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# **Annual Report and Accounts**

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for the year ended 31<sup>st</sup> March 2013

ANCHO Limited

Financial Services Authority 2559 R (S)

Communities Scotland Registration No. 306

Charity Reference SC036082

## ANCHO LTD

# ANCHO Financial Review

### Summary

These financial results cover the Organisation's eleventh full year of operations.

The Organisation made a surplus in the year of £479,364 (£483,831 surplus in 2012). £824,736 was spent on planned maintenance (£794.4k of which has been capitalised under new component accounting regulations) bringing the total spend on our Investment Programme to almost £7.5 million and is in line with the long term business plan and commitments made to tenants. 3 properties were sold under Right To Buy Legislation.

### Turnover

Turnover of £2.673 million (of which £2.467 relates to the income from the letting of properties at affordable rents).. A new rent setting policy was implemented, making our rents more equitable and fair. This year saw the last of the phased in rents with an average rent increase of 4.2%.

### Property Services

During the year 43 properties received new doors, 43 received new windows, 80 properties received new gas central heating systems. 51 properties received new roofs and 4 re-wires. Work carried out in Irvine North,, Castlepark and Dreghorn. We have commissioned Atrium HA to project manage the Maisonette refurbishment programme.

### Owner Services

Following the implementation of the Property Factors (Scotland) Act in October 2012 we have now been officially appointed as Factor for around 200 owners in the area.

### Wider Role Activities

The Community Link Project employs 3 f/t staff and 3 p/t and sessional staff. This year we received grants totalling £105,431 (an increase of £50k from last year). We provide Youth groups for 8 – 11 year olds and advocacy and mentoring support for older kids – up to 24 years. We offer financial and debt advice services 5 days per week and run an outreach surgery in Love Memorial Hall, Kilwinning. In the past 9 months we have helped 15 people into employment. We work closely with North Ayrshire Food Bank to provide emergency supplies to residents in crisis. We also run a weekly sewing club. The majority of funding for the year has come from Scottish Government People In Communities. We have continued to provide a mobile caretaking and handyman service.

### Treasury Management

At 31 March 2013 £4.4 million (65%) of borrowings were subject to fixed rates of interest in excess of 1 year. Variable rates averaged at around 2.1% making savings of around £12,000 per month.

# ANCHO LTD

## REPORT OF BOARD OF MANAGEMENT

The Board of Management presents their twelfth Annual Report together with the Audited Accounts for the period ended 31 March 2013..

The Organisation is registered as a non-profit making organisation under the Industrial and Provident Societies Act 1965 No. 2559 R (S). The Organisation is constituted under its Rule Book. The Organisation is a registered Scottish Charity with the charity number SC036082.

### **Principal activity**

The principal activity of the Organisation is the provision of social housing:

- To meet the housing needs and potentially the wider social and investment needs of current and future residents of North Ayrshire;
- to provide a high quality housing service and product to all Organisation tenants and customers;
- to develop and build new houses for rent or sale to meet defined housing need in North Ayrshire;
- to develop the Organisation's activities to ensure the future viability of the stock.

### **Business review**

A review of the Organisation's performance during the year is contained in the Financial Review on page 1.

### **Surplus for the year and transfers**

The results for the year are shown in the Income and Expenditure Account on page 13. The financial statements incorporate ANCHO Ltd's share of the Strathclyde Pension Fund which results in the inclusion of a liability of £245,000 in the Balance Sheet and an actuarial loss of £192,000 within the Statement of Total Recognised Gains and Losses.

### **Fixed assets**

Changes in fixed assets in the year are set out in note 6 of the financial statements.

