

Linstone Housing Association Limited

Report and Financial Statements

For the year ended 31st March 2013

Registered Housing Association No. HEP299

FCA Reference No. 2524R (S)

Scottish Charity No. SCO27454

LINSTONE HOUSING ASSOCIATION LIMITED

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LINSTONE HOUSING ASSOCIATION LIMITED

**MANAGEMENT COMMITTEE, EXECUTIVES AND ADVISERS
YEAR ENDED 31st MARCH 2013**

MANAGEMENT COMMITTEE

Nanette J. Reid	Chairperson
Elizabeth Arnott	Vice-chairperson
James Carmichael	
Toni Cassidy	Secretary
Councillor Stuart Clark	Corporate Representative of Renfrewshire Council
Ian Johnstone	
Lorraine McArthur	Elected September 2012
Jean McQuarrie	
William Duncan	
Jamie Irvine	
Elizabeth McAlpine	
Colin Turnbull	Elected September 2012
Isaac Nwokeabia	Co-opted September 2012
Sandra Inrig	Co-opted September 2012
Jane Johnstone	Deceased

EXECUTIVE OFFICERS

Adele Fraser	Chief Executive
David Adam	Director of Housing & Property Services
Gary Dalziel	Director of Finance & Corporate Services

REGISTERED OFFICE

32 Burnbrae Avenue
Linwood
Renfrewshire
PA3 3DD

AUDITORS

Alexander Sloan
Chartered Accountants
38 Cadogan Street
Glasgow
G2 7HF

BANKERS

Bank of Scotland Corporate Specialist Banking - RM (Not for Profit)
2nd Floor Pentland House
8 Lochside Avenue
Edinburgh Park
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 2013

The Management Committee presents its report and the Financial Statements for the year ended 31st March 2013.

Legal Status

The Association is a registered non-profit making organisation under the Industrial and Provident Societies Act 1965 No.2524R (S). The Association is constituted under its Rule Book. The Association is a registered Scottish Charity with the charity number SCO27454.

Principal Activities

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 fourteenth year of business and implemented our new three year Business Plan at the start of this year with the vision "*Investing in our People, Homes and Communities*"

The rent increase for the year was set at 4.5% which represented -0.9% below the Retail Price Index (RPI) figure at the end of October 2011. Our major expenditure during the year has been on continuing our Kitchen and Bathroom upgrades across our stock with just under £800,000 of our cash resources used in this area.

We have also been continuing to invest significant sums of money in maintaining and improving our homes in other areas and during the last year we secured almost £1million in funding from energy companies to better insulate properties in Paisley and Linwood and the intention is that these works continue into the forthcoming years.

In summer 2012 the Association undertook a significant rebranding exercise developing a new vibrant logo which demonstrated our future ambitions. Allied to this was the implementation of a range of enhanced technology including a new more customer focused website, the introduction of a new text messaging and e-mail service to communicate with our tenants and significant investment in the software and hardware the Association uses.

In winter 2012 the Scottish Housing Regulator carried out an inquiry on a number of aspects of the Association's work. This was a direct response to particular areas of performance where it was currently lower than a number of other Housing Associations across Scotland. This on-site assessment by the Scottish Housing Regulator lasted four days before production of a final report a few months later.

Positively the association continued to show a marked reduction in both the current rent and owner occupier debt with the specialised Income Team and welfare rights staff playing an important role in this area of work. Performance in areas like reactive repairs, factoring, tenant engagement and achievement of the Scottish Housing Quality Standard were also commended.

The report did identify some areas where performance could be stronger most notably in improving the percentage of tenancies sustained for more than one year, our void to re-let timescales and lets to homeless persons. These action points represent some of the key areas of work for the Association in 2013/14.

In April 2012 the Association concluded missives with Tesco for the construction of a new office facility which will be situated in the centre of the new development. The demolition commenced later that year and work is currently ongoing with a planned completion of our new office expected towards the end of 2014.

REPORT OF THE MANAGEMENT COMMITTEE
FOR THE YEAR ENDED 31ST MARCH 2013

Review of Business and Future Developments (Contd.)

One area Linstone Housing Association successfully achieved during the year was offering a range of placement and temporary positions for people often excluded or at the margins of the labour market. During the year we had a Modern Apprentice, a placement from Glasgow Centre from Inclusive Living (GCIL), a graduate trainee and temporary placements into our caretaking service.

