

RECEIVED - 6 AUG 2012



OCHIL VIEW HOUSING ASSOCIATION LIMITED

REPORT AND FINANCIAL STATEMENTS

for the year ended

31 March 2012

RSL NO 213

FSA NO 2310 R (S)

CHARITY NO SCO33130

OCHIL VIEW HOUSING ASSOCIATION LIMITED

REPORT AND FINANCIAL STATEMENTS

for the year ended 31 March 2012

	<u>Page</u>
Management Committee, Executive and Advisers	2
Report of the Management Committee	3 - 8
Report of the Auditors	9 - 10
Report of the Auditors on Corporate Governance matters	11
Income and Expenditure Account	12
Balance Sheet	13
Cash Flow Statement	14
Notes to the Financial Statements	15 - 36

OCHIL VIEW HOUSING ASSOCIATION LIMITED

MEMBERS, EXECUTIVE AND ADVISERS

Management Committee

Ewen Cameron (Chairperson)
Teresa McNally (Vice Chairperson)
Tom Brown (Treasurer)
John Gallagher
Anna Forbes
Frank Riggs
Doreen Skelton (Resigned August 2011)
Graham McMurdo
Aileen Crichton
Bob Dunbar
Duncan Stirling
Alice Airnes
Helen Sullivan
Margaret Baxter
Clackmannanshire Council Representative

Director and Secretary

George Tainsh M.A. (Hons.)

Registered Office

Ochil House,
Marshall,
Alloa
Clackmannanshire
FK10 1AB

Auditors

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

Principal Bankers

The Royal Bank of Scotland,
19 High Street,
Alloa
FK10 1JF

Solicitors

Savage Law Practice,
1 Coalgate,
Alloa
FK10 1EH

Harper Macleod,
The Ca'd'oro,
45 Gordon Street,
Glasgow
G1 3PE

J.R. Stevenson & Marshall,
East Port,
Dunfermline
KY12 7LG

OCHIL VIEW HOUSING ASSOCIATION LIMITED

REPORT OF THE COMMITTEE OF MANAGEMENT (continued)

for the year ended 31 March 2012

The Committee of Management present their report and the audited financial statements for the year ended 31 March 2012.

Principal activity

The principal activity of the Association is the provision, management and maintenance of quality rented accommodation throughout Clackmannanshire and West Fife.

Review of business and future business

Development

At the end of the year the Association had a total of 45 rented units under construction at Greygoran, Sauchie (20), Todd's Yard Ph 1, Sauchie (25).

During the year the Association completed 2 units at Acorn Drive in Tullibody.

Maintenance

The Association continues to maintain its housing properties to a very high standard and during 2011/2012 undertook considerable work installing a combination of new bathrooms, boilers, windows and external doors and door entry systems to many of our properties. Including expenditure on planned, cyclical and reactive maintenance total expenditure on direct maintenance accounted for almost £2m. As a result the Association continues to be on track to achieve the Scottish Housing Quality Standard (SHQS) by 2015.

Corporate Performance

The Association continues to achieve a high level of performance against its objectives and targets for the year with a combination of 85% Key Performance Indicators and 88% of the annual work plan achieved during 2011/2012 compared to 89% and 88% respectively in 2010/2011. This represents continued excellence not only in terms of meeting the Associations strategic objectives but also in relation to service delivery.

Risk Management

The Associations risk management process continues to quantify and compare the relative significance of a wide variety of risks facing the organisation and these are reviewed by the Management Committee each quarter. Risks associated with development and funding activities due to reduced public subsidy, increasing (and more expensive) private finance and the uncertain economic environment continue to dominate the agenda in this regard. Emerging risks relating to the proposed welfare reform are also now being reflected through such a process.

Future Business Growth and Activities

The Associations Corporate Management Plan, approved in June 2012, sets out the primary themes it believes will be key to organisational stability and future prosperity as follows; minimising the impact of welfare reform, enhanced value for money, concentrating on core activities, continuous improvement of key services, increased tenant satisfaction, maintaining or improving financial strength and increased joint working.

Development Activity

As a result of the introduction of a new development funding regime at substantially reduced levels of subsidy as part of the Governments Affordable Housing Supply programme the Association has reviewed its on-going participation in such activity and it is anticipated that as a result of the withdrawal of development "income" it is likely that any growth will be achieved through the acquisition of completed properties rather than the traditional approach of taking the lead in the development process itself.

It is likely therefore that the next 2 to 3 years will be a period of consolidation for the Association following 22 years of growth as the protection of the Associations assets over the long term is considered of greater importance than any short term benefit likely to be gained through "innovative development".

Care and Repair Service

The position regarding another service provided by the Association has recently been clarified by the withdrawal of funding by Clackmannanshire Council for the Associations care and repair service from 31st July 2012. As a result the Association will no longer be involved in the delivery of such services.

Collaborative Working

Collaborative working arrangements with our Strath For Housing Alliance partners (Forth and Rural Stirling Housing Associations) progressed during 2011/2012 and included within the list of tangible outputs of this relationship were joint tendering, contract information exchange, management cost benchmarking, maintenance cost benchmarking, innovation and investment fund information sharing, joint staff training and joint Committee events.

This collaborative way of working will continue to be developed over the next few years and it is hoped that this forward thinking approach will bring meaningful and tangible benefits for the Associations, their tenants and the communities they serve whilst maintaining constitutional independence of each Association.

Donations

During the year the Association made charitable donations of £1,049.

