

NORTH VIEW HOUSING ASSOCIATION LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

Registered Housing Association No. HAL269AL

Financial Services Authority No. 2427R(S)

Charity No. SC032963

BAKER TILLY UK AUDIT LLP
Chartered Accountants

Glasgow

NORTH VIEW HOUSING ASSOCIATION LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

Officers and Professional Advisers

Committee of Management

Wilma McCubbin	-	Chairperson
Iris Robertson	-	Vice Chair
Janet Simpson	-	Secretary
Diana Hamilton	-	Treasurer
Josephine Deacon	-	Member
Sandra Robertson	-	Member
Maureen West	-	Member
Mary Scott	-	Member
Christine Devine	-	Co-optee

Principal Bankers

Bank of Scotland plc
82 Main Street
Rutherglen
Glasgow
G73 2HZ

The Royal Bank of Scotland plc
139 St Vincent Street
Glasgow
G2 5JF

Director

Euan Anderson

Registered Office

29a Stravanan Road
Castlemilk
Glasgow
G45 9LY

Auditors

Baker Tilly UK Audit LLP
Breckenridge House
274 Sauchiehall Street
Glasgow
G2 3EH

Solicitors

Brechin Tindal Oatts
48 St Vincent Street
Glasgow
G2 5HS

NORTH VIEW HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

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Registration particulars:

Financial Services Authority	Industrial & Provident Societies Act 1965 Registered Number: 2427R(S)
Scottish Housing Regulator	Housing (Scotland) Act 1985 Registered Number: HAL269AL
Office of Scottish Charity Regulator	Charity and Trustee Investment Act (Scotland) 2005 Scottish Charity Number SC 032963

NORTH VIEW HOUSING ASSOCIATION LIMITED

REPORT OF THE COMMITTEE OF MANAGEMENT

FOR THE YEAR ENDED 31 MARCH 2011

The Committee of Management present their report and audited financial statements for the year ended 31 March 2011.

Principal activity

North View Housing Association manages and maintains residential accommodation, whilst providing a high quality of service that is responsive to the needs of its tenants and residents. The Association provides housing for let at affordable rents.

North View Housing Association is registered with the Financial Services Authority as a Friendly Society, The Office of the Scottish Charities Regulator (OSCR) as a charity and The Scottish Regulator as a Registered Social Landlord.

The table below shows the property we own

Managed Property Numbers	2011	2010
Tenanted Property	677	677
Shared Ownership Properties	2	2
Total	679	679

Financial Review

Before transfers to and from reserves there was an overall surplus of £171,689 (2010: £111,610) at the year end. The total expenditure on major repairs of £473,077 (2010: £293,694) is written off in the year it is incurred and not capitalised.

North View is in a strong financial position with £1,012,410 deposited as cash funds. We continue to have a substantial major repair investment programme with further replacement kitchens, bathrooms and windows due in a substantial proportion of properties over the next few years. Cash surpluses will continue to be made, subject to our planned major repair programme over the next few years.

Surplus for the year

The financial results of North View Housing Association are as follows:-

	2011	2010
Surplus for the year	171,689	111,610
Transfer (to)/from designated reserves – Major repairs	(10,000)	(90,000)
Transfer (to)/from designated reserves – Furniture replacement	(11,479)	(9,845)
Transfer (to)/from designated reserves – Youth	-	(302)
Transfer (to)/from designated reserves – Scottish Homes	(150,138)	-
Retained revenue reserves in current year	132	11,463
Total Capital and Revenue Reserves at year end	700,420	528,681

NORTH VIEW HOUSING ASSOCIATION LIMITED

REPORT OF THE COMMITTEE OF MANAGEMENT

FOR THE YEAR ENDED 31 MARCH 2011

Business Review

The New Supply Shared Equity (NSSE) project completed, on site, in December 2010.

None of the 6 properties had been sold by the end of the year 2010/11, however 3 were reserved with the expectation that all 6 properties will be sold in 2011/12.

This year 3 Board Members attained their Scottish Vocational Qualification in Governance of Scottish Housing Associations. This means that 4 Board Members have attained this qualification with a further expected early in 2011/12.

Our previous Chairperson, Iris Robertson, marked the end of her 5 year term as chair, by being a finalist in the Evening Times Community Champion Awards.

Operational Review

Services

We believe that we provide a high quality service responsive to the needs of our tenants and customers.

87% of tenants are satisfied with the services that North View provide. (Survey 2009)

A new "Texting" service was introduced this year to assist tenants in contacting the Association. Tenants can text the office to report a repair, contact their Housing Officer, or for general enquiries.

91% of tenants are satisfied with our Welfare Rights service.

This is such an important service for our tenants that North View agreed a Partnering deal with the Citizens Advice Bureau (CAB) who now hold a Welfare Rights Surgery in our office every Tuesday. The service was well used with 157 tenants using the service. Of these 22 tenants saw an increase in their income due to the work undertaken on their behalf by CAB. A further 62 tenant's cases are still being progressed by CAB.

