



**GLEN HOUSING ASSOCIATION LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31ST MARCH 2016**  
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RSL NO 267

FCA NO 2435R(S)

CHARITY NO SC031874

GLEN HOUSING ASSOCIATION LIMITED

REPORT AND FINANCIAL STATEMENTS

for the year ended 31st March 2016

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MEMBERS, EXECUTIVE AND ADVISERS

**Board of Directors**

Derek Gray - Chairperson  
Robert Melville – Secretary  
Heather Murray – Vice Chairperson  
John McArthur  
Jim Souter  
Grant Hutchison - Resigned September 2015  
Josephine Smith  
Bridget Bennett – Resigned July 2015  
Pat Milne  
Osato Osaghae  
Alison Crook  
Atif Ashraf – Appointed November 2015  
Joyce McCartney – Appointed November 2015

**Director**

Anne Dickie

**Registered Office**

28 Heimdal Gardens  
Glenrothes  
KY7 6TZ

**Auditors**

Findlay & Company  
Chartered Accountants  
11 Dudhope Terrace  
Dundee  
DD3 6TS

**Principal Bankers**

The Royal Bank of Scotland  
Drummond House  
1 Redheughs Avenue  
Edinburgh  
EH12 9JN

Triodos Bank NV  
Deanery Road  
Bristol  
BS1 5AS

**Solicitors**

TC Young  
Melrose House  
69A George Street  
Edinburgh  
EH2 2JG

Young & Partners  
Castle Brae  
1 George Square  
Dunfermline  
KY11 8QF

### **Report of the Board of Directors**

The Board of Directors present their report and the audited financial statements for the year ended 31 March 2016.

### **Principal Activities**

Glen Housing Association ("the Association") aims to provide housing solutions to meet the needs of local communities and to serve the interests of our current and future tenants.

### **Board of Directors**

The Board of Directors are as detailed on page 1 of the financial statements.

### **Operating Financial Review**

The Association provides a range of sustainable housing solutions, develops social and economic opportunities and provides an effective and efficient service to its customers.

## **1 Financial / Treasury Management**

- 1.1 In the financial year 2015/16 the Association has made a deficit of £7,937 (2015 surplus £253,427). The Association's revenue reserves now sit at a balance of £6,065,817 (2015 - £6,072,754) being carried forward to 2016/17. The variation in reported performance is principally due to the changes in the accounting framework applied this year, and in particular the impact of changes in the treatment of HAG and resulting increase in depreciation on housing properties.
- 1.2 Finances are managed through the yearly budget process and ongoing development of key performance targets.
- 1.3 The Association continues to invest in the existing stock and the five year financial projections detail how resources are deployed to meet business needs, including key assumptions and trends. All financial plans are subject to scenario planning and sensitivity testing to ensure robustness.
- 1.4 A full risk appraisal is undertaken on all large scale capital projects, which gives a detailed record of all identified risks; this review is presented to the Board for a full discussion before formal approval is given by the Board.
- 1.5 Treasury Management includes the managing of all short and medium term cash flow requirements, withdrawing funds and managing assets security. In protecting financial resources it is ensured that investment decisions are properly assessed and that appropriate financial returns are delivered.
- 1.6 Despite the current economic circumstances, the Association is well placed to meet the challenges ahead. Specifically, there is a robust long term financial model in place based on prudent assumptions to maintain viability and to ensure all our financial covenants with lenders are achieved with sufficient head room built in as a contingency.

## **2 Reactive / Planned Maintenance**

- 2.1 A key aim for the Association is to ensure that properties meet or exceed national standards. The 30 year planned maintenance programme and cash projections take account of investment in modernising and repairing houses, and in improving the social and physical nature of the community to protect and enhance the assets which underpin the Association's funding.

- 2.2 There is a robust long term financial model in place based on prudent assumptions to maintain viability and to ensure all reactive and planned maintenance is carried out.

### **3 Asset Management**

- 3.1 The Association continues to meet the guidance which indicates the level of standard that homes should meet under the "Scottish Housing Quality Standard" (SHQS). Currently, a selective planned maintenance programme is being undertaken which includes renewals to roofs, boilers and kitchens.
- 3.2 There is a focus to ensure updated and relevant information is held on our planned maintenance database which is key to providing information as to when property components are due to be replaced.
- 3.3 The asset investment plan, cashflows and 30 year financial models are aligned for consistency in order to ensure that an adequate fundable plan is in place.

### **4 Future Business Growth**

- 4.1 The Association currently has 438 properties across Fife.
- 4.2 The Association is continually looking into ways of increasing its housing stock and is in ongoing discussions with other organisations about new developments.
- 4.3 A full risk appraisal and feasibility study is undertaken on all large scale projects being presented to the Board for discussion and formal approval.

### **5 Governance Arrangements**

- 5.1 The Association has completed its review of Governance arrangements to ensure compliance with best practice, and has recently confirmed as requiring a low level of engagement with the Scottish Housing Regulator.
- 5.2 Currently governance operates through the Board of Directors which consists of current / former tenants of the Association and other interested individuals.

### **6 Provision of Services**

- 6.1 The Association currently employs 12 members of staff on a full and part time basis.
- 6.2 Looking towards the future, the Association will ensure that the services it provides continue to meet the needs of tenants, customers and the community.

### **Board of Directors and Chief Executive**

The Board of Directors and Chief Executive of the Association are listed on page 1.

Each member of the Board of Directors holds one fully paid share of £1 in the Association. The Executive Officer of the Association holds no interest in the Association's share capital and although not having the legal status of director, acts as an executive within the authority delegated by the Board.

