



Williamsburgh
HOUSING ASSOCIATION
• Limited •

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

Report and Financial Statements

For the year ended 31 March 2013

WILLIAMSBURGH HOUSING ASSOCIATION LIMITED

Report and Financial Statements For the year ended 31 March 2013

	Page
Members of the Management Committee, Executives and Advisers	1
Report of the Management Committee	2-3
Report of the Auditor	4-5
Management Committee's Statement of Internal Financial Controls	6
Report by the Auditor on the Management Committee's Statement of Internal Financial Controls	7
Income and Expenditure Account	8
Statement of Total Recognised Gains and Losses	8
Balance Sheet	9
Cash Flow Statement	10-11
Notes to the Financial Statements	12-27

Registration information

Financial Services Authority	Industrial and Provident Societies 1965 Registered number 1991RS
The Scottish Housing Regulator	Housing (Scotland) Act 2010 Registered number HAL207
	Registered Scottish Charity No: SC035350

Management Committee, Executives and Advisers

Committee of Management

M Symons	Chairperson
S Weir	Resigned 22.08.12
D Smith	Retired 22.08.12
C Keane	Deceased 23.06.13
J Brown	
J Sharkey	
W Crew	
N McPake	Resigned 19.09.12
A Morrison	
D James	
L Mardones	
S Luke	Resigned 30.01.13
J Callaghan	Appointed 28.11.12
R Hardie	Appointed 05.09.12
T Magennis	Appointed 27.03.13
Y Kelly	Appointed 28.11.12

Executives

G Williamson	Director/Secretary
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

Auditor

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 2013**

The Committee of Management presents its report and the audited financial statements for the year ended 31 March 2013.

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 £1,796,620 (2012: £1,436,723). Net assets stand at £20,147,398 (2012: £18,350,782).

The Association is recognised by the Inland Revenue as a charity for the purposes of Section 505 Income & Corporation Taxes Act 2010.

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;
- * 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. 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.

**Report of the Management Committee
For the year ended 31 March 2013**

Disclosure of information to the auditor

To the knowledge and belief of each of the persons who are members of the Management Committee at the time the report is approved;

- So far as the Committee members are aware, there is no relevant information of which the Association's auditor is unaware, and
- He/she has taken all the steps that he/she ought to have taken as a Committee member in order to make himself/herself aware of any relevant audit information, and to establish that the Association's auditor is aware of the information.

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 £500 (2012: £699).

Auditor

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

By order of the Management Committee


Gordon Williamson
Secretary

Dated: 26 July 2013

Report of the Independent Auditor to the Members of Williamsburgh Housing Association Limited

We have audited the financial statements of Williamsburgh Housing Association Limited for the year ended 31 March 2013 which comprise the income and expenditure account, the statement of total recognised gains and losses, balance sheet, cash flow statement and related notes. The financial reporting framework that has been applied is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice - Accounting by Registered Social Housing Providers issued in 2010.

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

Respective responsibilities of the directors and auditor

As explained more fully in the Statement of Committee's responsibilities statement set out on page 2, the committee members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Association's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Management Committee; and overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Management Committee 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 surplus for the year ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice and the Statement of Recommended Practice – Accounting by Registered Social Housing Providers issued in 2010;
- have been prepared in accordance with the requirements of the Industrial and Provident Societies Acts 1965 to 2002, Part 6 of the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 2012 as issued by the Scottish Housing Regulator.

In our opinion the information given in the Report of the Management Committee for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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 2013, because of the immaterial nature of the subsidiary transactions in the year.



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

Dated: 26 July 2013

**Committee of Management's Statement of Internal Financial Controls
For the year ended 31 March 2013**

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 31 March 2013 and until 26 July 2013.

By order of the Committee of Management



James Brown
Committee Member

Dated: 26 July 2013

**Report of the Auditor 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: 26 July 2013

Income and Expenditure Account
For the year ended 31 March 2013

	Notes	2013 £	2012 £
Turnover	2,3 & 4	5,578,722	5,349,808
Less: Operating costs	2,3 & 4	3,653,045	3,469,548
Operating surplus		1,925,677	1,880,260
Net loss on disposal of fixed assets	5	(5,352)	(253,745)
Interest receivable and other income	6	24,948	17,990
Interest payable and similar charges	7	(148,653)	(207,781)
Surplus for the year		1,796,620	1,436,723

The results for the year relate wholly to continuing activities.

