

**Viewpoint Housing Association Limited**

**Financial Statements**

**for the year ended 31 March 2013**

**Register of Housing Associations NO. HEP 199**

**Register of Industrial & Provident Societies No. 1228 RS**

**Charity registered with OSCR No. SCO05619**

Viewpoint Housing Association Limited  
Financial Statements  
For the year ended 31 March 2013

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Viewpoint Housing Association Limited  
Board of Trustees, Executives and Advisors  
31 March 2013

**Board of Trustees**

Dr R G Smith	(Chairman)
Mr R Rae	(Vice Chair and Chair of the Remuneration Committee)
Mr I W Calder	(Resigned AGM 18 September 2012)
Miss E M Morrison	(Resigned AGM 18 September 2012)
Mr G Anderson	
Mrs N Donaldson	
Mr I Macdonald	(Resigned 2 February 2013)
Ms J Macrae	
Mr R McNeill	
Ms J Simpson	
Mr R Stewart	(Chair of the Audit Committee)
Mr V Stewart	
Ms Jacqui Macrae	
Mr I Thompson	(Elected 18 September 2012)
Miss M Murray	(Co-opted 18 September 2012)

**Executive Officers**

Chief Executive/Secretary	Mrs Dorry McLaughlin
Director of Housing and Property Services	Ms Sandra Brydon
Director of Finance and ICT	Mrs Jenni Fairbairn
Director of Care Services	Mrs Donna Macleod

**Registered Office**

4 South Oswald Road  
EDINBURGH  
EH9 2HG

**Registration Numbers**

Register of Housing Associations No. HEP 199  
Register of Industrial & Provident Societies No. 1228 RS  
Charity registered with OSCR No. SCO05619

**Solicitors**

DWF Biggart Baillie LLP  
No 2 Lochrin Square  
96 Fountainbridge  
Edinburgh  
EH3 9QA

**External Auditor**

Chiene + Tait  
Chartered Accountants and Statutory Auditor  
61 Dublin Street  
Edinburgh  
EH3 6NL

HBJ Gateley  
Exchange Tower  
19 Canning Street  
Edinburgh  
EH3 8EH

**Bankers**

The Royal Bank of Scotland  
36 St Andrew Square  
EDINBURGH  
EH2 2YB

**Internal Auditors**

Baker Tilly  
139 Fountainbridge  
EDINBURGH  
EH3 9QG

# Viewpoint Housing Association Limited

## Report of the Board

### 31 March 2013

The Board of Trustees (the Board) presents its report and the audited financial statements for the year ended 31 March 2013.

#### Principal Activities

Viewpoint Housing Association Ltd (Viewpoint) was formed for the benefit of the community and is a Registered Social Landlord and Care Home provider specialising in housing, support and care homes with nursing with the primary objective of providing high quality accommodation and services. Although our main client group is older people we also provide mainstream housing.

Viewpoint's Head Office is in Edinburgh and its properties and services are largely in Edinburgh and Fife. Viewpoint has 3 care homes with nursing (121 bed spaces) and 1345 housing properties which contain 1393 units. The accommodation and services range from amenity housing through to enhanced sheltered housing with higher levels of support for older people, general needs flats and a number of specialist projects managed in partnership with support organisations.

Viewpoint works in partnership with many other organisations and is a member of the Rowan Group.

#### Financial Performance

The results for the year are shown in the Income and Expenditure Account on page 12. The surplus of £1,962k (2012: £2,456 restated) shows a decrease on the previous year's performance. The surplus generated from Housing activities of £1,889k remains consistent with previous year (£2,120k), however the surplus of £351k generated from other activities reduced by £294k, mainly as a result of reduction in care home occupancy levels from the 2012 surplus of £645k. Designated reserves levels have been reviewed and are considered sufficient to cover the next three to five years expenditure needs on properties. At 31 March 2013 balances of £6,608k (2012: £6,599k) have been designated, this is shown in note 6.

Viewpoint has continued to invest in its properties, with capital spend of £1.8m on housing properties and £0.2m on care homes. Significant investments are planned over the next five years including full compliance with Scottish Housing Quality Standard (SHQS) planned by March 2014. The out-turn for the year was within budgeted levels which again evidences the stability of operations and will enable Viewpoint to meet its strategic aspirations for growth and services development.

#### Structure, Governance and Management

Viewpoint is incorporated under the Industrial and Provident Societies Act 1965 and is registered with the Financial Conduct Authority as a Friendly Society. Viewpoint is also registered with the Office of the Scottish Charity Regulator (OSCR) as a charity and the Scottish Housing Regulator as a Registered Social Landlord. Viewpoint's care services are regulated by the Care Inspectorate. Viewpoint continues to be assessed as low risk by the Scottish Housing Regulator.

Viewpoint has a fully owned subsidiary Benview Trading whose purpose is to manage housing/homes funded by a Special Needs Capital Grant. Viewpoint provides management and development services to Benview Trading for which they are charged. The results of Benview Trading Limited for the year ended 31 March 2013 have not been consolidated into Viewpoint Housing Association Limited as these are of an immaterial nature to the results of Viewpoint.

Viewpoint is governed by a voluntary Board of Trustees (Board) whose members are elected by the membership and are unpaid. During the year the Board reviewed its Governance Policies. The Chairman conducted appraisals of each Board member and the Board continues to monitor the effectiveness of its governance arrangements.

Three Board members resigned during the year (Mr I W Calder, Miss E M Morrison, and Mr I Macdonald). There was one elected appointment (Mr I Thompson) and one co-option (Miss M Murray).

The Board is supported by an Audit Committee and established a Remuneration Committee during the year to advise on Pay and Benefits and employee remuneration.

Day to day management is delegated by the Board to the Executive Team. This Team comprises the Chief Executive, Director of Finance & ICT, Director of Housing & Property Services and Director of Care.

**Viewpoint Housing Association Limited**  
**Report of the Board**  
**31 March 2013**

The Board meets six weekly and in between meetings receives mailings related to its strategy and operating environment. The Board held an away day during the year to review Viewpoint's Strategic Plan. Board members also attended training including Awareness of Dementia, Governance and various Regulatory and Legislative updates.

Each member of the Board holds one fully paid share of £1 in Viewpoint. The Chief Executive and Executive Team members hold no interest in Viewpoint's share capital, and although not having the legal status of directors, act as Executives within the authority delegated by the Board.

Viewpoint maintains insurance to cover its Board and Officers against liabilities in relation to their duties carried out on behalf of Viewpoint, as authorised by Viewpoint's rules.

### **Resident and Tenant Involvement**

Viewpoint continued to develop its approach to the introduction of the Social Housing Charter in close collaboration with its tenants. A series of Charter consultation events culminated in the development of a Viewpoint Charter.

The Viewpoint Tenants Representative Group (VTRG) has worked closely with Viewpoint during the year. It meets senior staff regularly as well meeting informally with the Board twice a year. The Board agreed to set aside a place on the Board for the Chair of the VTRG who was co-opted to the Board during the year.

Viewpoint developed local surveys of its tenants during the year and involved tenants in a number of service reviews including the gardening service.

Care home residents and stakeholders are encouraged to participate in the running of the homes. Customer surveys at each of the homes are carried out bi-annually and continue to show high levels of satisfaction.

### **Strategy, Objectives and Business Review**

Viewpoint reviewed its Strategic Plan in November 2013 and noted progress made in achieving its strategic objectives. The following summarises achievements under each Strategic Objective:

#### **To enhance the quality of existing and develop new services which older people want.**

- ✓ A grant award of £10,000 was received from the Change Fund to set up a Craft Café at Lennox House.
- ✓ Plans were worked up to develop 13 additional bed spaces for St. Raphael's care home to accommodate and provide high level services to people.
- ✓ Although occupancy in the care homes towards the end of the financial year did not achieve target levels the financial viability of the care home operations was not jeopardised.
- ✓ Housing void turnaround times exceeded target with supported housing average re-let time being 68 days and general needs 51 days. However voids losses were within target at 1.92%.
- ✓ Continued to support the development of computer clubs for our tenants in our sheltered sites and developed investment plans to provide free Wi-Fi across our all of our sheltered sites during 2013/14.

