

LINSTONE HOUSING ASSOCIATION LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2011

Registered Housing Association No. HEP 299

FSA Registration No. 2524R (S)

Scottish Charity No. SCO 27454

BAKER TILLY UK AUDIT LLP
Chartered Accountants

Glasgow

LINSTONE HOUSING ASSOCIATION LIMITED

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Registration Particulars:

Financial Services Authority	Industrial and Provident Societies Act 1965 Registered Number 2524R(S)
Scottish Housing Regulator	Housing Associations Act 1985 Registered Number HEP 299
Scottish Charities	Charities and Trustee (Scotland) Investment Act 2005 Scottish Charity Number SCO 27454

LINSTONE HOUSING ASSOCIATION LIMITED
MANAGEMENT COMMITTEE, EXECUTIVES AND ADVISERS
YEAR ENDED 31st MARCH 2011

MANAGEMENT COMMITTEE

IAIN WILSON	Chair to 8/6/11
NANETTE REID	Vice-Chair to 21/6/11 / Chair from 21/6/11
ELIZABETH ARNOTT	Secretary to 21/6/11 / Vice Chair from 21/6/11
JAMES CARMICHAEL	
TONI CASSIDY	
COUNCILLOR AUDREY DOIG	(Corporate Representative of Renfrewshire Council)
ANDREW DRENNAN	Resigned 21/9/10
RICHARD HEARD	Resigned 28/6/10
IAN JOHNSTONE	
JANE JOHNSTONE	Secretary from 21/6/11
JEAN McQUARRIE	
WILLIAM DUNCAN	
BRIAN McCOOL	Resigned 21/3/10
JAMIE IRVINE (co-optee from September 2009)	

EXECUTIVE OFFICERS

ADELE FRASER	Chief Executive
JACQUI BAXTER – resigned 17/9/10	Director of Housing Services
DAVID ADAM	Director of Housing & Property Services
GARY DALZIEL	Director of Finance & Corporate Services

REGISTERED OFFICE

32 BURNBRAE AVENUE
LINWOOD
RENFREWSHIRE PA3 3DD

AUDITORS

BAKER TILLY UK AUDIT LLP
BRECKENRIDGE HOUSE
274 SAUCHIEHALL STREET
GLASGOW G2 3EH

BANKERS

BANK OF SCOTLAND CORPORATE
SPECIALIST BANKING – RM (NOT FOR PROFIT)
PENTLAND HOUSE
2nd FLOOR
8 LOCHSIDE AVENUE
EDINBURGH PARK
SOUTH GYLE
EDINBURGH EH12 9DJ

SOLICITORS

HBJ GATELEY WAREING
EXCHANGE TOWER
19 CANNING STREET
EDINBURGH EH3 8EH

LINSTONE HOUSING ASSOCIATION LIMITED

REPORT OF THE MANAGEMENT COMMITTEE

FOR THE YEAR ENDED 31st MARCH 2011

The Management Committee presents its Report and the Financial Statements for the year ended 31st March 2011.

Principal Activities

The Association is a registered charity and the principal activity of the Association is the provision of good quality, affordable rented accommodation for those in housing need.

Review of Business and Future Developments

The Association has now completed its twelfth year of business.

The rent increase for the year was set at 2%. This rental income has enabled us to continue with our ongoing programme of improvements. Our main expenditure this year has been on major repairs / improvements including renewing bathrooms and kitchens, central heating boiler renewal and lift renewal totalling £682,039. In addition we also carried out cyclical maintenance on our properties totalling £449,375 including paintwork, gas servicing and landscaping works. Linstone's financial outlay for reactive repairs was in the region of £800,000 for the year.

Our main focus during 2010/11 was the development of a new staff structure and delivering on the objectives contained within the Business Plan. The main objectives of the staff restructure was to improve customer service to our tenants and residents, maximise the association's income and achieve better joined up working between the departments. We developed a new structure with these key areas in mind and this was implemented from April 2011.

Our work on Wider Role projects continues to benefit the communities we work in. In the last year we have provided a range of projects, including Welfare Rights Advice, Tenancy Support, Energy Advice, youth work and Twilight Basketball. We also work with other locally based housing Associations on delivering these projects.

Throughout 2010/11 the Association continued to negotiate with Tesco regarding our existing office accommodation. The intention is that we will move to a new purpose built site in the redeveloped town centre and we are hopeful that work in this area may progress during 2012.

The Association continues to make inroads to reducing our current rent arrears with a further 5% reduction over the year. In this challenging climate of financial recession this is an extremely positive outcome.

We place great importance on communicating with our tenants and residents and continued to hold a variety of events and meetings to involve our tenants and owners in the services we provide. At the end of March 2011 we held a very successful Tenant's Conference which provided opportunities for our tenants to contribute their views to the services we provide.

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.

Related Party Transactions

Management Committee members who served during the year and who were tenants are as follows: -

NANETTE REID

Their tenancies are on the Association's normal tenancy terms and they cannot use their positions to their advantage. Jean McQuarrie's husband is a tenant. Further details of related party transactions are disclosed in note 22 of the financial statements.

