



**Williamsburgh**  
HOUSING ASSOCIATION  
• Limited •

**WILLIAMSBURGH HOUSING ASSOCIATION LIMITED**

**Report and Financial Statements**

**For the year ended 31 March 2014**

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## **WILLIAMSBURGH HOUSING ASSOCIATION LIMITED**

### **Report and Financial Statements For the year ended 31 March 2014**

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#### **Registration information**

Financial Conduct 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
J Brown	
J Sharkey	
W Crew	Resigned 04.09.13
C. Keane	Deceased 23.06.14
A Morrison	
D James	
L Mardones	
J Callaghan	
R Hardie	Resigned 31.07.13
T Magennis	Resigned 31.07.13
Y Kelly	Resigned 28.05.14
S Findlay	Appointed 04.09.13
C. Fitzpatrick	Appointed 04.09.13
J. Mackinnon	Removed 27.06.14

**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 2014**

The Committee of Management presents its report and the audited financial statements for the year ended 31 March 2014.

**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 £1,469,921 (2013: £1,796,620). Net assets stand at £21,617,306 (2013: £20,147,398).

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 2014**

**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.

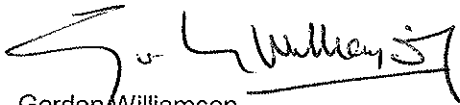
**Charitable Donations**

During the year, the Association made charitable donations amounting to £810 (2013: £500).

**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: 25 July 2014

**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 2014 which comprise the income and expenditure account, the 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**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2014 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.

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

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Industrial and Provident Societies Acts, 1965 to 2002 require us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the association has not kept proper accounting records; or
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we need for our audit.

**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 2014, 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: 25 July 2014

**Committee of Management's Statement of Internal Financial Controls  
For the year ended 31 March 2014**

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 2014.

By order of the Committee of Management



James Brown  
**Committee Member**

Dated: 25 July 2014



**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: 25 July 2014

**Income and Expenditure Account**  
**For the year ended 31 March 2014**

	Notes	2014 £	2013 £
<b>Turnover</b>	2,3 & 4	5,823,501	5,578,722
Less: Operating costs	2,3 & 4	4,181,347	3,653,045
<b>Operating surplus</b>		<u>1,642,154</u>	<u>1,925,677</u>
Net loss on disposal of fixed assets	5	(57,746)	(5,352)
Interest receivable and other income	6	29,646	24,948
Interest payable and similar charges	7	(144,133)	(148,653)
<b>Surplus for the year</b>		<u><u>1,469,921</u></u>	<u><u>1,796,620</u></u>

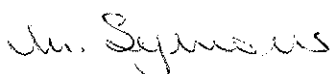
The results for the year relate wholly to continuing activities.

There were no recognised gains or losses other than those included in the income and expenditure account above.

**Balance Sheet**  
As at 31 March 2014

	Notes	2014 £	2013 £
<b>Tangible fixed assets</b>			
Housing properties – gross cost	11	111,471,929	110,540,823
Less: grants	11	(85,061,124)	(86,024,145)
		<u>26,410,805</u>	<u>24,516,678</u>
Less: provision for depreciation	11	(5,305,877)	(4,485,814)
		<u>21,104,928</u>	<u>20,030,864</u>
Other fixed assets	12	<u>349,912</u>	<u>144,104</u>
Investments	13	<u>2</u>	<u>2</u>
		<u>21,454,842</u>	<u>20,174,970</u>
<b>Current assets</b>			
Debtors	14	453,243	292,767
Cash at bank and in hand	15	4,871,904	5,093,788
		<u>5,325,147</u>	<u>5,386,555</u>
<b>Creditors: amounts falling due within one year</b>	16	<u>(1,207,331)</u>	<u>(1,096,529)</u>
<b>Net current assets</b>		<u>4,117,816</u>	<u>4,290,026</u>
<b>Total assets less current liabilities</b>		<u>25,572,658</u>	<u>24,464,996</u>
<b>Creditors: amounts falling due after more than one year</b>	17	<u>(3,955,352)</u>	<u>(4,317,598)</u>
<b>Net assets</b>		<u>21,617,306</u>	<u>20,147,398</u>
<b>Capital and reserves</b>			
Share capital	18	121	134
Designated reserves	19	10,808,593	10,073,632
Revenue Reserve	20	10,808,592	10,073,632
		<u>21,617,306</u>	<u>20,147,398</u>

The financial statements on pages 8 to 28 were authorised for issue by the Committee of Management on 25 July 2014 and were signed on its behalf by:



**Margaret Symons**  
Committee Member



**James Brown**  
Committee Member



**James Callaghan**  
Committee Member

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

Cash Flow Statement  
For the year ended 31 March 2014

	£	2014 £	£	2013 £
<b>Net cash flow from Operating Activities</b>		2,470,515		2,866,588
<b>Returns on investments and servicing of finance</b>				
Interest received	29,646		24,948	
Interest paid	(144,133)		(148,653)	
	<u>          </u>		<u>          </u>	
<b>Net cash outflow from returns on investment and servicing of finance</b>		(114,487)		(123,705)
<b>Capital expenditure and financial investment</b>				
Acquisition and construction of Properties	(2,102,444)		(538,268)	
Purchase of other fixed assets	(235,527)		(91,940)	
Capital grants received	122,318		-	
	<u>          </u>		<u>          </u>	
<b>Net cash (outflow) from capital expenditure</b>		(2,215,653)		(630,208)
<b>Net cash flow before use of liquid resources and financing</b>		140,375		2,112,675
<b>Financing</b>				
Net Issue of share capital	(13)		(5)	
Loan principal repayments	(362,246)		(612,908)	
	<u>          </u>		<u>          </u>	
<b>Net cash flow from financing</b>		(362,259)		(612,913)
<b>(Decrease)/increase in cash in the period</b>		<u>          </u>		<u>          </u>
		<u>          </u>		<u>          </u>
		(221,884)		1,499,762

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

Cash Flow Statement  
For the year ended 31 March 2014

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

	2014 £	2013 £
Operating surplus	1,642,154	1,925,677
Depreciation	878,033	721,254
Decrease/(increase) in debtors	(160,476)	100,101
Increase/(decrease) in creditors	110,804	119,556
	<u>2,470,515</u>	<u>2,866,588</u>
Net cash inflow from operating surplus	<u>2,470,515</u>	<u>2,866,588</u>

## (ii) Analysis of changes in net liquid funds

	As at 31 March 2013 £	Movement in year £	As at 31 March 2014 £
Cash and bank balances	<u>5,093,788</u>	<u>(221,884)</u>	<u>4,871,904</u>

## (iii) Analysis of Changes in Net (Debt)/Cash

	At 31 March 2013 £	Cash Flow £	At 31 March 2014 £
Cash in hand, at bank	5,093,788	(221,884)	4,871,904
Overdraft	-	-	-
	<u>5,093,788</u>	<u>(221,884)</u>	<u>4,871,904</u>
Debt due within 1 year	(281,499)	-	(281,499)
Debt due after 1 year	(4,317,598)	362,246	(3,955,352)
	<u>494,691</u>	<u>140,362</u>	<u>635,053</u>

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

	2014 £	2013 £
(Decrease)/increase for the year	(221,884)	1,499,762
Net Loan repaid	362,246	612,908
	<u>140,362</u>	<u>2,112,670</u>
Change in net debt	140,362	2,112,670
Net cash at 1 April 2013	494,691	(1,617,979)
Net cash at 31 March 2014	<u>635,053</u>	<u>494,691</u>

**Notes to the Financial Statements  
For the year ended 31 March 2014**

**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 2013 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 believes 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 2014, 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 2014 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 2014

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 2014

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 2014

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

	General Needs Housing £	Supported Housing £	2014 Total £	2013 Total £
<b>Income from rent and service charges</b>				
Rent receivable net of service charges	5,384,409	50,730	5,435,139	5,263,244
Service Charges	115,530	2,230	117,760	120,316
<b>Gross income from rents and service charges</b>	<u>5,499,939</u>	<u>52,960</u>	<u>5,552,899</u>	<u>5,383,560</u>
<b>Less voids</b>	90,359	-	90,359	60,181
<b>Net income from rents and service charges</b>	<u>5,409,580</u>	<u>52,960</u>	<u>5,462,540</u>	<u>5,323,379</u>
Grants from the Scottish Ministers	63,966	-	63,966	44,710
<b>Total turnover from social letting activities</b>	<u>5,473,546</u>	<u>52,960</u>	<u>5,526,506</u>	<u>5,368,089</u>
<b>Expenditure</b>				
Management and maintenance administration costs	1,768,136	17,108	1,785,244	1,585,742
Service charges	101,964	2,111	104,075	114,746
Planned and cyclical maintenance costs	356,725	439	357,164	269,867
Reactive maintenance costs	706,166	7,920	714,086	606,383
Bad Debt Provision Rent & Service Charges	66,358	642	67,000	100,186
Depreciation of social housing	839,450	8,864	848,314	691,194
<b>Operating costs for social letting activities</b>	<u>3,838,799</u>	<u>37,084</u>	<u>3,875,883</u>	<u>3,368,118</u>
<b>Operating Surplus on letting activities, 2014</b>	<u>1,634,747</u>	<u>15,876</u>	<u>1,650,623</u>	-
<b>Operating Surplus on letting activities, 2013</b>	<u>1,979,270</u>	<u>20,701</u>	-	<u>1,999,971</u>