#### **To be efficient and offer value for money - making a sufficient surplus to invest in existing and future accommodation and services.**

- ✓ Efficiency gains over the past three years resulted in a zero percent rent increase in April 2013.
- ✓ In addition we were also able to retain Service charge increases at or below 4%.
- ✓ John Hunter House in Kirkcaldy which has been empty for some years was let to Fife Council.
- ✓ 2012/13 saw the introduction of Welfare Reform. Although some tenants were affected by the 'Bedroom Tax' arrears have not increased as a result and no debt recovery action has had to be taken as a result.
- ✓ Increasing our procurement activities to achieve value for money with projects including gardening and day to day maintenance.

**Viewpoint Housing Association Limited**  
**Report of the Board**  
**31 March 2013**

**To have accountable leaders who walk our values and are passionate about our vision.**

- ✓ The Leadership Development Programme was completed for senior managers and a Competency Framework introduced and workshops held to embed the standards.

**To communicate our vision both internally and externally and generate confidence in the services we offer.**

- ✓ The Website was substantially reviewed and Social Media embraced.
- ✓ The Craft Café was fully implemented during the year and was a finalist for two awards – SSSC Care Accolades and the Scottish Dementia Care Awards.
- ✓ We were pleased that quality standards at St. Raphael's care home were maintained at grade 5s following a further inspection during the year and the grades at Lennox improved.

**To maintain our accommodation to high standards and to ensure that it not only meets regulatory standards but is fit for the future.**

- ✓ A full stock condition survey was commissioned. The results were developed into a rolling programme of works and the investment needs determined.
- ✓ This investment programme means that Viewpoint will be able to meet the requirements of the Scottish Housing Quality Standard by 2015. The stock condition survey which was completed in 2012 resulted in a revised 30 year financial plan showing that Viewpoint can continue to meet SHQS beyond 2015.
- ✓ £72k invested in adaptations to enable older people to stay at home independently for longer
- ✓ We continued to invest in the environment of the care homes with the planning of the creation of a dementia unit at St. Raphael's to be completed in the year to 31 March 2014 with the support of the Viewpoint Trust. Two maintenance staff dedicated to the Care Homes carried out significant redecoration and living area upgrades in all three homes. In addition to this £204k of capital investment was made on the care home properties.
- ✓ We have continued to invest in the housing stock with improvements including replacement windows at Lynedoch House, a range of replacement kitchens at a number of sites, replacement roofs, new garden fencing at Cameron Park and various lift and communal boiler replacements. Total capital investment for housing amounted to £1,766k.
- ✓ The day to day repairs service was reviewed and a single multi trade contract entered into with MITIE. This is yielding substantial efficiency savings.
- ✓ Following an asset management review of Newbattle Terrace and tenant consultation the difficult decision to close this mainstream complex was taken.

**To have a well-trained, qualified and motivated staff team that welcomes feedback and embraces change.**

- ✓ The Board approved a strategy to train all staff and Board members to the Promoting Excellence Framework level one – Dementia Awareness, and substantial progress was made by the end of March 2013 towards our overall objective of having all staff trained to this level by September 2013. A Staff Engagement Survey was carried out and whilst levels of engagement are at benchmark 'norm' levels Viewpoint is committed to increasing staff engagement.
- ✓ Care home staff surveys were carried out during the year and levels of satisfaction are increasing.

**To seek out and take account of the views of our customers.**

- ✓ A Tenant Satisfaction Survey was carried out by an independent consultant. The survey showed 88% satisfaction overall and Viewpoint continues to work with tenants to improve areas where satisfaction levels do not meet expectations.
- ✓ A revised Complaints Handling System was introduced in line with requirements of the Scottish Public Services Ombudsman requirements.
- ✓ Local tenant surveys were undertaken and the results fed back to tenants at Annual Tenants Meetings.
- ✓ There was substantial tenant input into preparations for the Social Housing Charter.
- ✓ The first Tenants Conference was held in September 2012.

Viewpoint Housing Association Limited  
Report of the Board  
31 March 2013

### The Future

The focus will continue to be on involving tenants in assessing our compliance with the Social Housing Charter and in particular engaging tenants in the introduction of Tenant Scrutiny at Viewpoint.

The Board Strategy Away Day in November 2012 moved Viewpoint from a period of relative consolidation to actively engaging in growth opportunities. As a result a review of the Head Office site has been undertaken and it is proposed to develop 13 additional bed spaces to St. Raphael's care home on the ground floor of the Head Office to accommodate people with high needs.

During the coming year we will continue to develop and improve services with a particular focus on achieving the following:

- ✓ Implementing a Craft Café at Lennox House and a mobile Craft Café in Fife.
- ✓ Running Healthy Ageing and Well-being road shows at two sheltered housing complexes in Edinburgh.
- ✓ Implementing a Qlx (ICT) stock condition and programme management system for cyclical and planned works.
- ✓ Introduce a Purchase Order Processing System to improve the efficiency of financial procedures.
- ✓ Continue to develop our social media communications and further enhance the effectiveness of our website.
- ✓ Facilitate increased access to the web for tenants through Computer Clubs.
- ✓ Bring our Housing Service closer to our customers by facilitating a site based housing service and mobile working.

Viewpoint continues to use Key Performance Indicators to assess its performance. The core measures are as follows for 2013/4 and include qualitative as well as quantitative measures. Performance will be presented to the Board regularly.

### Financial Targets

Indicator	Target 2013	Actual 2013	Target 2014
<i>Care Homes</i>			
Average Occupancy Rate %	97%	92%	97%
Arrears over 8 weeks	0	6	0
Arrears as % income receivable	5%	3.31%	<5%
<i>Housing and Property Services</i>			
Void loss as % rent and s/c receivable	3%	1.83%	3%
Arrears as % rent and s/c income	2%	2.4%	2%
<i>Finance</i>			
Gearing ratio (includes loanstock)	25%	20%	25%
Interest cover	2	8.4	2
Compliance with bank covenants	Yes	Yes	Yes

### Qualitative Targets

Indicator	Target 2013	Actual 2013	Target 2014
<i>Human Resources</i>			
Sick hours as % total hours	<5%	4.5%	<5%
Turnover of staff - care	<10%	28%	<30%
Turnover of staff – housing and Head Office	<5%	18%	<5%
Vacancy Rate	<5%	3.1%	<5%
Average time to recruit to vacant posts - care	3 months	1.13 months	4 weeks
Average time to recruit to vacant posts - housing	3 months	0.5 months	6 weeks

Viewpoint Housing Association Limited  
Report of the Board  
31 March 2013

Indicator	Target 2013	Actual 2013	Target 2014
<i>Care</i>			
Resident satisfaction with overall service	>85%	92%	>85%
Requirements/recommendations from inspection reports dealt with within six months	100%	100%	100%
<i>Housing</i>			
Average void turnaround time (supported)	40 days	71 days*	40 days
Average void turnaround time (general needs)	30 days	47 days*	30 days
% of stock meeting SHQS	100%	71%**	100%
Routine repairs completed within 15 days	95%	92%	>95%
Urgent repairs responded to within 3 days	100%	92%	100%
Emergency repairs responded to within 2 hours	100%	97%	100%
Resident satisfaction with repairs	>85%	88%	>85%
Gas safety certificates overdue	0	0	0
Tenants in local estate surveys satisfied with safety and security	>85%	n/a	>85%

\*Performance affected as properties held vacant to accommodate tenants leaving Newbattle Terrace.

\*\* It is Viewpoint's intention to be fully compliant by March 2014.

### Employee Information and Engagement

Viewpoint employs a total of 271 people, a mixture of full and part time positions. During the year to 31 March 2013 the average number of full time equivalent employees in post was 213.

Turnover of employees continues to exceed expectations at 25% and a review of recruitment and induction is seeking ways to speed up recruitment and reduce turnover.

Staff involvement is achieved through the Employee Forum which meets bi monthly, a quarterly staff newsletter and a system of core briefings. In November 2012 Viewpoint held its third Staff Conference which fed directly into the Strategic Plan Review. Viewpoint successfully achieved Investors in People status in early 2011/12 and is now seeking to improve and achieve Bronze status.

### Treasury Management

Viewpoint cannot invest in transactions of a speculative nature. The Board reviews Viewpoint's Treasury Policy and Strategy bi-annually. Cash funds are held in institutions which have a long term grading of A as a minimum.

Borrowings are secured on a combination of fixed and variable rate finance. 70% of Viewpoint's bank loan facilities were fixed at 31 March 2013.

A significant part of the Association's finance is raised through loan-stock provided by loan-stock tenants. These loans are unsecured and with the exception of Croft an Righ, where loans are repaid in full as tenancies end, they are repaid six months after a loan-stock tenancy has ended or earlier if the property is re-let in that period. Any decisions taken regarding the borrowing requirements for the Association must consider the status of the loan-stock portfolio at that time.



