Think Yes* approach • Customer First Centre's first time resolutions for services • Repairs transformation programme contribution to increased customer satisfaction
Compliance with funders' requirements	• Regular meetings with funders and investors representatives to update on financial status of the Group • Financial performance monitored monthly and reported to Group and Subsidiary Boards • Quarterly covenant compliance monitored by the Group Board • Covenant compliance monitoring tool implemented noting key dates and requirements • Ongoing dialogue with credit rating agencies • Annual update and review by respective Boards of Group and Subsidiary business plans

DIRECTORS' REPORT (continued)

Other matters:

Board's Statement on Section 172 of the Companies Act 2006

The Directors act in a way they consider, in good faith, would be most likely to promote the success of the Company and the Group for the benefit of its members as a whole. Key decisions and matters of strategic importance are considered and informed by the requirements of section 172. The Strategic Report on pages 8 to 37 sets out how we delivered activity on behalf of our stakeholders in line with our Group strategy during the year.

The Group exists for the benefit of its key stakeholders - the customers we serve in our RSL subsidiaries and the People We Work For in our care businesses. The interests of our stakeholders are understood through an open and transparent dialogue conducted through many varied channels, such as:

- feedback obtained through the annual tenant satisfaction survey carried out by an independent company;
- tenants are represented on all RSL Boards. Across the Group 37% of our Board members are tenants or service users;
- formal consultation with tenants on rent increase proposals;
- local engagement structures such as Local Housing Committees;
- social media and online engagement;
- publication of regular tenant newsletters and annual report to tenants; and
- the establishment of the Tenant Scrutiny Panel to review performance of the organisation under the Scottish Housing Charter.

The Group's employees are key to delivering the objectives of the organisation, represent the business externally and maintain the reputation of the Group with our stakeholders. The Group operates a policy of providing employees with information about the Group through formal recognition of a number of trade unions as well as internal media methods in which employees have also been encouraged to present their suggestions and views on the Group's performance. Employees are encouraged to participate in regular discussions with their line managers as part of the Group's commitment to ensuring all staff are aware of their role in the Group's achievement of its five strategic platforms under the banner of "My Contribution". Regular meetings are also held between management and employees to allow a free flow of information and ideas.

In setting the strategy and through the preparation of the 30 year business plan, the Directors consider the likely consequences of decisions in the long term and ensure that the business continues to be financially viable and is able to meet all current and future financial commitments to its lenders.

The impact the Group has on its neighbourhood and the environment is a key element in the Group's purpose. More details of the Group's aims are set out in the Group's Statement on Environmental, Social and Governance.

DIRECTORS' REPORT (continued)

Employees

Details of the Group's approach to employee engagement are provided in the section 172 statement above. A large number of the Group's office based employees moved to home working at the start of the Covid-19 outbreak. During the year we have launched our new operating model which sees many employees move to a hybrid working model, using our new Centres of Excellence as places to meet colleagues and share ideas. Technology solutions and remote working tools support the new hybrid model which retains the flexibility and other benefits many employees have reported during the pandemic whilst creating opportunities for collaborative working in our new Centres of Excellence.

The Group gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by disabled person. Where existing employees become disabled, it is the Group's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

Going concern

After making enquiries, including the update of the Group 30-year financial projections, the Group Board has a reasonable expectation that the Wheatley Housing Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis continues to be adopted in the preparation of the Group's financial statements. More details of the Board's assessment of going concern are included in note 2 to the financial statements.

Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Independent Auditor

A resolution to re-appoint KPMG LLP as auditor will be proposed at the forthcoming annual general meeting.

Future Developments

The Strategic Report sets out future strategic objectives. The new five-year strategy *Your Home, Your Community, Your Future* was launched in 2021.

DIRECTORS' REPORT (continued)

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland.*

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent company and of the surplus or deficit for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group and parent company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and parent company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and parent company and enable them to ensure that the financial statements comply with the Companies Act 2006, Housing (Scotland) Act 2010 and the Registered Social Landlords Determination of Accounting Requirements Order 2019. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and parent company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

Jo Armstrong

Jo Armstrong, Chair
25 August 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHEATLEY HOUSING GROUP LIMITED

Opinion

We have audited the financial statements of Wheatley Housing Group Limited ("the company") for the year ended 31st March 2022 which comprise the Group Statement of Comprehensive Income, Company Statement of Comprehensive Income, Group Statement of Changes in Reserves, Company Statement of Changes in Reserves, Group Statement of Financial Position, Company Statement of Financial Position, Group Statement of Cash Flows and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31st March 2022 and of the group's surplus and the result of the parent company for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing (Scotland) Act 2010 and the Registered Social Landlords Determination of Accounting Requirements 2019.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the group or the company or to cease their operations, and as they have concluded that the group and the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the group's business model and analysed how those risks might affect the group and company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the group or the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the group or the company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of board members and management as to the company's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual suspected or alleged fraud; and

- Reading Board minutes.

As required by auditing standards, taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that entity management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to income recognition because of the limited opportunity and incentive for fraudulent revenue recognition and the limited judgement in respect of revenue recognition.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of some of the company wide fraud risk management controls.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These include those posted to unusual accounts.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias including assessing the assumptions used in pension and property valuations.

Identifying and responding to risks of material misstatement due to nom-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discuss with the board and other management (as required by auditing standards), and discussed with the board and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and registered social landlord legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statements items.

Whilst the company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance allow could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatements. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The directors are responsible for the other information, which comprises the Annual Report, Strategic Report and Directors' Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Annual Report, which constitutes the strategic report and the directors' report for the financial year, is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

We have nothing to report in these respects.

Matters on which we are required to report by exception

Under the Companies Act 2006 are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns for our audit have not been
- 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.

We have nothing to report in these respects.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHEATLEY HOUSING GROUP LIMITED (continued)

Directors' responsibilities

As explained more fully in their statement set out on page 60, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group's and the company'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 they either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and section 69 of the Housing (Scotland) Act 2010. Our audit work has been undertaken so that we might state to the company's members 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 company, its members as a body and its trustees, as a body, for our audit work, for this report or for the opinions we have formed.

Michael Wilkie

Michael Wilkie (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006
319 St Vincent Street
Glasgow
G2 5AS

21 September 2022

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £ 000	2021 £ 000
Turnover	3	417,971	388,568
Operating expenditure	3	(331,952)	(303,844)
Other losses	9	(3,148)	(7,993)
Operating surplus		82,871	76,731
Share of profit in joint venture		-	-
Gain on disposal of fixed assets	10	1,153	1,822
Finance income	11	106	420
Finance charges	12	(63,818)	(99,428)
Movement in fair value of financial instruments	13	(4,278)	(2,236)
Surplus/(deficit) on ordinary activities before taxation		16,034	(22,691)
Taxation	14	(3,186)	(519)
Surplus/(deficit) for the financial year		12,848	(23,210)
Unrealised (deficit)/surplus on the valuation of housing properties		(66,605)	109,956
Unrealised (deficit)/surplus on the valuation of other fixed assets		(3,549)	798
Actuarial gain/(loss) in respect of pension schemes		72,075	(10,011)
Total comprehensive income for the year		14,769	77,533

All amounts relate to continuing operations.

The notes on pages 71 to 109 form part of these financial statements.

COMPANY STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £ 000	2021 £ 000
Turnover	3	245	238
Operating expenditure	3	(245)	(238)
Operating surplus		-	-
Finance income		-	-
Finance charges		-	-
Surplus on ordinary activities before taxation		-	-
Taxation		-	-
Surplus for the financial year		-	-
Total comprehensive income for the year		-	-

All amounts relate to continuing operations.

The notes on pages 71 to 109 form part of these financial statements.

GROUP STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDED 31 MARCH 2022

	Revenue Reserve £ 000	Revaluation Reserve £ 000	Total Reserves £ 000
Balance at 1 April 2020	704,049	436,742	1,140,791
Total comprehensive income for the year	77,533	-	77,533
Transfer of reserves for the revaluation of housing properties	(109,956)	109,956	-
Transfer of reserves for the revaluation of other fixed assets	(798)	798	-
Balance at 31 March 2021	670,828	547,496	1,218,324
Total comprehensive income for the year	14,769	-	14,769
Transfer of reserves for the revaluation of housing properties	66,605	(66,605)	-
Transfer of reserves for the revaluation of other fixed assets	3,549	(3,549)	-
Balance at 31 March 2022	755,751	477,342	1,233,093

COMPANY STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDED 31 MARCH 2022

	Total Reserves £ 000
Balance at 1 April 2020	-
Result for the financial year	-
Balance at 31 March 2021	-
Result for the financial year	-
Balance at 31 March 2022	-

The notes on pages 71 to 109 form part of these financial statements.

GROUP STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2022

	Notes	2022 £000	2021 £000
Fixed assets			
Social housing properties	17	2,496,774	2,474,739
Other tangible fixed assets	18	63,053	59,358
Investment property	19	262,248	235,896
Investment in joint venture	19	116	116
		2,822,191	2,770,109
Pension asset	26	58,166	5,843
Current assets			
Stock	20	1,412	1,919
Trade and other debtors	21	54,131	54,676
Cash and cash equivalents		64,929	132,417
		120,472	189,012
Creditors: amounts falling due within one year	22	(186,254)	(158,939)
Net current (liabilities)/assets		(65,782)	30,073
Total assets less current liabilities		2,814,575	2,806,025
Creditors: amounts falling due after more than one year	23	(1,572,023)	(1,558,375)
		1,242,552	1,247,650
Provisions for liabilities			
Pension liability	26	(388)	(11,228)
Provision for other liabilities	24	(9,071)	(18,098)
Total net assets		1,233,093	1,218,324
Reserves			
Share capital	25	-	-
Revenue reserve		755,751	670,828
Revaluation reserve		477,342	547,496
Total reserves		1,233,093	1,218,324

These financial statements on pages 65 to 109 were approved by the Board on 25 August 2022 and were signed on its behalf by:

Jo Armstrong

Jo Armstrong
Chair

The notes on pages 71 to 109 form part of these financial statements.
Company registration number SC426094.