Financial Management

The budget for 2012/2013 was approved by the Management Committee at their meeting on 23rd February 2012. Following consultation with our tenants, the Committee made a decision to make a below inflation increase on rents of 4.5%. Despite this, the budget shows substantial investment in our properties and services during the year with total maintenance expenditure anticipated of £1.9m.

The budget for 2012/2013 shows that a surplus (before transfer to designated reserves) of £1,018,363 is expected to arise and net assets will increase by £1.5m. Cash balances are expected to remain healthy during the year.

Operating Financial Review

Financial Review

The Association made a surplus of £910,926 during the year and was higher than the budgeted surplus of £883,756 and was largely due to under spends on maintenance of which some work is deferred into 2012/13, lower priced contracts and lower interest rates. However the actual depreciation charge for the year was much higher than set in the budget due to the introduction of Component Accounting.

A transfer from the designated reserves was made of £3,737.

Net assets have increased during the year from £2,644,004 to £3,554,927 and is largely due to increases in housing property fixed assets.

The Management Committee have expressed their satisfaction with the financial results for the year.

Component Accounting

The requirements of the 2010 SORP Update state that RSL's should adopt component accounting for the accounting period to the 31 March 2012.

Ochil View fully adopted component accounting during the year and this has had a material impact on the net assets of the Association. In 2011 the net assets position was stated at £6.39m and this has now been reinstated to £2.64m, a reduction of £3.75m. The reduction is due to old components now replaced being written off, new build properties previously not depreciated now being depreciated therefore leading to a higher depreciation charge. HAG and other grant components have been written off where appropriate and environmental and stage 3 costs and grant amounts have also been written off. The housing depreciation charge for the current year is £812,913.

Scottish Housing Quality Standard

In terms of long term viability of its existing stock, the Association's Standard Delivery Plan submitted to the Scottish Government as part of the Scottish Housing Quality Standard process confirms that the Association will be able to achieve the necessary standard targets on an annual basis up to completion in 2015.

The Association continued its investment in its existing stock and during the year and spend £416,426 on improvements. The budgeted spend for 2012/2013 is expected to be in the region of £589,980.

Internal Audit

During the year a full review of the internal controls within the maintenance department was carried out and has helped to improve and streamline operations make sure the internal controls are more robust. The operation of our rent arrears policy was also reviewed during the year.

The reports were considered by the Association's Audit & Corporate Governance Committee who regularly monitors progress against agreed action plans.

Voids & Re-lets

The Association re-let 104 properties during the year compared to 102 in 2011.

During 2011/12 the void rent loss was £13,937 or 0.30% of rents and service charges receivable. This is the lowest voids level in the Association's history.

OCHIL VIEW HOUSING ASSOCIATION LIMITED

REPORT OF THE COMMITTEE OF MANAGEMENT (continued)

for the year ended 31 March 2012

Rent Arrears

The Association improved its rent arrears position during 2011/2012 with the current (non technical) rent arrears target of 2.6% being achieved with a year- end position of 2.49%.

Treasury Management

During the year the Association drew down its final loan tranche in the amount of £3.05m. The temporary loan facility was transferred to a £10M long term loan facility in May. This has resulted in the cash balances of the Association remaining higher than normal during the year. It is intended to use the cash towards any future new build developments and should this not transpire then we will examine other options available.

The Committee of Management and Director

The Committee of Management and Director of the Association are listed on page 2.

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

Statement of Committee's responsibilities

Housing Association legislation requires the 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 income and expenditure of the Association for the year ended on that date. In preparing those financial statements the Committee are required to:-

- * Select suitable accounting policies and then apply them consistently;
- * Make judgements and estimates that are reasonable and prudent;
- * State whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements;
- * Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Association will continue in business.

The Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association.

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

Statement on internal financial controls

The 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:

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

It is the 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:

- (i) Formal policies and procedures are in place including the documentation of key systems and rules relating to the delegation of authorities which allow the monitoring of controls and restrict the unauthorised use of the Association's assets. These policies and regulations are reviewed on a regular basis in accordance with a structured programme.
- (ii) Experienced and suitably qualified staff take responsibility for important business functions.

Statement on internal financial controls (continued)

- (iii) Forecasts and budgets are prepared which allow the Committee and Management to monitor the key business risks and financial objectives and progress towards financial plans set for the year and the medium term; regular management accounts are prepared promptly, providing relevant, reliable and up-to-date financial and other information and significant variances from budgets are investigated as appropriate.
- (iv) All significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through the Committee of Management.
- (v) The Committee of Management reviews reports from management and from the internal and external auditors to provide reasonable assurance that control procedures are in place and are being followed. This includes a general review of the major risks facing the Association.
- (vi) Formal procedures have been established for instituting appropriate action to correct weaknesses identified from the above reports.

The Committee of Management has reviewed the effectiveness of the system of internal financial control in existence in the Association for the year ended 31 March 2011 and also for the period up to the signing of this report. No significant control weaknesses were found in internal financial controls which resulted in material losses, contingencies, or uncertainties which require disclosure in the financial statements or in the auditor's report on the financial statements.

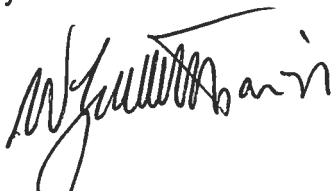
In so far as the Committee are aware:

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

Auditors

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

By order of the Committee



GEORGE TAINSH
Secretary

26 JULY 2012

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF OCHIL VIEW HOUSING ASSOCIATION LIMITED

Independent Auditor's Report to the Members of Ochil View Housing Association Limited

We have audited the financial statements of Ochil View Housing Association Limited for the year ended 31 March 2012 which comprise Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Association's members, as a body, in accordance with Section 9 of the Friendly and Industrial 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 board and the auditor

As explained more fully in the Report of the Committee of Management, set out on pages 3 to 8, the Committee of Management is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the association's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the committee; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Committee of Management to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2012 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Industrial and Provident Societies Acts, 1965 to 2002, Schedule 7 to the Housing (Scotland) Act 2001, and the Registered Social Landlords Accounting Requirements (Scotland) Order 2007.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF OCHIL VIEW HOUSING ASSOCIATION LIMITED (continued)

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 require 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; or
- we have not received all the information and explanations we need for our audit.