Statement of Total Recognised Gains and Losses
For the year ended 31 March 2013

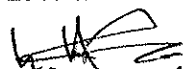
	Notes	2013 £	2012 £
Surplus for year		1,796,620	1,436,723
Prior year adjustment		-	415,285
		1,796,620	1,852,008

The notes on pages 12 to 27 form part of these financial statements

Balance Sheet
As at 31 March 2013

	Notes	2013 £	2012 £
Tangible fixed assets			
Housing properties – gross cost	11	110,540,823	110,361,910
Less: grants	11	(86,024,145)	(86,375,856)
		<u>24,516,678</u>	<u>23,986,054</u>
Less: provision for depreciation	11	(4,485,814)	(3,796,913)
		<u>20,030,864</u>	<u>20,189,141</u>
Other fixed assets	12	<u>144,104</u>	<u>82,224</u>
Investments	13	<u>2</u>	<u>2</u>
		<u>20,174,970</u>	<u>20,271,367</u>
Current assets			
Debtors	14	292,767	392,868
Cash at bank and in hand	15	5,093,788	3,594,026
		<u>5,386,555</u>	<u>3,986,894</u>
Creditors: amounts falling due within one year	16	(1,096,529)	(997,176)
Net current assets		<u>4,290,026</u>	<u>2,989,718</u>
Total assets less current liabilities		<u>24,464,996</u>	<u>23,261,085</u>
Creditors: amounts falling due after more than one year	17	(4,317,598)	(4,910,303)
Net assets		<u>20,147,398</u>	<u>18,350,782</u>
Capital and reserves			
Share capital	18	134	139
Designated reserves	19	10,073,632	9,175,322
Revenue Reserve	20	10,073,632	9,175,321
		<u>20,147,398</u>	<u>18,350,782</u>

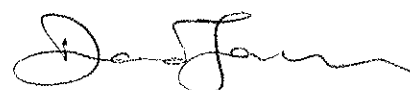
The financial statements on pages 8 to 27 were authorised for issue by the Committee of Management on 26 July 2013 and were signed on its behalf by:



William Crew
Committee Member



James Brown
Committee Member



David James
Committee Member

The notes on pages 12 to 27 form part of these financial statements

Cash Flow Statement
For the year ended 31 March 2013

	£	2013 £	£	2012 £
Net cash flow from Operating Activities		2,866,588		2,186,322
Returns on investments and servicing of finance				
Interest received	24,948		17,990	
Interest paid	(148,653)		(207,781)	
Net cash outflow from returns on investment and servicing of finance		(123,705)		(189,791)
Capital expenditure and financial Investment				
Acquisition and construction of Properties	(538,268)		(198,811)	
Purchase of other fixed assets	(91,940)		(46,908)	
Capital grants received	-		56,567	
Sale of fixed assets	-		7,699	
Net cash (outflow) from capital expenditure		(630,208)		(181,453)
Net cash flow before use of liquid resources and financing		2,112,675		1,815,078
Financing				
Net Issue of share capital	(5)		(10)	
Loan principal repayments	(612,908)		(1,414,707)	
Net cash flow from financing		(612,913)		(1,414,717)
Increase in cash in the period		1,499,762		400,361

Cash Flow Statement
For the year ended 31 March 2013

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

	2013	2012
	£	£
Operating surplus	1,925,677	1,880,260
Depreciation	721,254	684,759
Decrease/(increase) in debtors	100,101	(98,595)
Increase/(decrease) in creditors	119,556	(280,102)
Net cash inflow from operating surplus	<u>2,866,588</u>	<u>2,186,322</u>

(ii) Analysis of changes in net liquid funds

	As at 31 March 2012	Movement in year	As at 31 March 2013
	£	£	£
Cash and bank balances	<u>3,594,026</u>	<u>1,499,762</u>	<u>5,093,788</u>