COMPANY STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2022

	Notes	2022 £000	2021 £000
Trade and other debtors		-	-
Cash and cash equivalents		-	-
		-	-
Creditors: amounts falling due within one year		-	-
Net current assets		-	-
Total assets less current liabilities		-	-
Total net assets		-	-
Reserves			
Share capital	25	-	-
Total reserves		-	-

These financial statements were approved by the Board on 25 August 2022 and were signed on its behalf by:

Jo Armstrong
Chair

The notes on pages 71 to 109 form part of these financial statements.

Company registration number SC426094.

GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

	Notes	**2022 £000**	**2021 £000**
Net cash generated from operating activities	28	162,393	158,830
Cash flow from investing activities			
Improvement of properties		(108,387)	(47,255)
Acquisition of properties		(362)	(298)
Construction of new properties	17	(96,430)	(70,560)
Purchase of other fixed assets	18	(20,765)	(6,472)
Purchase of subsidiary undertakings	9	-	(825)
Proceeds from sale of properties	10	2,685	3,743
Grants received	23	42,001	44,654
Finance income	11	77	156
		(181,181)	(76,857)
Cash flow from financing activities			
Finance charges		(71,599)	(87,797)
Bank loan drawn down		28,000	72,000
Repayments of bank loans		(7,538)	(50,228)
Taxation		(57)	(114)
		(51,194)	(66,139)
Net change in cash and cash equivalents		(69,982)	15,834
Cash and cash equivalents at 1 April		132,195	116,361
Cash and cash equivalents at 31 March		62,213	132,195
Cash and cash equivalents at 31 March			
Cash		64,929	132,417
Bank overdraft		(2,716)	(222)
		62,213	132,195

The notes on pages 71 to 109 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. Legal status

Wheatley Housing Group Limited ("Wheatley", "Wheatley Group" or "the Company") is a limited company incorporated in Scotland under the Companies Act 2006. It is a housing association registered with the Scottish Housing Regulator under the Housing (Scotland) Act 2010.

The Company and its subsidiaries are referred to as "the Group". The Group's subsidiaries include housing associations, incorporated entities and charities. The principal activity of the Group is the provision of social housing and associated housing management services. The registered office is Wheatley House, 25 Cochrane Street, Glasgow G1 1HL.

2. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of accounting

The financial statements of the Group and the Company are prepared in accordance with the Companies Act 2006, applicable accounting standards, the accounting requirements included within the Determination of Accounting Requirements 2019, and under the historical cost accounting basis, modified to include the revaluation of derivative financial investments, properties held for letting, office properties, investment properties and commercial properties. The financial statements have also been prepared in accordance with the Statement of Recommended Practice for registered social housing providers 2014 ("SORP 2014"), issued by the National Housing Federation and under FRS 102.

As noted in the Directors' report on page 59, the financial statements have been prepared on a going concern basis which the Board considers to be appropriate for the following reasons.

The Group prepares a 30-year business plan which is updated and approved on an annual basis. The most recent business plan was approved in February 2022 by the Board. As well as considering the impact of a number of scenarios on the business plan the Board also adopted a stress testing framework against the base plan which included updated scenarios in recognition of the ongoing Covid-19 pandemic, associated remobilisation activities and the emerging cost of living crisis. These updated scenarios include severe but plausible downsides. The stress testing impacts were measured against loan covenants and peak borrowing levels compared to agreed facilities, with potential mitigating actions identified to reduce expenditure.

The Board, after reviewing the Group budgets for 2022/23 and the Group's financial position as forecast in the 30-year business plan, including changes arising from the Covid-19 pandemic and the cost of living crisis , is of the opinion that, taking account of severe but plausible downsides, the Group has adequate resources to continue to meet their liabilities over the period of 12 months from the date of approval of the financial statements (the going concern assessment period). In reaching this conclusion, the Board has considered the following factors:

- Rent and service charge receivable – arrears and bad debt assumptions have been increased to allow for customer difficulties in making payments and budget and business plan scenarios updated to take account of potential future changes in rent increases;

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

2. Accounting policies (continued)

- The property market – budget and business plan scenarios have taken account of delays, remobilisation planning and reprofiled new-build handovers;
- Maintenance costs – budget and business plan scenarios have been modelled to take account revised profiles of repairs and maintenance expenditure, with major works being rephased into future years;
- Development activity – forecast development expenditure has been modelled to take account of revised investment profiles;
- Liquidity – current available cash of £62.2m and unutilised loan facilities of £285.7m which gives significant headroom for committed expenditure and other forecast cash flows over the going concern assessment period;
- The Group's ability to withstand other adverse scenarios such as higher interest rates and increases in the number of void properties.

The Board believe the Group has sufficient funding in place and expect the Group to be in compliance with its debt covenants even in severe but plausible downside scenarios.

Consequently, the Board is confident that the Group will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

The Wheatley Housing Group Limited is a public benefit entity.

Accounting judgements and estimations
Estimates and judgements are continually evaluated and are based on historical experience, advice from qualified experts where required or appropriate and other factors.

Judgements have been made in:

- determining the appropriate discount rates used in the valuation of housing and investment properties;
- component accounting and the assessment of useful lives;
- the assessment of the fair value of financial instruments;
- determining the value of the Group'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; and
- allocation of share of assets and liabilities for multi-employer pension schemes. Judgments in respect of the assets and liabilities to be recognised are based upon source information provided by administrators of the multi-employer pension schemes and estimations performed by the Group's actuarial advisers.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

2. Accounting policies (continued)

Basis of consolidation

The Group financial statements consolidate those of the Company and its subsidiary undertakings drawn up to 31 March 2022. Profits or losses on intra-group transactions are eliminated in full in accordance with FRS 102.

New subsidiaries joining the Group are accounted for under section 19.6 of FRS 102, as combinations that are in substance a gift. Any gain on acquisition is recognised through the Statement of Comprehensive Income as a gain on business combination. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. On joining the Group, an exercise is undertaken to align subsidiary accounting policies to the Group policies which may result in a restatement of comparative figures in the subsidiary results prior to consolidation.

Joint Venture

Wheatley Housing Group is a 50:50 joint owner in City Building (Glasgow) LLP ("CBG"). The investment in the joint venture is accounted for using the equity method as outlined in FRS 102 Section 15. The investment is recognised in the Statement of Financial Position at cost less any impairment. The Group's share of profits or losses of the joint venture are recognised in the Statement of Comprehensive Income and the initial investment is subsequently adjusted to reflect the Group's share. Where the Group's share of losses equals or exceeds the carrying amount of the investment the share of these losses are recognised as a provision to the extent that the Group has legal or constructive obligations or has made payment on behalf of the joint venture. The investment in the joint venture is recorded in the investing entity's stand-alone financial statements at cost less impairment.

Related party disclosures

The Company has taken advantage of the exemption, available under FRS 102, from disclosing related party transactions with wholly owned entities that are part of the Wheatley Housing Group.

Turnover

Turnover, which is stated net of value added tax, represents income receivable from lettings and service charges, fees receivable, grants and other income. In respect of the Group Statement of Comprehensive Income, turnover also includes factoring, care contracts and income from market and commercial rental activities.

Income from social lettings, service charges, factoring, market and commercial rental activities is recognised when it is receivable. Grant income is recognised when any associated performance conditions have been met and care contract income is recognised when services are delivered to customers as required under the agreement with each service commissioner.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

2. Accounting policies (continued)

Grant income
Where a grant is paid as a contribution towards revenue expenditure, it is included in turnover. Where grant is received from government and other bodies as a contribution towards the capital cost of housing schemes, it is recognised as income using the performance model in accordance with the SORP 2014. Prior to satisfying the performance conditions (e.g. on completion of new-build properties), such grants are held as deferred income on the Statement of Financial Position. Grant income claimed under the UK Government's Coronavirus Job Retention Scheme is reported as income through the Statement of Comprehensive Income in line with the performance model.

Bad and doubtful debts
Provision is made against rent arrears of current and former tenants as well as other miscellaneous debts to the extent that they are considered potentially irrecoverable. Debts are classed as uncollectable after an assessment of the legislative options available to recover and consideration of specific circumstances.

Supported housing
Expenditure on housing accommodation and supported housing is allocated on the basis of the number of units for each type of accommodation, except for staffing and running costs for which the level of expenditure is directly attributable.

Financial instruments
Financial assets
The Group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments. Basic financial assets, including trade and other receivables, cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

2. Accounting policies (continued)

Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow Group companies, bond finance and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Housing loans are classed as either basic or complex financial instruments under FRS 102. Loans are provided to RSL subsidiary members of the Group by its lenders through Wheatley Funding No. 1 Limited ("WFL1"). Loans are provided to commercial subsidiaries of the Group by Wheatley Funding No. 2 Limited ("WFL2"). All arrangements are classed as basic under the requirements of FRS 102, and are measured at amortised cost, using the effective interest rate method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Any movement in the value of financial instruments recognised in the Statement of Comprehensive Income relates to any in-year adjustments for changes in the value of payment arrangement in place with customers, and the Scottish Government loan.

