



WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

Report and Financial Statements

For the year ended 31 March 2010

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

Report and Financial Statements For the year ended 31 March 2010

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Registration Information

Financial Services Authority

Industrial and Provident Societies 1965
Registered number 1991RS

The Scottish Housing Regulator

Housing (Scotland) Act 2001
Registered number HAL207

Registered Scottish Charity No: SC035350

Management Committee, Executives and Advisers

Committee of Management

G Walch	Chairperson – Resigned
M Symons	07/07/2010
A M Fargher	Secretary
S. Weir	Treasurer
A. Craddock	Vice Chairperson
P Daws	Resigned 09/09/2009
S McDonald (Renfrewshire Council)	
E Graham	
J Brown	
C Keane	
D Smith	
J McCotter	Appointed 02/12/2009
J Leadbetter	Appointed 09/09/2009

Executives

G Williamson	Director
J. McBride	Finance Manager
L Ferrie	Housing Manager
O McMillan	Maintenance Manager
J Livingstone	Development Manager
S. Gordon	Administration Officer

Registered Office:

Ralston House
Cyril Street
Paisley
PA1 1RW

Auditors

Scott-Moncrieff

25 Bothwell Street
Glasgow
G2 6NL

Bankers

The Royal Bank of Scotland plc
Paisley Chief Office
1 Moncrieff Street
Paisley PA3 2AW

Solicitor

Cochran Dickie Mackenzie
21 Moss Street
Paisley PA1 1BX

**Report of the Management Committee
For the year ended 31 March 2010**

The Committee of Management presents their report and the audited financial statements for the year ended 31st March 2010.

Principal activities

The principal activity of the Association is the provision of rented accommodation.

Review of business and future developments

The members of the Management Committee and the Association's Executive Officers are satisfied with the Association's performance during the year. The surplus for the year was £1,334,506 (2009: £1,057,107. Net assets stand at £15,043,350 (2009: £13,708,845).

The Association is recognised by the Inland Revenue as a charity for the purposes of Section 505 Income & Corporation Taxes Act 1988 with effect from 27 February 2004.

The committee of management and executive officers

The committee of management and executive officers of the Association are listed on page 1.

Each member of the Management Committee holds one fully paid share of £1 each in the Association. The executive officers of the Association hold no interest in the Association's share capital and although not having the legal status of directors they act as executives within the authority delegated by the committee.

Statement of committee's responsibilities

Housing association legislation requires the committee to prepare financial statements for each financial period 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 period 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 Management Committee is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the Association and enable it to ensure that the

**Report of the Management Committee
For the year ended 31 March 2010**

financial statements comply with the Industrial and Provident Societies Acts 1965 to 2002, the Housing (Scotland) Act 2001 and the Registered Social Landlords Accounting Requirements (Scotland) Order 2007. 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.

The Management Committee confirms that the financial statements comply with the above requirements.

Corporate Governance

The Association has complied throughout the accounting period with the Code of Best Practice published by the Cadbury Committee on the Financial Aspects of Corporate Governance in 1992.


Charitable Donations

During the year, the Association made charitable donations amounting to £818 (2009: £658).

Auditors

The auditors, Scott-Moncrieff, Chartered Accountants, at the forthcoming Annual General Meeting offer themselves for re-appointment.

By order of the Management Committee


Secretary

Dated: 25th August 2010

Report of the Auditors to the Members of Williamsburgh Housing Association Limited

We have audited the financial statements on pages 8 to 28, which have been prepared under the accounting policies set out on pages 12 to 14 and in accordance with the Statement of Recommended Practice (SORP) Accounting by Registered Social Landlords 2008.

This report is made solely to the Association's members as a body, in accordance with Section 9 of the Friendly and Industrial and Provident Societies Act 1968. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of committee and auditors

As described on page 2 the Association's Committee of Management is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Industrial and Provident Societies Acts 1965 to 2002, Schedule 7 the Housing (Scotland) Act 2001 and the Registered Social Landlords Accounting Requirements (Scotland) Order 2007. We also report to you if, in our opinion, the Management Committee Report is not consistent with the financial statements, if the Association has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the Association is not disclosed.

We read the Management Committee Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Committee of Management in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Association's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Group accounts Section 14 (2) of the Friendly and Provident Societies Act 1968

We agree with the opinion of the Committee of Management of the Association that it would be of no real value to the members of the Association to consolidate or include the accounts of the Association's subsidiary in group accounts required to be prepared under Section 13 of the Friendly and Industrial and Provident Societies Act 1968 for the year ended 31 March 2010, because of the immaterial nature of the subsidiary transactions in the year.

