

DUNEDIN CANMORE

GROUP

annual report 2012-2013

choices

housing, living, working



Leaders in Building Communities where People Choose to Live



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> Cathay Court

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Statement by the Chair



> Oxfgangs



> Yvonne Summers, Chair
Dunedin Canmore Housing

The diversity of the Dunedin Canmore Group is a key to its success. The demand for services, revolving around affordable housing, continues to grow and we are all working extremely hard to keep up.

One of the main drivers for change last year was new legislation. While we were addressing the issues of the Social Housing Charter and the new Scottish Housing Regulator we also had to take on board the Property Factors Act and the major changes coming from the UK government's Welfare Reform agenda. Any one of these would have been challenging enough in its own right but to get all of them has really stretched us.

However, the Group has a wide range of skills both on the Board and on the staff team, who have worked well together, understand the issues and have addressed the challenges.

The culture of the Dunedin Canmore Group is one of support and partnership. This approach has enabled us to take the business forward in a positive fashion. It has really come to the fore with the Department of Works and Pensions Demonstration Project, carried out in partnership with the City of Edinburgh Council and supported by the Scottish Federation of Housing Associations.

The Project, based on direct payment of housing benefit, has highlighted the need for Dunedin Canmore to be aware of the profile of tenants and the services that will help them. With welfare reform affecting so many people, participating in this project has really helped us to understand some of the issues and work that we must do to

Statement by the Chair

We will ensure that the emphasis on customer service and providing affordable services in communities stays with us.



> Pilrig Heights

assist tenants. With Universal Credit being introduced in the next year or so, we will be in a much better place to provide advice and support.

Dunedin Canmore has now almost achieved SHQS compliance for its housing stock (98.8%). This is really good news and an excellent performance by the organisation. Well done to all involved.

In the last year the Group has attracted six new Board members who bring a variety of skills and expertise. They are already adding real value to the work they do and we look forward to a long and positive relationship with them. Sadly a few members have left the Group. Claire Ironside has been offered a job that will make it impossible for her to continue. We wish her well in the future. Alan Brown has retired from Dunedin Canmore Enterprise and I thank him for his contribution over many years. Dunedin Canmore Housing has also lost the services of Jane Ballantine. However, Jane is staying with the Group as a Board member of Dunedin Canmore Enterprise so we will benefit from her skills for a few years yet.

I am pleased to say that again we have had a good year financially with a good set of results. However, we are still finding it difficult to get new capital to develop and have the financial pressures of welfare reform to deal with. We must not become complacent in the difficult

times but well done to everyone for their contribution to date. The Group has demonstrated that it can be entrepreneurial and sustain a high level of service in a difficult financial climate.

Finally, I will conclude by saying that I am pleased with the success of the Group and we are in a really good position to drive forward. We will ensure that the emphasis on customer service and providing affordable services in communities stays with us.

Yvonne Summers Chair
27 June 2013



> Tait Wynd

Statement by the Chief Executive



> Otago phase 3



> Ewan Fraser, Chief Executive

For several years now we have been progressing as an organisation in a positive manner. We have a clear plan of where we want to go and how we are going to get there. Historically we have achieved our targets very well and risen to the challenges put in front of us.

To do this we have relied on the expertise of the Board and a skilled and professional staff team. The confidence gained from past success is an essential point to consider when we move forward in a much tighter financial environment.

I mentioned in my report last year that we were changing as a Group to reflect our size and diversity following a number of years of growth. The changing demands of customers necessitated this change and a range of measures have been implemented. We have now opened our customer service centre and it is coming along well with a staff team comprising many established Dunedin Canmore Group members as well as a few new faces. Response to training has been excellent and this will continue to evolve into a first class facility.

We refreshed some of the terms and conditions in the Property Services division to allow us to build on the success there and move forward in a really competitive environment. We see this as an area of growth in the future. A good value for money, property division is an essential service for our customers.

Other areas of growth in the coming year will be in our Property Management department. As an organisation dealing with mixed tenure housing stock we have a very broad base of customers, tenants and owner occupiers alike. They will all

Statement by the Chief Executive

We have now opened our customer service centre and it is coming along well with a staff team comprising many established Dunedin Canmore Group members as well as a few new faces.



> Customer Service Centre

receive a consistently good service from us in the coming year and we will be reviewing the resources we have to make sure this happens.

In the current financial climate building new homes has been a challenge. The levels of grant we receive to build affordable homes is reducing and the availability of private finance is lower than it has been. However, we will continue to look for new opportunities as there is still a need for more affordable homes in the east of Scotland.

The biggest challenge for the coming year is Welfare Reform. This will really stretch the skills of Group in a range of areas. We have a large number of tenants who will be affected by changes to housing benefit and all other forms of benefit that are being overhauled by the current government. The housing staff and welfare rights teams in particular will need real support and be properly resourced to give as much help as they can. The business will need to be financially aware and we will take steps to increase our expertise in debt recovery. At the same time we must support people in real need to overcome some of the challenges put in front of them.

Dunedin Canmore has been involved during the year in a "Demonstration Project" for direct payment of housing benefit. A huge effort has been made by staff here and I thank them for that. The advantage going forward is that we are

fully aware of the changes being forced on us and it will allow us to respond in a structured fashion. We must not underestimate the amount of work needing to be done and the cultural changes for our tenants.

As an organisation we have risen to challenges in the past with great success and there is no reason at all for us to be concerned in the future. Our Board, staff team and our many business partners work well together. This strong partnership approach linked into our values of commitment and excellence will continue to bring success in the future.

Ewan Fraser Chief Executive
27 June 2013

The Boards and their Committees

The group has a governance framework which encourages all members to bring their independent judgement to matters of strategy, performance, resources and standards of conduct.

How appointments are made

Board members of Dunedin Canmore Housing are elected at the annual general meeting from the general membership of the Association and retire by rotation every three years. Between annual general meetings, board members may be co-opted to fill a casual vacancy but must then be elected to the Board at the next annual general meeting. Any general member of the Association is entitled to stand for membership of the Board.

Dunedin Canmore Housing may appoint members to the Dunedin Canmore Enterprise Board. Non Dunedin Canmore Housing members sit on the subsidiary board to protect its independence.

The Dunedin Canmore Housing Board comprises a maximum of 15 members.

There is a formal schedule of matters reserved specifically to the boards and all major strategy, investment and policy decisions are taken by them. The Group has a governance framework which encourages all members to bring their independent judgement to matters of strategy, performance, resources and standards of conduct.

Experience and training

The board members bring a wide range of talents and experience to the Group. Board members have the appropriate balance of skills and experience to run the business and are provided with additional training as and when it is required.

Formal sub committees and working groups

The Group has one formal subcommittee, the Group Audit Committee. Other working groups covering all aspects of the Group's work are convened as and when required. The appropriate governing board takes the final decision.

Governance review

During 2011/12 the Boards carried out a performance evaluation of themselves, the Chairs and each of the board members. This was led by a Governance Working Group, which on this occasion engaged an external facilitator to assist in the process. The external facilitator did not have any other connection with the Group.

The process consisted of board members completing questionnaires designed by the external facilitator in conjunction with the Governance Working Group. The completed questionnaires were available only to the facilitator, who prepared written reports for the Chairs and the Board. One-to-one interviews were held between the Chairs and each of the board members.

A meeting of both Boards discussed the results of the evaluation of the boards.

The performance evaluation provided feedback on a wide range of board matters including some processes and agenda contents. Board members continue to be generally positive about the meetings of the boards and its processes and a number of issues were highlighted for on-going focus during 2013/14.

The Boards and their Committees

Board attendance

The main board met twelve times during the year. Member attendance at board meetings was as follows:

Board Members	Note	Dunedin Canmore Housing	Dunedin Canmore Enterprise	Group Audit Committee
Richard Austin		9/12		
Jane Ballantine (resigned "Housing" 27 Feb. 2013)		7/11	7/8	
Alan Brown (resigned 23 Aug. 2012)			4/5	
Karen Campbell (appointed 20 Sep. 2012)			2/3	
Alexander Elder (appointed 20 Sep. 2012)			3/3	
John Fletcher	4	11/12	7/8	
Claire Ironside (resigned 1 Mar. 2013)		7/11		
Fanchea Kelly		7/12		
Terence Kirby (co-opted 20 Sep. 2012)		6/6		
Susan Laing	5		7/8	
Andrew Leslie		11/12	7/8	4/4
Delia Lomax		12/12		
David MacLaren		10/12		3/4
Kenneth Miller	6	7/12	5/8	3/4
Thomas Mitchell	2,3	9/10		3/3
Mary Mulligan (co-opted 20 Sep. 2012)		3/6		
Peter Nussey			6/8	
Beverley Oakman (co-opted 20 Sep. 2012)		4/6		
John Phillips			7/8	
Fraser Pottie (co-opted 25 Oct. 2012)			3/3	
Yvonne Summers	1	12/12		
James Walker			5/8	

- (1) Chair Dunedin Canmore Housing
- (2) Vice Chair Dunedin Canmore Housing
- (3) Dunedin Canmore Housing leave of absence (two meetings)
- (4) Chair Dunedin Canmore Enterprise
- (5) Vice Chair Dunedin Canmore Enterprise
- (6) Chair Group Audit Committee



> Slateford Green

The Chairs of Dunedin Canmore Housing and Dunedin Canmore Enterprise attend the Group Audit Committee meetings. They do not form part of the Committee or the quorum of the meeting.

The Boards and their Committees



> Castlecliff Homeless Accommodation

Group Audit Committee

The Group Audit Committee is responsible for helping the boards to discharge their responsibilities for accounting policies, financial reporting, internal control and risk management. The Group Audit Committee also reviews the independence of the external auditor and the relationship between audit and non-audit work performed by them.

The Group Audit Committee may include independent members from the board of Dunedin Canmore Enterprise. It met four times during the year ended 31 March 2013.