A range of new legislation and guidance was produced by the Scottish Government and other bodies which affects how we operate. The introduction of the Property Factors Act (Scotland) which placed various requirements on Linstone Housing Association as factor and estate manager to over 2000 properties required changes to our working practices. The other major change was the introduction of the Scottish Public Services Ombudsman's Model Complaint Handling Procedure. This makes it easier for anyone to raise a complaint while at the same time it allows Linstone Housing Association to understand more about issues that we can make positive changes on.

**REPORT OF THE MANAGEMENT COMMITTEE
FOR THE YEAR ENDED 31ST MARCH 2013**

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 Industrial and Provident Societies Acts 1965 to 2002 require 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 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 Industrial and Provident Societies Acts 1965 to 2002, the Housing (Scotland) Acts 2010 and the Determination of Accounting Requirements 2012. 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. 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 the Management Committee are 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 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 2013

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.

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

TONI CASSIDY
Secretary
03 September 2013



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

In addition to our audit of the Financial Statements, we have reviewed your statement on Page 5 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 2013

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 31st March 2013 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).

The financial statements of the Association for the year ended 31 March 2012 were audited by another Auditor who expressed an unqualified opinion on 23rd August 2012 on those financial statements.

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 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. 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 2013 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Industrial and Provident Societies Acts 1965 to 2002, the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 2012.

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

ALEXANDER SLOAN
Chartered Accountants
Statutory Auditors
GLASGOW
03 September 2013

LINSTONE HOUSING ASSOCIATION LIMITED

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2013

	Notes	£	2013 £	£	2012 £
TURNOVER	2.		5,991,467		5,775,944
Operating Costs	2.		<u>(4,255,264)</u>		<u>(4,381,291)</u>
OPERATING SURPLUS	9.		1,736,203		1,394,653
Gain On Sale Of Housing Stock	7.	26,895		59,189	
Interest Receivable and Other Income		62,749		33,464	
Interest Payable and Similar Charges	8.	(354,890)		(368,948)	
Other Finance (Cost)/Income	25.	<u>(2,000)</u>		<u>5,000</u>	
			<u>(267,246)</u>		<u>(271,295)</u>
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION			1,468,957		1,123,358
Tax on surplus on ordinary activities	10.		-		-
SURPLUS ON ORDINARY ACTIVITIES AFTER TAXATION			<u>1,468,957</u>		<u>1,123,358</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

		2013 £	2012 £
Surplus for the financial year		1,468,957	1,123,358
Prior year adjustment	23.	-	5,082,691
Actuarial loss on pension scheme	25.	(70,000)	(136,000)
Total gains recognised since last annual report		<u>1,398,957</u>	<u>6,070,049</u>

LINSTONE HOUSING ASSOCIATION LIMITED

BALANCE SHEET AS AT 31st MARCH 2013

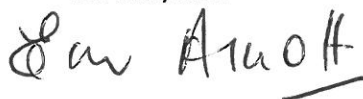
	Notes	£	2013 £	£	Restated 2012 £
TANGIBLE FIXED ASSETS					
Housing Properties - Depreciated Cost	11.(a)		23,032,790		22,834,212
Less: Social Housing Grant	11.(a)		(4,674,022)		(4,532,439)
			<u>18,358,768</u>		<u>18,301,773</u>
Other fixed assets	11.(b)		38,616		68,140
			<u>18,397,384</u>		<u>18,369,913</u>
CURRENT ASSETS					
Debtors	14.	379,049		494,846	
Investments	22.	2,079,362		2,030,382	
Cash at bank and in hand		2,646,532		1,643,179	
			<u>5,104,943</u>	<u>4,168,407</u>	
CREDITORS: Amounts falling due within one year	15.	(1,278,071)		(1,056,217)	
NET CURRENT ASSETS			<u>3,826,872</u>		<u>3,112,190</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>22,224,256</u>		<u>21,482,103</u>
CREDITORS: Amounts falling due after more than one year	16.		(12,125,192)		(12,840,996)
PROVISIONS FOR LIABILITIES AND CHARGES					
Pension Liability	25.	(320,000)		(261,000)	
			<u>(320,000)</u>	<u>(261,000)</u>	<u>(261,000)</u>
NET ASSETS			<u>9,779,064</u>		<u>8,380,107</u>
CAPITAL AND RESERVES					
Share Capital	18.		164		164
Revenue Reserves	19.		9,778,900		8,379,943
			<u>9,779,064</u>		<u>8,380,107</u>

The Financial Statements were approved by the Management Committee and signed on their behalf on 03 September 2013.