Staffing

Through our Investor in People accreditation, we continue to develop and strengthen our ethos and processes towards training and development of our staff. We are committed to this ethos. We hold the view that a well trained staff will be able to do their job better, and therefore deliver a better service to tenants.

This year our Housing Manager, Geraldine Baird MBE, retired after 17½ years service with North View. She will be sadly missed by tenants, committee and staff alike.

Housing Management

North View has a good performance record on the time taken to re-let our properties, however we are never complacent and staff work diligently to ensure that we maximise our rental income, reduce costs and house people in need.

NORTH VIEW HOUSING ASSOCIATION LIMITED

REPORT OF THE COMMITTEE OF MANAGEMENT

FOR THE YEAR ENDED 31 MARCH 2011

Rent loss due to void properties was £6,355 (2010 - £4,662). Although this is a monetary increase over last year, our void rent loss of 0.23% was within our internal target of 'not more than 0.3%'. The average time taken to re-let a property was 10 days (2010 – 9 days). Our target of 8 days was not met due to various factors. During the year 7 properties required extensive repairs which delayed considerably the relet time. There were also 6 deaths of sole tenants which delays the reletting process.

All the factors noted have had a significant impact on our ability to turn around the properties quickly and have also resulted in an increase in void loss.

Current tenant arrears at the year-end represent 3.08% of the total rental income for the year (2010 – 2.14%). Our target of 2.5% was not met despite every effort from the Housing Management team.

Property Maintenance Issues

The Association continues to meet all targets set, for completion of works orders within timescale.

Survey results –

84 % of tenants are satisfied with our Estate Maintenance service.

71% of tenants are satisfied with the repairs carried out by our “in house” trades team.

The Association continues to meet all targets set, for completion of works orders within timescale.

It was again a particularly busy year in Maintenance with the upgrading of the electric central heating system or Gas boilers in 49 homes and the replacement of bathroom suites in 8 properties.

Our “In House” trades’ team replaced kitchen units and worktops in 48 tenants’ homes, and replaced windows in 39 properties.

Finance and IT issues

Our new Financials system which became operational on 1st April 2010 has, as expected, streamlined the workload of the Finance and Maintenance teams in respect of paying Maintenance invoices.

The integration to our Housing Management system has ensured complete recording of invoices received and paid for works orders and has been a great timesaver for the Finance team.

Wider Role

Our Annual Summer Coach Trip for residents, visit to Loudon Castle Theme Park for the under 15 years and Annual Xmas Panto, were very well attended and thoroughly enjoyed by all. We also participated in the Castlemilk Family Day which proved to be a fun packed day with the sun shining brightly.

NORTH VIEW HOUSING ASSOCIATION LIMITED

REPORT OF THE COMMITTEE OF MANAGEMENT

FOR THE YEAR ENDED 31 MARCH 2011

Treasury Management

The Association has an active treasury management function, which operates in accordance with the Treasury Policy approved by the Committee of Management. 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. At 31 March 2011 North View is funding £7.864 (2010 - £8.024m) of development expenditure.

North View, as a matter of policy, does not enter into transactions of a speculative nature. Our loan portfolio gives the Association fixed rate loans at very favourable rates.

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, included 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.

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 (2010: thirty days).

Future Developments

The Association intends to continue with its policy of improving the quality of housing within its area of operation.

Budgetary Process

Each year the Committee of Management approve the annual budget and rolling 5 year strategic plan. Key risk areas are identified. Performance is monitored and relevant action taken throughout the year through quarterly reporting to the Finance Sub Committee of variances from the budget, updated forecasts for the year together with information on the key risk areas. Approval procedures are in place in respect of major areas of risk such as major contract tenders, expenditure and treasury management.

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 Director.

NORTH VIEW HOUSING ASSOCIATION LIMITED

REPORT OF THE COMMITTEE OF MANAGEMENT

FOR THE YEAR ENDED 31 MARCH 2011

General Reserves Policy

The Committee members have reviewed the reserves of North View. This review encompassed the nature of the income and expenditure streams, the need to match variable income with fixed commitments and the nature of the reserves. North View will be applying measures to rebuild the reserve to a position to cover 1 year's total general expenditure.

Sales of housing properties

Properties are disposed of under the appropriate legislation and guidance. All costs, first tranche sales, and grants relating to the share of property sold are removed from the financial statements at the date of sale. Any grants received that cannot be repaid from the proceeds of sale are abated and the grants removed from the financial statements.

Employee Involvement and Health and Safety

North View takes seriously its responsibilities to employees and as a policy, provides employees with information on matters of concern to them. It is also the policy of the Association to consult where practical, employees or their representatives so that their views may be taken into account in making decisions likely to affect their interests.

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.