## **Members of Board of Management**

The Members of the Board of the Organisation during the year were as follows:

At 31<sup>st</sup> March 2013

Resigned During The Year

(Chairperson)	Stuart Young
(Vice-Chair)	John Rodgers
(Member)	Jacqueline Browne
(Member)	Helen Malcolmson
(Member)	Sonya Campbell
(Member)	Lisa McColm
(Member)	Thomas Long
(Member)	Patricia McPhee
(Member)	Janice Murray
(Member)	Tom Barr (appointed 28 <sup>th</sup> August 2012)
(Member)	Ian Clarkson (Co-opted on 28 <sup>th</sup> august 2012)
(Member)	Nicola McQuiston (Co-opted 28 <sup>th</sup> January 2013)

## **Executive Officers**

The senior staff of the Organisation at 31 March 2013 were as follows:

(Director)	Elaine Gibson
(Assistant Director)	Liz Docherty
(Housing Co-ordinator)	Keith Henderson
(Maintenance Co-ordinator)	Paul Andrews

## **Management Board and Executive Officers**

The members of the Management Board and the Executive Officers are listed above.

Each member of the Management Board holds one fully paid share of £1 in the Organisation. The Executive Officers hold no interest in the Organisation's share capital and, although not having the legal status of Directors, they act as Executives within the authority delegated by the Management Board.

The members of the Management Board are also Trustees of the Charity. Members of the Management Board are appointed by the members at the Organisation's Annual General Meeting.

### **Registered Office**

Sovereign House  
Academy Road  
Irvine  
KA12 8RL

### **Solicitors**

T C Young  
7 West George Street  
Glasgow  
G2 1BA

**External Auditors**

Armstrongs  
Statutory Auditors  
Victoria Chambers  
142 West Nile Street  
Glasgow  
G1 2RQ

**Bankers**

Royal Bank of Scotland  
West of Scotland Corporate Office  
Floor 3, Kirkstane House  
139 St. Vincent Street  
Glasgow  
G2 5JF

**Future developments**

The Organisation will continue with its policy of improving the scope and quality of housing within its area of activity working with its existing and new partners.

**Charitable Donations and Community Involvement**

The Organisation opened the Community Link Project in February 2007 and a second office /drop in centre in December 2007. The Centre acts as an information and advice Centre for a range of services and runs weekly youth groups. During the year ANCHO received £105,431 in grants to fund the project.

**Creditor Payment Policy**

The Organisation's policy concerning the payment of its trade creditors complies with the Confederation of British Industry guidelines.

**Internal Audit**

The organisation takes a peer assessment approach for internal audit function. Glasgow North housing Association have assessed our performance in the areas of rent arrears, void repairs and estate management.

**Related Party Transactions**

The following member of the Board of Management is a tenant:

Thomas Long

His tenancy is on the Organisation's normal tenancy terms and he cannot use this position to his advantage.

**Employee Involvement and Health & Safety**

The Organisation encourages employee involvement in all major initiatives. It shall hold an annual review day for staff and the Board of Management to agree corporate objectives and plans. A health and safety sub-committee meets regularly.

### **Statement as to Disclosure of Information to Auditors**

So far as the Board are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) which the organisation's auditors are unaware, and each Board member has taken all the steps that he or she ought to have taken as a Board member in order to make himself or herself aware of any relevant audit information and to establish that the organisation's auditors are aware of that information.

### **Auditors**

A resolution to re-appoint Armstrongs will be proposed at the Annual General Meeting.

On behalf of the Board of Management

Sonya Campbell

Secretary

Date:

  
30th May 2013

## ANCHO LTD

### STATEMENT OF BOARD OF MANAGEMENT RESPONSIBILITIES

The Industrial and Provident Societies Act 1965 to 2002 require the Board of Management to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Organisation and of the surplus or deficit of the Organisation for that period. In preparing those Financial Statements, the Board of Management is required to:-

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Organisation will continue in business;
- prepare a statement on Internal Financial Control.

The Board of Management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Organisation and to enable them to ensure that the Financial Statements comply with the Industrial and Provident Societies Act 1965 to 2002, the Housing (Scotland) Act 2010 and the Registered Social Landlords (Accounting Requirements) (Scotland) Order 2010. They are also responsible for safeguarding the assets of the Organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. It is also responsible for ensuring the Organisation's suppliers are paid promptly.

The Board of Management must in determining how amounts are presented within items in the profit and loss account and balance sheet, have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles and practice.

In so far as the Board of Management are aware:

- There is no relevant audit information (information needed by the Housing Organisation's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- The Board of Management have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Housing Organisation's auditors are aware of that information.