### **Statement of the Board's Responsibilities**

Housing Association legislation requires the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of the income and expenditure of the Association for the year ended on that date. In preparing those financial statements the Board are 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;
- 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.

The Board is also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Statement on Internal Financial Controls**

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

- (i) The reliability of financial information used within the Association or for publication.
- (ii) The maintenance of proper accounting records, and
- (iii) The safeguarding of assets against unauthorised use or disposition.

It is the Board of Directors responsibility to establish and maintain systems of internal financial control. Such systems can only provide reasonable and not absolute assurance against material financial mis-statement or loss. Key elements include ensuring that:

- (i) 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. These policies and regulations are reviewed on a regular basis in accordance with a structured programme.
- (ii) Experienced and suitably qualified staff take responsibility for important business functions. Their development and performance are monitored through an annual appraisal system and regular one to one meetings

- (iii) Forecasts and budgets are prepared which allow the Board and Management to monitor the key business risks and financial objectives and progress towards financial plans set for the year and the medium term; regular management accounts are prepared promptly, providing relevant, reliable and up-to-date financial and other information and significant variances from budgets are investigated as appropriate.
- (iv) Regulatory returns are prepared, authorised and submitted promptly to the relevant regulatory bodies.
- (v) All significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through the Board of Directors.
- (vi) Together with the Audit Committee, the Board of Directors reviews reports from management and from the internal and external auditors to provide reasonable assurance that control procedures are in place and are being followed. This includes a general review of the major risks facing the Association.
- (vii) Formal procedures have been established for instituting appropriate action to correct weaknesses identified from the above reports.
- (viii) An annual programme of performance and service review and improvement is approved by the Board with progress regularly reviewed.

The Board of Directors has reviewed the effectiveness of the system of internal financial control in existence in the Association for the year ended 31 March 2016 and also for the period up to the signing of this report. No significant control 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.

In so far as the Board are aware:

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

### **Auditors**

The auditors, Findlay & Company, have expressed their willingness to continue in office. A resolution to re-appoint the auditors will be proposed at the annual general meeting.

By order of the Board



Secretary

22 June 2016

GLEN HOUSING ASSOCIATION LIMITED

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for the year ended 31st March 2016

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## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLEN HOUSING ASSOCIATION LIMITED

We have audited the Financial Statements of Glen Housing Association Limited for the year ended 31 March 2016 which comprise the Statements of Comprehensive Income, Financial Position, Changes in Reserves, Cash Flows, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, the Scottish Housing Regulator's Determination of Accounting Requirements April 2014 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the Association's members, as a body, in accordance with Section 87 of the Co-operative and Community Benefit Societies Act 2014. 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. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective Responsibilities of the Board and the Auditor**

As explained more fully in the Statement of the Board's Responsibilities set out on pages 4 & 5 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 (APB's) Ethical Standards for Auditors.

### **Scope of the Audit of the Financial Statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the 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 Directors 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.



GLEN HOUSING ASSOCIATION LIMITED

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for the year ended 31st March 2016

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLEN HOUSING ASSOCIATION LIMITED

### Opinion on the Financial Statements

In our opinion the Financial Statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2016 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014, Schedule 1, the Housing (Scotland) Act 2010, and the Scottish Housing Regulator's Determination of Accounting Requirements 2014.

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

We are required to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained by the Association in accordance with the requirements of the legislation; 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 need for our audit

We have nothing to report in respect of these matters.



Joan Williamson, CA (Senior Statutory Auditor)  
For and on Behalf of Findlay & Company,  
Chartered Accountants and Statutory Auditor,  
11 Dudhope Terrace  
Dundee  
DD3 6TS

Date: 22 June 2016

GLEN HOUSING ASSOCIATION LIMITED

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REPORT BY THE AUDITORS ON CORPORATE GOVERNANCE MATTERS

In addition to our audit of the financial statements, we have reviewed your statement on pages 4 & 5 concerning the Association's compliance with the information required by the Regulatory Standards in respect of internal financial controls contained within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes issued by the Scottish Housing Regulator

**Basis of Opinion**

We carried out our review having regard to the requirements to corporate governance matters within Bulletin 2006/5 issued by the Financial Reporting Council. The Bulletin does not require us to review the effectiveness of the Association's procedures for ensuring compliance with the guidance notes, nor to investigate the appropriateness of the reason given for non-compliance.

**Opinion**

In our opinion the Statement on Internal Financial Control on pages 4 & 5 has provided the disclosures required by the relevant Regulatory Standards within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes which are issued by the Scottish Housing Regulator in respect of internal financial controls and is consistent with the information which came to our attention as a result of our audit work on the Financial Statements.

Through enquiry of certain members of the Board of Management and Officers of the Association and examination of relevant documents, we have satisfied ourselves that the Board of Management's Statement on Internal Financial Control appropriately reflects the Association's compliance with the information required by the relevant Regulatory Standards in respect of internal financial controls within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes issued by the Scottish Housing Regulator in respect of internal financial controls.