Joan Williamson

JOAN WILLIAMSON, C.A. (senior statutory auditor)
For and on behalf of Findlay & Company
Chartered Accountants and Statutory Auditors
11 Dudhope Terrace
Dundee
DD3 6TS

26 JULY 2012

In addition to our audit of the financial statements for the year ended 31 March 2012, we have reviewed the Committee's statement on internal controls set out on pages 7 and 8. The object of our review is to draw attention to any non-compliance with the SFHA Publication "Raising Standards in Housing".

We carried out our review in accordance with guidance issued by the Auditing Practices Board. The guidance does not require us to perform the additional work necessary to, and we do not, express any opinion on the effectiveness of either the Association's system of internal financial control or its corporate governance procedures.

With respect to the Committee's statements on internal control on pages 7 and 8, in our opinion, the Committee have provided the disclosures required under the SFHA Publication "Raising Standards in Housing" referred to above and such statements are not inconsistent with the information of which we are aware from our audit work on the financial statements.

Opinion

Based on enquiry of certain Committee Members and Officers of the Association, and examination of relevant documents, in our opinion the Committee's statement on pages 7 and 8 appropriately reflects the Association's compliance with the SFHA Publication "Raising Standards in Housing" specified for our review.

Joan Williamson

JOAN WILLIAMSON, C.A. (senior statutory auditor)
For and on behalf of Findlay & Company
Chartered Accountants and Statutory Auditors
11 Dudhope Terrace
Dundee
DD3 6TS

26 JULY 2012

OCHIL VIEW HOUSING ASSOCIATION LIMITED

INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 March 2012

	Notes	2012 £	(Restated) 2011 £
Turnover	2	5,392,299	4,864,629
Less: Operating costs	2	(3,849,928)	(3,619,109)
Operating surplus / (loss)		1,542,371	1,245,520
Gain / (loss) on disposal of fixed asset	7	(6,256)	13,122
Interest receivable		20,778	564
Interest payable	8	(645,967)	(579,895)
Surplus / (deficit) on ordinary activities before taxation		910,926	679,311
Taxation	10	-	-
Surplus / (deficit) for the year after taxation		£910,926	£679,311

All of the activities undertaken by the Association were continuing activities and the reported surplus or deficit was determined under the historical cost convention.

ASSOCIATION STATEMENT OF TOTAL RECOGNISED SURPLUSES AND DEFICITS

For the year ended 31 March 2012

	Note	2012 £	(Restated) 2011 £
Retained (deficit)/surplus for the year	22	910,926	679,311
Prior year adjustment	28	(3,745,395)	-
Total recognised surpluses and deficits relating to the year		£ (2,834,469)	£ 679,311

The notes on pages 15 to 36 form part of these financial statements


OCHIL VIEW HOUSING ASSOCIATION LIMITED

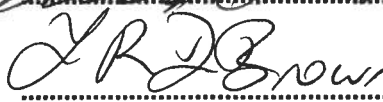
BALANCE SHEET

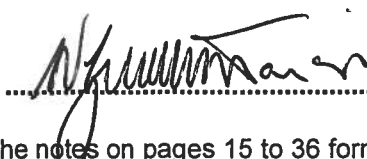
as at 31 March 2012

	Notes	2012 £	(Restated) 2011 £
Tangible Fixed Assets			
Housing properties - Costs less depreciation	11a	71,565,844	69,658,128
Less: HAG	11a	(43,464,001)	(42,430,437)
Less: Other Grants	11a	(1,243,408)	(1,396,680)
		<u>26,858,435</u>	<u>25,831,011</u>
Fixed Asset Investment		1,214,234	919,654
Less: Shared Equity Grant		(1,214,234)	(919,654)
		<u>-</u>	<u>-</u>
Other fixed assets	11b	489,369	499,543
Total fixed assets		<u>27,347,804</u>	<u>26,330,554</u>
Current Assets			
Debtors	12	591,622	1,314,031
Stock & Work In Progress	13	1,249	613,555
Cash at bank and in hand		4,037,300	849,808
		<u>4,630,171</u>	<u>2,777,394</u>
Current liabilities			
Creditors: amounts falling due within one year	14	(1,521,230)	(2,612,479)
Net current assets / (liabilities)		<u>3,108,941</u>	<u>164,915</u>
Total assets less current liabilities		<u>30,456,745</u>	<u>26,495,469</u>
Creditors: amounts falling due after more than one year	15	(26,901,818)	(23,851,465)
Net assets		<u>£ 3,554,927</u>	<u>£ 2,644,004</u>
Capital and Reserves			
Called up share capital	16	64	66
Designated reserves	17	120,745	124,483
Revenue reserves	22	3,434,118	2,519,455
		<u>£ 3,554,927</u>	<u>£ 2,644,004</u>

The financial statements on pages 12 to 36 were approved by the Committee of Management on 26 July 2012 and were signed on its behalf by:

 Ewen Cameron Chairperson

 Tom Brown Treasurer

 George Tainsh Secretary

The notes on pages 15 to 36 form part of these financial statements

OCHIL VIEW HOUSING ASSOCIATION LIMITED

CASH FLOW STATEMENT

for the year ended 31 March 2012

	Notes	2012 £	(Restated) 2011 £
Reconciliation of operating surplus to net cash inflow from operating activities			
Operating surplus after exceptional items		1,542,371	1,245,520
Depreciation charge		841,165	942,184
Decrease/(Increase) in debtors		676,377	(555,006)
(Decrease)/Increase in creditors		(950,413)	315,991
Net cash inflow from operating activities		£ 2,109,500	£ 1,948,689
CASH FLOW STATEMENT			
	25		
Net cash inflow from operating activities		2,109,500	1,948,689
Returns on investments and servicing of finance		(625,189)	(579,331)
Capital expenditure		(1,077,564)	(1,769,812)
Financing		3,050,351	773,178
(Decrease)/Increase in cash		£3,457,098	£ 372,724
Reconciliation of net cash flow to movement in net debt:			
	26		
(Decrease) / Increase in cash in the year		3,457,098	372,724
Cash inflow from increase in debt		(3,050,351)	(773,168)
Net debt at 1 April 2011		406,747	(400,444)
		(23,271,265)	(22,870,821)
Net debt at 31 March 2012		£ (22,864,518)	£ (23,271,265)

1. Principal Accounting Policies

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom and comply with the Registered Social Landlords Accounting Requirements (Scotland) Order 2007 and the Statement of Recommended Practice: Accounting by Registered Social Landlords 2008. A summary of the more important accounting policies which have been consistently applied are set out below.

Basis of Accounting

The financial statements are prepared on the historical cost basis of accounting.

Turnover

Turnover represents rental and service charge income, fees and revenue based grants receivable from local authorities and from The Scottish Ministers.

Mortgages

Mortgage loans are advanced by private lenders under the terms of individual mortgage deeds in respect of each property. Advances are available only in respect of those developments which have been given approval for housing association grant by The Scottish Ministers. Advances are also available for the improvement works in the Tullibody area.

Housing Association Grants

For schemes developed under the terms of the 1988 Housing Act, housing association grant (HAG) is paid directly to the Association as required, to meet its liabilities during the development process. HAG is repayable under certain circumstances, primarily following the sale of property, but will normally be restricted to net proceeds of sale.

Housing Association Grant - Acquisition and Development Allowances

Acquisitions and Development Allowances are intended to finance certain internal direct administrative costs relating to the acquisition and development of housing properties for approved schemes.

Tangible Fixed Assets - Housing Properties (Note 11a)

Housing properties are stated at cost less depreciation charges. The development costs of housing properties funded with traditional HAG or under earlier funding arrangements include the following:-

- i) Cost of acquiring land and buildings
- ii) Direct development expenditure
- iii) Interest charged on the mortgage loans raised to finance the scheme;

Expenditure on schemes which are subsequently aborted is written off in the year in which it is recognised that the schemes will not be developed to completion.

Work to Existing Properties (Note 11a)

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

Depreciation

Housing Properties (Note 11a)

Housing under construction and freehold land is not depreciated. Depreciation is charged by major components so as to write down the cost (or valuation net of social housing grant) of freehold housing properties other than freehold land to their estimated residual value on a straight line basis over their estimated useful economic lives of each identified component at the following rates:

Land	Not Depreciated
Main Structure	60 years
Roofs	50 years
Kitchen	15 years
Bathroom	30 years
Heating	15 years
Windows & Doors	30 years
Lifts	30 years

Depreciation is applied in full for all housing property additions in the first accounting year following the acquisition or component replacement.

In accordance with FRS 11, housing properties are reviewed for any impairment in value by comparing value in use as social housing with their net carrying value in the Balance Sheet, with any material difference charged to the Income and Expenditure Account.

Other Fixed Assets (Note 11b)

Other fixed assets have been depreciated at the rates calculated to write off the costs of the assets over their anticipated useful lives using the following rates and basis:

Computer equipment	- 25% straight line basis
Office equipment	- 20% - 25 % straight line basis
Office furniture and fittings	- 20% - 25 % straight line basis
Leased office equipment	- 33% straight line basis
Office premises	- 80 years
Van	- 25% straight line basis
Property Furniture & Fittings	- 20% straight line basis
Tools	- 25% straight line basis

Shared Equity Properties (Note 13)

Grants are received from The Scottish Ministers for the construction of properties under the Shared Equity scheme. The Association holds no security over these properties. As such these are treated differently within the accounts. Whilst under construction or unsold the costs are held in Current Assets as Shared Equity for Sale or stock and work-in-progress. The corresponding grant is held in Current Liabilities as another creditor - shared equity. At the time of sale income goes through turnover and costs through cost of sales.

For properties where the first sale has been concluded, the element of the property not sold and relating grant is held as a Fixed Asset Investment and shown in the Balance Sheet.

Designated Reserves (Note 17)

Furniture and White Goods

An amount for future purchases of furniture and white goods for the Association's properties is transferred to a reserve. Transfers to the Income and Expenditure account are made to offset actual expenditure on furniture and white goods which is charged to the Income and Expenditure account.

Pensions (Note 20)

The Association operates a defined benefits pension scheme, the cost of which is written off on an accruals basis. The assets of the scheme are held separately from those of the Association in an independently administered fund.