Report of the Auditors to the Members of Williamsburgh Housing Association Limited

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Association at 31 March 2010 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 the Housing (Scotland) Act 2001 and the Registered Social Landlords Accounting Requirements (Scotland) Order 2007.

In addition, the information given in the Management Committee Report is consistent with the financial statements.



Scott-Moncrieff
Chartered Accountants
Statutory Auditor
25 Bothwell Street
Glasgow G2 6NL

Dated: 25th August 2010

**Committee of Management's Statement of Internal Financial Controls
For the year ended 31 March 2010**

The Committee of Management acknowledges its ultimate responsibility for ensuring that the Association has in place a system of controls that is appropriate for 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 for publication;
- the maintenance of proper accounting records; and
- the safeguarding of assets against unauthorised use or disposition.

It is the Committee of Management's responsibility to establish and maintain systems of internal financial control. Such systems can only provide reasonable and not absolute assurance against material financial 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, and annual appraisal procedures have been established to maintain standards of performance.

Forecasts and budgets are prepared regularly, which allow the Committee of Management and staff to monitor the key business risks and progress towards financial plans set for the year and medium term; regular management accounts are prepared timeously, providing relevant, reliable and up to date financial and other information and significant variances from budget are investigated where appropriate.

All significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures.

The Committee of Management reviews reports from the Director, staff and the external and internal auditors to provide reasonable assurance that control procedures are in place and are being followed.

Formal procedures have been established for instituting appropriate action to correct weaknesses identified from the above reports.

The Committee of Management has confirmed the existence of the system of internal financial control in the Association for the year ended 31st March 2010 and until 22nd July 2010.

By order of the Committee of Management



Committee Member

Dated: 25th August 2010

**Report of the Auditors to the Management Committee of
Williamsburgh Housing Association Limited on Corporate Governance Matters**

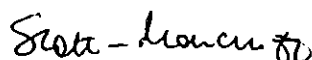
In addition to our audit of the Financial Statements, we have reviewed your Statement on page 6 concerning the Association's compliance with the paragraphs of the Internal Financial Control section within the SFHA's publication "Raising Standards in Housing". The objective of our review is to draw attention to non-compliance with those paragraphs of the Code, if not otherwise disclosed.

Basis of Opinion

We carried out our review having regard to Bulletin 2009/4 issued by the Auditing Practices Board. The Bulletin 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

In our opinion, your statement on internal financial control on page 6 has provided the disclosures required by the Internal Financial Control section within the SFHA's publication "Raising Standards in Housing" and is not inconsistent with the information which came to our attention as a result of our audit work on the Financial Statements.



Scott-Moncrieff
Chartered Accountants
Statutory Auditor
25 Bothwell Street
Glasgow G2 6NL

Dated: 25th August 2010

Income and Expenditure Account
For the year ended 31 March 2010

	Notes	2010 £	2009 £
Turnover	2,3 & 4	4,600,304	4,259,898
Less: Operating costs	2,3 & 4	3,013,295	3,016,068
Operating surplus		<u>1,587,009</u>	<u>1,243,830</u>
Net gain/(loss) on disposal of fixed assets	5	47,953	(3,899)
Interest receivable and other income	6	11,568	180,802
Interest payable and similar charges	7	(312,024)	(363,626)
Surplus for the year		<u><u>1,334,506</u></u>	<u><u>1,057,107</u></u>

The results for the year relate wholly to continuing activities.

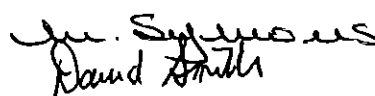
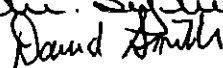

The Association has no recognised gains and losses other than those included in the surplus above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the surplus on ordinary activities for the year and its historical cost equivalent.