Committee and Officers' Insurance

North View has purchased and maintains insurance to cover its Committee and officers against liabilities in relation to their duties on behalf of North View, as authorised by the Association's rules.

Home Ownership

In 2003, Communities Scotland with funding from the Scottish Executive, launched a Mortgage to Rent scheme, aimed at helping those under threat of repossession as a result of mortgage arrears. The Association is committed to the scheme, which allows the owner to become a tenant, avoiding the upheaval of removing families from their existing support networks, and the costs of housing homeless families. The Association has not processed any mortgage to rent purchases as yet.

No properties were sold under right to buy in the year 2010/11.

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.

NORTH VIEW HOUSING ASSOCIATION LIMITED

REPORT OF THE COMMITTEE OF MANAGEMENT

FOR THE YEAR ENDED 31 MARCH 2011

Committee of Management

The Members of the Committee of the Association during the year to 31 March 2011 were as follows:

Wilma McCubbin	Chairperson	Sandra Robertson	Member
Iris Robertson	Vice Chairperson	Maureen West	Member
Janet Simpson	Secretary	Mary Scott	Member
Diana Hamilton	Treasurer	Christine Devine	Co optee
Josephine Deacon	Member		

Each member of the Committee of Management holds one fully paid share of £1 in North View. The Director of North View holds no interest in North View's share capital and although not having the legal status of "director" acts as executive within the authority delegated by the Committee.


Director

Euan Anderson

Auditors

Baker Tilly UK Audit LLP has indicated its willingness to continue in office as auditors to the Association.

On behalf of the Committee of Management



Janet Simpson
Secretary

29a Stravanan Road
Castlemilk
Glasgow
G45 9LY

Date: 10th August 2011.....

NORTH VIEW HOUSING ASSOCIATION LIMITED

STATEMENT OF COMMITTEE RESPONSIBILITIES

YEAR ENDED 31 MARCH 2011

The Committee of Management is responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Under the legislation relating to Industrial and Provident Societies the Committee of Management are required 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 of that period. In preparing those financial statements the Committee of Management are required to:

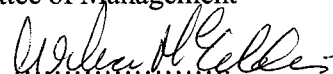
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the RSL SORP;
- make reasonable and prudent judgements and estimates;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

The Committee of Management is also responsible for:

- keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the RSL and 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) 2007;
- safeguarding the Association's assets; and
- taking reasonable steps for the prevention and detection of fraud.

As far as the Committee members are aware there is no relevant audit information of which the auditors are unaware and the 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.

By order of the Committee of Management



Date: 10th August 2011

NORTH VIEW HOUSING ASSOCIATION LIMITED

COMMITTEE OF MANAGEMENT'S STATEMENT ON INTERNAL FINANCIAL CONTROL

YEAR ENDED 31 MARCH 2011

The Committee of Management acknowledge their ultimate responsibility for ensuring that the Association has in place a system of controls that is appropriate to the various business environments 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; and
- the safeguarding of assets (against unauthorised use or disposition).

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

- formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the Association's assets.
- experienced and suitably qualified 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 Committee of Management 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, through relevant sub-committees comprising Committee of Management members and others.
- the Committee of Management review reports from management, from directors, staff and from internal and the external auditors to provide reasonable assurance that control procedures are in place and are being followed. This includes a general review of the major risks facing the Association.
- there is a continuing programme of internal audit work, undertaken by a firm of Chartered Accountants, to review the effectiveness of the system of internal financial control.
- formal procedures have been established for instituting appropriate action to correct weaknesses identified from the above reports.

NORTH VIEW HOUSING ASSOCIATION LIMITED

COMMITTEE OF MANAGEMENT'S STATEMENT ON INTERNAL FINANCIAL CONTROL

**YEAR ENDED 31 MARCH 2011
(CONTINUED)**

The Committee of Management 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 could result in material losses, contingencies, or uncertainties, which require disclosure in the financial statements, or in the auditors' report on the financial statements.

By order of the Committee of Management

W McCubbin



Date: 10th August 2011

NORTH VIEW HOUSING ASSOCIATION LIMITED

AUDITORS' REPORT ON CORPORATE GOVERNANCE MATTERS

Corporate Governance

In addition to our audit of the financial statements, we have reviewed the Committee of Management's statement on pages 8 and 9 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 pages 8 and 9 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
Statutory Auditors
Breckenridge House
274 Sauchiehall Street
GLASGOW
G2 3EH

Date: 12/06/11

NORTH VIEW HOUSING ASSOCIATION LIMITED
AUDITORS' REPORT TO THE MEMBERS OF NORTH VIEW HOUSING ASSOCIATION LIMITED

We have audited the financial statements of North View Housing Association for the year ended 31 March 2011 on pages 12 to 31. 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 7, 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: 12/03/11

NORTH VIEW HOUSING ASSOCIATION LIMITED

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2011

	Notes	2011 £	2010 £
Turnover	2	2,550,960	2,267,745
Operating costs	2	<u>(1,942,602)</u>	<u>(1,720,091)</u>
Operating Surplus		608,358	547,654
(Loss)/gain on sale of fixed assets		-	-
Interest receivable		7,484	14,442
Interest payable and similar charges	4	<u>(444,153)</u>	<u>(450,486)</u>
Surplus/ (deficit) for the year before taxation		171,689	111,610
Corporation tax on surplus on ordinary activities	5	-	-
Surplus/ (deficit) for the year		<u>171,689</u>	<u>111,610</u>

There have been no other recognised surpluses or deficits apart from those noted above.