Leases (Note 24)

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

OCHIL VIEW HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2012

2. Particulars of Turnover, Operating Costs & Operating Surplus

		2012 Turnover	Operating Costs	Operating Surplus/ (Deficit)	2011 Operating Surplus/ (Deficit)
		£	£	£	£
Social Lettings	Note 3	4,618,014	2,930,115	1,687,899	1,374,700
Other activities	Note 4	774,285	919,813	(145,528)	(129,180)
		----- £ 5,392,299 =====	----- £ 3,849,928 =====	----- £1,542,371 =====	----- £ 1,245,520 =====
		-----	-----	-----	-----
Total for previous period of account (As restated)		£4,864,629 =====	£3,619,109 =====	£1,245,520 =====	

3. Particulars of Income & Expenditure from Lettings

	Housing Accommodation £	Shared Ownership £	2012 Total £	2011 Total £
Income from Lettings				
Rent receivable net of Identifiable Service Charges	4,429,901	45,395	4,475,296	4,292,095
Service charges receivable	132,053	24,603	156,656	143,916
Gross Rents Receivable	4,561,954	69,998	4,631,952	4,436,011
Less: Rent losses from voids	(13,937)	-	(13,937)	(14,802)
Total income from lettings	£ 4,548,017	£ 69,998	£ 4,618,015	£ 4,421,209
Authorities and other Agencies	-	-	-	-
Revenue grants from The Scottish Ministers	-	-	-	-
Total income from lettings	£ 4,548,017	£ 69,998	£ 4,618,015	£ 4,421,209
Expenditure on Letting Activities				
Services	138,919	22,052	160,971	144,923
Management & maintenance administration costs	1,128,588	27,370	1,155,958	1,081,584
Reactive maintenance costs	457,598	-	457,598	427,717
Planned cyclical maintenance including major repair costs	321,079	-	321,079	461,283
Depreciation of housing properties	812,913	-	812,913	915,279
Rent losses from bad debts	21,381	215	21,596	15,723
Total expenditure on lettings	£ 2,880,478	£ 49,637	£ 2,930,115	£ 3,046,509
Operating surplus on letting activities	£ 1,667,539	£ 20,361	£ 1,687,900	£ 1,374,700
Operating surplus on letting activities for previous year	£ 1,355,888	£ 18,812	£ 1,374,700	

Voids from completion to first letting amount to £ Nil (2011 - £33) in the year.

Total expenditure on works to existing properties amounted to £1,516,333 (2011 - £1,944,021) of which £416,426 (2011 - £1,055,779) was capitalised in the year.

OCHIL VIEW HOUSING ASSOCIATION LIMITED
 NOTES TO THE FINANCIAL STATEMENTS (continued)
 for the year ended 31 March 2012

	2012				2011		
	Grants from Scottish Ministers £	Other Revenue Grants £	Other Income £	Total Turnover £	Operating costs - Bad debts £	Other operating costs £	Operating Surplus/ (Deficit) £
Other activities							
Development and construction of property activities	-	213,156	-	213,156	-	287,263	(85,374)
Shared Equity	357,000	-	-	357,000	-	357,000	-
Care & Repair project	-	189,809	-	189,809	-	189,809	359
Other activities	-	-	14,320	14,320	85,741	-	(71,421)
TOTAL FROM OTHER ACTIVITIES	£357,000	£402,965	£14,320	£774,285	£85,741	£834,072	£(129,180)
Total for previous period of account	£253,420	£ 171,106	£18,894	£443,420	£63,059	£509,541	£(129,180)

5. Officers Emoluments

The aggregate amount of emoluments payable to, or receivable by the officers of the Association who total emoluments are £60,000 or more, excluding employer's pension contributions, during the period of account were:

	2012 £	2011 £
Aggregate emoluments payable to Officers (excluding pension contributions)	£ 65,104 =====	£ 65,054 =====
Emoluments payable to highest paid Officer (excluding pension contributions)	£ 65,104 =====	£ 65,054 =====
Pension Contributions to highest paid Officer	£ 12,439 =====	£ 9,211 =====
The number of Officers, including the highest paid Officer, who received emoluments (excluding pension contributions) in the following ranges were:-		
£60,001 to £70,000	1	1
£71,001 to £80,000	-	-
£80,001 to £90,000	-	-

The Officers are ordinary members of the Association's pension scheme described in note 20. No enhanced or special terms apply to membership and they have no other pension arrangements to which the Association contributes. The Association's pension contributions for the Directors whose emoluments exceed £60,000 in the year amounted to £12,439 (2011 - £9,211).

No emoluments were paid to any member of the Committee of Management during the year.

6. Employee Information

The average number of persons per month employed during the year was:

	2012	2011
	No.	No.
Office staff	29	30
	=====	=====
	2012	2011
	£	£
Staff costs (including directors' emoluments):-		
Wages and salaries	841,632	846,026
Social security cost	66,952	65,135
Pension costs (Note 20)	148,634	110,013
Temporary staff	13,060	41,179
	-----	-----
	£ 1,070,278	£ 1,062,353
	=====	=====

7. Gain / (Loss) on Disposal of Fixed Assets

	2012	2011
	£	£
Gross proceeds from the disposal of housing assets	119,100	68,375
Other fixed assets depreciation written off	5,576	17,954
	-----	-----
	124,676	86,329
Less:		
Cost of sales of housing assets	(125,399)	(56,089)
Other fixed assets written off during the year	(5,533)	(18,864)
Plus: Fixed Assets Adjustment	-	1,750
	-----	-----
Gain / (Loss) on Disposal of Fixed Assets	£ (6,256)	£ 13,122
	=====	=====

OCHIL VIEW HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2012

8. **Interest Payable**

	2012 £	2011 £
On loans and overdrafts	645,748	575,951
Non utilisation fees	219	3,944
	-----	-----
	£ 645,967	£ 579,895
	=====	=====

9. **Operating Surplus**

Operating Surplus is stated after charging:-	2012 £	2011 £
Depreciation		
- non-housing properties	28,252	26,905
- housing properties		
Net depreciation	744,505	644,095
Grants written off	(147,275)	(116,561)
Costs written off	215,683	387,745
	-----	-----
	812,913	915,279
Auditors Remuneration	11,950	8,225
	=====	=====

10. **Taxation**

The Association has charitable status for taxation purposes and is not liable to Corporation Tax for the year.

