

Tuesday 22 August 2023
4pm



ng2 BOARD MEETING





AGENDA

Meeting: Board Meeting

Invitees ng2 Board

Location: Vulcan St/Microsoft Teams

Date 22 August 2023

Time 4:00pm

Please submit any apologies to Jade Redmond
jredmond@ng2works.com

Telephone: 0141 630 4252

	Agenda	Paper	Lead Officer	Page no
1.	Apologies			
2.	Disclosure of Interest and Attendance			1
3.	Minutes			
a.	ng2 Board Meeting on 13 June 2023	Yes		3
	i) Matters Arising			
4.	Reports for Approval			
a.	Management Accounts to 30 June 2023	Yes	BH	7
b.	Health and Safety	Yes	DM	11
c.	Risk Register	Yes	DM	13
d.	Confidential staffing report	To Follow	BH	
5.	Reports for Noting			
a.	Operational Report	Yes	DM	17
b.	ng2 Staffing Report	Yes	OF	37
c.	ng2 statutory accounts – year to 31 March 2023	Yes	BH	51
d.	ng2 External Auditors audit findings report	Yes	BH	73
6.	AOCB			
7.	Date of Next Meeting – Tuesday 21 November 2023 at 4pm			

'NORTH GLASGOW HOUSING ASSOCIATION LIMITED ng2 BOARD ATTENDANCE 2022-23

	06.12. 22	14.02. 23	13.06. 23							
M Thomson	P	P	P							
I Cross	P	P	P							
J Berrington	A	P	P							
G Satti	P	P	P							
J Thorburn	A	P	P							
P Nelson	A	A								
B Hartness	P	P	P							
% Total	57%	86%	100%							

P - PRESENT X - ABSENT
 A - APOLOGIES A* - LEAVE OF ABSENCE GRANTED

TARGET ATTENDANCE - 80%

AVERAGE ATTENDANCE - 80%



ng2 Board Minutes

Meeting: ng2 Board meeting **Location:** The Ron Davey Enterprise Centre, 10 Vulcan St

Date: Tuesday 13 June 2023 **Time:** 4:00pm

Attendees: John Thorburn **JT**
Isabella Cross **IC**
Margaret Thomson **MT**
Gino Satti **GS**
Jim Berrington **JB**

Apologies: None

In Attendance: Bob Hartness **RH** Director/Chair
David McIntyre - left after **DM** Senior Operations Supervisor
item 4(d)

Minute Taker: Cheryl Murray **CM**
Jade Redmond - left after **JR**
item 4(d)

	Agenda	Action	Date
1.	Apologies		
	As above. Chair advised of P Nelson's resignation from both the main Board and all committees/subsidiaries including ng2. BH will continue as Chair keeping the status quo until the elections for Office Bearers takes place as scheduled at the first meeting of the main Board following the AGM.		
2.	Disclosure of Interest and Attendance		
	None.		
3.	Minutes of Board Meeting on 14 February 2023		
	Board AGREED the minutes were an accurate record of the meeting. Proposed J Thorburn Seconded I Cross		

4.	Reports for Approval		
a.	Management Accounts		
	<p>Chair presented the Management Accounts for the period to 31 March 2023.</p> <p>Chair commented that the year was much busier than previous years (due to the Covid-19 pandemic) and activities were more realistic to a typical year including having a full staffing level. The fleet of vehicles has increased resulting in increased costs for fuel and insurance. Chair was not proposing more gift aid as ng2 has spent more on fixed assets this year and had sufficient capital allowances to reduce corporation tax to zero. Chair commented that the reserves were acceptable to meet the needs of the business.</p> <p>Members considered and APPROVED the Management Accounts for the period to 31 March 2023.</p> <p>Proposed J Berrington Seconded M Thomson</p>		
b.	Business Plan		
	<p>Chair advised Members that the Business Plan 2023/24, previously approved by the ng2 Board had been approved by the Board of ng homes. It was subsequently being brought back to the ng2 Board to formally adopt:</p> <p>Proposed J Berrington Seconded J Thorburn</p>		
c.	Health and Safety		
	<p>DM presented the health and safety report for the period covering January to March 2023. There were no incidents to report but it is a quieter time and operations are at their lowest. All staff are reminded to report incidents, accidents and near misses to their supervisor or manager and the importance of the learning points that come out of such incidents.</p> <p>The report will be adapted for the next meeting as it still takes into account measures that were implemented to ensure staff could work safely during the Covid-19 pandemic.</p>	DM	Next Meeting

	Members APPROVED the contents of the report: Proposed I Cross Seconded G Satti		
d.	Risk Register		
	DM presented the risk register, and no changes were proposed. The risk register as presented shall remain: Proposed J Thorburn Seconded J Berrington The risk register is presented at every meeting and Members are reminded to consider any changes to discuss at each meeting.		
e.	Confidential report		
	All ng2 staff left the room. Chair presented the P&C report. Members discussed and APPROVED the content of the report. BH, DM, JB and MT were delegated authority to scope out any further changes could be made. Proposed J Thorburn Seconded G Satti		
5.	For Ratification		
a/b	Payments & Benefit Cases #151 & #152		
	Chair presented the content of two payment and benefit cases that were subsequently RATIFIED by members: Proposed J Thorburn Seconded G Satti		
6.	Reports for Noting		
a.	Operational Report		
	Members NOTED the report providing Members with an update on business operations for Q4 2022/23. DM commented that the report would be amended removing references to Covid-19 for the next meeting.	DM	Next Meeting

b.	Staffing Report		
	Members NOTED the report covering staffing matters for quarter four. BH highlighted the low sickness levels and training carried out and commented on the employability strategy and work placements currently underway within ng2. BH advised Members of [REDACTED] resignation.		
c.	Performance Assessment		
	Members NOTED the report advising of an offer of a permanent contract to an ng2 employee.		
7.	AOCB		
	None.		
8.	Date of next meeting		
	Date of next meeting was confirmed as Tuesday 22 August 2023 at 4pm Meeting ended at 4:45pm		



Board Meeting

For Approval

To: Board
From: Director

SUBJECT: MANAGEMENT ACCOUNTS – PERIOD TO 30TH JUNE 2023

DATE: 22nd August 2023

1.	Introduction
	This report is detailing the financial results for the period to 30 th June 2023.
2.	Risk and other issues
	<p>The management accounts are reviewed on a regular basis by the management team, Audit Committee and Board, ensuring close monitoring of financial position of the organisation. This is a key element of budgetary control and monitoring</p> <p>There are no applicable effects on sustainability or equality and diversity issues.</p>
3.	Commentary on results for the period
	<p>The income from activities in the period to 30th June 2023 amounts to £1.05m (June 2022 - £814k) with £266k (June 2022 - £149k) of direct costs and £597k (June 2022 - £517k) of wages leading to a £188k (June 2022 - £145k) gross profit before other income. Other income amounts to £3k (June 2022 £3k). So, the overall gross profit comes out at £191k (June 2022 -£148k).</p> <p>Overheads totalled £140k (June 2022 - £119k). The main elements being motor expenses, management charges, uniforms, rent and vehicle depreciation. After the overheads, a £51k (June 2022 - £29k) net profit was made in the period before tax or gift aid.</p> <p>The balance sheet position continues to improve with increased reserves. The cash balance stayed steady with slightly more funds being paid out of the company than paid in. Reserves now total £926k (June 2022 - £853k).</p>
4.	Recommendation
	Board members are asked to recommend approval of the management accounts of ng2 for the period to 30 th June 2023. A report of this will be put to the Board of the Association.

Year to 31/03/23	NG 2 Profit and Loss - period to	30-Jun-23			
£		Sales £	Materials £	Wages £	Gross Profit £
124,279	Cleaning	179,734	45,926	97,190	36,618
67,615	Joinery	199,706	139,676	50,580	9,450
40,873	Electrical	21,916	18,059	1,745	2,112
87,757	Other sales	111,665	2,115	88,659	20,891
52,064	Back court cleaning	43,448	-	27,413	16,036
194,360	Garden maintenance	347,624	50,852	209,289	87,483
(89,003)	Management	-	-	21,425	(21,425)
67,921	Concierge	60,294	-	43,904	16,390
79,417	Hit squad	67,688	106	47,919	19,663
5,133	Painters	18,189	8,851	8,868	469
630,417		1,050,265	265,586	596,992	187,687
3,182	Other income	3,184	-	-	3,184
633,599		1,053,449	265,586	596,992	190,871
	Overheads				
60,000	Management charges			20,000	
24,636	Rent and rates			6,000	
266,965	Motor expenses			52,535	
4,000	Telephone and IT support			2,000	
4,296	Printing, stationery and advertising			1,870	
15,557	Professional fees			3,008	
3,188	Container hire			906	
30,416	Uniforms, safety equipment and repairs			7,672	
27,254	Training			6,267	
4,000	Insurance			2,000	
120,856	Vehicle and plant depreciation			36,371	
(15,819)	Gain/Loss on sale of fixed assets			-	
250	Bank charges			65	
3,878	General expenses			1,129	
549,478					139,823
-	Loan interest				-
84,122	Net profit				51,048
32,937	Corporation tax/Gift aid				-
51,185					51,048

31/03/23	NG 2 Balance sheet at	30/06/2023			
£		£	£	£	
486,253	Fixed assets			496,460	
	Current assets				
520,172	Stock and Debtors		927,764		
114,757	Bank and cash		114,357		
<u>634,929</u>			<u>1,042,121</u>		
	Current Liabilities				
181,061	Trade Creditors	107,589			
-	NGHA inter Company account	439,821			
64,612	Other creditors	<u>64,612</u>			
<u>245,673</u>			<u>612,022</u>		
<u>389,257</u>				<u>430,099</u>	
<u>875,510</u>				<u>926,558</u>	
100	Share capital			100	
875,410	Profit and Loss account			926,458	
<u>875,510</u>				<u>926,558</u>	

31/03/23	NG2	30/06/2023
£	CASHFLOW	£
	OPERATING ACTIVITIES	
51,185	Surplus for year	51,048
-	Interest Received	-
-	Loan Interest Paid	-
51,185	Operating surplus excluding int & tax	51,048
120,856	Depreciation - vehicles and plant	36,371
126,129	Decrease/(Increase)in Debtors	407,592
50,962	(Decrease)/Increase in Creditors	366,349
349,132	Net Cash In/(Out)flow From Operating Activities	46,177
	RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	
-	Interest Received	-
-	Less: Interest Paid	-
-	Net Cash In/(Out)flow from Returns on Investments and Servicing of Finance	-
-	Corporation Tax Paid	-
	INVESTING ACTIVITIES	
(342,110)	Acquisition of Other Fixed Assets	(46,577)
-	Investment in Activities	-
(342,110)	Net Cash In/(Out)flow From Investing Activities	(46,577)
7,022		(401)
	FINANCING	
-	Loans Received	-
-	Less: Loans Repaid	-
-	Issue Of Share Capital	-
-	Net cash In/(Out)flow From Financing	-
7,022	Increase/(Decrease) in Cash and Cash Equivalents	(401)
7,022	Movement in Cash & Bank	(401)
7,022	Increase/(Decrease) in Cash and Cash Equivalents	(401)



Board Meeting For Approval

To: ng2 Board
From: David McIntyre

SUBJECT: HEALTH AND SAFETY

DATE: April – June 2023

1.	Introduction														
	<p>The purpose of this report is to provide the Board with an update on the ng2 health and safety work plan for the period covering April 2023 – June 2023.</p> <p>Health & Safety</p> <p>Health and Safety is our highest priority, and we have robust policies and processes in place covering ng2's entire operation where there is a potential risk to employees, contractors, the public or others.</p> <p>Our policies, risk assessments and working safely practises ensure a safe working environment for office-based, trades/non-trade employees/tasks in addition to contractors for whom we must ensure a safe working practice.</p> <p>Health and safety is reviewed on an ongoing basis and issues identified are addressed immediately.</p>														
2.	Actions Taken														
	<p>Incidents, Accidents and Near Misses</p> <p>During the reporting period there were no reportable incidents.</p> <table><tr><th>Location / Date</th><th>Nature of Incident, Accident or Near Miss</th><th>Action</th><th>HSE Report Required</th></tr><tr><td>Kippen Street 14/4/23</td><td>██████████ ██████████ ██████████</td><td>██████████ ██████████ ██████████ Tool box talk given on his return to work and RAMS checked to ensure they were fit for purpose which they were</td><td>YES</td></tr><tr><td>Balglass Street 25/4/23</td><td>Operative's vehicle back gates hit a parked car slightly damaging the vehicle</td><td>Toolbox talk given</td><td>N/A</td></tr></table>			Location / Date	Nature of Incident, Accident or Near Miss	Action	HSE Report Required	Kippen Street 14/4/23	██████████ ██████████ ██████████	██████████ ██████████ ██████████ Tool box talk given on his return to work and RAMS checked to ensure they were fit for purpose which they were	YES	Balglass Street 25/4/23	Operative's vehicle back gates hit a parked car slightly damaging the vehicle	Toolbox talk given	N/A
Location / Date	Nature of Incident, Accident or Near Miss	Action	HSE Report Required												
Kippen Street 14/4/23	██████████ ██████████ ██████████	██████████ ██████████ ██████████ Tool box talk given on his return to work and RAMS checked to ensure they were fit for purpose which they were	YES												
Balglass Street 25/4/23	Operative's vehicle back gates hit a parked car slightly damaging the vehicle	Toolbox talk given	N/A												

	Hawthorn Street 12/5/23	Operative's lawnmower hit a stone and the window of a parked vehicle was smashed	Toolbox talk given	N/A
	Matters Arising			
	In the next quarter we will be looking to carry out a RAMS and Health Safety audit and looking to update anything that needs updated. We will update the board at the next meeting.			
4.	Recommendation			
	Due to the importance of Health and Safety measures Members are asked to approve the contents of this report.			