## ANCHO LTD

### BOARD STATEMENT OF INTERNAL FINANCIAL CONTROLS

The Board of Management acknowledge their ultimate responsibility for ensuring that the Organisation has in place a system of controls that is appropriate to the various business environments in which it operates. These controls are designed to give reasonable assurance with respect to:

- the reliability of financial information used within the Organisation or for publication;
- that transactions are properly authorised and recorded;
- the maintenance of proper accounting records; and
- the safeguarding of assets (against unauthorised use or disposition).

It is the Board of Management's responsibility to establish and maintain systems of internal financial control. Such systems can only provide reasonable and not absolute assurance against material financial misstatement or loss. The key elements of the systems of financial control are as follows:

- formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the Organisation's assets.
- experienced and suitably qualified staff take responsibility for important business functions. Annual appraisal procedures are established to maintain standards of performance.
- forecasts and budgets are prepared regularly which allow the Board of Management and staff to monitor the key business risks and financial objectives, and progress towards financial plans set for the year and the medium term; monthly management accounts are prepared promptly, providing relevant, reliable and up-to-date financial and other information and significant variances from budgets are investigated as appropriate.
- all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures through the Board of Management.
- the Board of Management reviews reports from management, from the director, staff, internal auditors and from the external auditors to provide reasonable assurance that control procedures are in place and are being followed. This includes a general review of the major risks facing the Organisation.
- formal procedures have been established for instituting appropriate action to correct weaknesses identified from the above reports.



The Board of Management has reviewed the effectiveness of the system of internal financial control in existence in the Organisation for the period ended 31 March 2013. This was reviewed between the year end and the date below. No weaknesses were found within the internal financial controls which resulted in material losses, contingencies or uncertainties which require disclosure in the financial statements or in the auditors' report on the financial statements.

By order of the Board of Management

Sonya Campbell

Secretary



Date: 30th May 2013

**REPORT BY THE AUDITORS TO THE MANAGEMENT BOARD OF  
ANCHO LTD  
ON COMMITTEE STATEMENT ON THE ASSOCIATION'S SYSTEM OF INTERNAL  
FINANCIAL CONTROL  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2013**

**Corporate Governance**

In addition to our audit of the Financial Statements, we have reviewed your statement on Pages 7 and 8 concerning the Association's compliance with the information required by the section on Internal Financial Control within SFHA's publication "Raising Standards in Housing".

**Basis of Opinion**

We carried out our review having regard to the Bulletin "Disclosures Relating to Corporate Governance" issued by the Auditing Practices Board. The Bulletin does not require us to review the effectiveness of the Association's procedures for ensuring compliance with the Guidance Notes, nor to investigate the appropriateness of the reasons given for non-compliance..

**Opinion**

In our opinion the Statement on Internal Financial Control on pages 6 and 7 has provided the disclosures required by the section on Internal Financial Control within SFHA's publication "Raising Standards in Housing" and is consistent with the information which came to our attention as a result of our audit work on the Financial Statements.

Through enquiry of certain members of the Management Committee and Officers of the Association, and examination of relevant documents, we have satisfied ourselves that the Management Committee's Statement on Internal Financial Control appropriately reflects the Association's compliance with the information required by the section on Internal Financial Control within SFHA's "Raising Standards in Housing".



**ADAM ARMSTRONG LLB CA (Senior Statutory Auditor)**

For and on behalf of Armstrongs

Statutory Auditor

Chartered Accountants

Victoria Chambers

142 West Nile Street

Glasgow

G1 2RQ

30th May 2013

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANCHO LTD**

We have audited the Financial Statements of ANCHO Limited for the year ended 31 March 2013 which comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes on pages 13 to 28. The financial reporting framework that has been applied in their preparation is applicable law and the Registered Social Landlords Determination of Accounting Requirements April 2012.

