



“JOHNNIE” JOHNSON
HOUSING

“Johnnie” Johnson Housing Association

Report and Financial Statements

For the year ended 31st March 2010

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Report of the Board

The Board of Management presents its Report and the Audited Financial Statements for the year ended 31 March 2010.

Legal Status

"Johnnie" Johnson Housing Association Limited ("The Association") is registered under the Industrial and Provident Societies Act 1985 and is registered with the Tenant Services Authority as a Registered Social Landlord as defined by the Housing Act 1996.

Principal Activities

The principal activity of the Association continues to be the provision of affordable accommodation, principally on a leasehold or shared ownership basis.

Review of the Year

There have been no significant changes in the activity of the Association during the financial year. The Association continues to operate satisfactorily.

Future Developments

The Association will continue to provide a high quality service for properties currently in management. Where opportunities arise, development of further sites will be undertaken.

Changes in Fixed Assets

Details of fixed assets are set out in Note 10. As noted on page 11 the Association moved to showing its housing assets in the balance sheet at current value during the 1998/99 financial year and depreciation of the housing assets commenced in 1999/00. A revaluation of housing assets was undertaken for March 2010. The Board of Management have sought professional guidance in determining a depreciation policy for the Association. Whilst our properties may have a physical life of another 125 years or more, given regular repair and maintenance, it is unlikely that their useful life will exceed 100 years. Changes in demand for social housing have been a feature of our sector in recent years and further changes in overall demand can be expected in the years ahead.

Employees

Details of employees and costs are set out in Note 7.

Charitable Donations

During the year the Association made a Gift Aid Payment of £220 to "Johnnie" Johnson Housing Trust Ltd.

The Board of Management

The Board of Management is listed on page 1. The Board members are drawn from a wide background bringing together professional and commercial expertise. Annually the Board sets aside time to review its makeup and consider the need for introducing new or additional skills and knowledge.

Each member of the Board of Management holds one fully paid share of £1 in the Association.

Board Meetings

The Board of Management meets formally, at least eight times a year, for regular business in addition to the Annual General Meeting. Special 'Away Days' were also held to consider specific issues in greater depth and to consider Board members' skills, training and development.

Board of Management Skills

The individual members who comprise the Board bring skills from a variety of backgrounds, and represent both our residents and our community involvement across a broad regional base. They collectively possess skills and experience in the following:

- Housing management and housing needs
- Property management or maintenance
- Housing development, building and technical
- Finance
- Business and commerce
- Legal matters
- Information technology systems and management
- Public relations
- Health and social welfare
- Local Authorities
- Strategic management and planning
- Human resources and personnel
- Residents issues and concerns

Report of the Board (continued)

NHF Code of Governance

We are pleased to report that the Association complies with the principal recommendations of the NHF Code of Governance – other than in one respect. The code suggests a maximum term of office for Board members of 9 years. The Association maximum term is 12 years, and the experience of long-serving members is highly prized, but we will revisit this as part of our next review of governance.

Internal Controls Assurance

The Board has overall responsibility for establishing and maintaining the whole system of internal control and for reviewing its effectiveness.

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and can only provide reasonable, and not absolute, assurance against material misstatement or loss.

The board has established a comprehensive Anti-Fraud and Corruption Policy to cover all aspects of prevention, detection, and reporting of fraud, and the recovery of assets. This links to the existing policies on whistleblowing which apply to both staff and board members. The Fraud Register is reported to every board meeting and signed by a designated board member.

The process for identifying, evaluating and managing the significant risks faced by the Group is ongoing and has been in place throughout the period commencing 1st April 2009 up to the date of approval of the annual report and financial statements.

All reports to Board, other than those for information only, are expected to identify risk implications.

There has been a review of the effectiveness of internal control, which included:

- A review of the adequacy of internal audit, resulting in revisions to the annual audit plan, and more focus on risk and frauds prevention.
- A review of the arrangements for the monitoring and reporting of key business risks to bring this into line with KPI reporting systems.