Risk Register : (Operational)

Risk Number	Operational Risk Area/ Hazard	Potential Risk Ng2	Potential impact - ng group parent	Risk Level: 1 (very low) to 5 (very high)			Who is responsible?	Control/ action	Monitoring / Review Procedure	Residual Risk
				i) How Likely?	ii) Severity?	Score i) x ii)				
1	Lack of clear plan and objectives with parent company sign-up	Short-termism and inability to forward plan the business with confidence	Adverse impact on ng2 maintenance + procurement programme planning	3	4	12	Board Operational directors Ng2 Management team	ng2/ng2 jointly agreed annual development programme put in place setting out specific proposed works areas/ contracts to be undertaken by ng2, + rationale for same, + contingency plans with 6 monthly review	Regular operational performance Progress meetings with client Reports to ng2 Board.	2 x 2 = 4
2	Financial and other targets unrealistic	Adverse impact on ng2 delivery and destabilising impact on workforce planning	Deterioration in service/ quality from ng2, need to source alternative contractors at higher cost	3	4	12	Board Operational directors Management team	Annual plans provide basis for firmer, medium term financial planning. Quarterly management accounts review to ng2 Board.	Regular operational and financial performance Reports to ng2 Board.	2 x 3 = 6
3	Financial losses incurred	Financial viability of ng2 threatened	Potential financial liabilities for ng2 as wholly-owned subsidiary	3	5	15	Board Operational directors Management team	Annual plans as above will reduce risk. ng2 financial regulations in place; Quarterly financial reports provided by ng2 Director of Finance.	Regular management accounts and operational reports to ng2 Board.	2 x 3 = 6
4	Failure to deliver value for money	Loss of business from main customer ng homes	Failure to meet regulatory guidance on group structures, and higher costs. Requirement to wind-up ng2 if moving business away from subsidiary	3	5	15	Operational directors Management team	Jointly agreed ng2/ng2 clear definition of value for money + transparent basis for costing. Clear ng2 client work specifications. External advice + evaluation on cost competitiveness	Reports to Board Internal audit External reviews	2 x 4 = 8
5	Deficiencies in service	Loss of customer (ng2) confidence/ loss of business	Detrimental impact on tenants/ stock maintenance/ ng2 reputation	3	5	15	Operational directors Management team Staff	Service Level Agreement setting out clear ng2 client standards, costs and contractor/ client contract management arrangements. Review and update all service level agreements with the parent company.	Reports to ng2 Board.	2 x 3 = 6
6	Departure of Director/key staff	Loss of management expertise, with potential negative impact on the business	Increased risk for parent due to destabilisation/ loss of management expertise within subsidiary.	2	4	8	Board Operational directors	Workforce planning and succession planning in place so that there is a level of expertise within group to ensure business continuity/ ensure interim management for ng2 Effective recruitment process to ensure suitably qualified and experienced replacement.	Staff training Flexibility in staff group and knowing others roles.	2 x 2 = 4

Risk Register : (Operational)

Risk Number	Operational Risk Area/ Hazard	Potential Risk Ng2	Potential impact - ng group parent	Risk Level: 1 (very low) to 5 (very high)			Who is responsible?	Control/ action	Monitoring / Review Procedure	Residual Risk
				i) How Likely?	ii) Severity?	Score i) x ii)				
7	Seasonality	Staff downtime costs incurred, or use of temporary labour with potential negative impact on service quality	Reduced quality with detrimental impact on tenants/ stock maintenance/ ngh reputation	2	4	8	Operational directors Management team Staff	Develop workforce plan and plan/train workforce so that staff can work flexibly across range of tasks/seasons	Workforce planning Flexibility in staff group Training programme	2 x 2 = 4
8	Breach of procurement rules	Breach of group policy, potential liability	Breach of group policy, potential liability, reputational damage	3	4	12	Operational directors Management team	Procurement Regulations to be applied for ng2; ng group Procurement Strategy to be put in place; in-house procurement compliance expertise function for ng2 Internal audit of ng2 procurement to provide assurance/ identify action	Reports to ng2 Board Internal audit	2 x 3 = 6
9	Breach of governance or financial rules	Breach of ng group Regulatory Standards, loss of ngh client confidence	Breach of ng group Regulatory Standards, risk of regulatory action, reputational damage, potential breach of financial covenants	3	5	15	Board Operational directors Management team	ng2 Financial Regulations in place; full suite of group governance policies in place. Financial controls implemented by ngh Director of Finance.	Reports to ng2 Board Internal audit	2 x 3 = 6
10	Breach of health and safety	Danger to tenants/ other customers/ staff/ general public	Danger to tenants/ other customers/ staff/ general public. Potential ngh homes exposure to financial liability. Potential exposure of ngh staff to criminal action	3	4	12	Operational directors Management team Staff	Staff training programmes implemented. Regular H&S audit. Review of current risk assessments and method statements (RAMS) to ensure complies with current legislation. Explore requirement for any new RAMS as a result of operations/ review	Reports to ng2 Board External H&S audits	2 x 3 = 6
11	Low staff morale	High staff turnover + high staff sickness absence; increased costs; deterioration in quality; loss of ngh client confidence	Detrimental impact on value for money, tenants, stock maintenance and ngh reputation	3	4	12	Operational directors Management team Staff	Appropriate ng2 managerial structure in place; staff training programmes; staff surveys undertaken; Appropriate terms of employment. Upgraded employment package to include non contributory health plan (Simplyhealth plan provides a cash payment for dental, optical, acupuncture, etc for treatment received)	Reports to ng2 Board HR reports Staff appraisals Staff surveys	2 x 3 = 6
12	National Pandemic e.g. (COVID 19).	Potential Lock Down – Closure of Business (Part or Complete).	Adverse impact on ngh maintenance & procurement programme planning.	4	4	16	Board Operational directors. Ng2 Management team.	ng2/ng2 jointly to review their existing Pandemic Plan (Contingency Plan), apply a review / overhaul of the same – taking the Noted Risk / Concerns into consideration & where possible & practicable agree on Process / Procedures that can safeguard on the same with an ongoing review.	Regular operational performance. Progress meetings with client.	2 x 2 = 4
14		High Level/s of Staff Absence (Sickness, Self-Isolating, Possible Death in Service).	Staffing / Operative Limitation/s.				Staff & Operative Feedback.			

Risk Register : (Operational)

Risk Number	Operational Risk Area/ Hazard	Potential Risk Ng2	Potential impact - ng group parent	Risk Level: 1 (very low) to 5 (very high)			Who is responsible?	Control/ action	Monitoring / Review Procedure	Residual Risk
				i) How Likely?	ii) Severity?	Score i) x ii)				
13	National Pandemic (Continued) e.g. COVID 19.	Forced Control/s – Such as Social Distancing and / or Restriction of Movement and / or Access. Sporadic outbreaks of covid due spikes or winter.	Additional Staffing Costs.	4	4		Board Operational directors.	ng2/ng2 jointly to review their existing Pandemic Plan (Contingency Plan), apply a review / overhaul of the same – taking the Noted Risk / Concerns into consideration & where possible & practicable agree on Process / Procedures that can safeguard on the same with an ongoing review. ng2 to look at tapping into any Government aid that may be available. Try and encourage all staff to take up the vaccine.	Reports to ng2 Board.	2 x2 =4
		Additional Cost to Apply Control, PPE, Welfare (Cleanliness), Travel (Social Distancing) etc.	Task / Works Limitations.				Ng2 Management team.			
		Potential Shortage of PPE, Materials, Equipment & Sub Contractor Partners.	Additional Travel Time / Costs.				Staff & Operative Feedback.			
			Increased Costs.							
			Work interruption / Delays							

Risk Scoring for how likely and how severe:

1 Very Low

2 Low

3 Medium

4 High

5 Very High

Updated February 23
By D. McIntyre



Board Meeting For Noting

To: ng2 Board
From: Senior Operations Supervisor

SUBJECT: ng2 OPERATIONS REPORT
APRIL – JUNE 2023

DATE: 22 August 2023

1.	Introduction
	<p>This report provides an update on ng2's areas of business operations for Quarter 1 of financial year 2023-2024.</p> <p>This report will detail services delivered during the reporting period, in compliance with existing safety protocols and health and safety measures.</p>
2.	Strategy
	<p><u>Business Planning and Growth for 2023/24</u></p> <p>ng2 future growth will be aligned to ng homes stock condition survey and planned investment programme for 2023/24.</p> <p>Projects identified for 23/24 include: -</p> <ul style="list-style-type: none"> - Garden and Estate Maintenance - Common Close Door Entry Upgrade - Void Property Maintenance - Metal Fencing – Painting - Timber Fencing – Replacement - LED Lighting Upgrade <p>The landscape maintenance contract continues to be ng2's largest contract for 2023/24 and the focus for this contract remains quality and service delivery.</p> <p>Void remedial works continue to be a major part of our day to day works over the year with an average of 464 voids being completed and returned to ng homes per annum.</p> <p>We will continue to update the board on the development of any additional contracts and business opportunities identified during each reporting period.</p>

3.	Void Monitoring and Management
	<p>At the start of the year (January 2023) ng homes identified a need for better monitoring and turn around times for void properties, to achieve this ng2 were given complete Admin control over all of the associations void properties and sub-contractors including all major works.</p> <p>ng2 began the process by meeting each contractor and service provider involved in voids and setting out expected timescales with them, we then set up a full tracker for voids and major works which is kept live and up to date allowing us to identify problem areas that are affecting timescales and find ways to rectify them.</p> <p>Through this thorough monitoring process, we have managed to take turnaround times for void properties from an average of over 100 days in the latter half of 2022 to an average turnaround of 32 days in 2023.</p> <p>During the reporting Period ng2 have overseen the return of 98 void properties to the association with an average Turnaround time of 31 days.</p> <p>These 98 void properties included:</p> <ul style="list-style-type: none"> - 29 New Kitchens - 7 New Bathroom suites - 25 Rewires - 10 Full Kitchen, Bathroom and rewire Installations.
4.	Garden Maintenance
	<p>This contract comprises the provision of a ground maintenance service to the Association's properties for a 5-year period commencing March 2017 and involves all aspects of grounds maintenance including both hard and soft landscaping to private / communal gardens as well as open space areas.</p> <p>Garden maintenance operations commenced in March 2023 in line with the list implemented into the SLA by Ewing Somerville Partnership. A meeting was convened in the reporting period to revisit the SLA with a view to making amendments. An SLA for the Garden Maintenance contract is currently under review.</p> <p>New methods for collation of data for valuations (variations etc) are now also in place.</p> <p>The team continue to carry out weekly checks on Heras fencing on hire at St Monance Street to rectify minor issues and report damage to the Association.</p> <p>Grass and hedge cutting continued in the period.</p>

	<p>We will provide a further update on this in the Q2 report.</p> <p>See Appendix 1 for photographs of garden maintenance works.</p>
5.	Jet Washing
	<p>We continue to offer jet washing, as a reactive service only, and this greatly improves the areas where jet washing takes place.</p> <p>In conjunction with the housing association, we are currently looking at schedule of works for jet washing.</p> <p>See Appendix 1 for photographs of work carried out in the period.</p>
6.	Environmental Hit Squad
	<p>Since the start of the pandemic, ng2 have been transporting 18 tons of household waste per week to the dump.</p> <p>The Hit Squad remains under pressure due to continued fly-tipping, increasing their workload significantly. This impacts on delivery of the standard service and dictating the need for overtime in the period to cope with the increased workload. Fly tipping is being done on a reactive basis via overtime to prevent impact on service delivery.</p> <p>Every void property continues to undergo electrostatic spraying in advance of commencement of works, as well as before all post inspections and the return of properties to the Association for letting purposes.</p> <p>Daily checks to Heras fencing in Ashfield/Crowhill Street continued in the period and will be carried out until further notice.</p> <p><u>Concierge Assistance</u></p> <p>Due to Concierge staffing issues, it has become necessary for ng2 to assist when needed.</p> <p>See Appendix 1 for photographs Hit Squad work in the period.</p>
7.	Close Cleaning
	<p>Operatives continue to focus on sanitising main touch points within the common areas such as door handles, controlled entry face plates and banister / grab handles, this has now become part of the standard close clean.</p> <p>The Close Cleaners and Back Court teams provide daily reports to the Association which has reduced the Health & Safety risks associated trip hazards and vermin caused by excess rubbish.</p> <p>The close cleaning service is running smoothly, with very few complaints.</p>

	<p>Back courts and bin sets are tidied and cleaned by a dedicated team of operatives however the continued reduction of refuse collections means that this continues to be challenging due to the amount of rubbish within the back courts. The Back Court teams continue to complete their usual tasks plus bulk/fly tipping collection as an additional service via overtime to prevent negative impact on the service delivery and quality.</p> <p>Window cleaning continues throughout the closes, offices and retirement complexes on a six-weekly cycle, either manually or with a water fed pole.</p> <p><u>Keppochill New Build</u></p> <p>On-site cleaning has continued, in the interim, on a reactive basis while the SLA is agreed and implemented.</p> <p>See Appendix 1 for photographs of close cleaning and back court works.</p>
8.	Painting Division
	<p>During Quarter 1 the painting division have been focused mainly on:</p> <ul style="list-style-type: none"> - Mould / Damp Treatment - Void properties - Door entry painting <p>During the reporting period 63 day to day jobs and 57 void were completed.</p>
9.	Joinery Division
	<p>During Quarter 1 the Joinery division have been focused mainly on:</p> <ul style="list-style-type: none"> - Voids - Fencing - Day to Day Joinery Works <p>During the reporting period 191 day to day jobs and 57 Voids were completed.</p>
10.	Multi Storey Flat Investment Project
	<p>ng2 continue to provide support to ng homes MSF investment programme by moving the tenants and their belongings to a decant flat and changing the locks on their own property to allow access to approved contractors only. When the vital works have been carried out, ng2 staff will move the tenants back to their own property and clean the decant flats thoroughly.</p> <p>Since the programme started we have moved 428 tenants and cleaned 428 decant flats.</p>