LINSTONE HOUSING ASSOCIATION LIMITED

REPORT OF THE MANAGEMENT COMMITTEE (Contd.)

FOR THE YEAR ENDED 31st MARCH 2011

Credit Payment Policy

The Association's policy concerning the payment of its trade creditors complies with the Confederation of British Industry guidelines. The average payment period is thirty days.

Maintenance policies

The Association seeks to maintain its properties to the highest standard. To this end, programmes of cyclical repairs are carried out in the medium term, to deal with the gradual and predictable deterioration of building components. It is expected that the cost of all these repairs would be charged to the Income and Expenditure account.

In addition, the Association has a long-term programme of major repairs to cover for works which have become necessary since the original development was completed, including works required by subsequent legislative changes. This includes replacement or repairs to features of the properties, which have come to the end of their economic lives. The cost of these repairs would be charged to the Income and Expenditure account, unless it was agreed they could be capitalised within the terms outlined in the SORP.

Treasury Management

The Association has an active treasury management function, which operates in accordance with the Treasury Policy approved by the Management Committee. In this way, the Association manages its borrowing arrangements to ensure that it is always in a position to meet its financial obligations as they fall due, whilst minimising excess cash and liquid resources held. The Association, as a matter of policy, does not enter into transactions of a speculative nature.

Employee Involvement and Health & Safety

The Association encourages employee involvement in all major initiatives and maintaining Health & Safety standards in all areas.

Quality and Integrity of Personnel

The integrity and competence of personnel are ensured through high recruitment standards and subsequent training courses. High quality personnel are seen as an essential part of the control environment and the ethical standards expected are communicated through the Directors.

Budgetary Process

Each year the Management Committee approves the annual budget and rolling three-year strategic plan. Key risk areas are identified. Performance is monitored and relevant action taken throughout the year, through quarterly reporting to the Committee of variances from budget, updated forecasts for the year, together with information on the key risk areas and progress against our business objectives. Approval procedures are in place in respect of major areas of risk such as major contract tenders, expenditure and treasury management.

LINSTONE HOUSING ASSOCIATION LIMITED

REPORT OF THE MANAGEMENT COMMITTEE (Contd.)

FOR THE YEAR ENDED 31st MARCH 2011

Rental income

The Association's Rent Policy is based on the principles of comparability, affordability and the organisation's long term financial viability. When reviewing rents annually, the committee considers these three principles and also the obligations of the Association in relation to its sale and purchase agreement with the former Scottish Homes.

Disabled employees

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. In the event of employees becoming disabled, every effort is made to retrain them in order that their employment with the Association may continue. It is the policy of the Association that training, career development and promotion opportunities should be available to all employees.

Home Ownership

We sold 2 properties under right to buy in the year, thereby allowing some tenants to achieve their aspiration of becoming home owners.

Future developments

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

Going Concern

The Committee of Management has reviewed the results for this year and has also reviewed the projections for the next five years. It, therefore, has a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis has been adopted in these financial statements.

Auditors

Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

On behalf of the Management Committee

Secretary: Jane Johnstone



Date: 29/11

LINSTONE HOUSING ASSOCIATION LIMITED

STATEMENT OF MANAGEMENT COMMITTEE'S RESPONSIBILITIES

FOR THE YEAR ENDED 31st MARCH 2011

Statute 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 judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- prepare the Financial Statements on the going concern basis, unless it is inappropriate to presume that the Association will continue in business.

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 Industrial and Provident Societies Act 1965 to 2002, the Housing (Scotland) Act 2001 and the Registered Social Landlords (Accounting Requirements) (Scotland) Order 2007. They are 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.

As far as the Management Committee members are aware, there is no relevant audit information of which the auditors are unaware and the Management Committee members have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to ensure that the auditors are aware of any such information.

The Management Committee confirms that the Financial Statements comply with the above requirements.

By order of the Management Committee

Jane Johnstone

Date: 31/3/11


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LINSTONE HOUSING ASSOCIATION LIMITED

MANAGEMENT COMMITTEE'S STATEMENT ON INTERNAL FINANCIAL CONTROL

FOR THE YEAR ENDED 31st MARCH 2011

Internal Financial Control

The Management Committee exercises overall responsibility for the Association's system of internal financial control and the Audit/Finance Sub-Committee, on behalf of the Management Committee, is responsible for its effectiveness. This system, like any other, can only provide reasonable but not absolute, assurance against material mis-statement or loss. Under the Association's operational structure, the key elements relating to the Association's system include:-

- formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the Association's assets.
- experienced and suitably qualified staff take responsibility for important business functions; annual appraisal procedures have been established to maintain standards of performance.
- forecasts and budgets are prepared regularly which allow the Management Committee and staff 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.
- all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures from the Committee members.
- the Committee reviews reports from the Chief Executive, Directorate, staff and from the external and internal 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.
- formal procedures have been established for instituting appropriate action to correct weaknesses identified from the above reports.

The Committee of Management review reports from the director, staff and from the external and internal 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. There was no formal review by the internal auditor undertaken during 2010/11, although other reports were presented to Committee.