Chairperson



Vice-Chairperson



Secretary



LINSTONE HOUSING ASSOCIATION LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED
31st MARCH 2013

	Notes	2013 £	Restated 2012 £
Net Cash Inflow from Operating Activities	17.	2,801,246	2,159,019
Returns on Investment and Servicing of Finance			
Interest Received		62,749	33,464
Interest Paid		(354,890)	(368,948)
Net Cash Outflow from Investment and Servicing of Finance		(292,141)	(335,484)
Capital Expenditure and Financial Investment			
Acquisition and Construction of Properties		(1,041,217)	(758,720)
Purchase of Other Fixed Assets		-	(552)
Social Housing Grant Received		141,583	-
Proceeds on Disposal of Properties		35,060	83,684
Net Cash Outflow from Capital Expenditure and Financial Investment		(864,574)	(675,588)
Net Cash Inflow before use of Liquid Resources and Financing		1,644,531	1,147,947
Management of Liquid Resources			
Change in short term deposits with banks		(48,980)	-
Financing			
Loan Principal Repayments		(592,202)	(505,144)
Share Capital Issued		4	-
Net Cash Outflow from Financing		(592,198)	(505,144)
Increase in Cash	17.	<u>1,003,353</u>	<u>642,803</u>

LINSTONE HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2013

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.

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>
Land	Not depreciated
Structure	50 years
Kitchen	15 years
Bathroom	25 years
Central Heating	20 years
Windows	35 years
Door Entry System	16 years
Lifts	40 years

LINSTONE HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2013

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. Only capital expenditure with a value greater than £20,000 is capitalised. Depreciation is charged on a straight line basis over the expected economic useful lives of the assets at the following annual rates:-

Leasehold Office Improvements	- 6.67%
Computer Equipment	- 20.00%
Furniture and Office Equipment	- 10.00%

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

First tranche Shared Ownership disposals are credited to turnover on completion. The cost of construction of these sales is taken to operating cost. In accordance with the Statement of Recommended Practice, disposals of subsequent tranches are treated as fixed asset disposals with the gain or loss on disposal shown in the Income and Expenditure Account.

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.

Disposals under shared equity schemes are accounted for in the Income and Expenditure Account. The remaining equity in the property is treated as a fixed asset investment, which is matched with the grant received.

LINSTONE HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2013

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.

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 capitalised up to the date of practical completion of the scheme.

Retirement Benefits

Scottish Housing Association Defined Benefits Pension Scheme

The Association participates in the Scottish Housing Association Defined Benefits Pension 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 Association has fully adopted accounting standard FRS 17 'Retirement Benefits' for the Local Government Superannuation Scheme. The impact of this standard has been reflected throughout the financial statements.

Strathclyde Pension Fund Defined Benefits Pension Scheme

The Strathclyde Pension Fund 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 basis of periodic valuations using the projected unit method.

For defined benefit schemes the amount charged to the income and expenditure 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 Association 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 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 trustees have agreed a refund from the scheme at the balance sheet date. A pension scheme liability is recognised to the extent that the Association has a legal or constructive obligation to settle the liability.

LINSTONE HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2013

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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

	Notes	2013			2012		
		Turnover £	Operating Costs £	Operating Surplus / (Deficit) £	Turnover £	Operating Costs £	Operating Surplus / (Deficit) £
Social Lettings	3.	5,735,532	4,089,524	1,646,008	5,549,431	4,157,804	1,391,627
Other Activities	4.	255,935	165,740	90,195	226,513	223,487	3,026
Total		5,991,467	4,255,264	1,736,203	5,775,944	4,381,291	1,394,653