*Joan Williamson*

Joan Williamson, CA (Senior Statutory Auditor)  
For and on Behalf of Findlay & Company,  
Chartered Accountants and Statutory Auditor,  
11 Dudhope Terrace  
Dundee  
DD3 6TS

Date: *22 June 2016*

GLEN HOUSING ASSOCIATION LIMITED

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STATEMENT OF COMPREHENSIVE INCOME

	Notes	2016 £	Restated 2015 £
<b>Turnover</b>	2	1,671,291	2,975,042
Operating expenditure	2	(1,501,496)	(1,463,965)
Other income		-	-
		-----	-----
<b>Operating surplus / (deficit)</b>		169,795	1,511,077
Finance income	7	4,024	3,861
Finance costs	8	(181,756)	(122,439)
Revaluation of housing properties		338,516	(1,139,072)
		-----	-----
<b>Surplus / (deficit) for the year</b>		330,579	253,427
		=====	=====
Actuarial gain / (loss) in respect of pension schemes	16	1,000	(25,000)
		-----	-----
<b>Total comprehensive income for the year</b>		<b>331,579</b>	<b>228,427</b>
		=====	=====

All amounts relate to continuing activities.

The notes on pages 13 to 37 form part of the Financial Statements

GLEN HOUSING ASSOCIATION LIMITED




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for the year ended 31st March 2016

STATEMENT OF FINANCIAL POSITION

	Notes	2016 £	Restated 2015 £
<b>Fixed assets</b>			
Tangible fixed assets	11, 12	11,845,914	11,899,243
		-----	-----
		11,845,914	11,899,243
		-----	-----
<b>Current assets</b>			
Trade and other debtors	13	87,293	83,900
Cash and cash equivalents		1,219,667	839,397
		-----	-----
		1,306,960	923,297
		-----	-----
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	14	(280,765)	(260,011)
		-----	-----
<b>Net current assets / (liabilities)</b>		1,026,195	663,286
		-----	-----
<b>Total assets less current liabilities</b>		12,872,109	12,562,529
Creditors: amounts falling due after more than one year	15	(6,159,720)	(6,159,720)
Provisions for liabilities			
- Pension provision	16	(308,000)	(330,000)
		-----	-----
<b>Total net assets</b>		6,404,389	6,072,809
		=====	=====
<b>Capital and reserves</b>			
Share capital	17	56	55
Income and expenditure reserve	18	6,404,333	6,072,754
Revaluation reserve	18	-	-
		-----	-----
		6,404,389	6,072,809
		=====	=====

The financial statements on pages 9 to 12 were approved by the Board of Directors on 22 June 2016 and were signed on its behalf by:

  
 .....  
  
 .....  
  
 .....

Vice Chairperson

Board member

Board member

The notes on pages 13 to 37 form part of these financial statements.

## STATEMENT OF CHANGES IN RESERVES

	Share Capital	Income & Expenditure Reserve	Revaluation Reserve	Total
	£	£	£	£
<b>At 1 April 2014 as previously stated</b>	56	1,678,260	4,515,067	6,193,383
Changes on transition to FRS 102 (note 27)	-	4,166,067	(4,515,067)	(349,000)
<b>At 1 April 2014 as restated</b>	<b>56</b>	<b>5,844,327</b>	-	<b>5,844,383</b>
Surplus / (deficit) for the year	-	253,427	-	253,427
Revaluation of tangible fixed assets	-	-	-	-
Remeasurement gain / (loss) on defined benefit pension plan	-	(25,000)	-	(25,000)
<b>Total comprehensive income</b>	-	<b>228,427</b>	-	<b>228,427</b>
Share capital cancelled	(1)	-	-	(1)
<b>At 31 March 2015 and 1 April 2015</b>	<b>55</b>	<b>6,072,754</b>	-	<b>6,072,809</b>
Surplus / (deficit) for the year	-	330,579	-	330,579
Remeasurement gain / (loss) on defined benefit pension plan	-	1,000	-	1,000
Revaluation of tangible fixed assets	-	-	-	-
<b>Total comprehensive income</b>	-	<b>331,579</b>	-	<b>331,579</b>
Share capital issued	1	-	-	1
<b>At 31 March 2016</b>	<b>56</b>	<b>6,404,333</b>	-	<b>6,404,389</b>

## STATEMENT OF CASH FLOWS

	Notes	2016 £	Restated 2015 £
<b>Net cash generated from operating activities</b>	25	648,553	2,013,776
<b>Cash flow from investing activities</b>			
Purchase of tangible fixed assets		(97,555)	(3,146,194)
Purchase of investments		-	-
Proceeds of sale of tangible fixed assets		-	-
Grants received		-	-
Grants repaid		-	-
Interest received		4,024	3,861
		<u>(93,531)</u>	<u>(3,142,333)</u>
<b>Cash flow from financing activities</b>			
Proceeds from issue of shares		1	(1)
Proceeds from issue of new long-term loans		-	6,159,720
Repayment of long term loans		-	(4,971,641)
Repayment of finance lease liabilities		-	-
Interest paid		(174,753)	(110,439)
<b>Net cash flow from financing activities</b>		<u>(174,752)</u>	<u>1,077,639</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>380,270</b>	<b>(50,918)</b>
<b>Cash and cash equivalents at 1 April 2015</b>		<b>839,397</b>	<b>890,315</b>
<b>Cash and cash equivalents at 31 March 2016</b>		<b>1,219,667</b>	<b>839,397</b>
		<u>=====</u>	<u>=====</u>
<b>Cash and cash equivalents consists of :</b>			
Cash at bank and in hand		1,219,667	839,397
Short term deposits		-	-
<b>Cash and cash equivalents at 31 March 2016</b>		<b>1,219,667</b>	<b>839,397</b>
		<u>=====</u>	<u>=====</u>

## NOTES TO THE FINANCIAL STATEMENTS

### 1. **Principal Accounting Policies**

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice for social housing providers 2014 (SORP 2014) and the Scottish Housing Regulator's Determination of Accounting Requirements 2014.