The Management Committee have reviewed the effectiveness of the system of internal financial control in existence in the Association for the year ended 31 March 2011 and until the below date. No weaknesses were found in internal financial controls, which resulted in material losses, contingencies, or uncertainties, which require disclosure in the financial statements or in the auditors' report on the financial statements.

These arrangements are considered appropriate to the scale and range of the Association's activities and comply with the requirements contained in the Scottish Housing Regulator's guidance and the SFHA's publication "Raising Standards in Housing".

By order of the Management Committee

Jane Johnstone

Date: 31/3/11



LINSTONE HOUSING ASSOCIATION LIMITED
REPORT BY THE AUDITORS TO THE MANAGEMENT COMMITTEE
ON CORPORATE GOVERNANCE MATTERS

Corporate Governance

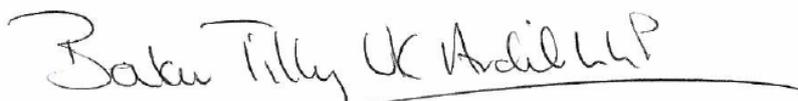
In addition to our audit of the financial statements, we have reviewed the Management Committee's statement on page 6 concerning the Association's compliance with the information required by the section on Internal Financial Control within SFHA's publication "Raising Standards in Housing".

Basis of Opinion

We carried out our review having regard to the Bulletin 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 6 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.



Baker Tilly UK Audit LLP
Registered Auditors
Chartered Accountants
GLASGOW

Date: 20/09/14

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

We have audited the financial statements of Linstone Housing Association Limited for the year ended 31 March 2011 on pages 9 to 30. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Association's members as a body, in accordance with section 9 of the Friendly and Industrial and Provident Societies Act 1968. 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 Committee and auditor

As explained more fully in the Committee's Responsibilities Statement set out on page 8, the Committee are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

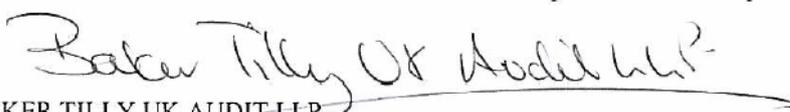
In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2011 and of its income and expenditure for the year then ended; and
- have been prepared in accordance with the requirements of the Industrial and Provident Societies Acts 1965 to 2002, Schedule 7 of the Housing (Scotland) Act 2001 and the Registered Social Landlords Accounting Requirements (Scotland) Order 2007.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Industrial and Provident Societies Acts 1965 to 2002 requires us to report to you if, in our opinion:

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


BAKER TILLY UK AUDIT LLP
Statutory Auditor
Breckenridge House
274 Sauchiehall Street
GLASGOW
G2 3EH
Date: 28/09/11

LINSTONE HOUSING ASSOCIATION LIMITED

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31st MARCH 2011

	Notes	2011 £	2010 £
TURNOVER	2	5,530,039	5,398,142
Operating costs	2	<u>(4,370,702)</u>	<u>(4,525,651)</u>
Operating surplus		1,159,337	872,491
Gain on sale of housing accommodation	6	9,059	57,883
Interest receivable		5,748	9,985
Interest payable	7	(378,030)	(388,025)
Other finance income/(costs)	19	<u>1,000</u>	<u>(11,000)</u>
Surplus on Ordinary Activities		<u><u>797,114</u></u>	<u><u>541,334</u></u>

All amounts relate to continuing activities.

Statement of Total Recognised Deficits and Surpluses for the Year Ended 31 March 2011

	Notes	2011 £	2010 £
Surplus for the year		797,114	541,334
Actuarial gain on pension scheme	19	<u>94,000</u>	<u>(216,000)</u>
Total surplus recognised since the last annual report		<u><u>891,114</u></u>	<u><u>325,334</u></u>

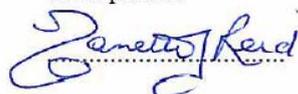
LINSTONE HOUSING ASSOCIATION LIMITED

BALANCE SHEET

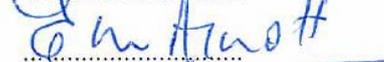
AS AT 31st MARCH 2011

	Notes	£	2011 £	£	2010 £
TANGIBLE FIXED ASSETS					
Housing Properties - Cost less Depreciation	9a)		17,761,346		18,108,512
Less: Social Housing Grant	9a)		<u>(4,532,439)</u>		<u>(4,532,439)</u>
			13,228,907		13,576,073
Other Fixed Assets	9b)		<u>97,121</u>		<u>144,732</u>
			13,326,028		13,720,805
CURRENT ASSETS					
Debtors	10	583,756		586,480	
Cash at Bank and in Hand		<u>3,030,758</u>		<u>2,173,560</u>	
		3,614,514		2,760,040	
CREDITORS - Amounts falling due within one year	11		<u>(1,132,989)</u>	<u>(830,160)</u>	
NET CURRENT ASSETS			<u>2,481,525</u>		<u>1,929,880</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			15,807,553		15,650,685
CREDITORS - Amounts falling due after more than one year	12		(13,367,478)		(13,881,715)
Pension Liability	19		<u>(130,000)</u>		<u>(350,000)</u>
NET ASSETS			<u>2,310,075</u>		<u>1,418,970</u>
CAPITAL AND RESERVES					
Called up Share Capital	13		181		190
Designated Reserves	14		1,000,000		1,000,000
Revenue Reserves	14		<u>1,309,894</u>		<u>418,780</u>
			<u>2,310,075</u>		<u>1,418,970</u>