Key elements of the control framework include:

- Approved terms of reference and delegated authorities for audit and risk management and remuneration committees. A new Development Approvals Committee was established to maintain control and oversight of this important area. The Statement of Delegation was updated on several occasions to ensure that it aligned with the changes in authority to operate effectively.
- The Trust's risk map is overseen by the Board, and a Performance Dashboard of critical indicators is reported to each board meeting, aligned with priority areas of the risk map.
- Detailed financial budgets and forecasts and regular timely review of management accounts. These now extend far beyond financial information. The Management Information Pack is widely distributed to board members and senior managers.
- Formal policies and robust procedures for all areas of the Trust's work, regularly reviewed.
- Robust policies and procedures on recruitment, induction, appraisal and staff management, including Criminal Records Bureau checks where required. The enhanced vetting arrangements due to be introduced from July 2010 had been incorporated into our routine assessment of new employees. These were suspended for review by the new coalition government.
- Formal appraisal and authorisation procedures for all significant new initiatives and commitments;
- A comprehensive and up-to-date treasury management policy with thorough scrutiny of all commitments;
- Regular monitoring by senior management and the Board of key business objectives, targets and outcomes with regular review of the Strategic Destination Statement to ensure the organisation's short and medium term activities are in service of its longer term goals. This year, the review took full account of the increasingly turbulent financial environment, and the impending political turmoil.

Report of the Board (continued)

- Comprehensive whistle-blowing policies, and robust arrangements to guard against fraud and money laundering;

The Board cannot delegate ultimate responsibility for the system of internal control, but it can, and has, delegated authority to the Audit & Risk Management Committee to regularly review the effectiveness of the system of internal control. The Board itself receives regular reports from the Audit & Risk Management Committee.

The means by which the Audit & Risk Management Committee reviews the effectiveness of the system of internal control include considering risk reports, internal audit reports, management assurances, the external audit management letter and specialist reviews where necessary.

Health and Safety

The Board is aware of its responsibilities on all matters relating to health and safety. The Trust continues to provide training and education on health and safety matters to staff at all levels, and to board members. The Board receives regular reports on health and safety including reports to each meeting of any reportable incidents.

Legal Risks

All reports by officers to the Board indicate any legal implications of any action proposed and the Board ensures that professional advice is taken wherever necessary to guard against potential breaches of the law or the regulatory framework. No legal action was taken and no cases are pending.

Website

The Annual Report and Accounts are available on the "Johnnie" Johnson Housing website. The maintenance and integrity of the website is the responsibility of the Board; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the information contained in the financial statements since they were initially presented on the website.

Going Concern

After making enquiries the Board has a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in the financial statements.

Auditors

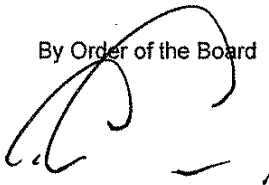
The Association's external auditors are PKF, who complete their third year in this role for the year ending March 2010. A resolution to reappoint PKF (UK) LLP as external auditors will be proposed at the Annual General Meeting.

Disclosure of Information to Auditors

At the date of making this report each of the Association's directors, as set out on page 1, confirm the following:

- so far as each director is aware, there is no relevant information needed by the Association's auditors in connection with preparing their report of which the Association's auditors are unaware, and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant information needed by the Association's auditors in connection with preparing their report and to establish that the Association's auditors are aware of that information.

By Order of the Board



JIM LUNNEY
Secretary

Statement of Responsibilities of the Board

Statement of the Responsibilities of the Board for the Report and Financial Statements

The Board is responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The Industrial and Provident Societies Acts and registered social housing legislation require the Board 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 for that year.

In preparing these financial statements the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and enable it to ensure that the financial statements comply with the Industrial and Provident Societies Acts 1965 to 2002, Schedule 1 to the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 2006 as amended.

It 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 directors are also responsible for the maintenance and integrity of the corporate and financial information included on the "Johnnie" Johnson Housing website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

INDEPENDENT AUDITORS' REPORT TO "JOHNNIE" JOHNSON HOUSING ASSOCIATION LIMITED

We have audited the financial statements of "Johnnie" Johnson Housing Association ("the Association"), for the year ended 31 March 2010 which comprise the income and expenditure account, the statement of total recognised surpluses and deficits, the reconciliation of movements in funds, the balance sheet, the cash flow statement and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Association in accordance with the Friendly and Industrial and Provident Societies Act 1968 and Schedule 1 to the Housing Act 1996. Our audit work has been undertaken so that we might state to the Association those matters we are required to state to it 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 for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the board and auditors

The board's responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom accounting standards ('United Kingdom Generally Accepted Accounting Practice') are set out in the statement of responsibilities of the board.

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 have been properly prepared in accordance with the Industrial and Provident Societies Acts 1965 to 2002, Schedule 1 to the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 2006. We also report to you if, in our opinion, a satisfactory system of control over transactions has not been maintained, if the Association has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read other information contained in the report of the board and consider whether it is consistent with the audited financial statements. The other information comprises only the report of the board. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit 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 judgments made by the trustees 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 we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. 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 2010 and the income and expenditure of the Association for the year then ended; and
- the financial statements have been properly prepared in accordance with the Industrial and Provident Societies Acts 1965 to 2002, Schedule 1 to the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 2006.