## Notes to the financial statements for the year ended 31 March 2014

## 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)	
	£	£	£	£	£	£	£	£	2014	2013	£	£	2014	2013
Wider role activities *	-	164,290	-	-	-	164,290	-	-	47,421	47,421	198,684	(34,394)	(29,604)	
Care and repair of property	-	-	-	-	-	-	-	-	-	-	-	-	-	
Factoring	-	-	-	-	-	-	-	-	-	-	-	-	-	
Development and construction of property activities	-	-	-	-	31,883	31,883	-	-	-	6,623	25,260	(53,310)		
Support activities	-	-	-	-	-	-	-	-	-	-	-	-	-	
Care activities	-	-	-	-	-	-	-	-	-	-	-	-	-	
Agency/management services for RSLs	-	-	-	-	100,157	100,157	160,091	100,157	100,157	-	5,499	-		
Other agency / management services	-	-	-	-	-	-	-	-	-	-	-	-	-	
Developments for sale to RSLs	-	-	-	-	-	-	-	-	-	-	-	-	-	
Development and improvements for sale to non RSLs	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other activities	-	-	-	-	665	665	3,121	665	3,121	-	665	3,121		
<b>Total from other activities, 2014</b>	-	164,290	-	-	132,705	296,995	-	305,464	(8,469)	-	-	-		
<b>Total from other activities, 2013</b>	-	47,421	-	-	163,212	210,633	284,927	(74,294)	-	-	-	-		

\* 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 2014

<b>5. Disposal of fixed assets</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Other component disposals	<u>57,746</u>	<u>5,352</u>
<b>6. Interest receivable and similar income</b>		
Bank interest receivable	<u>29,646</u>	<u>24,948</u>
<b>7. Interest payable and similar charges</b>		
On bank loans and overdrafts	<u>144,133</u>	<u>148,653</u>
<b>8. Surplus for the year</b>		
Surplus for the year is stated after charging:		
Depreciation	878,033	721,254
Auditor remuneration – audit fees	<u>9,650</u>	<u>9,650</u>

**Notes to the Financial Statements**  
**For the year ended 31 March 2014**

**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.

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Aggregate emoluments payable to directors (including pension contributions and benefits in kind)	<u>85,656</u>	<u>83,171</u>
Total emoluments payable to the highest paid Director (excluding pension contributions) amounted to:	<u>71,846</u>	<u>69,865</u>
Total emoluments payable to the Chairperson (excluding pension contributions) amounted to:	<u>-</u>	<u>-</u>
	<b>Number</b>	<b>Number</b>
The numbers of Directors including the highest paid Director who received emoluments (excluding pension contributions) in the following ranges were:		
£65,001 - £70,000	-	1
£70,001 - £75,000	<u>1</u>	<u>-</u>
	<b>£</b>	<b>£</b>
Total committee expenses reimbursed in so far as not chargeable to United Kingdom Income Tax	<u>1,654</u>	<u>2,291</u>

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 £13,810 (2013: £13,306).

**10. Employee Information**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Salaries	1,165,517	1,101,042
Social security costs	103,419	98,086
Other pension costs	199,232	192,820
	<u>1,468,168</u>	<u>1,391,948</u>
The average monthly number of employees during the year was	32	30

Notes to the Financial Statements  
For the year ended 31 March 2014

11. Tangible Fixed Assets - Housing properties

	Housing Properties Held for Letting £	Housing Properties under Construction £	Environ- mental Improve- ments £	Total £
<b>Cost</b>				
As at 31 March 2013	107,551,294	15,388	2,974,141	110,540,823
Additions	1,995,152	107,292	-	2,102,444
Transfers	2,974,141	-	(2,974,141)	-
Disposals	(1,171,338)	-	-	(1,171,338)
As at 31 March 2014	111,349,249	122,680	-	111,471,929
<b>Social Housing Grant</b>				
As at 31 March 2013	81,752,629	-	-	81,752,629
Additions	-	-	-	-
Transfers	-	-	-	-
Abated/repaid	(1,085,339)	-	-	(1,085,339)
As at 31 March 2014	80,667,290	-	-	80,667,290
<b>Other Grants</b>				
As at 31 March 2013	1,309,744	-	2,961,772	4,271,516
Additions	122,318	-	-	122,318
Transfers	2,961,772	-	(2,961,772)	-
As at 31 March 2014	4,393,834	-	-	4,393,834
<b>Accumulated depreciation</b>				
As at 31 March 2013	4,485,814	-	-	4,485,814
Charge for the year	848,314	-	-	848,314
Disposals	(28,251)	-	-	(28,251)
As at 31 March 2014	5,305,877	-	-	5,305,877
<b>Net Book Value</b>				
As at 31 March 2014	20,982,248	122,680	-	21,104,928
As at 31 March 2013	20,003,107	15,388	12,369	20,030,864