The results for the year are generated from the continuing activities of the Association.

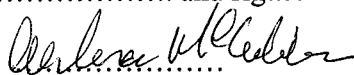
The notes on pages 15 to 31 form an integral part of these financial statements.


NORTH VIEW HOUSING ASSOCIATION LIMITED

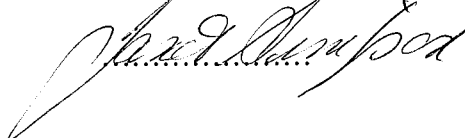
BALANCE SHEET AS AT 31 MARCH 2011

	Notes	2011 £	2010 £
Tangible Fixed Assets			
Housing land and buildings			
- gross cost less depreciation	8	21,571,947	21,684,818
Less: Housing Association & other grants	8	14,257,672	14,204,744
		7,314,275	7,480,074
Other fixed assets	9	569,047	577,635
		7,883,322	8,057,709
Current Assets			
Debtors	10	112,606	163,561
Stock	11	345,396	4,616
Cash at bank and in hand		1,012,410	816,845
		1,470,412	985,022
Creditors: Amounts falling due within one year	12	(788,963)	(490,436)
Net Current Assets		681,449	494,586
Total Assets		8,564,771	8,552,295
Creditors: Amounts falling due after more than one year	13	(7,864,351)	(8,023,558)
		700,420	528,737
Capital and Reserves			
Share capital	14	50	56
Revenue reserve	15	234,265	234,133
Designated reserves	16	466,105	294,548
		700,420	528,737

These financial statements were authorised and approved for issue by the Committee of Management on 10th June 2011..... and signed on their behalf by:

Committee Member: 

Committee Member: 

Secretary: 

NORTH VIEW HOUSING ASSOCIATION LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2011

	Notes	£	2011 £	2010 £
Net Cash Inflow from Operating Activities	17		306,100	760,965
Return on Investments and Serving of Finance:				
Interest paid		(444,153)		(450,486)
Interest received		<u>7,484</u>		<u>14,442</u>
			(436,669)	<u>(436,044)</u>
Investing Activities:				
Acquisition and construction of properties		(53,419)		(57,053)
Purchase of other fixed assets		(22,900)		(31,548)
Capital grants received		<u>52,928</u>		<u>57,991</u>
			(23,391)	<u>(30,610)</u>
Financing:				
Loans received		497,711		-
Loans repaid		(148,180)		(143,225)
Receipts from issue of ordinary shares		2		1
Shares cancelled		<u>(8)</u>		<u>(18)</u>
			<u>349,525</u>	<u>(143,242)</u>
Increase/ (decrease) in cash and cash equivalents			<u>195,565</u>	<u>151,069</u>

Further details are given in Notes 17 and 18.

NORTH VIEW HOUSING ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2011

1. Accounting Policies

The Association is incorporated under the Industrial and Provident Societies Act 1965 and is registered by The Financial Services Authority. These financial statements are based on the Registered Social Landlords Accounting Requirements (Scotland) Order 2007 and the Statement of Recommended Practice "Accounting by Registered Social Landlords 2008" and comply with relevant accounting standards.

1.1 Basis of Accounting

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover relates to the income from the letting of properties at affordable rents, service charges and the supply of feuing services, together with revenue grants from grant awarding bodies, local authorities and other organisations.

1.3 Housing Association Grant

The amount of Housing Association Grant is calculated on the qualifying costs of a scheme in accordance with instructions issued by the grant awarding body. The grant is paid directly to the Association in order to meet liabilities during the development process. Housing Association Grants are repayable under certain circumstances, primarily following the sale of the property and are restricted to the net proceeds of the sale.

1.4 Fixed Assets – Housing Land and Buildings

Housing land and buildings are stated at cost less Housing Association Grant (HAG). The development of housing land and buildings include the following:

- (i) cost of acquiring land and buildings
- (ii) development expenditure
- (iii) acquisition and development allowances receivable.
- (iv) interest on development loans up to the date of completion

All invoices and certificates relating to capital expenditure incurred in the period are included in the financial statements for the period, provided that the date of issue or valuation are prior to the period-end.