11.	Vehicles
	<p>Operatives are reminded, via regular toolbox talks, of their individual responsibilities for their safety and that of their colleagues and members of the public whilst using ng2 vehicles.</p> <p>We continue to hire vehicles from ACL however, this has been much reduced. Purchase of new/used vehicles is currently under consideration to prevent the need for hired vehicles.</p>
12.	Operational Issues
	<p><u>ng2 Overtime</u></p> <p>All overtime continues to be approved, in advance, by CEO. A joiner vacancy was still live in the period and a small amount of overtime was worked.</p> <p><u>Staffing</u></p> <p>During the reporting period ng2 carried out a trial with Job Centre Plus to help people go from benefits into paid employment, this involved a member of ng2 staff visiting Job Centre Plus and talking to potential candidates to inform them of different job roles within the company. Each potential candidate was informed that they would be starting on a 4-week unpaid trial with no detriment to their benefits and a guaranteed interview at the end of the 4 weeks. The area's we focused on were Garden Maintenance, Bulk Uplift, Back Courts and Admin. We offered 24 candidates a 4-week trial and of the 24, 22 are now employed by ng2. This is the first time we have carried out recruitment in this manner and we have found it to be extremely successful.</p> <p><u>Materials supply</u></p> <p>We continue to experience some delays in materials supply due to transport and customs-related issues. Whilst we can source materials, delivery is often much later than originally expected. We are working hard to ensure continuous supply of parts required to complete repairs. Prices of materials have risen across the trades, with some suppliers now issuing monthly price lists, meaning an increase in repairs costs, poor visibility on costings as well as quotations being issued with shorter expiry dates.</p>
13.	ng2 in the Community
	<p>ng2 continue to provide support in aiding ng homes' regeneration projects in the local community by delivering food and furniture.</p> <p>Abandoned furniture in good condition is taken from void properties to our regeneration unit to be cleaned, checked for safety purposes, and donated to local people in need.</p>

	<p>During the reporting period we have been carrying out regular litter picking of Saracen Street as part of the remake Saracen Street Project.</p> <p>See Appendix 1 for photographs</p>
14.	Recommendation
	Members are asked to note the content and progress highlighted within this report.



Appendix 1

Operational Photographs

Hit Squad Service

The Environmental Hit Squad continue to deliver reactive services as instructed by the Association. Housing Officers and Managers add required works to the list and the work is allocated to the teams.



Hypodermic syringes pose a health and safety risk and must be removed immediately and disposed of using specialist receptacles.

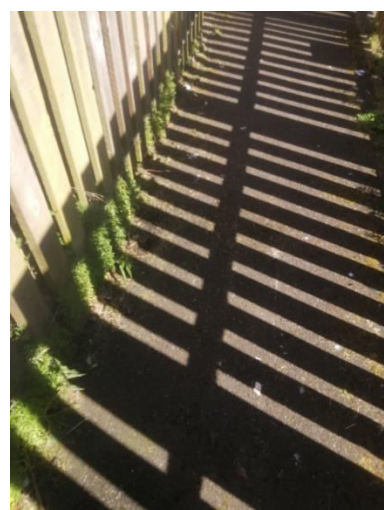
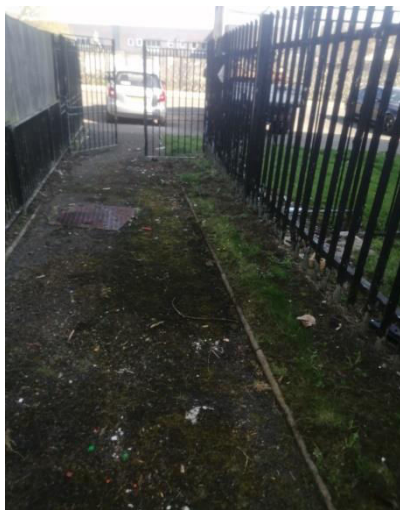
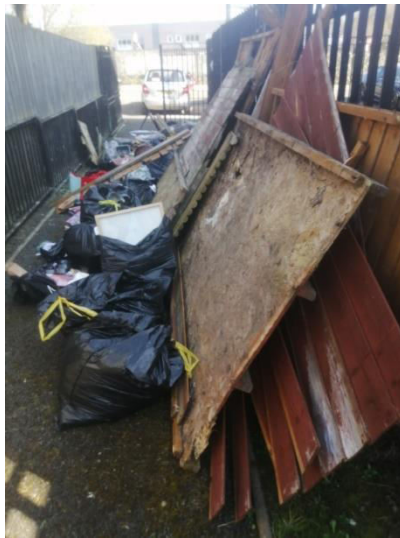
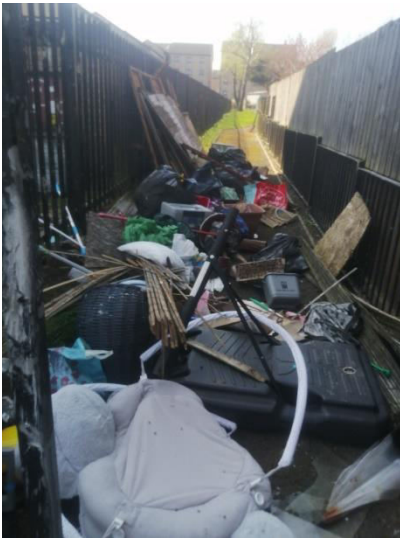
Daily checks continue on condition of hired Heras Fencing at Crowhill / Ashfield Street



Bulk Uplift Service / Fly Tipping

Glasgow City Council has reinstated their bulk uplift service however they now charge for every uplift and this has resulted in an increase in fly tipping around the estate, despite the presence of signage.

Fly tipping (before and after)



Bulk Uplift (before and after)



GARDEN MAINTENANCE

The contracted maintenance commenced in March 2023.

Back Court Tidy Up

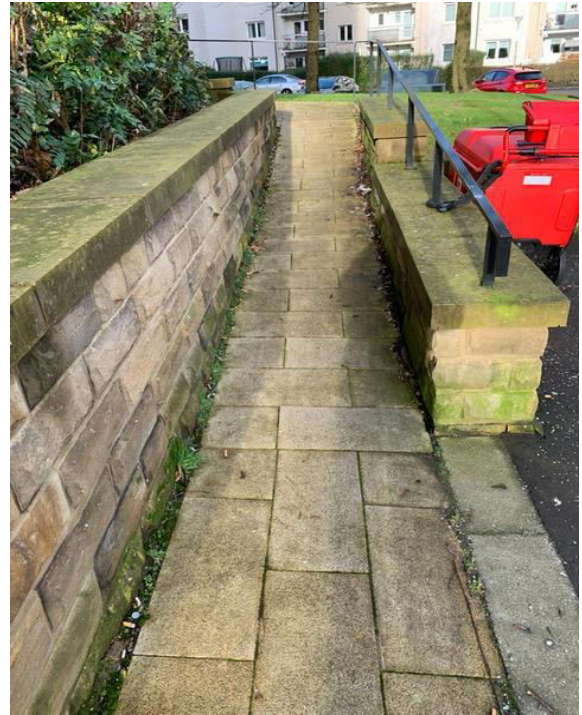


Before and after back court tidy up



Garden Maintenance

Litter Pick / Deweeding / Shrub Beds



Operatives maintain the estate including leaf clearance, shrub-bed maintenance and litter picking



Open spaces are deweeded to maintain the area



Grass Cutting



The garden area of a void had to be brought up to an acceptable standard after a long period of neglect so that the property could be shown to prospective tenants.



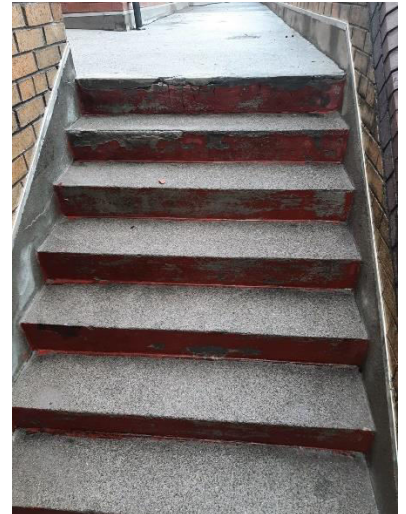
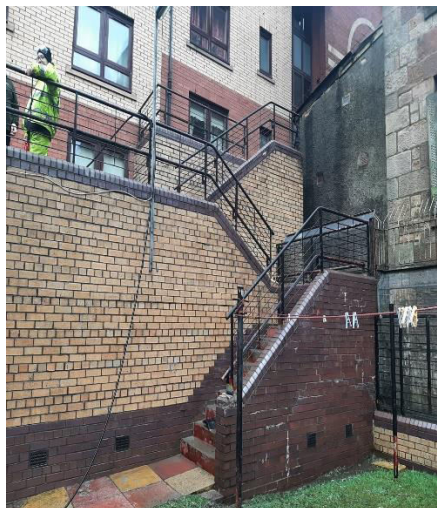
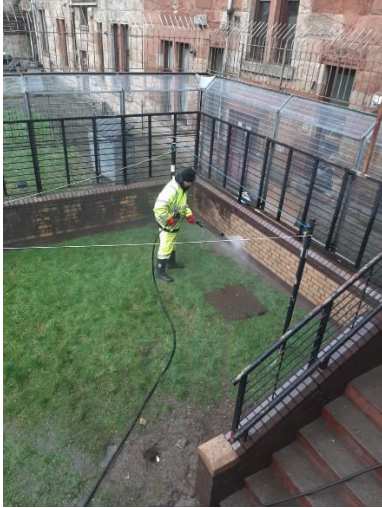
Heras Fencing Checks



Operatives perform weekly checks on Heras Fencing hired by the Association, at St Monance Street, rectifying minor positioning issues and reporting damage.

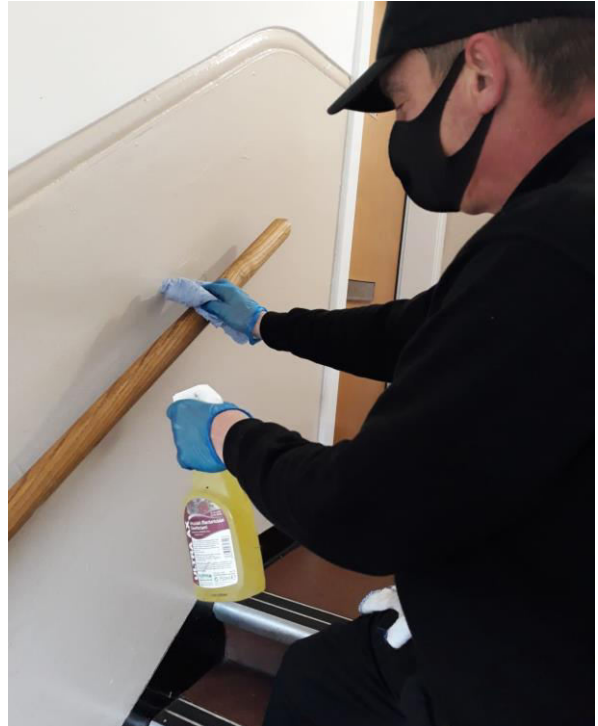
Jet Washing

Jet washing service is provided on request



CLOSE CLEANING

Close cleaning staff continue to follow the Covid-specific cleaning specification. This highlighted the need to clean and sanitise the main touch points within communal areas of multiple dwelling units such as controlled entry control panels, handrails, door handles etc

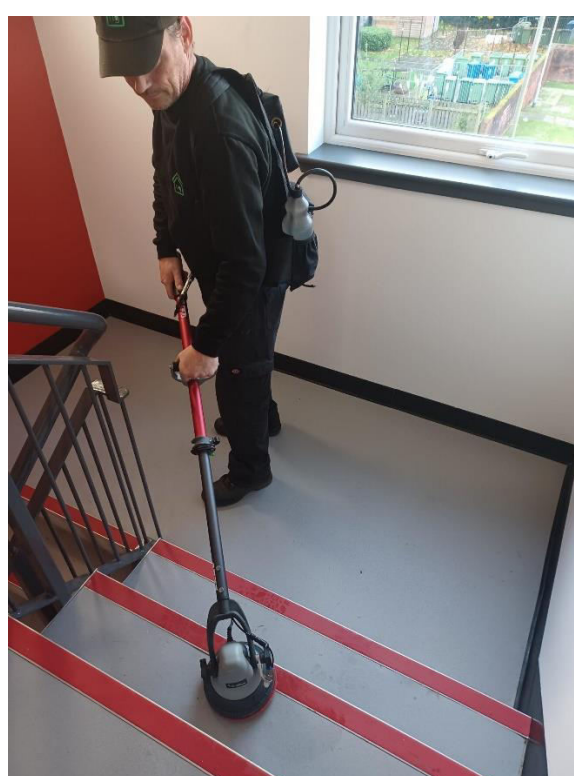
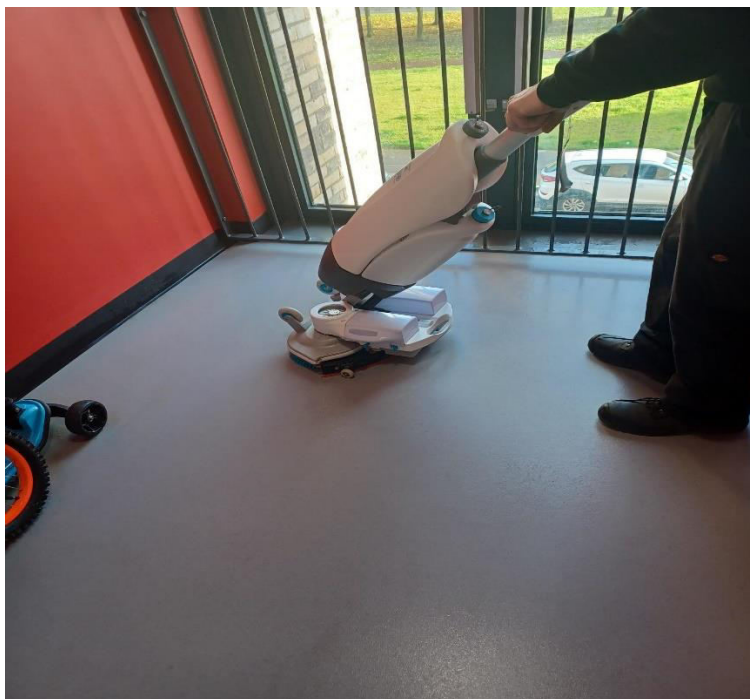