> Sheltered scheme, Chesser Court

The Group Audit Committee reviews the annual financial statements paying particular attention to:

- critical accounting policies and practices and any changes to them
- decisions requiring a major element of judgement
- the extent to which the financial statements are affected by any unusual transactions in the year and how they are disclosed
- the clarity of disclosures
- significant adjustments resulting from the audit
- the going concern assumption
- compliance with accounting standards
- compliance with legal requirements
- reviewing the Group's statements on internal control systems prior to endorsement by the boards

The Boards and their Committees

Financial control throughout the Group is maintained through policies and procedures, as well as Standing Orders and Financial Regulations.



Internal control

A programme of work is agreed by the Group Audit Committee at the start of each year. Reports are presented to the Group Audit Committee. Follow up reports are presented to the Group Audit Committee if required and major findings presented to the boards when appropriate.

Financial audits were undertaken by Scott Moncrieff, a qualified audit firm. Other audits are carried out by self-assessment methods such as peer review or by internal management.

Financial control throughout the Group is maintained through policies and procedures, as well as Standing Orders and Financial Regulations. There is regular reporting of information to the boards. A system of internal reporting of key performance indicators is used to monitor performance.

The Group does not tolerate fraud. Controls are designed to reduce the likelihood and impact of fraud. No instances of fraud were reported during the year.

An annual report of internal control assurance is produced for the Group Audit Committee to review the effectiveness of the risk management and control process.

There is a continual process to identify and manage significant risks faced by the Group which has been in place throughout the year.



> Suttislea, Eskmills

Report of the Board of Management



> Site visit – Members of Dunedin Canmore Property Management Team

The Board of Management presents its report and the audited financial statements of the Group for the year ended 31 March 2013.

Principal activities

The principal activity of the Group is the provision, in Scotland, of high quality rented accommodation at affordable rents.

Business overview

The Group is based in Edinburgh and now owns and manages almost 5,500 homes. It also has a development programme with around 350 homes in Edinburgh, Fife and the Lothians currently on site.

Dunedin Canmore Housing operates in a fluid and increasingly challenging social housing environment. Its work is supplemented by its wholly owned subsidiary company Dunedin Canmore Enterprise Limited, which provides mid-market and market rent housing. Dunedin Canmore Enterprise deals with the commercial aspects of the Group's business.

On 1 April 2012 Dunedin Canmore Housing accepted a gift of 46 properties valued at £3.8m from The Edinburgh Housing Trust Limited. These properties have been added to our housing held for letting.

Vision

The Vision of Dunedin Canmore is to be Leaders in Building Communities where People Choose to Live.

Mission

The Dunedin Canmore Group will build and improve upon the excellent track record of providing a range of housing and support services to a broader mix of people in the community. This involves the development of 1,000 houses during the period of our five year plan to 2015.

The Group is improving its customer service by gaining a better understanding of the needs of its customers. The continuous improvement agenda also included the introduction of a quality management system this year that best suits the organisation.

The Group continues to build on the partnership work that it does to support tenancies, improve services and create desirable and self-sustaining communities. This includes working more closely with specialist support providers, young people, tenants and owners' groups alike.

Report of the Board of Management

The Dunedin Canmore Group is committed to maintaining strong governance, good leadership and will continue to keep the Group structure under review in order to develop and grow its presence in Edinburgh, the Lothians and Fife. This involves developing the skills of Board members and staff.

The Dunedin Canmore Group continues to develop its financial strategy and focuses on providing good value services to all of its customers. It also aims to increase the performance of the commercial business it runs to give additional financial support to the Group as a whole and reduce the reliance placed on grant aid.

As a progressive social enterprise the Dunedin Canmore Group develops its capacity in providing employment initiatives, seeks and adopts new forms of technology and renewable energy and takes an entrepreneurial approach to business development.

Core values

All of the activities of the Dunedin Canmore Group are based around three important key values. These values are embedded into our culture to ensure that we achieve our Vision:

- **Ethical:** By firmly embedding equality in all that we do, we inspire trust by being open, fair and respectful to our customers, our suppliers and each other
- **Commitment:** By working together and adopting an enterprising and "can do" attitude, we will focus on making it happen and realise our aspirations
- **Excellence:** We are passionate to be the best, promoting a culture of continuous improvement and innovation in order to deliver the highest standard of services

Core competencies

At Dunedin Canmore we are committed to developing people. A key part of this is to ensure that there are sound management practices and consistent principles of performance across the company. We want the business to be a place where on-going learning and improvement happens as a matter of course. In order to achieve this Dunedin Canmore has a set of core competencies giving everyone the opportunity to reach their full potential. They are:

- Customer Service
- Communication
- Teamwork
- Adaptation to Change
- Leadership
- Business Focus
- Developing Capability
- Strategic Thinking
- Role Model
- Driving Direction



Report of the Board of Management



> Dunedin Canmore Group Directors with members of Homeless World Cup 2012 team

Staff

The staff structure has been set up to support every aspect of the business in depth. By maintaining the skills, knowledge and experience of board members and staff the Group is well placed to add value to the provision of first class services in its areas of operation. Training continues to be the main focus to enhance the skills of our staff.

Applications by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities, as are applications from others irrespective of sex, marital status, age, religious belief, colour, race or ethnic origin. All staff are employed by Dunedin Canmore Enterprise, the Association's subsidiary, which provides agency services to the Association and others.

Staff involvement

The Group keeps its staff informed of matters affecting them and the financial and economic factors affecting the Group and its tenants. This is achieved through regular newsletters to tenants and staff and by staff briefings after Board, Directors and Managers meetings. The Group has also formed a Consultative Employee Group to provide a forum to exchange views and to improve communication and consultation between management and staff.

Health and safety

The Dunedin Canmore Group is the first Scottish housing group to have been approved as an Institute of Occupational Safety & Health training provider for the nationally recognised Managing Safety Course. As part of the strategic development of health and safety management within the Group, all Directors and Managers have been invited to undertake this course as well as external delegates from other housing associations. The course aims to get essential health and safety messages across to delegates to ensure that the Group continues to successfully manage health and safety.

Charitable donations

As well as the Group donating £1,291 (2012: £5,650) to various charities, this year the staff and their supporters raised £18,000 in a golf marathon for the Beatson Oncology Centre Fund. In addition, various staff took part in sponsored events for other charities.

Partnering

Dunedin Canmore Housing is regulated by the Scottish Housing Regulator. As a recipient of housing association grants it is essential that the guidance laid down by the Regulator is followed. In providing affordable housing the Association follows local and national housing strategies.

Report of the Board of Management

Training continues to be the main focus to enhance the skills of our staff.



Positive relationships with central and local government are of critical importance to the success of the Group.

The Dunedin Canmore Group is working in an environment that encourages joint working with other associations and agencies. This partnership approach is beneficial to providing support, regenerating communities and working with the private sector.

Loan funding

We continue to benefit from the loans provided by the funding syndicate of the Royal Bank of Scotland, Lloyds Banking Group and the Dunfermline Building Society. None of the facility was drawn down in the year to develop our housing programme but the balance will be used over the next year. Exposure to interest rate fluctuations in the past has been minimised by seeking out low fixed rates. With the low variable rate options currently available any new drawdowns have been placed on short term rates and kept under regular review.

We remain able to meet our current commitments and seek out new projects to provide social and affordable housing in Edinburgh, the Lothians and Fife. Projects are assessed on many criteria, of which a key one is the availability of finance.

The Board is aware of the risks facing the Group in the coming years and has considered alternate development and funding strategies in order to satisfy itself that loan covenants can be met. We are actively seeking other funding sources for the Group and pursuing a strategy that will identify resources to sustain our development programme.

Through our initiatives we show real leadership in the housing sector. As a major housing provider and developer we are appreciative of the confidence expressed in us by our private funders and by the City of Edinburgh Council and the Scottish Government.



Report of the Board of Management

The Group's housing properties are financed principally by a combination of housing association grant, bank borrowings and our own cash.

Finance

The Group's housing properties are financed principally by a combination of housing association grant, bank borrowings and our own cash. Bank borrowing facilities comprise a mixture of fixed rate loans and short term floating rate loans.

Treasury policy and liquidity risk

The Group's treasury policy has, as its principal objective, the maintenance of flexible bank facilities in order to cover anticipated borrowing requirements. A cash forecasting system enables the Group to plan and assess its future treasury needs. Short-term cash surpluses are managed to produce the most effective return. There are no financial instruments, derivatives or commodity contracts used.

Interest rate risk

The Group's attitude to interest rate risk is informed by the existing and forecast conditions prevailing at the time that each new interest bearing instrument is entered into. This will determine, amongst other things, the term and whether a fixed or floating interest rate is most appropriate. The Group is able to make arrangements to convert floating rates to fixed rates.

Capital structure / funding

To meet the costs of the substantial developments planned by the Group we will continue to receive significant support from central and local government in the form of housing association grants. Our developments in Edinburgh have been allocated the majority of such funding over the life of these projects. In addition housing association grant supports our normal development programme. This is a key component of our ability to meet our obligations.



> Oxfgangs

With the reduction in grant funding without a comparable reduction in housing demand the Group has been looking to identify alternative methods of obtaining finance to sustain its development programme. This may involve different financial models to those prevailing in the past.

The rest of the funding is derived from commercial loans from banks and building societies through a syndicate headed by the Royal Bank of Scotland and supported by Lloyds Banking Group and Dunfermline Building Society as well as the Housing Finance Corporation.

Treasury management

Treasury management is a key finance function. It ensures that we have a proper cash flow through the Group. This includes monitoring that cash is received timeously and that suppliers are paid in accordance with their trading terms. It also maintains a watching brief so that where cash is held, it is invested safely but economically to ensure the best return for the Group.

We have in place a regime whereby sufficient cash is held to meet only our immediate obligations. The rapid access to development funding through the loan agreement ensures that we can satisfy our contractual obligations without incurring unnecessary interest costs.

Report of the Board of Management

Financial performance

Income and expenditure account

	2012 £ 000's	2013 £ 000's
Group turnover	24,296	30,533
Operating surplus	4,803	11,014
Interest costs	6,337	7,794
Pre tax surplus/(deficit)	(1,053)	3,324
Operating margin	19.8%	36.1%
Interest cover	1.4	1.9

The results as shown above arose in East Central Scotland. Interest is written off as it is incurred. Almost our entire turnover is spent on services directly related to our tenants.