This report is made solely to the Organisation's members, as a body, in accordance with Industrial and Provident Societies Acts 1965 to 2002. Our audit work has been undertaken so that we might state to the Organisation'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 nor assume responsibility to anyone other than the Organisation and the Organisation's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective Responsibilities of the Board of Management and Auditors**

As explained more fully in the Statement of Management Board's Responsibilities the Organisation's Management Board are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the Financial Statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the Financial Statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Organisation's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Management Board, and the overall presentation of the Financial Statements. In addition, we read all the financial and non-financial information in the Report of the Management Board to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on Financial Statements**

In our opinion the Financial Statements:

- give a true and fair view of the state of the organisation's affairs as at 31<sup>st</sup> March 2013 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- and
- have been properly prepared in accordance with the Industrial and Provident Societies Acts 1965 to 2002, Schedule 1, the Housing (Scotland) Act 2010 and the Registered Social Landlords Determination of Accounting Requirements – April 2012

### **Opinion on Management Board Report**

In our opinion the information given in the Report of the Management Board for the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the current legislation 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; or
- The Financial Statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Management's remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.



**ADAM ARMSTRONG LLB CA (Senior Statutory Auditor)**

For and on behalf of Armstrongs

Statutory Auditors

Chartered Accountants

Victoria Chambers

142 West Nile Street

Glasgow

G1 2RQ

30th May 2013

## ANCHO LTD

### INCOME & EXPENDITURE ACCOUNT for the period to 31 MARCH 2013

		2013	2012
	Note	£	£
Turnover	2	2,673,223	2,500,403
Operating Costs		<u>(1,897,250)</u>	<u>(1,846,899)</u>
Operating Surplus/(Deficit)	2	775,973	653,504
Gain on Sale of Fixed Assets	4	50,181	17,961
Interest Receivable		1,747	2,195
Other Income/(Costs) (Pension)	12	28,000	8,000
Interest Payable & Other Charges		<u>(184,537)</u>	<u>(200,829)</u>
Surplus on Ordinary Activities Before Tax		671,364	464,831
Tax on Surplus on Ordinary Activities		-	-
Surplus/(Deficit) for the year		<u>671,364</u>	<u>464,831</u>

		2013	2012
		£	£
Statement of total recognised gains and losses		671,364	464,831
Surplus/(Loss) for the year		671,364	464,831
Actuarial gain/(loss) on pension scheme	12	(192,000)	19,000--
Total recognised gains		<u>479,364</u>	<u>483,831</u>
Note of historical cost profit and loss		479,364	483,831
Realised Gain on Disposal		17,524	16,628
Difference between historical cost and the Actual charge for the year calculated on the Revalued amount		102,989	
Historical cost surplus for the year		<u>599,877</u>	<u>500,459</u>

**ANCHO LTD**  
BALANCE SHEET as at 31 MARCH 2013

		2013		2012	
	Note	£	£	£	£
<b>Tangible Fixed Assets</b>					
Housing Properties			17,525,046		17,251,871
Community Link Office			12,369		12,656
IT System and Equipment			11,326		13,733
Other Fixed Assets inc Vehicles			6,319		8,958
	6		17,555,060		17,287,218
Debtors	7	192,589		144,806	
Cash at Bank and in Hand		496,877		569,213	
			689,466		714,019
Creditors: amounts falling due within one year	8	(435,598)		(456,778)	
Net Current Assets/(Liabilities)			253,868		257,241
Total Assets less Current Liabilities			17,808,928		17,544,459
Creditors: amounts falling due after more than one year	9		(6,606,707)		(6,985,588)
Pension (Liability)/Asset	12		(245,000)		(81,000)
Net Assets			10,957,221		10,477,871
<b>Capital and Reserves</b>					
Share capital	15		104		118
Revenue reserve	17		3,009,602		2,530,238
Revaluation reserve	17		7,947,515		7,947,515
			10,957,221		10,477,871

The Financial Statements were approved by the Board of Management on 30th May 2013 and signed on their behalf by:

Vice Chair

Secretary

Board Member

The image shows three handwritten signatures in black ink. The first signature is on the left, the second is in the middle, and the third is on the right. Each signature is written over its respective title.

