



**CASTLEHILL HOUSING ASSOCIATION LTD  
12 MONTH STATEMENT  
TO 31<sup>ST</sup> MARCH 2011**

**THE BALANCE SHEET**

**Fixed Assets**

The capital value of housing properties increased by £9.5m over the course of the year after depreciation and property sales. During the year two schemes were completed, Abbey Court, Mintlaw and Arran Avenue/Rona Place Aberdeen. Work is continuing onsite at Dyce and at Braemar, where the Association is building 4 new properties for rent and two for sale under the New Supply Shared Equity (NSSE) scheme.

In January a single flat at Holburn Street, Aberdeen was sold during the quarter, generating a surplus of £65,000.

**Current Assets and Liabilities**

Current asset property includes the two NSSE units at Braemar plus the site at Stonefield Croft. Stonefield Croft is due to be sold back to Aberdeenshire Council and a revised offer has recently been received. This has resulted in an impairment charge to the income and expenditure account of £11,500. Stonefield Croft is therefore sitting on the balance sheet at its recoverable amount.

Debtors at 31<sup>st</sup> March include £163k of rental debtors, and £442k relating to the NSSE development at Mintlaw. Overall debtors have decreased by £165,000 over the year.

Significant creditors at 31<sup>st</sup> March include the £489,000 of grant estimated to be repayable for the schemes completed in previous years, £1m of Care and Repair grant and revenue funding, £258,000 of retentions held on development and planned maintenance contracts, with the balance being made up of normal monthly trade creditors.

**INCOME & EXPENDITURE**

The income & expenditure account shows a surplus for the full year of £627,570 before transfers to reserves against a budgeted surplus of £479,715.

Within the property revenue account there has been an underspend in planned maintenance and an overspend in reactive maintenance. There have been deficits on management services and in development, where the bulk of the Associations allowances were received early in the Devanha programme. Continued low interest rates have resulted in interest payable of £53,000 less than the budget prediction.

The Association ceased its factoring role at Livingstone Court on 30<sup>th</sup> September 2010, and the balance of the reserve has now been transferred to the new factor.

## CASH FLOW STATEMENT

The cash flow statement shows the movement of cash in and out of the Association over the course of the year, indicating where the money came from and where it went. £1.73m arose from operating activities. £6.3m was received in HAG and other grants, and £4.1m from new loans. £9.7m was spent on acquisition of housing property, £195,000 on acquisition of other fixed assets and £680,000 on interest. £874,000 was spent on repaying loans.

The net debt of the Association increased by £2.5m to £16.8m over the year.

The main variances from budget are given below:

### **Property Revenue - Rented Housing**

For the year as a whole, income from rent and service charges, net of voids was very close to budget. Overall voids stood at 1.55% of gross receivable. This has increased from 1.25% last year.

### **Property Revenue - Shared Ownership**

Rental income from shared ownership properties was close to budget predictions. Service costs were higher than anticipated; this is due in part to high energy prices, but also the replacement of boilers in individual properties. The increased costs have however been matched by increased service charges levied on the sharing owners.

### **Other Income and Expenditure**

Other income arose from the rent of the shop at Barclay Street, Stonehaven and of the offices at Waverley Place. As well as the costs for the commercial properties, other expenditure consists of bank charges and donations.

### **Sales of housing property**

3 shared ownership units were bought back and resold by the Association during the year. There were no open market sales or tranche ups of shared ownership property. 153 Holburn Street was sold in January.

### **Interest received and paid**

Total interest receivable for the year was £11,293, slightly above the budget prediction. Interest payable was 7.5% below budget, again due to low interest rates on the Association's variable rate loans.

### **Conclusion**

The Association's results overall for 2010-11 are satisfactory. However it must be borne in mind that a tight budget has been set for 2011-12 and care needs to be taken in order to ensure spending is kept under control.

**CASTLEHILL HOUSING ASSOCIATION LIMITED**

**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2011**

	Notes	2011	2010
		£	£
Turnover	3	7,577,874	14,948,983
Less : Operating Costs	3	<u>(6,363,177)</u>	<u>(13,607,660)</u>
<b>Operating Surplus</b>		<b>1,214,697</b>	<b>1,341,323</b>
Surplus on Sales of Fixed Assets		<u>56,264</u>	<u>58,736</u>
Surplus on Operating Activities before Interest		<b>1,270,961</b>	<b>1,400,059</b>
Interest Receivable	10	11,293	9,870
Interest Payable	11	<u>(654,737)</u>	<u>(397,637)</u>
Surplus for Period		<u><b>627,517</b></u>	<u><b>1,012,292</b></u>

All of the Association's activities relate to continuing operations.