Balance sheet

	2012 £ 000's	2013 £ 000's
Housing stock	333,407	344,592
Borrowings	149,232	149,381
Total financial indebtedness to net worth	61.1%	62.0%



Report of the Board of Management



> Environmental Volunteers' Outdoors Learning Project

Name change

During the year, as part of a major rebranding exercise, we changed our name to Dunedin Canmore Housing. At the same time we changed all our branding and we believe that by doing so it will give us an even stronger foothold in the market place and will further strengthen the Dunedin Canmore brand itself with increased exposure.

The Quarries – Biggest Coffee Morning

Residents at the Hyvot Mill Road 'Quarries' development raised £550 for Macmillan Cancer Care at their 'Biggest Coffee Morning in the World' event in September 2012. Residents offered bric-a-brac, a tombola, books, CDs and a range of items to buy or buy raffle tickets for, as well as great coffee, tea and home baking that residents, guests and DCG staff enjoyed to help the charity's fund-raising events.

Community Food Project

Dunedin Canmore, in partnership with Edinburgh Community Food Initiative, delivered a community project that provided our tenants and the wider community with the skills and confidence to prepare healthy affordable family meals working on a budget. Thirteen people achieved a REHIS Food Hygiene certificate and can now progress on to work in the catering industry or volunteer in community cafes.

Environmental Volunteers' Outdoors Learning Project

This project aims to help develop environmental awareness and build skills in landscaping and agriculture for 16-24 year olds. The EVOLS group worked hard to improve the surrounding area of Gracemount Youth and Community Centre (The Mansion) and completed a course in dry stone dyking.



> Lochan Panels, Oxbgangs

Report of the Board of Management

Sir Tom Farmer opened our award-winning development at Westfield with the unveiling of a plaque and a presentation to a sharing owner couple to represent the Group's 5,000th property.



> Westfield opening

Business Development

A number of developments have been opened this year. These include:

5,000th property celebrated

Sir Tom Farmer opened our award-winning development at Westfield with the unveiling of a plaque and a presentation to a sharing owner couple to represent the Group's 5,000th property.

The Association built its first "A" rated energy home at Hyvots

A unique three bed house which is powered by an electric air source heat pump and electric PV panels was opened at Hyvots. The family who was allocated the new house will take part in a monitoring exercise to see how much their heating and hot water bills are.

Rollo Court, Prestonpans

A new £2m housing development was officially opened by East Lothian Council leader Willie Innes in September 2012, with the presentation of keys to one of its first tenants. This marked the completion of the Rollo Court development in the High Street. The new homes were built by local builder Robert Rollo and Sons, who previously owned the site. The project provided job security for a local builder and also local sub-contractors and suppliers.

Hostel Services

Dunedin Harbour Hostel in Edinburgh was given a fantastic opportunity to further develop the services on offer. The antiquated wet room (a communal room, where service users could drink alcohol with-out their own rooms) has been transformed to a state of the art IT/multimedia resource room. A variety of courses and programmes is available for the residents on a weekly basis including:

- a job club provided by the employability officer from Foursquare
- budgeting workshops
- confidence building courses provided by Connected
- adult literacy, numeracy and basic computing provided in partnership working with Leith Community Education Centre

Report of the Board of Management



> Customer Service Centre, New Mart Road

Korean visit

The Hostel had an impromptu visit during the year from a delegation from Seoul, South Korea. The Revered Song Kyong Yong from the Anglican Church of South Korea led the eight strong delegation. They toured the Hostel and were very impressed by the standard of accommodation, our joint working initiatives and general progressive approach to working with homeless individuals. Without doubt these guests were the most polite and gracious visitors the Hostel has ever had.

Top Marks for Dunedin Canmore's Homeless and Sheltered Housing Services

Dunedin Harbour Hostel has been awarded 'very good' grades after an inspection by the Care Inspectorate. It scored highly for the quality of care and support it provides to homeless people. The report said the hostel service has been "creative in helping people access support, working with a range of services to build relationships with people in the hostel that can continue after their stay". Dunedin Canmore's Sheltered Housing Division also scored 'very good' in the inspection.

Customer Service Centre

After a lot of hard work and commitment, the new Customer Service Centre opened in February 2013. To the great credit of everybody involved, plans were set in motion to embed a culture of customer focus with learning, adapting and engagement amongst teams. Customers are benefiting from the breadth of experience available. Staff are on hand and happy to transfer knowledge and build confidence in the team and the sharing of information has empowered us to provide a better service. As one member of staff said; "Alone we can do so little. Together we can do so much".

Good Egg Energy

With the ever rising fuel prices, everyone is anxious to reduce our energy costs. Good Egg Energy is a social enterprise company helping customers to saving energy costs. They do this by assisting customers to search for cheaper suppliers and/or tariffs and then to switch. Having used the service, some tenants reported significant savings on their energy costs.

Report of the Board of Management

Statement of the Board's responsibilities

Housing association legislation requires 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 Association and the Group at the balance sheet date, and of the income and expenditure of the Association and the Group for the year ended on that date.

In preparing those financial statements the Board of Management is required to:

- Select suitable accounting policies and then 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, and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Association will continue in business



The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and the Group and to enable it to ensure that the financial statements comply with the Industrial and Provident Societies Acts 1965 to 2002, the Housing (Scotland) Acts 2001 to 2010 and the Determination of Accounting Requirements April 2012.

The Board also has general responsibility for taking reasonable steps to safeguard the assets of the Association and the Group to prevent and detect fraud and other irregularities.

No material uncertainties that cast significant doubt about the ability of the Association and its subsidiary to continue as going concerns have been identified by the Board.

Auditor

Following a tender exercise on our normal seven year cycle, a resolution to appoint Baker Tilly as auditor will be proposed at the Annual General Meeting.

The Board of Management would like to express its thanks to Chiene + Tait, the previous auditor, for its services over the last fourteen years.

Our thanks, as always, go to all our staff, our partners and funders for their support and help over the last year.

By order of the Board of Management.

Yvonne Summers
Chair
27 June 2013

Roy Walker
Group Secretary

Board Statement on Internal Financial Controls



> Dunedin Canmore Property Services

Board Statement on Internal Financial Controls

The Board of Management acknowledges that it has ultimate responsibility for ensuring that the Association has in place a system of internal financial control that is appropriate to the business environment in which it operates. These controls are designed to give reasonable assurance with respect to:

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



> Oxfangs

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. Key elements include ensuring that:

- 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 Association's assets
- Experienced and suitably qualified and trained staff take responsibility for important business functions and have been provided with comprehensive guidance on the standards to be applied throughout the Association. Annual appraisal procedures have been established to review standards of performance

Board Statement on Internal Financial Controls

All significant new initiatives, major commitments and investment projects and their financial implications are assessed and are subject to formal authorisation procedures through the Board of Management.



- Forecasts and budgets are prepared which allow the Board of Management to monitor the financial objectives and key business risks and progress towards financial plans set for the year and the medium term. Quarterly management accounts are prepared comparing actual results against budget, and are presented to the Board of Management to provide pertinent reliable and up-to-date financial information. Significant variances from budget are investigated as appropriate
- All significant new initiatives, major commitments and investment projects and their financial implications are assessed and are subject to formal authorisation procedures through the Board of Management
- The Board of Management reviews reports from the external auditors, internal auditors and from management, to provide reasonable assurance that control procedures are in place and are being followed. The Board also receives progress reports on areas where the internal and external auditors have commented and ensures that action is taken where it considers it appropriate

Acting on behalf of the Board of Management, the Group Audit Committee has reviewed the effectiveness of the system of internal financial control in existence in the Association for the year ended 31 March 2013 and until 4 June 2013. No weaknesses were found in internal financial controls, which resulted in material losses, contingencies, or uncertainties, which require disclosure in the financial statements, or in the auditor's report on the financial statements.

Yvonne Summers

Chair
27 June 2013

Roy Walker

Group Secretary



> Tait Wynd

Report of the Independent Auditor to the Members of Dunedin Canmore Housing Limited

Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose.

We have audited the consolidated financial statements of Dunedin Canmore Housing Limited for the year ended 31 March 2013 set out on pages 24 to 43. These financial statements have been prepared under the accounting policies set out therein. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Association's members, as a body, in accordance with Section 9 of the Friendly and Industrial and Provident Societies Act 1968, and to the charity's trustees as a body (the Board of Management), in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work have been undertaken so that we might state to the Association'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 Association, the Association's members as a body and its trustees 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 the auditor

As more fully explained in the Statement of the Board of Management's responsibilities on page 19, the Board is responsible for the preparation of financial statements which 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 accounts

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 Association's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the 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 Board of Management 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 accounts

In our opinion the financial statements:

- give a true and fair view of the state of the Association's and the Group's affairs as at 31 March 2013 and of the Association's and Group's income and expenditure for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

Report of the Independent Auditor to the Members of Dunedin Canmore Housing Limited

- have been properly prepared in accordance with the Industrial and Provident Societies Acts 1965 to 2002, the Housing (Scotland) Act 2010, Determination of Accounting Requirements April 2012, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 14 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Industrial and Provident Societies Acts 1965 to 2002 or the Charities Accounts (Scotland) Regulation 2006 (as amended) require us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the Association has not kept proper accounting records; or
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we require for our audit; or
- the information given in the Report of the Board of Management is inconsistent in any material respect with the financial statements.

Corporate Governance Matters

In addition to our audit of the financial statements, we have reviewed the Board of Management's statement concerning internal financial control made under "The Code of Audit Practice" contained within the publication "Raising Standards in Housing" which is the guidance issued by the Scottish Federation of Housing Associations. The object of our review is to draw attention to non-compliance with the guidance.

Basis of Opinion

We carried out our review in accordance with guidance issued by the Auditing Practices Board. That guidance does not require us to perform the additional work necessary to, and we do not, express any opinion on the effectiveness of either the Association's system of internal financial control or its corporate governance procedures.

Opinion

With respect to the Board of Management's statements on internal financial control, in our opinion the Board of Management has provided the disclosures required by the guidance and such statements are not inconsistent with the information of which we are aware from our audit work on the financial statements.