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated. The Association adopted the SORP in the current year and an explanation of how transition to the SORP has affected the reported financial position and performance is given in note 27.

#### **Basis of Accounting**

Glen Housing Association Limited meets the definition of a public benefit entity under FRS 102.

#### **Turnover**

Turnover represents rental and service charge income, fees, grants receivable and other income.

#### **Mortgages**

Mortgage loans are advanced by private lenders under the terms of individual mortgage deeds in respect of each property. Advances are available only in respect of those developments which have been given approval for Social Housing Grant by the Scottish Housing Regulator.

NOTES TO THE FINANCIAL STATEMENTS (continued)

**Tangible Fixed Assets**

Tangible fixed assets (including social housing properties) are stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended such as the cost of acquiring land and buildings, developments costs, interest charges on loans during the development period and expenditure on improvements. Expenditure on improvements will only be capitalised when it results in incremental future benefits such as increasing rental income, reducing maintenance costs or resulting in a significant extension of the useful economic life of the property.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost (or valuation), less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Land	Not depreciated
Housing Properties	80 years
Property plant and equipment	15 - 60 years
Fixtures and fittings	3 - 6 years
Motor vehicles	4 years

Housing properties under construction are not depreciated until they are in use.

Major components of housing properties, such as roofs, windows, bathrooms, kitchens and heating, have been accounted for and depreciated separately from the connected housing property, over their expected useful economic lives and are included in property plant and equipment.

The useful economic lives of all tangible fixed assets are reviewed annually.

Valuation movements for Housing Properties Held for Letting are allocated to land and structure in accordance with SORP 2014. The Board of Directors believe the valuation of all other components is reasonably equal to the depreciated historical costs (net of grants) of such components.



NOTES TO THE FINANCIAL STATEMENTS (continued)

**Works to Existing Properties**

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in net rental income over the lives of the property, thereby enhancing the economic benefits of the assets, are capitalised as improvements. Works to existing properties which do not result in the enhancement of economic benefits are charged to the statement of comprehensive income.

**Capitalisation of Development Overheads**

Costs which are directly attributable to bring assets into working condition are included in housing properties cost during development and component replacement. Directly attributable costs include direct labour costs of the Association and incremental costs which would have been avoided only if the development or component replacement was not taking place. All other development costs are written off to the Income and Expenditure Account in the period in which it occurs.

**Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income in other administrative expenses.

**Housing Association Grants (HAG)**

Where a grant is paid as a contribution towards revenue expenditure, it is included in turnover. Where a grant is received from government and other bodies as a contribution towards a capital cost, it is recognised as income using the performance model in accordance with the SORP 2014. Prior to satisfying the performance conditions such grants are held as deferred income on the statement of financial position. The above change in accounting policy has required a prior year adjustment to be made to financial year ended 31 March 2015 (see note 27).

**Loans and borrowings**

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a financing transaction, it is measured at present value.

### **Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. The level at which an impairment is assessed is considered is at the cash generating unit (CGU) level. The board of directors believe that housing properties held for letting represent one CGU.

The key indicators of impairment considered are changes in demand, changes in use, economic performance worse than expected, significant decline in market value, plans to regenerate, demolish or replace existing components, higher than expected costs of development, and other changes in technology, market, economy and legislation.

If such indication exists, the recoverable amount is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in expenditure through the statement of comprehensive income.

### **Provisions for liabilities**

#### **Pensions**

The Association participates in the Scottish Housing Association Pension Scheme (SHAPS). Retirement benefits for employees of the Association are funded by contributions from all participating employers and employees in the scheme. Payments are made in accordance with periodic calculations by consulting Actuaries and are based on pension costs applicable across the various participating Associations taken as a whole.

The scheme is in deficit and the Association has agreed to a deficit funding arrangement. This liability is recognised as the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit.

The above change in accounting policy has required a prior year adjustment to be made to financial year ended 31 March 2015 (see note 27).

### **Leases**

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable under operating leases are charged to the statement of comprehensive income on a straight line basis over the period of the lease.

### **Accruals and Deferred Income**

Non- government grants in relation to capital expenditure are written off to the comprehensive statement of income in the year in which they are receivable.

The above change in accounting policy has required a prior year adjustment to be made to financial year ended 31 March 2015 (see note 27).

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 2. Particulars of Turnover, Cost of Sales, Operating Costs &amp; Operating Surplus

		2016		
		Turnover	Operating Costs	Operating Surplus/ (Deficit)
		£	£	£
Social Lettings	Note 3	1,661,980	(1,477,081)	184,899
Other activities	Note 4	9,311	(24,415)	(15,104)
		-----	-----	-----
Total		1,671,291	(1,501,496)	169,795
		=====	=====	=====
		Restated 2015		
		Turnover	Operating Costs	Operating Surplus/ (Deficit)
		£	£	£
Social Lettings	Note 3	2,968,352	(1,439,385)	1,528,967
Other activities	Note 4	6,690	(24,580)	(17,890)
		-----	-----	-----
Total		2,975,042	(1,463,965)	1,511,077
		=====	=====	=====

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Particulars Of Income & Expenditure From Social Letting Activities