Balance Sheet
As at 31 March 2010

	Notes	2010 £	2009 £
Tangible fixed assets			
Housing properties – gross cost	11	113,003,533	103,218,900
Less: grants	11	(88,046,351)	(82,816,131)
		24,957,182	20,402,769
Less: provision for depreciation	11	(2,712,992)	(2,230,012)
		22,244,190	18,172,757
Other fixed assets	12	92,984	103,692
Investments	13	2	2
		22,337,176	18,276,451
Current assets			
Debtors	14	285,031	379,893
Cash at bank and in hand	15	2,412,292	3,206,870
		2,697,323	3,586,763
Creditors: amounts falling due within one year	16	(1,432,593)	(1,344,951)
Net current assets		1,264,730	2,241,812
Total assets less current liabilities		23,601,906	20,518,263
Creditors: amounts falling due after more than one year	17	(8,558,556)	(6,809,418)
Net assets		15,043,350	13,708,845
Capital and reserves			
Share capital	18	159	159
Designated reserves	19	7,445,166	6,110,661
Revenue Reserve	20	7,598,025	7,598,025
		15,043,350	13,708,845

The financial statements on pages 8 to 28 were authorised for issue by the Committee of Management on 25th August 2010 and were signed on its behalf by:

 Committee Member
 Committee Member
 Committee Member

The notes on pages 12 to 28 form part of these financial statements

Cash Flow Statement
For the year ended 31 March 2010

	£	2010	£	£	2009	£
Net cash flow from Operating Activities						
	2,202,855				1,771,029	
Returns on investments and servicing of finance						
Interest received	11,568			180,802		
Interest paid	(312,024)			(363,626)		
Net cash outflow from returns on investment and servicing of finance			(300,456)		(182,824)	
Capital expenditure and financial Investment						
Acquisition and construction of Properties	(9,837,295)			(6,276,182)		
Purchase of other fixed assets	(30,109)			(21,765)		
Capital grants received	5,282,882			2,998,898		
Grants repaid	(52,662)			-		
Sales of properties	100,615			2,084		
Sales of other fixed assets	-			8,100		
Net cash outflow from capital expenditure			(4,536,569)		(3,288,865)	
Net cash flow before use of liquid resources and financing			(2,634,170)		(1,700,660)	
Financing						
Net Issue of share capital	-			(25)		
Loan advances received	2,250,000			250,000		
Loan principal repayments	(410,408)			(353,495)		
Net cash flow from financing			1,839,592		(103,520)	
(Increase) in cash in the period			(794,578)		(1,804,180)	

Cash Flow Statement
For the year ended 31 March 2010

(i) Reconciliation of surplus for the year to net cash flow from operating activities

	2010	2009
	£	£
Operating surplus	1,587,009	1,243,830
Depreciation	523,796	402,459
Decrease/(Increase) in debtors	94,862	1,215,622
(Decrease)/Increase in creditors	(2,812)	(1,090,882)
	<u>2,202,855</u>	<u>1,771,029</u>
Net cash inflow from operating surplus	<u>2,202,855</u>	<u>1,771,029</u>

(ii) Analysis of changes in net liquid funds

	As at 31 March	Movement in	As at 31 March
	2009	year	2010
	£	£	£
Cash and bank balances	<u>3,206,870</u>	<u>(794,578)</u>	<u>2,412,292</u>

(iii) Analysis of Changes in Net Debt

	At 31 March	Cash	At 31 March
	2009	Flow	2010
	£	£	£
Cash in hand, at bank	3,206,870	(794,578)	2,412,292
Overdraft	-	-	-
	<u>3,206,870</u>	<u>(794,578)</u>	<u>2,412,292</u>
Debt due within 1 year	(270,984)	(90,454)	(361,438)
Debt due after 1 year	(6,809,418)	(1,749,138)	(8,558,556)
	<u>(3,873,532)</u>	<u>(2,634,170)</u>	<u>(6,507,702)</u>

(iv) Reconciliation of Net Cash Flow to Movement in Net Debt

	2010	2009
	£	£
(Decrease) for the year	(794,578)	(1,804,180)
Net Loan (received)/repaid	<u>(1,839,592)</u>	<u>103,495</u>
Change in net debt	<u>(2,634,170)</u>	<u>(1,700,685)</u>
Net debt at 1 April 2009	<u>(3,873,532)</u>	<u>(2,172,847)</u>
Net debt at 31 March 2010	<u>(6,507,702)</u>	<u>(3,873,532)</u>

Notes to the Financial Statements
For the year ended 31 March 2010

1. Principal Accounting Policies

(a) Introduction and accounting basis

These financial statements are prepared in accordance with applicable accounting standards and statements of recommended practice, and comply with the requirements of the Registered Social Landlords Accounting Requirements (Scotland) Order 2007 and the Statement of Recommended Practice (SORP) Accounting by Registered Social Landlords 2008.

(b) Basis of Accounting

The principal accounting policies of the Association are set out in paragraphs (c) to (m) below. The effect of events relating to the year ended 31 March 2010, which occurred before the date of approval of the financial statements by the Management Committee have been included in the statements to the extent required to show a true and fair view of the state of affairs as at 31 March 2010 and of the results for the year ended on that date.

