

CLYDEBANK HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2007

Registered Housing Association No. HAL86

Financial Services Authority No. 2191 R(S)

Charity No. SCO33962

BAKER TILLY UK AUDIT LLP
Chartered Accountants

Glasgow

CLYDEBANK HOUSING ASSOCIATION LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2007

Contents	Page
Report of Committee of Management	1 - 7
Statement of Committee Responsibilities	8
Committee of Management Statement on Internal Financial Controls	9 - 10
Auditors Report	11 - 12
Income and Expenditure Account	13
Balance Sheet	14
Cash Flow Statement	15
Notes to the Financial Statements	16 – 30

Registration Particulars

Financial Services Authority	Industrial and Provident Societies Act 1965 Registered Number 2191 R(S)
Communities Scotland	Housing (Scotland) Act 2001 Registered Number HAL86
Scottish Charities	Charity and Trustee Investment (Scotland) Act 2005 Scottish Charity Number SC033962

CLYDEBANK HOUSING ASSOCIATION LIMITED

REPORT OF COMMITTEE OF MANAGEMENT

31 MARCH 2007

The Committee of Management present their report and audited financial statements for the year ended 31 March 2007.

Principal activity

The principal activity of Clydebank Housing Association is the development, management and maintenance of housing for people in housing need.

Clydebank Housing Association is registered with the Financial Services Authority as an Industrial and Provident Society, The Office of the Scottish Charities Regulator (OSCR) as a charity and Communities Scotland as a Registered Social Landlord

Our Strategic Aims

We aim to be an excellent landlord and factor, providing good quality, affordable homes within the Clydebank area.

We promote the involvement of tenants in our decision making, so that we can be sure our services meet their needs.

We work with the community and other partners to help to improve Clydebank as a place to live.

Our Aims are to:

1. Manage, build and maintain our housing stock to a high standard.
- We strive for both quality and value for money in all our services, so that rents remain affordable to people in work but with low wages.
2. Continually promote tenant involvement in how we work and perform. - We try to ensure tenants views and priorities are taken into account in our policy reviews and service delivery.
3. Meet the specific housing needs of individuals where we can - as far as our existing stock allows and ensuring unmet needs are addressed.
4. Ensure we work in partnership with the community, the Council, other agencies and voluntary groups to make Clydebank more attractive as a place to live.
5. Encourage membership of the organisation among residents.
6. Support and develop the Management Committee, to ensure the objectives of the organisation are met.
7. Ensure the work of the support teams, Finance and IT, help to maximise the productiveness of the core business teams.
8. Support and develop staff to achieve their maximum potential in their jobs.
9. Comply with legislation and best practice in all that we do.

CLYDEBANK HOUSING ASSOCIATION LIMITED

REPORT OF COMMITTEE OF MANAGEMENT

31 MARCH 2007

Business review

The Association made a surplus of £454,891 in the year, as a result of our Major Repairs programme in the year not progressing as expected. The Association remains in a strong financial position with over £5m deposited as cash funds, and has loan facilities available to it on demand. Clydebank continues to have a substantial major repair investment programme with door replacements, windows and digital upgrades due in a substantial proportion of properties over the next few years. We have also provided substantial funds over the next five years to meet our commitments under the Scottish Housing Quality Standards. Cash surpluses will continue to be made, subject to our planned major repair programme over the next few years.

Surplus for the year and transfers

The results for the year are shown in the Income and Expenditure Account on page 8.

Transfers to designated reserve:	£
- Major repairs reserve	454,891
Transfer to revenue reserve	-
Surplus for the year	<u>454,891</u>

Members of Committee of Management

The Members of the Management Committee of the Association during the year to 31 March 2007 were as follows:

Mr J Hillhouse (Chairperson)	Mr N Crilley
Miss E Mackie (Secretary)	Miss P Rice
Mr J B Hearn (Vice Chairperson)	Mr T P Winter
Mr S Hynds	Mrs C Hynds
Mrs S Hearn – (deceased)	Mr J Mooney
Mrs M Reid	Mr A Hamilton
	Ms A Lynch (resigned 27 March 2007)

Executive Officers

F Webster	Director
S Keenan	Depute Director
J Farrell	Senior Housing Officer
A MacFarlane	Senior Maintenance Officer

CLYDEBANK HOUSING ASSOCIATION LIMITED

REPORT OF COMMITTEE OF MANAGEMENT

31 MARCH 2007

Operational Review

1. Corporate Governance

Our governing body is our Committee of Management, which is elected by and is responsible to the wider membership. It is the responsibility of the Committee to determine the strategy, and overall direction for the Association and its policies. They also monitor the operational activities of the Association and set standards of service delivery.

The Committee of Management members serve in a voluntary capacity and are unpaid. We recognise that this puts even more onus on us to ensure that we set and achieve high standards of professionalism in our work. We take governance very seriously and review our Governance policies and processes regularly.

The Executive Team are responsible for achieving the strategy set, undertaking the operational activities in line with the policies set.

This report details issues that have arisen during the year relating to the main activities undertaken by Clydebank Housing Association

2 Corporate Issues

Tenant involvement and participation is a major part of Clydebank's Aims and Objectives, and we continue to review how Clydebank involves tenants in its activities. Clydebank is committed to involving tenants in decision making and policy making

Performance Management

Service delivery is underpinned by staff performance. This continues to be a high priority for us. We continue to invest in our staff in terms of provision and access to training opportunities in order to ensure that a high level of performance is maintained.