OCHIL VIEW HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2012

11a. Tangible Fixed Assets - Housing Properties

	Housing held for Letting £	Housing Properties in the Course of Construction £	Completed Shared Ownership Housing Properties £	Shared Ownership Properties in the course of Construction £	Total £
Cost					
At 1 April 2011 (Restated)	70,375,190	2,950,588	1,250,340	-	74,576,118
Additions	628,096	2,236,808	3,000	-	2,867,904
Transfers	141,327	(141,327)	-	-	-
Disposals	(215,683)	-	-	-	(215,683)
At 31 March 2012	70,928,930	5,046,069	1,253,340	-	77,228,339
Depreciation					
As at 1 April 2011 (Restated)	4,917,990	-	-	-	4,917,990
Adjustment for disposals	(25,190)	-	-	-	(25,190)
Charge for the year	769,695	-	-	-	769,695
At 31 March 2012	5,662,495	-	-	-	5,662,495
Cost less depreciation	65,266,435	5,046,069	1,253,340	-	71,565,844
Housing Association Grant					
As at 1 April 2011 (Restated)	38,657,765	2,800,889	971,782	-	42,430,436
Additions	168,880	1,011,816	-	-	1,180,696
Transfers	137,027	(137,027)	-	-	-
Disposals	(147,131)	-	-	-	(147,131)
At 31 March 2012	38,816,541	3,675,678	971,782	-	43,464,001
Other Grants					
As at 1 April 2011 (Restated)	1,211,446	145,594	39,640	-	1,396,680
Disposals	(144)	-	-	-	(144)
Other write offs	(7,534)	(145,594)	-	-	(153,128)
At 31 March 2012	1,203,768	-	39,640	-	1,243,408
Total Grants	40,020,039	3,675,678	1,011,422	-	44,707,409
Net Book Values					
As at 31 March 2012	£ 25,246,126	£1,370,391	£ 241,918	£ -	£ 26,858,435
As at 31 March 2011 (restated)	£25,587,988	£4,105	£ 238,918	£ -	£25,831,011

Development administration costs capitalised amounts to £41,420 (2011 - £72,946) for which Housing Association Housing Grants amounting to £41,420 (2011 - £72,946) were received in the year.

OCHIL VIEW HOUSING ASSOCIATION LIMITED
 NOTES TO THE FINANCIAL STATEMENTS (continued)
 for the year ended 31 March 2012

11b. Other Fixed Assets	Office Furniture & Fittings £	Office Equipment £	Computer Equipment £	Property Furniture & Fittings £	Office Premises £	Tools & Equipment £	Motor Vehicles £	Total £
Cost								
At 1 April 2011	45,476	27,658	77,184	16,995	902,230	2,548	8,815	1,080,906
Additions		225	15,076	2,733	-	-	-	18,034
Disposals			(5,533)					(5,533)
As at 31 March 2012	45,476	27,883	86,727	19,728	902,230	2,548	8,815	1,093,407
Depreciation								
At 1 April 2011	41,390	20,821	55,513	13,651	439,104	2,069	8,815	581,363
Charge for the year	1,865	3,616	14,384	2,254	5,937	195	-	28,251
Disposals	-	-	(5,576)	-	-	-	-	(5,576)
As at 31 March 2012	43,255	24,437	64,321	15,905	445,041	2,264	8,815	604,038
Net Book Value								
As at 31 March 2012	£ 2,221	£ 3,446	£22,406	£ 3,823	£457,189	£ 284	£ -	£ 489,369
As at 31 March 2011	£ 4,086	£ 6,837	£ 21,671	£ 3,344	£ 463,126	£ 479	£ -	£ 499,543

OCHIL VIEW HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2012

12. Debtors	2012	2011
	£	£
Rents receivable	190,090	311,197
Provision for bad debts - Rents	(53,946)	(53,946)
Capital Grants receivable	114,076	727,138
Other grants receivable	-	45,272
Prepayments	40,803	38,416
Other debtors	509,961	455,316
Provision for bad debts - Recharges	(209,362)	(209,362)
	-----	-----
	£591,622	£1,314,031
	=====	=====
 13. Stock & Work In Progress		
	2012	2011
	£	£
Raw Materials	1,249	983
Shared - Equity	-	612,572
	-----	-----
	£1,249	£ 613,555
	=====	=====
 14. Creditors		
	2012	2011
	£	£
Amounts falling due within one year:		
Trade creditors	219,676	859,130
Capital expenditure on housing properties	835,749	706,977
Rent received in advance	69,442	43,229
Other creditors and accruals	396,363	733,535
Overdraft	-	269,608
	-----	-----
	£ 1,521,230	£ 2,612,479
	=====	=====
 15. Creditors		
	2012	2011
Amounts falling due after more than one year:		
Housing loans	26,730,343	23,679,990
Non Housing loans	171,475	171,475
	-----	-----
	£26,901,818	£23,851,465
	=====	=====

OCHIL VIEW HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2012

15. Creditors (contd.)

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

	2012 £	2011 £
due within one year	-	-
between one and two years	-	-
between two and five years	178,114	-
In five years or more	26,723,704	23,851,465
	<u>£ 26,901,818</u>	<u>£ 23,851,465</u>
	=====	=====

16. Share Capital

	2012 No.	2011 No.
At 1 April 2011	66	56
Issued during the year	2	16
Cancelled during the year	(4)	(6)
	<u>64</u>	<u>66</u>
At 31 March 2012	=====	=====

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.