3. PARTICULARS OF INCOME & EXPENDITURE FROM SOCIAL LETTINGS

	General			2013 Total £	2012 Total £
	Needs Housing £	Supported Housing £	Shared ownership £		
Income from Lettings					
Rent Receivable Net of Identifiable Service Charges	5,247,648	374,088	-	5,621,736	5,373,324
Service Charges Receivable	22,337	213,435	-	235,772	231,872
Gross Rents Receivable	5,269,985	587,523	-	5,857,508	5,605,196
Less: Rent losses from voids	150,499	10,965	-	161,464	107,077
Net Rents Receivable	5,119,486	576,558	-	5,696,044	5,498,119
Revenue Grants from Scottish Ministers	39,488	-	-	39,488	51,312
Total Income From Social Letting	5,158,974	576,558	-	5,735,532	5,549,431
Expenditure on Social Letting Activities					
Service Costs	24,231	231,530	-	255,761	236,743
Management and maintenance administration costs	1,668,457	119,255	-	1,787,712	1,626,351
Reactive Maintenance	715,499	51,006	-	766,505	727,894
Bad Debts - Rents and Service Charges	51,907	3,700	-	55,607	58,835
Planned and Cyclical Maintenance, including Major Repairs	367,970	21,495	-	389,465	772,096
Depreciation of Social Housing	778,945	55,529	-	834,474	735,885
Operating Costs of Social Letting	3,607,009	482,515	-	4,089,524	4,157,804
Operating Surplus on Social Letting Activities	1,551,965	94,043	-	1,646,008	1,391,627
2012		1,294,587	97,040	-	

LINSTONE HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2013

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) 2013 £	Operating Surplus /(Deficit) 2012 £
Wider Role Activities	-	-	-	59,114	59,114	-	95,242	(36,128)	(25,262)
Factoring	-	-	-	90,856	90,856	18,488	18,527	53,841	20,630
Support Activities	-	-	30,965	-	30,965	-	33,483	(2,518)	-
Care Activities	-	-	-	-	-	-	-	-	7,632
Other Income	-	-	-	75,000	75,000	-	-	75,000	-
Other Activities	-	-	-	-	-	-	-	-	26
Total From Other Activities	-	-	30,965	224,970	255,935	18,488	147,252	90,195	3,026
2012	-	103,165	35,801	87,547	226,513	26,552	196,935	3,026	

LINSTONE HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2013

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. OFFICERS' EMOLUMENTS

The Officers are defined in s74 of the Industrial and Provident Societies Act 1965 as the members of the Management Committee, managers or servants of the Association.

	2013	2012
	£	£
Aggregate Emoluments payable to Officers with Emoluments greater than £60,000 (excluding Pension Contributions)	<u>65,918</u>	<u>64,911</u>
Pension contributions made on behalf on Officers with emoluments greater than £60,000	<u>5,623</u>	<u>5,486</u>
Emoluments payable to Chief Executive (excluding pension contributions)	<u>65,918</u>	<u>64,911</u>

The number of Officers, including the highest paid Officer, who received emoluments (excluding pension contributions) over £60,000 was in the following ranges:-

	Number	Number
£60,001 to £70,000	1	1

6. EMPLOYEE INFORMATION

	2013	2012
	No.	No.
The average monthly number of full time equivalent persons employed during the year was	<u>43</u>	<u>41</u>
The average total number of Employees employed during the year was	<u>46</u>	<u>44</u>
Staff Costs were:	£	£
Wages and Salaries	1,209,417	1,133,179
Social Security Costs	100,468	93,087
Other Pension Costs	177,493	154,740
Temporary, Agency and Seconded Staff	32,324	-
	<u>1,519,702</u>	<u>1,381,006</u>

LINSTONE HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2013

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. GAIN ON SALE OF HOUSING STOCK

	2013	2012
	£	£
Sales Proceeds	35,060	83,684
Cost of Sales	<u>8,165</u>	<u>24,495</u>
Gain On Sale Of Housing Stock	<u>26,895</u>	<u>59,189</u>

8. INTEREST PAYABLE

	2013	2012
	£	£
On Bank Loans & Overdrafts	<u>354,890</u>	<u>368,948</u>

9. SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION

	2013	2012
	£	£
Surplus on Ordinary Activities before Taxation is stated after charging:-		
Depreciation - Tangible Owned Fixed Assets	863,998	789,913
Auditors' Remuneration - Audit Services	9,000	9,000
Operating Lease Rentals - Land & Buildings	11,400	11,400
Operating Lease Rentals - Other	<u>1,307</u>	<u>14,975</u>