Operatives thoroughly clean handrails with virucidal disinfectant



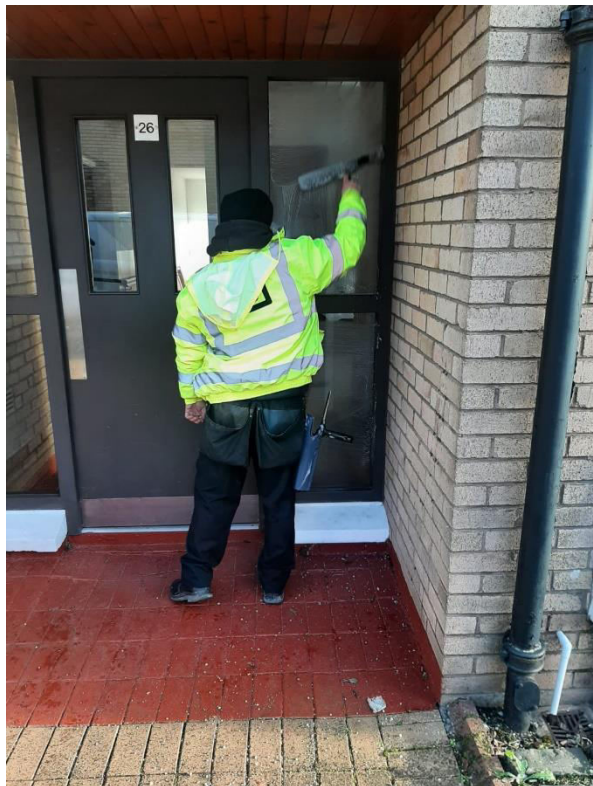
Common touch points are disinfected in every close

Close cleaning is now taking place regularly at the newly built Keppochhill development, using newly acquired floor scrubbing and buffing machines.



Window Cleaning

Window cleaning in closes is now taking place on a 6-weekly cycle





Board Meeting For Noting

To: Board
From: HR Officer

SUBJECT: STAFFING REPORT (NG2)

DATE: 22 AUGUST 2023

1.	Introduction						
	<p>This report refers to the period of 1 April 2023 – 30 June 2023, covering staffing matters including: staff headcount, attendance and absence, learning and development, recruitment and the company health plan.</p>						
2.	Staffing Report						
	<p>Number of Staff</p> <p>As at 30 June 2023, 96 staff were employed by ng2 Ltd.</p> <p>Attendance and Absence</p> <p>During this reporting period, 72 staff had perfect attendance (78% of the workforce). As well as this, 11 staff members qualified to receive their two day 'no sickness reward'.</p> <p>The overall staff sickness absence percentage was below the 3% target and for this reporting period was 1.26%. The breakdown of the total number of working days available against days lost through sickness is detailed below:</p> <table><tr><th>Total number of work days available</th><th>Number of days lost through sickness</th><th>Sickness Absence %</th></tr><tr><td>5,302</td><td>67</td><td>1.26</td></tr></table> <p>The 67 days lost is broken down into short term (a maximum of 19 days) and long term (20 days or more) as follows:</p>	Total number of work days available	Number of days lost through sickness	Sickness Absence %	5,302	67	1.26
Total number of work days available	Number of days lost through sickness	Sickness Absence %					
5,302	67	1.26					

	Short Term	Long Term
Days Lost	47	■
Number of employees	19	■
Percentage	0.89	■

The organisation will continue to manage staff attendance in a supportive manner in line with good practice and the organisation's policies and procedures. Staff who are categorised as 'long term sick' have been supported as per the ng2 Ltd Attendance and Absence Management policy and have been in regular communication with their line manager and with meetings involving HR.

Learning and Development (L&D)

During the period covered by this report, 98 ng2 staff attended 12 training courses and benefitted from 298.5 hours of formal training and development as detailed in the table below. The direct cost of this training equates to £3,801.33.

Course Title	Number of staff attending	Number of staff hours	Direct cost of Training (£)
Attendance and Absence Management	6	8	0
Cyber Security	17	17	0
Display Screen Equipment	16	8	0
Equal Opportunities	16	15	0
First Aid	1	21	414
Introduction to Housing Associations	5	5	0
Managing Safely	1	21	280
Manual Handling	1	3.5	132.20
Manual Handling and Working at Height	14	98	1,453.20
Recruitment and Selection	6	7.5	0
UKATA Asbestos Awareness	3	10.5	87.36
Working Safely, SHARPS and Biohazard	12	84	1,434.57
Total	98	298.5	£3,801.33

Recruitment and Leavers

During the reporting period, there were 7 recruitment campaigns. Details of the vacancies are as follows:

Job Title	Contract	Start Date	Contract End Date	Internal or External	Post Filled?
Administration Assistant	Fixed-term	N/A	N/A	External	No
Administration Assistant (x2)	Fixed-term	27/06/23	26/06/24	External	Yes
Customer Services Officer	Fixed-term	29/05/23	28/05/24	External	Yes
Estate Services Operative (x11)	Fixed-term	Various	30/09/23	External	Yes
Joiner	Fixed-term	12/06/23	11/06/23	External	Yes
Modern Apprentice	Fixed-term	N/A	N/A	External	No
Trades Foreperson	Fixed-term	24/04/23	30/09/23	Internal	Yes

During the reporting period, 7 staff left the organisation: [REDACTED].

[REDACTED] spoke highly of their time with ng2 in terms of training opportunities. [REDACTED].

Company Health Plan – Simplyhealth

Simplyhealth have provided a report for 1 January 2023 to 31 March 2023.

The attached report shows that staff are claiming for a wide range of benefits however as with previous reports optical and dental categories make up the highest percentage of claims and it also shows that claims for podiatry are on the increase.

3. Recommendation

Members are asked to note the contents of this report.



Simplyhealth
All together **healthier**



Membership Summary

This Year
(02-May-2023)

100
Active Policies

This Year
(02-May-2023)

122
Active Lives

Last Year
(02-May-2022)

102
Active Policies Last Year

Last Year
(02-May-2022)

121
Active Lives Last Year

Active Policies

ProductLevel	Single	Single Parent Family	Total Policies
Level 4	87	12	99
Voluntary Level 5	1		1
Total Policies	88	12	100

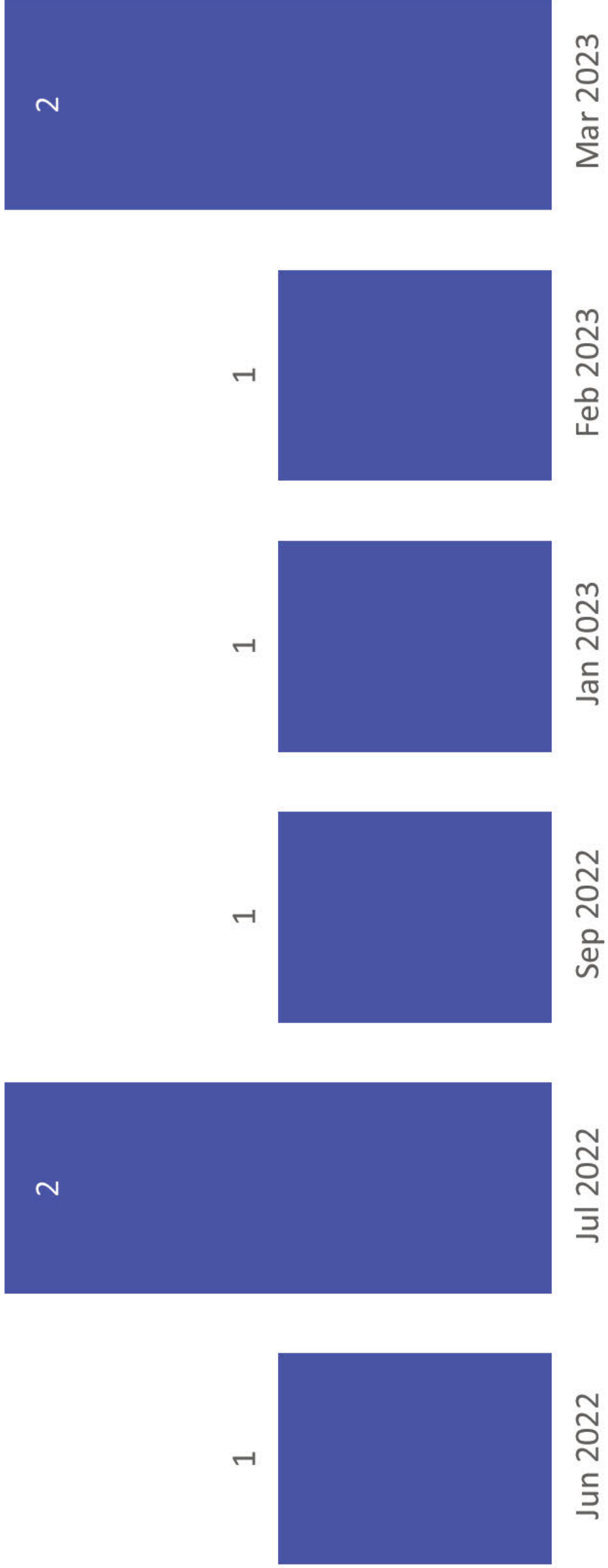
Joiners by Month (Policies)



Active Lives

ProductLevel	Single	Single Parent Family	Total Lives
Level 4	87	34	121
Voluntary Level 5	1		1
Total Lives	88	34	122

Leavers by Month (Policies)