The Association has no recognised gains or losses other than those included in the surplus above. Therefore no separate statement of total recognised gains and losses has been prepared.

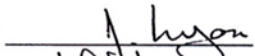


There is no difference between the surplus for the year stated above and its historical cost equivalent.

CASTLEHILL HOUSING ASSOCIATION LIMITED

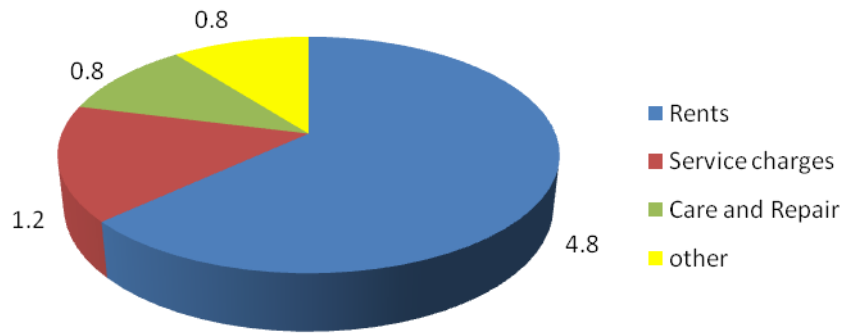
BALANCE SHEET AT 31 MARCH 2011

	Notes	2011 £	2011 £	2010 £
<b>Tangible Fixed Assets</b>				
Housing Property at Cost net of Depreciation	13		106,778,548	97,285,115
less HAG	13		(77,682,511)	(71,937,617)
Other Public Grants	13		<u>(4,764,475)</u>	<u>(4,352,793)</u>
			24,331,562	20,994,705
Other Fixed Assets net of Depreciation	14		<u>1,389,222</u>	<u>1,266,988</u>
			25,720,784	22,261,693
<b>Current Assets</b>				
Property for sale net of grants		148,277		77,459
Stocks of maintenance materials		15,257		12,706
Debtors	15	955,137		1,120,651
Cash on term deposit		820,341		983,046
Cash at bank and in hand		<u>2,037,989</u>		<u>1,128,609</u>
		3,977,001		3,322,471
<b>Creditors</b>				
Amounts falling due within one year	16	<u>(3,894,351)</u>		<u>(3,461,786)</u>
			82,650	(139,315)
<b>Net Current Assets</b>				
			25,803,434	22,122,378
<b>Total Assets less Current Liabilities</b>				
<b>Creditors</b>				
Amounts falling due after more than one year	17		<u>(18,704,483)</u>	<u>(15,650,943)</u>
			7,098,951	6,471,435
<b>Net Assets</b>				
			<u>7,098,951</u>	<u>6,471,435</u>
<b>Capital and Reserves</b>				
Share Capital	18		61	62
Capital Reserve	19		110	109
Designated Reserve	20		4,319,185	3,543,550
Revenue Reserve	21		<u>2,779,595</u>	<u>2,927,714</u>
			7,098,951	6,471,435

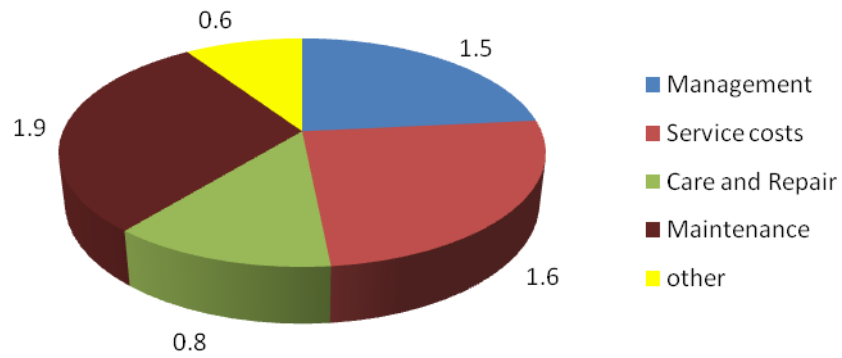
The financial statements on pages 5 to 24 were approved by the Committee of Management on 27th June 2011 and were signed on its behalf by :

  
 \_\_\_\_\_ Committee member  
  
 \_\_\_\_\_ Committee member  
  
 \_\_\_\_\_ Chief Executive/Secretary

### Source of funds £m



### Costs £m



### Location of stock