	General Needs Housing £	Supported Housing £	Shared Ownership £	2016 Total £	Restated 2015 Total £
<b>Income from Letting</b>					
Rent Receivable net of Service Charges	1,559,779	-	-	1,559,779	1,467,792
Service Charges	43,622	-	-	43,622	40,238
	-----	-----	-----	-----	-----
Gross Income From Rents and Service Charges	1,603,401	-	-	1,603,401	1,508,030
LESS: Rent Losses from Voids	(3,652)	-	-	(3,652)	(4,462)
<b>Net Income from rents and service charges</b>	<u>1,599,749</u>	<u>-</u>	<u>-</u>	<u>1,599,749</u>	<u>1,503,568</u>
Government grants taken to income	62,231	-	-	62,231	1,464,784
Other revenue grants	-	-	-	-	-
<b>Total Turnover from Letting Activities</b>	<u>1,661,980</u>	<u>-</u>	<u>-</u>	<u>1,661,980</u>	<u>2,968,352</u>
<b>Expenditure on Social Letting Activities</b>					
Management	(389,740)	-	-	(389,740)	(370,362)
Services	(62,856)	-	-	(62,856)	(58,945)
Planned and Cyclical Maintenance	(135,163)	-	-	(135,163)	(155,423)
Reactive Maintenance:	(375,810)	-	-	(375,810)	(389,760)
Operating costs for social letting activities	(27,231)	-	-	(27,231)	(18,182)
Rent Losses from Bad Debts	(15,309)	-	-	(15,309)	(6,415)
Depreciation of affordable let properties	(470,972)	-	-	(470,972)	(440,298)
	-----	-----	-----	-----	-----
<b>Total Operating Costs</b>	<u>(1,477,081)</u>	<u>-</u>	<u>-</u>	<u>(1,477,081)</u>	<u>(1,439,385)</u>
<b>Operating Surplus/(Deficit)</b>	<u>184,899</u>	<u>-</u>	<u>-</u>	<u>184,899</u>	<u>1,528,967</u>
Operating Surplus/(Deficit) for previous period of account	=====	=====	=====	=====	=====
	=====	=====	=====	=====	=====

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 4. Particulars of Turnover, Operating Costs and Operating Surplus or Deficit from Other Activities

	Grants from Scottish Ministers	Supporting People Income	Other Revenue Grants	Other Income	Total Turnover	Bad Debts	Other Operating Costs	2016 Operating Surplus/ (Deficit)	Restated 2015 Operating Surplus/ (Deficit)
	£	£	£	£	£	£	£	£	£
Wider Role Activities	-	-	-	-	-	-	(24,415)	(24,415)	(24,580)
Care and repair of property	-	-	-	-	-	-	-	-	-
Factoring	-	-	-	-	-	-	-	-	-
Development and construction of property activities	-	-	-	-	-	-	-	-	-
Support activities	-	-	-	-	-	-	-	-	-
Care activities	-	-	-	-	-	-	-	-	-
Agency / management services for RSLs	-	-	-	-	-	-	-	-	-
Other agency / management services	-	-	-	-	-	-	-	-	-
Developments for sale to RSLs	-	-	-	-	-	-	-	-	-
Developments and improvements for sale to non RSLs	-	-	-	-	-	-	-	-	-
Shared equity sales	-	-	-	-	-	-	-	-	-
Other activities	-	-	-	9,311	9,311	-	-	9,311	6,690
<b>Total from other activities</b>	-	-	=	<b>9,311</b>	<b>9,311</b>	-	<b>(24,415)</b>	<b>(15,104)</b>	<b>(17,890)</b>
Total from other activities for the previous period of account	-	-	=	<b>6,690</b>	<b>6,690</b>	-	<b>(24,580)</b>		

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 5. Key Management Personnel Emoluments

As per the Scottish Housing Regulator's Determination of Accounting Requirements 2014, disclosure of key management personnel's emoluments exceeding £60,000 per annum is required.

	2016 £	Restated 2015 £
Aggregate emoluments payable to key management personnel with emoluments greater than £60,000		
Emoluments excluding employers pension	60,895	60,264
Employers pension contributions	12,182	11,988
Total emoluments payable	73,077	72,252

The emoluments payable to, or received by, the Director amount to :

Emoluments excluding employers pension	60,895	60,264
Employers pension contributions	12,182	11,988
Total emoluments payable	73,077	72,252

Payments to other organisations for the provision of Director's services

-	-
---	---

The emoluments of key management personnel (excluding pension contributions) were within the following ranges :-

£60,001 to £70,000	1	1
£71,001 to £80,000	-	-
£80,001 to £90,000	-	-

The key management personnel are ordinary members of the Association's pension scheme described in note 21. No enhanced or special terms apply to membership and they have no other pension arrangements to which the Association contributes. No emoluments were paid to any member of the Board during the year.

GLEN HOUSING ASSOCIATION LIMITED  
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 for the year ended 31st March 2016

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NOTES TO THE FINANCIAL STATEMENTS (continued)

6. **Employee Information**

	2016 No.	2015 No.
The average monthly number of full time equivalent persons employed during the year was:	12	11
	=====	=====
		<b>Restated</b>
	<b>2016</b>	<b>2015</b>
	£	£
Staff costs		
Wages and salaries	309,190	281,221
Social security cost	21,934	19,519
Pension costs (Note 21)	28,592	28,060
	-----	-----
	359,716	328,800
	=====	=====

7. **Interest and other finance income**

	2016 £	2015 £
Interest receivable and other income		
Bank Interest receivable	4,024	3,861
	-----	-----
	4,024	3,861
	=====	=====

8. **Interest payable and similar charges**

	2016 £	Restated 2015 £
Bank loans and overdrafts	174,756	110,439
Other loans	-	-
Finance charges payable under finance leases	-	-
	-----	-----
	174,756	110,439
	=====	=====
<b>Other finance costs</b>	<b>2016</b>	<b>Restated 2015</b>
Interest on defined benefit pension liability	7,000	12,000
	=====	=====