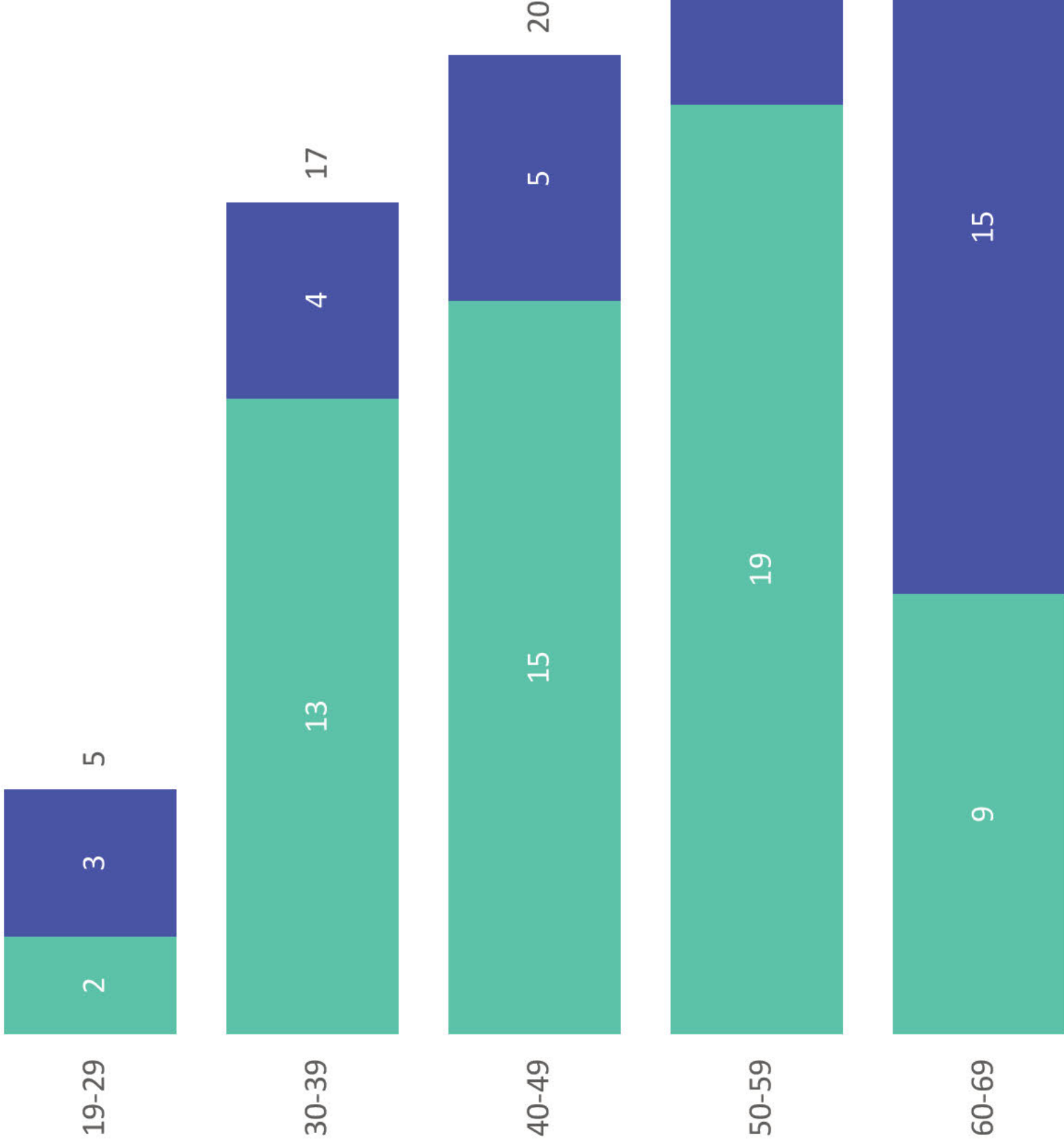
Policy Holder Demographics

49.4

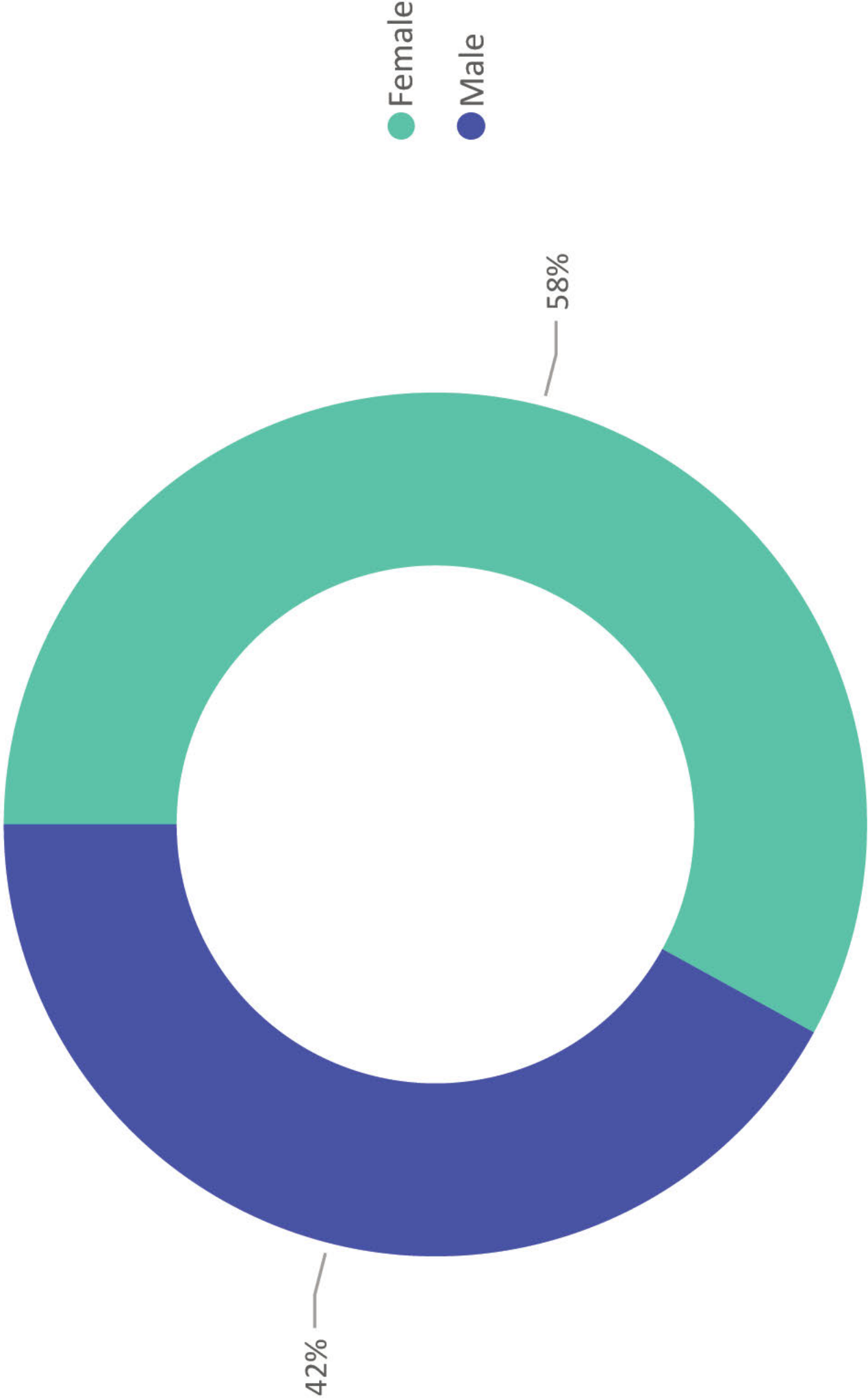
Average Age of Policy Holder

Active Policies by Age Group

Female Male



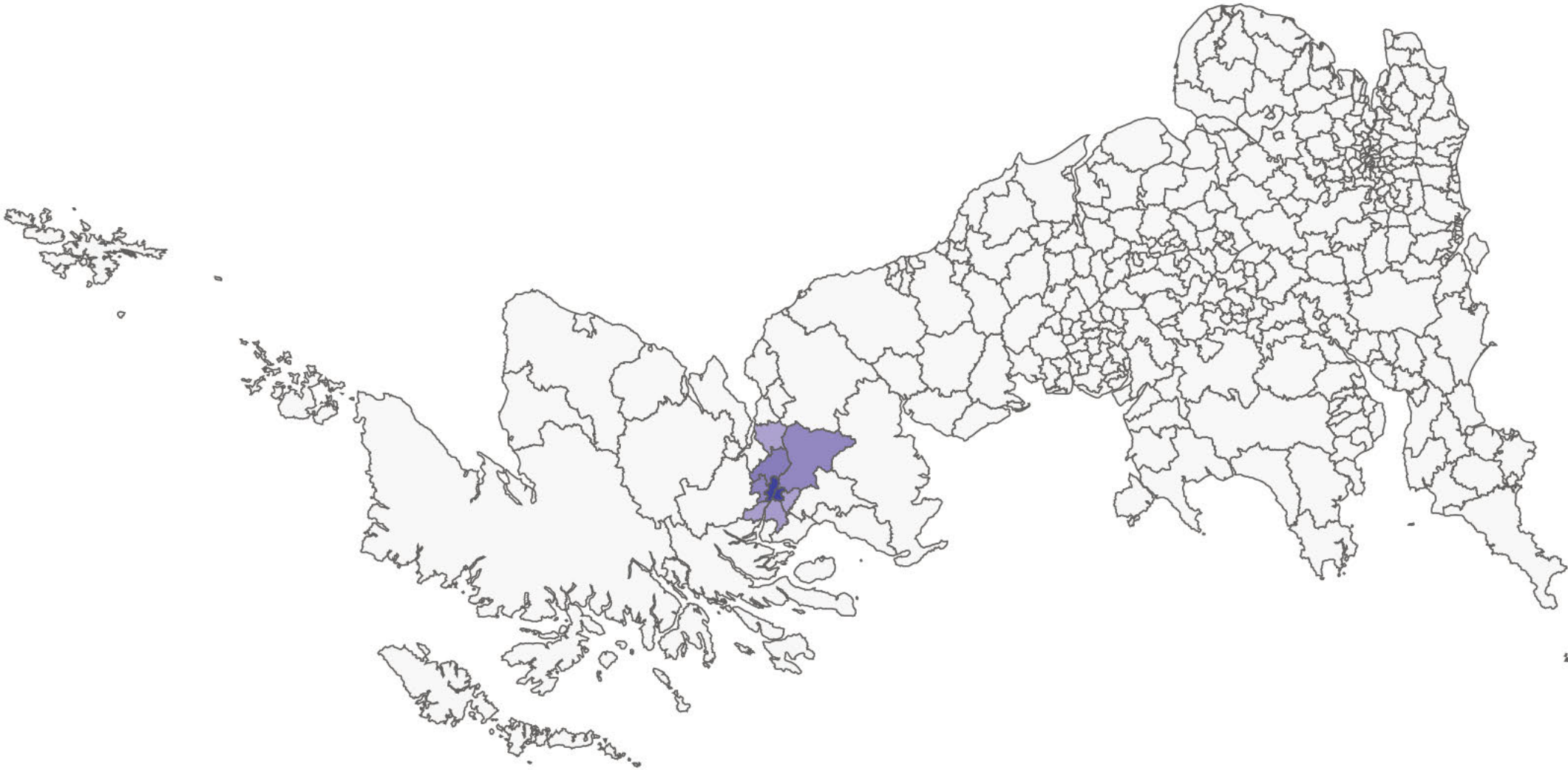
Active Policies by Gender



Policy Holder Heat Map

Active Policies by Local Authority District

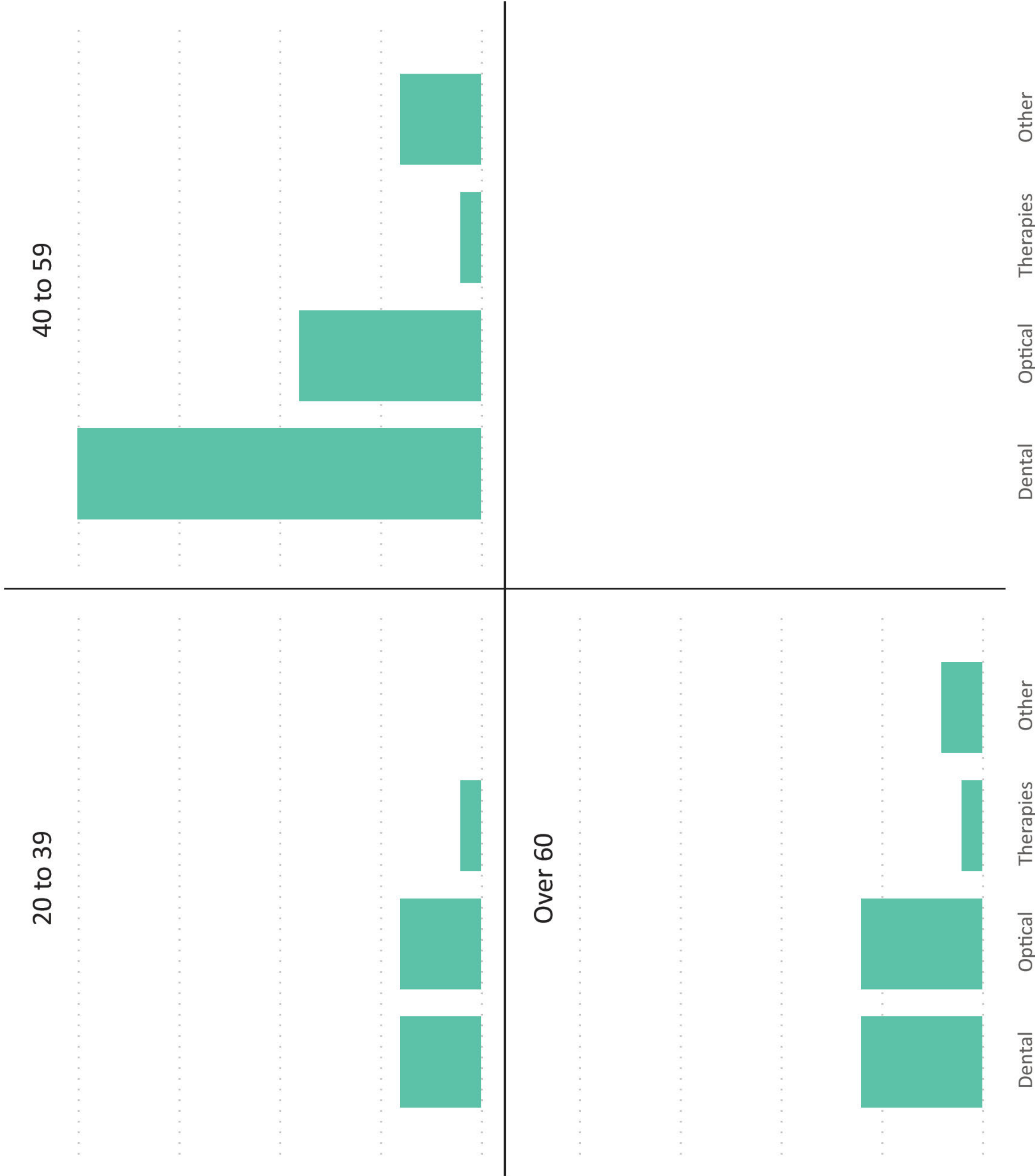
Local Authority District	Active Policies	Active Lives
Glasgow City	55	59
North Lanarkshire	14	24
East Dunbartonshire	11	13
South Lanarkshire	10	14
	3	3
Renfrewshire	3	3
West Dunbartonshire	2	2
East Renfrewshire	1	1
West Lothian	1	3
Total	100	122