Viewpoint Housing Association Limited  
Report of the Board  
31 March 2013

### Risk Management

Viewpoint reviewed its Risk Strategy, Policy and the format of the Risk Map during the year. Risk is a standing agenda item for both the Audit Committee and Board.

The key risks facing Viewpoint are:

<b>Risk</b>	<b>Mitigation</b>	<b>Monitoring</b>
Poor customer satisfaction	Operational Plans and commitment to customer participation are in place. Consultation with customers on the Social Housing Charter and the setting of Viewpoint Standards take place at Charter Chatter and Annual Tenants Meetings as well as through local surveys to gauge satisfaction	Resident satisfaction surveys, Viewpoint Tenants Representative Group contact and audits of services
Falling care or support standards	Regular Care Home audits and reviews of support services take place to identify weaknesses and address them before Inspections. More rigorous and systematic training plans in place.	Operational Plan monitoring by Board. Action plans from Care Inspectorate visits are developed and monitored by Executive.
Pension costs unaffordable - note past service deficits and auto enrolment	Closed final salary pension to all new members except Executive Team and minimised employer liability of defined contribution scheme	Annual pension reports to Board and financial plan reviews
Reputational damage through founded and unfounded risks materialising. Poor media coverage.	Communication Strategy	Press coverage monitored by Board
Poor work force planning for new business	HR Strategy and Work Force Plan to be developed	Board reviews of Operational Plans and new business opportunities

A priority during the year was to reinforce our approach to Health and Safety and we worked closely with our advisor Law at Work to carry out risk assessments and audit our approach. There were no material risks which were identified and not addressed. A number of staff underwent IoSH training and we continued to deliver essential health and safety training including manual handling, fire safety and food hygiene.

**Viewpoint Housing Association Limited**  
**Statement of the Board's Responsibilities**  
**31 March 2013**

**Responsibilities of the Board**

The Board is responsible for preparing the Board's Report and the financial statements in accordance with applicable law and regulations.

The Industrial and Provident Societies Acts and registered social housing legislation require the Board 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 its income and expenditure for that period.

In preparing these financial statements, the Board is required to:

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

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the Association and to ensure that the financial statements comply with the Industrial and Provident Societies Acts 1965 to 2002, the Housing (Scotland) Act 2010 and The Scottish Housing Regulator's Determination of Accounting Requirements (April 2012). The Board also has general responsibility for taking reasonable steps to safeguard the assets of the Association and to prevent and detect fraud and other irregularities.

At the time of approval of this report:

- a) so far as the Trustees are aware, there is no relevant audit information of which the Auditor is unaware, and
- b) the Trustees have taken all steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Association's Auditor is aware of that information.

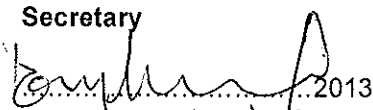
**External Auditor**

Chiene and Tait provided an external audit service, having been appointed in 2010 for a three year period. A proposal to renew their appointment for a further two years will be presented at the AGM.

By order of the Board

**Dorry McLaughlin**

Secretary

 2013  
23/8/13

**Viewpoint Housing Association Limited**  
**The Board's Statement on Internal Financial Control**  
**31 March 2013**

The Board acknowledges its ultimate responsibility for ensuring that Viewpoint has in place a system of internal financial 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.

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

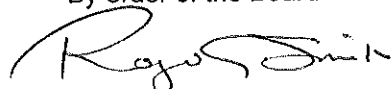
- Formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the Association's assets.
- Experienced and suitably qualified staff take responsibility for important business functions.
- Forecasts and budgets are prepared regularly which allow the Board and staff to monitor the key business risks and financial objectives and progress towards the 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.
- The Board reviews reports from management and from both internal and external auditors to provide reasonable assurance that control procedures are in place and are being followed. Control weaknesses identified in previous years have been addressed. Our Risk Strategy and policy is being rigorously implemented and Financial Control policies enhanced and implemented. Our annual report from our internal auditors showed that there were no high priority recommendations made during the year as a result of internal audits.
- Financial risk identification has been carried out and the Risk Map has been approved by the Board. The Board reviews the annual strategy and development-funding plan and both it and the internal operational plans are subject to approval by the Board. A treasury management policy is in place to guide and review all borrowing and investment activities and is reviewed regularly and policy changes approved by the Board.

Given the reviews to date, the Board is satisfied that the control system was sufficient to give them confidence in the current financial statements.

**Going Concern**

After making enquiries of the Directors, the Board has a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future being a period of at least 12 months after the date on which the report and the financial statements are signed and, therefore, these financial statements are prepared on a going concern basis.

By order of the Board



Date: 23/8..... 2013

## Independent Auditor's Report to the Members of Viewpoint Housing Association Limited

We have audited the financial statements of Viewpoint Housing Association Limited for the year ended 31 March 2013 which comprise the 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 and Provident Societies Act 1968, and to the charity's trustees as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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, the Association's members as a body and its trustees 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 Statement of Board's Responsibilities set out on page 9, the Board 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 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 Board; and the overall presentation of the financial statements. In addition, we read all the financial and nonfinancial information in the Report of the Board 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 2013 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Industrial and Provident Societies Acts, 1965 to 2002, the Housing (Scotland) Act 2010, the Charities and Trustee Investment (Scotland) Act 2005, Regulation 14 of the Charities Accounts (Scotland) Regulations 2006 (as amended), and The Scottish Regulator's Determination of Accounting Requirements (April 2012).

### **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, or the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the information given in the Trustee's annual report is inconsistent in any material respect with the financial statements; 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.

### **Corporate Governance Matters**

In addition to our audit of the financial statements, we have reviewed the Board's statement concerning internal financial control made under "The Code of Audit Practice" contained within the publication "Raising Standards in Housing" which is the guidance issued by the Scottish Federation of Housing Associations. The object of our review is to draw attention to non-compliance with the guidance.

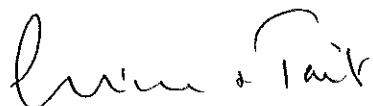
Independent Auditor's Report to the Members of  
Viewpoint Housing Association Limited

**Basis of opinion**

We carried out our review in accordance with guidance issued by the Auditing Practices Board. That 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.

**Opinion**

With respect to the Board's statements on internal financial control, in our opinion the Board has provided the disclosures required by the guidance and such statements are not inconsistent with the information of which we are aware from our audit work on the financial statements.



**CHIENE + TAIT**  
**Chartered Accountants and Statutory Auditor**  
**61 Dublin Street**  
**Edinburgh**  
**EH3 6NL**

29 August 2013

Viewpoint Housing Association Limited  
Income and Expenditure Account  
For the year ended 31 March 2013

	Notes	2013 £	2012 £
Turnover	2	12,608,412	12,605,935
Operating Costs	2	(10,368,335)	(9,840,886)
Operating Surplus	2	<u>2,240,077</u>	<u>2,765,049</u>
Gain on Sale of Fixed Assets		12,078	8,500
Interest Receivable and Other Income	4	76,121	45,334
Interest Payable and similar charges	5	(365,359)	(362,623)
Net Surplus for the year	8	<u><u>1,962,917</u></u>	<u><u>2,456,260</u></u>

The Association has no recognised gains or losses other than the surplus for the year.

The historical cost surpluses and deficits are identical to those shown in the financial statements.

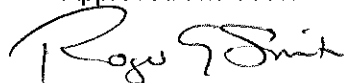
The results for the year relate wholly to continuing activities.

The notes on pages 15 to 34 form an integral part of these financial statements.