(c) Turnover

Turnover represents rental and service charge income and fees or revenue grants receivable from local authorities and/or The Scottish Government.

(d) Finance

The financial statements have been prepared on the basis that the capital expenditure referred to in notes 11 and 12 will be grant aided, funded by loan or met out of reserves.

(e) Mortgages

Mortgage loans are advanced by The Scottish Government and financial institutions under the terms of individual mortgage deeds in respect of each property or housing scheme. Advances are available only in respect of those developments which have been given approval for Social Housing Grant by the Scottish Government.

(f) Social housing grant (SHG)

Social Housing Grant, at amounts approved by The Scottish Government, is paid directly to the Association as required to meet its liabilities during the development process.

SHG is repayable under certain circumstances primarily following sale of property, but will normally be restricted to net proceeds of sale.

SHG received as a contribution towards the capital cost of housing development is deducted from the cost of those developments. SHG received as a contribution towards revenue expenditure is included in turnover.

**Notes to the Financial Statements
For the year ended 31 March 2010**

1) Accounting policies (continued)

(g) Fixed assets - Housing properties

Housing land and buildings are stated at cost. The development costs of housing properties funded with SHG include the following:-

1. Cost of acquiring land and buildings
2. Development expenditure
3. Interest charged on the mortgage loans raised to finance the scheme up to the date of completion of the scheme

(h) Depreciation

1. Housing land and buildings

Housing properties are stated at cost, less social housing and other public grants and less accumulated depreciation. Depreciation is charged on a straight line basis over the expected economic useful lives of the properties at an annual rate of 2%.

2. Other fixed assets

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

The following rates have been used:

Fixtures & Fittings	- 15-20% per annum on cost
Office vehicle	- 33% per annum on cost
Office premises	- 4-14% per annum on cost

(i) Development Administration Costs

Development administration costs relating to development activities are capitalised based on an apportionment of the staff time spent on this activity.

(j) Designated reserves

Cyclical repairs and maintenance reserve

The Association has a costed programme of cyclical maintenance. The reserve represents amounts set aside in respect of future costs and will be released to the income and expenditure account as required.

Major Repairs Reserve

This reserve is based on the Association's liability to maintain housing properties in a state of repair, which at least maintains their residual value in prices prevailing at the time of acquisition and construction. The reserve represents amounts set aside in respect of future costs and will be transferred to the Revenue Reserve as appropriate.

**Notes to the financial statements
For the year ended 31 March 2010**

1. Accounting policies (continued)

(k) Apportionment of management expenses

Direct employee, administration and operating costs have been apportioned to the relevant sections of the income and expenditure account on the basis of costs of staff directly attributable to the operations dealt with in the financial statements.

(l) Pensions (Note 25)

The Association contributes to a defined benefit scheme, the cost of which is written off to the income and expenditure account on an accruals basis. The assets of the scheme are held separately from those of the Association in an independently administered fund.

(m) Financial Commitments

Assets held under finance leases where substantially all the risks and rewards of ownership of the asset have passed to the association, and hire purchase contracts are capitalised in the balance sheet and are depreciated in the income and expenditure account over the period of their useful lives.

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

WILLIAMSBURG HOUSING ASSOCIATION LIMITED

Notes to the financial statements
For the year ended 31 March 2010

2. Particulars of Turnover, Operating Costs and Operating Surplus/(Deficit)

	2010			2009		
	Turnover	Operating Costs	Operating Surplus	Turnover	Operating Costs	Operating Surplus
	£	£	£	£	£	£
Income and Expenditure From lettings						
Social Lettings	4,569,546	2,913,377	1,656,169	4,201,244	2,916,768	1,284,476
Other activities	30,758	99,918	(69,160)	58,654	99,300	(40,646)
	<u>4,600,304</u>	<u>3,013,295</u>	<u>1,587,009</u>	<u>4,259,898</u>	<u>3,016,068</u>	<u>1,243,830</u>

The Association does not have any Shared Ownership accommodation. There are no other accommodation types other than General Needs and Supported Housing.