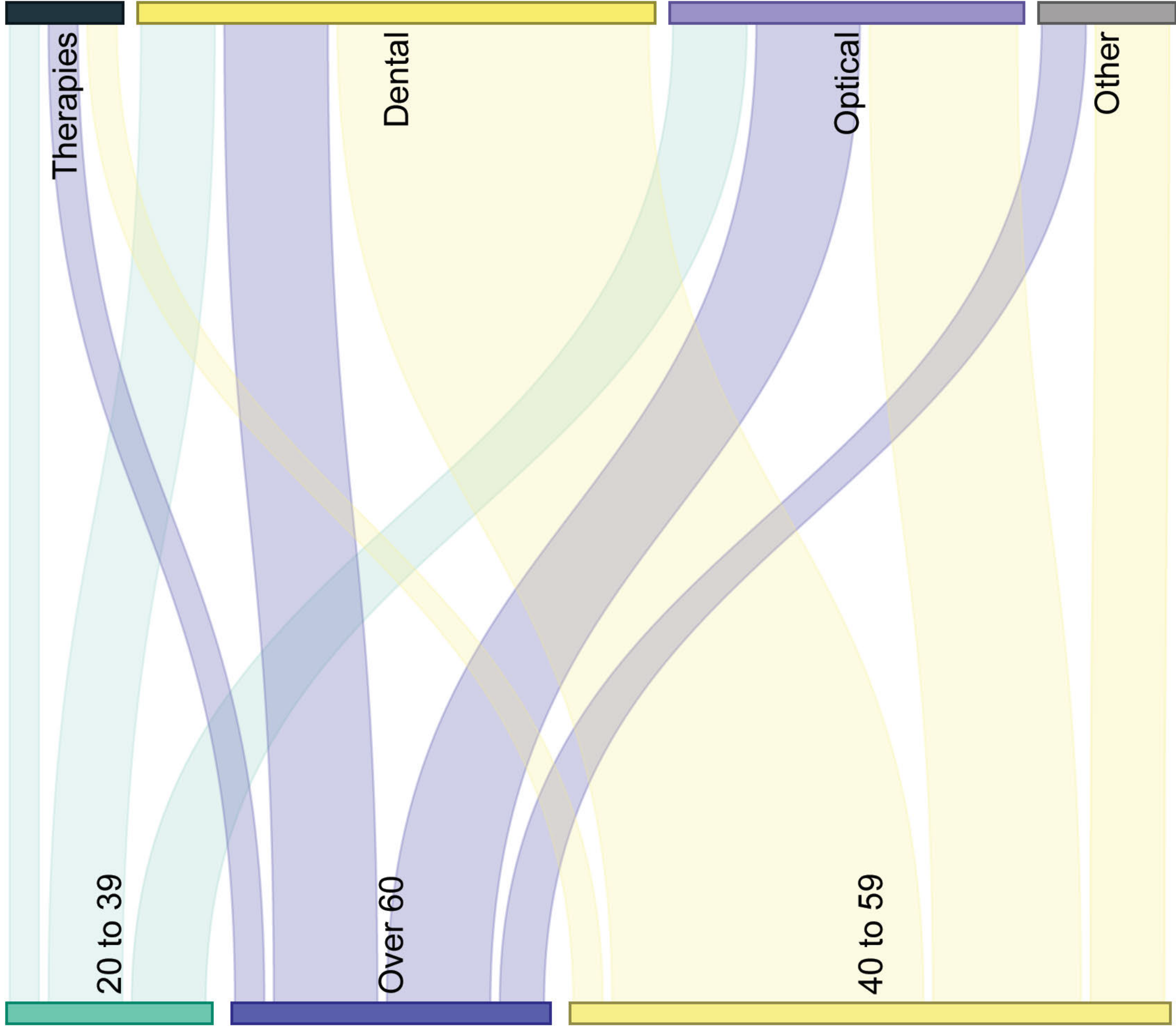
Who Claims What?

This Year: 01-Jan-2023 to 31-Mar-2023

Claims Volume by Benefit and Patient Age Band



Claims Volume by Patient Age Band and Benefit

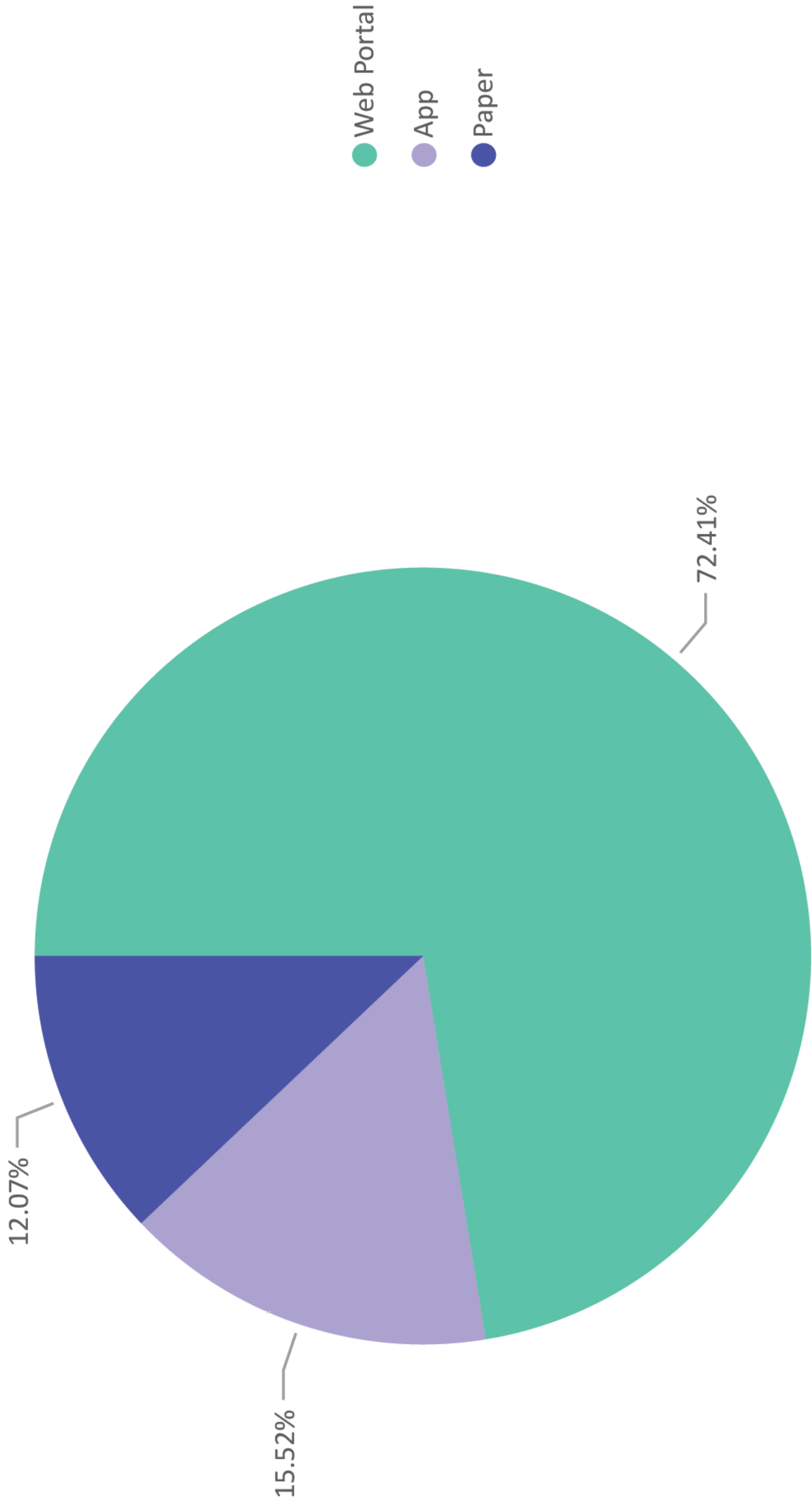


Claims - How are they received?

This Year: 01-Jan-2023 to 31-Mar-2023



Claims by Source





Simplyhealth

Claims Data Review

Label

This Year: 01-Jan-2023 to 31-Mar-2023

58

Claims Volume

£4,731

Claims Value

Last Year: 01-Jan-2022 to 31-Mar-2022

38

Claims Volume

£3,213

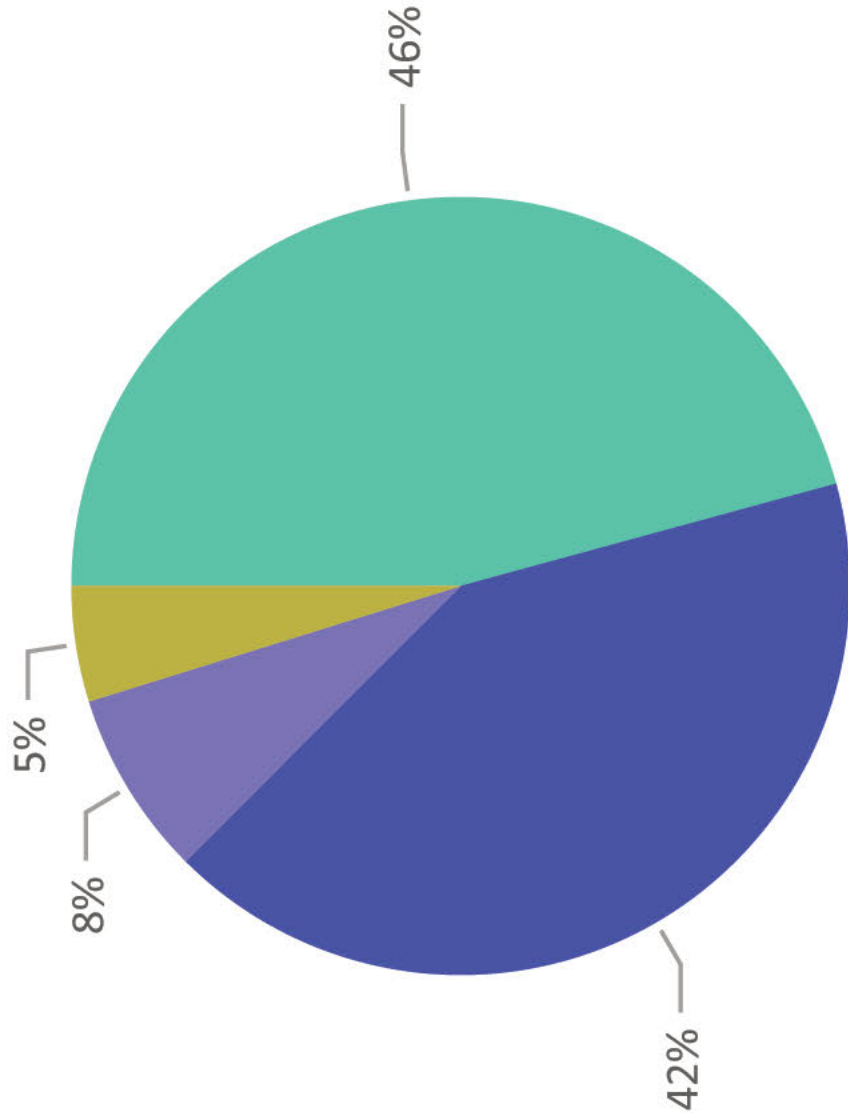
Claims Value

Benefit Type	Benefit	This Year - Claims Volume	This Year - Claims Value	This Year - Average Claim Value	This Year - % of Claims Volume	Last Year - Claims Volume	Last Year - Claims Value	Last Year - Average Claim Value	Last Year - % of Claims Volume
<input type="checkbox"/> Optical	Eyes	19	£1,973.76	103.88	32.8%	16	£2,027.52	£126.72	42.1%
	Total	19	£1,973.76	103.88	32.8%	16	£2,027.52	£126.72	42.1%
<input type="checkbox"/> Other	Podiatry/Chiropody	3	£92.00	30.67	5.2%	10	£315.00	£31.50	26.3%
	Day Admission					1	£20.00	£20.00	2.6%
	New Child Payment					1	£200.00	£200.00	2.6%
	GP Visit	1	£75.00	75.00	1.7%				
	Inpatient	2	£60.00	30.00	3.4%				
<input type="checkbox"/> Dental	Total	6	£227.00	37.83	10.3%	12	£535.00	£44.58	31.6%
	Dental	28	£1,329.78	47.49	48.3%	8	£543.12	£67.89	21.1%
	Dental Accident	2	£835.00	417.50	3.4%				
	Total	30	£2,164.78	72.16	51.7%	8	£543.12	£67.89	21.1%
<input type="checkbox"/> Therapies	Chiropractic					2	£107.00	£53.50	5.3%
	Physiotherapy	3	£365.00	121.67	5.2%				
	Total	3	£365.00	121.67	5.2%	2	£107.00	£53.50	5.3%
Total		58	£4,730.54	81.56	100.0%	38	£3,212.64	£84.54	100.0%