CHIENE + TAIT
Chartered Accountants
and Statutory Auditor
61 Dublin Street
Edinburgh EH3 6NL

Chiene+Tait
CHARTERED ACCOUNTANTS

27 June 2013

Chiene + Tait is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Income and Expenditure Account

For the year ended 31 March 2013

	Note	Group 2013 £ 000's	Group 2012 £ 000's	Association 2013 £ 000's	Association 2012 £ 000's
Turnover	2	30,533	24,296	27,865	21,952
Operating costs		(19,519)	(19,493)	(17,456)	(17,645)
Operating surplus		11,014	4,803	10,409	4,307
Surplus on sale of fixed assets		51	322	51	322
Interest receivable and other income		53	159	452	540
Interest payable and similar charges	5	(7,794)	(6,337)	(7,729)	(6,314)
Surplus/(deficit) on ordinary activities before taxation	4	3,324	(1,053)	3,183	(1,145)
Tax on surplus/(deficit) on ordinary activities	6	18	23	-	-
Surplus/(deficit) for the year	16	3,306	(1,076)	3,183	(1,145)

Statement of Total Recognised Gains and Losses

	Note	Group 2013 £ 000's	Group 2012 £ 000's	Association 2013 £ 000's	Association 2012 £ 000's
Surplus/(deficit) for the year		3,306	(1,076)	3,183	(1,145)
Unrealised surplus/(deficit) on revaluation of investment properties	17	820	(365)	687	405
Total recognised surplus/(deficit) relating to the year		4,126	(1,441)	3,870	(740)
Prior year adjustment		-	(2,855)	-	(2,855)
Total surplus/(deficit) recognised since last annual report		4,126	(4,296)	3,870	(3,595)

Total recognised surpluses/(deficits) relate wholly to continuing activities.

The notes on pages 27 to 43 form part of these financial statements.

Balance Sheet

As at 31 March 2013

	Note	Group 2013 £ 000's	Group 2012 £ 000's	Association 2013 £ 000's	Association 2012 £ 000's
Fixed assets					
Housing properties – depreciated cost	7(a)	344,592	333,407	344,592	333,407
HAG and other grants	7(a)	(214,342)	(212,009)	(214,342)	(212,009)
		130,250	121,398	130,250	121,398
Other fixed assets	7(b)	51,148	42,794	34,820	26,595
HAG on other fixed assets	7(b)	(7,502)	(4,600)	(5,529)	(2,627)
Homestake	8	–	–	–	–
Investments	9	–	–	–	–
Total fixed assets		173,896	159,592	159,541	145,366
Current assets					
Stock	10	979	486	862	370
Debtors: falling due within one year	11	2,394	2,437	1,990	2,375
falling due after one year	11	–	–	9,450	9,450
Cash and short term deposits		2,999	12,299	2,466	11,878
		6,372	15,222	14,768	24,073
Creditors: amounts falling due within one year	12	(6,321)	(5,147)	(5,663)	(4,663)
Net current assets		51	10,075	9,105	19,410
Total assets less current liabilities		173,947	169,667	168,646	164,776
Creditors: amounts falling due after more than one year					
Loans	13	(149,353)	(149,215)	(148,500)	(148,500)
Provision for liabilities and charges					
Deferred tax	14	(16)	–	–	–
Net assets		24,578	20,452	20,146	16,276
Capital and reserves					
Share capital	15	–	–	–	–
Revenue reserve	16	17,863	14,557	18,035	14,852
Pre-acquisition reserve		643	643	–	–
Revaluation reserve	17	6,072	5,252	2,111	1,424
		24,578	20,452	20,146	16,276

These financial statements were approved by the Board of Management on 27 June 2013 and were signed on its behalf by:

Yvonne Summers (Chair), David MacLaren (Board Member), Roy Walker (Group Secretary).

The notes on pages 27 to 43 form part of these financial statements.




Cash Flow Statement

For the year ended 31 March 2013

Note	Group 2013 £ 000's	Group 2012 £ 000's	Association 2013 £ 000's	Association 2012 £ 000's
Net cash inflow from operating activities 18(i)	15,104	9,861	14,612	9,030
Returns on investments and servicing of finance				
Interest received	53	564	452	945
Interest paid	(7,539)	(6,155)	(7,474)	(6,132)
Net cash outflow from returns on investments and servicing of finance	(7,486)	(5,591)	(7,022)	(5,187)
Taxation				
Corporation tax paid	(24)	-	-	-
Net cash outflow from taxation	(24)	-	-	-
Capital expenditure and financial investment				
Acquisition and construction of properties	(16,501)	(18,193)	(16,501)	(18,193)
Purchase of other fixed assets	(10,409)	(9,759)	(10,409)	(9,646)
Homestake grants received/(paid)	132	205	132	-
Homestake funding received/(paid)	(251)	(246)	(210)	-
Capital grants received	7,917	9,009	7,917	9,009
Capital grants repaid	(55)	-	(55)	-
Sales of properties	2,124	924	2,124	924
Net cash outflow – capital expenditure	(17,043)	(18,060)	(17,002)	(17,906)
Net cash outflow before use of liquid resources and financing	(9,449)	(13,790)	(9,412)	(14,063)
Financing				
Loan advances received	149	23,500	-	23,500
Loan principal repayments	-	(22)	-	-
Net cash inflow from financing	149	23,478	-	23,500
(Decrease)/increase in cash in the year 18(ii), (iii)	(9,300)	9,688	(9,412)	9,437

The notes on pages 27 to 43 form part of these financial statements.

Notes to the Financial Statements

These financial statements are prepared in accordance with applicable Accounting Standards and the Statement of Recommended Practice – Accounting by Registered Social Landlords (2010).

They also comply with the Determination of Accounting Requirements April 2012. A summary of the principal accounting policies is set out in paragraphs (a) to (q) below.

1. Principal accounting policies

(a) Group accounts/basis of preparation

The Group financial statements consolidate the financial statements of Dunedin Canmore Housing Limited and its subsidiary, Dunedin Canmore Enterprise Limited made up to 31 March 2013.

(b) Accounting basis

These financial statements are prepared under the historical cost convention modified to include the revaluation of investment assets.

(c) Going Concern

The financial statements have been prepared on a going concern basis. The Board have assessed the Group and the Association's ability to continue as a going concern and have reasonable expectation that the Group and the Association have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

(d) Turnover

Turnover represents rental and service charge income receivable (net of voids), factoring income, fees and revenue based grants receivable from local authorities and the Scottish Government.

(e) Fixed assets – housing properties

Housing properties comprise several components with substantially different useful economic lives and under the component accounting principle each major component is accounted for separately and depreciated over its individual useful economic life.

Housing properties and components are stated at cost. The development costs of housing properties funded with traditional housing association grant or under earlier funding arrangements include the following:

- (i) cost of acquiring land and buildings; and
- (ii) development expenditure, which is capitalised, including interest on development loans.

Expenditure, less housing association grant and other grants, on schemes, which are subsequently aborted, is written off in the year in which it is recognised that the schemes will not proceed.

(f) Works to existing housing properties

Where work is carried out to existing properties and results in an enhancement of the economic benefits of the property they will be accounted for as an improvement and capitalised in note 7. Such circumstances are as follows:

- (i) Where a component of the tangible fixed asset that has been treated separately for depreciation purposes and depreciated over its individual useful economic life, is replaced or restored.
- (ii) Where the subsequent expenditure provides an enhancement of the economic benefits of the tangible fixed asset in excess of the previously assessed standard of performance.
- (iii) Where the subsequent expenditure relates to a major inspection or overhaul of a tangible fixed asset that restores the economic benefits of the asset that have been consumed by the entity and have already been reflected in depreciation.
- (iv) Works on existing properties that are not regarded as enhancing their value are charged to the income and expenditure account and included under maintenance costs.

(g) Housing association grant

Housing association grant is payable by the City of Edinburgh Council and the Scottish Government and is calculated on the qualifying capital costs of schemes in accordance with instructions issued from time to time by the Scottish Government. The grant is paid direct to the Association and is reflected in the financial statements when due to be received. Costs not funded by housing association grant are funded from other sources or internally.

Housing association grant is repayable under certain circumstances, primarily following the sale of a property but will normally be restricted to the net proceeds of sale.

Housing association 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.

(h) Depreciation

(i) Housing properties

Housing properties under construction are stated at cost and are not depreciated. These are reclassified as housing properties on practical completion of construction.

Freehold land is not depreciated.

The Association depreciates the net cost of freehold housing properties by component on a straight line basis over the estimated useful economic lives of component categories.

Notes to the Financial Statements

The net cost is reached by reducing the historic cost of the component (minus the cost of the land) by the proportion of housing association grant and other capital grants received in respect of the component elements of the property. A full year's depreciation is charged in the year in which the property is practically complete.

Useful economic lives for identified components are as follows:

Component	Useful Economic Life
Frame	100 Years
Kitchen	15 Years
Bathroom	25 Years
Shower	15 Years
Windows	30 Years
Heating	30 Years
Boiler	15 Years

(ii) Office properties

Depreciation is charged on a straight-line basis over the remaining expected useful life of the property. All properties are assumed to have an original useful economic life of 60 years. In accordance with Financial Reporting Standard 15, an impairment review of office properties has been carried out and no further adjustment is deemed necessary.

(iii) Other fixed assets

Depreciation is provided on motor vehicles and office furniture and equipment at 10% to 20% per annum on cost and 33.3% on computers. Short-life assets may be depreciated at accelerated rates. A part year's depreciation is charged on assets in the year of purchase and in the year of disposal.

(i) Investments

Investment income is brought into account when due and receivable. Investments in Group undertakings are stated at cost. Programme related investments (Homestake) are stated at cost.

(j) Stock

Stock of maintenance materials has been valued at average cost. Cost is defined as suppliers invoice price. Stock also includes the estimated cost of the first tranche of shared ownership properties (see policy q).