Deposits and liquid resources

Cash comprises cash in hand and deposits repayable on demand, less overdrafts repayable on demand. Liquid resources are current asset investments that are disposable without curtailing or disrupting the business and are readily convertible into known amounts of cash at or close to their carrying values.

Pensions

WH Glasgow participates in a defined benefit pension scheme arrangement with the Strathclyde Pension Fund ("SPF"). The Strathclyde Pension Fund is administered by Glasgow City Council in accordance with the Local Government Pension Scheme (Scotland) Regulations 1998 as amended. Dumfries and Galloway Housing Partnership participated in a defined benefit pension scheme arrangement with the Dumfries and Galloway Council Pension Fund ("DGCPF") which is administered by Dumfries and Galloway Council in accordance with the Local Government Pension Scheme (Scotland) Regulations 1998 as amended. On 28 February 2022, all assets and liabilities held on behalf of Dumfries and Galloway Housing Partnership in DGCPF were transferred to Strathclyde Pension Fund and the employment contracts of active members of DGHP were transferred to WH Glasgow on the same date.

Both the SPF and DGCPF ("the Funds") provide benefits based on pensionable pay, which is contracted out of the State Second Pension. Assets and liabilities of the Funds are held separately from those of the participating entities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

2. Accounting policies (continued)

WH Glasgow and Dumfries and Galloway Housing Partnership account for participation in the Funds in accordance with FRS 102 which requires disclosures presented for both the current and comparative period. FRS 102 also requires that quoted securities are valued at their current bid-price rather than their mid-market value.

The defined benefit fund liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. The respective shares of, WH Glasgow in the SPF and DGHP in the DGCPF, the pension fund surplus (to the extent that it is recoverable) or deficit are recognised in full. The assumptions used in valuing the defined benefit pension arrangements result in a pension asset being recognised on the Statement of Financial Position, on the basis that the future level of employers contributions so as to match the required funding level for the scheme. The pension asset would be realised in line with the assumptions relating to longevity. The movement in the Fund's surplus or deficit is split between operating charges, finance items and in the Statement of Comprehensive Income under actuarial gain or loss on pension schemes.

Cube Housing Association, West Lothian Housing Partnership, Loretto Housing Association, Loretto Care and Dunedin Canmore Enterprise previously participated in the Pensions Trust Scottish Housing Association Pension Scheme ("SHAPS") Defined Benefit Pension Scheme. Loretto members transferred to the SHAPS Defined Contribution Scheme on 1 July 2013 with Dunedin Canmore members transferring on 1 April 2014 and Cube and West Lothian members transferring on 1 September 2014, with the respective sections of the SHAPs defined benefit scheme operated by those Group subsidiaries closed from the dates noted. Following the Cube Housing Association transfer of engagements on 28 July 2021, Loretto Housing Association assumed Cube's obligations in the SHAPs defined benefit scheme.

Retirement benefits to employees in SHAPs defined benefit pension scheme are funded by contributions from all participating employers and employees in the Scheme. In respect of the defined benefit element of the scheme, payments are made in accordance with periodic calculations by consulting actuaries and are based on pension costs applicable across the various participating Associations taken as a whole. In accordance with FRS 102, the Group's share of the scheme assets and liabilities has been separately identified and included in the Group's Statement of Financial Position and measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. The Group's share of the deficit is recognised in full and the movement is split between operating costs, finance items and in the Statement of Comprehensive Income as actuarial gain or loss on pension schemes.

A Group defined contribution scheme arrangement administered by the Salvus Master Trust is available to employees in certain subsidiaries of the Group. Dunedin Canmore operates a separate defined contribution scheme administered by Friends Life.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

2. Accounting policies (continued)

Fixed assets – social housing properties
In accordance with SORP 2014, the Group operates a full component accounting policy in relation to the capitalisation and depreciation of its completed housing stock.

- **Valuation of social housing stock**

All social housing properties owned by the Group's subsidiaries are valued annually on an Existing Use Value for Social Housing ("EUV-SH") basis by an independent professional advisor qualified by the Royal Institution of Chartered Surveyors to undertake valuation. Housing stock has been split into two streams of property for valuation purposes, namely housing retained for letting and demolition programme properties. This separation into categories is on the basis of the Group's 30-year Business Plan which identifies the core stock which will be the subject of the Group's investment expenditure going forward and the stock which forms part of the demolition programme, and consequently has limited investment expenditure attached to it.

The cost of properties is their purchase price together with the cost of capitalised improvement works that result in incremental future benefits to the landlord from the asset. Included in the cost of capitalised improvement works are the direct costs of staff engaged in the investment programme.

Increases in the valuation of social housing properties are reported as other comprehensive income, accumulated in equity and reported as a revaluation reserve. Revaluation decreases reduce the accumulated gains and thereafter are recognised in profit or loss. Subsequent valuation gains are recognised in profit or loss to the extent they reverse a valuation decrease previously recognised in profit or loss.

On disposal, the value of the property is offset against the proceeds of sale and the gain or loss on disposal is taken to the Statement of Comprehensive Income.

- **Depreciation and impairment**

Housing properties are split between land, structure and major components which require periodic replacement. Replacement or refurbishment of such major components is capitalised and depreciated over the estimated useful life which has been set taking into account professional advice, the Group's asset management strategy and the requirement of the Scottish Housing Quality Standard. In determining the remaining useful lives for the housing stock, the Group has taken account of views provided by both internal and external professional sources. Freehold land is not subject to depreciation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

2. Accounting policies (continued)

Major components are treated as separate assets and depreciated over their expected useful economic lives or the lives of the structure to which they relate, if shorter, at the following rates:

	Economic Life
Land	not depreciated
Bathrooms	25 yrs
External environment	20 yrs
External wall finishes	35 yrs
Heating system boiler	12 yrs
Internal works and common areas	20 yrs
Kitchens	20 yrs
Mechanical, Electrical and Plumbing	25 yrs
Structure and roofs	50 yrs
Windows and doors	30 yrs

Housing assets are depreciated in the month of acquisition, or in the case of a larger project, from the month of completion.

Where there is evidence of impairment, the fixed assets are written down to the fair value after deducting costs to sell, and any write down is charged to operating surplus.

- **New-Build**

Housing properties in the course of construction and land for future development is held at cost and are not depreciated. Completed new-build units are transferred to completed properties when ready for letting.

The Group's policy is to capitalise the following:

- Cost of acquiring land and buildings;
- Interest costs directly attributable;
- Development expenditure including direct development staff costs; and
- Other directly attributable internal and external costs.

Expenditure on schemes which are subsequently aborted will be written off in the year in which it is recognised that the schemes will not be developed to completion.

- **Properties held for demolition**

Demolition programme housing properties have a negative valuation for accounting purposes due to the impact of demolition costs on the EUV-SH calculation, and so are held at nil on the Statement of Financial Position. Under FRS 102 there is no constructive obligation at the year-end to provide for these costs.

Investment properties

Housing for mid-market and market-rent is valued on an open market value subject to tenancies basis ("MV-T") at 31 March. The valuation is carried out by an independent professional advisor qualified by the Royal Institution of Chartered Surveyors to undertake valuation. The properties are held as investment properties not subject to depreciation. Where it is considered that there has been any impairment in value this is provided for accordingly. The cost of properties is their purchase price together with capitalised improvement works.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

2. Accounting policies (continued)

Commercial properties are held as investment properties and not subject to depreciation, they are held at existing use value and are subject to revaluation by an independent professional advisor qualified by the Royal Institute of Chartered Surveyors to undertake valuation. Commercial properties are re-valued at least every five years. Changes in the valuation of investment properties are reported in the Statement of Comprehensive Income in profit or loss and disclosed within other income and gains.

New-Build Grant and other capital grants
New-Build Grant is received from central government and local authorities and is utilised to subsidise the costs of housing properties. New-Build Grant is recognised as income in the Statement of Comprehensive Income under the performance model. In the case of new-build this will be when the properties are completed. New-Build Grant due or received is held as deferred income until the performance conditions are satisfied, at which point it is recognised as income in the Statement of Comprehensive Income within turnover. Grant received in respect of revenue expenditure is recognised as income in the same period to which it relates.

Properties are disposed of under the provisions contained in the Housing (Scotland) Act 2010. Any grant that is repayable is accounted for as a liability on disposal of the property. Grant which is repayable but cannot be repaid from the proceeds of sale is accounted for as a liability. Where a disposal is deemed to have taken place for accounting purposes, but the repayment conditions have not been met in relation to the grant funding, the potential future obligation to repay is disclosed as a contingent liability.

Other tangible fixed assets
For other tangible fixed assets, depreciation is charged on a straight line basis over the expected useful economic lives of fixed assets to write off the cost, less estimated residual values over the following expected lives. Assets are depreciated in the month of acquisition, or in the case of a larger project, from the month of completion, at the following rates:

	Economic Life
Office premises (valuation)	40 yrs
District heating (cost)	30 yrs
Furniture, fittings and office equipment (cost)	5-7 yrs
Computer equipment (cost)	3-7 yrs
Community Infrastructure (cost)	20 yrs

Office premises are held at valuation, and are depreciated, on a straight line basis, over a useful life of 40 years. Valuations are made at the end of each reporting period.

Provisions
The Group only provides for liabilities at the year-end where there is a legal or constructive obligation incurred which will likely result in the outflow of resources.