(iii) Analysis of Changes in Net Debt

	At 31 March 2012	Cash Flow	At 31 March 2013
	£	£	£
Cash in hand, at bank	3,594,026	1,499,762	5,093,788
Overdraft	-	-	-
	<u>3,594,026</u>	<u>1,499,762</u>	<u>5,093,788</u>
Debt due within 1 year	(301,702)	20,203	(281,499)
Debt due after 1 year	(4,910,303)	592,705	(4,317,598)
	<u>(1,617,979)</u>	<u>2,112,670</u>	<u>494,691</u>

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

	2013	2012
	£	£
Increase for the year	1,499,762	400,361
Net Loan repaid	612,908	1,414,707
Change in net debt	<u>2,112,670</u>	<u>1,815,068</u>
Net debt at 1 April 2012	<u>(1,617,979)</u>	<u>(3,433,047)</u>
Net debt at 31 March 2013	<u>494,691</u>	<u>(1,617,979)</u>

**Notes to the Financial Statements
For the year ended 31 March 2013**

1. Principal Accounting Policies

(a) Introduction and going concern

These financial statements are prepared in accordance with applicable accounting standards and statements of recommended practice, and comply with the requirements of the Determination of Accounting Requirements 2012 as issued by the Scottish Housing Regulator and the Statement of Recommended Practice (SORP) Accounting by Registered Social Housing Providers 2010.

The Association has shown a strong surplus year on year and the committee believe that the Association will carry on this trend for the foreseeable future. In addition to this, the Association has a strong net current assets position. The management committee have therefore adopted the going concern basis in preparing the financial statements.

(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 2013, 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 2013 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 2013

1) Accounting policies (continued)

(g) Fixed assets - Housing properties

Housing land and buildings are stated at cost.

(h) Depreciation

Housing land and buildings

Each housing unit has been split between its major component parts. Each major component is depreciated on a straight line basis over its expected economic useful life. The following major components and useful lives have been identified by the Association:

Land - not depreciated
 Structure – over 50 years
 Windows – over 20 years
 Bathrooms – over 10 years
 Pipework – over 10 years
 Kitchen – over 15 years
 Boilers – over 10 years
 Roofs – over 35 years

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
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 maintenance reserve

This reserve has been transferred in full to a single maintenance reserve. The maintenance reserve will now fund any future requirement to transfer funds to the revenue reserve in respect of all maintenance expenditure.

Major Repairs (Maintenance) Reserve

The maintenance reserve replaces all previous maintenance reserves. It represents the Association's recognition of its responsibility 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 has been accumulated from 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 2013

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 24)

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.

Notes to the financial statements
For the year ended 31 March 2013

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

	2013			2012	
	Turnover £	Operating Costs £	Operating Surplus/(deficit) £	Turnover £	Operating Costs £
Income and Expenditure From lettings					
Social Lettings	5,368,089	3,368,118	1,999,971	5,142,519	3,258,705
Other activities	210,633	284,927	(74,294)	207,289	210,843
	<u>5,578,722</u>	<u>3,653,045</u>	<u>1,925,677</u>	<u>5,349,808</u>	<u>3,469,548</u>
					<u>1,880,260</u>

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

Notes to the financial statements
For the year ended 31 March 2013

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

	General Needs Housing £	Supported Housing £	2013 Total £	2012 Total £
Income from rent and service charges				
Rent receivable net of service charges	5,214,087	49,157	5,263,244	5,036,672
Service Charges	118,067	2,249	120,316	121,807
Gross income from rents and service charges	<u>5,332,154</u>	<u>51,406</u>	<u>5,383,560</u>	<u>5,158,479</u>
Less voids	<u>60,181</u>	<u>-</u>	<u>60,181</u>	<u>20,954</u>
Net income from rents and service charges	<u>5,271,973</u>	<u>51,406</u>	<u>5,323,379</u>	<u>5,137,525</u>
Grants from the Scottish Ministers	44,710	-	44,710	4,994
Total turnover from social letting activities	<u>5,316,683</u>	<u>51,406</u>	<u>5,368,089</u>	<u>5,142,519</u>
Expenditure				
Management and maintenance administration costs	1,570,556	15,185	1,585,742	1,572,215
Service charges	112,615	2,131	114,746	123,161
Planned and cyclical maintenance costs	269,428	439	269,867	267,577
Reactive maintenance costs	603,257	3,126	606,383	567,655
Bad Debt Provision Rent & Service Charges	99,227	959	100,186	85,000
Depreciation of social housing	682,330	8,864	691,194	643,097
Operating costs for social letting activities	<u>3,337,413</u>	<u>30,704</u>	<u>3,368,118</u>	<u>3,258,705</u>
Operating Surplus on letting activities, 2013	<u>1,979,270</u>	<u>20,702</u>	<u>1,999,971</u>	<u>-</u>
Operating Surplus on letting activities, 2012	<u>1,863,589</u>	<u>20,275</u>	<u>-</u>	<u>1,883,814</u>