10. TAX ON SURPLUS ON ORDINARY ACTIVITIES

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

LINSTONE HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2013

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11. TANGIBLE FIXED ASSETS

a) Housing Properties	Housing Properties Held for Letting £	Total £
COST		
As at 1st April 2012	29,674,143	29,674,143
Additions	1,041,217	1,041,217
Disposals	(142,991)	(142,991)
As at 31st March 2013	<u>30,572,369</u>	<u>30,572,369</u>
DEPRECIATION		
As at 1st April 2012	6,839,931	6,839,931
Charge for Year	834,474	834,474
Disposals	(134,826)	(134,826)
As at 31st March 2013	<u>7,539,579</u>	<u>7,539,579</u>
SOCIAL HOUSING GRANT		
As at 1st April 2012	4,532,439	4,532,439
Additions	141,583	141,583
As at 31st March 2013	<u>4,674,022</u>	<u>4,674,022</u>
NET BOOK VALUE		
As at 31st March 2013	<u>18,358,768</u>	<u>18,358,768</u>
As at 31st March 2012	<u>18,301,773</u>	<u>18,301,773</u>

Additions to housing properties includes capitalised development administration costs of £nil (2012 - £nil) and capitalised major repair costs to existing properties of £1,041,217 (2012: £750,555)

All land and housing properties are freehold.

LINSTONE HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2013

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11. TANGIBLE FIXED ASSETS (Continued)

b) Other Tangible Assets	Leasehold Improvements £	Office Computers £	Furniture & Equipment £	Total £
COST				
As at 1st April 2012	269,969	343,628	115,261	728,858
As at 31st March 2013	269,969	343,628	115,261	728,858
AGGREGATE DEPRECIATION				
As at 1st April 2012	230,009	343,628	87,081	660,718
Charge for year	17,998	-	11,526	29,524
As at 31st March 2013	248,007	343,628	98,607	690,242
NET BOOK VALUE				
As at 31st March 2013	21,962	-	16,654	38,616
As at 31st March 2012	39,960	-	28,180	68,140

12. CAPITAL COMMITMENTS

The Association has entered into a legal contract, dated 5 April 2012, to purchase new office premises which are currently being developed by a third party. The agreed price is £500,000 and shall fall due for payment upon the sectional completion of the part of development to be purchased by the Association.

13. COMMITMENTS UNDER OPERATING LEASES

At the year end, the annual commitments under operating leases were as follows:-	2013 £	2012 £
Land and Buildings		
Expiring between two and five years	-	11,400
Other		
Expiring within one year	1,307	-
Expiring between two and five years	-	1,307

LINSTONE HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2013

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14. DEBTORS

	2013	2012
	£	£
Arrears of Rent & Service Charges	302,000	331,952
Less: Provision for Doubtful Debts	(143,303)	(143,303)
	<u>158,697</u>	<u>188,649</u>
Other Debtors	220,352	306,197
	<u>379,049</u>	<u>494,846</u>

15. CREDITORS: Amounts falling due within one year

	2013	2012
	£	£
Housing Loans	533,313	409,711
Trade Creditors	431,095	137,597
Rent in Advance	137,439	163,224
Other Taxation and Social Security	33,399	33,177
Other Creditors	108,343	50,754
Accruals and Deferred Income	34,482	261,754
	<u>1,278,071</u>	<u>1,056,217</u>

At the balance sheet date there were pension contributions outstanding of £58,598 (2012: £18,938)

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

	2013	2012
	£	£
Housing Loans	<u>12,125,192</u>	<u>12,840,996</u>
Housing Loans are secured by specific charges on the Association's housing properties and are repayable at varying rates of interest in instalments, due as follows:-		
Within one year	533,313	409,711
Between one and two years	545,695	432,220
Between two and five years	1,717,102	1,444,864
In five years or more	9,862,395	10,963,912
	<u>12,658,505</u>	<u>13,250,707</u>
Less: Amount shown in Current Liabilities	533,313	409,711
	<u>12,125,192</u>	<u>12,840,996</u>

LINSTONE HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2013

NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. CASH FLOW STATEMENT

<i>Reconciliation of operating surplus to net cash inflow from operating activities</i>	2013 £	Restated 2012 £
Operating Surplus	1,736,203	1,394,653
Depreciation	863,998	789,913
Change in Debtors	115,797	72,555
Change in Creditors	98,252	(99,085)
Share Capital Written Off	(4)	(17)
Defined Benefit Pension Contributions Paid (Strathclyde Pension Fund)	(24,000)	(7,000)
Service Cost on Defined Benefit Scheme (Strathclyde Pension Fund)	11,000	8,000
Net Cash Inflow from Operating Activities	<u>2,801,246</u>	<u>2,159,019</u>