1.5 Depreciation

i) Housing Land and Buildings

Housing Properties are stated at cost, less social housing and other public grants and less accumulated depreciation. Depreciation is charged on a straight line basis over the expected economic useful lives of the properties, which is stated to be 50 years. No depreciation is charged on the cost of land.

NORTH VIEW HOUSING ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2011

(Continued)

ii) **Other Fixed Assets**

Depreciation is charged by equal annual instalments at rates estimated to write off costs less any residual value over their expected useful lives. The following rates have been used:

Fixtures, fittings and equipment – 20% straight line

Motor Vehicles – 35% straight line

Office Property – 2% straight line

1.6 **Pensions**

The Association participates in the centralised SFHA Defined Benefit Pension Scheme and retirement benefits to employees of the Association are funded by contributions from all participating employers and employees in the Scheme. Payments are made in accordance with periodic calculations by consulting actuaries and are based on pension costs applicable across the various participating Associations taken as a whole.

The 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.

1.7 **Designated Reserves**

Reserves for major repairs

Accrued major repairs expenditure, being the Association's commitment to undertake major repairs to its properties is set aside in a designated reserve to the extent that it is not met from HAG.

Furniture replacement reserve

The Association has furnished properties. Included within the service charge for these properties is an element relating to the replacement of furniture. The income arising in the year has been set aside in a designated reserve to meet the costs of future furniture replacement.

Cyclical repairs reserve

The reserve represents amounts set aside in respect of an estimate of future costs and will be released to the Income and Expenditure as required.

Rent Reserve – Youth Project

The reserve represents amounts set aside to meet any costs which may arise in sustaining tenancies of properties which were granted to youths.

Scottish Homes

The reserve has been designated to meet any costs associated with communal areas which require upgrading within Windlaw. This amount was received from Scottish Homes when the Association took over Feu Superiority.

NORTH VIEW HOUSING ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2011

(Continued)

1.8 Consolidation

The Association and its subsidiary undertaking comprise a group. The Financial Services Authority has granted exemption from preparing group accounts. The accounts represent the results of the Association and not of the group.

1.9 Impairment of fixed assets

Reviews for impairment of housing properties are carried out on an annual basis and any impairment in an income-generating unit is recognised by a charge to the income and expenditure account. Impairment is recognised where the carrying value of an income-generating unit exceeds the higher of its net realisable value or its value in use. Value in use represents the net present value of expected future cash flows from these units.

Impairment of assets would be recognised in the income and expenditure account.

1.10 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.

1.11 Sale of housing properties

Properties are disposed of under the appropriate legislation and guidance. All costs and grants relating to the share of property sold are removed from the financial statements at the date of sale.

1.12 Management of Liquid Resources

Cash and cash equivalents comprise cash on hand and in deposit and are subject to an insignificant risk of change in value.

1.13 Work in Progress

Work in Progress represents net sums spent to date on Shared Equity properties. No element of profit is included in the valuation of work in progress. Properties are valued at the lower of cost and net realisable value. Cost comprises material, direct labour and direct development overheads. Net realisable value is based on estimated sales price after allowing for all further costs of completion and disposal.

NORTH VIEW HOUSING ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2011

(Continued)

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

	Turnover £	Operating Costs £	Operating Surplus/ (Deficit) £	2010 Total £
Social Lettings	2,327,980	(1,906,602)	421,378	589,476
Other Activities	222,980	(36,000)	186,980	(41,822)
Total	<u>2,550,960</u>	<u>(1,942,602)</u>	<u>608,358</u>	<u>547,654</u>
2010	<u>2,267,745</u>	<u>(1,720,091)</u>	<u>547,654</u>	

NORTH VIEW HOUSING ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2011

(Continued)

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

	General Needs Housing £	Supported Housing Accommodation £	Shared Ownership Housing £	Total 31 March 2011 £	Total 31 March 2010 £
Rent receivable net of service charges	2,255,747	40,188	2,663	2,298,598	2,190,440
Service charges	13,558	22,180	-	35,738	36,288
Gross income from rents and service charges	2,269,305	62,368	2,663	2,334,336	2,226,728
Less voids	(6,356)	-	-	(6,356)	(4,662)
Net Income from rents and service charges	2,262,949	62,368	2,663	2,327,980	2,222,066
Grants from Scottish Ministers	-	-	-	-	-
Total turnover from social letting activities	2,262,949	62,368	2,663	2,327,980	2,222,066
Management and maintenance administration costs	918,192	10,898	1,287	930,377	861,941
Service costs	1,897	16,427	-	18,324	23,019
Planned and cyclical maintenance including major repairs costs	525,764	5,643	-	531,407	345,291
Reactive maintenance costs	219,905	2,272	-	222,177	236,049
Bad debts – rents and service charges	38,027	-	-	38,027	-
Depreciation of social housing	163,859	1,945	486	166,290	166,290
Operating costs for social letting activities	1,867,644	37,185	1,773	1,906,602	1,632,590
Operating surplus from social lettings at 31 March 2011	395,305	25,183	890	421,378	589,476
Operating surplus from social letting at 31 March 2010	557,990	30,704	782	589,476	

The total amount of major repairs in the year was £473,077 (2010 - £293,694). No major repairs were capitalised (2010 - £nil).

