

Hillhead Housing Association 2000 Limited

Report and Financial Statements

For the year ended 31st March 2014

Registered Housing Association No.HCB 326

FCA Reference No. 2562R(S)

Scottish Charity No. SC029908

HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

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HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

**MANAGEMENT COMMITTEE, EXECUTIVES AND ADVISERS
YEAR ENDED 31st MARCH 2014**

MANAGEMENT COMMITTEE

James Shovlin	Chairperson
Clare Taylor	Vice Chairperson
Jacqui Peltier	Treasurer
Irene Cowie	Secretary, appointed 11/09/2013
Cllr Stewart MacDonald	
Cllr John Jamieson	
Karen Finlayson	
Eleanor Mulvay	Resigned 29/05/2013
David McCulloch	Appointed 11/09/2013, resigned 07/10/2013
Agnes MacLean	Appointed 11/09/2013, resigned 05/02/2014
Gina Black	Resigned 11/09/2013
Andrew McKinstry	Resigned 02/04/2014

EXECUTIVE OFFICERS

Stephen Macintyre	Director
Elsbeth Sharkey	Housing Manager

REGISTERED OFFICE

60 Highfield Road
Hillhead
Kirkintilloch
Glasgow
G66 2PS

AUDITORS

Alexander Sloan
Chartered Accountants
38 Cadogan Street
Glasgow
G2 7HF

BANKERS

Royal Bank of Scotland
116 Cowgate
Kirkintilloch
G66 1JX

SOLICITORS

Brechin Tindal Oatts
48 St Vincent Street
Glasgow
G2 5HS

FINANCE AGENTS

FMD Financial Service Ltd
Unit 29
KCEDG Commercial Centre
Ladyloan Place
Drumchapel

HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

REPORT OF THE MANAGEMENT COMMITTEE FOR THE YEAR ENDED 31ST MARCH 2014

The Management Committee presents its report and the Financial Statements for the year ended 31st March 2014.

Legal Status

The Association is a registered non-profit making organisation under the Co-operative and Community Benefit Societies Act 2014 . The Association is constituted under its Rule Book. The Association is a registered Scottish Charity with the charity number SC029908.

Principal Activities

The principal activities of the Association are the provision and management of affordable rented accommodation.

Review of Business and Future Developments

Despite operating in a difficult economic environment, the Association continued to press on with its estate wide regeneration plans. During the year to March 2014, the remaining 29 new homes were handed over at our new build phase at Ivanhoe Drive.

Now well established as a local community organisation we believe that we can continue to make real and effective contribution into the regeneration of the estate. We continue to review our long term projections annually and we are pleased to report that the financial outlook for this year's update remains positive over the short/medium and longer term. Accumulated savings achieved over the planned maintenance programme is enabling the Association to part fund a 5th new build housing development as part of our permanent office development. A design team was appointed in November 2013.

Against an improving economic environment but with major welfare reform still to be fully implemented we have successfully maintained our rental income to very high levels with 100.23% of rent due being collected. Despite the introduction of the "Bedroom Tax" which affects 1 in 5 tenants, our rent arrears at the year end has fallen back to 2.47% from a high of 2.96%. The level of rent arrears excluding historic EDC arrears fell from 1.21% at the end of March 2013 to 1.06% at the end of March 2014.

Sustaining people in their tenancies is a key element of ensuring the well being of our community and over the year our service supported over 53 tenants with their tenancy. The Tenancy Support Service continues to be supported by funding from the Scottish Government until March 2015 and we provide this service in partnership with the Mungo Foundation with an Officer based in the Association's Office.

During the year a further 148 homes were improved with investment amounting to £2.4m in new roofs, windows and rendering. A further £165,000 was spent on cyclical works. Preparatory work on our tenth and eleventh phases began in the Spring 2014 with a tendering exercise for external planned works to the last remaining 180 homes.

Our reactive repairs service continues to perform very well and during the year 2044 repairs were carried out which represents a significant reduction of 22% from the previous year. Of these 62% were completed within the target time for completion. Where we have been able to offer a repairs appointment to tenants 97.9% of these were kept. We are now seeing a sustained economic benefit of the investment in planned works with a year on year drop in the cost of the day to day reactive maintenance service.

REPORT OF THE MANAGEMENT COMMITTEE
FOR THE YEAR ENDED 31ST MARCH 2014

Review of Business and Future Developments (Contd)

On average the time taken to respond to all non emergency repairs is 4 days, an improvement from an average of 5 days in the previous year. 100% of our emergency repairs were dealt with within the 2 hour call out period. As well as offering tenants an excellent service the Association is satisfied that the service continues to represent value for money.

Looking ahead our major challenge is managing current and preparing for future impacts of Welfare Reform. We have been successful in attracting additional external funding resources for the recruitment of a second Welfare Rights Officer and which should be completed by the end of August 2014. Complemented by our Money Advice Service we are well placed to be able to offer comprehensive advice and assistance to our tenants.

As we near completion of our major housing regeneration projects our attention is turning focus to the environment of the estate. A successful bid to the Big Lottery's community spaces growing fund is enabling the Association to tackle some derelict back land areas and bring them back into use. Additional investment in the wider environment will continue in the years ahead.