Notes to the financial statements for the year ended 31 March 2013

4. Particulars of turnover, operating costs and operating surplus/(deficit) from other activities

	Grants from Scottish Ministers	Other revenue grants	Supporting people income	Other income	Total Turnover		Other operating costs	Operating surplus or (deficit)	
	£	£	£	£	2013	2012	£	2013	2012
					£	£		£	£
Wider role activities *	-	47,421	-	-	47,421	18,241	77,025	(29,604)	(18,280)
Care and repair of property	-	-	-	-	-	-	-	-	-
Factoring	-	-	-	-	-	-	-	-	-
Development and construction of property activities	-	-	-	-	-	-	53,310	(53,310)	-
Support activities	-	-	-	-	-	-	-	-	-
Care activities	-	-	-	-	-	-	-	-	-
Agency/management services for RSLs	-	-	-	160,091	160,091	186,436	154,592	5,499	12,114
Other agency / management services	-	-	-	-	-	-	-	-	-
Developments for sale to RSLs	-	-	-	-	-	-	-	-	-
Development and improvements for sale to non RSLs	-	-	-	-	-	-	-	-	-
Other activities	-	-	-	3,121	3,121	2,612	-	3,121	2,612
Total from other activities, 2013	-	47,421	-	163,212	210,633	-	284,927	(74,294)	-
Total from other activities, 2012	-	18,241	-	189,048	-	207,289	210,843	(3,554)	-

* Undertaken to support the community, other than the provision, construction, improvement and management of housing. £65,662 of funding has been received from The Big Lottery in respect of The Renfrewshire Association of Growers & Gardeners Project, recognised as follows, 2013: £47,421; (2012: £18,241).

Notes to the Financial Statements
For the year ended 31 March 2013

5. Disposal of fixed assets	2013	2012
	£	£
Vehicle	-	(7,700)
Other component disposals	5,352	261,445
	<u>5,352</u>	<u>253,745</u>
6. Interest receivable and similar income		
Bank interest receivable	<u>24,948</u>	<u>17,990</u>
7. Interest payable and similar charges		
On bank loans and overdrafts	<u>148,653</u>	<u>207,781</u>
8. Surplus for the year		
Surplus for the year is stated after charging:		
Depreciation	721,254	684,759
Auditor remuneration – audit fees	<u>9,650</u>	<u>9,650</u>

Notes to the Financial Statements
For the year ended 31 March 2013

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.

	2013 £	2012 £
Aggregate emoluments payable to directors (including pension contributions and benefits in kind)	83,171	79,090
Total emoluments payable to the highest paid Director (excluding pension contributions) amounted to:	69,865	66,374
Total emoluments payable to the Chairperson (excluding pension contributions) amounted to:	-	-
The numbers of Directors including the highest paid Director who received emoluments (excluding pension contributions) in the following ranges were:	Number	Number
£65,001 - £70,000	1	1
	£	£
Total committee expenses reimbursed in so far as not chargeable to United Kingdom Income Tax	2,291	2,466

The Director is an ordinary member of the Association's pension scheme described in Note 24. 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 £13,306 (2012: £12,716).

10. Employee Information

	2013 £	2012 £
Salaries	1,101,042	1,038,756
Social security costs	98,086	89,993
Other pension costs	192,820	185,022
	1,391,949	1,313,771
The average monthly number of employees		
Admin		
Maintenance	30	30
	-	-
	30	30