17. Designated Reserves

	(As Restated) At 1 April 2011 £	Transfer to/(from) Revenue Reserve £	At 31 March 2012 £
Cyclical maintenance reserve	-	-	-
Planned/Major repairs reserve	-	-	-
Furniture and white goods reserve	124,483	(3,737)	120,745
	<u>£ 124,483</u>	<u>£ (3,737)</u>	<u>£ 120,745</u>
	=====	=====	=====

18. Capital Commitments

	2012 £	2011 £
Capital expenditure that has been contracted for but has not been provided for in the financial statements	£ 841,011 =====	£ 3,538,597 =====

The amount contracted for at 31 March 2012 will be funded by the proposed financing:

	2012 £	2011 £
HAG	173,386	1,345,433
Agreed overdraft	-	-
Agreed private loans	-	-
Own resources	667,625	2,193,164
	----- £841,011 =====	----- £3,538,597 =====

19. Related Parties

During the year there were four (2011 – four) members of the Management Committee who were also tenants of the association. All tenancies are on normal commercial terms and their position as a committee member cannot be used to their advantage.

Councillor Tina Murphy is a councillor with Clackmannanshire Council and sits on the Committee of Management. The Committee can confirm that all transactions with Clackmannanshire Council are made on normal terms, and the Councillor is unable to use their position to any advantage.

20. Pensions

Ochil View Housing Association participates in the Scottish Housing Association's Pension Scheme (SHAPS) ('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.

Ochil View Housing Association has elected to operate the final salary with a 1/60th accrual and career average revalued earnings with a 1/60th accrual rate to both existing and new members.

During the accounting period Ochil View Housing Association paid contributions at the rate of 20% of salaries. Member contributions were 9.6%.

As at the balance sheet date there were 21 active members of the Scheme employed by Ochil View Housing Association. The annual pensionable payroll in respect of these members was £652,911.

Ochil View Housing Association 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. The Scheme is a multi-employer scheme where the scheme 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 Plan, the accounting charge for the period under FRS17 represents the employer contribution payable.

The Trustee commissions an actuarial valuation of the Scheme every 3 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 published formal valuation of the Scheme was performed as at 30 September 2009 by a professionally qualified actuary using the Projected Unit Credit method. The market value of the Scheme's assets at the valuation date was £295 million. The valuation revealed a shortfall of assets compared with the value of 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 of the funding position of the Scheme as at 30 September 2011. Such a report is required by legislation for years in which a full valuation is not carried out. The funding update revealed an increase in the assets for the Scheme to £341 million and indicated an increase in the shortfall of assets compared to liabilities to approximately £207 million, equivalent to a past service funding level of 62.2%.

OCHIL VIEW HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2012

The key 2009 valuation assumptions used to determine the assets and liabilities of the Scottish Housing Associations' Pension Scheme are :

	% pa
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 from 6 April 2005 (for leavers before 1 October 1993 pension increases are 5.0%)	2.2
Rate of price inflation	3.0

The following mortality table was used:

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

The contribution rates for future service (payable from 1 April 2012) are :

Benefit structure	Long-term joint contribution rate (% of pensionable salaries per annum from 1 April 2012)
Final salary 1/60ths	19.2
Career average 1/60ths	17.1
Career average 1/70ths	14.9
Career average 1/80ths	13.2
Career average 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 calculating the additional contributions.)

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 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 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.

21. Legislative Provisions

The Association is incorporated under the Industrial and Provident Societies Act 1965.

22. Reconciliation of movement in accumulated surplus

	2012 £	2011 £
Revenue reserve b/fwd (Restated)	2,519,455	1,841,571
Surplus / (deficit) for the year	910,926	679,311
Transfer (to) / from designated reserves	3,737	(1,427)
	-----	-----
Revenue reserve c/fwd	£ 3,434,118	£ 2,519,455
	=====	=====

23. Housing Stock

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

	2012 No.	2011 No.
General needs	1,315	1,316
Shared ownership	29	29
Supported Accommodation	0	0
	-----	-----
	1,344	1,345
	=====	=====

24. Financial Commitments

The Association has annual commitments under non-cancellable operating leases as follows:

	2012 £	2011 £
Payable during the year	£26,510	£19,908
<u>Expiry Date</u>		
Within 1 year	£24,132	£20,366
Between 2-5 years	£38,139	£47,549
Over 5 years	-	-
	=====	=====

NOTES TO THE CASH FLOW STATEMENT

25. Gross cash flows

Returns on investments and servicing of finance:

	2012 £	2011 £
Interest received	20,778	564
Interest paid	(645,967)	(579,895)
	-----	-----
	£(625,189)	£(579,331)
	=====	=====

Capital investment and financial investment:

Payments to acquire tangible fixed assets	(2,932,660)	(3,955,403)
Receipts from sales of tangible fixed assets	119,100	68,375
Purchase of other fixed assets	(18,034)	(13,299)
Gain / (loss) on Sale of Properties	5,576	17,839
Depreciation on sales of Properties	(30,766)	(19,914)
Other grants received	-	220,949
Net capital grants received	1,779,220	1,911,641
	-----	-----
	£ (1,077,564)	£ (1,769,812)
	=====	=====