The Financial Statements were approved by the Management Committee on and authorised for issue by:-

Chairperson


Secretary


Committee member


LINSTONE HOUSING ASSOCIATION LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31st MARCH 2011

	Notes	£	2011 £	£	2010 £
Net Cash Inflow from Operating Activities	15a		1,698,091		993,495
Returns on Investments and Servicing of Finance					
Interest Received		5,748		9,985	
Interest Paid		<u>(378,030)</u>		<u>(388,025)</u>	
Net Cash (Outflow) from Returns on Investments and Servicing of Finance			(372,282)		(378,040)
Capital Expenditure and Financial Investment					
Purchase of Other Fixed Assets		-		(11,101)	
Proceeds on Disposal of Properties		<u>25,390</u>		<u>82,378</u>	
Net Cash Inflow from Capital Expenditure			25,390		71,277
Net Cash Inflow before use of Liquid Resources and Financing			1,351,199		686,732
Financing					
Share Capital Issued/ Cancelled		9		4	
Loan Capital Repaid		<u>(494,010)</u>		<u>(486,030)</u>	
			(494,010)		(486,026)
Increase/(Decrease) in Cash	15b		<u><u>857,198</u></u>		<u><u>200,706</u></u>

LINSTONE HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH 2011

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 2008, and on the historical cost basis. They also comply with the Registered Social Landlords Accounting Requirements (Scotland) Order 2007. The Association is registered under the Industrial and Provident Societies Act 1965 with the Financial Services Authority. 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.

Pension Costs

The Association participates in the SHPS Defined Benefits Pension Scheme and the Local Government Superannuation Scheme and 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.

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

The Association has fully adopted accounting standard FRS17 'Retirement Benefits' for the Local Government Superannuation Scheme. The impact of this standard has been reflected throughout the financial statements.

The Local Government Pension Scheme (LGPS). This is a defined benefit scheme which is externally funded and contracted out of the State Earnings Related Pension Scheme. The contributions are determined by qualified actuaries on the basis of periodic valuations using the projected unit method.

For defined benefit schemes the amount charged to the profit and loss account in respect of pension costs and other post retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost. The interest cost and expected return on assets are included within other finance costs.

Defined benefit schemes are funded, with the assets held separately from the company in separate trustee administered funds. Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at each balance sheet date. The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency. A pension scheme asset is recognised on the balance sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the balance sheet date. A pension scheme liability is recognised to the extent that the company has a legal or constructive obligation to settle the liability.

LINSTONE HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH 2011

1. PRINCIPAL ACCOUNTING POLICIES (Contd.)

Valuation of Housing Properties

Housing Properties are stated at cost, less accumulated depreciation. Depreciation is charged on a straight line basis over the expected economic useful lives of the properties at an annual rate of 2%. No depreciation is charged on the cost of land.

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

Depreciation 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:-

Property Improvements	-	2.00%
Leasehold Office Improvements	-	6.67%
Door Entry Systems	-	6.25%
I T Equipment	-	20.00%
Furniture and Office Equipment	-	10.00%

Improvements

Improvements are capitalised where these result in an enhancement of the economic benefits of the property. Such enhancement can occur if the improvements result in:-

- an increase in rental income, or
- a material reduction in future maintenance costs, or
- a significant extension to the life of the property.

Works to existing properties, which fail to meet the above criteria, are charged to the Income and Expenditure account.

Sales of Housing Properties

Surpluses and deficits on the sale of housing properties are accounted for in the Income and Expenditure account in the year of disposal.

Apportionment of Management Expenses

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

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.

LINSTONE HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

FOR THE YEAR ENDED 31st MARCH 2011

1. PRINCIPAL ACCOUNTING POLICIES (Contd.)

Social Housing Grant and Other Grants

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 grant receivable. The amount of the grants receivable is shown separately on the Balance Sheet.

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.

Capitalisation of Development Overheads

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

Designated Reserves

The Association has set up a Designated Reserve in order to earmark a certain proportion of any surplus as being reserved for future repairs and refurbishment work on its properties. Transfers to and from the reserve are made at the discretion of the Management Committee.

Value Added Tax

The Association is registered for VAT but as the vast majority of the Association's income is exempt, expenditure is shown inclusive of VAT.