Notes to the Financial Statements
For the year ended 31 March 2013

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 2012	107,387,769	-	2,974,141	110,361,910
Additions	522,880	15,388	-	538,268
Transfers	-	-	-	-
Disposals	(359,355)	-	-	(359,355)
As at 31 March 2013	107,551,294	15,388	2,974,141	110,540,823
Social Housing Grant				
As at 31 March 2012	82,104,340	-	-	82,104,340
Additions	-	-	-	-
Transfers	-	-	-	-
Abated/repaid	(351,711)	-	-	(351,711)
As at 31 March 2013	81,752,629	-	-	81,752,629
Other Grants				
As at 31 March 2012	1,309,744	-	2,961,772	4,271,516
Additions	-	-	-	-
Transfers	-	-	-	-
As at 31 March 2013	1,309,744	-	2,961,772	4,271,516
Accumulated depreciation				
As at 31 March 2012	3,796,913	-	-	3,796,913
Charge for the year	691,194	-	-	691,194
Disposals	(2,293)	-	-	(2,293)
As at 31 March 2013	4,485,814	-	-	4,485,814
Net Book Value				
As at 31 March 2013	20,003,107	15,388	12,369	20,030,864
As at 31 March 2012	20,176,772	-	12,369	20,189,141

Development administration costs capitalised in the year amounted to £6,066.

Total cost of components capitalised for the year to £522,880 (2012: £198,811).

**Notes to the Financial Statements
For the year ended 31 March 2013**

12. Tangible Fixed Assets - Other fixed assets

	Office Premises £	Office Vehicle £	Furniture & Fittings £	Total £
Cost				
At 31 March 2012	361,779	19,314	197,314	578,407
Additions during year	10,253	-	81,687	91,940
Disposals	-	-	(1,412)	(1,412)
At 31 March 2013	372,032	19,314	277,589	668,935
Depreciation				
At 31 March 2012	330,604	3,219	162,360	496,183
Charge for year	7,056	6,438	16,566	30,060
On disposals	-	-	(1,412)	(1,412)
At 31 March 2013	337,661	9,657	177,514	524,831
Net Book Value				
At 31 March 2013	34,372	9,657	100,075	144,104
At 31 March 2012	31,175	16,095	34,954	82,224

13. Investments

	2013 £	2012 £
Investment in subsidiary undertaking	2	2

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 Ltd commenced trading on 1 April 2006. As at 31 March 2013 the capital and reserves of Williamsburgh Property Services Ltd were £2 with results for the period of £ nil.

Notes to the Financial Statements
For the year ended 31 March 2013

14. Debtors – amounts receivable within one year	2013 £	2012 £
Arrears of rent, factoring and service charges	305,749	272,335
Less: Provision for doubtful debts	(148,593)	(114,064)
	<u>157,156</u>	<u>158,271</u>
Grant receivable	-	14,722
Other debtors	53,442	110,830
Inter company balance	31,060	40,744
Prepayments and accrued income	51,109	68,301
	<u>292,767</u>	<u>392,868</u>
15. Cash at bank and in hand		
Deposit accounts	4,907,688	3,405,760
Current accounts	185,929	188,145
Cash in hand	171	120
	<u>5,093,788</u>	<u>3,594,026</u>
16. Creditors – Amounts falling due within one year		
Loans repayable within one year	281,499	301,702
Other taxes and social security costs	36,763	44,476
Owed to contractors	265,873	150,644
Rents and service charges in advance	305,485	304,772
Sundry creditors and accruals	206,909	195,851
	<u>1,096,529</u>	<u>997,176</u>

Notes to the Financial Statements
For the year ended 31 March 2013

17. Creditors – Amounts falling due after one year	2013	2012
	£	£
Housing loans		
Due within one year	281,499	301,702
Due between one and two years	281,499	301,702
Due between three and five years	844,497	905,106
Due after five years	3,191,602	3,703,495
	<u>4,599,096</u>	<u>5,212,005</u>
Less: included in current liabilities above	(281,499)	(301,702)
	<u><u>4,317,598</u></u>	<u><u>4,910,303</u></u>

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 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	2013	2012
	£	£
Shares of £1 each fully paid and issued as at 1 April 2012	139	149
Shares issued in year	4	4
	<u>143</u>	<u>153</u>
Shares cancelled in year	(9)	(14)
	<u>134</u>	<u>139</u>
As at 31 March 2013	<u><u>134</u></u>	<u><u>139</u></u>