NORTH VIEW HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 MARCH 2011
(Continued)

3b – 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	Other operating costs	Operating surplus (deficit)	Operating surplus or deficit for previous period of account
	£	£	£	£	£	£	£	£	£
Wider action/wider role	-	-	-	-	-	-	(1,587)	(1,587)	1,699
Care and repair of property	-	-	-	200,519	200,519	-	-	200,519	-
Factoring	-	-	-	7,287	7,287	-	(9,339)	(2,052)	(1,572)
Development and construction of properties activities	-	-	-	-	-	-	(20,033)	(20,033)	(43,087)
Support activities	-	-	-	-	-	-	-	-	-
Care activities	-	-	-	-	-	-	-	-	-
Agency/management services for registered social landlords	-	-	-	-	-	-	-	-	-
Other agency/management services	-	-	-	-	-	-	-	-	-
Developments for sale to registered social landlords	-	-	-	-	-	-	-	-	-
Developments and improvements for sale to non registered social landlords	-	-	-	-	-	-	-	-	-
Other activities - energy efficiency	-	9,456	-	-	9,456	-	(5,041)	4,415	-
- home owners management fee	-	-	-	5,718	5,718	-	-	5,718	1,138
Total from other activities	9,456	9,456	-	213,523	222,960	-	(36,000)	186,980	(41,822)
2010	-	40,044	-	5,635	45,679	-	(87,501)	(41,822)	

NORTH VIEW HOUSING ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2011

(Continued)

4. Interest payable and similar charges

	2011	2010
	£	£
Interest on loans	444,153	450,486

5. Taxation

The Association was awarded charitable status by the Inland Revenue on 26 March 2002, and so is not liable to Corporation Tax on its exempt activities.

6. Employees

	2011	2010
	£	£
Staff costs during year		
Wages and salaries	562,001	506,607
Social security costs	51,666	45,428
Other pension costs	40,803	40,324
	654,470	592,359

The average full time equivalent persons employed by the Association during the year were as follows:

	No	No
Administration and maintenance	20	17

The Directors are defined as the members of the Management Committee, the Director and any other person reporting directly to the Directors or the Management Committee whose total emoluments exceed £60,000 per year.

The emoluments of the directors whose emoluments, including pension contributions, were over £60,000 were as follows:-

	No	No
£60,001 to £70,000	1	1

NORTH VIEW HOUSING ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2011

(Continued)

6. Employees (continued)

	£	£
Aggregate Emoluments payable to Directors (including pension contributions and benefits in kind)	62,880	61,410
Emoluments payable to Highest Paid Director (excluding pension contributions)	54,550	53,263

The Director is an ordinary member of the Association's pension scheme described in Note 19. No enhanced or special terms apply to membership and he has no other pension arrangements to which the Association contributes.

No member of the Committee of Management received any emoluments in respect of their services to the Association.

7. Auditors' Remuneration

	£	£
The remuneration of the auditors (including expenses and excluding VAT for the year)	7,800	6,500
Remuneration of the auditors in respect of services other than those of auditors	1,894	-
	<u>9,694</u>	<u>6,500</u>

NORTH VIEW HOUSING ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2011

(Continued)

8. Tangible Fixed Assets – Housing Land and Buildings

	Housing Held for Letting £	Housing in Course of Construction £	Total £
Cost			
At 1 April 2010	23,161,956	-	23,161,956
Additions	53,419	-	53,419
At 31 March 2011	23,215,375	-	23,215,375
Depreciation			
At 1 April 2010	1,477,138	-	1,477,138
Charge for the year	166,290	-	166,290
At 31 March 2011	1,643,428	-	1,643,428
Housing Association Grant			
At 1 April 2010	14,204,744	-	14,204,744
Received during year	52,928	-	52,928
At 31 March 2011	14,257,672	-	14,257,672
Net book value at 31 March 2011	7,314,275	-	7,314,275
Net book value at 31 March 2010	7,480,074	-	7,480,074

Included in housing land and buildings additions is capitalised development administration expenditure of £nil (2010: £nil) and interest capitalised of £nil (2010: £nil).