LINSTONE HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED 31st MARCH 2011

2. Particulars of turnover, operating costs and operating surplus or deficit

		2011			2010		
	Note	Turnover £	Operating Costs £	Operating Surplus/ (Deficit) £	Turnover £	Operating Costs £	Operating Surplus/ £
Social Lettings							
Housing Accommodation		4,773,046	3,765,284	1,007,762	4,489,581	3,906,224	583,357
Warden Services & Very Supported Housing		521,237	402,551	118,686	687,458	463,961	223,497
	3a	5,294,283	4,167,835	1,126,448	5,177,039	4,370,185	806,854
Other Activities							
Owner Occupier Recharges & Other Income	3b	235,756	202,867	32,889	221,103	155,466	65,637
TOTAL		5,530,039	4,370,702	1,159,337	5,398,142	4,525,651	872,491

LINSTONE HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED 31st MARCH 2011

3. Particulars of turnover, operating costs and operating surplus from social letting activities

	General Needs Accommo- dation £	Supported Housing £	2011 Total £	2010 Total £
Income from Lettings				
Rent Receivable net of Service Charges	4,776,864	341,501	5,118,365	5,023,263
Service Charges	23,660	191,791	215,451	199,667
Gross income from rents and service charges	4,800,524	533,292	5,333,816	5,222,930
Less voids	84,508	12,055	96,563	84,069
Net income from rents and service charges	4,716,016	521,237	5,237,253	5,138,861
Grants from the Scottish Ministers	57,030	-	57,030	-
Other revenue grants	-	-	-	38,178
Total turnover from social letting activities	4,773,046	521,237	5,294,283	5,177,039
Expenditure on Letting Activities				
Management and maintenance administration costs	1,464,860	109,161	1,574,021	1,507,465
Service costs	80,015	121,432	201,447	236,875
Planned and cyclical maintenance including major repairs costs	1,116,270	76,644	1,192,914	1,340,893
Reactive maintenance costs	717,518	68,769	786,287	842,392
Bad Debts – rents and service charges	77,040	5,289	82,329	109,851
Depreciation of social housing	309,581	21,256	330,837	332,709
Impairment of social housing	-	-	-	-
Operating costs for social letting activities	3,765,284	402,551	4,292,835	4,370,185
Operating surplus or deficit for social lettings	1,007,760	118,686	1,126,448	806,854
Operating surplus or deficit for social lettings for the previous period	583,359	223,497	806,854	

The amount of service charges receivable on housing accommodation not eligible for Housing Benefit was £nil (2010 - £nil).

The total amount of major repairs expenditure incurred in the year was £1,192,914 (2010 - £1,340,893). No major repairs were capitalised in the year (2010 - £nil).

LINSTONE HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED 31st MARCH 2011

3b Particulars of turnover, operating costs and operating surplus or deficit from other activities

	<i>Grants from Scottish Ministers</i>	<i>Other revenue grants</i>	<i>Supporting people income</i>	<i>Other income</i>	<i>Total Turnover</i>	<i>Operating costs – bad debts</i>	<i>Other operating costs</i>	<i>Operating surplus (deficit)</i>	<i>or</i>	<i>Operating surplus or (deficit) for previous period of account</i>
	£	£	£	£	£	£	£	£		£
Wider action/wider role	-	125,519	-	-	125,519	-	133,269	(7,750)		(10,934)
Care and repair of property	-	-	-	-	-	-	-	-		-
Factoring	-	-	-	77,020	77,020	-	34,268	42,752		50,445
Development and construction of property activities	-	-	-	-	-	-	-	-		-
Support activities	-	-	33,217	-	33,217	-	35,330	(2,113)		8,162
Care activities	-	-	-	-	-	-	-	-		-
Agency/management services for registered social landlords	-	-	-	-	-	-	-	-		-
Other agency/management services	-	-	-	-	-	-	-	-		-
Developments for sale to registered social landlords	-	-	-	-	-	-	-	-		-
Developments and improvements for sale to non registered social landlords	-	-	-	-	-	-	-	-		-
Other activities	-	-	-	-	-	-	-	-		17,964
Total from other activities	-	125,519	33,217	77,020	235,756	-	202,867	32,889		65,637
2010	-	73,610	43,062	104,431	221,103	-	155,466	65,637		

LINSTONE HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED 31st MARCH 2011

4. DIRECTORS' EMOLUMENTS

The Directors are defined as the members of the Management Committee, the Chief Executive of the Association and any other person reporting directly to the Chief Executive or the Management Committee whose total emoluments exceed £60,000 per year. No emoluments were paid to any member of the Management Committee during the year.

The Chief Executive is an ordinary member of the Association's pension scheme described in Note 19. No enhanced or special terms apply to membership and she has no other pension arrangements to which the Association contributes. The Association's pension contributions for the Chief Executive in the year amounted to £8,259 (2010 - £7,475). The Chief Executive's salary for the period from 1st April 2010 to 31st March 2011 was £62,691.

There were no Directors, (2010: nil) who received emoluments (including pension contributions) over £60,000.