**REPORT OF THE MANAGEMENT COMMITTEE
FOR THE YEAR ENDED 31ST MARCH 2014**

Management Committee and Executive Officers

The members of the Management Committee and the Executive Officers are listed on Page 1.

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

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

Statement of Management Committee's Responsibilities

The Cooperative and Community Benefit Societies Act 2014 requires the Management Committee 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 surplus or deficit of the Association for that period. In preparing those Financial Statements, the Management Committee is required to:-

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

The Management Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to ensure that the Financial Statements comply with the The Cooperative and Community Benefit Societies Act 2014, the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 2012. It 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. It is also responsible for ensuring the Association's suppliers are paid promptly.

The Management Committee must in determining how amounts are presented within items in the income and expenditure account and balance sheet, have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting practices.

In so far as each member of the Management Committee is aware:

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

**REPORT OF THE MANAGEMENT COMMITTEE
FOR THE YEAR ENDED 31ST MARCH 2014**

Statement on Internal Financial Control

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

- the reliability of financial information used within the Association, or for publication;
- the maintenance of proper accounting records;
- the safeguarding of assets against unauthorised use or disposition.

It is the Management Committee's 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 of the Association's systems include ensuring that:

- formal policies and procedures are in place, including the ongoing documentation of key systems and rules relating to the delegation of authority, which allow the monitoring of controls and restrict the unauthorised use of Association's assets;
- experienced and suitably qualified staff take responsibility for important business functions and annual appraisal procedures have been established to maintain standards of performance;
- forecasts and budgets are prepared which allow the management team and the Management Committee to monitor key business risks, financial objectives and the progress being made towards achieving the financial plans set for the year and for the medium term;
- regular financial management reports are prepared promptly, providing relevant, reliable and up to date financial and other information, with significant variances from budget being investigated as appropriate;
- all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through the Management Committee;
- the Management Committee receive reports from management and from the external and internal auditors to provide reasonable assurance that control procedures are in place and are being followed and that a general review of the major risks facing the Association is undertaken;
- formal procedures have been established for instituting appropriate action to correct any weaknesses identified through internal or external audit reports.

Donations

During the year the Association made charitable donations amounting to £nil (2013: £150).

Auditors

A resolution to re-appoint the Auditors, Alexander Sloan, Chartered Accountants, will be proposed at the Annual General Meeting.

By order of the Management Committee



IRENE COWIE
Secretary

03 September 2014

REPORT BY THE AUDITORS TO THE MANAGEMENT COMMITTEE OF
HILLHEAD HOUSING ASSOCIATION 2000 LIMITED
ON CORPORATE GOVERNANCE MATTERS

In addition to our audit of the Financial Statements, we have reviewed your statement on Page 4 concerning the Association's compliance with the information required by the section on Internal Financial Control within SFHA's publication "Raising Standards in Housing".

Basis of Opinion

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

Opinion

In our opinion the Statement on Internal Financial Control on page 5 has provided the disclosures required by the section on Internal Financial Control within SFHA's publication "Raising Standards in Housing" and is consistent with the information which came to our attention as a result of our audit work on the Financial Statements.

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



ALEXANDER SLOAN
Chartered Accountants

GLASGOW
03 September 2014

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
HILLHEAD HOUSING ASSOCIATION 2000 LIMITED**

We have audited the financial statements of Hillhead Housing Association 2000 Limited for the year ended 31st March 2014 which comprise an income and expenditure account, balance sheet, cash flow statement and related notes. 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 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 auditors' 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 Management Committee and Auditors

As explained more fully in the Statement of Management Committee's Responsibilities the Association's Management Committee, are responsible for the preparation of the Financial Statements that 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 on 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 Management Committee; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Management Committee's report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications of our report.

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 31st March 2014 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice: and
- have been properly prepared in accordance with The Co-operative and Community Benefit Societies Act 2014, the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 2012.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
HILLHEAD HOUSING ASSOCIATION 2000 LIMITED**

Matters on which we are required to report by exception

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

- the information given in the Management Committee's Report is inconsistent with the financial statements.
- proper books of account have not been kept by the Association in accordance with the requirements of the legislation.
- a satisfactory system of control over transactions has not been maintained by the Association in accordance with the requirements of the legislation.
- the Income and Expenditure Account to which our report relates, and the Balance Sheet are not in agreement with the books of the Association.
- we have not received all the information and explanations necessary for the purposes of our audit.

We have nothing to report in respect of these matters.



ALEXANDER SLOAN
Chartered Accountants
Statutory Auditors
GLASGOW
03 September 2014

HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2014

	Notes	2014 £	2013 £
TURNOVER	2.	3,095,773	2,668,117
Operating Costs	2.	<u>(3,850,339)</u>	<u>(3,066,308)</u>
OPERATING DEFICIT	9.	(754,566)	(398,191)
Gain On Sale Of Housing Stock	7.	13,225	49,874
Interest Receivable and Other Income		3,584	21,797
Interest Payable and Similar Charges	8.	(583,352)	(414,687)
Other Finance Costs	22.	<u>(3,000)</u>	<u>(2,000)</u>
		<u>(569,543)</u>	<u>(345,016)</u>
DEFICIT FOR THE YEAR		<u>(1,324,109)</u>	<u>(743,207)</u>

All amounts relate to continuing activities.