<i>Reconciliation of net cash flow to movement in net debt</i>	2013 £	£	2012 £	£
Increase in Cash	1,003,353		642,803	
Cash flow from management of liquid resources	48,980		-	
Cash flow from change in debt	592,202		505,144	
Movement in net debt during year		1,644,535		1,147,947
Net debt at 1st April 2012		(9,577,146)		(10,725,093)
Net debt at 31st March 2013		<u>(7,932,611)</u>		<u>(9,577,146)</u>

<i>Analysis of changes in net debt</i>	At 01.04.12 £	Cash Flows £	Other Changes £	At 31.03.13 £
Cash at bank and in hand	1,643,179	1,003,353		2,646,532
Liquid Resources	1,643,179	1,003,353		2,646,532
Debt: Due within one year	2,030,382	48,980		2,079,362
Due after more than one year	(409,711)	592,202	(715,804)	(533,313)
	(12,840,996)	-	715,804	(12,125,192)
Net Debt	<u>(9,577,146)</u>	<u>1,644,535</u>	<u>-</u>	<u>(7,932,611)</u>

LINSTONE HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2013

NOTES TO THE FINANCIAL STATEMENTS (Continued)

18. SHARE CAPITAL

Shares of £1 each Issued and Fully Paid	£
At 1st April 2012	164
Issued in year	4
Cancelled in year	<u>(4)</u>
At 31st March 2013	<u>164</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

Revenue Reserves	Total
	£
At 1st April 2012	8,379,943
Actuarial loss in the year	(70,000)
Surplus for the year	<u>1,468,957</u>
At 31st March 2013	<u>9,778,900</u>

20. HOUSING STOCK

The number of units of accommodation in management at the year end was:-	2013	2012
	No.	No.
General Needs - New Build	1,467	1,468
Supported Housing	<u>101</u>	<u>101</u>
	<u>1,568</u>	<u>1,569</u>

LINSTONE HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2013

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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 relevant local councillor

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.

22. CURRENT ASSET INVESTMENTS

	2013	2012
	£	£
Short Term Deposits	<u>2,079,362</u>	<u>2,030,382</u>

23. PRIOR YEAR ADJUSTMENT

The Association's investment bank accounts and term deposit accounts have been re-categorised as "investments" within current assets, rather than them being shown within "Cash at bank and in hand" as these accounts have the characteristics of investments rather than working capital. The prior year figures have been adjusted to reflect this change. This is a matter of classification only and does not affect, in any way, the surplus for the year nor the Association's Reserves.

LINSTONE HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2013

NOTES TO THE FINANCIAL STATEMENTS (Continued)

24. RETIREMENT BENEFIT OBLIGATIONS

General

Linstone Housing Association 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 five 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

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.

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

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.

During the accounting period Linstone Housing Association Limited paid contributions at the rate of 9.6% of pensionable salaries. Member contributions were 9.6%.

As at the balance sheet date there were 25 active members of the Scheme employed by Linstone Housing Association Limited. The annual pensionable payroll in respect of these members was £839,519. Linstone Housing Association Limited continues to offer membership of the Scheme to its employees.

It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to individual participating employers 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.

LINSTONE HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2013

NOTES TO THE FINANCIAL STATEMENTS (Continued)

24. RETIREMENT BENEFIT OBLIGATIONS (Continued)

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%).

Financial Assumptions

The 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.

LINSTONE HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2013

NOTES TO THE FINANCIAL STATEMENTS (Continued)

24. 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)</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 Linstone Housing Association Limited with an updated contribution figure to the past service deficit. From 1 April 2014 Linstone Housing Association Limited will be required to pay £86,639 per annum as a contribution to the past service deficit. This will represent an increase of 122% in Linstone Housing Association 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 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.

LINSTONE HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2013

NOTES TO THE FINANCIAL STATEMENTS (Continued)

25. RETIREMENT BENEFIT OBLIGATIONS

Strathclyde Pension Fund 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 2 active members of the scheme employed by the Association. Total pension contributions made by the Association for the year were £24,000. This includes £2,227 of outstanding contributions at the balance sheet date. Gross pensionable salaries for the year were £35,000.