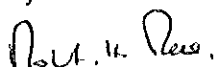
Viewpoint Housing Association Limited  
Balance Sheet  
As at 31 March 2013

	Notes	2013 £	2012 £
<b>Fixed assets</b>			
Housing Properties and Homes - Depreciated Cost	9	55,203,226	54,237,032
Less: Housing Association Grant	9	(30,557,368)	(30,485,707)
Less: Capital Donations	9	(4,038,811)	(4,038,811)
		<u>20,607,047</u>	<u>19,712,514</u>
Other fixed assets	10	918,289	880,148
Investments	11	111	111
<b>Total fixed assets</b>		<u>21,525,447</u>	<u>20,592,773</u>
<b>Current assets</b>			
Debtors	12	922,869	882,147
Cash at bank and in hand		7,083,395	6,956,464
		<u>8,006,264</u>	<u>7,838,611</u>
<b>Creditors - amounts due within one year</b>	13	<u>(2,780,600)</u>	<u>(3,327,221)</u>
<b>Net current assets</b>		<u>5,225,664</u>	<u>4,511,390</u>
<b>Total assets less current liabilities</b>		<u>26,751,111</u>	<u>25,104,163</u>
<b>Creditors - amounts falling due after more than one year</b>	14	<u>(9,742,298)</u>	<u>(10,058,209)</u>
<b>Net Assets</b>		<u>17,008,813</u>	<u>15,045,954</u>
<b>Capital and Reserves</b>			
Share Capital	15	240	298
Designated Reserves	6	8,708,088	8,699,616
Restricted Reserves	7	149,953	177,109
Revenue Reserves	8	8,150,532	6,168,931
<b>Total capital and reserves</b>		<u>17,008,813</u>	<u>15,045,954</u>

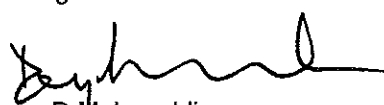
Approved and authorised for issue by the Board of Management and signed on its behalf:



R Smith  
Chairman



R Rae  
Board Member



D McLaughlin  
Secretary

Date: 23/8/13

The notes on pages 15 to 34 form an integral part of these financial statements.

Viewpoint Housing Association Limited  
Cash Flow Statement  
For the year ended 31 March 2013

	Notes	2013 £	2012 £
<b>Net cash inflow from operating activities</b>	21a	<b>3,709,567</b>	<b>4,054,586</b>
<b>Returns on investments and servicing of finance</b>			
Interest received		29,776	28,172
Interest paid		(364,529)	(359,515)
<b>Net cash outflow from returns on investments and servicing of finance</b>		<b>(334,753)</b>	<b>(331,343)</b>
<b>Investment</b>			
Payments to acquire and develop housing properties		(2,444,293)	(791,887)
Housing Association Grant received		59,009	8,546
Capital grants received		-	18,535
Payments to acquire other assets		(241,873)	(239,423)
Receipt from sale of assets		12,078	8,500
<b>Net cash (outflow) from capital expenditure and financial investment</b>		<b>(2,615,079)</b>	<b>(995,729)</b>
<b>Cash inflow before management of liquid resources and financing</b>		<b>759,735</b>	<b>2,727,514</b>
<b>Management of Liquid Resources</b>			
Cash transferred to fixed term deposits		-	(1,000,000)
<b>Financing</b>			
Loans repaid		(711,492)	(878,787)
Loans received		405,687	775,778
Share Capital Issued		18	-
<b>Net cash (outflow) from financing</b>		<b>(305,787)</b>	<b>(103,009)</b>
<b>Increase in cash</b>	21b	<b>453,948</b>	<b>1,624,505</b>

The notes on pages 15 to 34 form an integral part of these financial statements.



Viewpoint Housing Association Limited  
Notes to the Financial Statements  
For the year ended 31 March 2013

**1. Principal Accounting Policies**

**(a) Introduction and accounting basis**

The principal accounting policies of the Association are set out in the paragraphs (b) to (s) below. The Association is incorporated under the Industrial and Provident Societies Act 1965 and is registered with the Financial Conduct Authority. The financial statements have been prepared under the historical cost convention, and in compliance with The Scottish Housing Regulator's Determination of Accounting Requirements (April 2012) and The Statement of Recommended Practice (SORP), "Accounting by Registered Social Landlords – Update 2010" and applicable accounting standards. The Association has formal authority from the Financial Conduct Authority to exclude its subsidiary from inclusion or consolidation into its group financial statements, due to the immateriality of the amounts involved in Benview Trading Limited. These financial statements therefore present information about the Association as an individual undertaking and not about its group.

**(b) Going concern**

The Association made a surplus of £1,962k for the year which was slightly reduced from last year's surplus of £2,456k. A net current asset position of £5,226k was reported at 31 March 2013 (2012: £4,511k). The Association was compliant with its bank covenants during the year.

The results of the Association's programme to improve its financial efficiency continue to be evident. Updated financial projections have been prepared which indicate it will have sufficient financial resources to meet its short, medium and long term commitments. The Board has reviewed the projections and cash flow for the next 12 months which appear satisfactory and therefore has a reasonable expectation that the Association has adequate resources to continue operating for the foreseeable future. For the above reasons, these accounts have been prepared on a going concern basis.

**(c) Turnover**

Turnover represents rental and service charge income, income from care homes, income from fees and revenue based grants receivable from local authorities and from the Housing and Regeneration Division of the Scottish Government.

**(d) Finance**

The financial statements have been prepared on the basis that the capital expenditure referred to in note 9 will be grant aided, funded by loans or met out of reserves, or from proceeds of sales.

**(e) Housing Association Grants and Capital Donations**

Housing Association Grants (HAG) are made by Housing and Regeneration Division of the Scottish Government and are utilised to reduce the amount of mortgage loan in respect of an approved scheme to the amount, which it is estimated can be serviced by the net annual income of the scheme. The amount of HAG is fully allocated to the land and structure components.

HAG and other grants are repayable under certain circumstances, primarily following sale of property, but will normally be restricted to net proceeds of sale.

**(f) Housing Association Grant - Acquisition and Development Allowances receivable**

Acquisition and Development Allowances are determined by the Housing the Scottish Government and are advanced as grants. They are intended to finance certain internal administrative cost relating to the acquisition and development of housing land and buildings for approved schemes. Development Allowances become available in instalments according to the progress of work on the scheme. These allowances are credited to the development account when they are receivable.

**(g) Fixed assets - Housing land and buildings (note 9)**

Properties included in housing properties are stated at cost. The cost of such properties includes:

- (i) cost of acquiring land and buildings;
- (ii) development expenditure including applicable overheads.
- (iii) the replacement of components which are treated separately for depreciation purposes (note (i))

Viewpoint Housing Association Limited  
Notes to the Financial Statements  
For the year ended 31 March 2013

**1. Principal Accounting Policies (continued)**

These costs are either termed "qualifying costs" by the Housing and Regeneration Division of the Scottish Government for approved HAG schemes and are considered for mortgage loans by the relevant lending authorities or they are met out of the Association's reserves.

All invoices and architects' certificates relating to capital expenditure incurred in the year at gross value before retentions are included in the financial statements for the year, provided that the dates of issue or valuations are prior to the year end.

Development costs are capitalised to the extent that they are attributable to specific schemes and where such costs are not felt to be excessive.

If capital expenditure does not qualify for HAG, it is nevertheless capitalised.

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

Right to Buy legislation does not apply to the Association's housing properties on account of the Association's charitable status.

**(h) Improvements Capitalised**

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 of the life of the property.

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

**(i) Depreciation**

**(i) Housing properties and care homes**

No depreciation is charged on the cost of land. Depreciation on properties is charged over the remaining useful life of the assets by dividing the depreciable book value by the estimated remaining useful economic life in years.

The depreciable book value is calculated by taking total cost less land cost, HAG received, capital donations received and accumulated depreciation. Properties are charged at the following annual rates:

Care Homes and Housing Properties      60 years

Major components are treated as separate assets and depreciated over their expected useful economic lives at the following rates:

Structure	60 years
Windows	Between 30 and 50 years
Heating Systems	Between 20 and 30 years
Kitchens	20 years
Bathrooms	Between 20 and 30 years
Lifts	20 years
Fire Systems	Between 10 and 15 years
Door Entry and Call Alarm Systems	Between 10 and 15 years

Viewpoint Housing Association Limited  
Notes to the Financial Statements  
For the year ended 31 March 2013

**1. Principal Accounting Policies (continued)**

**(ii) Other fixed assets**

The Association's assets are written off on a straight -line basis over their useful lives as follows:

Heritable office property	50 years
Fixtures & fittings	5 years
Office equipment & computer software	Between 3 and 5 years
Motor vehicles	4 years
Garden equipment	6 years
Kitchen equipment	5 years

A full year's depreciation is charged on these assets in the year of purchase, but no charge is made in the year of disposal.

**(j) Impairment of fixed assets**

Impairment is calculated as the difference between the carrying value of income generating units and the estimated value in use at the date an impairment loss is recognised. Value in use represents the net present value of expected future cash flows from these units.

Impairment of assets is recognised in the Income and Expenditure account.