Historical cost surpluses and deficits are identical to those shown in the accounts.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

		2014 £	2013 £
Surplus for the financial year		(1,324,109)	(743,207)
Actuarial Losses on Defined Benefit Pension Scheme	22.	<u>(10,000)</u>	<u>(17,000)</u>
Total losses recognised since last annual report		<u>(1,334,109)</u>	<u>(760,207)</u>

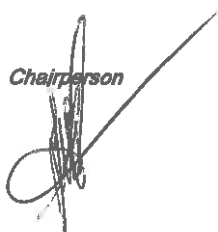
The Notes on Pages 12 to 31 form an integral part of these Financial Statements.

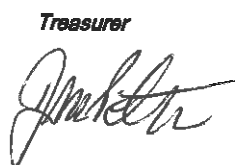
HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

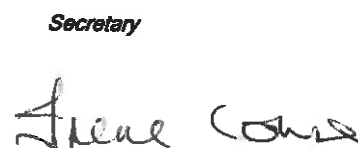
BALANCE SHEET AS AT 31st MARCH 2014

	Notes	£	2014 £	£	2013 £
TANGIBLE FIXED ASSETS					
Housing Properties - Depreciated Cost	11.(a)		25,247,493		24,398,158
Less: Social Housing Grant	11.(a)		(12,040,105)		(11,922,578)
: Other Public Grants	11.(a)		(2,149,194)		(2,052,575)
			<u>11,058,194</u>		<u>10,423,005</u>
Other fixed assets	11.(a) 11.(b)		33,589		42,651
			<u>11,091,783</u>		<u>10,465,656</u>
Debtors	14.	296,434		86,261	
Cash at bank and in hand		390,904		1,738,305	
		<u>687,338</u>		<u>1,824,566</u>	
CREDITORS: Amounts falling due within one year	15.	(1,213,404)		(1,157,398)	
(NET CURRENT LIABILITIES)			<u>(526,066)</u>		<u>667,168</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>10,565,717</u>		<u>11,132,824</u>
CREDITORS: Amounts falling due after more than one year	16.	(10,249,000)		(9,499,000)	
PENSION LIABILITY	22.	(131,000)		(114,000)	
NET ASSETS			<u>185,717</u>		<u>1,519,824</u>
CAPITAL AND RESERVES					
Share Capital	18.		81		79
Revenue Reserves	19.(a)		316,636		1,633,745
Pension Reserve	19.(b)		(131,000)		(114,000)
			<u>185,717</u>		<u>1,519,824</u>

The Financial Statements were approved by the Management Committee and signed on their behalf on 03 September 2014.

Chairperson


Treasurer


Secretary


The Notes on Pages 12 to 31 form an integral part of these Financial Statements.

HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED
31st MARCH 2014

	Notes	£	2014 £	£	2013 £
Net Cash Outflow from Operating Activities	17.		(380,770)		(109,633)
Returns on Investment and Servicing of Finance					
Interest Received		3,584		21,110	
Interest Paid		(583,352)		(414,687)	
Net Cash Outflow from Investment and Servicing of Finance			(579,768)		(393,577)
Capital Expenditure and Financial Investment					
Acquisition and Construction of Properties		(1,265,765)		(5,823,414)	
Purchase of Other Fixed Assets		(16,161)		(38,402)	
Social Housing Grant Received		32,902		675,452	
Other Grants Received		96,619		1,156,033	
Proceeds on Disposal of Properties		15,528		52,571	
Proceeds on Disposal of Other Fixed Assets		-		2,100	
Net Cash Outflow from Capital Expenditure and Financial Investment			(1,136,877)		(3,975,660)
Net Cash Outflow before use of Liquid Resources and Financing			(2,097,415)		(4,478,870)
Financing					
Loan Advances Received		750,000		4,800,000	
Share Capital Issued		14		11	
Net Cash Inflow from Financing			750,014		4,800,011
(Decrease) / Increase in Cash	17.		(1,347,401)		321,141

HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

NOTES TO THE FINANCIAL STATEMENTS

1 PRINCIPAL ACCOUNTING POLICIES

Basis Of Accounting

The Financial Statements have been prepared in accordance with applicable Accounting Standards, the Statement of Recommended Practice - Accounting by Registered Social Landlords 2010, and on the historical cost basis. They also comply with the Determination of Accounting Requirements 2012. A summary of the more important accounting policies is set out below.

Turnover

Turnover represents rental and service charge income receivable, fees receivable and revenue grants receivable. Revenue is recognised on a time basis for rental income and as it is receivable for service charges, fees and revenue grants.

Retirement Benefits

The Association participated in the Scottish Housing Association Defined Benefit Pension Scheme until 30 September 2013. On 1 October 2013 the Association moved to the Scottish Housing Association Defined Contribution Scheme. Retirement benefits to employees of the Association are funded by the 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.