Development administration costs capitalised in the year amounted to £20,348 (2013: £6,066)

Total cost of components capitalised for the year to £2,102,444 (2013: £538,268).

Notes to the Financial Statements  
For the year ended 31 March 2014

## 12. Tangible Fixed Assets - Other fixed assets

	Office Premises £	Office Vehicle £	Furniture & Fittings £	Total £
<b>Cost</b>				
At 31 March 2013	372,032	19,314	277,589	668,935
Additions during year	-	-	235,527	235,527
Disposals	-	-	(53,260)	(53,260)
At 31 March 2014	<u>372,032</u>	<u>19,314</u>	<u>459,856</u>	<u>851,202</u>
<b>Depreciation</b>				
At 31 March 2013	337,661	9,657	177,514	524,832
Charge for year	7,056	6,438	16,224	29,718
On disposals	-	-	(53,260)	(53,260)
At 31 March 2014	<u>344,717</u>	<u>16,095</u>	<u>140,478</u>	<u>501,290</u>
<b>Net Book Value</b>				
At 31 March 2014	<u>27,315</u>	<u>3,219</u>	<u>319,378</u>	<u>349,912</u>
At 31 March 2013	<u>34,372</u>	<u>9,657</u>	<u>100,075</u>	<u>144,104</u>

## 13. Investments

	2014 £	2013 £
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 Ltd commenced trading on 1 April 2006. As at 31 March 2014 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 2014

<b>14. Debtors – amounts receivable within one year</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Arrears of rent, factoring and service charges	370,706	305,749
Less: Provision for doubtful debts	(186,566)	(148,593)
	<u>184,140</u>	<u>157,156</u>
Grant receivable	128,080	-
Other debtors	10,788	53,442
Inter company balance	23,075	31,060
Prepayments and accrued income	107,160	51,109
	<u>453,243</u>	<u>292,767</u>
	<u><u>453,243</u></u>	<u><u>292,767</u></u>
<b>15. Cash at bank and in hand</b>		
Deposit accounts	4,695,080	4,907,688
Current accounts	176,637	185,929
Cash in hand	187	171
	<u>4,871,904</u>	<u>5,093,788</u>
	<u><u>4,871,904</u></u>	<u><u>5,093,788</u></u>
<b>16. Creditors – Amounts falling due within one year</b>		
Loans repayable within one year	281,499	281,499
Other taxes and social security costs	37,681	36,763
Owed to contractors	358,922	265,873
Rents and service charges in advance	249,622	305,485
Sundry creditors and accruals	279,607	206,909
	<u>1,207,331</u>	<u>1,096,529</u>
	<u><u>1,207,331</u></u>	<u><u>1,096,529</u></u>



Notes to the Financial Statements  
For the year ended 31 March 2014

17. Creditors – Amounts falling due after one year	2014	2013
Housing loans	£	£
Due within one year	281,499	281,499
Due between one and two years	281,499	281,499
Due between three and five years	844,497	844,497
Due after five years	2,829,356	3,191,602
	<u>4,236,851</u>	<u>4,599,097</u>
Less: included in current liabilities above	(281,499)	(281,499)
	<u><u>3,955,352</u></u>	<u><u>4,317,598</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	2014	2013
	£	£
Shares of £1 each fully paid and issued as at 1 April 2013	134	139
Shares issued in year	4	4
	<u>138</u>	<u>143</u>
Shares cancelled in year	(17)	(9)
	<u>121</u>	<u>134</u>
As at 31 March 2014	<u><u>121</u></u>	<u><u>134</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 2013	10,073,632	-	10,073,632
Transfer between designated reserves			
Transfer from Income & Expenditure A/c	734,961	-	734,961
	<u>10,808,593</u>	<u>-</u>	<u>10,808,593</u>
As at 31 March 2014	<u><u>10,808,593</u></u>	<u><u>-</u></u>	<u><u>10,808,593</u></u>