(k) Investment properties

Investment properties are revalued annually and if material the aggregate surplus or deficit is transferred to a revaluation reserve. Where the total of the revaluation reserve is insufficient to cover a deficit, the amount by which the deficit exceeds the amount in the investment revaluation reserve is charged in the income and expenditure account. No depreciation is provided in respect of freehold investment properties.

(l) Operating leases

Operating lease costs are charged to the income and expenditure account as incurred over the term of the lease.

(m) Deferred tax

Deferred tax is provided on the liability method to take account of timing differences between the treatment of certain items for financial statements purposes and their treatment for tax purposes. Tax deferred is accounted for in respect of all material timing differences. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset.

(n) Homestake

Grants received in respect of the open market Homestake scheme in which Dunedin Canmore Enterprise Limited participated were passed on to the equity sharing homeowner on completion of the house purchase and are shown in note 8. A standard security is taken over the property on behalf of the Scottish Government and no interest or rent is receivable. Dunedin Canmore Enterprise Limited's participation in the open market scheme has now ceased. Grants repayable when the homeowner sells the property are repaid to the Scottish Government on completion of the sale.

Grants received on behalf of equity sharing owners purchasing properties from Dunedin Canmore Housing Limited are similarly shown in note 8 together with the gross cost of the properties and the share of the costs funded by the equity sharing purchaser. Again, a standard security is taken over the property and no interest or rent is receivable from the equity sharing owner.

The cost of Homestake properties purchased by the Association but not yet sold at the balance sheet date is shown separately as a current asset within debtors. Grants received in advance of sales, and grants in excess of requirements or returned on sale and repayable to the funder, are shown separately in current liabilities.

(o) Pension costs

Dunedin Canmore Enterprise Limited participates in the Scottish Housing Associations' defined benefits pension scheme which is a multi-employer scheme. The cost of the pension provision is charged to the income and expenditure account as contributions fall due.

(p) Grants

Capital grants are credited to the balance sheet and released to the income and expenditure account as expenditure is incurred.

Revenue grants are credited to the income and expenditure account, in full, in the year in which they are receivable.

(q) Shared ownership properties

Shared ownership properties are split between fixed assets and current assets (stock) determined by the percentage of the property to be sold under a first tranche sale and subsequent tranches in proportion to the share of equity sold. Proceeds from the first tranche sale are accounted for in Turnover and costs in Operating Costs in the period in which the sale occurs. Subsequent sales are accounted for in Profit or Loss on Sale of Fixed Assets.

Notes to the Financial Statements

2. Turnover

	Group 2013 £ 000's	Group 2012 £ 000's	Association 2013 £ 000's	Association 2012 £ 000's
Rent receivable	22,876	20,914	21,713	19,981
Losses arising from vacant possession	(303)	(229)	(253)	(199)
	<hr/>	<hr/>	<hr/>	<hr/>
Management services and other income	22,573 7,960	20,685 3,611	21,460 6,405	19,782 2,170
	<hr/>	<hr/>	<hr/>	<hr/>
Total turnover	30,533	24,296	27,865	21,952

3. Directors', employees' and workers' emoluments

Directors

Dunedin Canmore Housing does not employ any staff. Dunedin Canmore Enterprise provides staff and services to Dunedin Canmore Housing as well as others in respect of development, financial services, housing management and maintenance. This includes the directors of the Association.

Directors are defined as members of the Board of Management, the Chief Executive and any other senior staff reporting directly to the Chief Executive. No emoluments were paid to the Board of Management during the year.

	2013 £ 000's	2012 £ 000's
Aggregate emoluments payable to directors (including pension contributions)	<hr/> 403	<hr/> 390
Emoluments payable to Chief Executive (excluding pension contributions and national insurance)	<hr/> 106	<hr/> 102

The number of directors (including the highest paid director) who received emoluments (excluding pension contributions) in the following ranges was:

	2013 Number	2012 Number
up to £60,000	-	-
£60,001 to £70,000	1	2
£70,001 to £80,000	2	1
£80,001 to £90,000	1	1
£90,001 to £100,000	-	-
£100,001 to £110,000	-	-
£110,001 to £120,000	1	1

During the year 5 directors (2012: 5) participated in the Scottish Housing Associations' defined benefit pension scheme. The Chief Executive is an ordinary member of the pension scheme. No enhanced or special terms apply to membership and he has no other pension arrangements to which Dunedin Canmore Enterprise contributes. The contributions for the Chief Executive in the period amount to £7,744 (2012: £7,518).

No loans were made to board members, officers or employees during the year and none were outstanding at 31 March 2013 (2012: Nil).

	2013 £ 000's	2012 £ 000's
Expenses reimbursed not chargeable to UK income tax	<hr/> 2	<hr/> 2

Notes to the Financial Statements

3. Directors', employees' and workers' emoluments (cont.)

Staff

The average weekly number of full time equivalent persons paid by the Group during the year was:

	2013	2012
	Number	Number
Support staff	113	113
Care and support staff	31	31
Direct maintenance staff	56	56
Contracts team	26	22
	226	222
	£ 000's	£ 000's
Costs (including directors)		
Wages, salaries and workers' costs	6,627	6,425
Social security costs	556	521
Pension costs	731	714
Temporary staff costs	129	177
	8,043	7,837

4. Surplus/(deficit) for the year is stated after charging

	Group	Group	Association	Association
	2013	2012	2013	2012
	£ 000's	£ 000's	£ 000's	£ 000's
Depreciation – housing stock	3,825	3,704	3,825	3,704
Depreciation – other assets	249	307	244	304
Repairs: cyclical, major, day to day	3,571	4,401	3,571	4,401
External auditor's remuneration including VAT:				
In their capacity as auditors	28	24	22	17
Other services	7	5	5	3

5. Interest payable and similar charges

	Group	Group	Association	Association
	2013	2012	2013	2012
	£ 000's	£ 000's	£ 000's	£ 000's
Interest payable	7,714	6,242	7,649	6,223
Other costs	80	95	80	91
	7,794	6,337	7,729	6,314

Notes to the Financial Statements

6. Taxation

(a)	Group 2013 £ 000's	Group 2012 £ 000's	Association 2013 £ 000's	Association 2012 £ 000's
UK corporation tax				
Based on the results for the year	71	70	-	-
Adjustments in respect of previous periods	(69)	(47)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total current tax (note 6b)	2	23	-	-
Deferred taxation (note 6c)	16	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Tax on surplus on ordinary activities	18	23	-	-

(b)

Factors affecting tax change for the year

The tax assessed for the period is lower (2012: higher) than the expected tax charge as explained below:

	Group 2013 £ 000's	Group 2012 £ 000's	Association 2013 £ 000's	Association 2012 £ 000's
(Deficit)/surplus on ordinary activities before taxation	3,324	(1,053)	3,183	(1,145)
	<hr/>	<hr/>	<hr/>	<hr/>
Expected tax charge at 24% (2012: 26%)	797	(274)	764	(298)
Short term timing differences and expenses not allowable for tax	42	53	-	-
Exempt charitable activities	(764)	298	(764)	298
Marginal tax relief	(4)	(7)	-	-
Adjustments in respect of previous periods	(69)	(47)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Current tax charge (note 6a)	2	23	-	-

(c)

	Group 2013 £ 000's	Group 2012 £ 000's	Association 2013 £ 000's	Association 2012 £ 000's
Deferred tax				
Origination and reversal of timing differences	87	-	-	-
Adjustments in respect of previous periods	(62)	-	-	-
Effect of tax rate change on opening balance	(9)	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Current tax charge (note 6a)	16	-	-	-

No provision has been made for deferred tax of £582,000 (2012: £530,000) in respect of gains arising from the revaluation of fixed assets in the financial statements of Dunedin Canmore Enterprise Limited. A deferred tax asset of £nil exists at 31 March 2013 (2012: £11,000) which has not been provided for in the financial statements. This asset has arisen in Dunedin Canmore Enterprise Limited, primarily in respect of other timing differences and is recoverable against future taxable profits of that company.

Notes to the Financial Statements

7. Tangible fixed assets

(a) Housing Properties – Association and Group

	Housing properties held for letting £ 000's	Completed shared ownership schemes £ 000's	Housing properties under construction £ 000's	Total £ 000's
Cost:				
At 1 April 2012	315,619	18,368	25,185	359,172
Additions – new build	–	508	13,388	13,896
Additions – refurbishment	3,187	–	–	3,187
Transfers	15,827	6,510	(22,337)	–
Disposals	(1,047)	(2,073)	–	(3,120)
At 31 March 2013	333,586	23,313	16,236	373,135
Depreciation:				
At 1 April 2012	25,727	38	–	25,765
Charge for the year	3,823	2	–	3,825
Eliminated on disposals	(1,047)	–	–	(1,047)
At 31 March 2013	28,503	40	–	28,543
Net book amount:				
At 31 March 2013	305,083	23,273	16,236	344,592
At 31 March 2012	289,892	18,330	25,185	333,407
Housing Association Grant and other grants				
	HAG on completed schemes £ 000's	HAG in development £ 000's	Other grants £ 000's	Total £ 000's
At 1 April 2012	190,058	11,557	7,767	209,382
Received in year	–	5,015	–	5,015
HAG repaid and abated	(55)	–	–	(55)
Transfers	7,381	(7,381)	–	–
At 31 March 2013	197,384	9,191	7,767	214,342

Notes to the Financial Statements

7. Tangible fixed assets (cont.)

(b) Other Fixed Assets – Group

	Investment and Other Properties held for letting £ 000's	Office and Other Premises £ 000's	Other Fixed Assets £ 000's	Total £ 000's
Cost:				
At 1 April 2012	32,733	7,739	1,780	42,252
Additions	9,763	61	585	10,409
Disposals	–	–	(129)	(129)
Surplus on revaluation	820	–	–	820
At 31 March 2013	43,316	7,800	2,236	53,352
Depreciation:				
At 1 April 2012	–	685	1,399	2,084
Charge for the year	–	95	154	249
Eliminated on disposals	–	–	(129)	(129)
At 31 March 2013	–	780	1,424	2,204
Net book amount:				
At 31 March 2013	43,316	7,020	812	51,148
At 31 March 2012	32,733	7,054	381	40,168

Investment properties of Dunedin Canmore Enterprise Limited with a value of £16,253,636 as at 31 March 2013 were valued by Craig Fulton MRICS and Karen MacKinnon ARICS of Jones Lang Lasalle, Chartered Surveyors. The basis of valuation is open market value, being market value with the special assumption of vacant possession. At the time of the valuation they were tenanted under Scottish Short Assured Tenancies. The historical cost of these properties at 31 March 2013 was £10,319,367 (2012: £10,319,367). Inter-company surpluses of £36,291 have been eliminated on consolidation.