PKF (UK) LLP

PKF (UK) LLP
Statutory auditors

Liverpool, UK
Date:

3 August 2010

Income and Expenditure Account

For the year ended 31 March 2010

	Note	2010 £'000	2009 £'000
Turnover: continuing activities	2	134	131
Operating costs	2	(140)	(144)
Operating deficit: continuing activities	4	(6)	(13)
Surplus on sale of properties	5	-	20
Interest receivable and other income	6	2	3
		<hr/>	<hr/>
(Deficit)/surplus on ordinary activities before taxation		(4)	10
Tax refund on (deficit)/surplus on ordinary activities	9	-	-
		<hr/>	<hr/>
(Deficit)/surplus for the financial year		(4)	10
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 11 to 21 form part of these financial statements.

Statement of Total Recognised Surpluses and Deficits

For the year ended 31 March 2010

	2010	2009 £'000
(Deficit)/surplus for the financial year	(4)	10
Unrealised surplus on revaluation of Housing Properties	7	-
Depreciation eliminated on revaluation	7	-
	<hr/>	<hr/>
Total recognised surpluses and deficits relating to the year	10	10
	<hr/> <hr/>	<hr/> <hr/>

Note of Historical Cost Surpluses and Deficits

For the year ended 31 March 2010

	2010 £'000	2009 £'000
Reported (deficit)/surplus on ordinary activities before taxation	(4)	10
Excess of actual depreciation charge over historical cost depreciation	3	3
	<hr/>	<hr/>
Historical cost (deficit)/surplus on ordinary activities before taxation	(1)	13
	<hr/> <hr/>	<hr/> <hr/>

Reconciliation of Movements in Funds

For the year ended 31 March 2010

	2010 £'000	2009 £'000
Opening total funds	517	507
Total recognised surpluses and deficits relating to the year	10	10
	<hr/>	<hr/>
Closing total funds	527	517
	<hr/> <hr/>	<hr/> <hr/>

There are no recognised gain or losses except those noted above.

Balance Sheet

At 31 March 2010

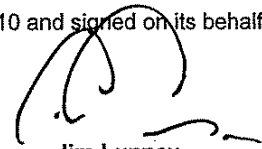
	Note	2010 £'000	2009 £'000
Tangible fixed assets			
Housing properties	10	377	366
Current assets			
Cash at bank and in hand		288	440
Investment	11	251	-
Creditors: Amounts falling due within one year	12	(389)	(289)
Net current assets		150	151
Total assets less current liabilities		527	517
Capital and reserves			
Non-equity share capital	14	-	-
Revaluation reserve	15	289	278
Revenue reserve	15	238	239
Association's funds		527	517
		527	517

The financial statements were authorised and approved by the Board on 20th July 2010 and signed on its behalf by:


Kath Lavery
Chair

Date 20th July 2010


David Goodman
Deputy Chair


Jim Lunney
Secretary

Cash Flow Statement

For the year ended 31 March 2010

	Note	2010 £'000	2009 £'000
Net cash inflow/(outflow) from operating activities	17	97	(26)
Returns on investments and servicing of finance			
Interest received		2	3
Taxation paid		-	-
Capital expenditure		-	-
Sale of Housing Properties		-	36
Management of liquid resources		-	-
Cash placed into the money market deposit a/c		(251)	-
Financing		-	-
(Decrease)/increase in cash	18	(152)	13

Notes to the Financial Statements

1. Principal Accounting Policies

The financial statements have been prepared in accordance with applicable Accounting Standards and Financial Reporting Standards in the United Kingdom. A summary of the more important accounting policies is set out below.

Basis of Accounting

The financial statements of the Association are prepared in accordance with applicable accounting standards and the Statement of Recommended Practice: accounting by Registered Social Landlords 2008. The accounts comply with the Industrial & Provident Societies Act 1965 to 2002, the Housing Act 1996 and the Tenant Services Authority's Accounting Requirements for Registered Social Landlords General Determination 2006. The accounts are consolidated into the "Johnnie" Johnson Housing Trust including all subsidiaries.

Turnover

Turnover represents rental income receivable, income from property sales, sundry income from housing and non housing services and revenue grants.

Housing properties

Housing properties are properties available for rent and properties subject to shared ownership leases. Housing properties under construction are stated at cost less related social housing grant and other capital grants. Cost includes the cost of acquiring land and buildings, development costs, interest charges incurred during the development period and expenditure incurred in respect of improvements.