Valuation Of Housing Properties

Housing Properties are stated at cost, less social housing and other public grants and less accumulated depreciation. Housing under construction and Land are not depreciated. The Association depreciates housing properties by major component on a straight line basis over the estimated useful economic lives of each identified component. All components are categorised as Housing Properties within note 11. Impairment reviews are carried out if events or circumstances indicate that the carrying value of the components listed below is higher than the recoverable amount.

<i>Component</i>	<i>Useful Economic Life</i>
Structure	50 years
Central Heating	15 years
Windows	25 years
Kitchen	15 years
Bathroom	20 years
External Doors	25 years
Rewiring	20 years

HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

NOTES TO THE FINANCIAL STATEMENTS (Continued)

1 PRINCIPAL ACCOUNTING POLICIES (Continued.)

Depreciation And Impairment Of Other Fixed Assets

Other Fixed Assets are stated at cost less accumulated depreciation. Depreciation is charged on a straight line basis over the expected economic useful lives of the assets at the following annual rates:-

Office Premises	- 10%
Furniture and Fittings	- 33%
Computer & Office Equipment	- 33%

The carrying value of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Social Housing Grant And Other Grants In Advance/Arrears

Where developments have been financed wholly or partly by Social Housing Grant or other capital grant, the cost of those developments has been reduced by the amount of the grant receivable. The amount of the grants receivable is shown separately on the Balance Sheet.

Social Housing Grant attributed to individual components is written off to the Income and Expenditure Account when these components are replaced.

Social Housing Grant received in respect of revenue expenditure is credited to the Income and Expenditure Account in the same period as the expenditure to which it relates.

Although Social Housing Grant is treated as a grant for accounting purposes, it may nevertheless become repayable in certain circumstances, such as the disposal of certain assets. The amount repayable would be restricted to the net proceeds of sale.

Sales Of Housing Properties

Disposals of housing property under the Right to Buy scheme are treated as a fixed asset disposal and any gain and loss on disposal accounted for in the Income and Expenditure Account.

HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

NOTES TO THE FINANCIAL STATEMENTS (Continued)

1 PRINCIPAL ACCOUNTING POLICIES (Continued.)

Leases/Leased Assets

Costs in respect of operating leases are charged to the Income and Expenditure Account on a straight line basis over the lease term. Assets held under finance leases and hire purchase contracts are capitalised in the Balance Sheet and are depreciated over their useful lives.

Works to Existing Properties

The Association capitalises major repairs expenditure where these works result in an enhancement of economic benefits by increasing the net rental stream over the life of the property.

Capitalisation Of Development Overheads

Directly attributable development administration costs relating to development activities are capitalised in accordance with the Statement of Recommended Practice.

Development Interest

Interest incurred on financing a development is not capitalised.

HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. PARTICULARS OF TURNOVER, COST OF SALES, OPERATING COSTS AND OPERATING SURPLUS

	Notes	2014			2013		
		Turnover £	Operating Costs £	Operating Surplus / (Deficit) £	Turnover £	Operating Costs £	Operating Surplus / (Deficit) £
Social Lettings	3.	2,960,085	3,620,826	(660,741)	2,614,046	2,923,927	(309,881)
Other Activities	4.	135,688	229,513	(93,825)	54,071	142,381	(88,310)
Total		3,095,773	3,850,339	(754,566)	2,668,117	3,066,308	(398,191)

3. PARTICULARS OF INCOME & EXPENDITURE FROM SOCIAL LETTINGS

	General Needs Housing £	Supported Housing £	Shared ownership £	2014 Total £	2013 Total £
Income from Lettings					
Rent Receivable Net of Identifiable Service Charges	2,989,911	-	-	2,989,911	2,599,001
Service Charges Receivable	-	-	-	-	20,252
Gross Rents Receivable	2,989,911	-	-	2,989,911	2,619,253
Less: Rent losses from voids	53,415	-	-	53,415	28,007
Net Rents Receivable	2,936,496	-	-	2,936,496	2,591,246
Revenue Grants from Scottish Ministers	23,589	-	-	23,589	22,800
Total Income From Social Letting	2,960,085	-	-	2,960,085	2,614,046
Expenditure on Social Letting Activities					
Service Costs	19,200	-	-	19,200	20,252
Management and maintenance administration costs	882,482	-	-	882,482	840,541
Reactive Maintenance	299,231	-	-	299,231	270,324
Bad Debts - Rents and Service Charges	21,256	-	-	21,256	10,013
Planned and Cyclical Maintenance, including Major Repairs	1,986,908	-	-	1,986,908	1,515,841
Depreciation of Social Housing	411,749	-	-	411,749	266,956
Operating Costs of Social Letting	3,620,826	-	-	3,620,826	2,923,927
Operating Surplus on Social Letting Activities	(660,741)	-	-	(660,741)	(309,881)
2013					(309,881)

HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS OR DEFICIT FROM OTHER ACTIVITIES