5. EMPLOYEE INFORMATION

	2011	2010
	No	No
The average full time number of persons employed during the year was	<u>41</u>	<u>38</u>
	£	£
Wages and Salaries	1,150,250	1,008,690
Social Security Costs	88,308	83,525
Other Pension Costs	<u>118,474</u>	<u>110,950</u>
	<u>1,232,032</u>	<u>1,203,165</u>

6. GAIN ON SALE OF HOUSING ACCOMMODATION

	£	£
Net Proceeds from the Disposal of Housing Accommodation	25,389	82,378
Less cost of Housing Accommodation Sold	<u>(16,330)</u>	<u>(24,495)</u>
Gain on Sale of Housing Accommodation	<u>9,059</u>	<u>57,883</u>

LINSTONE HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED 31st MARCH 2011

	2011	2010
	£	£
7. INTEREST PAYABLE		
On Bank Loans and Overdrafts	378,030	388,025
	<u>378,030</u>	<u>388,025</u>
8. OPERATING SURPLUS		
Operating Surplus is stated after charging:-		
Depreciation - Tangible Owned Fixed Assets	378,448	375,687
Auditors' Remuneration	9,000	7,000
Operating Lease Rentals	47,610	34,303
- Audit Services	<u>9,000</u>	<u>7,000</u>
- Other Assets	<u>47,610</u>	<u>34,303</u>

LINSTONE HOUSING ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Contd.)
FOR THE YEAR ENDED 31st MARCH 2011

9. **TANGIBLE FIXED ASSETS**
a) **Housing Properties Held For Letting**

	Held for Let £	Door Entry System £	Property Improvements £	Total £
<u>Cost at 1 April 2010</u>				
Additions	19,289,330	124,031	1,490,947	20,904,308
Disposals RTB	(16,330)	-	-	(16,330)
Cost at 31 March 2011	19,273,000	124,031	1,490,947	20,887,978
<u>Social Housing Grant & Other Grants</u>				
At 1 st April 2010	4,457,713	-	74,726	4,532,439
At 31st March 2011	4,457,713	-	74,726	4,532,439
<u>Depreciation</u>				
At 1 st April 2010	2,463,416	92,993	239,386	2,795,796
Charge for year	296,306	6,207	28,324	330,837
At 31st March 2011	2,759,722	99,200	267,710	3,126,632
<u>Net Book Values</u>				
As at 31st March 2011	12,055,565	24,831	1,148,511	13,228,907
As at 31 st March 2010	12,368,200	31,038	1,176,835	13,576,073

None of the Association's land or property is held under a lease.

LINSTONE HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED 31st MARCH 2011

9 b) Other Tangible Assets

	Computer System	Leasehold Improvements	Furniture & Equipment	Totals
Cost				
At 1 April 2010	343,628	269,969	114,709	728,306
Additions in year	-	-	-	-
At 31 March 2011	343,628	269,969	114,709	728,306
Depreciation				
At 1 st April 2010	325,495	193,995	64,084	583,574
Charge for year	18,133	18,007	11,471	47,611
At 31 March 2011	343,627	212,002	75,555	631,185
Net Book Values				
At 31 March 2011	-	57,967	39,154	97,121
At 31 March 2010	18,133	75,974	50,625	144,732

	2011 £	2010 £
10. DEBTORS – Amounts receivable within one year		
Arrears of Rent and Service Charges	308,238	348,696
Less: Provision for Doubtful Debts	(143,303)	(143,304)
	164,935	205,392
Prepayments and Accrued Income	104,604	122,261
Other Debtors	314,217	258,827
	583,756	586,480
11. CREDITORS – Amounts falling due within one year		
Bank Loans (note 12)	388,373	368,146
Trade Creditors	241,907	117,480
Other Taxation and Social Security	30,697	30,215
Other Creditors	47,456	46,353
Accruals and Deferred Income	271,279	115,274
Rent in Advance	153,277	152,692
	1,132,989	830,160

LINSTONE HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED 31st MARCH 2011

	2011 £	2010 £
12. CREDITORS – Amounts falling due after more than one year		
Housing Loans	<u>13,367,478</u>	<u>13,881,715</u>

Housing Loans are secured by specific charges on the Association's housing properties and are repayable partly at a fixed rate of interest and partly by a variable rate. The highest rate of interest paid was 5.455% and the lowest was 0.77%. (The average in 2011 was 3.11%) (2010 highest was 5.455% and lowest was 0.77%). Instalments are due as follows:-

Within one year	388,373	368,146
Between one and two years	409,711	388,373
Between two and five years	1,369,205	1,297,898
In five years or more	<u>11,588,562</u>	<u>12,195,444</u>
	13,755,851	14,249,861
Less: Amount shown in Current Liabilities	<u>(388,373)</u>	<u>(368,146)</u>
	<u>13,367,478</u>	<u>13,881,715</u>

	2011	2010
13. SHARE CAPITAL		
Shares of £1 each Issued and Fully Paid		
At 1 st April	190	195
Issued in year	-	4
Cancelled in year	<u>(9)</u>	<u>(9)</u>
At 31 March	<u>181</u>	<u>190</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.