Financing:

Loans received	3,050,353	773,168
Loans repaid	-	-
Issue of ordinary share capital	2	16
Shares cancelled	(4)	(6)
	-----	-----
	£3,050,351	£773,178
	=====	=====

26. Analysis of changes in net debt

	At 1 April 2011 £	Cash Flows £	Other Changes £	At 31 March 2012 £
Cash in bank and in hand	580,200	3,457,100	-	4,037,300
Debt due within 1 year	-	(3,050,353)	3,050,353	-
Debt due after 1 year	(23,851,465)	-	(3,050,353)	(26,901,818)
	-----	-----	-----	-----
Total	£ (23,271,265)	£ 406,747	£ -	£ (22,864,518)
	=====	=====	=====	=====

27. Contingent Liability

Ochil View Housing Association has been notified by the Pensions Trust of the estimated employer debt on withdrawal from the Scottish Housing Associations' Pension Scheme based on the financial position of the Scheme as at 30 September 2011. As of this date the estimated employer debt for Ochil View Housing Association was £3,962,407.

28. Prior Year Adjustment

The prior year adjustment reflects the introduction of component accounting in accordance with SORP update 2010 which confirms that housing properties always comprise of several components.

The Association has determined that its properties include major components as set out in note 1 to these financial statements. The SORP 2010 requires these components to be accounted for separately to the land and structure of the building for depreciation purposes.

With the introduction of component accounting the Association considers that it is not appropriate to hold designated reserves. The prior year adjustment therefore includes the elimination of the designated reserves.

The effect of this change in accounting policy is to decrease the Association surplus for the year ending 31 March 2011 by £605,724.

The cumulative effect on the Association reserves is a decrease of £3,745,395.

Impact of component accounting (PYA = Prior Year Adjustment)

	Cumulative PYA to 31 March 2010	PYA for 2010-11	Cumulative PYA to 31 March 2011
	£	£	£
Income and Expenditure Account			
Operating costs – depreciation charge	(2,197,796)	(443,005)	(2,640,801)
Operating costs – major improvement expenditure	-	(49,241)	(49,241)
Components written off	(1,367,555)	(272,390)	(1,639,945)
Component HAG written off	420,078	44,248	464,326
Component other grants written off	15,908	5,558	21,466
Component depreciation written off	-	108,465	108,465
Stage 3 adaptation grants	933,788	64,287	998,075
Stage 3 adaptation costs	(953,239)	(63,646)	(1,016,885)
Environmental grants	576,181	2,468	578,649
Environmental costs	(567,035)	(2,468)	(569,503)
	-----	-----	-----
Impact on operating surplus	(3,139,671)	(605,724)	(3,745,395)
	-----	-----	-----
Balance Sheet			
Housing Properties (Cost)			
At 31 March as previously stated	74,032,300	-	77,851,692
Additional capitalisation of components	-	(49,241)	(49,241)
Components written off	(1,367,555)	(272,390)	(1,639,945)
Stage 3 adaptations written off	(953,239)	(63,646)	(1,016,885)
Environmental costs of written off	(567,035)	(2,468)	(569,503)
	-----	-----	-----
At 31 March as restated	71,144,471	(387,745)	74,576,118
	-----	-----	-----
Housing Properties (Depreciation)			
At 31 March as previously stated	2,078,059	-	2,385,654
Additional depreciation	2,197,796	443,005	2,640,801
Depreciation on disposals	-	(108,465)	(108,465)
	-----	-----	-----
At 31 March as restated	4,275,855	334,540	4,917,990
	-----	-----	-----
Housing Properties (HAG)			
At 31 March as previously stated	42,419,328	-	44,329,388
Stage 3 adaptations written off	(933,788)	(64,287)	(998,075)
Component HAG written off	(420,078)	(44,248)	(464,326)
Environmental HAG written off	(434,083)	(2,468)	(436,551)
	-----	-----	-----
At 31 March as restated	40,631,379	(111,003)	42,430,436
	-----	-----	-----

OCHIL VIEW HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2012

	<u>Cumulative PYA to 31 March 2010</u>	<u>PYA for 2010-11</u>	<u>Cumulative PYA to 31 March 2011</u>
	£	£	£
Housing Properties (Other Grants)			
At 31 March as previously stated	1,339,296	-	1,560,245
Component grants written off	(15,908)	(5,558)	(21,466)
Environmental grants written off	(142,099)	-	(142,099)
	-----	-----	-----
At 31 March as restated	1,181,289	(5,558)	1,396,680
	-----	-----	-----
Designated Reserves:			
At 31 March as previously stated:			
Cyclical Maintenance reserve	516,954	51,456	568,410
Planned / major repairs reserve	2,357,275	66,832	2,424,107
	-----	-----	-----
	2,874,229	118,288	2,992,517
Furniture & White Goods			
Elimination of designated reserves:			
Cyclical Maintenance reserve	(516,954)	(51,456)	(568,410)
Planned / major repairs reserve	(2,357,275)	(66,832)	(2,424,107)
	-----	-----	-----
At 31 March as restated	123,055	1,427	124,482
	-----	-----	-----
Revenue Reserves			
At 31 March as previously stated	2,107,013	-	3,272,333
Impact on operating surplus	(3,139,671)	(605,724)	(3,745,395)
Elimination of designated reserves	2,874,229	118,288	2,992,517
	-----	-----	-----
At 31 March as restated	1,841,571		2,519,455
	-----		-----