	Grants From Scottish Ministers	Other Revenue Grants	Supporting People Income	Other Income	Total Turnover	Operating Costs Bad Debts	Operating Costs Other	Operating Surplus /(Deficit) 2014	Operating Surplus /(Deficit) 2013
	£	£	£	£	£	£	£	£	£
Wider Role Activities	50,615	71,635	-	3,721	125,971	-	165,239	(39,268)	(46,790)
Welfare Rights	-	-	-	8,400	8,400	-	64,274	(55,874)	(37,180)
Rechargeable Repairs	-	-	-	1,317	1,317	-	-	1,317	(4,340)
Total From Other Activities	50,615	71,635	-	13,438	135,688	-	229,513	(93,825)	(88,310)
2013	12,150	20,000	-	21,921	54,071	4,535	137,846	(88,310)	

HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. OFFICERS' EMOLUMENTS

The Officers are defined in s74 of the Co-operative and Community Benefit Societies Act 2014 as the members of the Management Committee, managers or servants of the Association.	2014	2013
	£	£
No Officer of the Association received emoluments greater than £60,000.		
Emoluments payable to Chief Executive (excluding pension contributions)	<u>56,484</u>	<u>55,021</u>

6. EMPLOYEE INFORMATION

	2014	2013
	No.	No.
The average monthly number of full time equivalent persons employed during the year was	<u>19</u>	<u>18</u>
Staff Costs were:	£	£
Wages and Salaries	543,754	494,757
Social Security Costs	48,440	39,116
Other Pension Costs	85,195	87,605
	<u>677,389</u>	<u>621,478</u>

HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. GAIN ON SALE OF HOUSING STOCK

	2014	2013
	£	£
Sales Proceeds	15,528	52,571
Cost of Sales	<u>2,303</u>	<u>2,697</u>
Gain On Sale Of Housing Stock	<u>13,225</u>	<u>49,874</u>

8. INTEREST PAYABLE

	2014	2013
	£	£
On Bank Loans & Overdrafts	<u>583,352</u>	<u>414,687</u>

Interest incurred in the development period of housing properties which has been written off to the income and expenditure account amounted to £0 (2013 £0).

9. DEFICIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2014	2013
	£	£
Deficit on Ordinary Activities before Taxation is stated after charging:-		
Depreciation - Tangible Owned Fixed Assets	436,972	285,449
Auditors' Remuneration - Audit Services (incl. VAT)	7,194	8,000
Operating Lease Rentals - Other	4,109	2,747
Gain on sale of other fixed assets	<u>-</u>	<u>(2,100)</u>

10. TAX ON DEFICIT ON ORDINARY ACTIVITIES

The Association is a Registered Scottish Charity and is not liable to United Kingdom Corporation Tax on its charitable activities.

HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11. TANGIBLE FIXED ASSETS

a) Housing Properties	Housing Properties Held for Letting £	Housing Properties In course of Construction £	Total £
COST			
As at 1st April 2013	17,968,414	7,181,089	25,149,503
Additions	760,203	505,562	1,265,765
Disposals	(5,666)	-	(5,666)
Schemes Completed	7,609,854	(7,609,854)	-
As at 31st March 2014	<u>26,332,805</u>	<u>76,797</u>	<u>26,409,602</u>
DEPRECIATION			
As at 1st April 2013	751,345	-	751,345
Charge for Year	411,749	-	411,749
Disposals	(985)	-	(985)
As at 31st March 2014	<u>1,162,109</u>	<u>-</u>	<u>1,162,109</u>
SOCIAL HOUSING GRANT			
As at 1st April 2013	8,782,053	3,140,525	11,922,578
Additions	43,108	76,797	119,905
Disposals	(2,378)	-	(2,378)
Schemes Completed	3,140,525	(3,140,525)	-
As at 31st March 2014	<u>11,963,308</u>	<u>76,797</u>	<u>12,040,105</u>
OTHER CAPITAL GRANTS			
As at 1st April 2013	452,743	1,599,832	2,052,575
Additions	-	96,619	96,619
Disposals	-	-	-
Schemes Completed	1,696,451	(1,696,451)	-
As at 31st March 2014	<u>2,149,194</u>	<u>-</u>	<u>2,149,194</u>
NET BOOK VALUE			
As at 31st March 2014	<u>11,058,194</u>	<u>-</u>	<u>11,058,194</u>
As at 31st March 2013	<u>7,982,273</u>	<u>2,440,732</u>	<u>10,423,005</u>

Additions to housing properties includes capitalised development administration costs of £nil (2013 - £nil) and capitalised major repair costs to existing properties of £652,942 (2013 £1,629,390)

All land and housing properties are freehold.

HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11. TANGIBLE FIXED ASSETS (Continued)

b) Other Tangible Assets

	Van £	Office Premises £	Furniture & Equipment £	Total £
COST				
As at 1st April 2013	27,394	270,523	165,480	463,397
Additions	-	-	16,161	16,161
Eliminated on Disposals	-	-	(1,253)	(1,253)
As at 31st March 2014	<u>27,394</u>	<u>270,523</u>	<u>180,388</u>	<u>478,305</u>
GRANTS RECEIVED				
As at 1st April 2013	13,534	215,794	20,919	250,247
As at 31st March 2014	<u>13,534</u>	<u>215,794</u>	<u>20,919</u>	<u>250,247</u>
AGGREGATE DEPRECIATION				
As at 1st April 2013	4,620	36,436	129,443	170,499
Charge for year	4,620	5,476	15,127	25,223
Eliminated on disposal	-	-	(1,253)	(1,253)
As at 31st March 2014	<u>9,240</u>	<u>41,912</u>	<u>143,317</u>	<u>194,469</u>
NET BOOK VALUE				
As at 31st March 2014	<u>4,620</u>	<u>12,817</u>	<u>16,152</u>	<u>33,589</u>
As at 31st March 2013	<u>9,240</u>	<u>18,293</u>	<u>15,118</u>	<u>42,651</u>

12. CAPITAL COMMITMENTS

	2014 £	2013 £
Capital Expenditure that has been contracted for but has not been provided for in the Financial Statements	<u>290,936</u>	<u>2,614,913</u>

The above commitments will be financed by a mixture of public grant, private finance and the Association's own resources.

13. COMMITMENTS UNDER OPERATING LEASES

At the year end, the annual commitments under operating leases were as follows:-	2014 £	2013 £
Other		
Expiring within one year	335	1,003
Expiring between two and five years	<u>3,726</u>	<u>1,138</u>

HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14. DEBTORS

	2014	2013
	£	£
Arrears of Rent & Service Charges	117,937	90,684
Less: Provision for Doubtful Debts	(70,216)	(52,309)
	<u>47,721</u>	<u>38,375</u>
Social Housing Grant Receivable	87,003	-
Other Debtors	161,710	47,886
	<u>296,434</u>	<u>86,261</u>

15. CREDITORS: Amounts falling due within one year

	2014	2013
	£	£
Trade Creditors	572,516	547,383
Rent in Advance	79,217	68,129
Other Creditors	561,671	541,886
	<u>1,213,404</u>	<u>1,157,398</u>

At the balance sheet date there were pension contributions outstanding of £10,629 (2013 £29,068)

16. CREDITORS: Amounts falling due after more than one year

	2014	2013
	£	£
Housing Loans	9,569,000	8,819,000
Loan Payable to Scottish Government*	680,000	680,000
	<u>10,249,000</u>	<u>9,499,000</u>

*This represents an amount due to the Scottish Government which is repayable in two equal tranches in 2024 and 2034. There is no interest payable on this sum.

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

In five years or more	9,569,000	8,819,000
	<u>9,569,000</u>	<u>8,819,000</u>
Less: Amount shown in Current Liabilities	-	-
	<u>9,569,000</u>	<u>8,819,000</u>

HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. CASH FLOW STATEMENT

<i>Reconciliation of operating deficit to net cash outflow from operating activities</i>	2014 £	2013 £
Operating Deficit	(754,566)	(398,191)
Depreciation	436,972	285,449
Change in Debtors	(123,170)	19,013
Change in Creditors	56,006	(16,789)
Gain on sale of other fixed assets	-	(2,100)
Share Capital Written Off	(12)	(15)
Defined Benefit Pension Contributions Paid (Strathclyde Pension Fund)	(7,000)	(11,000)
Service cost on defined benefit scheme (Strathclyde Pension Fund)	11,000	14,000
Net Cash Outflow from Operating Activities	(380,770)	(109,633)

<i>Reconciliation of net cash flow to movement in net debt</i>	2014 £	£	2013 £	£
(Decrease) / Increase in Cash	(1,347,401)		321,141	
Cash flow from change in debt	(750,000)		(4,800,000)	
Movement in net debt during year	(2,097,401)		(4,478,859)	
Net debt at 1st April 2013		(7,080,695)		(2,601,836)
Net debt at 31st March 2014	(9,178,096)		(7,080,695)	

<i>Analysis of changes in net debt</i>	At 01.04.13 £	Cash Flows £	Other Changes £	At 31.03.14 £
Cash at bank and in hand	1,738,305	(1,347,401)		390,904
	1,738,305	(1,347,401)		390,904
Debt: Due within one year	-	-		-
Due after more than one year	(8,819,000)	(750,000)		(9,569,000)
Net Debt	(7,080,695)	(2,097,401)	-	(9,178,096)

HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

NOTES TO THE FINANCIAL STATEMENTS (Continued)

18. SHARE CAPITAL

Shares of £1 each Issued and Fully Paid	£
At 1st April 2013	79
Issued in year	14
Cancelled in year	<u>(12)</u>
At 31st March 2014	<u>81</u>

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.

19. RESERVES

(a) Revenue Reserves	Total
	£
At 1st April 2013	1,633,745
Deficit for the year	(1,324,109)
Transfer (to) / from Pension Reserves	<u>7,000</u>
At 31st March 2014	<u>316,636</u>
(b) Pension Reserves	Total
	£
At 1st April 2013	(114,000)
Actuarial Loss in the Year	(10,000)
Transfer (to) / from Revenue Reserves	<u>(7,000)</u>
At 31st March 2014	<u>(131,000)</u>

20. HOUSING STOCK

The number of units of accommodation in management at the year end was:-	2014	2013
	No.	No.
General Needs - New Build	176	147
- Rehabilitation	<u>634</u>	<u>634</u>
	<u>810</u>	<u>781</u>

21. RELATED PARTY TRANSACTIONS

Members of the Management Committee are related parties of the Association as defined by Financial Reporting Standard 8.