**(k) Reserves**

Designated reserve - Reserves for future cyclical repairs and maintenance (note 6)

Cyclical maintenance, being the Association's commitment to maintain its properties in accordance the planned programme of works, is set aside in a designated reserve, to the extent that it will not be met from revenue in the year in which it is incurred.

Designated reserve - Major repairs fund (note 6)

Major repair 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 or revenue generated in the year. This reserve is intended to cover major repairs expenditure as well as the replacement of capitalised components.

Designated reserve - Sinking fund (note 6)

Sinking fund items include recurring items and the replacement of capitalised components which do not fall within either the cyclical or major repairs programmes and have funding requirements extending over more than one year.

Designated reserve - Capital reserve (note 6)

Capital reserve is based on the Association's liability to maintain those properties, which were not provided either in part or whole through receipt of HAG funding.

An amount equal to the relevant cyclical and major repairs cost is transferred to revenue reserves each year and an estimate of expected future requirements is calculated to set the required annual transfer from revenue reserve.

The balance on the Association's Designated Reserves at 31 March 2013 is sufficient to cover forecast expenditure under the planned maintenance programme for a period of three to five years.

Designated reserve - New care home reserve (note 6)

This reserve was established as a result of the sale proceeds of the former care home at Inverleith Terrace in the year to 31 March 2008. The Board has designated the proceeds for the future construction or acquisition of a new care home. Should Viewpoint wish to use this for an alternative opportunity in the future, the designation may be varied.

Viewpoint Housing Association Limited  
Notes to the Financial Statements  
For the year ended 31 March 2013

**1. Principal Accounting Policies (continued)**

Restricted reserves (note 7) - These relate to donations and legacies whose use is limited to the provision of amenities at specific housing complexes and care homes.

**(l) Managing Agents**

Housing and accounting records are maintained on behalf of Craiglea Place Proprietors Association which reflect management agreements. While management fees for the provision of this service are included in these financial statements as income, the transactions of the managed bodies are not included.

**(m) Apportionment of management expenses**

Direct employee administration and operating costs have been apportioned to the Income and Expenditure account on the basis of costs of the staff to the extent that they are directly engaged in each of the operations dealt with in these accounts.

**(n) Lease obligations**

Rentals paid under operating leases are charged to the Income and Expenditure account on the accruals basis.

**(o) Pensions**

The Association participates in the centralised Scottish Housing Associations' 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. Contributions are made in accordance with periodic calculations by consulting actuaries and are based on pensionable salaries applicable across the various participating Associations taken as a whole. As it is not possible in the normal course of events to identify the Association's share of underlying assets and liabilities, it is accounted for on the basis of the contributions for the year.

The Association also contributes to the personal pension schemes of employees not eligible to participate in the above scheme on a defined contribution basis.

During the year to 31 March 2012 Viewpoint Housing Association changed its non-contributory pension scheme to become contributory. All staff are eligible to join this scheme. Viewpoint will contribute, matching Employee's contributions, between 3% and 6% of contracted salaries. Contributions are charged in the Income & Expenditure Account as they become payable in accordance with the rules of the scheme.

**(p) Value Added Tax (VAT)**

The Association is not VAT registered; as a result all expenditure is stated inclusive of Value Added Tax.

**(q) Prepayment of Loan Set-Up Costs**

Loan set-up costs are treated as prepaid and will be charged to the Income and Expenditure account over the life of the loan. This treatment is consistent with Financial Reporting Standard 4 'Capital Instruments'. The capital element of the future payments is treated as a liability.

**(r) Liquid resources**

Liquid resources are defined as cash and cash equivalents being assets readily convertible into cash without curtailing or disrupting the business of the Association.

Viewpoint Housing Association Limited  
Notes to the Financial Statements  
For the year ended 31 March 2013

**1. Principal Accounting Policies (continued)**

**(s) Loan stock**

Loan stock, being unsecured loans from tenants under the terms of a number of the Association's tenancy agreements, is shown as long term creditors, with the exception of an estimated £250k which is included in housing loans within current liabilities. The current liability reflects the amount the Association estimates will be repaid within one year.

**2. Turnover, Operating Costs and Operating Surplus**

			2013		2012
		Turnover	Operating Costs	Operating Surplus	Operating Surplus
	Note	£	£	£	£
Social Lettings	3a	7,185,614	(5,296,851)	1,888,763	2,120,392
Other activities	3b	5,422,798	(5,071,484)	351,314	644,657
Total 2013		<u>12,608,412</u>	<u>(10,368,335)</u>	<u>2,240,077</u>	<u>2,765,049</u>
Total 2012		<u>12,605,935</u>	<u>(9,840,886)</u>	<u>2,765,049</u>	

Viewpoint Housing Association Limited  
Notes to the Financial Statements  
For the year ended 31 March 2013

**3a. Income and Expenditure from Social Housing Lettings**

	2013		2012	
	General Needs Housing £	Supported Housing £	Total £	Total £
Rent receivable net of service charges	1,026,838	3,724,075	4,750,913	4,594,851
Service charges receivable – eligible for Housing Benefit	220,413	1,779,116	1,999,529	1,950,301
Service charges receivable – not eligible for Housing Benefit	-	586,157	586,157	597,875
Gross Income from rents and service charges	1,247,251	6,089,348	7,336,599	7,143,027
Less: voids	(31,460)	(119,525)	(150,985)	(133,337)
Net Income from rents & service charges	1,215,791	5,969,823	7,185,614	7,009,690
Grants from Scottish Ministers	-	-	-	-
Other revenue grants	-	-	-	1,667
<b>Total Turnover from social letting activities</b>	<b>1,215,791</b>	<b>5,969,823</b>	<b>7,185,614</b>	<b>7,011,357</b>
Service costs	(217,575)	(1,919,088)	(2,136,663)	(2,056,509)
Management & maintenance administration costs	(155,516)	(710,646)	(866,162)	(844,801)
Reactive maintenance costs	(134,689)	(508,415)	(643,104)	(613,735)
Bad debts - rents & service charges	(17,618)	(23,846)	(41,464)	(22,109)
Planned & cyclical maintenance including major repairs	(110,309)	(645,243)	(755,552)	(590,056)
Depreciation on social housing	(196,466)	(657,440)	(853,906)	(763,755)
Impairment on social housing	-	-	-	-
<b>Operating costs for social housing activities</b>	<b>(832,173)</b>	<b>(4,464,678)</b>	<b>(5,296,851)</b>	<b>(4,890,965)</b>
<b>Operating Surplus</b>	<b>383,618</b>	<b>1,505,145</b>	<b>1,888,763</b>	<b>2,120,392</b>
Operating Surplus for social housing 2012	421,062	1,699,330	2,120,392	

In addition to other capital improvement works, during the year £1,221,512 (2012: £997,169) of major repairs work was capitalised under component accounting and £130,610 (2012: £114,131) was expensed.

Viewpoint Housing Association Limited  
Notes to the Financial Statements  
For the year ended 31 March 2013

3b. Particulars of Turnover, Operating Costs and Operating Surplus or Deficit from Other Activities

	2013		2012	
	Operating Surplus/ (Deficit) £	Operating Surplus/ (Deficit) £		
	Operating costs – bad debts £	Other operating Costs £	Operating Surplus/ (Deficit) £	Operating Surplus/ (Deficit) £
	Total Turnover £	Other Income £	Other Income £	Other Income £
	Supporting People Income £	Grants from Scottish Ministers £	Supporting People Income £	Grants from Scottish Ministers £
Development activities and construction of property activities	-	-	-	(46,580)
Support Activities	272,308	-	272,308	35,686
Care Activities	-	3,036,816	5,044,927	633,374
Agency and Managed Services for Registered Social Landlords	-	29,667	29,667	1,401
Wider Role Activities	-	-	-	-
Factoring	-	-	-	-
Developments for sale to RSLs	-	-	-	-
Developments for sale to Non RSLs	-	-	-	-
Other	-	75,896	75,896	20,776
Total from Other Activities for 2013	272,308	3,142,379	5,422,798	644,657
Total from Other Activities for 2012	273,241	3,439,926	5,594,578	

In addition to other capital improvement works, major repairs work to Care Homes of £49k (2012: £290k) has been capitalised in the year under component accounting and £41k (2012: £6k) has been expensed.