Taxation
As charities, Wheatley Homes Glasgow, Cube Housing Association, West Lothian Housing Partnership, Loretto Housing Association, Wheatley Care, Dunedin Canmore Housing, and Dumfries and Galloway Housing Partnership Limited are exempt from corporation tax on their

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

2. Accounting policies (continued)

charitable activities by virtue of Section 478 Corporation Tax Act 2010 and from capital gains tax by virtue of Section 256 Capital Gains Tax Act 1992. A charge for taxation is made in the Group's non-charitable subsidiary companies, based on their taxable profit for the year. In accordance with FRS 102, full provision is made for all material timing differences.

Value Added Tax

The Group is registered for VAT. A large portion of its income, including rental receipts, is exempt for VAT purposes, giving rise to a partial exemption calculation. Expenditure with recoverable VAT is shown net of VAT and expenditure with irrecoverable VAT is shown inclusive of VAT. VAT on WH Glasgow refurbishment works expenditure included in the development works agreement with Glasgow City Council is substantially recoverable. Expenditure on these works is shown net of VAT.

Development Agreement

WH Glasgow entered into agreements with Glasgow City Council whereby the undertaking of catch-up repairs and improvement works remained with the City Council, with that obligation sub-contracted to WH Glasgow. This has historically been shown on the Group's Statement of Financial Position as a debtor offset by a provision of an equal amount. As work has progressed, both amounts have been reduced by the appropriate amount with the completion of all works due under the agreement completed during 2021/22.

3. Particulars of turnover, operating costs and operating surplus

Group

	2022				2021
	Turnover	**Operating Costs**	**Other losses**	**Operating surplus/ (deficit)**	**Operating surplus/ (deficit)**
	£ 000	**£ 000**	**£ 000**	**£ 000**	**£ 000**
Social lettings (note 4)	331,359	(252,897)	-	78,462	94,602
Other activities (note 5)	86,612	(79,055)	-	7,557	(9,878)
Other income and gains (note 9)	-	-	(3,148)	(3,148)	(7,993)
Total	**417,971**	**(331,952)**	**(3,148)**	**82,871**	**76,731**
Total for previous reporting period	388,568	(303,844)	(7,993)	76,731	

Company

	2022				2021
	Turnover	**Operating Costs**	**Other gains/ (losses)**	**Operating surplus/ (deficit)**	**Operating surplus/ (deficit)**
	£ 000	**£ 000**	**£ 000**	**£ 000**	**£ 000**
Other activities (note 5)	245	(245)	-	-	-
Total	**245**	**(245)**	-	-	-
Total for previous reporting period	238	(238)	-	-	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

4. Particulars of turnover, operating costs and operating surplus from social letting activities

Group

	General Needs	Supported Housing	Other	2022 Total	2021 Total
	£ 000	£ 000	£ 000	£ 000	£ 000
Rent receivable net of service charges	276,234	10,298	1,104	287,636	281,848
Service charges	4,462	1,185	277	5,924	5,631
Gross income from rents and service charges	280,696	11,483	1,381	293,560	287,479
Less rent losses from voids	(2,899)	(445)	(1)	(3,345)	(3,930)
Net income from rents and service charges	277,797	11,038	1,380	290,215	283,549
Grants released from deferred income – new-build	35,918	560	6	36,484	28,906
Revenue grants from Scottish Ministers	3,249	450	-	3,699	1,254
Other revenue grants	946	15	-	961	9,870
Total turnover from social letting activities	317,910	12,063	1,386	331,359	323,579
Management and maintenance administration costs	65,105	2,828	359	68,292	69,384
Service costs	6,977	608	133	7,718	7,427
Planned and cyclical maintenance including major repairs costs	29,714	1,004	194	30,912	23,805
Reactive maintenance costs	52,001	1,587	327	53,915	40,823
Bad debts – rents and service charges	2,807	89	16	2,912	2,295
Impairment of housing under construction	-	-	-	-	498
Depreciation of social housing	85,491	3,045	612	89,148	84,745
Operating costs from social letting activities	242,095	9,161	1,641	252,897	228,977
Operating surplus from social lettings	75,815	2,902	(255)	78,462	94,602
Operating surplus from social lettings for the previous reporting period	90,453	4,188	(39)	94,602	

Company

There were no activities in the Wheatley Housing Group Limited entity results classified as social letting.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

5. Particulars of turnover, operating costs and operating surplus/(deficit) from other activities

Group

	Grants From Scottish Ministers £ 000	Other Income £ 000	Supporting People Income £ 000	Total Turnover £ 000	Total Operating Costs £ 000	2022 Operating Surplus /(Deficit) £ 000	2021 Operating Surplus /(Deficit) £ 000
Wider role activities to support the community	-	1,039	-	1,039	(8,558)	(7,519)	(10,398)
Care activities	-	19,525	-	19,525	(19,006)	519	471
Property Management	-	9,138	-	9,138	(8,063)	1,075	629
Investment Property	-	19,461	-	19,461	(6,439)	13,022	13,234
Support activities	-	2,876	121	2,997	(2,818)	179	(399)
Owners' improvement activities	-	932	-	932	(1,122)	(190)	82
Demolition activities	-	-	-	-	(370)	(370)	(183)
Other income	-	15,338	-	15,338	(10,049)	5,289	5,388
Depreciation – Non-Social Housing *	-	-	-	-	(12,439)	(12,439)	(5,522)
Organisation Restructuring	-	-	-	-	(4,570)	(4,570)	(12,812)
Development & Construction of Property Activities	-	18,182	-	18,182	(5,621)	12,561	(368)
			-				
Total from other activities	-	86,491	121	86,612	(79,055)	7,557	(9,878)
Total from other activities for the previous reporting period	-	64,869	120	64,989	(74,867)	(9,878)	

Company

	Grants From Scottish Ministers £ 000	Other Income £ 000	Supporting People Income £ 000	Total Turnover £ 000	Total Operating Costs £ 000	2022 Operating Surplus £ 000	2021 Operating Surplus £ 000
Provision of Group services	-	245	-	245	(245)	-	-
Total from other activities	-	245	-	245	(245)	-	-
Total from other activities for the previous reporting period	-	238	-	238	(238)	-	

Wider role activities include the provision of fuel and welfare benefits advice, the Group's *EatWell, My Great Start, Home Comforts, Emergency Response Fund* and *Changing Lives* initiatives and the provision of bursaries and educational support to our customers.

*Depreciation of non-social housing assets includes an additional one off charge of £5.3m to align useful lives on fixtures and fittings and IT assets

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

6. Board members' emoluments

Board members received emoluments of £219,794 (2021: £220,386) in respect of their services to Wheatley Housing Group Limited. These amounts are fully recharged to Wheatley Solutions and onwards to operational subsidiaries.

Emoluments were paid during the year to the following Board members:

	2022 £	2021 £
Jo Armstrong	24,367	16,185
Alastair MacNish (part year)	16,095	32,370
Martin Kelso	18,094	16,185
Sheila Gunn	9,925	19,961
Jo Boaden	14,317	12,408
Lindsey Cartwright (part year)	6,273	-
Maureen Dowden	14,297	12,683
Bryan Duncan	16,185	16,185
Caroline Gardner (part year)	8,182	-
Eric Gibson (part year)	8,182	-
Paddy Gray	14,317	12,408
Bernadette Hewitt	19,961	19,961
John Hill (part year)	6,170	12,408
Peter Kelly (part year)	6,170	12,408
Mairi Martin (part year)	6,273	-
Angela Mitchell	12,408	12,408
James Muir (part year)	6,170	12,408
Mary Mulligan	12,408	12,408
	219,794	220,386

In addition, £7,232 (2021: £781) was paid to Board members for reimbursement of expenses.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

7. Key management emoluments

	2022 £ 000	2021 £ 000
Aggregate emoluments payable to key management (including pension contributions and benefits in kind)	1,342	1,389
Emoluments payable to the highest paid key management	358	336
Employer pension contributions	60	57
Total emoluments payable to the highest paid key management	418	393

During the periods the key management's emoluments (excluding pension contributions) fell within the following band distributions:

	2022	2021
More than £10,000 but not more than £20,000	1	-
More than £110,000 but not more than £120,000	-	1
More than £160,000 but not more than £170,000	-	-
More than £170,000 but not more than £180,000	1	1
More than £180,000 but not more than £190,000	2	2
More than £190,000 but not more than £200,000	-	1
More than £200,000 but not more than £210,000	1	-
More than £330,000 but not more than £340,000	-	1
More than £350,000 but not more than £360,000	1	-

The senior officers are defined for this purpose as the Chief Executive and any person reporting directly to the Chief Executive earning at the rate of over £60,000 per annum. Emoluments include relocation expenses where appropriate.

The senior officers are eligible to join the Strathclyde Pension Fund and employer's contributions are paid on the same basis as other members of staff.

There were six senior officers in post during the year ended 31 March 2022. Key management personnel in the year were as follows:

Martin Armstrong	Group Chief Executive
Tom Barclay	Group Director of Property and Development
Olga Clayton	Group Director of Housing and Care
Steven Henderson	Group Director of Finance
Graham Isdale	Group Director of Corporate Affairs
Frank McCafferty – from 1 March 2022	Group Director of Repairs and Assets

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

8. Employees

In the year to 31 March 2022, the average full time equivalent number of employees of the Group, including senior officers, was 2,835 (2021: 2,730). The total number of staff employed was 3,075 (2021: 2,988). No staff are directly employed by the Company.