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

Notes to the financial statements
For the year ended 31 March 2010

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

	General Needs Housing £	Supported Housing £	2010 Total £	2009 Total £
Income from rent and service charges				
Rent receivable net of service charges	4,399,158	38,980	4,438,138	4,091,899
Service Charges	134,418	2,735	137,153	123,570
	<u>4,533,576</u>	<u>41,715</u>	<u>4,575,291</u>	<u>4,215,469</u>
Gross income from rents and service charges				
Less voids	44,785	-	44,785	39,825
	<u>4,488,791</u>	<u>41,715</u>	<u>4,530,506</u>	<u>4,175,644</u>
Net income from rents and service charges				
Grants from the Scottish Ministers	39,040	-	39,040	25,600
Other revenue grants				-
	<u>4,527,831</u>	<u>41,715</u>	<u>4,569,546</u>	<u>4,201,244</u>
Total turnover from social letting activities				
Expenditure				
Management and maintenance administration costs	1,293,142	11,914	1,305,056	1,260,170
Service charges	116,625	2,597	119,222	107,440
Planned cyclical maintenance including major repairs	463,667	473	464,140	695,149
Reactive maintenance costs	531,975	10,005	541,980	494,054
Bad Debt Provision Rent & Service Charges	-	-	-	-
Depreciation of social housing	478,570	4,409	482,979	359,955
	<u>2,883,979</u>	<u>29,398</u>	<u>2,913,377</u>	<u>2,916,768</u>
Operating costs for social letting activities				
Operating Surplus on letting activities, 2010	<u>1,643,852</u>	<u>12,317</u>	<u>1,656,169</u>	<u>1,284,476</u>
Operating Surplus on letting activities, 2009	<u>1,270,006</u>	<u>14,470</u>	<u>1,284,476</u>	<u>-</u>

Notes to the financial statements for the year ended 31 March 2010

4. Particulars of turnover, operating costs and operating surplus from other activities

	Grants from Scottish Ministers	Other revenue grants	Supporting people income	Other income	Total Turnover 2010	Total Turnover 2009	Other operating costs	Operating surplus or (deficit) 2010	Operating surplus or (deficit) 2009
	£	£	£	£	£	£	£	£	£
Wider role activities *	8,898	-	-	-	8,898	37,610	46,686	(37,788)	(36,674)
Care and repair of property	-	-	-	-	-	-	-	-	-
Factoring	-	-	-	-	-	-	-	-	-
Development and construction of property activities	-	-	-	-	-	-	37,489	(37,489)	-
Support activities	-	-	-	-	-	-	-	-	-
Care activities	-	-	-	-	-	-	-	-	-
Agency/management services for RSLs	-	-	-	21,565	21,565	20,673	15,743	5,822	347
Other agency / management services	-	-	-	-	-	-	-	-	-
Developments for sale to RSLs	-	-	-	-	-	-	-	-	-
Development and improvements for sale to non RSLs	-	-	-	-	-	-	-	-	-
Other activities	-	-	-	295	295	371	-	295	(4,319)
Total from other activities, 2010	8,898	-	-	21,860	30,758	-	99,918	(69,160)	-
Total from other activities, 2009	37,610	-	-	21,044	58,654	58,654	99,300	(40,646)	(40,646)

* Undertaken to support the community, other than the provision, construction, improvement and management of housing

Notes to the Financial Statements
For the year ended 31 March 2010

5. Disposal of fixed assets	2010	2009
	£	£
Right to buy sales	-	(8,418)
Vehicle	-	4,519
Other property disposals	47,953	-
	<u>47,953</u>	<u>(3,899)</u>
6. Interest receivable and similar income		
Bank interest receivable	<u>11,568</u>	<u>180,802</u>
7. Interest payable and similar charges		
On bank loans and overdrafts	<u>312,024</u>	<u>363,626</u>
8. Surplus on ordinary activities before taxation		
Surplus on ordinary activities before taxation is stated after charging:		
Depreciation	523,796	402,459
Auditors remuneration – audit fees	8,962	8,633
Surplus/(Deficit) on disposal of fixed assets	<u>47,953</u>	<u>(3,899)</u>

Notes to the Financial Statements
For the year ended 31 March 2010

9. Directors' Emoluments

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

	2010 £	2009 £
Aggregate emoluments payable to directors (including pension contributions and benefits in kind)	<u>71,639</u>	<u>70,217</u>
Total emoluments payable to the highest paid Director (excluding pension contributions) amounted to:	<u>62,596</u>	<u>61,331</u>
Total emoluments payable to the Chairperson (excluding pension contributions) amounted to:	<u>-</u>	<u>-</u>
The numbers of Directors including the highest paid Director who received emoluments (excluding pension contributions) in the following ranges were:	Number	Number
£60,001 - £65,000	<u>1</u>	<u>1</u>
	£	£
Total committee expenses reimbursed in so far as not chargeable to United Kingdom Income Tax	<u>818</u>	<u>1,136</u>

The Director is an ordinary member of the Association's pension scheme described in Note 25. No enhanced or special terms apply to membership and he has no other pension arrangements to which the Association contributes. The Association's contributions for the Director in the year amounted to £9,042 (2009: £8,886).