Best use of resources

We regularly conduct risk assessments, and take any action necessary to reduce or limit risk. We have continued with a programme of major investment in our housing stock, which is by far our most costly asset. This includes carrying out both major repair and cyclical repairs, and also considering whether any of our schemes should be improved further to meet the changing requirements of tenants in the future. We regularly update our stock condition information, to ensure that our long-term financial planning reflects our future investment requirements.

Services

We aim to deliver high quality services, and we set ourselves the goal of achieving continuous improvement in what we do. In our housing stock, we moved ahead with some major repairs that had become necessary and introduced improved arrangements for gas servicing.

CLYDEBANK HOUSING ASSOCIATION LIMITED

REPORT OF COMMITTEE OF MANAGEMENT

31 MARCH 2007

Our rent arrears management improved, with clearer information to tenants. We continued to deliver many completed adaptations to existing properties, to meet the specific needs of our tenants.

3 Development Issues

The year just completed has been quiet. We have spent £111,102 on developing housing stock (2006 - £79,545) during the year, of which £67,102 (2006 - £79,545) is funded by grants received from Communities Scotland (Housing Association Grant).

4 Housing Issues

Clydebank continues to work on reducing the period of time taken to re-let or let new properties, to ensure that we maximize our effectiveness in housing people in need and reduce our costs. The rent loss due to empty properties was £19,221 (2006 - £18,662). Work is continuing to improve this figure.

5. Other Areas

Risk Management Policy

The Committee has, with advice from their auditors, a formal risk management process to assess business risks and implement risk management strategies. This involves identifying the types of risks the Association faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. As part of this process the Committee review the adequacy of the Association's current internal controls.

In addition, the Committee have considered the guidance for directors of public listed companies contained within the Turnbull Report. They believe that although this is not mandatory for the Association it should, as a public interest body, adopt these guidelines as best practice. Accordingly they have set policies on internal controls which cover the following:

- consideration of the type of risks the Association faces;
- the level of risks which they regard as acceptable;
- the likelihood of the risks concerned materialising;
- the Association's ability to reduce the incidence and impact on the business of risks that do materialise; and the costs of operating particular controls relative to the benefit obtained.
- clarified the responsibility of management to implement the Committee's policies and to identify and evaluate risks for their consideration.
- communicated that employees have responsibility for internal control as part of their accountability for achieving objectives.
- embedded the control system in the charity's operations so that it becomes part of the culture of the Association.
- developed systems to respond quickly to evolving risks arising from factors within the charity and to changes in the external environment.
- included procedures for reporting failings immediately to appropriate levels of management and the Committee together with details of corrective action being undertaken.

CLYDEBANK HOUSING ASSOCIATION LIMITED

REPORT OF COMMITTEE OF MANAGEMENT

31 MARCH 2007

Treasury Management

The Association has an active treasury management function, which operates in accordance with the Treasury Management Policy approved by the Committee of Management. In this way the Association manages its borrowing arrangements to ensure that it is always in a position to meet its financial obligations as they fall due, whilst minimising excess cash and liquid resources held.

The Association, as a matter of policy, does not enter into transactions of a speculative nature. At 31 March 2007, the Association has a mix of fixed and variable rate finance, which it considers appropriate at this time.

Maintenance policies

The Association seeks to maintain its properties to the highest standard. To this end programmes of cyclical repairs are carried out in the medium term to deal with the gradual and predictable deterioration of building components. It is expected that the cost of all these repairs would be charged to the Income and Expenditure account.

In addition, the Association has a long-term programme of major repairs to cover for works which have become necessary since the original development was completed, including works required by subsequent legislative changes. This includes replacement or repairs to features of the properties, which have come to the end of their economic lives. The cost of these repairs would be charged to the Income and Expenditure account, unless it was agreed they could be capitalised within the terms outlined in the SORP.

Internal Financial Control

The Committee of Management is responsible for establishing and maintaining the Association's system of internal control. Internal control systems are designed to meet the particular needs of the Association and the risks to which it is exposed, and by their nature can provide reasonable but not absolute assurance against material misstatement or loss. The key procedures which the Committee of Management has established with a view to providing effective internal financial are outlined on pages 9 and 10.

Management Structure

The Committee of Management has overall responsibility for the Association and there is a formal schedule of matters specifically reserved for decision by the Committee.

Quality and Integrity of Personnel

The integrity and competence of personnel are ensured through high recruitment standards and subsequent training courses. High quality personnel are seen as an essential part of the control environment and the ethical standards expected are communicated through the Director.

Budgetary Process

Each year the Committee of Management approves the annual budget and rolling five-year strategic plan. Key risk areas are identified. Performance is monitored and relevant action taken throughout the year through quarterly reporting to the Committee of variances from the budget, updated forecasts for the year together with information on the key risk areas. Approval procedures are in place in respect of major areas of risk such as major contract tenders, expenditure and treasury management.

CLYDEBANK HOUSING ASSOCIATION LIMITED

REPORT OF COMMITTEE OF MANAGEMENT

31 MARCH 2007

Investment Appraisal

Capital expenditure is regulated by budgetary process and authorisation levels. For expenditure beyond specified levels, detailed written proposals have to be submitted to the Committee. Reviews are carried out during the development period, to monitor expenditure and performance.

Rental Income

The Association's Rent Policy is a points system based on the size, type and facilities of the accommodation. The policy ensures that the rent structure is easy to administer and covers the wide variations within the Association's properties. This policy follows the generally accepted practice/principles of the Housing Movement.