Group	**2022**	**2021**
	£ 000	**£ 000**
Staff costs (for the above persons)		
Wages and salaries	80,422	76,127
Social security costs	8,784	8,310
Employer's pension costs	11,290	11,914
FRS 102 Pension adjustment	8,569	4,385
	109,065	100,736

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

9. Other (losses)

	2022 £000	2021 £000
Group		
Loss on revaluation of investment property (note 19)	(3,148)	(7,418)
Impairment of goodwill on acquisition of GBG Enterprises Limited	-	(575)
Total other (losses)	(3,148)	(7,993)

Loss on revaluation of investment properties:
A loss of £3,148k (2021: £7,418k) has been recognised on the annual revaluation of investment properties. On completion of new-build investment properties, which are held on the Statement of Financial Position at valuation, FRS 102 requires the grant income relating to the properties to be recognised through profit or loss under the performance model. On the first formal annual valuation after completion, the results of the initial valuation are compared against the gross new-build development costs held in the Statement of Financial Position; this requirement results in an initial non-cash accounting loss being reported on investment properties.

Impairment of goodwill on acquisition of GBG Enterprises Limited:
On 30 March 2021, Lowther Homes, a fully owned subsidiary of the Wheatley Housing Group Limited, acquired 100% of the share capital of GBG Enterprises Limited ("GBG"), the company owning the Bellgrove Hotel. A total consideration of £825k was paid for GBG. The net assets acquired have been assessed to have a fair value of £250k with £575k attributable to goodwill at the acquisition date. Subsequent to the acquisition, an assessment of the carrying value of goodwill has been undertaken informed by the future plans for the assets and business of GBG which has resulted in the impairment of the full value of the goodwill on acquisition and a loss of £575k taken to profit and loss on the Statement of Comprehensive Income. No material trading has been reported for GBG Enterprises Limited in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

10. Gain on disposal of fixed assets

This represents net income from the sale of properties including Shared Ownership sales.

Group	2022 £ 000	2021 £ 000
Proceeds from disposal of properties	2,685	3,743
Value of properties disposed	(1,532)	(1,921)
Surplus on sale of fixed assets	1,153	1,822

11. Finance income

Group	2022 £ 000	2021 £ 000
Bank interest receivable on deposits in the year	77	156
Net return on pension asset	29	264
Total	106	420

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

12. Finance charges

Group	2022	2021
	£ 000	£ 000
Interest payable	58,595	64,313
Interest amortised on Contingent Efficiency Grant	1,834	1,789
Other financing costs	3,198	3,223
Loan restructuring fees	-	30,000
Net cost on pension	191	103
Total	63,818	99,428

Other financing costs include commitment, non-utilisation fees, the amortisation of transaction costs on the Group's funding arrangements, the amortised interest on the contingent efficiencies loan and costs for refinancing of group loan arrangements.

Interest of £2.6m (2021: £1.8m) has been capitalised at a weighted average interest rate of 4.08% (2021: 4.60%). The rate is specific to the funding drawn in the year and invested in housing under construction.

13. Movement in fair value of financial instruments

Group	2022	2021
	£ 000	£ 000
Movement in the Scottish Government loan	(4,226)	(2,222)
Movement in discount to arrears balances (note 21)	(52)	(14)
	(4,278)	(2,236)

14. Tax on surplus on ordinary activities

Group	2022	2021
	£000	£000
Total tax expense recognised in the Statement of Comprehensive Income:		
Current tax:		
Current tax on income for the year	27	46
Adjustment in respect of prior periods	4	11
	31	57
Deferred tax:		
Origination and reversal of timing differences	1,643	461
Effects of changes in tax rates	1,624	-
Adjustment in respect of prior periods	1	1
Adjustment in respect of transfer of properties	(113)	-
	3,155	462
Total Tax	3,186	519

The Company had no tax charge for the year (2021: nil).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

14. Tax on surplus on ordinary activities (continued)

The charitable status of Wheatley Homes Glasgow, Dunedin Canmore Housing, Cube Housing Association, West Lothian Housing Partnership, Loretto Housing Association, Dumfries and Galloway Housing Partnership Limited, Loretto Care and Wheatley Foundation Limited means that no corporation tax is payable on their activities. Tax is payable on the profits from the activities of the Group's other non-charitable subsidiary companies.

Factors affecting the tax charge for the current period

Group	**2022**	**2021**
	£000	**£000**
Reconciliation of effective tax rate		
Surplus/(deficit) for the year	12,848	(23,210)
Total tax expense	3,186	519
Surplus/(deficit) excluding taxation	16,034	(22,691)
Tax using the UK corporation tax rate of 19% (2021:19%)	3,046	(4,311)
Effects of:		
Charitable (surplus)/deficit not subject to tax	(766)	5,175
Qualifying charitable donations	(611)	(672)
Under provision in prior year	4	11
Expenses not deductible	2	316
Tax rate changes	1,624	-
Transfer of investment properties at nil gain nil loss	(113)	-
Total tax expense included in Statement of Comprehensive Income	3,186	519

The Company has no tax charge for the year (2021: nil).

15. Auditor's remuneration

	2022	**2021**
The remuneration of the auditor (excluding VAT) is as follows:	**£'000**	**£'000**
Audit of these financial statements	15	14
Audit of financial statements of subsidiaries pursuant to legislation	328	237
Other audit related services	9	6

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

16. Financial commitments

Capital commitments

All capital commitments of the Group were as follows:

Group	2022 £000	2021 £000
Expenditure contracted for, but not provided in the financial statements	106,898	168,256
Expenditure authorised by the Board but not contracted	44,062	53,449
	150,960	221,705

The Group has access to sufficient funding through cash or bank lending facilities to meet the capital commitments.

Operating leases

At 31 March the Group had commitments under non-cancellable operating leases as follows; the Company had no such commitments:

Group	2022 Land and Buildings	2022 Other	2021 Land and Buildings	2021 Other
	£000	£000	£000	£000
Operating lease payments due:				
Within one year	452	182	554	160
In the second to fifth years inclusive	203	258	353	352
Over five years	50	-	68	-
	705	440	975	512

Lease commitments include the timing of the full payment due under contract as required by FRS 102. The Group's social housing properties are held under operating leases and are tenanted under cancellable operating lease conditions. As such, no disclosure of tenant leases under FRS 102 section 20.30 is made.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

17. Fixed assets – Social Housing Properties

Group	Core Stock £ 000	Housing Under Construction £ 000	Shared Owner-ship £ 000	Total £ 000
At Valuation				
At 1 April 2021	2,348,245	107,464	19,030	2,474,739
Additions	107,530	99,133	-	206,663
Disposals	(6,873)	-	(467)	(7,340)
Transfers	49,923	(77,945)	(75)	(28,097)
Revaluation	(149,659)	-	468	(149,191)
At 31 March 2022	2,349,166	128,652	18,956	2,496,774
Depreciation				
At 1 April 2021	-	-	-	-
Charge for year	(85,253)	-	(2,079)	(87,332)
Disposals	4,667	-	79	4,746
Revaluation	80,586	-	2,000	82,586
At 31 March 2022	-	-	-	-
Net Book Value - valuation				
At 31 March 2022	2,349,166	128,652	18,956	2,496,744
At 31 March 2021	2,348,245	107,464	19,030	2,474,739
Net Book Value – historic cost equivalent				
At 31 March 2022	2,444,479	128,652	18,477	2,591,608
At 31 March 2021	2,374,485	107,464	21,019	2,502,968

Total expenditure on repairs and capital improvements in the year on existing properties was £192.3m (2021: £112.2m). Of this, repair costs of £84.8m (2021: £64.6m) were charged to the Statement of Comprehensive Income (note 4) with capital improvements of £107.5m (2021: £47.6m) shown as additions to core stock on the Statement of Financial Position. Additions to core stock in the year of £107.5m (2021: £47.6m) in the year include:

- £68.5m for component additions including:
  - £11.6m on external wall finishes;
  - £15.6m on energy efficient heating systems and boilers;
  - £5.3m on internal works and common areas;
  - £10.2m on kitchens and bathrooms;
  - £5.0m on mechanical, electrical and plumbing;
  - £11.7m on legislative requirements;
  - £0.3m on structure and roofs; and
  - £8.8m on windows and doors.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

17. Fixed assets – Social Housing Properties (continued)

- The remaining balance of £39.0m of additions to existing properties not associated with a specific component includes £21.0m on void improvements, £0.4m of property acquisitions and £5.7m of medical adaptations.

Of the £68.5m of component additions, £37.5m formed part of a major strategic investment projects during the year. All subsidiaries in the Wheatley Housing Group Limited account for social housing properties at valuation. Additions to housing under construction include capitalised interest costs of £2.6m (2021: £1.8m). Interest has been capitalised at the weighted average interest cost for the Association of 4.08% (2021:4.60%).

The valuation of social housing properties is separated into two categories, namely those retained for letting and those properties which form part of the Group's demolition programme, as detailed in the Group's 30-year Business Plan for 2022/23. The demolition programme identifies 792 (2021: 249) properties for demolition over the next few years, with no long-term investment expenditure associated with these properties.

Demolition programme stock has a negative valuation for accounting purposes due to the impact of demolition costs on the Existing Use for Valuation – Social Housing ("EUV-SH") calculation, and so is held at nil on the Statement of Financial Position as under FRS 102 there is no constructive obligation at the year-end date to provide for these costs.