**ANCHO LTD**  
**CASHFLOW STATEMENT**  
**FOR THE PERIOD ENDED 31 MARCH 2013**

	Notes	2013 £	2012 £
<b>Net cash inflow from operating Activities</b>	16a	1,165,184	968,285
<b>Returns on investments and servicing of finance</b>			
Interest received		1,747	2,195
Interest paid		(184,537)	(200,829)
<b>Net cash outflow from returns on investments and servicing of finance</b>		<u>(182,790)</u>	<u>(198,634)</u>
<b>Capital expenditure and financial investment</b>			
Payments to acquire housing properties		(794,442)	(804,341)
Payments to acquire other fixed assets		(6,223)	(2,148)
Social housing grant receivable		-	-
Net Proceeds on disposal of properties		92,735	46,330
Proceeds on disposal of other fixed assets			
<b>Net cash inflow from capital expenditure</b>		<u>(707,930)</u>	<u>(760,159)</u>
<b>Net cash inflow before use of liquid resources and financing</b>		274,464	9,492
<b>Financing activities</b>			
Issue of long term loan		-	-
(Repayment) of long term loan		( 346,806 )	(279,503)
Share capital issued		6	23
<b>Net cash inflow/(outflow) from financing</b>		<u>(346,800)</u>	<u>(279,480)</u>
<b>Net Increase/(Decrease) in Cash in the Period</b>	16b	<u><u>(72,336)</u></u>	<u><u>(269,986)</u></u>

# ANCHO LTD

NOTES TO THE FINANCIAL STATEMENTS as at 31 MARCH 2013

## 1. Principal Accounting Policies

### a) Basis of Preparation

The accounts are also prepared under the historical cost convention (as modified by the revaluation of housing properties) and on the going concern basis.

The financial statements have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice – Accounting for Registered Social Landlords 2010 and comply with the Registered Social Landlords Determination of Accounting Requirements – April 2012.

### b) Turnover

Turnover comprises rental and service charge income, factoring fees and any revenue grants receivable.

### c) Housing Properties

Housing properties are stated at cost, less social housing and other public grants and less accumulated depreciation. Completed housing properties are professionally valued on an existing use basis. Surpluses and deficits are reflected in the revaluation reserve. Permanent diminutions in value of housing property are eliminated first against any revaluation reserve in respect of that property with any excess being charged in the income and expenditure account. Depreciation is charged on a straight line basis over the expected useful lives of the individual components of individual properties. The components and their expected useful lives are as follows:-

Buildings	50 years	Roof	40 years	Doors	25 years
Windows	20 years	Radiators	20 years	Boilers	15 years
Bathrooms	25 years	Kitchens	15 years		

### d) Other Fixed Assets

A full years depreciation is charged in the year of acquisition but no charge is made in the year of disposal. Depreciation is charged at rates estimated to write off costs less the estimated residual value over the expected useful life.

Furniture, Fittings	20% reducing balance
Office Equipment and IT	25% reducing balance
Community Link Project	2% straight line

### **Social Housing Grant and other grants in Advance/Arrears.**

Where developments have been financed wholly or partly by Social Housing Grant or other capital grant, the cost of these developments has been reduced by the amount of the grant receivable. The amount of the grants receivable is shown separately in note 6.

Social Housing Grant received in respect of revenue expenditure is credited to the Income and Expenditure Account in the same period as the expenditure to which it relates. Although Social Housing Grant is treated as a grant for accounting purposes, it may nevertheless become repayable in certain circumstances, such as the disposal of certain assets. The amount repayable would be restricted to the net proceeds of sale.



e) Pension

The Organisation participates in the centralised Strathclyde Pensions Trust defined benefits pension scheme and retirement benefits to employees of the Organisation are funded by the contributions from all participating employers and employees in the scheme. Payments are made to the Trust in accordance with periodic calculations by consulting actuaries and are based on pension costs applicable across the various participating employers taken as a whole.

The expected cost to the Organisation of pensions is charged to income so as to spread the cost of pensions over the service lives of the employees in the scheme taken as a whole.

The Organisation has fully adopted accounting standard FRS17 'Retirement Benefits' during the year. The impact of this standard has been reflected throughout the financial statements. Prior year comparatives have been restated where appropriate.