Employee Involvement and Health & Safety

The Association encourages employee involvement in all major initiatives.

Disabled Employees

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. In the event of employees becoming disabled, every effort is made to retrain them in order that their employment with the Association may continue. It is the policy of the Association that training, career development and promotion opportunities should be available to all employees.

Credit Payment Policy

The Association's policy concerning the payment of its trade creditors complies with the Confederation of British Industry guidelines. The average payment period is thirty days.

General Reserves Policy

The Committee members have reviewed the reserves of Clydebank. This review encompassed the nature of the income and expenditure streams, the need to match variable income with fixed commitments and the nature of the reserves. To allow Clydebank to be managed efficiently and to provide a buffer for uninterrupted services, a general reserve equivalent to at least two months operating cost is being maintained. During the year the charity's general reserve remained constant at £500,000 (see note 7).

The Association has one other designated fund, the major repairs reserve. The purpose of this fund is detailed in note 1 in the financial statements. During the year this reserve increased from £4,347,984 to £4,802,875. The Association will continue to add to the reserve in line with its long term plans.

Sales of housing properties

Properties are disposed of under the appropriate legislation and guidance. All costs, first tranche sales, and grants relating to the share of property sold are removed from the financial statements at the date of sale. Any grants received that cannot be repaid from the proceeds of sale are abated and the grants removed from the financial statements

We sold eight properties under right to buy and four shared ownership tranche up sales in the year, thereby allowing some tenants to achieve their aspiration of becoming home owners.

CLYDEBANK HOUSING ASSOCIATION LIMITED

REPORT OF COMMITTEE OF MANAGEMENT

31 MARCH 2007

Future developments

The Association looks forward to involvement in the development of the Riverside, a Homestake development of thirty six units, a proposed new build development of forty units for rent at Cart Street and assistance in the development of a Regeneration Centre in the Whitecrook area.

Information for Auditors

As far as the Committee members are aware there is no relevant audit information of which the auditors are unaware and the Committee members have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to ensure that the auditors are aware of any such information.

Auditors

The Committee, having been notified of the cessation of the partnership known as Baker Tilly, resolved that Baker Tilly UK Audit LLP be appointed as successor auditor with effect from 1 April 2007. Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

On behalf of the Committee of Management

John Hillhouse

Date: 19 June 2007

CLYDEBANK HOUSING ASSOCIATION LIMITED

STATEMENT OF COMMITTEE RESPONSIBILITIES

Under the legislation relating to Industrial and Provident Societies we are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of the surplus or deficit of the Association of that period. In preparing those financial statements we are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

We are also responsible for:

- keeping proper accounting records;
- safeguarding the Association's assets;
- taking reasonable steps for the prevention and detection of fraud.

By order of the Committee of Management
John Hillhouse

Date: 19 June 2007

CLYDEBANK HOUSING ASSOCIATION LIMITED

COMMITTEE OF MANAGEMENT'S STATEMENT ON INTERNAL FINANCIAL CONTROLS

31 March 2007

The Committee of Management acknowledge their ultimate responsibility for ensuring that the Association has in place a system of controls that is appropriate to the various business environments in which it operates. These controls are designed to give reasonable assurance with respect to:

- the reliability of financial information used within the Association or 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 mis-statement 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. 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 financial objectives, and progress towards financial plans set for the year and the medium term; regular management accounts are prepared promptly, providing relevant, reliable and up-to-date financial and other information and significant variances from budgets are investigated as appropriate.
- all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through relevant sub-committees comprising Committee of Management members and others.
- the Committee of Management review reports from management, from directors, staff and from the internal and external auditors to provide reasonable assurance that control procedures are in place and are being followed. This includes a general review of the major risks facing the Association
- formal procedures have been established for instituting appropriate action to correct weaknesses identified from the above reports.

CLYDEBANK HOUSING ASSOCIATION LIMITED

**COMMITTEE OF MANAGEMENT'S STATEMENT ON INTERNAL FINANCIAL
CONTROLS**

**31 March 2007
(Continued)**

The Committee of Management have reviewed the effectiveness of the system of internal financial control in existence in the Association for the year ended 31 March 2007 and until the below date. No weaknesses were found in internal financial controls which resulted in material losses, contingencies, or uncertainties which require disclosure in the financial statements or in the auditors' report on the financial statements.

By order of the Committee of Management
John Hillhouse

Date: 19 June 2007

CLYDEBANK HOUSING ASSOCIATION LIMITED

AUDITORS' REPORT ON CORPORATE GOVERNANCE MATTERS

Corporate Governance

In addition to our audit of the financial statements, we have reviewed the Committee of Management's statement on pages 9 and 10 concerning the Association's compliance with the information required by the section on Internal Financial Control within SFHA's publication "Raising Standards in Housing".

Basis of Opinion

We carried out our review having regard to Bulletin 1999/5 that was issued by the Auditing Practices Board. The Bulletin does not require us to review the effectiveness of the Association's procedures for ensuring compliance with the guidance notes, nor to investigate the appropriateness of the reasons given for non-compliance.

Opinion

In our opinion the statement on internal financial control on pages 9 and 10 has provided the disclosures required by the section on Internal Financial Control within SFHA's publication "Raising Standards in Housing" and is consistent with the information which came to our attention as a result of our audit work on the financial statements.