Viewpoint Housing Association Limited  
Notes to the Financial Statements  
For the year ended 31 March 2013

<b>4. Interest Receivable and Similar Income</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Interest receivable on cash deposits	59,772	28,799
Interest charged to subsidiaries	16,349	16,535
	<u>76,121</u>	<u>45,334</u>

<b>5. Interest Payable and Similar Charges</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Interest on bank loans and overdrafts	365,359	362,623
	<u>365,359</u>	<u>362,623</u>

<b>6. Designated Reserves</b>	<b>At 1 April 2012 £</b>	<b>Transfers to Revenue Reserves £</b>	<b>Transfers from Revenue Reserves £</b>	<b>At 31 March 2013 £</b>
Cyclical Maintenance	1,370,995	(13,786)	22,258	1,379,467
Major Repairs	2,923,863	-	-	2,923,863
Sinking Fund	2,071,497	-	-	2,071,497
Capital Reserve	232,807	-	-	232,807
	<u>6,599,162</u>	<u>(13,786)</u>	<u>22,258</u>	<u>6,607,634</u>
New Care Home Reserve	2,100,454	-	-	2,100,454
	<u>8,699,616</u>	<u>(13,786)</u>	<u>22,258</u>	<u>8,708,088</u>

No restrictions are placed on these reserves, but the Board has designated their use for specific purposes. Allocations to these reserves and the basis of designation have been reviewed and the balance on the Association's reserves at 31 March 2013 is sufficient to cover forecast spend under the planned maintenance programme for a period of between three and five years.

The New Care Home reserve was established from the sale proceeds of the former care home property at Inverleith Terrace which the Board have designated for the future construction or acquisition of a new care home. Should Viewpoint wish to use this for an alternative opportunity in the future, the designation may be varied.

<b>7. Restricted Reserves</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
As stated at 1 April	177,109	103,867
Legacy Income and Grants received during the year (including Interest) (note 8)	37,087	90,898
Transfer to revenue reserve for expenditure (note 8)	(64,243)	(17,656)
At 31 March	<u>149,953</u>	<u>177,109</u>

The balance of the restricted reserves at 31 March 2013 is limited to the provision of amenities at specific housing complexes and care homes. These balances are likely to be fully expended within the next five years.



Viewpoint Housing Association Limited  
Notes to the Financial Statements  
For the year ended 31 March 2013

8. Revenue Reserves	2013 £	2012 £
As stated at 1 April	6,168,931	5,921,065
Net Surplus for the year	1,962,917	2,456,260
Transfer to restricted reserves (note 7)	(37,087)	(90,898)
Transfer from restricted reserves for expenditure on restricted items (note 7)	64,243	17,656
Net Transfer (to) designated reserves (note 6)	(8,472)	(2,135,152)
At 31 March	<u>8,150,532</u>	<u>6,168,931</u>

9a Housing Properties

Cost	Housing Properties held for letting £	Care Homes £	Total £
At 1 April	58,257,787	8,343,130	66,600,917
Additions	1,766,054	203,622	1,969,676
Disposals	(467,630)	-	(467,630)
At 31 March	<u>59,556,211</u>	<u>8,546,752</u>	<u>68,102,963</u>
<b>Depreciation</b>			
At 1 April	(10,448,470)	(1,915,415)	(12,363,885)
Depreciation charge for year	(853,906)	(149,576)	(1,003,482)
Disposals	467,630	-	467,630
At 31 March	<u>(10,834,746)</u>	<u>(2,064,991)</u>	<u>(12,899,737)</u>
<b>Cost less depreciation</b>	<u>48,721,465</u>	<u>6,481,761</u>	<u>55,203,226</u>
<b>Housing Association Grant</b>			
At 1 April	(30,485,707)	-	(30,485,707)
Additions	(71,661)	-	(71,661)
At 31 March	<u>(30,557,368)</u>	<u>-</u>	<u>30,557,368</u>
<b>Other Capital Donations</b>			
At 1 April	(1,665,195)	(2,373,616)	(4,038,811)
Additions	-	-	-
At 31 March	<u>(1,665,195)</u>	<u>(2,373,616)</u>	<u>(4,038,811)</u>
Total Grants as 31 March	<u>(32,222,563)</u>	<u>(2,373,616)</u>	<u>(34,596,179)</u>
<b>Net Book Value at 31 March 2013</b>	<u>16,498,902</u>	<u>4,108,145</u>	<u>20,607,047</u>
Net Book Value at 31 March 2012	<u>15,658,415</u>	<u>4,054,099</u>	<u>19,712,514</u>

9b. Development Administration Costs and Interest Capitalised	2013 £	2012 £
Development administration costs capitalised during the year	6,515	2,832
Interest capitalised during the year	<u>-</u>	<u>-</u>

9c. Leased Assets

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

Viewpoint Housing Association Limited  
Notes to the Financial Statements  
For the year ended 31 March 2013

**10. Other Fixed Assets**

	Heritable Office Property	Kitchen, Office, Computer Software and Garden Equipment £	Fixtures and Fittings £	Motor Vehicles £	Total £
<b>Cost</b>					
At 1 April	738,996	780,489	2,275,569	292,746	4,087,800
Additions	-	75,124	195,728	27,835	298,687
Disposals	-	(146,034)	(1,364,626)	(97,207)	(1,607,867)
At 31 March	<u>738,996</u>	<u>709,579</u>	<u>1,106,671</u>	<u>223,374</u>	<u>2,778,620</u>
<b>Depreciation</b>					
At 1 April	262,103	711,679	1,981,644	252,226	3,207,652
Charged during year	15,880	65,727	155,141	23,798	260,546
Disposals	-	(146,034)	(1,364,626)	(97,207)	(1,607,867)
At 31 March	<u>277,983</u>	<u>631,372</u>	<u>772,159</u>	<u>178,817</u>	<u>1,860,331</u>
<b>Net Book Value at 31 March 2013</b>	<u><b>461,013</b></u>	<u><b>78,207</b></u>	<u><b>334,512</b></u>	<u><b>44,557</b></u>	<u><b>918,289</b></u>
<b>Net Book Value at 31 March 2012</b>	<u><b>476,893</b></u>	<u><b>68,810</b></u>	<u><b>293,925</b></u>	<u><b>40,520</b></u>	<u><b>880,148</b></u>

**11. Investments**

	2013 £	2012 £
Shares in Lomond Park	100	100
Shares in subsidiary company	11	11
	<u>111</u>	<u>111</u>

The Association holds one hundred unlisted shares in Lomond Park private gardens.

The subsidiary company at 31 March was:

Name	Country of Registration	Nature of Business	Proportion of Ordinary Shares held
Benview Trading Limited	Scotland	Management of housing /homes funded by Special Needs Capital Grant	100%

The amount subscribed at par for the ordinary shares of £1 each held by Viewpoint Housing Association Limited was £1. The results for the subsidiary company and the deficiency of net asset value at the year end are as follows:

	2013 £	2012 £
Profit on ordinary activities after taxation	<u>2,727</u>	<u>1,221</u>
Net Liabilities	<u>(46,722)</u>	<u>(49,449)</u>

Viewpoint Housing Association Limited  
Notes to the Financial Statements  
For the year ended 31 March 2013

<b>12. Debtors:</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due after more than one year:</b>		
Amounts due from Group Undertakings	235,332	246,625
<b>Amounts falling due within one year:</b>		
Rental Debtors	420,124	437,155
Less: provision for bad and doubtful debts	(195,470)	(143,602)
	<u>224,654</u>	<u>293,553</u>
Other Debtors	32,546	51,536
Grants receivable	8,353	11,880
Amounts due from Group Undertakings	135,404	131,476
Prepayments and accrued income	251,283	108,281
Amounts due from Managed Schemes	18,224	29,946
Trade Debtors	17,073	8,850
	<u>922,869</u>	<u>882,147</u>
<b>13. Creditors: Amounts falling due within one year</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Housing loans principal payable within one year (see note 14)	409,029	398,923
Bank Overdraft	216,033	543,050
Trade Creditors	759,196	911,272
Other Creditors	337,150	197,362
Other taxes and social security	92,473	94,769
Prepaid rent	272,690	354,612
Accruals and deferred income	694,029	827,233
	<u>2,780,600</u>	<u>3,327,221</u>
<b>14. Creditors: Amounts falling due after more than one year</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Debt</b>		
Housing Loans	5,224,060	5,371,835
Loan Stock	4,116,406	4,273,175
Other/Office Loans	401,832	413,199
	<u>9,742,298</u>	<u>10,058,209</u>
<b>Debt analysis</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Debt is repayable as follows:</b>		
In one year or less	409,029	398,923
In more than one year but less than two years	416,939	409,029
In more than two years but less than five years	842,714	944,723
In more than five years	8,482,645	8,704,457
	<u>10,151,327</u>	<u>10,457,132</u>
Less: disclosed in note 13	(409,029)	(398,923)
	<u>9,742,298</u>	<u>10,058,209</u>

Bank loans are secured by specific charges over properties, the interest on bank loans is payable at a rate of interest of 6.22% (2012:6.22%). No interest is payable on loan stock.