Investment properties of Dunedin Canmore Housing Limited with a value of £27,098,697 as at 31 March 2013 were also valued by Craig Fulton MRICS and Karen MacKinnon ARICS of Jones Lang Lasalle, Chartered Surveyors. The basis of valuation is open market value, being market value with vacant possession. This valuation is prepared under the special assumption that at the time of the valuation they were tenanted under Scottish Short Assured Tenancies. The historical cost of these properties at 31 March 2013 was £24,988,061 (2012: £15,225,475).

Investment properties include 28 properties subject to a buyback provision at cost. The cost of these properties was £2,387,650 (2012: £2,387,650).

(b) Housing Association Grant on other Fixed Assets – Group

	Group 2013 £ 000's	Group 2012 £ 000's	Association 2013 £ 000's	Association 2012 £ 000's
At 1 April 2012	4,600	1,973	2,627	–
Received in year	2,902	2,627	2,902	2,627
At 31 March 2013	7,502	4,600	5,529	2,627

Notes to the Financial Statements

7. Tangible fixed assets (cont.)

b) Other Fixed Assets – Association

	Investment and Other Properties held for letting £ 000's	Office and Other Premises £ 000's	Other Fixed Assets £ 000's	Total £ 000's
Cost:				
At 1 April 2012	16,648	7,739	1,660	26,047
Additions	9,764	61	584	10,409
Disposals	–	–	(129)	(129)
Surplus on revaluation	687	–	–	687
At 31 March 2013	27,099	7,800	2,115	37,014
Depreciation:				
At 1 April 2012	–	685	1,394	2,079
Charge for the year	–	95	149	244
Eliminated on disposals	–	–	(129)	(129)
At 31 March 2013	–	780	1,414	2,194
Net book amount:				
At 31 March 2013	27,099	7,020	701	34,820
At 31 March 2012	16,648	7,054	266	23,968
Unit numbers				
	Group 2013	Group 2012	Association 2013	Association 2012
Housing accommodation for letting:				
General	3,663	3,527	3,663	3,527
Sheltered	221	223	221	223
Medium dependency	681	668	681	668
Wheelchair housing	129	122	129	122
Hostel and shared units (bed spaces)	138	140	138	140
Shared ownership	359	338	359	338
	5,191	5,018	5,191	5,018
Investment properties:				
Mid and market rent	346	251	233	138
Commercial	13	3	10	–
Others	11	11	–	–
	5,561	5,283	5,434	5,156

As at 31 March 2013 the number of properties the Association leased to Dunedin Canmore Enterprise Limited for onward letting was 233 (2012: 138) for mid and market rent as well as 7 commercial units (2012: Nil).

Notes to the Financial Statements

8. Homestake

Cumulative to 31 March	Group 2013 £ 000's	Group 2012 restated £ 000's	Association 2013 £ 000's	Association 2012 restated £ 000's
Homestake grants received	17,262	17,726	3,636	3,799
Homestake grants paid	(17,262)	(17,726)	(3,636)	(3,799)
At 31 March 2013	–	–	–	–
Homestake property purchases	9,225	9,640	9,225	9,640
Homestake funding:				
Grants	(3,636)	(3,799)	(3,636)	(3,799)
Proceeds from shared equity owners	(5,589)	(5,841)	(5,589)	(5,841)
	–	–	–	–

The Association and its subsidiary Dunedin Canmore Enterprise participated in the Scottish Government's Homestake scheme which was a "shared equity" scheme to assist those on lower incomes to own their own home. Grants were made to equity sharing owners to reduce the purchase cost to an affordable level. A standard security was taken over the property in favour of the Scottish Government and no interest or rent is receivable from the equity sharing owner. During the year the Board reviewed the Homestake register and revised the figures for the previous year.

9. Investments

Group undertakings:	Cost 2013 £	Cost 2012 £
Shares in Dunedin Canmore Enterprise Limited	–	–
	–	–

The Association owns 12 shares in Dunedin Canmore Enterprise Limited at nil cost (2012: nil).

10. Stock

	Group 2013 £ 000's	Group 2012 £ 000's	Association 2013 £ 000's	Association 2012 £ 000's
Maintenance stock	117	116	–	–
Shared ownership properties to be sold	862	370	862	370
	979	486	862	370

Notes to the Financial Statements

11. Debtors

	Group 2013 £ 000's	Group 2012 £ 000's	Association 2013 £ 000's	Association 2012 £ 000's
Due within one year:				
Rental debtors	881	547	838	520
Provision for doubtful debts	(275)	(101)	(233)	(70)
Other debtors	1,051	980	482	377
Homestake properties held for sale	–	71	–	71
Prepayments and accrued income	713	940	348	705
Corporation tax recoverable	24	–	–	–
Due from group company	–	–	555	772
	<u>2,394</u>	<u>2,437</u>	<u>1,990</u>	<u>2,375</u>
Due after one year:				
Due from group company	–	–	9,450	9,450

12. Creditors: amounts falling due within one year

	Group 2013 £ 000's	Group 2012 £ 000's	Association 2013 £ 000's	Association 2012 £ 000's
Housing loans (note 13)	28	17	–	–
Rent in advance	364	337	364	337
Tenants' deposits	188	193	7	7
Trade creditors	1,852	1,521	1,322	1,252
Homestake grants	155	304	155	304
Accruals and deferred income (including capital grants)	3,455	2,474	3,225	2,363
Corporation tax	72	70	–	–
Other taxation and social security	207	231	49	69
Due to group company	–	–	541	331
	<u>6,321</u>	<u>5,147</u>	<u>5,663</u>	<u>4,663</u>

Notes to the Financial Statements

13. Loans

	Group 2013 £ 000's	Group 2012 £ 000's	Association 2013 £ 000's	Association 2012 £ 000's
(a) Fixed rate				
Advanced by UK banks/building societies	131,250	131,250	131,250	131,250
(b) Variable rate				
Advanced by UK banks/building societies	18,131	17,982	17,250	17,250
	<u>149,381</u>	<u>149,232</u>	<u>148,500</u>	<u>148,500</u>
Analysis of duration of loans:				
Repayable in one year or less	28	17	-	-
Repayable in more than one year but less than two years	28	17	-	-
Repayable in more than two years but less than five years	284	51	200	-
Repayable in more than five years	149,041	149,147	148,300	148,500
	<u>149,381</u>	<u>149,232</u>	<u>148,500</u>	<u>148,500</u>
Being loan falling due:				
Within one year	28	17	-	-
After more than one year	149,353	149,215	148,500	148,500
	<u>149,381</u>	<u>149,232</u>	<u>148,500</u>	<u>148,500</u>

All loans are repayable by instalments and are secured by way of standard securities or other charges on certain of the Group's properties.

As at 31 March 2013 87.9% (2012: 87.9%) of the loans were at fixed rates for a period of one year or more. The average rate of interest was 5.13% (2012: 4.42%). The loans are all currently at rates between 0.7% and 6.5% (2012: 1.7% and 6.0%).

The Association has an agreed £166.5m loan facility to fund the future development programme of which £148.5m had been drawn by the balance sheet date.

14. Deferred tax

	Group 2013 £ 000's	Group 2012 £ 000's	Association 2013 £ 000's	Association 2012 £ 000's
Provision for deferred tax				
Accelerated capital allowances	16	-	-	-
Total deferred tax liability	<u>16</u>	<u>-</u>	<u>-</u>	<u>-</u>
Provision at 1 April 2012	-	-	-	-
Charge for the year	16	-	-	-
Provision at 31 March 2013	<u>16</u>	<u>-</u>	<u>-</u>	<u>-</u>

Notes to the Financial Statements

15. Share capital

	2013 £	2012 £
Shares of £1 each issued and fully paid:		
At beginning of year	80	95
Issued in year	–	3
Cancelled in year	(16)	(18)
	<hr/>	<hr/>
At end of year	64	80

Each member of the Association holds one share of £1 in the Association. These shares carry no rights to dividend or distributions on a winding up. When a shareholder ceases to be a member, that person's share is cancelled and the amount paid thereon becomes the property of the Association. Each member has a right to vote at members' meetings.

16. Revenue reserve

	Group 2013 £ 000's	Group 2012 £ 000's	Association 2013 £ 000's	Association 2012 £ 000's
At 1 April 2012	14,557	15,633	14,852	15,997
Surplus/(deficit) for the year	3,306	(1,076)	3,183	(1,145)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2013	17,863	14,557	18,035	14,852

17. Revaluation reserve

	Group 2013 £ 000's	Group 2012 £ 000's	Association 2013 £ 000's	Association 2012 £ 000's
At 1 April 2012	5,252	5,617	1,424	1,019
Revaluation surplus/(deficit)	820	(365)	687	405
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2013	6,072	5,252	2,111	1,424

18. Cashflow

(i) Reconciliation of operating surplus to operating cash flows

	Group 2013 £ 000's	Group 2012 £ 000's	Association 2013 £ 000's	Association 2012 £ 000's
Operating surplus	11,014	4,803	10,409	4,307
Bad debt provision	174	5	163	(26)
Housing properties depreciation	3,825	3,704	3,825	3,704
Other fixed asset depreciation	249	307	244	304
(Increase)/decrease in stock	(493)	526	(492)	539
(Increase)/decrease in debtors	(179)	(264)	151	(68)
Increase in creditors	514	780	312	270
	<hr/>	<hr/>	<hr/>	<hr/>
	15,104	9,861	14,612	9,030