The related party relationships of the members of the Management Committee is summarised as follows:

- 3 members are tenants of the Association
- 1 member is a private tenant
- 1 member is an owner occupier
- 2 members are relevant local councillors
- 1 member is an employee of a relevant local authority

Those members that are tenants of the Association have tenancies that are on the Association's normal tenancy terms and they cannot use their positions to their advantage.

Governing Body Members cannot use their position to their advantage. Any transactions between the Association and any entity with which a Governing Body Member has a connection with is made at arm's length and is under normal commercial terms.

HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

NOTES TO THE FINANCIAL STATEMENTS (Continued)

22. RETIREMENT BENEFIT OBLIGATIONS

General

Hillhead Housing Association 2000 Limited participates in the Scottish Housing Association 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 six benefit structures to employers, namely:

- Final salary with a 1/60th accrual rate.
- Career average revalued earnings with a 1/60th accrual rate
- Career average revalued earnings with a 1/70th accrual rate
- Career average revalued earnings with a 1/80th accrual rate
- Career average revalued earnings with a 1/120th accrual rate, contracted in
- Defined Contribution

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.

Hillhead Housing Association 2000 Limited has elected to operate the Final Salary with a 1/70th accrual rate benefit structure for active members as at 31 March 2011 and the career averaged revalued earnings with a 1/70th accrual rate benefit structure for new entrants from 1 April 2012.

In July 2013 Hillhead Housing Association Limited gave the Pension's Trustee notice of its intention to close the Scottish Housing Association's Pension Scheme final salary benefit option to new members and existing members from 30 September 2013. From 01 October 2013 the Association has elected to operate the Defined Contribution Scheme for both existing members and for new entrants.

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 actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market values. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

From the start of the accounting period until 30 September 2013, Hillhead Housing Association 2000 Limited paid contributions at the rate of 7.4% of pensionable salaries. Member contributions were 7.5%. From 01 October 2013, employer contributions were paid at the rate of 6.45% and member contributions were between 3% and 6%.

As at the balance sheet date there were 14 active members of the Scheme employed by Hillhead Housing Association 2000 Limited. The annual pensionable payroll in respect of these members was £407,128. Hillhead Housing Association 2000 Limited continues to offer membership of the Scheme to its employees.

HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

NOTES TO THE FINANCIAL STATEMENTS (Continued)

22. RETIREMENT BENEFIT OBLIGATIONS (Continued)

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

The last formal valuation of the Scheme was performed as at 30th September 2012 by a professionally qualified actuary using the Projected Unit Credit method. The market value of the Scheme's assets at the valuation date was £394m. The valuation revealed a shortfall of assets compared with the value of liabilities of £304m (equivalent to a past service funding level of 56.4%).

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the Scheme as at 30th September 2013. 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 £470 million and indicated a decrease in the shortfall of assets compared to liabilities to approximately £272 million, equivalent to a past service funding level of 63%.

Financial Assumptions

The key financial assumptions underlying the valuation as at 30th September 2012 were as follows:

	% p.a.
- Investment return pre-retirement	5.3
- Investment return post-retirement - non pensioners	3.4
- Investment return post-retirement - pensioners	3.4
- Rate of Salary increases	4.1
- Rate of price inflation:	
RPI	2.6
CPI	2.0

The valuation was carried out using the SAPS (S1PA) All pensioners Year of Birth Long Cohort with 1% p.a. minimum improvement for non-pensioners and pensioners.

HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

NOTES TO THE FINANCIAL STATEMENTS (Continued)

22. RETIREMENT BENEFIT OBLIGATIONS (Continued)

Valuation Results

The long-term joint contribution rates required from employers and members to meet the cost of future benefit accrual were assessed as:

<i>Benefit Structure</i>	<i>Long-term joint contribution rate (% of pensionable salaries)</i>
Final salary - 60ths	24.6
Career average 60ths	22.4
Career average 70ths	19.2
Career average 80ths	16.9
Career average 120ths	11.4

If an actuarial valuation reveals a shortfall of assets compared to liabilities the Trustee must prepare a recovery plan setting out the steps to be taken to make up the shortfall.

The Trustees have recently supplied Hillhead Housing Association 2000 Limited with an updated contribution figure to the past service deficit. From 1 April 2014 Hillhead Housing Association 2000 Limited will be required to pay £39,145 per annum as a contribution to the past service deficit. This will represent an decrease of 19% in Hillhead Housing Association 2000 Limited's contribution to the past service deficit. The deficit contribution will increase each April by 3%.

As a result of Pension Scheme legislation there is a potential debt of £1,185,364 on the employer that could be levied by the Trustee of the Scheme. The debt is due in the event of the employer ceasing to participate in the Scheme or the Scheme winding up.