Baker Tilly UK Audit LLP
Registered Auditors
Chartered Accountants
Glasgow

Date: 20 June 2007

CLYDEBANK HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CLYDEBANK HOUSING ASSOCIATION LIMITED

We have audited the financial statements on pages 13 to 30, which have been prepared under the accounting policies set out on pages 16 to 19.

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 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 opinion we have formed.

Respective responsibilities of Committee of Management and auditors

The Management Committee's responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Management Committee's Responsibilities.

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, the Housing (Scotland) Act 2001 and the Registered Housing Associations (Accounting Requirements) (Scotland) Order 1999. We also report to you if, in our opinion, the Management Committee's 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 director's remuneration and other transactions with the Association is not disclosed.

We read the Management Committee's 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 mis-statement, whether caused by fraud or error or other irregularity. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Association's affairs as at 31 March 2007 and of its surplus for the year then ended and have been properly prepared in accordance with the Industrial and Provident Societies Acts 1965 to 2002, the Housing (Scotland) Act 2001 and the Registered Housing Associations (Accounting Requirements)(Scotland) Order 1999.

Baker Tilly UK Audit LLP
Registered Auditors
Chartered Accountants
Glasgow

Date: 20 June 2007

CLYDEBANK HOUSING ASSOCIATION LIMITED

INCOME & EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2007

	Notes	2007 £	2006 £
Turnover	2	2,895,785	2,729,072
Less: Operating costs	2	<u>(2,608,899)</u>	<u>(1,881,278)</u>
Operating surplus	2	286,886	847,794
Gain on sale of fixed assets	2	181,188	1,037,552
Impairment	9	21,127	(2,007,461)
Interest receivable	2	237,084	209,837
Interest payable and other charges	2	<u>(271,394)</u>	<u>(276,220)</u>
Surplus/(deficit) on ordinary activities before tax	2	454,891	(188,498)
Taxation on surplus on ordinary activities	6	<u>-</u>	<u>-</u>
Surplus/(deficit) for year	7	<u>454,891</u>	<u>(188,498)</u>

All activities relate to continuing activities within the year.

There have been no other recognised surpluses or deficits apart from those noted above.

CLYDEBANK HOUSING ASSOCIATION LIMITED

BALANCE SHEET

AS AT 31 MARCH 2007

	Notes	2007		2006
		£	£	
Tangible Fixed Assets				
Housing properties				
- gross cost less depreciation	8		21,976,911	22,104,036
Less: HAG	8		<u>(17,720,057)</u>	<u>(17,769,751)</u>
			4,256,854	4,334,285
Other Assets	8		528,403	582,139
Investment	9		342,516	321,389
			<u>5,127,773</u>	<u>5,237,813</u>
Current Assets				
Debtors	10	494,508		527,089
Cash at hand and in bank		<u>5,287,947</u>		<u>4,901,893</u>
		5,782,455		5,428,982
Current Liabilities				
Creditors due within one year	11	<u>(782,731)</u>		<u>(959,732)</u>
Net Current Assets				
			<u>4,999,724</u>	<u>4,469,250</u>
			10,127,497	9,707,063
Creditors due after one year	12		<u>(4,824,366)</u>	<u>(4,858,832)</u>
Net Assets			<u>5,303,131</u>	<u>4,848,231</u>
Capital and Reserves				
Share capital	15		256	247
Designated reserves	7		4,802,875	4,347,984
Revenue reserves	7		<u>500,000</u>	<u>500,000</u>
			<u>5,303,131</u>	<u>4,848,231</u>

These financial statements were approved by the Committee of Management on and authorised for issue on 19 June 2007 and signed on their behalf by:

Committee Member John Hillhouse

Committee Member TP Winter

Secretary Elizabeth Mackie

CLYDEBANK HOUSING ASSOCIATION LIMITED

CASH FLOW STATEMENT

YEAR TO 31 MARCH 2007

	Notes	2007		2006	
	16	£	£	£	£
Net cash inflow from operating activities	16		290,534		2,316,559
Returns on investments and servicing of finance					
Interest received		237,084		209,837	
Interest paid		<u>(271,394)</u>		<u>(276,220)</u>	
Net cash (outflow) from returns on investments and servicing of finance			(34,310)		(66,383)
Taxation					
Corporation tax paid		-		-	
Less: Grants received		<u>-</u>		<u>-</u>	
Net cash inflow on taxation			-		-
Investing activities					
Cash paid for construction and purchases		(111,102)		(79,545)	
Housing association grant received		67,102		79,545	
Other grants received		-		-	
Sales of housing properties		484,129		414,163	
Purchase of other fixed assets		(10,603)		(76,471)	
Housing Association Grant repaid		(107,372)		(48,495)	
Investment in subsidiary		<u>-</u>		<u>(2,328,850)</u>	
Net cash inflow/(outflow) from investing activities			322,154		(2,039,653)
Net cash inflow before financing			578,378		210,523
Financing					
Loan received		-		-	
Loan principal repayments		(192,346)		(87,931)	
Increase in share capital		22		17	
Net cash (outflow) on financing			<u>(192,324)</u>		<u>(87,914)</u>
Increase in cash			<u>386,054</u>		<u>122,609</u>

Further details are given in note 16.

CLYDEBANK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2007

1. Accounting Policies

(a) Introduction and accounting basis

The principal accounting policies of the Association are set out in the paragraphs (b) to (q) below.