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

NORTH VIEW HOUSING ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2011

(Continued)

9. Other Fixed Assets

	Motor Vehicles £	Furniture & Fittings £	Office Property	Computer Equipment £	Total £
Cost					
At 1 April 2010	45,316	133,931	603,962	191,522	974,731
Additions	5,205	1,924	-	15,771	22,900
At 31 March 2011	<u>50,521</u>	<u>135,855</u>	<u>603,962</u>	<u>207,293</u>	<u>997,631</u>
Depreciation					
At 1 April 2010	41,686	125,860	58,300	171,251	397,097
Charge for year	4,700	3,726	12,079	10,982	31,487
At 31 March 2011	<u>46,386</u>	<u>129,586</u>	<u>70,379</u>	<u>182,233</u>	<u>428,584</u>
Net book value at 31 March 2011	<u>4,135</u>	<u>6,269</u>	<u>533,583</u>	<u>25,060</u>	<u>569,047</u>
Net book value at 31 March 2010	<u>3,630</u>	<u>8,071</u>	<u>545,662</u>	<u>20,272</u>	<u>577,635</u>

10. Debtors

	2011 £	2010 £
Gross rent arrears	103,531	90,345
Less bad debt provision	<u>(32,075)</u>	<u>(17,075)</u>
	71,456	73,270
Other debtors	41,150	83,430
	<u>112,606</u>	<u>163,561</u>

11. Stock – new supply shared equity in construction

	2011 £	2010 £
Cost of developing properties	1,116,854	291,296
Grant received to develop properties	<u>(771,457)</u>	<u>(286,680)</u>
	<u>345,396</u>	<u>4,616</u>

NORTH VIEW HOUSING ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2011

(Continued)

12. Creditors: Amounts Falling Due Within One Year

	2011	2010
	£	£
Bank loans and overdraft	654,031	147,355
Contractors' certified work	32,616	51,667
Rents in advance	51,781	56,110
Accruals and deferred income	12,943	13,093
Tax and social security	18,697	11,926
Other creditors	18,895	210,285
	788,963	490,436

13. Creditors: Amounts Falling Due After More than One Year

	2011	2010
	£	£
Loans	7,864,351	8,023,558

Loans are secured by specific charges on the Association's properties. Loans are repayable at rates of interest of 0.78% to 6.27% (2010 – 0.78% to 6.27%) in instalments due as follows:

Repayable by instalments:

Within one year	654,031	147,355
Between one and two years	156,320	147,355
Between two and five years	690,920	697,020
Loans due after five years	7,017,111	7,179,183
	8,518,382	8,170,913
Included in current liabilities	(654,031)	(147,355)
	7,864,351	8,023,558

14. Share Capital

Opening share capital	56	73
Shares issued in year	2	1
Shares cancelled in year	(8)	(18)
Closing share capital	50	56

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.

NORTH VIEW HOUSING ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2011

(Continued)

15. Revenue reserve	2011	2010
	£	£
Retained surplus at 1 April	234,133	222,670
Surplus for the year	171,689	111,610
Transfer (to)/from designated reserves	<u>(171,557)</u>	<u>(100,147)</u>
Retained surplus at 31 March	<u>234,265</u>	<u>234,133</u>
16. Designated reserve		
- Major Repairs Reserve		
As at 1 April	191,380	101,380
Transfer from income and expenditure account during year	<u>10,000</u>	<u>90,000</u>
As at 31 March	<u>201,380</u>	<u>191,380</u>
- Furniture Replacement Reserve		
As at 1 April	83,560	73,715
Transfer from income and expenditure account during year	<u>11,419</u>	<u>9,845</u>
As at 31 March	<u>94,979</u>	<u>83,560</u>
- Cyclical Repairs Reserve		
As at 1 April	400	400
Transfer from income and expenditure account during year	<u>-</u>	<u>-</u>
As at 31 March	<u>400</u>	<u>400</u>
- Rent Reserve – Youth Project		
As at 1 April	19,208	18,906
Transfer from income and expenditure account during year	<u>-</u>	<u>302</u>
As at 31 March	<u>19,208</u>	<u>19,208</u>
- Scottish Homes		
As at 1 April	-	-
Transfer from income and expenditure account during year	200,519	-
Transfer (to) the income and expenditure account in the year	<u>(50,381)</u>	<u>-</u>
As at 31 March	<u>150,138</u>	<u>-</u>
- Total Designated Reserves		
As at 1 April	294,548	194,401
Transfer from income and expenditure account during year	221,938	100,147
Transfer (to) the income and expenditure account in the year	<u>(50,381)</u>	<u>-</u>
As at 31 March	<u>466,105</u>	<u>294,548</u>

NORTH VIEW HOUSING ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2011

(Continued)

17. Reconciliation of Operating Surplus to net cash inflow from Operating Activities

	2011 £	2010 £
Operating surplus	608,358	547,654
Depreciation	197,776	210,127
Decrease/(Increase) in debtors	50,955	(14,627)
(Decrease)/Increase in creditors due within one year	(210,209)	12,716
(Increase) in stock	(340,780)	(4,616)
Housing stock transferred to stock	-	9,711
	306,100	760,965