NOTES TO THE FINANCIAL STATEMENTS (continued)

9. **Surplus / (deficit) on ordinary activities**

Surplus / (deficit) on ordinary activities is stated after charging:-	<b>2016</b>	<b>Restated 2015</b>
	£	£
Depreciation of tangible fixed assets		
- housing properties (includes accelerated depreciation of £7,885 on component replacements)	470,972	440,298
- other fixed assets	18,427	19,586
Repairs: Cyclical, day to day	265,595	545,183
Operating lease rentals	7,800	7,800
External Auditors remuneration		
- in their capacity as auditors	7,200	7,500
External Auditors remuneration		
- in their capacity as non-auditors	2,500	2,049
	<u>=====</u>	<u>=====</u>

10. **Taxation**

The Association has been recognised by the HM Revenue and Customs as a charity for taxation purposes. Provided its income is derived from and applied to charitable purposes, no taxation liability arises.

GLEN HOUSING ASSOCIATION LIMITED

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for the year ended 31st March 2016

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. Tangible Fixed Assets - Housing Properties

	Housing held for Letting £	Housing Properties in the Course of Construction £	Other Properties £	Total £
<b>Valuation</b>				
At 1 April 2015 (restated)	11,474,942	-	-	11,474,942
Additions	58,948	-	-	58,948
Capitalised wages cost	6,720	14,615	-	21,336
Disposals	(43,966)	-	-	(43,966)
Revaluation	(88,490)	-	-	(88,490)
<b>At 31 March 2016</b>	<b>11,408,154</b>	<b>14,615</b>	<b>-</b>	<b>11,422,769</b>
<b>Depreciation</b>				
As at 1 April 2015 (restated)	-	-	-	-
Adjustment for disposals	(36,081)	-	-	(36,081)
Charge for the year	463,087	-	-	463,087
Eliminated on revaluation	(427,006)	-	-	(427,006)
<b>At 31 March 2016</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Book Values</b>				
As at 31 March 2016	11,408,154	14,615	-	11,422,769
As at 31 March 2015	11,474,942	-	-	11,474,942

Component replacement costs of £58,948 (2015 - £120,978) were capitalised during the year.

NOTES TO THE FINANCIAL STATEMENTS (continued)

11 **Tangible Fixed Assets - Housing Properties**

The housing properties held for letting were revalued in February 2015 an independent external valuer, Jones Lang Lasalle. The basis of the valuation was Existing Use Value – Social Housing. The properties held for letting were valued at £11,474,942. The valuation performed was a full valuation of 424 properties, the remaining 14 have been valued by the Directors at depreciated historical cost less grant.

The directors feel that the value at 31 March 2016 of the properties valued will not be materially different from the figure stated above.

**Carrying Value**

If housing properties held for letting had not been revalued they would have appeared in the balance sheet as:

	<u>2016</u> £	<b>Restated</b> <u>2015</u> £
Cost	27,828,875	27,806,909
Accumulated depreciation	(6,878,300)	(6,279,730)
	-----	-----
Net book value at 31 March 2016	£ 20,950,575	£ 21,527,179
	=====	=====

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 12 Tangible fixed assets - other

	Leasehold improvements	Office Premises	Motor Vehicles	Fixtures & Fittings	Total
Cost	£	£	£	£	£
At 1 April 2015	20,175	466,066	29,608	78,423	594,272
Additions	-	-	15,519	1,752	17,271
Disposals	-	-	-	(15,263)	(15,263)
As at 31 March 2016	20,175	466,066	45,127	64,912	596,280
<b>Depreciation</b>					
At 1 April 2015	19,391	58,439	29,608	62,533	169,971
Charge for year	123	9,440	680	8,184	18,427
Disposals	-	-	-	(15,263)	(15,263)
As at 31 March 2016	19,514	67,879	30,288	55,454	173,135
<b>Net Book Value</b>					
At 31 March 2016	661	398,187	14,839	9,458	423,145
At 31 March 2015	784	407,627	-	15,890	424,301

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. Trade and other debtors

	2016 £	2015 £
Trade debtors (gross social housing rent arrears)	24,632	31,789
Less : provision for doubtful debt	(15,243)	(14,479)
Other debtors	6,236	3,889
Prepayments and accrued income	71,668	62,701
	-----	-----
	87,293	83,900
	=====	=====

14. Creditors : amounts falling due within one year

	2016 £	Restated 2015 £
Amounts falling due within one year:		
Bank loans and overdrafts	-	-
Rents paid in advance	57,690	35,083
Other tax and social security	6,796	6,425
Pension past service deficit	29,000	29,000
Other creditors	139,434	159,169
Accruals and deferred income	47,845	30,334
	-----	-----
	280,765	260,011
	=====	=====

## 15. Creditors : amounts falling due after more than one year

	2016 £	2015 £
Bank loans and overdrafts	6,159,720	6,159,720
	-----	-----
	6,159,720	6,159,720
	=====	=====

The amounts secured are £6,159,720 (2015 - £6,159,720).