The Association is incorporated under the Industrial and Provident Societies Act 1965 and is registered by The Financial Services Authority. These financial statements are prepared under the historical cost convention and are based on the Registered Housing Associations (Accounting Requirements) (Scotland) Order 1999 and the Statement of Recommended Practice "Accounting by Registered Social Landlords", and in accordance with applicable accounting standards.

(b) Finance

The financial statements have been prepared on the basis that the capital expenditure referred to in note 8 will be grant aided, funded by loans or met out of reserves, or from proceeds of sales.

(c) Mortgages

Mortgage loans are advanced by private lenders under the terms of the 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 Housing Association Grant by Communities Scotland.

(d) Housing Association Grants

Housing Association Grants (HAG) are made by Communities Scotland and are utilised to reduce the amount of mortgage loan in respect of an approved scheme to the amount which it is estimated can be serviced by the net annual income of the scheme. The amount of HAG is calculated on the qualifying cost of the scheme in accordance with instructions issued from time to time by Communities Scotland. HAG and other grants are repayable under certain circumstances. These include the disposal of the properties to which the grants relate.

(e) Housing Association Grant - Acquisition and Development Allowances receivable

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

CLYDEBANK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2007

(Continued)

(f) **Fixed assets - Housing land and buildings** (note 8)

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

- (i) cost of acquiring land and buildings
- (ii) development expenditure including applicable overheads
- (iii) interest charged on the loans raised to finance the scheme

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

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

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

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

Interest on the loan financing the development is capitalised up to the relevant date of HAG completion.

(g) **Depreciation**

(i) **Housing Properties**

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, which is stated to be 50 years.

No depreciation is charged on the cost of land.

CLYDEBANK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2007

(Continued)

(ii) **Other fixed assets**

The Association's assets are written off evenly over their expected useful lives as follows:

Office Property	-	over 20 years
Furniture & equipment	-	between 3 and 5 years

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

(h) **Impairment of fixed assets**

Reviews for impairment of housing properties are carried out on an annual basis and any impairment in an income-generating unit is recognised by a charge to the income and expenditure account. Impairment is recognised where the carrying value of an income-generating unit exceeds the higher of its net realisable value or its value in use. Value in use represents the net present value of expected future cash flows from these units.

Impairment of assets would be recognised in the income and expenditure account.

(i) **Improvements**

Improvements are capitalised where these result in an enhancement of the economic benefits of the property. Such enhancement can occur if the improvements result in:-

- an increase in rental income or
- a material reduction in future maintenance costs or
- a significant extension of the life of the property.

Works to existing properties, which fail to meet the above criteria, are charged to the income and expenditure account.

(j) **Reserve**

Designated reserve - reserve for major repairs (note 7)

Accrued major repair expenditure, being the Association's commitment to undertake major repairs to its properties, is set-aside in a designated reserve to the extent that it is not met from HAG.

(k) **Apportionment of management expenses**

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

CLYDEBANK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2007

(Continued)

(l) **Sale of housing properties**

Properties are disposed of under the appropriate legislation and guidance. All costs and grants relating to the share of property sold are removed from the financial statements at the date of sale, except for first tranche sales. Any grants received that cannot be repaid from the proceeds of sale are abated and the grants removed from the financial statements.

(m) **Lease obligations**

Rentals paid under operating leases are charged to the income and expenditure account on the accruals basis.

(n) **Value added tax**

The Association is VAT registered. However, a large proportion of the income, namely rents, is exempt for VAT purposes and therefore gives rise to a partial exemption calculation. Expenditure as a result is shown inclusive of VAT

(o) **Pensions**

The Association participates in the centralised SFHA Defined Benefit Pension Scheme and retirement benefits to employees of the Association are funded by contributions from all participating employers and employees in the Scheme. Payments are made in accordance with periodic calculations by consulting actuaries and are based on pension costs applicable across the various participating Associations taken as a whole.

The expected cost to the Association of pensions is charged to the Income and Expenditure Account so as to spread the cost of pensions over the service lives of the employees.

(p) **Turnover**

Turnover represents rental income from tenants, development administration and other income.

(q) **Consolidation**

The Association and its subsidiary undertaking comprise a group. Application has been made to the Financial Services Authority for exemption from preparing group accounts. The accounts represent the results of the Association and not of the group.

CLYDEBANK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2007

(Continued)

2. Particulars of turnover, operating costs and operating surplus and surplus before taxation by class of business

	Turnover	Operating	Operating	Gain on sale	Interest	Interest	Surplus/	2006
	£	Costs	Surplus	of Fixed	Receivable	Payable	Before	Total
		£	£	Assets	£	£	Taxation	£
				£			£	£
Income and expenditure from letting								
Housing accommodation	2,653,948	(2,368,655)	285,293	-	-	-	285,293	893,329
Shared ownership accommodation	106,864	(42,358)	64,506	-	-	-	64,506	69,429
	<u>2,760,812</u>	<u>(2,411,013)</u>	<u>349,799</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>349,799</u>	<u>962,758</u>
Factoring	7,452	(7,096)	356	-	-	-	356	(453)
Commercial properties	12,098	(8,018)	4,080	-	-	-	4,080	11,828
Social economy centre	63,658	(50,195)	13,463	-	-	-	13,463	(13,895)
Wider role	45,665	(107,445)	(61,780)	-	-	-	(61,780)	(73,779)
Development administration	6,100	(25,132)	(19,032)	-	-	-	(19,032)	(38,665)
	<u>2,895,785</u>	<u>(2,608,899)</u>	<u>286,886</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>286,886</u>	<u>847,794</u>
Sale of fixed assets			-	181,188	-	-	181,188	1,037,552
Impairment			-	21,127	-	-	21,127	(2,007,461)
Investment income			-	-	237,084	-	237,084	209,837
Interest payable			-	-	-	(271,394)	(271,394)	(276,220)
			<u>286,886</u>	<u>202,315</u>	<u>237,084</u>	<u>(271,394)</u>	<u>454,891</u>	<u>(188,498)</u>
2006	<u>2,729,072</u>	<u>(1,881,278)</u>	<u>847,794</u>	<u>(969,909)</u>	<u>209,837</u>	<u>(276,220)</u>	<u>(188,498)</u>	