The Group's social housing properties have been valued by Jones Lang LaSalle Limited an independent professional adviser qualified by the Royal Institution of Chartered Surveyors ("RICS") to undertake valuations. The valuations were prepared in accordance with the appraisal and valuation manual of the RCIS at 31 March 2022 on an Existing Use Valuation for Social Housing ("EUV-SH"). Discount rates between 5.75-7.00% have been used depending on the property archetype (2021:5.75-6.50 % retained stock). The valuation assumes real rental income increase of +0.5% for the first three years followed by real long-term growth of +1.0% thereafter for retained stock, in line with the Group's 30-year Business Plan (2022/23). The capital investment made in housing properties each year may not translate directly into an increase in the value of the assets by virtue of the nature of the EUV-SH valuation methodology.

Included in core stock are 966 garages and 1,197 parking sites owned by Dumfries and Galloway Housing Partnership held at a value of £4.0m (2021: £4.0m). These have been valued at market value subject to tenancy ("MV-T"), the Directors consider the difference between EUV-SH and MV-T for these properties to be immaterial.

In the prior year an impairment loss of £498k was recognised against land held in housing under construction due to the discovery of archaeological remains at one development site which may limit the density and scope of future development of the site. The impairment loss was reported within depreciation in note 4.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

17. Fixed assets – Social Housing Properties (continued)

The number of units of social housing accommodation owned and managed (excluding unlettable voids) by the Group at 31 March is shown below:

	2022	2021
Social Housing		
General needs	59,019	59,431
Shared ownership	360	370
Supported housing	1,879	1,855
Housing held for long-term letting	61,258	61,656
Housing approved/planned for demolition	792	249
Total Units	62,050	61,905

18. Fixed assets - other tangible fixed assets

Group	Community Infra-structure	Office Premises £ 000	District Heating £ 000	Furniture, fittings and equipment £ 000	Computer Equipment £ 000	Total £ 000
Cost						
At 1 April 2021	13,816	16,176	10,924	40,545	56,224	137,685
Additions	3,208	7,272	311	1,586	8,046	20,423
Disposals	-	-	-	(559)	-	(559)
Revaluation	-	(4,186)	-	-	-	(4,186)
At 31 March 2022	17,024	19,262	11,235	41,572	64,270	153,363
Depreciation						
At 1 April 2021	(2,341)	-	(3,756)	(31,883)	(40,347)	(78,327)
Charge for year*	(698)	(637)	(194)	(4,314)	(7,204)	(13,047)
Disposals	-	-	-	427	-	427
Revaluation	-	637	-	-	-	637
At 31 March 2022	(3,039)	-	(3,950)	(35,770)	(47,551)	(90,310)
Net Book Value						
At 31 March 2022	13,985	19,262	7,285	5,802	16,719	63,053
At 31 March 2021	11,475	16,176	7,168	8,662	15,877	59,358

*Depreciation of non-social housing assets includes an additional one-off charge of £5.3m to align useful lives on fixtures and fittings and IT assets

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

19. Investments

Investment properties

Group	Properties held for market rent £ 000	Commercial properties £'000	Total £'000
Valuation			
At 1 April 2021	222,885	13,011	235,896
Additions	1,116	342	1,458
Transfers	28,097	-	28,097
Disposals	(55)	-	(55)
Revaluation	(3,172)	24	(3,148)
At 31 March 2022	248,871	13,377	262,248
Net Book Value			
At 31 March 2022	248,871	13,377	262,248
At 31 March 2021	222,885	13,011	235,896

Market rent properties were valued at market value subject to tenancy ("MV-T") by an independent professional adviser, Jones Lang LaSalle, on 31 March 2022.

The number of properties held for market rent by the Group at 31 March were:

	2022	2021
Market Rent Properties		
Total Units	2,364	2,227

The Group's commercial properties were valued by an independent professional advisor, Jones Lang LaSalle, on 31 March 2022 in accordance with the appraisal and valuation manual of the RICS.

In determining the valuation of investment properties, it is assumed that there are no restrictions on the ability to realise the investment properties or the remittance of income and proceeds of disposal. There are no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance or enhancements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

19. Investments (continued)

Investment in joint venture

Group	2022 £000	2021 £000
Investment in joint venture	116	116

The Group is a 50:50 joint venture partner in City Building (Glasgow) LLP. The investment in City Building (Glasgow) LLP is recognised in the financial statements at cost less any impairment. The Group's share of profits or losses of the joint venture are recognised in the Statement of Comprehensive Income and the initial investment is subsequently adjusted to reflect the Group's share.

20. Stock

Group	2022 £ 000	2021 £ 000
Maintenance stock	1,412	1,919

Stock at maintenance depot relates to consumable parts in relation to our repairs and investment service for our subsidiaries in the east and south of the country.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

21. Debtors

Group	2022 £ 000	2021 £ 000
Due in more than one year:		
Development agreement	-	12,201
Due within one year:		
Arrears of rent and service charges	25,850	21,697
Adjustment to discount arrears balances with payment plans (note 13)	(119)	(85)
Less: provision for bad and doubtful debts	(9,109)	(7,934)
	16,622	13,678
Prepayments and accrued income	5,177	14,617
Other debtors	32,332	14,180
Total	54,131	54,676

In the prior year debtors included a balance of £12.2m in respect of the expected cost of the remaining development work that Glasgow City Council has committed to undertake in order to refurbish the housing properties transferred the Wheatley Homes Glasgow (formerly GHA). The Council had the Association to carry out the programme of catch-up repairs to the residential accommodation as part of a development agreement. An identical provision was included in the prior year financial statements for this expenditure (note 22). The programme of works was completed during 2021/22 and the full balance has been utilised.

22. Creditors: amounts falling due within one year

Group	2022 £ 000	2021 £ 000
Amounts falling due within one year:		
Trade creditors	15,746	9,330
Accruals	55,660	66,347
Deferred income (note 23)	60,953	50,964
Rent and service charges received in advance	13,875	10,992
Salaries, wages, other taxation and social security	2,718	2,679
Corporation tax	30	1
Bank overdraft	2,716	222
Housing loans	16,480	7,939
Other creditors	18,076	10,465
Total	186,254	158,939

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

23. Creditors: amounts falling due after more than one year

Group	2022 £000	2021 £000
Scottish Government loan	46,764	40,704
Housing loans - bank facilities	935,540	958,771
Housing loans - bond finance	296,902	296,735
Housing loans - private note placement	261,274	223,921
Deferred income	31,543	38,244
Total	1,572,023	1,558,375

The Scottish Government made available to Glasgow Housing Association £100.0m of contingent efficiencies grant over an eight-year period. Under this agreement £100.0m (2021: £100.0m) has been received and this is an interest-free loan with repayment due in 2040/41. The amount due of £46.8m at 31 March 2022 is the measurement of the liability after discounting for an equivalent interest bearing arrangement with the same repayment date. This treatment is consistent with FRS 102 which requires financial instruments to be measured at amortised cost. The movement in the balance in the year relates to:

- interest costs £1.9m (2021: £1.8m)
- fair value movement loss of £4.2m (2021: loss of £2.2m)

Interest costs are reported within finance charges (note 12). The movement in the fair value is reported on the face of the Statement of Comprehensive Income.

Housing Loans
Registered Social Landlord's borrowing arrangements are in place via a Group funding structure which consists of bank and capital markets debt, secured on charged properties owned by RSLs within the Wheatley Housing Group. RSL Group funding was made up of a committed facility of £648.2m from a syndicate of commercial banks, two committed facilities totalling £274.5m from the European Investment Bank, £300.0m raised through the issue of a public bond, £150.0m private placement loan notes with BlackRock Real Assets and £100.0m facility with HSBC. This provided total facilities of £1,472.7m for the RSL borrower group through Wheatley Funding No.1 Limited, a wholly owned subsidiary of the Wheatley Housing Group Limited. At 31 March 2022, the RSL borrowing group comprises Wheatley Homes Glasgow, West Lothian Housing Partnership, Dunedin Canmore Housing and Loretto Housing Association.

At 31 March 2022, Dumfries and Galloway Housing Partnership had separate facilities provided directly to the Company comprising of a £114.0m facility in place with M&G secured on a portion of the Company's properties and a facility of £40.0m with The Housing Finance Corporation. The loan premium of £1,602k received on drawdown is being amortised over the life of the loan and at the 31 March 2022 stood at £1,082k (2021: £1,134k). A further £35.0m facility is in place with Allia under the Scottish Government Charity Bonds Programme and a revolving credit facility of £35.0m is in place with the Royal Bank of Scotland.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

23. Creditors: amounts falling due after more than one year (continued)

Additional separate facilities are provided through direct loans to Dunedin Canmore Housing comprising of a committed facility from The Housing Finance Corporation of £16.5m and a £16.0m unsecured Scottish Government Charitable Bond with Allia Limited.

Bond finance is repayable in 2044/45, and has a coupon rate of 4.375%.

Following successful discussions, DGHP joined the WFL1 funding arrangements on 1 April 2022, with its facility with M&G and RBS transferring to WFL1 on that date, aligning the funding arrangements for all RSLs in the Group through WFL1. Loans with Allia and THFC remain as separate facilities with DGHP directly and the Company continues to have access to sufficient funding for its operational requirements through WFL1 on the same basis as the other RSLs in the Group.

Lowther Homes Limited has access to a £76.5m facility provided through Wheatley Funding No.2 Ltd ("WFL2") via an agreement with Scottish Widows through Bank of Scotland. Interest on the new facility has been charged at a rate of 3.77%.