Notes to the Financial Statements

18. Cashflow (cont.)

(ii) Reconciliation of net cashflow to increase in net debt

	Group 2013 £ 000's	Group 2012 £ 000's	Association 2013 £ 000's	Association 2012 £ 000's
(Decrease)/increase in cash in the year	(9,300)	9,688	(9,412)	9,437
Increase in debt	(149)	(23,478)	-	(23,500)
Change in debt resulting from cash flow	<u>(9,449)</u>	<u>(13,790)</u>	<u>(9,412)</u>	<u>(14,063)</u>
Net debt at 1 April 2012	(136,933)	(123,143)	(136,622)	(122,559)
Movement in net debt in the year	(9,449)	(13,790)	(9,412)	(14,063)
Net debt at 31 March 2013	<u>(146,382)</u>	<u>(136,933)</u>	<u>(146,034)</u>	<u>(136,622)</u>

(iii) Analysis of changes in net debt (Group)

	2012 £ 000's	Cashflow £ 000's	2013 £ 000's
Cash and short term deposits	12,299	(9,300)	2,999
Debt due within one year	(17)	(11)	(28)
Debt due after one year	(149,215)	(138)	(149,353)
	<u>(136,933)</u>	<u>(9,449)</u>	<u>(146,382)</u>

19. Capital and other commitments and future Group funding

	Group 2013 £ 000's	Group 2012 £ 000's	Association 2013 £ 000's	Association 2012 £ 000's
Contracts placed for future capital expenditure not provided in the financial statements	11,310	21,830	11,310	21,830
Capital expenditure authorised but not contracted	-	-	-	-

Grant funding is agreed for social and mid rent housing projects where contracts have been placed. The balance of expenditure on the projects is forecast to be funded from loan finance. The Board has considered the availability of loan finance and is satisfied that sufficient loan funding will be made available from the facilities and funding described in note 13.

Notes to the Financial Statements

20. Contingent liabilities

The Board of Management was not aware of any contingent liabilities as at 31 March 2013 (2012: £Nil) other than pension matters as disclosed in note 23 and none have emerged since.

21. Legislative provisions

The Association is incorporated under the Industrial and Provident Societies Act 1965 (Registration No. 1823R(S)), is registered by the Financial Conduct Authority and is registered with the Scottish Housing Regulator (Registration No. HAL 116). The Association is recognised by the Office of the Scottish Charity Regulator as a Scottish Charity (Scottish Charity No. SC034572).

22. Subsidiaries

The Association has one subsidiary.

Dunedin Canmore Enterprise Limited provides staff and services to Dunedin Canmore Housing as well as others in respect of development, financial services, housing management and maintenance. This includes the directors' services and further information is available in the Dunedin Canmore Enterprise Limited financial statements.

During the year the Association charged £278,534 (2012: £194,400) in facilities fees to Dunedin Canmore Enterprise Limited and £399,683 (2012: £380,687) in loan interest on the intercompany loan of £9,450,000 (2012: £9,450,000). During the year the Association charged £889,129 (2012: £420,901) in rent to Dunedin Canmore Enterprise Limited for 240 properties (2012: 138) leased on for mid rent purposes and £52,000 (2012: £52,000) in rent for use of its workshop. The Board is satisfied that the properties have been leased on commercial terms.

During the year Dunedin Canmore Enterprise Limited charged the Association £4,232,981 (2012: £4,408,607) in management fees and £5,188,691 (2012: £4,683,112) for repair services from its workshop. During the year the Association received a charitable donation of £171,240 (2012: £202,508) from Dunedin Canmore Enterprise Limited.

The Association's loan to Dunedin Canmore Enterprise Limited is secured over the subsidiary's properties. The loan is repayable by instalments of principal and interest. Interest is accrued on a daily charge basis at an average rate of 4.2% (2012: 4.0%) for the year.

23. Pensions

SHAPS Scheme

Dunedin Canmore Enterprise Limited participates in the Scottish Housing Associations' Pension Scheme (the 'Scheme'). The Scheme is a multi-employer defined benefit scheme. The Scheme is funded and is contracted out of the state scheme.

The Scheme offers five benefit structures to employers, namely:

1. Final salary with a 1/60th accrual rate,
2. Career average revalued earnings with a 1/60th accrual rate,
3. Career average revalued earnings with a 1/70th accrual rate,
4. Career average revalued earnings with a 1/80th accrual rate,
5. Career average revalued earnings with a 1/120th accrual rate (contracted in).

An employer can elect to operate different benefit structures for their active members (as at the first day of April in any given year) and their new entrants. An employer can only operate one open benefit structure at any one time. An open benefit structure is one which new entrants are able to join. Dunedin Canmore Enterprise Limited has decided to operate the final salary with a 1/60th accrual rate or career average revalued earnings with a 1/60th accrual rate benefit structure for active members as at 31 March 2011 and the career average revalued earnings with a 1/70th accrual rate benefit structure for new entrants from 1 April 2011.

The Trustee commissions an actuarial valuation of the Scheme every three years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required so that the Scheme can meet its pension obligations as they fall due. The last formal valuation of the Scheme for which results are available was performed as at 30 September 2009. The final results of the 2012 valuation are not yet available but preliminary statements from the Scheme trustees indicate an increase in the deficit in the Scheme and a revised recovery plan requiring deficit contributions to be paid over the period of 13 years and six months from 1 April 2014 to 30 September 2027. The deficit contributions are to be increased at 3% per annum under the plan and each employer's revised deficit contribution details are expected to be available in early July 2013. The following disclosures relate to the 2009 actuarial valuation and 2011 update.

During the year Dunedin Canmore Enterprise Limited paid contributions at the rate of 13.3% to 15.4% of pensionable salaries. Member contributions varied between 6.6% and 7.7%. As at the balance sheet date there were 117 active members of the Scheme employed by Dunedin Canmore Enterprise Limited. Dunedin Canmore Enterprise Limited continues to offer membership of the Scheme to its employees.

It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to individual participating employers. The Scheme is a multi-employer scheme where the scheme assets are co-mingled for investment purposes, benefits are paid from total scheme assets, and the contribution rate for all employers is set by reference to the overall financial position of the scheme rather than by reference to individual employer experience. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS17 represents the employer contribution payable.

Notes to the Financial Statements

23. Pensions (cont.)

The last formal valuation of the Scheme was performed as at 30 September 2009 by a professionally qualified actuary using the projected unit credit method. The market value of the Scheme's assets at the valuation date was £295 million. The valuation revealed a shortfall of assets compared to liabilities of £160 million, equivalent to a past service funding level of 64.8%.

The Scheme actuary has prepared an actuarial report that provides an approximate update on the funding position of the Scheme as at 30 September 2011. Such a report is required by legislation for years in which a full actuarial valuation is not carried out. The funding update revealed an increase in the assets of the Scheme to £341 million and indicated an increase in the shortfall of assets compared to liabilities to approximately £207 million, equivalent to a past service funding level of 62.2%.

The financial assumptions underlying the valuation as at 30 September 2009 were as follows:

- Investment return pre retirement	7.4%
- Investment return post retirement (non pensioners)	4.6%
- Investment return post retirement (pensioners)	4.8%
- Rate of salary increases	4.5%
- Rate of pension increases:	
Pension accrued pre 6 April 2005 in excess of GMP	2.9%
Pension accrued from 6 April 2005	2.2%
(for leavers before 1 October 1993 pension increases are 5.0%)	
- Rate of price inflation	3.0%

Mortality tables:

Non pensioners	SAPS (S1PA) All pensioners year of birth long cohort with 1% pa minimum improvement.
Pensioners	SAPS (S1PA) All pensioners year of birth long cohort with 1% pa minimum improvement.

Contribution rates for future service (payable from 1 April 2011):

Final salary 1/60ths	19.2%
Career average revalued earnings 1/60ths	17.1%
Career average revalued earnings 1/70ths	14.9%
Career average revalued earnings 1/80ths	13.2%
Career average revalued earnings 1/120ths	9.4%
Additional rate for deficit contributions *	10.4%

* Expressed in nominal pound terms (for each employer) increasing each 1 April in line with the rate of salary increases assumption. Earnings as at 30 September 2009 are used as the reference point for calculating the additional contributions.

Dunedin Canmore Enterprise Limited continues to offer membership of the Scheme to new employees and therefore regards crystallisation of the buy-out debt as remote. No provision for the buy-out debt is therefore required.

Pension Trust's Growth Plan

Dunedin Canmore Enterprise Limited also participates in the Pension Trust's Growth Plan as an Additional Voluntary Contribution (AVC) vehicle for employees. The Growth Plan is a multi-employer pension Plan where it is not possible to separately identify the assets and liabilities of the participating employers. The Growth Plan is in most respects a money purchase arrangement but it has some guarantees. Contributions paid into the Growth Plan up to and including September 2001 were converted to defined benefit amounts of pension payable from Normal Retirement Date. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Growth Plan or by purchase of an annuity.

The rules of the Growth Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient funds to meet its past service liabilities, known as the Technical Provisions.

The funding position of the Growth Plan at 30 September 2011 revealed a deficit of £147.6m. The results of the triennial valuation have confirmed the requirement for additional contributions to the Growth Plan from 1 April 2013. The additional contributions required from Dunedin Canmore Enterprise Limited for the year from 1 April 2013 will be £349.68 per annum.

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Plan. The Trustee's current policy is that it only applies to employers with pre October 2001 liabilities in the Plan. The debt is due in the event of the employer ceasing to participate in the Plan or the Plan winding up. The amount of the potential debt can be volatile over time. As Dunedin Canmore Enterprise Limited continues to offer membership of the Growth Plan to employees it therefore regards crystallisation of the buy-out debt as remote. No provision for the buy-out debt is therefore required.

24. Donated Assets

On 1 April 2012 Dunedin Canmore Housing accepted a gift of 46 properties valued at £3.8m from The Edinburgh Housing Trust Limited. These properties have been added to our housing held for letting.