Housing Loans are secured by specific charges on the Association's properties and are repayable at varying rates of interest in instalments due as follows:-

Loan Repayment	2016 £	2015 £
Within one year	-	-
Between one and two years	-	-
Between two and five years	851,662	534,775
In five years or more	5,308,058	5,624,945
	-----	-----
	6,159,720	6,159,720
	=====	=====

## 16 Provisions for liabilities – pension provision

	2016 £	Restated 2015 £
Provision at 1 April 2015	359,000	349,000
Unwinding of discount factor (interest expense)	7,000	12,000
Deficit contribution paid	(28,000)	(27,000)
Remeasurements – impact of any change in assumptions	(1,000)	25,000
Remeasurements – amendments to the contribution schedule	-	-
	-----	-----
Provision at 31 March 2016	337,000	359,000
	=====	=====
Due within one year	29,000	29,000
Due after more than one year	308,000	330,000
	-----	-----
	337,000	359,000
	=====	=====

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 17. Share capital

	2016 No.	2015 No.
At 1 April 2015	55	56
Issued during the year	1	-
Cancelled during the year	(-)	(1)
	-----	-----
At 31 March 2016	56	55
	=====	=====

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.

## 18. Reserves

**Income and expenditure reserve**

The income and expenditure reserve represents cumulative surplus and deficits net of other adjustments.

**Revaluation reserve**

The revaluation reserve represents the cumulative effect of revaluations of tangible fixed assets where a policy of revaluation has been adopted.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 19. Capital Commitments

	2016 £	2015 £
Capital expenditure that has been approved for but has not been provided for in the financial statements including		
- major repair component replacements	324,000	123,716
- Construction	1,196,931	-
	<u>=====</u>	<u>=====</u>

The amount contracted for at 31 March 2016 will be funded by the proposed financing:

	2016 £	2015 £
HAG	-	-
Agreed overdraft	-	-
Agreed private loans	1,196,931	-
Other grants	-	-
Existing cash reserves	324,000	123,716
	<u>-----</u>	<u>-----</u>
	<u>=====</u>	<u>=====</u>



**20. Related party transactions**

Information about related party transactions and outstanding balances is outlined below:

Four member of the Committee of Management are also tenants of the Association. The tenancies are on the same terms as for other tenants and no advantage can be gained from the position.

During the financial year, Committee members were charged rent totalling £14,677 (2015 - £14,319). As at 31 March 2016 the amount of £810 (2015 – 502) had been overpaid and was due from the Association to the tenants.

Where members of the Committee of Management are also councillors or employees of related local authorities, there are no transactions to disclose that were not made at arm's length or not made under the normal commercial terms.

No Board members received remuneration however members of the management board were reimbursed for out of pocket expenses amounting to £2,156 (2015 - £1,583).

NOTES TO THE FINANCIAL STATEMENTS (continued)

**21. Retirement Benefits**

The Association participates in the Scottish Housing Associations' Pension Scheme (the "scheme"), a multi-employer scheme which provides benefits to some 155 non-associated employers. The scheme is a defined benefit scheme in the UK.

It is not possible for the Association to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a "last-man standing arrangement". Therefore the Association is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2012. This actuarial valuation showed assets of £394m, liabilities of £698m and a deficit of £304m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid to the scheme as follows :

**Deficit contributions**

From 1 April to 30 September 2027 : £26,304,000 per annum  
(payable monthly and increasing by 3% each on 1<sup>st</sup> April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

Where the scheme is in deficit and where the Association has agreed to a deficit funding arrangement the Association recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Reconciliation of the Association's opening and closing provisions is provided at note 16.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 21. Retirement Benefits (continued)

**Present values of the Association's provision**

	2016 £	2015 £
Present value of provision	337,000	359,000
	=====	=====

**Assumptions**

Rate of discount - % per annum	2.29%	2.22%
--------------------------------	-------	-------

The discount rates are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

**Statement of comprehensive income impact**

	2016 £	2015 £
Interest expense	7,000	12,000
Remeasurements – impact of any changes in assumptions	(1,000)	25,000
Remeasurements – amendments to the contribution schedule	-	-
Contributions in respect of future service	-	-
	-----	-----
Costs recognised in statement of comprehensive income	6,000	27,000
	=====	=====

## NOTES TO THE FINANCIAL STATEMENTS (continued)

**22. Legislative Provisions**

The Association is incorporated under the Co-operative and Community Benefit Societies Act 2014.

**23. Housing Stock**

The number of units of accommodation in management at the year end was:-

	<b>2016</b>	<b>2015</b>
	<b>No.</b>	<b>No.</b>
General needs	438	438
	-----	-----
	438	438
	=====	=====

**24. Commitments Under Operating Leases**

Total future minimum lease payments under non-cancellable operating leases are as follows :

<b>Land and Buildings</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<u>Expiry Date</u>		
Within 1 year	7,800	7,800
Between 2-5 years	17,550	25,350
Over 5 years	-	-
	=====	=====

**25. Cash flow from operating activities**

	<b>2016</b>	<b>Restated</b>
	<b>£</b>	<b>2015</b>
		<b>£</b>
Surplus / (deficit) for the year	169,795	1,511,077
Depreciation and impairment of tangible fixed assets	489,399	459,884
Proceeds of sale of tangible fixed assets	-	-
Carrying amount of tangible fixed asset disposals	-	-
(Increase) / decrease in stock	-	-
(Increase) / decrease in trade and other debtors	(3,393)	73,620
Increase / (decrease) in trade and other creditors	(7,248)	(30,805)
Receipt of donated land / assets	-	-
Government grants utilised in the year	-	-
	-----	-----
<b>Net cash flow from operating activities</b>	<b>648,553</b>	<b>2,013,776</b>
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS (continued)

**26. Contingent Liabilities**

The Association has been notified by the Pensions Trust of the estimated employer debt on withdrawal from the SFHA Scheme based on the financial position of the Scheme as at 30 September 2015. As of this date the estimated employer debt for the Association was £1,307,888. The Association has no intentions of withdrawing from the scheme and consequently no provision has been made in the financial statements.