Borrowings are repayable as follows:	2022 £ 000	2021 £ 000
In less than one year	16,480	7,939
Between one and five years	185,339	92,692
In more than five years	1,308,377	1,386,735
	1,510,196	1,487,366

The deferred income balance is made up as follows:

	Housing Association Grant £ 000	Other £ 000	Total Deferred Income £ 000
Deferred income as at 1 April 2021	79,236	9,972	89,208
Additional income received	39,561	2,440	42,001
Released to the Statement of Comprehensive Income	(36,372)	(2,341)	(38,713)
Deferred income as at 31 March 2022	82,425	10,071	92,496

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

23. Creditors: amounts falling due after more than one year (continued)

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

Deferred income to be released to the Statement of Comprehensive Income:	2022 £ 000	2021 £ 000
In less than one year (note 22)	60,953	50,964
In more than one year but less than five years	31,543	36,415
In more than five years	-	1,829
	92,496	89,208

Financial instruments

Financial assets:	2022 £'000	2021 £'000
Measured at amortised cost:		
Debtors and accrued income	54,116	42,475
Total	54,116	42,475

	2022 £ 000	2021 £ 000
Financial liabilities:		
Measured at amortised cost:		
Creditors, accruals and deferred income	201,317	189,244
Bank loans	1,510,196	1,487,366
	1,711,513	1,676,610
Measured at fair value:		
Scottish Government loan	46,764	40,704
Total	1,758,277	1,717,314

Income earned and expense payable on the financial assets and liabilities is disclosed in note 11 and 12 respectively.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

24. Provisions for liabilities and charges

Group	Development Agreement £ 000	Insurance £ 000	Deferred tax £000	Dilapidation Provision £'000	Total £ 000
At 1 April 2021	12,201	434	3,664	1,799	18,098
Created	-	-	3,284	466	3,750
Released	-	-	(113)	-	(113)
Utilised	(12,201)	-	-	(463)	(12,664)
At 31 March 2022	-	434	6,835	1,802	9,071

Development Agreement
The opening provision represents the best estimate of the remaining costs of contracted works for the repair of managed properties in 2003 transferred from Glasgow City Council to Wheatley Homes Glasgow (formerly GHA) less the cost of repairs carried out since the transfer. This agreement is part of the Development Agreement between Glasgow Housing Association and Glasgow City Council. The agreed programme of work was completed during the year and the provision has been fully utilised.

Insurance
A provision has been made in respect of the excess arising on all outstanding insurance claims.

Deferred tax
Deferred tax is provided to take account of timing differences between the treatment of certain items for financial statement purposes and their treatment for tax purposes. Deferred tax is provided for all material timing differences and for the unrealised gain or losses on investment properties in certain subsidiaries in the Group. The UK Budget 2021 announcements on 3 March 2021 included measures to support economic recovery as a result of the Covid-19 pandemic. These included an increase to the UK's main corporation tax rate to 25%, which is due to be effective from 1 April 2023. The Finance Bill 2021 was substantively enacted on 24 May 2021 and given Royal Assent on 10 June 2021. Deferred taxes on the balance sheet have been measured at rates between 19% and 25% being the corporation tax rates enacted at the balance sheet date of 31 March 2022.

Dilapidation provision
This provision represents the estimated costs of dilapidation works required under lease contracts for office properties leased by group entities.

25. Share capital

Wheatley Housing Group Limited was incorporated on 13 June 2012 and is a Company Limited by Guarantee and therefore does not have any Share Capital.

There were no balances in reserves for the company at 31 March 2022.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

26. Pensions

Strathclyde Pension Fund and Dumfries and Galloway Council Pension Fund

The funds are part of the wider Local Government Pension Scheme ("LGPS") in Scotland. The Group subsidiary Wheatley Homes Glasgow Limited participates in the Strathclyde Pension Fund ("SPF") which is administered by Glasgow City Council and is a defined benefit scheme. During the year Dumfries and Galloway Housing Partnership participated in the Dumfries and Galloway Council Pension Fund ("DGCPF") which is administered by Dumfries and Galloway Council and is a defined benefit scheme. As part of a Group pension restructure, the assets and liabilities of DGHP in DGCPF were transferred to SPF on 28 February 2022. The assets of the funds are held separately from those of the respective Association with investments under the overall supervision of the Fund Trustees.

The latest full actuarial valuation was carried out as at 31 March 2020 for both SPF and DGCPF. In preparing the formal valuation at 31 March 2020, an allowance for full GMP indexation and the estimated impact of the McCloud judgement was included based on the eligibility criteria for inclusion of members in the agreed remedy.

TPT Retirement Solutions - Scottish Housing Association Pension Scheme

Cube Housing Association, West Lothian Housing Partnership, Loretto Housing Association, Wheatley Care and Dunedin Canmore Housing participated in the Pensions Trust Scottish Housing Association Pension Scheme ("SHAPS") defined benefit section. This is a multi-employer defined benefit scheme and is funded and contracted out of the State Pension Scheme. Loretto Housing Association Limited and Loretto Care transferred to the SHAPS Defined Contribution scheme with effect from 1 July 2013, Cube Housing Association and West Lothian Housing Partnership transferred with effect from 1 September 2014 and Dunedin Canmore transferred on 1 April 2014.

As part of the transfer of engagements of Cube Housing Association to Loretto Housing Association which took place during the year, the assets and liabilities of Cube in the SHAPs Defined Benefit scheme transferred to Loretto. The transfer took place on 1 June 2021.

The Trustee commissions an actuarial valuation of the Scheme every three years, with the last formal valuation of the Scheme being carried out at 30 September 2021, the results of which are being finalised but not yet available.

The scheme is a multi-employer arrangement where the assets are co-mingled for investment purposes, benefits are paid from the total scheme assets, and the contribution rate for all employers is set by reference to the overall financial position of the scheme rather than by reference to individual employer experience. FRS 102 requires the disclosure of the Group's share of the assets and liabilities of the scheme within the financial statements and an evaluation of the scheme assets and liabilities has been carried out by an independent actuary as at 31 March 2022.

Following consideration of the results of the last valuation at 30 September 2018, the shortfall in the scheme reduced from £198m to £121m. It was agreed that this would continue to be dealt

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

26. Pensions (continued)

with by the payment of additional contributions. These were previously set at 5.4% of pensionable salaries per annum with effect from 1st April 2014 for a period of 8 years with the scheme expected to reach a fully funded position by 2022. Pending the results of the formal valuation of the scheme carried out at 30 September 2021 and to ensure the ongoing funding of the scheme whilst the valuation is prepared, the Trustees have agreed to extend the period over which additional contributions are payable by one year to March 2023. Past service deficit contributions continue to increase each 1st April at a rate of 3%.

As a result of Pension Scheme legislation there is a potential debt on the employer that could be levied by the Trustee of the Scheme. The debt is due in the event of the employer ceasing to participate in the Scheme or the Scheme winding up.

The debt for the Scheme as a whole is calculated by comparing the liabilities for the Scheme (calculated on a buy-out basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Scheme. If the liabilities exceed assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the Scheme's liability attributable to employment with the leaving employer compared to the total amount of the Scheme's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any "orphan" liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Scheme liabilities, Scheme investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

A review of changes made to the scheme's benefit structure has been undertaken by the Trustees in line with their duty to administer the scheme in accordance with the rules. The review involves clarification of the treatment of historic changes made to scheme benefits and from initial findings it has been determined that in some cases it is unclear whether changes made to the scheme benefits have been in accordance with the governing documentation. Direction has been sought from the High Court and the matter is currently under consideration. Any potential requirement to review member benefits is not expected to have a material impact on the liabilities of the scheme based on current calculations and no provision has been made when valuing the scheme liabilities pending the outcome of the process.

Wheatley Housing Group Defined Contribution Scheme

The Group also operates a defined contribution scheme through the Salvus Master Trust. These arrangements are open to most employees who are not members of the Strathclyde Pension Fund, SHAPS defined benefit or defined contribution scheme, or any other group scheme. Employer contributions vary pro rata with the level of contributions chosen by the individual employee member, and range from 8% to 12%. Employer contributions are capped at 12%.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

26. Pensions (continued)

Group Defined Benefit assets and obligations

The assumptions that have the most significant effect on the results of the valuation of the Group defined benefit pension arrangements, are those relating to the rate of return on investments and the rates of increases in salaries and pensions. The principal actuarial assumptions (expressed as weighted averages) at the year-end were as follows:

	31 March 2022	**31 March 2021**
Discount rate	2.70%	2.05%
Future salary increases	2.20%*	1.85%
Inflation	3.20%	2.80%

* Salary increases are assumed to be 3.50% for 2022, 2.50% for 2023 and 2.00% thereafter.

In valuing the liabilities of the pension fund at 31 March 2022, mortality assumptions have been made as indicated below. The assumptions relating to longevity underlying the pension liabilities at the balance sheet date are based on standard mortality tables and include an allowance for future changes in longevity. The assumptions are equivalent to expecting a 65-year-old to live for a number of years as follows:

- Current pensioner aged 65: 19.6 years (male) (2021: 19.8 years), 22.4 years (female) (2021: 22.6 years).
- Future retiree upon reaching 65: 21.0 years (male) (2021: 22.2 years), 24.5 years (female) (2021: 24.7 years).

The assumptions used by the actuary are chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice.

The information disclosed below is in respect of the whole of the plans for which the Group has been allocated a share of cost under an agreed policy throughout the periods shown.