18. Analysis of Changes in Net Debt

Reconciliation of net cash flow to movement in net debt

Increase in cash for the year	195,565	151,069
Loans received	(497,711)	-
Loan repayments	148,183	143,224
	(153,963)	294,293
Change in net debt		
Net debt as at 1 April 2010	(7,354,068)	(7,648,361)
Net debt as at 31 March 2011	(7,508,031)	(7,354,068)

	At 31 March 2010 £	Cashflows £	At 31 March 2011 £
Cash in hand and at bank	816,845	195,565	1,012,410
	816,845	195,565	1,012,410
Debt due within one year	(147,355)	(506,676)	(654,031)
Debt due after one year	(8,023,558)	157,148	(7,866,410)
	(7,354,068)	(153,963)	(7,508,031)

NORTH VIEW HOUSING ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2011

(Continued)

19. Pension Fund

North View Housing Association Limited participates in the SFHA 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 at 30 September 2009 by a professionally qualified actuary using the Projected Unit Credit method. The market value of the Scheme's assets as at the valuation date was £295 million. The valuation showed a shortfall of assets compared to liabilities of £160 million, equivalent to a past service funding level of 64.8%.

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the Scheme as at 30 September 2010. Such a report is required by legislation for years in which a full actuarial valuation is not carried out. The funding update revealed an increase in the assets of the Scheme to £335 million and indicated an increase in the shortfall of assets compared to liabilities to approximately £162 million, equivalent to a past service funding level of 67.4%

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.

NORTH VIEW HOUSING ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2011

(Continued)

19. Pension Fund (continued)

North View Housing Association Limited has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the SFHA Scheme based on the financial position of the Scheme as at 30 September 2010. As of this date the estimated employer debt for North View Housing Association Limited was £957,274.

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.

North View Housing Association Limited has elected to operate the Benefit option for active members as at 1 April 2009 and the same benefit structure for any new entrants

During the accounting period North View Housing Association Limited paid contributions at the rate of 15.4% of pensionable salaries. Member contributions were 7%.

As at the balance sheet date there were eight active members of the Scheme employed by North View Housing Association Limited. The annual pensionable payroll in respect of these members was £255,530.

North View Housing Association Limited continues to offer membership of the Scheme to its employees

NORTH VIEW HOUSING ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2011

(Continued)

19. Pension Fund (continued)

The key valuation assumptions used to determine the assets and liabilities of the Scottish Housing Associations' Pension Scheme are:

2009 Valuation Assumptions	% p.a.
Investment return pre retirement	7.4
Investment return post retirement – Non pensioners	4.6
Investment return post retirement - Pensioners	4.8
Rate of salary increases	4.5
Rate of pension increases	
- Pension accrued pre 6 April 2005 in excess of GMP	2.9
- Pension accrued post 6 April 2005 (for leavers before 1 October 1993 pension increases are 5.0%)	2.2
Rate of price inflation	3.0

Mortality Tables	
Non-pensioners	SAPS (S1PA) All Pensioners Year of Birth Long Cohort with 1% p.a. minimum improvement
Pensioners	SAPS (S1PA) All Pensioners Year of Birth Long Cohort with 1% p.a. Minimum improvement

Contribution Rates for Future Service (payable from 1 April 2011)	% p.a.
Final salary 1/60ths	19.2
Career average revalued earnings 1/60ths	17.1
Career average revalued earnings 1/70ths	14.9
Career average revalued earnings 1/80ths	13.2
Career average revalued earnings 1/120ths	9.4
Additional rate for deficit contributions*	10.4

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

NORTH VIEW HOUSING ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2011

(Continued)

20. Capital commitments

	2011 £	2010 £
Expenditure authorised by the Committee of Management Contracted less certified	<u>-</u>	<u>-</u>
Not yet contracted for	<u>-</u>	<u>864,960</u>

21. Contingent Liabilities

Pensions

North View 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 2010. As of this date the estimated employer debt for North View Housing Association was £957,274. 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. Housing Stock

The number of units in Management at 31 March 2011 was as follows:-

	2011 No	2010 No
General needs	674	674
Supported	8	8
Shared ownership	2	2
	<u>684</u>	<u>684</u>

23. Related Parties

Various members of the Committee and their relatives are tenants of the Association. All these transactions were done on standard terms available to all tenants.

NORTH VIEW HOUSING ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2011

(Continued)

24. **Subsidiary Company**

The Association has a subsidiary company Kittoch Property Management Limited. This company is intended to handle the activities that the Association cannot undertake due to its charitable status. The company is a company limited by guarantee and is registered in Scotland.

North View Housing Association have taken the exemption of FRS 8 not to disclose these related party transactions.

25. **Post Balance Sheet Events**

As at the 31 March there are bank borrowings, relating to loans for the NSSE properties, totalling £497,711 disclosed as a current liability since the facility was due for repayment in 30 June 2011. A new arrangement was signed on 28th June 2011 to extend the loan repayment date to 30 June 2012.