Included within Operating Costs is an amount of £157,460 (2006 - £170,748) in relation to spending on Wider Action initiatives. WDP CRF revenue funding in respect of the wider role Whitecrook Regeneration Officer Project in the sum of £45,000 was received in the year. Capital funding of £297,000 was received in the year in respect of the Whitecrook Regeneration Centre (£50,000 SED, £100,000 Communities Scotland and £147,000 Urban II).

CLYDEBANK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2007

(Continued)

3. Particulars of income and expenditure from lettings

	Housing Accommodation £	Shared Ownership £	2007 Total £	2006 Total £
Income from lettings				
Rent receivable net of				
Identifiable Service charges	2,576,378	104,541	2,680,919	2,614,409
Service charges receivable	21,303	2,323	23,626	24,027
Gross Rents Receivable	2,597,681	106,864	2,704,545	2,638,436
Less: Rent Losses from Voids	(19,221)	-	(19,221)	(18,662)
	2,578,460	106,864	2,685,324	2,619,774
Revenue Grants from Energy Savings Trust	75,488	-	75,488	-
Total Income from Lettings	2,653,948	106,864	2,760,812	2,619,774
Expenditure on Letting Activities				
Services	22,398	-	22,398	207,447
Management	486,457	32,510	518,967	407,599
Routine maintenance	784,022	-	784,022	587,080
Major repairs expenditure	986,933	-	986,933	355,681
Rent losses from bad debts	9,274	-	9,274	9,943
Property depreciation	79,571	9,848	89,419	89,266
Total Expenditure on Lettings	2,368,655	42,358	2,411,013	1,657,016
Operating Surplus on Letting Activities	285,293	64,506	349,799	962,758

The amount of service charges receivable on housing accommodation not eligible for Housing Benefit was £2,923 (2006- £2,755).

The total amount of major repairs expenditure incurred in the year was £986,933 (2006 - £355,681). No major repairs were capitalised (2006 - £nil).

CLYDEBANK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2007

(Continued)

4. Sales of Housing Properties

	2007 £	2006 £
Sale proceeds	484,129	407,534
Cost of sales	<u>(302,941)</u>	<u>(298,620)</u>
Gain on disposal	<u>181,188</u>	<u>108,914</u>

The sales of housing properties have occurred under the right to buy legislation and shared ownership tranche sales.

In addition to the above as noted in note 9 there is a gain of £nil (2006 - £928,638), relating to the right to use various equipment and major repair upgrades were purchased by the Associations subsidiary.

5. Interest Payable

	2007 £	2006 £
Interest payable in the year has been charged as follows:		
Loans	271,394	276,220
Less: Capitalised	<u>-</u>	<u>-</u>
Income & expenditure account	<u>271,394</u>	<u>276,220</u>

6. Taxation

The Association was granted charitable status on 10 December 2002 and is not liable for Corporation Tax on its exempt activities.

CLYDEBANK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2007

(Continued)

7. Reserves

(a) Designated reserves

	Opening Balance £	Transfer from Revenue Reserve £	Closing Balance £
Major repairs reserve	<u>4,347,984</u>	<u>454,891</u>	<u>4,802,875</u>

No restrictions are placed upon this reserve, but the Committee has designated its use for specific purposes.

(b) Revenue reserve

	2007	2006
Opening balance at 1 April 2006	500,000	500,000
Surplus/(deficit) for year	454,891	(188,498)
Transfer (to)/from designated reserves	<u>(454,891)</u>	<u>188,498</u>
Closing balance at 31 March 2007	<u>500,000</u>	<u>500,000</u>

CLYDEBANK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2007

(Continued)

8. Tangible Fixed Assets

	Housing properties held for letting	Housing properties in course of construction	Completed Shared ownership properties	Housing properties total	Office property	Office fittings & equipment	Total
	£	£	£	£	£	£	£
Cost							
At 1 April 2006	20,193,766	-	2,499,149	22,692,915	947,727	259,558	23,900,200
Additions during year	111,102	-	-	111,102	-	10,603	121,705
Transfers	-	-	-	-	-	-	-
Disposals in year	(26,976)	-	(126,200)	(153,176)	-	-	(153,176)
At 31 March 2007	<u>20,277,892</u>	<u>-</u>	<u>2,372,949</u>	<u>22,650,841</u>	<u>947,727</u>	<u>270,161</u>	<u>23,868,729</u>
Housing Association Grant							
At 1 April 2006	15,667,222	-	2,102,529	17,769,751	246,250	-	18,016,001
Additions during year	67,102	-	-	67,102	-	-	67,102
Transfers	-	-	-	-	-	-	-
Repaid and abated during year	-	-	(116,796)	(116,796)	-	-	(116,796)
At 31 March 2007	<u>15,734,324</u>	<u>-</u>	<u>1,985,733</u>	<u>17,720,057</u>	<u>246,250</u>	<u>-</u>	<u>17,966,307</u>
Depreciation							
At 1 April 2006	521,039	-	67,840	588,879	174,243	204,652	967,774
Provided during year	79,571	-	9,848	89,419	33,517	30,823	153,759
Eliminated on disposal	(256)	-	(4,112)	(4,368)	-	-	(4,368)
At 31 March 2007	<u>600,354</u>	<u>-</u>	<u>73,576</u>	<u>673,930</u>	<u>207,760</u>	<u>235,475</u>	<u>1,117,165</u>
Net book value							
As at 31 March 2007	<u>3,943,214</u>	<u>-</u>	<u>313,640</u>	<u>4,256,854</u>	<u>493,717</u>	<u>34,686</u>	<u>4,785,257</u>
As at 31 March 2006	<u>4,005,505</u>	<u>-</u>	<u>328,780</u>	<u>4,334,285</u>	<u>527,234</u>	<u>54,905</u>	<u>4,916,424</u>