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

19. Designated Reserves	Maintenance Reserve Fund	Cyclical Repairs Fund	Total
	£	£	£
As at 31 March 2012	9,175,322	-	9,175,322
Transfer between designated reserves			
Transfer from Income & Expenditure A/c	898,310	-	898,310
	<u>10,073,632</u>	<u>-</u>	<u>10,073,632</u>
As at 31 March 2013	<u><u>10,073,632</u></u>	<u><u>-</u></u>	<u><u>10,073,632</u></u>

Notes to the Financial Statements
For the year ended 31 March 2013

20. Accumulated Surplus	2013	2012
	£	£
As at 1st April 2012	9,175,321	8,664,603
Prior year adjustment		-
Surplus for year	1,796,621	1,436,723
	<u>10,971,942</u>	<u>10,101,326</u>
Transfer (to) designated reserves	(898,310)	(926,005)
As at 31st March 2013	<u>10,073,632</u>	<u>9,175,321</u>

22. Housing Stock	2013	2012
The number of housing units in management as at 31 March 2013 was:		
New Build	611	611
Unimproved	28	28
Improved	978	978
Mortgage to Rent	3	3
	<u>1,620</u>	<u>1,620</u>
General Needs Housing		
	<u>13</u>	<u>13</u>
Supported Housing		
	<u>13</u>	<u>13</u>
Total Units	<u>1,633</u>	<u>1,633</u>

Notes to the Financial Statements
For the year ended 31 March 2013

23. Revenue Commitments

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

	2013		2012	
	Land & buildings £	Other Leases £	Land & buildings £	Other leases £
Within one year	-	-	-	-
Between two and five years	-	20,112	-	15,876
Over five years	-	-	-	-
	<u>-</u>	<u>20,112</u>	<u>-</u>	<u>15,876</u>

24. Pensions

Williamsburgh 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.

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 2009 by a professionally qualified Actuary using the Projected Unit Credit method. The market value of the Scheme's assets at the valuation date was £295 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £160 million, equivalent to a past service funding level of 64.8%.

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update 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%.

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.

Notes to the Financial Statements
For the year ended 31 March 2013

24. Pensions (continued)

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 has been notified by the Pensions Trust of the estimated employer debt on withdrawal from the Scheme based on the financial position of the Scheme as at 30 September 2012. As of this date the estimated employer debt for the Association was £5,948,812

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

The Scheme offers five benefit structures to employers, namely:

- Final salary with a 1/60th accrual rate.
- Career average revalued earnings with a 1/60th accrual rate.
- Career average revalued earnings with a 1/70th accrual rate.
- Career average revalued earnings with a 1/80th accrual rate.
- Career average revalued earnings with a 1/120th accrual rate, contracted-in.

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

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

The joint contribution rates required from employers and members to meet the cost of future benefit accrual for the final salary 60ths benefit structure was assessed as 19.2%.

This is split equally between employers and members. Accordingly the contribution rates for the Final salary 60ths benefit structure from 1 April 2011 is 9.6% employer contributions and 9.6% member contributions. There is an additional employer rate for deficit contributions of 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.

As at the balance sheet date there were 27 active members of the Scheme employed by Williamsburgh Housing Association. The annual pensionable payroll in respect of these members was £943,327.

**Notes to the Financial Statements
For the year ended 31 March 2013**

24. Pensions (continued)

Williamsburgh Housing Association continues to offer membership of the Scheme to its employees. 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

25. Average Annual Rent

	2013	2012
	£	£
Average annual rent	3,182	3,048
Annual Percentage rent increase	4.4%	4.5%

26. Related Party Transactions

There are nine tenant members and three non-tenant members of the Management Committee. All three Committee Members who are non-tenants, stay out with the Association's normal areas of operation but are interested in the work of the Association. All transactions with members of the Management Committee are carried out at arm's length. Williamsburgh Housing Association Ltd provided agency services to Williamsburgh Property Services Ltd during 2012/13. Costs of services provision were recharged to Williamsburgh Property Services Ltd. During the period, costs amounting to £64,656 (2012: £62,784) were recharged to Williamsburgh Property Services Ltd. £3,112 (2012: £2,598) was gift aided from Williamsburgh Property Services Ltd to Williamsburgh Housing Association. As at 31 March 2013, Williamsburgh Housing Association Ltd was owed £31,060 (2012: £40,744) by Williamsburgh Property Services Ltd.