	2011 £	2010 £
14. RESERVES		
Designated reserve – Repairs and Refurbishment Reserve		
At 1 April	1,000,000	1,000,000
Transfer (to) revenue reserve	-	-
At 31 March	<u>1,000,000</u>	<u>1,000,000</u>
Revenue reserve		
At 1 April	418,780	93,446
Retained surplus/(deficit) for the year	797,114	541,334
Transfer from designated reserve	-	-
Actuarial gain/(loss) recognised	<u>94,000</u>	<u>(216,000)</u>
At 31 March	<u>1,309,894</u>	<u>418,780</u>

Analysed as:

Revenue reserve excluding pension (liability)	1,439,894	768,780
Pension (liability)	<u>(130,000)</u>	<u>(350,000)</u>
	<u>1,309,894</u>	<u>418,780</u>

LINSTONE HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED 31st MARCH 2011

	2011 £	2010 £		
15. CASH FLOW STATEMENT				
a) Reconciliation of Operating Surplus to Net Cash Flow from Operating Activities				
Operating Surplus	1,159,337	872,491		
Non cash movement on pension fund	(125,000)	2,000		
Depreciation	378,448	375,688		
Decrease in Debtors	2,724	138,778		
Increase /(Decrease) in Creditors	282,591	(395,453)		
Cancelled shares	(9)	(9)		
Net Cash Inflow from Operating Activities	1,698,091	993,495		
b) Reconciliation of Net Cash Flow to Movement in Net Debt				
Increase/(Decrease) in Cash in the year	857,198	200,706		
Cash Outflow from financing	494,010	486,030		
Change in Net Debt	1,351,208	686,736		
Net Debt at 1st April 2010	(12,076,298)	(12,763,034)		
Net Debt at 31st March 2011	(10,725,090)	(12,076,298)		
c) Analysis of Changes in Net Debt	At 1 April 2010	Cash Flow	Other Changes	At 31 March 2011
	£	£	£	£
Cash at Bank and in Hand	2,173,563	857,198	-	3,030,758
Debt due within one year	(368,146)	494,010	(514,237)	(388,373)
Debt due after one year	(13,881,715)	-	514,237	(13,367,478)
Total	(12,076,298)	1,351,208	-	(10,725,093)
16. HOUSING STOCK		2011	2010	
The number of units of accommodation in management at the year end was:-				
General Needs		1,471	1,473	
Supported Housing		101	101	
Shared ownership accommodation		-	-	
		1,572	1,574	

LINSTONE HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED 31st MARCH 2011

	2011 £	2010 £
17. CAPITAL COMMITMENTS		
Capital expenditure that has been contracted for but has not been provided for in the Financial Statements	<u>Nil</u>	<u>Nil</u>
18. COMMITMENTS UNDER OPERATING LEASES		
At the year end, the annual commitments under operating leases were as follows:-		
Other		
Expiring within one year	3,472	4,882
Expiring between two and five years	<u>14,642</u>	<u>18,377</u>
	<u>18,114</u>	<u>23,259</u>
Land and Building		
Expiring within one year	-	-
Expiring between two and five years	<u>11,044</u>	<u>11,044</u>
	<u>11,044</u>	<u>11,044</u>

LINSTONE HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED 31st MARCH 2011

19. PENSION OBLIGATIONS

SFHA Pension Scheme

Linstone Limited participates in the SHPS Pension Scheme ('the Scheme'). The Scheme is funded and is contracted-out of the State Pension scheme.

It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to an individual participating employer 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 Trustee commissions an actuarial valuation of the Scheme every three years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required, so that the Scheme can meet its pension obligations as they fall due.

The last formal valuation of the Scheme was performed as at 30 September 2006 by a professionally qualified Actuary using the Projected Unit Credit method. The market value of the Scheme's assets at the valuation date was £268 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £54 million, equivalent to a past service funding level of 83.4%.

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the Scheme as at 30 September 2008. Such a report is required by legislation for years in which a full actuarial valuation is not carried out. The funding update revealed a decrease in the assets of the Scheme to £265 million and indicated an increase in the shortfall of assets compared to liabilities to approximately £149 million, equivalent to a past service funding level of 63.9%.

The current triennial formal valuation of the Scheme, as at 30 September 2009, is being undertaken by a professionally qualified Actuary. The results of the valuation will be available in the Autumn 2010.

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the 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 buy-out 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 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.

LINSTONE HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED 31st MARCH 2011

19. PENSION OBLIGATIONS (Contd)

Linstone Housing Association Limited has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the SHPS Scheme based on the financial position of the Scheme as at 30 September 2009. As of this date the estimated employer debt for Linstone Housing Association Limited was £4,373,652.

The SFPS Scheme is a multi-employer defined benefit scheme. The Scheme offers three 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.

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 given time. An open benefit structure is one which new entrants are able to join.

Linstone Housing Association Limited has elected to continue to operate the final salary with a 1/60th accrual rate benefit structure for active members as at 1 April 2009 and the same benefit structure for any new entrants.

During the accounting period Linstone Housing Association Limited paid contributions at the rate of 13.5% to 15.4% of pensionable salaries. Member contributions were between 6.6% and 7.7%.

As at the balance sheet date there were 24 active members of the Scheme employed by Linstone Housing Association Limited. Linstone Housing Association Limited continues to offer membership of the Scheme to its employees.