None of the Association's properties is held under a lease. Capitalised development and interest costs in the year amounted to £nil (2006 – £Nil).

CLYDEBANK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2007

(Continued)

9. Investments

	2007 £	2006 £
Opening balance	321,389	-
Additions in year	-	2,328,850
Impairment	21,127	(2,007,461)
Closing balance	<u>342,516</u>	<u>321,389</u>

During the year to 31 March 2006 the Association formed a subsidiary CHA Power Limited, to supply heat and electricity to its tenants and owner occupiers from a single generating facility. The right to use various equipment and major repair upgrades was purchased by the subsidiary which generated a gain of £928,638 in the Association. The assets purchased were subsequently written down in the subsidiary's accounts and this together with the loss on the company's activities led to the impairment charge in the previous year as the investment was written down to match the net assets position of the subsidiary at the previous year end. As the subsidiary has made a surplus in the year to 31 March 2007 the rise in net asset value has been written back into the closing balance.

Company	Holding	Turnover £	Surplus for period £	Capital and reserves £
CHA Power Limited	100%	128,099	16,606	342,516

10. Debtors

	2007 £	2006 £
Amounts falling due within one year:		
Gross Rents arrears	56,468	61,103
Bad debt provision	(30,873)	(28,385)
	<u>25,595</u>	<u>32,718</u>
Housing benefit due	117,366	107,329
Trade debtors	88,935	17,494
Prepayments and accrued income	228,030	369,548
Other debtors	34,582	-
	<u>494,508</u>	<u>527,089</u>

11. Creditors due within one year

Loans	100,224	94,891
Trade creditors	226,600	249,000
Other creditors	19,068	20,195
Accruals and deferred income	415,583	556,678
Rents in advance	21,256	38,968
	<u>782,731</u>	<u>959,732</u>

CLYDEBANK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2007

(Continued)

12. Creditors due after one year

Loans	4,373,171	4,570,850
Other creditors	451,195	287,982
	4,824,366	4,858,832

Loans are secured by specific charges on the Association's properties. Loans are repayable at varying rates of interest of 5.79% to 6.34% (2006 - 5.32% to 6.84%) in instalments due as follows:

In one year or less	100,224	94,891
Between two and five years	1,398,888	1,380,958
In five years or more	2,974,283	3,189,892
	4,473,395	4,665,741

13. Employees

	2007	2006
	£	£
Staff costs during year		
Wages and salaries	451,180	461,689
Social security costs	42,844	41,663
Other pension costs	77,633	85,764
	571,657	589,116

The average full time equivalent number of persons employed by the Association during the year were as follows:

Administration and maintenance	24	23
--------------------------------	----	----

The average number of persons employed by the Association during the year were as follows:

Administration and maintenance	24	23
--------------------------------	----	----

The Directors are defined as the members of the Management Committee, the Director and any other person reporting directly to the Directors or the Management Committee whose total emoluments exceed £40,000 per year.

	£	£
Aggregate Emoluments payable to Directors (including pension contributions)	107,222	147,918
Emoluments payable to Highest Paid Director (excluding pension contributions)	52,225	50,089

CLYDEBANK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2007

(Continued)

13. Employees (contd.)

The Director is an ordinary member of the Association's pension scheme described in note 18. No enhanced or special terms apply to membership and she has no other pension arrangements to which the Association contributes. The Association's contributions for the Director in the year amounted to £7,244 (2006 - £6,898). Remuneration for other directors included above excluding pension contributions was:

	2007 No	2006 No
£40,000 - £45,000	<u>1</u>	<u>2</u>
Total expenses reimbursed insofar as not chargeable to UK Income Tax	<u>£</u>	<u>£</u>
- Committee of Management	<u>1,952</u>	<u>1,567</u>

No member of the Committee of Management received any emoluments in respect of their services to the Association.

14. Auditors' Remuneration

The remuneration of the auditors (including expenses and excluding VAT for the year)

Remuneration of the auditors in respect of services other than those of external auditors

7,943	7,087
<u>429</u>	<u>7,545</u>
<u>8,372</u>	<u>14,632</u>

15. Share Capital

Shares of £1 fully paid and issued at beginning of year

Shares issued during year

Shares cancelled in year

Shares issued at end of year

247	248
22	17
<u>(13)</u>	<u>(18)</u>
<u>256</u>	<u>247</u>

Each member of the Association holds one share of £1 in the Association. These shares carry no rights to dividend or distributions on a winding up. When a shareholder ceases to be a member, that person's share is cancelled and the amount paid thereon becomes the property of the Association. Each member has a right to vote at members' meetings.