10. Employee Information

	2010 £	2009 £
Salaries	975,079	940,499
Social security costs	78,260	76,858
Other pension costs	132,371	124,749
	<u>1,185,710</u>	<u>1,142,106</u>
The average monthly number of employees during the year was:	<u>31</u>	<u>30</u>

Notes to the Financial Statements
For the year ended 31 March 2010

11. Tangible Fixed Assets - Housing properties

	Housing Properties Held for Letting £	Housing Properties under Construction £	Environ- mental Improve- ments £	Total £
Cost				
As at 31 March 2009	92,406,553	7,715,023	3,097,324	103,218,900
Additions	9,624,394	208,053	4,848	9,837,295
Transfers	6,272,450	(6,272,450)	-	-
Disposals	(52,662)	-	-	(52,662)
As at 31 March 2010	108,250,735	1,650,626	3,102,172	113,003,533
Social Housing Grant				
As at 31 March 2009	73,177,331	5,310,002	-	78,487,333
Additions	4,902,826	332,086	-	5,234,912
Transfers	4,799,679	(4,799,679)	-	-
Abated/repaid	(52,662)	-	-	(52,662)
As at 31 March 2010	82,827,174	842,409	-	83,669,583
Other Grants				
As at 31 March 2009	1,238,995	-	3,089,803	4,328,798
Additions	47,970	-	-	47,970
Transfers	-	-	-	-
As at 31 March 2010	1,286,965	-	3,089,803	4,376,768
Accumulated depreciation				
As at 31 March 2009	2,230,013	-	-	2,230,013
Charge for the year	482,979	-	-	482,979
Disposals	-	-	-	-
As at 31 March 2010	2,712,992	-	-	2,712,992
Net Book Value				
As at 31 March 2010	21,423,605	808,217	12,369	22,244,191
As at 31 March 2009	15,760,215	2,405,021	7,521	18,172,757

Development administration costs capitalised in the year amounted to £ 191,899 for which grants amounting to £57,919 were received in the year.

The amount of interest capitalised amounted to £Nil (2009: £Nil).

Notes to the Financial Statements
For the year ended 31 March 2010

12. Tangible Fixed Assets - Other fixed assets

	Office Premises £	Office Vehicle £	Furniture & Fittings £	Total £
Cost				
At 31 March 2009	347,954	13,995	159,100	521,049
Additions during year	-	-	30,109	30,109
Disposals	-	-	(14,977)	(14,977)
At 31 March 2010	<u>347,954</u>	<u>13,995</u>	<u>174,232</u>	<u>536,181</u>
Depreciation				
At 31 March 2009	276,470	3,110	137,777	417,357
Charge for year	22,080	4,665	14,072	40,817
On disposals	-	-	(14,977)	(14,977)
At 31 March 2010	<u>298,550</u>	<u>7,775</u>	<u>136,872</u>	<u>443,197</u>
Net Book Value				
At 31 March 2010	<u>49,404</u>	<u>6,220</u>	<u>37,360</u>	<u>92,984</u>
At 31 March 2009	<u>71,484</u>	<u>10,885</u>	<u>21,323</u>	<u>103,692</u>

13. Investments

	2010 £	2009 £
Investment in subsidiary undertaking	<u>2</u>	<u>2</u>

During 2005/06 Williamsburgh Housing Association Ltd acquired 2 ordinary £1 shares in Williamsburgh Property Services Ltd. This represents a 100% shareholding in Williamsburgh Property Services Ltd, a company registered in Scotland, whose principal activity is that of provision of factoring property services to owners.

Williamsburgh Property Services Limited commenced trading on 1 April 2006. As at 31 March 2010 the capital and reserves of Williamsburgh Property Services were £2 with results for the period of £ nil.