The difference between the fair value of the assets held in the Organisation's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the Organisation's balance sheet as a pension scheme liability.

f) Apportionment of Management Expenses

Direct employee administration and operating costs have been apportioned to the income and expenditure account on the basis of costs of the staff to the extent that they are directly engaged in each of the operations dealt with in those accounts.

g) Allocation of Owner Occupier Income

Monies charged to owner occupiers for common feu maintenance and insurance is credited into the income and expenditure account within the accounting period in which it relates.

h) Revaluation

A full valuation of the Organisation's housing properties was carried out based on Existing Use Value for Social Housing by Drivers Jonas in February 2008. They have valued the properties at £19,650,000. Drivers Jonas are independent from the reporting entity. The valuation report has been made in accordance with the RICS Appraisal and Valuation Manual. The Board are aware of their responsibilities in terms of property revaluations. The Board have considered this matter and in cognisance of proposed legislative changes have decided not to incorporate a revaluation in the current year. The Board of Management do not believe that the values would have been materially different at the balance sheet date. Had the properties not been restated at valuation the carrying value based on historical cost less social housing grant and depreciation would have been £9,764,245 at 31<sup>st</sup> March 2013 (2012 - £9,654,063).

i) Operating Leases

Costs in respect of operating leases are charged to the Income and Expenditure Account on a straight line basis over the lease term.

## 2. Particulars of Turnover, Operating Costs and Operating Surpluses

	<b>2013</b>		
	Turnover £	Operating Costs £	Operating Surplus £
Social Lettings	2,466,519	1,736,684	729,835
Other Activities	206,704	160,566	46,138
<b>Total</b>	<u><u>2,673,223</u></u>	<u><u>1,897,250</u></u>	<u><u>775,973</u></u>
	<b>2012</b>		
	Turnover £	Operating Costs £	Operating Surplus £
Social Lettings	2,292,889	1,648,928	643,961
Other Activities	207,514	197,971	9,543
<b>Total</b>	<u><u>2,500,403</u></u>	<u><u>1,846,899</u></u>	<u><u>653,504</u></u>

### 3a. Particulars of Turnover, Operating Costs and Operating Surplus from social letting

	General Needs Housing £	Supported Housing Accom £	Shared Housing Accom £	Total 2013 £	Total for 2012 £
Rent receivable net of service charges	2,514,762	-	-	2,514,762	2,334,338
Service Charges	-	-	-	-	-
Gross income from rents and service charges	2,514,762	-	-	2,514,762	2,334,338
Less voids	(48,243)	-	-	(48,243)	(41,449)
Net income from rents and service charges	2,466,519	-	-	2,466,519	2,292,889
Grants from the Scottish Ministers	-	-	-	-	-
Other revenue grants	-	-	-	-	-
Total turnover from social letting activities	<u>2,466,519</u>	<u>-</u>	<u>-</u>	<u>2,466,519</u>	<u>2,292,889</u>
Management & Maint Admin costs	776,023	-	-	776,023	697,517
Planned, cyc & Major Repair costs	53,452	-	-	53,452	78,028
Reactive maintenance costs	402,090	-	-	402,090	536,696
Bad Debts, rents & service charges	14,854	-	-	14,854	25,631
Depreciation of Social Housing	490,265	-	-	490,265	311,056
Operating costs for Social Letting	<u>1,736,684</u>	<u>-</u>	<u>-</u>	<u>1,736,684</u>	<u>1,648,928</u>
Operating surplus for social lettings For 2013	729,835	-	-	729,835	-
Operating surplus for social lettings 2012	<u>643,961</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>643,961</u>

**3b. Particulars of Turnover, Operating Costs & Surpluses/Deficits from Other Activities**

	Grants from Scottish Ministers	Other Revenue Grants	Supporting People Income	Other Income	Total Turnover	Operating costs	Other Operating costs	Operating Surplus/ (Deficit 2013)	Operating Surplus / (Deficit 2012)
Wider Action	£83,589	£21,842			£105,431	£83,988	-	£21,443	£(19,719)
Care & Repair									
Factoring				£14,530	£ 14,530	£76,578	-	£(62,048)	£(21,303)
Development Activities									
Support Activities									
Care Activities									
Other Management Services									
Other Activities	£25,000	£45,290		£16,453	£ 86,743	nil		£ 86,743	£50,565
Total from Other Activities	£108,589	£67,132		£30,983	£206,704	£160,566	-	£ 46,138	
Total from Other Activities 2012	£80,915	£72,846		£53,753	£207,514	£197,971	-		£9,543

Other Grants include include £25,000 Med Adaps from Scottish Ministers and £45,290 from British Gas  
Other Income of £16,433 includes £2,597 for R/Repairs and Handyman service & £13,836 for the provision of DPHS services..