Benefit Summary

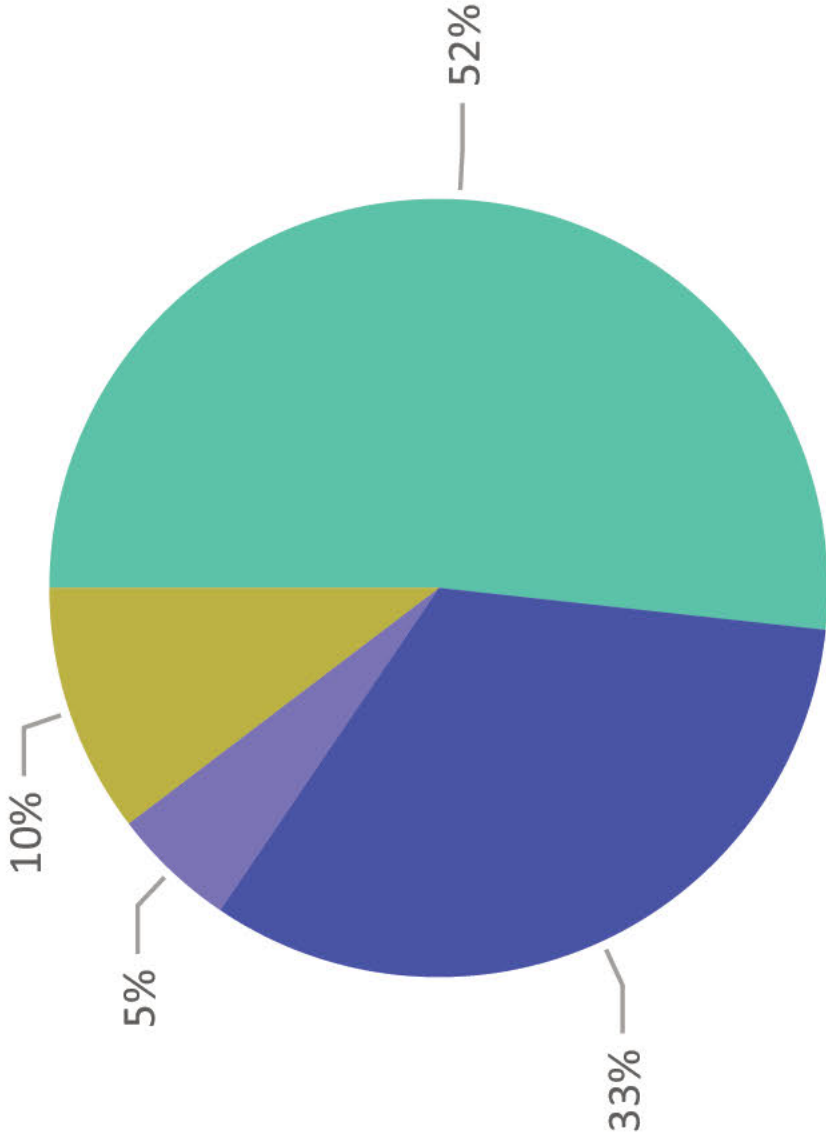
This Year: 01-Jan-2023 to 31-Mar-2023

Claims by Value



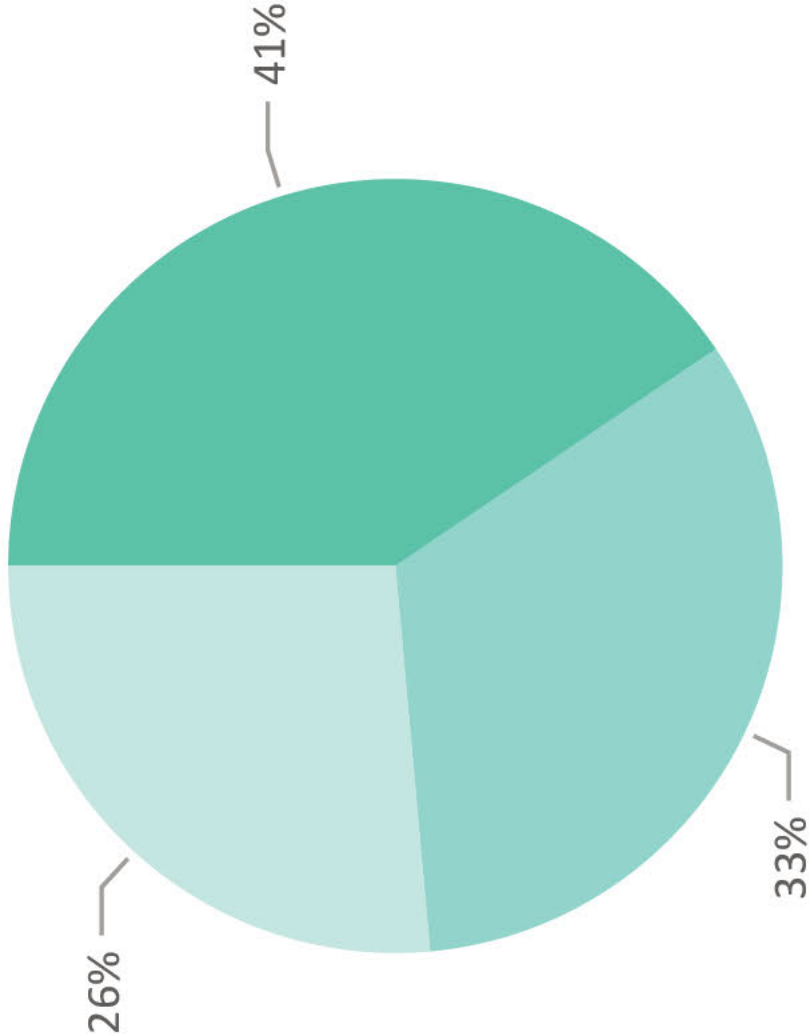
- Dental
- Optical
- Therapies
- Other

Claims by Volume



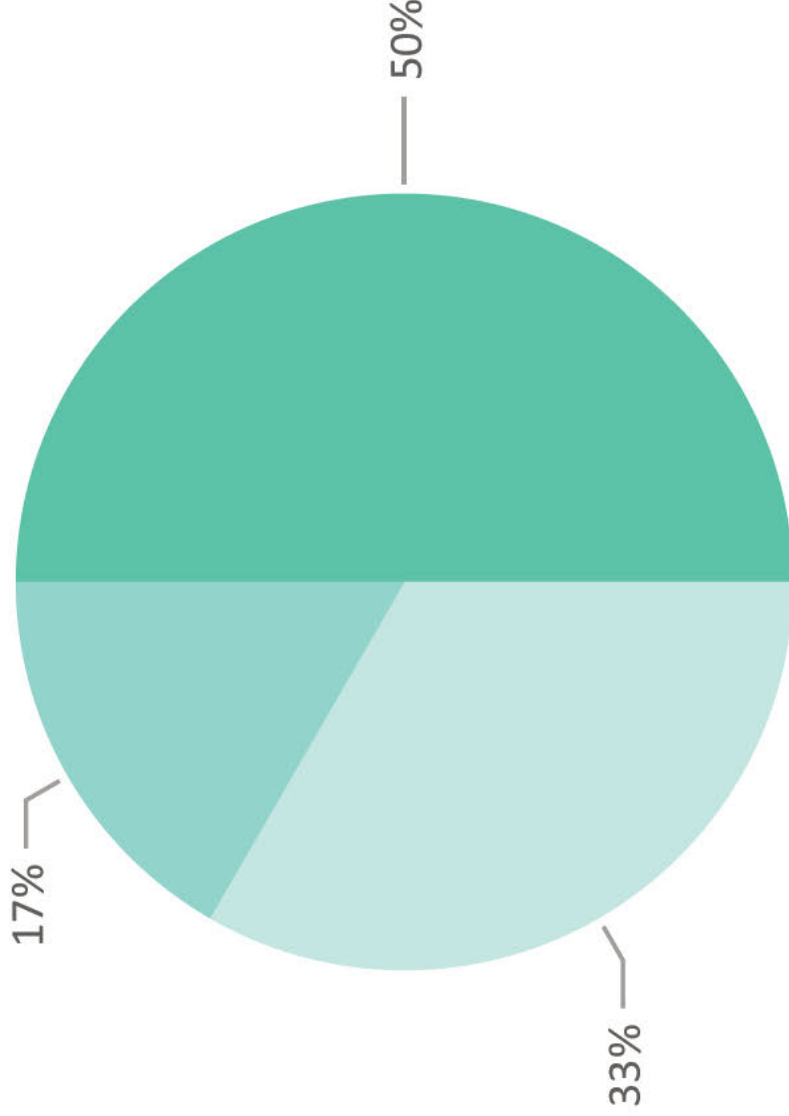
- Dental
- Optical
- Therapies
- Other

Claims by Value (Other)



- Podiatry/Chiroprody
- GP Visit
- Inpatient

Claims by Volume (Other)



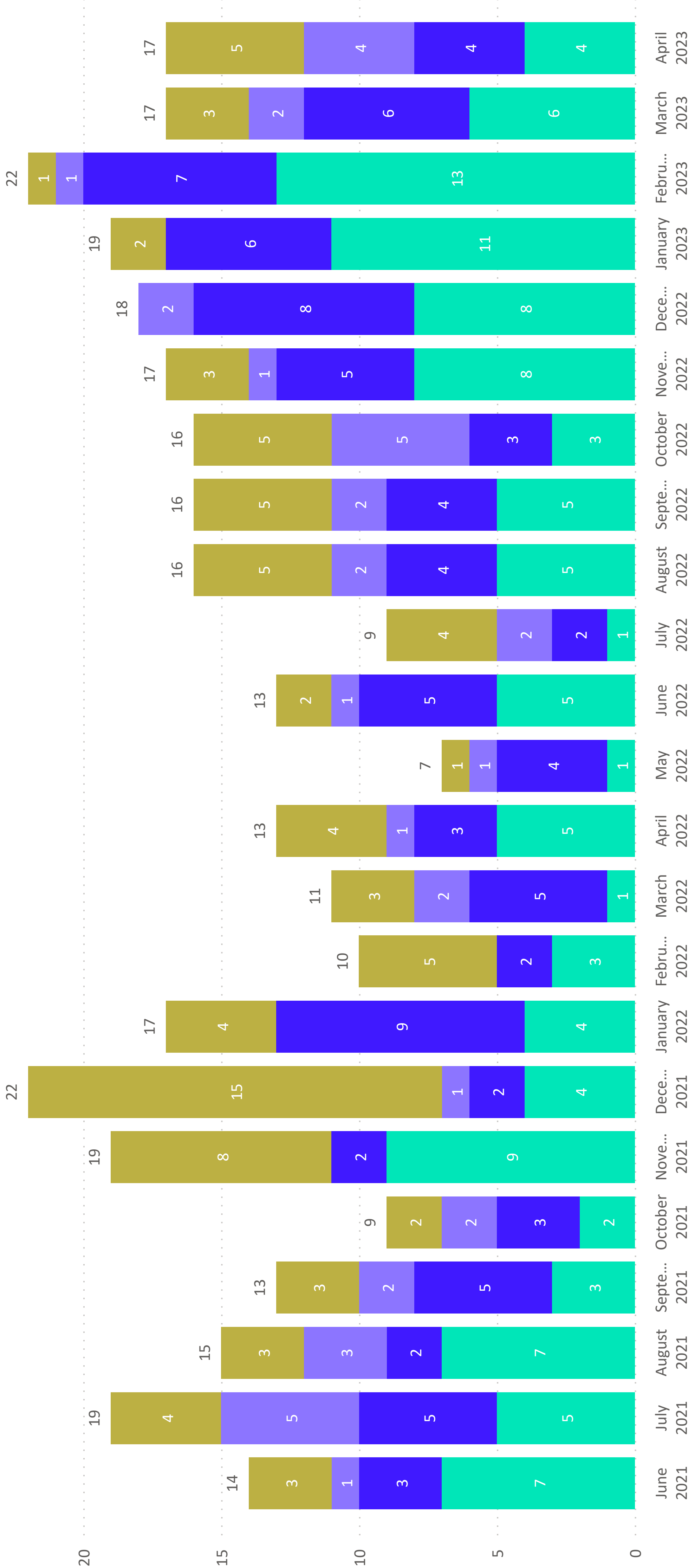
- Podiatry/Chiroprody
- Inpatient
- GP Visit

Claim Trend

Labels

Claims by Volume

Dental Optical Therapies Other





Board Meeting For Noting

To: Board
From: Director

**SUBJECT: STATUTORY ACCOUNTS YEAR TO 31
MARCH 2023**

DATE: 22nd August 2023

1.	Introduction
	Report relates to the approval of the statutory accounts for the year to 31 March 2023.
2.	Risk
	The Company must produce and submit financial statements. It is a legislative and regulatory requirement. Not to do so would bring the regulators and other groups into engagement with the Company. Production of the financial statements and their audit by qualified external auditors meets the requirements we are expected to perform to.
3.	Approval of the financial statements
	<p>The results in the final statutory accounts were almost the same as the set of management accounts presented at the June audit committee meeting. The management accounts had a profit of £84k before tax. The statutory accounts had a profit before tax of £84k. The only adjustment was adding a £13k deferred tax charge into the accounts. This leaves a net profit after tax and a gift aid payment of £20k of £51k.</p> <p>After that meeting the external auditors completed their audit and reviewed the financial statements. They had indicated that they were happy to include a clean audit report within the financial statements and that the accounts disclosure met the necessary legislative requirements.</p> <p>The audit committee of the Association and Board of NGHA then reviewed, recommended and approved the statutory accounts and mandated the approved accounts back to the NG2 Board. The accounts were signed on the 25th of July. Copies of the accounts have been submitted to Companies House and the Scottish Housing Regulator.</p>
4.	Recommendation
	Board Members are asked to note that the statutory accounts of NG2 for the year to 31 March 2023 were approved and signed in line with the recommendation of the Audit Committee and approval given by the Association Board.

NG2 Limited
FINANCIAL STATEMENTS
for the year ended
31 March 2023

NG2 Limited

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

R B Hartness
J Berrington

SECRETARY

R B Hartness

REGISTERED OFFICE

50 Reidhouse Street
Glasgow
G21 4LS

AUDITOR

Wylie & Bisset (Audit) Limited
168 Bath Street
Glasgow
G2 4TP

BANKERS

Clydesdale Bank plc
2- 4 Royal Exchange Square
Glasgow
G1 3AB

NG2 Limited

DIRECTORS' REPORT

For the year ended 31 March 2023

The directors submit their report and financial statements of NG2 Limited for the year to 31 March 2023.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the provision of cleaning and maintenance services.

REVIEW OF THE BUSINESS

North Glasgow Housing Association Limited (NGHA) set up NG2 during 2010 as a social economy company to encourage local employment, provide training opportunities and to provide more efficient working practices and cost savings in the Association's contracted operations.

The company now carries out among other activities close cleaning, bulk uplift, close maintenance, void works, painting, joinery work, concierge services, general environmental improvement and wider action activities.

We wish to provide services to our clients which are of high quality and accountable to the residents of our community. We want people to live and work in an improved and appealing environment which makes them stay in and contribute positively to their area. NG2 also wishes to help people out of the poverty trap by providing opportunities for training and employment which are sustainable and open to local people. NG2 has committed to pay at least the Glasgow Living Wage to its staff.