16. Notes to the Cash Flow Statement

(a) Reconciliation of surplus to net cash inflow from operating activities

Surplus/(deficit) for year	454,891	(188,498)
Net interest payable	34,310	66,383
Operating surplus for the year excluding interest and tax payable	<u>489,201</u>	<u>(122,115)</u>
Share capital surrendered	(13)	(18)
Depreciation	153,759	165,050
Impairment	(21,127)	2,007,461
Gain on sale of property	(181,513)	(108,914)
Decrease/(increase) in debtors	32,561	192,783
(Decrease)/increase in creditors	<u>(182,334)</u>	<u>182,312</u>
	<u>290,534</u>	<u>2,316,559</u>

CLYDEBANK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2007

(Continued)

16 Notes to the Cash Flow Statement (contd.)

	2007 £	2006 £
(b) Reconciliation of net cash flow to movement in net debt		
Increase in cash for the year	386,054	122,609
Loans received	-	-
Loan repayments	192,346	87,931
	<hr/>	<hr/>
Change in net debt	578,400	210,540
Net debt as at 1 April 2006	236,152	25,612
Net debt as at 31 March 2007	<u>814,552</u>	<u>236,152</u>

(c) Analysis of Changes in net debt

	As at 31 March 2006 £	Cash Flow £	Other Changes £	As at 1 April 2007 £
Cash at bank and in hand	4,901,893	386,054	-	5,287,947
Overdraft	-	-	-	-
Debt due within one year	(94,891)	192,346	(197,679)	(100,224)
Debt due after one year	(4,570,850)	-	197,679	(4,373,171)
	<u>236,152</u>	<u>578,400</u>	<u>-</u>	<u>814,552</u>

17. Capital Commitments

	2007 £	2006 £
Expenditure authorised by the committee of management contracted less certified	40,000	-
Expenditure authorised by the committee of management not contracted	<u>318,000</u>	<u>-</u>

18. Contingent Liabilities

As part of the transfer agreement with Communities Scotland for the LSVT properties, the Association had undertaken to spend specific amounts on major repairs, planned maintenance and reactive maintenance. The expenditure for the second five year period is to be incurred before 31 March 2010.

In addition there were conditions in the transfer agreement relating to right to buy sales. If the number of sales exceeded a stated total, there is the possibility of further sums being payable to Communities Scotland.

Clydebank Housing 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 2006. As of that date the estimated employer debt for Clydebank Housing Association was £1,610,705. The Association has no current plans to withdraw from the scheme.

At 31 March 2007, the Association had no other contingent liabilities (2006 -£Nil).

CLYDEBANK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2007

(Continued)

19. Pension Commitments

General

Clydebank Housing Association Limited participates in the SFHA Pension Scheme (the "Scheme"). The Scheme is a multi-employer defined benefit scheme. The scheme is funded and is contracted out of the state scheme.

The last formal valuation of the Scheme was performed at 30 September 2003 by a professionally qualified actuary using the "projected unit credit" method. During the accounting period Clydebank Housing Association Limited paid contributions at the rate of 14.0%. Member contributions were

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

It is not possible to identify the share of underlying assets and liabilities belonging to individual participating employers. Due to the nature of the Scheme, the profit and loss account charge for the period under FRS17 represents the employer contribution payable.

The pension charge for the year to 31 March 2007 was £77,633 (2006- £85,764).

Financial assumptions

The financial assumptions underlying the valuation were as follows:

	% pa
- Investment return pre retirement	7.8
- Investment return post retirement	5.2
- Rate of salary increases	4.0
- Rate of pension increases	2.5
(for leavers before 1 October 1993 pension increases are 5.0% pa)	
- Rate of price inflation	2.5

Valuation results

The market value of the Scheme's assets as at the 30 September 2003 valuation date was £143 million. The valuation showed a shortfall of assets compared to liabilities of £37 million (equivalent to a past service funding level of 80%).

The employer's ongoing future service contribution rate, after allowing for changes in benefits, was assessed as 9.3% of pensionable salaries. In view of the past service shortfall it was agreed that:

- The standard employer contribution rate would be increased from 12.2% to 14.0% of pensionable salaries with effect from April 2005.
- Member contributions would be increased from 6.0% to 7.0% with effect from April 2005.

CLYDEBANK HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 MARCH 2007

(Continued)

19 Pension Commitments (contd)

A small number of employers that have closed the Scheme to new entrants are required to pay an additional contribution loading of 3.5% to reflect the higher costs of a closed arrangement.

On the basis of the valuation assumptions this pattern of contributions will be sufficient to eliminate the past service deficit by 30 September 2015. The next valuation will be as at 30 September 2006 and the results will be available in September 2007.

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

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

The leaving employer's share of the buy-out debt is the proportion of the Scheme's liability attributable to employment with the leaving employer compared to the total amount of the Scheme's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total 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.

20. Housing Stock

The number of units in Management at 31 March 2007 was as follows: -

	2007	2006
	No	No
Rehabilitation	813	820
New build	219	219
Shared ownership	66	70
	<u>1,098</u>	<u>1,109</u>

21. Related parties

Various members of the Management Committee are tenants of the Association. The transactions with the Association are all done on standard terms, as applicable to all tenants.