Notes to the Financial Statements
For the year ended 31 March 2010

14. Debtors – amounts receivable within one year	2010	2009
	£	£
Arrears of rent, factoring and service charges	252,070	229,153
Less: Provision for doubtful debts	(78,962)	(97,086)
	<u>173,108</u>	<u>132,067</u>
Grant receivable	1,546	160,512
Other debtors	20,234	12,079
Inter company balance	12,842	27,098
Prepayments and accrued income	77,301	48,137
	<u>285,031</u>	<u>379,893</u>
15. Cash at bank and in hand		
Deposit accounts	2,261,176	3,096,951
Current accounts	150,979	109,767
Cash in hand	137	152
	<u>2,412,292</u>	<u>3,206,870</u>
Less: Set-off current account overdraft	-	-
	<u>2,412,292</u>	<u>3,206,870</u>
16. Creditors – Amounts falling due within one year		
Loans repayable within one year	361,438	270,984
Other taxes and social security costs	25,834	25,102
Owed to contractors	483,422	671,503
Rents and service charges in advance	258,316	204,920
Sundry creditors and accruals	303,583	172,442
	<u>1,432,593</u>	<u>1,344,951</u>

Notes to the Financial Statements
For the year ended 31 March 2010

17. Creditors – Amounts falling due after one year	2010	2009
	£	£
Housing loans		
Due within one year	361,438	270,984
Due between one and two years	363,695	271,852
Due between three and five years	862,801	818,159
Due after five years	7,332,060	5,719,407
	<u>8,919,994</u>	<u>7,080,402</u>
Less: included in current liabilities above	<u>(361,438)</u>	<u>(270,984)</u>
	<u>8,558,556</u>	<u>6,809,418</u>

The Scottish Government residual loans are outstanding mortgages on housing properties where the rental income is sufficient to secure a loan and are repayable over thirty years and sixty years. The loans are repayable by equal annual instalments of principal and interest, the last instalment of which falls on dates between 2012 and 2049. The loans have interest rates between 9.250% and 13.625% per annum.

Bank loans are outstanding mortgages on housing properties where the rental income is sufficient to secure a loan and are repayable over thirty or thirty five years.

The loans are repayable by monthly or quarterly instalments of principal and have either fixed or variable rates of interest. All loans are secured by standard securities over the title of the properties to which they relate.

18. Share Capital	2010	2009
	£	£
Shares of £1 each fully paid and issued as at 1 April 2009	159	184
Shares issued in year	<u>10</u>	<u>15</u>
	169	199
Shares cancelled in year	<u>(10)</u>	<u>(40)</u>
As at 31 March 2010	<u>159</u>	<u>159</u>

All shares are non-withdrawable and do not carry any right to interest or dividend.

19. Designated Reserves	Major Repairs Fund £	Cyclical Repairs Fund £	Total £
As at 31 March 2009	5,526,661	584,000	6,110,661
Transfer between designated reserves	(218,500)	218,500	-
Transfer from Income & Expenditure A/c	<u>1,334,505</u>	<u>-</u>	<u>1,334,505</u>
As at 31 March 2010	<u>6,642,666</u>	<u>802,500</u>	<u>7,445,166</u>

Notes to the Financial Statements
For the year ended 31 March 2010

20. Accumulated Surplus

	2010 £	2009 £
As at 1st April 2009	7,598,025	6,573,122
Surplus for year	1,334,506	1,057,107
	<u>8,932,531</u>	<u>7,630,229</u>
Transfer (to)/from designated reserves	(1,334,506)	-
Transfer (to)/from sales reserve	-	(32,204)
As at 31st March 2010	<u><u>7,598,025</u></u>	<u><u>7,598,025</u></u>

21. Sales Reserve

As at 1st April 2009	-	(32,204)
Transfer to/(from) revenue reserves	-	32,204
As at 31 st March 2010	<u><u>-</u></u>	<u><u>-</u></u>

22. Housing Stock

	2010 Number	2009 Number
The number of housing units in management as at 31 March 2010 was:		
New Build	597	500
Unimproved	28	35
Improved	978	948
Mortgage to Rent	3	3
Under Development	-	23
General Needs Housing	<u>1,606</u>	<u>1,509</u>
Shared Ownership Housing	-	-
Supported Housing	13	11
Total Units	<u><u>1,619</u></u>	<u><u>1,520</u></u>

23. Capital commitments

Capital expenditure that has been contracted for but has not been provided for in the financial statements	<u>158,469</u>	<u>9,071,314</u>
Capital expenditure that has been authorised by the Management Committee but has not yet been contracted for	<u>-</u>	<u>-</u>

The amount contracted for at 31 March 2010 will be funded from grants approved by The Scottish Government, financed from private loans or met from the Association's reserves.