The key valuation assumptions used to determine the assets and liabilities of the SHPS Pension Scheme are:

2009 Valuation Assumptions	% p.a.
Investment return pre retirement	7.2
Investment return post retirement	4.9
Rate of salary increases	4.6
Rate of pension increases	
- pension accrued pre 6 April 2005	2.6
-pension accrued from 6 April 2005 (for leavers before 1 October 1993 pension increases are 5.0%)	2.2
Rate of price inflation	2.6

Mortality Tables	
Non-pensioners	PA92C2025 short
Pensioners	PA92C2013 short

Contribution Rates for Future Service	%	2011/12%
Final Salary 1/60ths	17.8	19.2
Career average revalued earnings 1/60ths	14.6	17.1
Career average revalued earnings 1/70ths	12.6	14.9
Additional rate for deficit contributions	5.3	10.4

LINSTONE HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED 31st MARCH 2011

19. PENSION OBLIGATIONS (Contd)

Local Government Pension Scheme

Some of the Association's employees belong to the Strathclyde Pension Fund, which is part of the Local Government Pension Scheme (LGPS), which is a defined benefit scheme which provides benefits based on the final pensionable salary, the assets of which are held in a separate trustee administered fund. The pension costs are assessed with the advice of independent qualified actuaries.

The last full Actuarial valuation was carried out as at 31 March 2011. The following information is based on updated information. This actuarial valuation of the scheme was carried out by independent actuaries at 31 March 2011 using the following assumptions.

Actuarial assumptions	2011	2010
Rate of increase in salaries	5.1%	5.3%
Expected return on assets	6.9%	7.2%
Discount rate	5.5%	5.5%
Inflation assumption	2.8%	3.8%

The amounts recognised in the balance sheet are as follows:

	2011	2010
	£'000	£'000
Present value of funded obligations	1,134	1,307
Fair value of plan assets	1,004	957
Net Liability	(130)	(350)

LINSTONE HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED 31st MARCH 2011

19. PENSION OBLIGATIONS (Contd)

Changes in the present value of the defined benefit obligation are as follows:

Defined Benefit Plans	2011	2010
	£'000	£'000
Operating defined benefit obligation	1,307	839
Service cost	10	5
Member Contributions	2	2
Interest cost	67	57
Actuarial (gains)/ losses	(87)	436
Benefits paid	(37)	(36)
Past service (gains)/costs	(128)	4
Closing defined benefit obligation	1,134	1,307

Changes in the fair value of plan assets are as follows:

Defined Benefit Plans	2011	2010
	£'000	£'000
Opening plan assets	957	718
Expected return	68	46
Actuarial gains	7	220
Contributions by employer	7	7
Member Contributions	2	2
Benefits paid	(37)	(36)
Closing plan assets	1,004	957

LINSTONE HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED 31st MARCH 2011

19. PENSION OBLIGATIONS (Contd)

The amounts recognised in the income and expenditure accounts are as follows:

	2011	2010
	£'000	£'000
Current service cost	10	5
Interest on obligation	67	57
Expected return on plan assets	(68)	(46)
Past service cost/(gain)	(128)	4
Total	(119)	20

Changes in the amounts recognised in the statement of total recognised gains and (losses) are as follows:

	2011	2010
	£'000	£'000
Opening cumulative STRGL	(815)	(599)
Actuarial gains/(losses)	94	(216)
	(721)	(815)

The major categories of plan assets as a percentage of total as a percentage of total plan assets are as follows:

	2011	2010
Equities	77%	77%
Properties	6%	7%
Bonds	13%	13%
Cash	4%	3%
	100%	100%

LINSTONE HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED 31st MARCH 2011

19. PENSION OBLIGATIONS (Contd)

The history of experience gains and losses is as follows:

	2011	2010	2009	2008	2007
Difference between expected and actual return on scheme assets					
Amount £'000	7	220	(275)	(98)	1
Percentage of scheme assets	0%	0.02%	38.3%	10.5%	0.1%
Experience (loss)/gain arising on scheme					
Amount £'000	7	220	(269)	(98)	-
Percentage of scheme liabilities	0%	0.02%	32.1%	11.8%	-%
Total amount of actuarial (loss)/gain					
Amount £'000	94	(216)	(226)	66	66
Percentage of scheme liability	72%	62%	26.9%	7.9%	6.9%

20. SCOTTISH SECURED TENANCY RENTS

	2011	2010
	£	£
Average Scottish secure tenancy rent for housing accommodation	<u>3,188</u>	<u>3,125</u>
Percentage increase from previous year	<u>2.0%</u>	<u>5.2%</u>

21. CONTINGENT LIABILITES

Pensions

Linstone Housing Association has been notified by the Pensions Trust of the estimated employer debt on withdrawal from the Scheme based on the financial position of the Scheme as at 30 September 2009. As of this date the estimated employer debt for Linstone Housing Association was £4,373,652. The Association has no current plans to withdraw from the scheme.

At 31 March 2011 the Association had no other contingent liabilities (2010 -£nil).

22. RELATED PARTIES NOTE

Various members of the committee are tenants of the Association. The terms applicable to them are the same as those applicable to all tenants. Councillor Audrey Doig served on the Management Committee during the year. She is a councillor with Renfrewshire Council. Any transactions with Renfrewshire Council are made at arm's length, on normal commercial terms and the Councillor cannot use her position to her advantage.