Movements in present value of defined benefit obligation

	SPF 2022 £ 000	**DGCPF 2022 £000**	**SHAPS 2022 £ 000**
Opening defined benefit obligation	**552,988**	**23,468**	**75,164**
Current service cost	18,119	1,476	-
Interest cost	11,465	436	1,494
Loss on curtailment	-	-	-
Actuarial (gains)/losses	(31,516)	(548)	(4,471)
Contributions by members	2,286	71	-
Estimated benefits paid	(11,143)	(380)	(1,476)
Expenses	-	-	63
Transfers in/(out)	24,380	(24,523)	
Closing defined benefit obligation	**566,579**	-	**70,774**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

26. Pensions (continued)

Movements in fair value of plan assets

	SPF 2022 £ 000	DGCPF 2022 £000	SHAPS 2022 £ 000
Opening fair value of plan assets	**558,831**	**20,143**	**67,261**
Expected return on plan assets	11,494	376	1,363
Actuarial gains	32,140	918	2,445
Contributions by the employer	9,756	253	899
Contributions by the members	2,286	71	-
Estimated benefits paid	(11,143)	(380)	(1,476)
Transfers in/(out)	21,381	(21,381)	-
	624,745	-	70,492
Effects of changes in surplus not recoverable	-	-	(106)
Closing fair value of plan assets	**624,745**	-	**70,386**

	SPF Value at 31 March 2022 £000	DGCPF Value at 31 March 2022 £000	SHAPS Value at 31 March 2022 £ 000
Present value of funded defined benefit obligations	(565,432)	-	(70,774)
Present value of unfunded defined benefit obligations	(1,147)	-	-
Fair value of plan assets	624,745	-	70,386
Net asset/(liability)	58,166	-	(388)

Expense recognised in the Statement of Comprehensive Income

	SPF 2022 £ 000	DGCPF 2022 £000	SHAPS 2022 £ 000
Current service cost	16,218	445	899
Past service cost	1,901	1,031	-
Losses on settlements or curtailments	-	-	-
Net interest on defined benefit obligation	(29)	60	131
Administration costs	-	-	63
	18,090	1,536	1,093

The total amount recognised in the Statement of Comprehensive Income in respective of actuarial gains and losses is a gain of £72,075k (2021: £10,011k loss).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

26. Pensions (continued)

The fair value of the plan assets and the return on those assets were as follows:

	2022 £ 000	2021 £ 000
Equities	410,921	425,706
Corporate bonds	172,260	140,699
Property	72,580	55,201
Alternatives	26,454	12,780
Cash	13,022	11,849
	695,237	646,235
Actual return on plan assets	48,736	119,229

27. Related party transactions

The company retains a register of Directors' interests. During the year there were no interests in related parties that require to be disclosed or declared by Directors.

Directors received emoluments for their services to Wheatley Housing Group Limited. Details are included in Note 6.

Tenant and factored homeowners Directors

The following Directors are tenants of Glasgow Housing Association and have tenancies or factoring agreements that are on the Association's normal terms and they cannot use their positions to their advantage:

Bernadette Hewitt

Transactions entered into with members, and rent arrear balances outstanding at 31 March, are as follows:

	2022 £ 000
Rent charged during the year	5
Arrears balances outstanding at 31 March 2022	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

27. Related party transactions (continued)

Other related parties

Related party interests and transactions during the year are as follows:

	Invoiced/paid in the year £ 000	Year end balance £ 000
2022		
City Building (Glasgow) LLP	93,987	(10,350)
Strathclyde Pension Fund	9,756	-
Dumfries and Galloway Council Pension Fund	253	-
TPT Retirement Solutions – Scottish Housing Association Pension Fund	899	-
Bernadette Hewitt - Transforming Communities Glasgow	-	-
Bernadette Hewitt - Barmulloch Community Development	-	-
Steven Henderson - Scotcash CIC	-	-

All transactions were on commercial terms and at arm's length.

The Wheatley Housing Group Limited has a 50:50 share in City Building (Glasgow) LLP with Glasgow City Council. The joint venture provides repairs and investment services to the Group subsidiaries in the west of Scotland.

During the year GHA held nomination rights to a directorship of Transforming Communities: Glasgow ("TC:G"). Bernadette Hewitt serves as a GHA nominated director on the board of TC:G.

During the year GHA held nomination rights to a directorship of Scotcash CIC. These rights allow GHA to nominate up to two directors to the board of Scotcash with Steven Henderson and David Rockliff serving on the board during the year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

28. Cash Flow Analysis

Reconciliation of surplus to net cash inflow from operating activities

	2022 £ 000	2021 £ 000
Surplus/(deficit) for the year	12,848	(23,210)
Depreciation of tangible fixed assets	101,587	90,267
Impairment of housing under construction	-	498
Decrease/(increase) in stock	507	(1,313)
Increase in debtors	(11,708)	(9,404)
Increase in creditors and provisions	19,137	20,536
Pensions costs less contributions payable	8,750	4,178
Adjustment for investing or financing activities:		
Gain from the sale of tangible fixed assets	(1,153)	(1,822)
Grants utilised in the year	(38,713)	(30,137)
Interest receivable	(106)	(420)
Interest payable	63,818	99,428
Movement in fair value of financial instruments	4,278	2,236
Loss on investment activities	3,148	7,418
Impairment of goodwill	-	575
Net cash inflow from operating activities	162,393	158,830

29. Subsidiary and associated undertakings

The ultimate parent company is Wheatley Housing Group Limited. The Company has fourteen immediate subsidiaries – Wheatley Homes Glasgow Limited (formerly The Glasgow Housing Association Limited prior to changing its name on 20 July 2022), Cube Housing Association Limited (non-trading), West Lothian Housing Partnership Limited, Loretto Housing Association Limited, Wheatley Funding No.1 Limited, Wheatley Funding No.2 Limited, Wheatley Enterprises Limited, Lowther Homes Limited, YourPlace Property Management Limited (non-trading), Dunedin Canmore Housing Limited, The Wheatley Foundation, Wheatley Solutions Limited, Wheatley Care (formerly Loretto Care prior to changing its name on 18 October 2021) and Dumfries and Galloway Housing Partnership.

Wheatley Housing Group Limited retains constitutional control of all subsidiary undertakings.

The objective of Wheatley Funding No.1 Limited is the provision of finance to the Registered Social Landlords in the Group, which up to 31 March 2022 excluded Dumfries and Galloway Housing Partnership Limited. Wheatley Funding No.1 Limited is the parent of Wheatley Group Capital plc, the vehicle for raising bond financing. Lowther Homes Limited is involved in providing private and mid-market rent properties for let and the provision of property management services to homeowners' following the transfer of the business activities of YourPlace Property Management Limited. Wheatley Enterprises Limited is a non-trading holding company of YourPlace Property Management which has ceased to trade following the transfer of business to Lowther Homes Limited in December 2020.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

29. Subsidiary and associated undertakings (continued)

Wheatley Housing Group Limited is a 50:50 joint venture partner with Glasgow City Council in City Building (Glasgow) LLP. The Group's share of the results of City Building (Glasgow) LLP are accounted for using the equity method.

The results of Scotcash CIC have not been consolidated as an associate undertaking into these accounts as they are not material to the Group's operations. Scotcash provides accessible and affordable finance to individuals with limited access to banking services. GHA has provided start-up funding to Scotcash and has no outstanding obligations.

The legal form and share capital of each immediate subsidiary of the Wheatley Housing Group Limited is as follows:

Subsidiary	Legal status	Issued share capital
Wheatley Homes Glasgow Limited (formerly The Glasgow Housing Association Limited)	Co-operative and Community Benefit Society	9 x £1 shares
Cube Housing Association Limited	Co-operative and Community Benefit Society	9 x £1 shares
Dunedin Canmore Housing Limited	Co-operative and Community Benefit Society	121 x £1 shares
Wheatley Funding No.1 Limited	Company Limited by Guarantee	No share capital
Wheatley Funding No.2 Limited	Company Limited by Guarantee	No share capital
Wheatley Enterprises Limited	Company Limited by Shares	100 x £1 ordinary shares
Lowther Homes Limited	Company Limited by Shares	100 x £1 ordinary shares
YourPlace Property Management Limited	Company Limited by Shares	1 x £1 ordinary shares
Loretto Housing Association Limited	Co-operative and Community Benefit Society	84 x £1 shares
West Lothian Housing Partnership Limited	Company Limited by Guarantee	No share capital
Wheatley Solutions Limited	Company Limited by Shares	100 x £1 shares
The Wheatley Foundation Limited	Company Limited by Guarantee	No share capital
Dumfries and Galloway Housing Partnership Limited	Company Limited by Guarantee	No share capital
Wheatley Care	Company Limited by Guarantee	No share capital

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

29. Subsidiary and associated undertakings (continued)

The Company exercises its functions as parent of the entities listed above through ownership of 100% of the share capital in all Companies Limited by Shares, through the ownership of a parent share with controlling rights in all Co-operative and Community Benefit Societies, and through a controlling interest as a member of the Companies Limited by Guarantee.

Transactions between wholly owned Group companies and closing balances do not require to be disclosed under FRS 102.

30. Post balance sheet event

Following a successful ballot during 2022/23, agreement has been reached with the tenants of West Lothian Housing Partnership Limited to transfer the business, housing properties and other assets and liabilities of WLHP to Dunedin Canmore Housing Limited. Both organisations are fellow Wheatley Group subsidiaries.

The transfer is expected to take place in September 2022 at which point WLHP will cease to trade.

With effect from 20 July 2022, The Glasgow Housing Association Limited changed its legal entity name to Wheatley Homes Glasgow Limited having traded under the name of Wheatley Homes Glasgow since 1 April 2022.

SUPPLEMENTARY INFORMATION

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