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15. Non Equity Share Capital	2013 £	2012 £
Issued, allotted and fully paid shares of £1 each		
At 1 April	298	282
Cancelled during the year	(76)	-
Issued during the year	18	16
At 31 March	<u>240</u>	<u>298</u>

Each member of the Association holds one share of £1 in the Association. Those shares carry no rights to dividend or distribution 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.

16. Staff Costs	2013 £	2012 £
Staff costs during the year		
Wages and salaries	4,039,212	4,035,230
Social security costs	306,695	303,849
Other pension costs	301,552	326,963
	<u>4,647,459</u>	<u>4,666,042</u>

In addition to the above costs the Association incurred further costs of £524,861 (2012:£405,840) relating to the use of agency staff, primarily in the care homes.

The average number of full-time equivalents employed during the year was:-

Office staff	30	35
Warden, care staff, caterers and cleaners	171	169
Maintenance	12	12
<b>Total FTE employees</b>	<u>213</u>	<u>216</u>

The Association is controlled by a voluntary Board of Management who received no remuneration during the year to 31 March 2013.

The Directors also include the Chief Executive, and any other person reporting directly to the Chief Executive.

Aggregate emoluments payable to Directors whose emoluments are £60,000 or more (excluding pension contributions but including benefits in kind)	<u>143,013</u>	<u>134,980</u>
Aggregate emoluments payable to the highest paid Director (excluding pension contributions)	<u>81,276</u>	<u>79,000</u>
Pension Contributions of highest paid Director	<u>7,296</u>	<u>7,200</u>
Pension Contribution of other Director with emoluments over £60,000	<u>5,582</u>	<u>5,374</u>

With effect from 1 April 2011, past service deficit payments became based on pensionable salary roll at September 2009. For the year to 31 March 2013 the amount payable for past service deficit was £143,915. With effect from 1 April 2011, employers contributions reduced from 15.4% to 9.6%. No past service deficit amounts are allocated to individual staff members.

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**16. Staff Costs (continued)**

The emoluments (excluding pension contributions) of the Directors, including the highest paid Director, were within the following ranges:

£60,001 to £70,000	1	1
£70,001 to £80,000	-	1
£80,001 to £90,000	1	-
	<hr/>	<hr/>

The aggregate amount of compensation payable to Officers and staff for loss of office

<hr/>	12,500
-	

Expenses not chargeable to United Kingdom income tax reimbursed to members of the Board of Management

<hr/>	1,195
250	

**17. Pension Obligations**

The pension costs for Viewpoint Housing Association Ltd relate to the following schemes:

- **The Friends Provident Personal Pension Scheme** of which 82 employees are members (2012: 80). The scheme was changed in December 2011; previously for employees with service prior to July 2010, this was a 6% employer's only contribution scheme. Since July 2010 new employees contribute up to 6% with Viewpoint Housing Association making matching contributions. From December 2011, all Employer contributions are on the basis of matching employee's contributions. During the year Viewpoint Housing Association made contributions of £52,799 (2012: £88,684).

- **The Royal Scottish Insurance Pension Scheme** there are now no employees who are a member of this scheme (2012:1). The last active member contributed 5% and this was matched by Viewpoint Housing Association, but there were no contributions made in 2013 (2012: £803).

As only one employee was a member of this scheme details of the actuarial assessment and financial assumptions are not disclosed as they are not material to these financial statements.

- **The Scottish Housing Associations' Pension Scheme**

Viewpoint Housing Association participates in the Scottish Housing Associations' Pension Scheme ('the Scheme'). The Scheme is funded and is contracted-out of the State Pension scheme.

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 for which results are available was performed as at 30 September 2009. The final results of the 2012 valuation are not yet available but preliminary statements from the Scheme trustees indicate an increase in the deficit in the Scheme and a revised recovery plan requiring deficit contributions to be paid over the period of 13 years and six months from 1 April 2014 to 30 September 2027. The Association has received confirmation that its deficit contribution from 1 April 2014 will be £442k (currently £144k). The deficit contributions are to increase at 3% per annum under the plan. The following disclosures relate to the 2009 actuarial valuation and 2011 update.

The last 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%.

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**17. Pension Obligations (continued)**

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the Scheme as at 30 September 2011. 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 £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%.

1. Viewpoint Housing Association participates in the Scottish Housing Associations' Pension Scheme.
2. The Scheme is a multi-employer defined benefit scheme. The Scheme is funded and is contracted-out of the State Pension scheme
3. 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.
4. 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.
5. Viewpoint Housing Association has elected to operate the final salary with a 1/60th accrual rate benefit option for active members as at 31 March 2012.

During the accounting period *Viewpoint* paid contributions at the rate of 9.6% of pensionable salaries. Member contributions were at the rate of 9.6%.
6. As at the balance sheet date there were 38 active members of the Scheme employed by Viewpoint Housing Association. The annual pensionable payroll in respect of these members was £1,038,744.
7. Viewpoint Housing Association continues to offer membership of the Scheme to existing scheme members. Only members of the Executive team are permitted as new entrants.
8. 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.

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**17. Pension Obligations (continued)**

9. 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)	%
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 calculating the additional contributions.)

**• Growth Plan**

- Viewpoint Housing Association participates in The Pensions Trust's Growth Plan (the Plan). The Plan is funded and is not contracted-out of the State scheme. The Plan is a multi-employer pension plan.
- Contributions paid into the Plan up to and including September 2001 were converted to defined amounts of pension payable from Normal Retirement Date. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Plan or by the purchase of an annuity.
- The rules of the Plan allow for the declaration of bonuses and/or investment credits if this is within the financial capacity of the Plan assessed on a prudent basis. Bonuses/investment credits are not guaranteed and are declared at the discretion of the Plan's Trustee.
- The Trustee commissions an actuarial valuation of the Plan every three years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.
- The rules of the Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as Technical Provisions.

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**17. Pension Obligations (continued)**

6. If the actuarial valuation reveals a deficit, the Trustee will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.
7. The rules of the Plan state that the proportion of obligatory contributions to be borne by the member and the member's employer shall be determined by agreement between them. Such agreement shall require the employer to pay part of such contributions and may provide that the employer shall pay the whole of them.
8. Viewpoint Housing Association paid contributions at the rate of 0% during the accounting period. Members paid contributions between 0% and 2% during the accounting period.
9. As at the balance sheet date there were 2 active members of the Plan employed by Viewpoint Housing Association. Viewpoint Housing Association continues to offer membership of the Plan to its employees.
10. It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. The Plan is a multi-employer scheme, where the assets are co-mingled for investment purposes, and benefits are paid out of the Plan's total assets. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS17 represents the employer contribution payable.
11. The valuation results at 30 September 2011 were completed in 2012 and have been formalised. The valuation of the Plan was performed by a professionally qualified Actuary using the Projected Unit Method. The market value of the Plan's assets at the valuation date was £780 million and the Plan's Technical Provisions (i.e. past service liabilities) were £928 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £148 million, equivalent to a funding level of 84%.
12. The financial assumptions underlying the valuation as at 30 September 2011 were as follows:

	<b>% p.a.</b>
Rate of return pre retirement	4.9
Rate of return post retirement:	
Active/Deferred	4.2
Pensioners	4.2
Bonuses on accrued benefits	0.0
Rate of Inflation (CPI)	2.4
Rate of Inflation (RPI)	2.9

13. In determining the investment return assumptions the Trustee considered advice from the Scheme Actuary relating to the probability of achieving particular levels of investment return. The Trustee has incorporated an element of prudence into the pre and post retirement investment return assumptions; such that there is a 60% expectation that the return will be in excess of that assumed and a 40% chance that the return will be lower than that assumed over the next 10 years.
14. The Scheme Actuary's results for 30 September 2012 show that the Plan's assets at that date were £790 million and the Plan's Technical Provisions (i.e. past service liabilities) were £984 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £194 million, equivalent to a funding level of 80%.
15. If an actuarial valuation reveals a shortfall of assets compared to liabilities, the Trustee must prepare a recovery plan setting out the steps to be taken to make up the shortfall.
16. The Pensions Regulator has the power under Part 3 of the Pensions Act 2004 to issue scheme funding directions where it believes that the actuarial valuation assumptions and/or recovery plan are inappropriate. For example, the Regulator could require that the Trustee strengthens the actuarial assumptions (which would increase the Plan liabilities and hence impact on the recovery plan) or impose a schedule of contributions on the Plan (which would effectively amend the terms of the recovery plan). A copy of the recovery plan in respect of the September 2011 valuation was forwarded to The Pensions Regulator on 2 October 2012, as is required by legislation.
17. 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 Plan and The Pensions Act 2011 has more recently altered the definition of Series 3 of the Growth Plan so that a liability arises to employers from membership of any Series except Series 4. The debt is due in the event of the employer ceasing to participate in the Plan or the Plan winding up.