The Association capitalises improvements as defined in the SORP.

Completed housing properties are stated at Existing Use Value for Social Housing (EUV-SH) and the valuations are kept up to date.

Shared ownership properties

Shared ownership properties are accounted for according to the SORP 2008. This requires that the element of each shared ownership property that is to be sold as a first tranche is treated as a current asset in the balance sheet, while the remainder is treated as a fixed asset. Once the first tranche is sold the value of this is deducted from current assets and recognised as a Cost of Sale in the Income & Expenditure statement, the income arising from the sale of the first tranche is treated as income.

Subsequent tranches sold are not included in Turnover and Cost of Sales but are shown as a separate item after the operating surplus in the Income & Expenditure account. All other sales of Fixed Assets Properties are treated this way.

Depreciation of housing properties

Freehold land is not depreciated. Depreciation is charged so as to write down the net book value of housing properties to their estimated residual value, on a straight line basis, over their estimated useful economic lives. The depreciable amount is arrived at on the basis of current value less residual value; the latter has been the subject of re-evaluation as part of the 2010 revaluation exercise. The Association's housing properties are being depreciated over the following periods from 1st April 1999.

New build homes and bungalows	100 years
Flats built after 1980	100 years
Flats built prior to 1980	80 years
Refurbished properties	100 years
Listed properties	150 years

Impairment

Housing properties which are depreciated over a period in excess of 50 years are subject to impairment reviews annually. Other assets are reviewed for impairment if there is an indication that impairment may have occurred.

Notes to the Financial Statements

1. Accounting Policies (continued)

Where there is evidence of impairment, fixed assets are written down to the recoverable amount. Any such write down is charged to operating surplus unless it represents a reversal of a past revaluation surplus in which case it is taken to the statement of total recognised gains and losses.

Social Housing Grant

Social housing grant (SHG) is receivable from the Home and Communities Agency and is utilised to reduce the capital costs of housing properties, including land costs. SHG due from the Home and Communities Agency or received in advance is included as a current asset or liability. SHG received in respect of revenue expenditure is credited to the income and expenditure account in the same period as the expenditure to which it relates.

SHG is subordinated to the repayment of loans by agreement with the Home and Communities Agency. SHG released on sale of a property may be repayable but is normally available to be recycled and is credited to a Recycled Capital Grant Fund or Disposal Proceeds Fund and included in the balance sheet in Creditors.

Other grants

Other grants are receivable from local authorities and other organisations. Capital grants are utilised to reduce the capital costs of housing properties, including land costs. Grants in respect of revenue expenditure are credited to the income and expenditure account in the same period as the expenditure to which they relate.

Related Parties

The Board of Management includes tenant representatives. The tenancies for these members are on normal terms and they are unable to use their position to their advantage.

Revenue Reserve

This reserve provides for future working capital and protects the Association against any unexpected expenditure. In the view of the Board Management the level of this accumulated reserve is reasonable in relation to the activity of the Association.

Revaluation reserves

The difference between the valuation of housing properties and the historical cost carrying value (net of capital grants and depreciation) is credited to the revaluation reserve – housing property.

Service charge sinking funds

Service charge sinking funds are dealt with as creditors due within one year and are separately identified in the creditors analysis within the notes to the accounts.

Liquid resources

Liquid resources are readily disposable current asset investments.

Group Structure

In October 1989, in accordance with Housing Corporation guidelines, "Johnnie" Johnson Housing Trust Ltd set up a group structure with this Association as a subsidiary.

Value Added Tax

The Association is a member of a group registration with "Johnnie" Johnson Housing Trust Ltd for VAT purposes. A part of the Association's income is derived from exempt supplies and this gives rise to a partial exemption calculation.

Notes to the Financial Statements

2. Turnover, Cost of Sales, Operating Costs and Operating Surplus

Continuing Activities

	2010		
	Turnover	Operating Costs	Operating surplus / (deficit)
	£'000	£'000	£'000
Social housing lettings	134	(140)	(6)
Other social housing activities			
Other	-	-	-
Gift aid payment			
	<u>134</u>	<u>(140)</u>	<u>(6)</u>
	<u><u>134</u></u>	<u><u>(140)</u></u>	<u><u>(6)</u></u>
	2009		
	Turnover	Operating Costs	Operating surplus / (deficit)
	£'000	£'000	£'000
Social housing lettings	130	(138)	(8)
Other social housing activities			
Other	1	-	1
Gift-aid payment	-	(6)	(6)
	<u>131</u>	<u>(144)</u>	<u>(13)</u>
	<u><u>131</u></u>	<u><u>(144)</u></u>	<u><u>(13)</u></u>