#### 4. Sale of Housing Properties

	2013	2012
	£	£
Sale proceeds	94,760	47,485
Less: cost of sales	<u>(44,579)</u>	<u>(29,524)</u>
Gain on Disposal	<u><u>50,181</u></u>	<u><u>17,961</u></u>

3 Sales of property have occurred under Right to Buy legislation. Cashflow figure for sales proceeds is net of legal costs.

#### 5. Taxation

The Organisation was awarded Charitable status with effect from 26 October 2004. Therefore there is no Corporation Tax liability.

## 6. Tangible Fixed Assets

	Housing Properties Held For Letting	Community Link Project	Office Equipment & IT	Furniture & Fittings	Total
	£	£	£	£	£
<u>Cost/Valuation</u>					
At 1 <sup>st</sup> April 2012	19,446,691	73,019	287,228	59,711	19,866,649
Additions during the year	794,441	-	5,761	462	800,664
Disposals during the year	(45,270)	-	-	-	(45,270)
At 31 <sup>st</sup> March 2013	20,195,862	73,019	292,989	60,173	20,622,043
<u>Housing Association Grant</u>					
At 1 <sup>st</sup> April 2012	1,124,537	-	-	-	1,124,537
Additions during the year	-	-	-	-	-
At 31 <sup>st</sup> March 2013	1,124,537	-	-	-	1,124,537
<u>Other Grants</u>					
As at 1 <sup>st</sup> April 2012	-	58,666	-	-	58,666
Additions during the year	-	-	-	-	-
As at 31 <sup>st</sup> March 2013	-	58,666	-	-	58,666
<u>Depreciation</u>					
At 1 <sup>st</sup> April 2012	1,070,284	1,697	273,495	50,754	1,396,230
Provided during the year	478,710	287	8,168	3,101	490,266
Disposals during the year	(2,716)	-	-	-	(2,716)
At 31 <sup>st</sup> March 2013	1,546,278	1,984	281,663	53,855	1,883,780
<u>Net Book Value</u>					
As at 31 <sup>st</sup> March 2013	17,525,047	12,369	11,326	6,318	17,555,060
As at 31 <sup>st</sup> March 2012	17,251,871	12,656	13,733	8,958	17,287,218

## 7. Debtors

	2013	2012
	£	£
Amounts falling due within one year:		
Rents in arrears	140,080	126,187
Less: bad debt provision	( 33,905)	( 33,905)
Sundry debtors and owner arrears	4,942	4,676
Prepayments and accrued income	81,472	47,848
	<u>192,589</u>	<u>144,806</u>

## 8. Creditors due within one year

	2013	2012
	£	£
Loans	295,264	263,188
Trade creditors	22,772	43,949
Rents in advance and owner occupier floats	27,476	27,577
Taxation and Social Security	-	-
Accruals and deferred income	90,091	122,064
	<u>435,603</u>	<u>456,778</u>

## 9. Creditors due outwith one year

	2013	2012
	£	£
Facility Loan	<u>6,606,707</u>	<u>6,985,588</u>

The Dunfermline Building Society holds a standard security and floating charge on the Organisation's 905 properties and garages. The loan is repayable at rates between 1.6% and 6.94% of interest in instalments due as follows:

	2013	2012
	£	£
Less than one year	295,264	263,188
Between one and two years	301,808	269,936
Between two and five years	945,264	852,893
In five years or more	5,359,635	5,862,759
Less: amounts shown due within one year	(295,264)	(263,188)
	<u>6,606,707</u>	<u>6,985,588</u>