We believe that NG2 has achieved some of these aims and allowed the overall NGHA group to be more responsive to the needs of the North Glasgow Community. This has helped to create further employment and training opportunities within the North Glasgow area.

DIRECTORS

The directors who served the company during the year were as follows:

R B Hartness

J Berrington

BOARD

In addition to the directors above the Board includes representatives from the Association and other independent parties to oversee the governance and strategy of the company. During the year these were as follows:

M Thomson
G Satti
J Thorburn

I Cross
P Nelson

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

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

NG2 Limited

DIRECTORS' REPORT

AUDITOR

Wylie & Bisset (Audit) Limited has indicated its willingness to continue in office.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

G. J. L. 16. 64. 1. 1. 1

K Hartness
Director

Date: 25 July 2023

NG2 Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

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 company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NG2 LIMITED

Opinion

We have audited the financial statements of ng2 Limited (the 'company') for the year ended 31st March 2023 which comprise; the Statement of Income and Retained Earnings; the Statement of Financial Position; and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*] (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- *give a true and fair view of the state of the company's affairs as at 31st March 2023, and of its profit for the year then ended;*
- *have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and*
- *have been prepared in accordance with the requirements of the Companies Act 2006.*

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NG2 LIMITED (CONTINUED)

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us.
- 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Explanation as to what extent the audit was considered capable of detecting irregularities including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures in response to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing the risks of material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations we considered the following:

- *The nature of the company and the industry, control environment and business performance including key drivers for gift aid to the parent company and performance targets; and*
- *Our enquiries of management about their identification and assessment of the risks of irregularities.*

Based on our understanding of the company and the industry we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to;

- *Regulations and legislation pertinent to the company's industry operations; and*
- *UK tax legislation.*

We considered the extent to which non-compliance might have a material impact on the financial statements. We also considered those laws and regulations which have a direct impact on the preparation of the financial statements, such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of management override of controls), and determined that the principal risks were related to;

- *Posting inappropriate journal entries; and*
- *Management bias in accounting estimates.*

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF NG2 LIMITED (CONTINUED)

Audit response to the risks identified;

Our procedures to respond to the risks identified included the following:

- Gaining an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management and legal advisors concerning actual and potential litigation and claims;
- Reviewing correspondence with HMRC;
- In addressing the risk of fraud as a result of management override of controls, testing the appropriateness of journal entries and other adjustments' assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and, evaluating business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would be to become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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. Our audit work has been undertaken so that we might state to the company's members those 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Scott Gillon BA (Hons) FCCA, CA, (Senior Statutory Auditor)
For and on behalf of Wylie & Bisset (Audit) Limited, Statutory Auditor
168 Bath Street
Glasgow G2 4TP

Date: 25 July 2023

NG2 Limited

Income statement for the year ended 31 March 2023

Statement of income and retained earnings for the year ended 31 March 2023

	Notes	2023 £	2022 £
TURNOVER		3,152,300	3,579,788
Cost of sales		2,433,780	2,880,280
Gross profit		719,420	699,508
Administrative expenses		654,229	531,866
Other operating income	1	19,001	47,148
		84,122	214,790
Interest payable		-	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		84,122	214,790
Gift aid		20,000	180,000
Taxation	3	12,937	(10,005)
RETAINED PROFIT ON ORDINARY ACTIVITIES		51,185	44,795
RETAINED EARNINGS AT 1 APRIL 2022		824,225	779,430
RETAINED EARNINGS AT 31 MARCH 2023		875,410	824,225

The notes on pages 10 to 15 form part of these accounts.

NG2 Limited

STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	4	<u>486,253</u>	<u>265,000</u>
CURRENT ASSETS			
Stock and work in progress		372,540	158,944
Debtors	5	147,632	487,357
Cash at bank and in hand		<u>114,757</u>	<u>107,735</u>
		634,929	754,036
CREDITORS			
Amounts falling due within one year	6	187,155	149,131
NET CURRENT ASSETS		<u>447,774</u>	<u>604,905</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		934,027	869,905
PROVISIONS FOR LIABILITIES	7	<u>58,517</u>	<u>45,580</u>
		<u>875,510</u>	<u>824,325</u>
CAPITAL AND RESERVES			
Called up share capital	8	100	100
Profit and loss account		<u>875,410</u>	<u>824,225</u>
SHAREHOLDERS' FUNDS		<u>875,510</u>	<u>824,325</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A- small entities.

The financial statements were approved by the board of directors and authorised for issue on 25 July 2023 and are signed on their behalf by:

R Hartness
Director

The notes on pages 10 to 15 form part of these accounts.

NG2 Limited

ACCOUNTING POLICIES

STATUTORY INFORMATION

NG2 Limited is a private company, limited by shares, domiciled in Scotland, registration number SC381740. The registered office is 50 Reidhouse Street, Glasgow, G21 4LS.

COMPLIANCE WITH ACCOUNTING STANDARDS

These financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2023 are prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

TURNOVER

Turnover is recognised at the fair value of the consideration received or receivable for the sale of goods and services in the ordinary nature of the business. Turnover is shown net of Value Added Tax, of goods and services provided to customers.

FIXED ASSETS

All fixed assets are initially recorded at cost.

DEPRECIATION

Depreciation is calculated so as to write off the cost of a tangible fixed asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	- 33% on cost
Motor Vehicles	- 20% - 33% on cost

TAXATION

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

NG2 Limited

ACCOUNTING POLICIES (CONTINUED)

FINANCIAL INSTRUMENTS

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

GOVERNMENT GRANTS

Government grants in respect of employee costs are credited to the profit and loss account as they become receivable.

GOING CONCERN

The company meets its day to day working capital requirements by managing its cash flow and through treasury operations with its parent organisation (which is also its primary customer). The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company is continuing to reduce the need for any ongoing support.

As a consequence, the directors believe that the company is well placed to manage its business risks successfully. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

NG2 Limited

NOTES TO THE FINANCIAL STATEMENTS for the year to 31 March 2023

1	OTHER OPERATING INCOME		
		2023	2022
		£	£
	Furlough income	3,182	47,148
		<u>3,182</u>	<u>47,148</u>
2	OPERATING PROFIT		
	Operating profit is stated after charging:		
		2023	2022
		£	£
	Depreciation of owned fixed assets	120,857	99,333
	Auditor's fees – External audit	3,582	3,780
	- Non audit	660	708
		<u>125,099</u>	<u>103,821</u>
3	TAXATION ON ORDINARY ACTIVITIES		
	Analysis of charge in the period		
		2023	2022
		£	£
	Current tax:		
	In respect of the period:		
	UK Corporation tax based on the results for the period at 19% (2022 - 19%)	-	-
	UK Corporation tax adjustment to previous year	-	(33,188)
	Total current tax	-	(33,188)
	Deferred tax:		
	Origination and reversal of timing differences	12,937	23,183
	Tax on profit on ordinary activities	<u>12,937</u>	<u>(10,005)</u>

NG2 Limited

NOTES TO THE FINANCIAL STATEMENTS for the year to 31 March 2023

4 TANGIBLE FIXED ASSETS

	Plant & Machinery £	Motor Vehicles £	Total £
Cost			
At 1 April 2022	171,276	796,196	967,472
Additions	72,358	272,461	344,819
Disposals	-	(27,089)	(27,089)
At 31 March 2023	<u>243,634</u>	<u>1,041,568</u>	<u>1,285,202</u>
Depreciation			
At 1 April 2022	155,569	546,903	702,472
Charge for the year	18,195	102,662	120,857
Disposals	-	(24,380)	(24,380)
At 31 March 2023	<u>173,764</u>	<u>625,185</u>	<u>798,949</u>
Net book value			
At 31 March 2023	<u>69,870</u>	<u>416,383</u>	<u>486,253</u>
At 31 March 2022	<u>15,707</u>	<u>249,293</u>	<u>265,000</u>

5 DEBTORS

	2023 £	2022 £
Trade debtors	-	-
Amounts owed by group undertakings	147,632	436,857
Other debtors	-	50,500
	<u>147,632</u>	<u>487,357</u>

6 CREDITORS: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	181,060	143,036
Corporation tax	-	-
Other creditors	6,095	6,095
	<u>187,155</u>	<u>149,131</u>

NG2 Limited

NOTES TO THE FINANCIAL STATEMENTS for the year to 31 March 2023

7 PROVISIONS FOR LIABILITIES AND CHARGES

	Deferred Taxation £
Balance brought forward	45,580
Movement in the year	<u>12,937</u>
Balance carried forward	<u>58,517</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2023 £	2022 £
Excess of taxation allowances over depreciation on fixed assets	<u>58,517</u>	<u>45,580</u>
	<u>58,517</u>	<u>45,580</u>

8 SHARE CAPITAL

	2023 £	2022 £
Allotted, called up and fully paid: 100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

9. ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of North Glasgow Housing Association. North Glasgow Housing Association is a Community Benefit Society registered with the Financial Conduct Authority (Reg. No 1865RS).

The following pages do not form part of the statutory financial statements
which are the subject of the independent auditor's report on pages 5 to 7.

NG2 Limited

DETAILED PROFIT AND LOSS ACCOUNT for the year to 31 March 2023

	2023	2022
	£	£
<i>TURNOVER</i>	3,152,300	3,579,788
<i>COST OF SALES</i>		
Purchases	577,054	1,237,049
Direct wages	1,856,726	1,634,231
	<u>2,433,780</u>	<u>2,880,280</u>
Gross profit	719,420	699,508
<i>OVERHEADS</i>		
Administrative expenses	654,229	531,866
	<u>73,291</u>	<u>167,642</u>
OTHER OPERATING INCOME	19,001	47,148
PROFIT ON ORDINARY ACTIVITIES	<u>84,122</u>	<u>214,790</u>

NG2 Limited

NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT for the year to 31 March 2023

	2023 £	2022 £
ADMINISTRATIVE EXPENSES		
Personnel costs		
Wages and salaries	89,003	77,658
Establishment expenses		
Rent, rates and water	24,636	25,220
Insurance	4,000	4,000
Repairs and maintenance	1,600	531
	<u>30,236</u>	<u>29,751</u>
General expenses		
Motor expenses	266,965	206,644
Telephone and IT	4,000	4,000
Hire of equipment	3,118	3,115
Printing, stationery and advertising	4,296	2,378
Staff training	27,254	8,031
General expenses	3,878	4,455
Clothing and safety goods	28,816	24,756
Management charges payable	60,000	60,000
Legal and professional fees	11,314	7,134
Auditors remuneration	4,242	4,388
Depreciation	120,857	99,333
	<u>534,740</u>	<u>424,234</u>
Financial costs		
Bank charges	250	223
	<u>654,229</u>	<u>531,866</u>
OTHER OPERATING INCOME		
Gain on sale of fixed assets	15,819	-
Furlough income	3,182	47,148
	<u>19,001</u>	<u>47,148</u>



Board Meeting For Noting

To: Board
From: Director

**SUBJECT: EXTERNAL AUDITORS BOARD
REPORT 2023**

DATE: 22nd August 2023

1.	Introduction
	Report relates to the external auditors Board Report in relation to the audit of the statutory accounts for the year to 31 March 2023.
2.	Risk
	<p>The external auditors are required each year to produce an audit findings report for each organisation they audit. The Association has to send the audit findings report and our response to the Scottish Housing Regulator.</p> <p>Production of an appropriate response to the audit findings report meets the requirements we are expected to perform to.</p>
3.	External auditors findings and report to Management
	<p>The final audit findings report was received from Wylie & Bisset. In respect of either audit or accounting issues identified during the audit or significant deficiencies in internal control only one point was noted. That was in connection with a minor amount of stock items not being priced and so having a zero value. The recommendation, which is agreed with, is that all items should be priced in future.</p> <p>This represents a satisfactory report for ng2 with only one comment on the accounting system or preparation of the statutory financial statements. The group report has been forwarded to the Scottish Housing Regulator and the response made back to Wylie & Bisset from the chairperson of the Association Board.</p>
4.	Recommendation
	Board Members are asked to note the external auditors audit point and the Report to Management on the outcome of their work on the control systems within the company.

NG 2 Limited
50 Reidhouse Street
Glasgow
G21 4LS

Dear Sirs,

REPORT TO MANAGEMENT

During the course of our audit for the period ended 31 March 2023 we performed a number of audit tests. These tests provided us with a level of understanding of your systems and an insight into the operations of your business and controls.

Accompanying this letter is a memorandum noting our points together with the recommendations we have for possible improvements which could be made. We have raised one new point. Please note that our audit tests were designed to assist us in forming our opinion on the financial statements and may not necessarily disclose all errors or irregularities within the financial statements or your systems of control and hence should not be relied upon to do so. However, if any irregularity did come to our attention during our audit tests, we would, of course, inform you immediately.

This report has been prepared for the sole use of the directors of NG 2 Limited and must not be shown to third parties without our prior consent. No responsibilities are accepted by Wylie & Bisset towards any party acting or refraining from action as a result of this report.

We should like to take this opportunity to express our thanks to all members of the company's staff who assisted us in carrying out our work.

Yours faithfully

Wylie & Bisset (Audit) Ltd

PRIOR YEAR RECOMMENDATIONS

No recommendation was noted in the prior year.

CURRENT YEAR RECOMMENDATIONS

Background	Recommendations	Priority
1. We noted that there are some stock items with nil value, there is a risk that the stock is understated.	We recommend that stock listing be updated to reflect the true stock position in value and quantity.	Low
Management Response:		



ng2 Limited
350 Darnick Street
Glasgow
G21 4AA
Tel: 0141 630 4252
www.ng2works.com

ng2 is a subsidiary of ng homes
Registered Office: 50 Reidhouse Street Glasgow G21 4LA
Company No. SC381740
Registered charity in Scotland No. SC 030635