Notes to the Financial Statements

25. Information required under Determination of Accounting Requirements April 2012

Association: particulars of turnover, operating costs and operating surplus/(deficit)

	Turnover 2013 £ 000's	Operating Costs 2013 £ 000's	Operating Surplus/ (deficit) 2013 £ 000's	Operating Surplus 2012 £ 000's
Social lettings	25,958	15,488	10,470	4,424
Other activities	1,907	1,968	(61)	(117)
Total	27,865	17,456	10,409	4,307
Total 2012	21,952	17,645	4,307	

Association: particulars of turnover, operating costs and operating surplus/(deficit) from social letting activities

	General Needs £ 000's	Supported Housing £ 000's	Shared Ownership £ 000's	Hostel £ 000's	2013 Total £ 000's	2012 Total £ 000's
Turnover						
Rent receivable net of service charges	19,604	–	–	488	20,092	17,779
Service charges	1,033	311	143	134	1,621	1,633
Gross income from rents and service charges	20,637	311	143	622	21,713	19,412
Less voids	220	1	–	32	253	199
Net income from rents and service charges	20,417	310	143	590	21,460	19,213
Grants from the Scottish Ministers	–	137	–	429	566	569
Other revenue grants	3,932	–	–	–	3,932	203
Total turnover from social letting activities	24,349	447	143	1,019	25,958	19,985
Operating costs						
Management and maintenance administration costs	5,319	100	143	774	6,336	5,841
Service costs	1,033	311	–	134	1,478	1,515
Planned and cyclical maintenance including major repairs costs	1,421	45	–	7	1,473	2,460
Reactive maintenance costs	2,068	–	–	30	2,098	1,941
Bad debts – rents and service charges	280	–	–	–	280	100
Depreciation of social housing	3,823	–	–	–	3,823	3,704
Impairment of social housing	–	–	–	–	–	–
Operating costs for social letting activities	13,944	456	143	945	15,488	15,561
Operating surplus for social lettings	10,405	(9)	–	74	10,470	4,424
2012 Operating surplus/(deficit) for social lettings	4,308	51	–	65	4,424	

Notes to the Financial Statements

25. Information required under Determination of Accounting Requirements April 2012

Association: particulars of turnover, operating costs and operating surplus or deficit from other activities

	Grants from Scottish Ministers £ 000's	Other income £ 000's	Total turnover £ 000's	Other operating costs £ 000's	Operating surplus/ (deficit) 13 £ 000's	Operating surplus/ (deficit) 12 £ 000's
Wider role activities undertaken to support the community, other than the provision, construction, improvement and management of housing	73	220	293	687	(394)	(412)
Care and repair of properties	-	-	-	-	-	-
Factoring	-	74	74	74	-	-
Development and construction of property activities	-	1,386	1,386	1,186	200	189
Support activities	-	-	-	-	-	-
Care activities	-	-	-	-	-	-
Agency/management services for registered social landlords	-	-	-	-	-	-
Other agency/management services	-	-	-	-	-	-
Developments for sale to registered social landlords	-	-	-	-	-	-
Developments and improvements for sale to non registered social landlords	-	-	-	-	-	-
Other activities	-	154	154	21	133	106
Total from other activities	73	1,834	1,907	1,968	(61)	(117)
2012 total from other activities	189	1,778	1,967	2,084	(117)	

Board Member Profiles



Richard Austin

Richard, a retired solicitor, serves on the Dunedin Canmore Housing Board. He is secretary/trustee of the RS Macdonald Charitable Trust and a director of both the Architectural Heritage Society of Scotland and the Glasite Meeting House Trust.



Jane Ballantine

Jane serves on the Dunedin Canmore Enterprise Board and is a retired director of Freespace where she was the coordinator of the provision of disabled persons' housing and support.

Her other directorships include director of the Thistle Foundation.



Karen Campbell

Karen sits on the Dunedin Canmore Enterprise Board and is a 'well kent face' in housing in Scotland.

She has sat on the CIH Board, undertaken a secondment to the Scottish Government and sits on various task groups to promote the health of the home building industry. She has experience working within a local authority and working closely with the private sector through her role at Homes for Scotland.



Sandy Elder

Sandy sits on the Dunedin Canmore Enterprise Board. Whilst at the Abbey National Building Society he was involved with all aspects of investment and mortgage administration and looked after the building finance accounts of some of the major house builders. When Abbey converted into a bank he left to pursue a self-employed career in financial services initially as a tied agent. He then became an Independent Financial Adviser building up his client base which he subsequently sold upon his retirement in October 2010.



John Fletcher

John serves on both the Dunedin Canmore Housing and the Dunedin Canmore Enterprise Boards and is Chair of Dunedin Canmore Enterprise. His other directorships include director of Cascade Mortgage Solutions.

Board Member Profiles



Fanchea Kelly

Fanchea serves on the Dunedin Canmore Housing Board and is Executive Director of Housing and Support Services with Glasgow Housing Association. She has more than twenty years' experience in housing across Scotland and her specialisms are strategic planning, performance management, housing management and personal support service development.



Terry Kirby

Terry sits on the Dunedin Canmore Housing Board and is also Secretary of Elizabeth Maginnis Residents Group. Terry's background is in sales and he has held positions with Centrum Electronics, Black Arrow Leasing and Yellow Pages. He formed his own company providing Contract Furnishing and Leasing facilities. He was self-employed, buying two houses for a B&B enterprise and finally leased five public houses over a period of six years, encompassing sports, music and food. He was also a Fellow of The British Institute of Innkeepers.



Susan Laing

Susan serves on the Dunedin Canmore Enterprise Board and is head of the Centre for Entrepreneurship at Napier University. Her other directorships include Director of Wrapturous Ltd, Other Office Limited and EngineerAid. Her specialisms are innovation/creativity in business planning and marketing.



Andrew Leslie

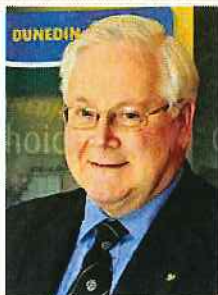
Andrew serves on both the Dunedin Canmore Housing and the Dunedin Canmore Enterprise Boards and is a retired District Manager of Scottish Homes. His other directorships formerly included Director of Edinburgh Housing Trust. His specialisms include development issues and a general knowledge of housing associations. He is also a member of the Group Audit Committee.



Delia Lomax

Delia serves on the Dunedin Canmore Housing Board. She recently retired as a university lecturer in housing, where her research interests were in equalities, housing management and support, homelessness and governance and participation.

Board Member Profiles



David MacLaren

David serves on the Dunedin Canmore Housing Board and is a retired banker. He is also a member of the Group Audit Committee.



Kenneth Miller

Kenneth serves on both the Dunedin Canmore Housing and the Dunedin Canmore Enterprise Boards and is a retired banker. He is Chairman of the Group Audit Committee.



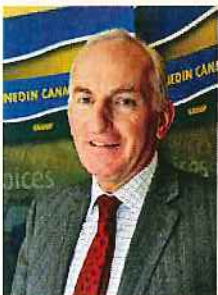
Thomas Mitchell

Tom serves on the Dunedin Canmore Housing Board and is a chartered accountant. His specialisms include governance, risk and financial management and control in regulated sectors, principally in housing and charities, gained as an auditor as well as his experience as a Chartered Accountant. Tom is a member of the Institute of Chartered Accountant technical committee on Charities. His other directorships include trustee of Royal Zoological Society Scotland and he is a board member of the Homes for Life Housing Partnership. He is also a member of the Group Audit Committee.



Mary Mulligan

Mary serves on the Dunedin Canmore Housing Board and is a former MSP. For almost 25 years she has taken an interest in, and played a part in, developing housing policy. She has worked in both the Public and Private sectors and has built good working relationships with partners in all sectors, including the voluntary sector. Apart from her housing experience she brings the following skills to the Board: Governance, Strategic View and Flexibility.



Peter Nussey

Peter serves on the Dunedin Canmore Enterprise Board and provides HR and commercial management advice. He has his own HR consultancy and is a non-executive on the British Hallmarking Council and the Incorporation of Silversmiths of Edinburgh.

Board Member Profiles



Beverley Oakman

Beverley serves on the Dunedin Canmore Housing Board and is an accomplished senior manager who has led teams in a service delivery and consultancy environment with substantial experience in the development, management and evaluation of projects and services, strategy development and business planning. She has specific areas of expertise in the fields of community regeneration, economic development and the third sector, including social enterprise. She works with Citizens Advice Scotland and is responsible for supporting CABs as independent voluntary organisations.



Ian Phillips

Ian serves on the Dunedin Canmore Enterprise Board and is a retired quantity surveyor.



Fraser Pottie

Fraser serves on the Dunedin Canmore Enterprise Board and retired in March 2011 from Pottie Wilson, a company which he established in 1987. Pottie Wilson is a well-known Edinburgh practice specialising in providing Quantity Surveying and Construction Cost services on an extensive range of new-build/ refurbishment building projects. He has 40 years' experience in providing quantity surveying and employer's agent services to housing associations, developers and a range of private and commercial clients.



Yvonne Summers

Yvonne serves on the Dunedin Canmore Housing Board, of which she is Chair, and is a civil servant. Her specialisms include governance and regulation having previously worked with Communities Scotland in regulation and inspection.



Jim Walker

Jim serves on the Dunedin Canmore Enterprise Board and is now retired. He was the Sales Director of Charles Henshaw & Sons Ltd for 15 years. He is a member of the Merchant Company of Edinburgh, where he has just completed three years as a Court Assistant and sits on the Widows Fund Committee and the Frail and Elderly Committee.

Board of Management, Directors and Advisors

Board of Management

Richard Austin
Jane Ballantine (resigned 27 February 2013)
John Fletcher
Claire Ironside (resigned 1 March 2013)
Fanchea Kelly
Terrence Kirby (co-opted 20 September 2012)
Andrew Leslie
Delia Lomax
David MacLaren
Kenneth Miller (Vice Chair)
Thomas Mitchell (Vice Chair)
Mary Mulligan (co-opted 20 September 2012)
Beverley Oakman (co-opted 20 September 2012)
Yvonne Summers (Chair)

Chief Executive

Ewan Fraser MRICS ACIH

Group Secretary

Roy Walker FCCA

Directors

Nigel Hicks BSc(Hons) MSc CA
(Finance)

Susan Napier BSc FRICS
(Business Development)

Graeme Russell BA(Hons) FCIH
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