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	2013 %p.a.	2012 %p.a.	2011 %p.a.
Price increases	-	2.8	2.8
Salary increases	5.1	4.8	5.1
Pension increases	2.8	2.5	2.8
Discount rate	4.5	4.8	5.5

The defined benefit obligation is estimated to comprise of the following:

	2013 £'000	2012 £'000
Employee members	429	344
Deferred pensioners	513	411
Pensioners	537	526
	<u>1,479</u>	<u>1,281</u>

Net Pension Liability	2013 £'000	2012 £'000
Fair value of employer's assets	1,159	1,020
Present value of scheme liabilities	<u>(1,479)</u>	<u>(1,281)</u>
	<u>(320)</u>	<u>(261)</u>

LINSTONE HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2013

NOTES TO THE FINANCIAL STATEMENTS (Continued)

25. RETIREMENT BENEFIT OBLIGATIONS

Analysis of amount charged to the Income and Expenditure Account

	2013 £'000	2012 £'000
Charged to operating costs:		
Service cost	11	8
Past service cost	-	-
	<u>11</u>	<u>8</u>
Charged to Other Finance Costs / (Income)		
Expected Return on employer assets	(59)	(68)
Interest on pension scheme liabilities	61	62
	<u>2</u>	<u>(6)</u>
Net Charge to the Income and Expenditure Account	<u>13</u>	<u>2</u>
Actual Return on Plan Assets	<u>151</u>	<u>11</u>

Expected Return on Assets

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period as follows:

Asset Class	2013 % p.a.	2012 % p.a.
Equities	5.7	6.3
Bonds	3.4	3.9
Property	3.9	4.4
Cash	3.0	3.5

Other Assumptions

Mortality Rates

Life expectancy is based on the PFA92 and PMA92 tables, with mortality improvements projected based on members' individual year of birth. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

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

LINSTONE HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2013

NOTES TO THE FINANCIAL STATEMENTS (Continued)

25. RETIREMENT BENEFIT OBLIGATIONS

Employer membership statistics	2013	2012
	(Number)	(Number)
Actives	2	2
Deferreds	4	4
Pensioners	9	9
Fair Value of employer assets	2013	2012
	£'000	£'000
Opening fair value of employer assets	1,020	1,004
Expected Return on Assets	59	68
Contributions by Members	3	2
Contributions by the Employer	24	7
Actuarial Gains / (Losses)	92	(23)
Estimated Benefits Paid	(39)	(38)
	<u>1,159</u>	<u>1,020</u>
Closing fair value of employer assets	1,159	1,020
Fair value of scheme assets by category	2013	2012
	£'000	£'000
Equities	881	786
Bonds	162	112
Property	81	71
Cash	35	51
	<u>1,159</u>	<u>1,020</u>
Reconciliation of defined benefit obligations	2013	2012
	£'000	£'000
Opening defined benefit obligation	1,281	1,134
Current Service Cost	11	8
Interest Cost	61	62
Contributions by members	3	2
Actuarial Gains	162	113
Past service costs	-	-
Estimated Benefits Paid	(39)	(38)
	<u>1,479</u>	<u>1,281</u>

LINSTONE HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2013

NOTES TO THE FINANCIAL STATEMENTS (Continued)

25. 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	14	32.6%
Interest on obligation	66	157.1%
Expected return on plan assets	(60)	-142.9%
Past service costs	-	-
Losses / (Gain) on curtailments and settlements	-	-
	<u>20</u>	<u>46.8%</u>

Contributions made by the Association for the year ended 31 March 2014 are estimated to be approximately £12,000.

Amounts for the current and previous accounting periods:

	2013 £'000	2012 £'000	2011 £'000	2010 £'000	2009 £'000
Fair value of employer assets	1,159	1,020	1,004	957	718
Present value of defined benefit obligations	(1,479)	(1,281)	(1,134)	(1,307)	(839)
Deficit	(320)	(261)	(130)	(350)	(121)
Experience (losses) on assets	92	(23)	7	220	(272)
Experience gains on liabilities	3	(45)	-	-	(3)

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

	2013 £'000	2012 £'000	2011 £'000	2010 £'000	2009 £'000
Actuarial gain/(loss) recognised in year	(70)	(136)	94	(216)	(226)
Cumulative actuarial gains	(385)	(315)	(179)	(273)	(57)