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

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

HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

NOTES TO THE FINANCIAL STATEMENTS (Continued)

22. RETIREMENT BENEFIT OBLIGATIONS

Defined Benefit Scheme

The Association operates a defined benefit scheme as an admitted body under the Strathclyde Pension Fund, the assets of which are held in a separate trustee administered fund.

The administering authority has responsibility for the management of the Fund. As most of the Fund's investments are equity based, there is an inherent risk of volatility in the investment market having a significant effect on the value of the fund's assets. In order to mitigate this risk, the Fund holds a diverse investment portfolio with a range of investment managers.

At the balance sheet date, there was 1 active member of the scheme employed by the Association. Total pension contributions made by the Association for the year were £7000. This includes of outstanding contributions at the balance sheet date. Gross pensionable salaries for the year were £35,375

The following figures are prepared by the Actuaries in accordance with their understanding of Financial Reporting Standard 17 - 'Retirement Benefits' (FRS 17) and Guidance Note 36: Accounting for Retirement Benefits under Financial Reporting Standard 17 issued by the Institute and Faculty of Actuaries.

Principal Actuarial Assumptions

Assumptions as at	2014 %p.a.	2013 %p.a.	2012 %p.a.
Price increases	2.6	2.8	2.5
Salary increases	4.9	5.1	4.8
Pension increases	6.0	5.2	5.8
Discount rate	4.1	4.5	4.8

Expected Return on Assets

The expected return on assets is based on the long-term future expected investment return for

Asset Class	2014 % p.a.	2013 % p.a.
Equities	6.6	5.7
Bonds	3.7	3.4
Property	4.8	3.9
Cash	3.7	3.0

Mortality Rates

Life expectancy is based on the PFA92 and PMA92 tables, with mortality improvements projected

	Males (Years)	Females (Years)
Current Pensioners	21.0	23.4
Future Pensioners	23.3	25.3

HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

NOTES TO THE FINANCIAL STATEMENTS (Continued)

22. RETIREMENT BENEFIT OBLIGATIONS

Fair value of scheme assets by category

	2014	2013
	£'000	£'000
Equities	264	247
Bonds	42	45
Property	24	23
Cash	17	10
	<u>347</u>	<u>325</u>

Net Pension Liability

	2014	2013
	£'000	£'000
Fair value of employer's assets	347	325
Present value of scheme liabilities	(478)	(439)
	<u>(131)</u>	<u>(114)</u>

Reconciliation of fair value of employer assets

	2014	2013
	£'000	£'000
Opening fair value of employer assets	325	271
Expected Return on Assets	17	16
Contributions by Members	2	4
Contributions by the Employer	7	11
Actuarial Gains / (Losses)	5	25
Estimated Benefits Paid	(9)	(2)
Closing fair value of employer assets	<u>347</u>	<u>325</u>

Reconciliation of defined benefit obligations

	2014	2013
	£'000	£'000
Opening defined benefit obligation	439	363
Current Service Cost	11	14
Interest Cost	20	18
Contributions by members	2	4
Actuarial Gains	15	42
Estimated Benefits Paid	(9)	(2)
Closing defined benefit obligation	<u>478</u>	<u>439</u>

HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

NOTES TO THE FINANCIAL STATEMENTS (Continued)

22. RETIREMENT BENEFIT OBLIGATIONS

Analysis of amount charged to the Income and Expenditure Account

	2014 £'000	2013 £'000
Charged to operating costs:		
Service cost	11	14
	<u>11</u>	<u>14</u>
Charged to Other Finance Costs / (Income)		
Expected Return on employer assets	(17)	(16)
Interest on pension scheme liabilities	20	18
	<u>3</u>	<u>2</u>
Net Charge to the Income and Expenditure Account	14	16
Actual Return on Plan Assets	<u>22</u>	<u>41</u>

Amounts for the current and previous accounting periods:

	2014 £'000	2013 £'000	2012 £'000	2011 £'000	2010 £'000
Fair value of employer assets	347	325	271	264	231
Present value of defined benefit obligations	(478)	(439)	(363)	(360)	(400)
Deficit	(131)	(114)	(92)	(96)	(169)
Experience (losses) on assets	5	25	(26)	1	50
Experience gains on liabilities	-	-	34	-	-

Actuarial Gain / (Loss) recognised in the Statement of Recognised Gains and Losses

	2014 £'000	2013 £'000	2012 £'000	2011 £'000	2010 £'000
Actuarial gain/(loss) recognised in year	(10)	(17)	9	48	(84)
Cumulative actuarial gains	(86)	(76)	(59)	(68)	(116)

HILLHEAD HOUSING ASSOCIATION 2000 LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2014

NOTES TO THE FINANCIAL STATEMENTS (Continued)

22. RETIREMENT BENEFIT OBLIGATIONS

Analysis of projected amount to be charged to the Income & Expenditure Account for the year

	£'000	% of pay
Projected current service cost	10	32%
Interest on obligation	20	63%
Expected return on plan assets	(21)	-66%
	<u>9</u>	<u>29%</u>

Contributions made by the Association for the year ended 31 March 2015 are estimated to be approximately £6,000.