**Notes to the Financial Statements**  
**For the year ended 31 March 2014**

<b>20. Accumulated Surplus</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
As at 1 April 2013	10,073,632	9,175,321
Prior year adjustment		
Surplus for year	1,469,921	1,796,621
	<u>11,543,553</u>	<u>10,971,942</u>
Transfer (to) designated reserves	(734,961)	(898,310)
As at 31 March 2014	<u><u>10,808,592</u></u>	<u><u>10,073,632</u></u>
<b>22. Housing Stock</b>	<b>2014</b>	<b>2013</b>
The number of housing units in management as at 31 March 2014 was:		
New Build	611	611
Unimproved	28	28
Improved	978	978
Mortgage to Rent	3	3
General Needs Housing	<u>1,620</u>	<u>1,620</u>
Supported Housing	<u>13</u>	<u>13</u>
Total Units	<u><u>1,633</u></u>	<u><u>1,633</u></u>

**Notes to the Financial Statements  
For the year ended 31 March 2014**

**23. Revenue Commitments**

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

	2014		2013	
	Land & buildings £	Other Leases £	Land & buildings £	Other leases £
Within one year	-	20,112	-	-
Between two and five years	-	-	-	20,112
Over five years	-	-	-	-
	<u>-</u>	<u>20,112</u>	<u>-</u>	<u>20,112</u>

**24. Pensions**

Williamsburgh Housing Association participates in the Scottish Housing Associations' Pension Scheme ('the Scheme'). The Scheme is a multi-employer defined benefit 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 2012 by a professionally qualified Actuary using the Projected Unit Credit method. The market value of the Scheme's assets at the valuation date was £394 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £304 million, equivalent to a past service funding level of 56.4%.

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the Scheme as at 30 September 2013. 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 £470 million and indicated an increase in the shortfall of assets compared to liabilities to approximately £272 million, equivalent to a past service funding level of 63%.

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 2014**

**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 2013. As of this date the estimated employer debt for the Association was £5,549,020

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.
- Defined contribution (DC) option.

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 1/60<sup>th</sup> 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 24.6%.

This is split equally between employers and members. Accordingly the contribution rates for the Final salary 60ths benefit structure from 1 April 2014 is 12.3% employer contributions and 12.3% member contributions. Additional deficit contributions are payable from 1 April 2014 and will increase by 3% per annum each 1 April thereafter. Technical Provisions liabilities as at 30 September 2012 will be 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 £ 937,273

**Notes to the Financial Statements  
For the year ended 31 March 2014**

**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:

<b>2012 Valuation Assumptions</b>		<b>% p.a.</b>
Investment return pre retirement		5.3
Investment return post retirement - Non-pensioners		3.4
Investment return post retirement - Pensioners		3.4
Rate of salary increases		4.1
Rate of pension increases		
- Pension accrued pre 6 April 2005 in excess of GMP		2.0
- Pension accrued post 6 April 2005 (for leavers before 1 October 1993 pension increases are 5.0%)		1.7
Rate of price inflation		2.6
<b>Mortality Tables</b>		
Non-pensioners	44% of S1PMA (males) and S1PFA (females) projected using CMI_2011 with a long term improvement of 1.50% p.a. for males and 1.25% p.a. for females	
Pensioners	90% of S1PMA (males) and S1PFA (females) projected using CMI_2011 with a long term rate of improvement of 1.50% p.a. for males and 1.25% p.a. for females	
<b>Contribution Rates for Future Service (payable from 1 April 2011)</b>		<b>%</b>
Final salary 1/60ths		24.6
Career average revalued earnings 1/60ths		22.4
Career average revalued earnings 1/70ths		19.2
Career average revalued earnings 1/80ths		16.9
Career average revalued earnings 1/120ths		11.4

**25. Related Party Transactions**

There are six tenant members and three non-tenant members of the Management Committee. All three Committee Members who are non-tenants, stay outwith 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 2013/14. Costs of services provision were recharged to Williamsburgh Property Services Ltd. During the period, costs amounting to £67,117 (2013: £64,656) were recharged to Williamsburgh Property Services Ltd. £338 (2013: £3,112) was gift aided from Williamsburgh Property Services Ltd to Williamsburgh Housing Association. As at 31 March 2014, Williamsburgh Housing Association Ltd was owed £23,075 (2013: £31,060) by Williamsburgh Property Services Ltd.

Notes to the Financial Statements  
For the year ended 31 March 2014

17. Big Lottery Funding

As the accounts are prepared on an accruals basis, the income recorded as being received from the Big Lottery during the year is as follows:-

	£
Restricted funding received	113,816
Accrued grant	60,240
	<hr/>
	174,056
Prepaid grant	(11,766)
	<hr/>
Total disclosed in accounts	<u>162,290</u>