As the Association adopts a policy of holding its housing properties at valuation, government grants are written off to the statement of comprehensive income, using the performance model, in the year in which the conditions of the grant are met. In the case of housing properties, grant conditions are considered to be fully met on completion of the development. Government grants of £18,918,438 have been accounted for under the performance model. Should the Association dispose of property in the future, this could give rise to a relevant event for the purposes of repayment or recycling such grant.

**27 Prior year adjustment**

The prior year adjustment in the financial year ended 31 March 2015 reflects the adoption of the SORP 2014 and FRS 102. The date of transition was 1 April 2014. There were a number of adjustments required under the new accounting requirements as noted below.

**Holiday Pay Accrual**

Any holiday pay that has been earned by employees under their contract of employment but not taken by 31 March is now recognised as a cost in the year it relates to and a liability within the financial statements.

**Pension Provision**

The pension deficit payments made by the Association are no longer accounted for annually as an expense. Instead the full liability is reflected within the financial statements with the annual payments offset against it until the deficit is fully paid off.

Although the deficit payments are no longer reflected through the statement of comprehensive income, any increases or decreases in the deficit are reflected in the year that they occur along with the unwinding of the discounted liability.

**Grant Income**

Non-government grants previously offset against the cost of the related asset and amortised are now required to be written off to the statement of comprehensive income in the year in which the conditions of the grant are met. For example, for non-government grants received for the development of properties, the full amount of the grant is released on completion of the development.

As the Association adopts a policy of holding its housing properties at valuation, government grants are written off to the statement of comprehensive income, using the performance model, in the year in which the conditions of the grant are met. In the case of housing properties, grant conditions are considered to be fully met on completion of the development.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

27 **Prior Year Adjustment (continued)****Depreciation of housing properties**

Previously this charge was calculated by reference to historical cost net of housing association grant. Under the new financial reporting requirements, the charge is calculated on gross historical cost without deduction of grant. This has resulted in an increased annual depreciation charge.

**Revaluation of housing properties**

Previously the annual movement in the valuation of housing properties increased the land value, and was credited to the revaluation reserve. Under SORP 2014, the revaluation movement is allocated against land and structure in proportion to historical cost, with the value of components being accepted as the equivalent measure of depreciated historical cost.

Increases in valuation shall be recognised in other comprehensive income and accumulated in equity. Subsequent changes in valuation of fixed assets are charged to the surplus / (deficit) for the year, to the extent that they represent a reversal of a previous revaluation movement previously recognised in surplus / (deficit).

**Reconciliation of reserves**

	£
Reserves at 1 April 2014 under SORP 2010	6,193,383
Holiday pay accrual	-
Pension provision	(349,000)
Non- government grants	296,028
Government grants	17,323,078
Revaluation of housing properties	(17,619,106)
Reserves at 1 April 2014 under SORP 2014	5,844,383

**Reconciliation of comparative period comprehensive income**

	£
Comprehensive income for the period ended 31 March 2015 under SORP 2010	238,427
Holiday pay accrual	-
Pension provision – removal of deficit contributions paid	27,000
Pension provision – unwind discount	(12,000)
Depreciation of housing properties	(188,067)
Non-government grants received	235,000
Government grants received – written off under the performance model	1,211,602
Revaluation of housing properties	(1,258,535)
Actuarial loss in respect of pension schemes	(25,000)
Comprehensive income for the period ended 31 March 2015 under SORP 2014	228,427

NOTES TO THE FINANCIAL STATEMENTS (continued)

27 Prior Year Adjustment (continued)

The effect of the adoption of SORP 2014 and FRS 102 on the results is stated below:-

	Reported in accounts to 31 March 2015 £	Prior year adjustment for 2014/15 £	Restated accounts to 31 March 2015 £
<b>Statement of Comprehensive Income</b>			
Turnover	1,528,440	1,446,602	2,975,042
Operating expenditure	(1,302,898)	(161,067)	(1,463,965)
Gain on disposal of property, plant and equipment	-	-	-
Interest Receivable	3,861	-	3,861
Interest and financing costs	(110,439)	(12,000)	(122,439)
Downward revaluation of fixed assets	119,463	(1,258,535)	(1,139,072)
Actuarial loss in respect of pension schemes	-	(25,000)	(25,000)
	-----	-----	-----
<b>Surplus/(deficit) for the year</b>	<b>238,427</b>	<b>(10,000)</b>	<b>228,427</b>

	Reserves at 31 March 2014 £	Cumulative prior year adjustment to 31 March 2014 £	Restated reserves at 31 March 2014 £
<b>Reserves</b>			
Share Capital	56	-	56
Income and expenditure reserve	1,678,260	4,166,067	5,844,327
Revaluation reserve	4,515,067	(4,515,067)	-
	-----	-----	-----
<b>Total reserves</b>	<b>6,193,383</b>	<b>(349,000)</b>	<b>5,844,383</b>
	=====	=====	=====

	Reserves at 31 March 2015 £	Cumulative prior year adjustment to 31 March 2015 £	Restated reserves at 31 March 2015 £
<b>Reserves</b>			
Share Capital	55	-	55
Income and expenditure reserve	1,797,224	4,275,530	6,072,754
Revaluation reserve	4,634,530	(4,634,530)	-
	-----	-----	-----
<b>Total reserves</b>	<b>6,431,809</b>	<b>(359,000)</b>	<b>6,072,809</b>
	=====	=====	=====