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**17. Pension Obligations (continued)**

18. The debt for the Plan as a whole is calculated by comparing the liabilities for the Plan (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 Plan. If the liabilities exceed assets there is a buy-out debt.
19. The leaving employer's share of the buy-out debt is the proportion of the Plan's liability attributable to employment with the leaving employer compared to the total amount of the Plan's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Plan liabilities, Plan 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.
20. When an employer withdraws from a multi-employer defined benefit pension scheme which is in deficit, the employer is required by law to pay its share of the deficit, calculated on a statutory basis (known as the buy-out basis). The calculation basis that applies to the Growth Plan was amended due to a change in the definition of money purchase contained in the Pensions Act 2011 but the regulations that will determine exactly how the change will apply in practice are still awaited. As the law stands, it is not yet clear whether the statutory calculation should include or exclude Series 3 liabilities. However, based upon current advice, the most likely interpretation is that Series 3 liabilities will have to be included in the calculation of an employer's debt on withdrawal. If an employer withdraws from the Plan prior to implementation of the regulations, payment of the higher amount would become due, pending adjustment when regulations are implemented.
21. Viewpoint Housing Association has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Plan as at 30 September 2012. As of this date the estimated employer debt for Viewpoint Housing Association was £112k., excluding Series 3 Liabilities, and £108k including Series 3 Liabilities

**18. Operating Lease Commitments**

At 31 March 2013 the company was committed to make the following payments during the next year in respect of operating leases:

	2013 £	2012 £
Leases which expire:		
Within one year	-	483
Within two to five years	<u>28,192</u>	<u>28,188</u>
	<u>28,192</u>	<u>28,671</u>

**19. Taxation**

There was no charge to corporation tax in 2012 or in 2013. The Association has charitable status and is eligible for exemptions from corporation taxation under the provisions of Section 505 of the Income and Corporation Taxes Act 1988.

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**20. Capital Commitments**

	2013	2012
Capital expenditure that has been contracted for but has not been provided for in the financial statements	<u>156,747</u>	<u>214,919</u>
Capital expenditure that has been authorised but not contracted for	<u>171,493</u>	<u>97,000</u>

The Association has necessary arrangements in place to fund these capital commitments.

**21. Notes to the Cash Flow Statement**

**a. Reconciliation of Operating Surplus to Net Cash Inflow from Operating Activities**

	2013	2012
	£	£
Operating surplus on ordinary activities	2,240,077	2,765,049
Depreciation of housing and care properties	1,003,482	907,295
Depreciation – other	260,546	252,301
(Increase) in debtors	(1,068)	(21,311)
Increase in creditors	206,606	151,252
Share Capital Cancelled	(76)	-
Net cash inflow from operating activities	<u>3,709,567</u>	<u>4,054,586</u>

**b. Reconciliation of Net Cash Flow to Movement in Net Debt**

	2013	2012
	£	£
Increase in cash for the year	453,948	1,624,505
Cash flow from Liquid Resources	-	1,000,000
Cash outflow from decrease in debt	711,492	878,787
Cash inflow from increase in debt	(405,687)	(775,778)
Change in net debt resulting from cash flows	759,753	2,727,514
Net Debt as at 1 April 2012	(4,043,718)	(6,771,232)
Net Debt as at 31 March 2013	<u>(3,283,965)</u>	<u>(4,043,718)</u>

**c. Analysis of Changes in net debt**

	at 1 April 2012 £	Cash flow £	Other Changes £	At 31 March 2013 £
<b>Net Cash</b>				
Cash at bank and in hand (exc Liquid Resources)	5,956,464	126,931	-	6,083,395
Bank Overdrafts	(543,050)	327,017	-	(216,033)
	<u>5,413,414</u>	<u>453,948</u>	<u>-</u>	<u>5,867,362</u>
<b>Liquid Resources</b>	1,000,000	-	-	1,000,000
<b>Debt</b>				
Debt due within one year	(398,923)	398,923	(409,029)	(409,029)
Debt due after one year	(10,058,209)	(93,118)	409,029	(9,742,298)
	<u>(4,043,718)</u>	<u>759,753</u>	<u>-</u>	<u>(3,283,965)</u>

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## 22. Contingent Liabilities

### The Scottish Housing Association's Pension Scheme

Viewpoint 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 2012. As of this date the estimated employer debt for Viewpoint Housing Association was £10,459,544

### Growth Plan

Viewpoint Housing Association has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Plan as at 30 September 2012. As of this date the estimated employer debt for Viewpoint Housing Association was £112k, excluding Series 3 Liabilities, and £108k including Series 3 Liabilities.

## 23. Housing Stock

	2013 No	2012 No
General needs	293	293
Supported	1,100	1,100
Total units	<u>1,393</u>	<u>1,393</u>
	2013 No	2012 No
Housing accommodation managed on behalf of other bodies	<u>62</u>	<u>62</u>
Accommodation managed by other bodies:		
The Action Group	6	6
Garvald Glenesk Limited	1	1
Community Integrated Care	7	7
Carr-Gomm Scotland	<u>8</u>	<u>8</u>

## 24. Operating Surplus on Ordinary Activities

	2013	2012
Operating Surplus on ordinary activities was arrived at after charging:		
	£	£
External Auditor fees	13,863	16,420
External Auditor non-audit services	<u>2,750</u>	<u>-</u>

## 25. Related Party Disclosure

### Tenant members of the Board

During the year the following member of the Board of Trustees was a tenant of the Association: - Jean Simpson. Transactions with the Association are undertaken on standard terms, as applicable to all tenants.

### Benview Trading Limited

Viewpoint Housing Association provides funding assistance and management and development services to Benview Trading Limited, its wholly owned subsidiary, in relation to the development of capital projects in which the two organisations hold complementary interests. Benview also provides Viewpoint with advisory services in connection with the same projects.

During the year, Viewpoint Housing Association received £2,868 (2012: £2,812) in management fees from Benview Trading Limited. During the year Viewpoint Housing Association Limited charged interest of £15,268 on a loan to Benview Trading Limited. At 31 March 2013 the balance outstanding on this loan was £247,099 (31 March 2012: £258,866). At the period end the total amount due from this company was £370,736 (2012: £378,573) (Note 12). Interest of £582 (2012: £562) on the inter-company current account balance of £123,637 was charged to Benview at a rate comparable with that which is received on the Association's bank deposits.

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**25. Related Party Disclosure (continued)**

The following members of the Association's Board who served during the year are also directors of Benview Trading Limited:

Dr R G Smith  
Miss E M Morrison  
Mr R Stewart

**Viewpoint Trust**

Viewpoint Trust was established in 1987 to raise and allocate funds to provide housing and any associated amenities for the aged and infirm who, in the opinion of the Trustees, would derive benefit there from. There are no staff employed by the Trust and financial and secretarial services are provided by Viewpoint Housing Association. One trustee of Viewpoint Trust was previously a member of the Board of Viewpoint Housing Association, as follows:

Mr I W Calder	Resigned from Viewpoint Housing Association 18 September 2012. Appointed to Viewpoint Trust 13 November 2012.
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During the year, a grants of £2,571 (2012: £16,101) was received from the Trust, which was used to fund a sensory garden at St Raphael's Care Home, and £15,135 was received for the benefit of residents of the Association's Care Homes. In February 2012 grants of £74,797 were also received to be used for the benefit of residents of the Association's care homes, and during the year to 31 March 2013 £40,622 of this sum was used to fund the Craft Café which opened in May 2012. Grants from the Trust are treated as restricted income (note 7). Management fees of £4,660 (2012: £4,160) were paid by the Trust to Viewpoint Housing Association. At the period end the amount due from the Viewpoint Trust was £4,661 (2012: £5,374).