Notes to the Financial Statements
For the year ended 31 March 2010

24. Revenue Commitments

The association has commitments under operating leases for the next year for leases expiring as follows:

	2010		2009	
	Land & buildings £	Other leases £	Land & buildings £	Other leases £
Within one year	-	-	-	-
Between two and five years	-	68,607	-	13,898
Over five years	-	-	-	-
	<u> </u>	<u>68,607</u>	<u> </u>	<u>13,898</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

25. Pensions

Williamsburgh Housing Association participates in the SFHA Pension Scheme.

The SFHA Pension Scheme is a multi-employer defined benefit scheme. The Scheme is funded and is contracted-out of the State Pension scheme.

The Scheme offers three benefit structures to employers, namely:

- Final salary with a 1/60th accrual rate.
- Career average revalued earnings with a 1/60th accrual rate.
- Career average revalued earnings with a 1/70th accrual rate.

An employer can elect to operate different benefit structures for their active members (as at the first day of April in any given year) and their new entrants. An employer can only operate one open benefit structure at any one time. An open benefit structure is one which new entrants are able to join.

Williamsburgh Housing Association has elected to operate the final salary with a 1/60th accrual rate benefit structure for all members.

During the accounting period Williamsburgh Housing Association paid contributions at the rate of 15.4% of pensionable salaries and member contributions were 7.7%.

As at the balance sheet date there were 27 active members of the Scheme employed by Williamsburgh Housing Association. Williamsburgh Housing Association continues to offer membership of the Scheme to its employees.

Notes to the Financial Statements
For the year ended 31 March 2010

25. Pensions (continued)

It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to an individual participating employer as the Scheme is a multi-employer arrangement where the assets are co-mingled for investment purposes, benefits are paid from the total Scheme assets, and the contribution rate for all employers is set by reference to the overall financial position of the Scheme rather than by reference to individual employer experience. Accordingly, due to the nature of the Scheme, the accounting charge for the period under FRS17 represents the employer contribution payable.

The Trustee commissions an actuarial valuation of the Scheme every three years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required, so that the Scheme can meet its pension obligations as they fall due.

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

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

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

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

2006 Valuation Assumptions		% p.a.
Investment return pre retirement		7.2
Investment return post retirement		4.9
Rate of salary increases		4.6
Rate of pension increases		
- Pension accrued pre 6 April 2005		2.6
- Pension accrued post 6 April 2005 (for leavers before 1 October 1993 pension increases are 5.0%)		2.2
Rate of price inflation		2.6

Mortality Tables	
Non-pensioners	PA92C2025 short
Pensioners	PA92C2013 short

Contribution Rates for Future Service		%
Final salary 1/60ths		17.8
Career average revalued earnings 1/60ths		14.6
Career average revalued earnings 1/70ths		12.6
Additional rate for deficit contributions		5.3

**Notes to the Financial Statements
For the year ended 31 March 2010**

25. Pensions (continued)

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Scheme. The debt is due in the event of the employer ceasing to participate in the Scheme or the Scheme winding up.

The debt for the Scheme as a whole is calculated by comparing the liabilities for the Scheme (calculated on a buy-out basis, i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Scheme. If the liabilities exceed assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the Scheme's liability attributable to employment with the leaving employer compared to the total amount of the Scheme's liabilities (relating to employment with all the employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Scheme liabilities, Scheme investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

The Association does not intend to withdraw from the scheme and the trustees have confirmed that there is no intention to wind up the scheme.

Notes to the Financial Statements
For the year ended 31 March 2010

26. Average Weekly Rent

	2010 £	2009 £
Average weekly rent	2,859	2,745
Annual Percentage rent increase	4.2%	4.2%

27. Related Party Transactions

There are six tenant members and five non tenant members of the Management Committee.

Of the five Committee Members who are non tenants, one is a representative of Renfrewshire Council, three stay out with the Association's normal areas of operation but are interested in the work of the Association and one is an owner who's property is factored by the Association's subsidiary, Williamsburgh Property Services Ltd.

All transactions with members of the Management Committee are carried out at arm's length.

Williamsburgh Housing Association provided agency services to Williamsburgh Property Services Ltd during 2009/10. Costs of services provision were recharged to Williamsburgh Property Services Ltd.

During the period, costs amounting to £59,401 (2009: £62,660) were recharged to Williamsburgh Property Services Limited. £285 (2009: £331) was gift aided from Williamsburgh Property Services Limited to Williamsburgh Housing Association. As at 31 March 2010, Williamsburgh Housing Association was owed £12,842 by Williamsburgh Property Services Limited. In 2009 Williamsburgh Property Services Ltd owed £27,098 to Williamsburgh Housing Association.