Notes to the Financial Statements

2. Turnover, Cost of Sales, Operating Costs and Operating Surplus on Lettings

Particulars of income and expenditure from social housing lettings -- Shared Ownership

	2010	2009
	Low cost home ownership £'000	Low cost home ownership £'000
Rent receivable net of identifiable service charges	22	22
Service income	112	108
	<hr/>	<hr/>
Net rental income	134	130
Other Housing Corporation revenue grants	-	-
Other revenue grants	-	-
	<hr/>	<hr/>
Turnover from social housing lettings	134	130
	<hr/>	<hr/>
Management	29	28
Services	92	88
Routine maintenance	-	6
Planned maintenance	16	12
Depreciation of housing properties	3	4
	<hr/>	<hr/>
Operating costs on social housing lettings	140	138
	<hr/>	<hr/>
Operating deficit on social housing lettings	(6)	(8)
	<hr/> <hr/>	<hr/> <hr/>
Void losses	-	-
	<hr/> <hr/>	<hr/> <hr/>

3. Accommodation Managed by Agents

The Association owns property managed by other bodies as follows:

	2010 No.	2009 No.
Social housing		
Low cost home ownership	89	89
	<hr/> <hr/>	<hr/> <hr/>

Notes to the Financial Statements

4. Operating deficit

This is arrived at after charging:

	2010 £'000	2009 £'000
Depreciation of housing properties	3	4
Auditors' remuneration (including VAT)		
- for audit services	-	2
- for non-audit services:	-	-
Gift Aid payment	-	6
	<u> </u>	<u> </u>

5. Surplus on sale of fixed assets – housing properties

	2010 £'000	2009 £'000
Disposal proceeds	-	38
Carrying value of fixed assets	-	(18)
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>

6. Interest Receivable and Other Income

	2010 £'000	2009 £'000
Interest receivable and similar income	2	3
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>

Notes to the Financial Statements

7. Employees

Average monthly number of employees expressed in full time equivalents:

	2010 No.	2009 No.
Housing, support and care	1	1
	<u>1</u>	<u>1</u>

Employee costs:

	2010 £'000	2009 £'000
Wages and salaries	18	18
Social security costs	1	1
Other Pension Costs	2	2
Staff Accommodation	2	2
	<u>23</u>	<u>23</u>

The Association's employees are members of the Social Housing Pension Scheme (SHPS). The employees of other group members are members of the SHPS. Further information on the scheme is given in the accounts of the parent company "Johnnie" Johnson Housing Trust Limited,

8. Board Members and Executive Directors

The board members and directors did not receive any remuneration during the year from this Association (2009: £nil). The remuneration and expenses were paid by the parent company "Johnnie" Johnson Housing Trust Limited.

Notes to the Financial Statements

10. Tangible Fixed Assets - Properties

ASSOCIATION – Housing properties	Completed shared ownership housing properties £'000
Valuation	
At 1 April 2009	693
Disposal	-
Valuation Adjustment	<u>7</u>
At 31 March 2010	<u>700</u>
Depreciation and impairment	
At 1 April 2009	(4)
Depreciation charged in year	(3)
Valuation Adjustment	7
Released on disposal	-
At 31 March 2010	<u>-</u>
Depreciated value	
At 31 March 2010	<u>700</u>
At 31 March 2009	<u>689</u>
Social Housing Grant	
At 1 April 2009	<u>(323)</u>
Disposals	-
At 31 March 2010	<u>(323)</u>
Net book value	
At 31 March 2010	<u>377</u>
At 31 March 2009	<u>366</u>

Completed housing properties are stated at Existing Use Value for Social Housing (EUV-SH) as at 31 March 2010. The Association's housing properties have been valued by professional external valuers, Countrywide, Chartered Surveyors. The full valuation of the properties was undertaken in accordance with the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors as follows:

	£'000
Completed properties at valuation	377
Housing properties under construction at cost net of SHG and other grants	-
Consolidated at valuation date	<u>377</u>

In valuing housing properties, discounted cash flow methodology was adopted with key assumptions:

Discount rate	5.5%
Annual inflation rate	2.5%
Level of annual rent increase	3.0%

The carrying value of the housing properties that would have been included in the financial statements had the assets been carried at historical cost less SHG and depreciation is as follows:

	2010 £'000	2009 £'000
Historical cost	468	468
Social housing grant	(323)	(323)
Other capital grants	-	-
Depreciation and impairment	(14)	(14)
	<u>131</u>	<u>131</u>

Social housing grant

	2010 £'000	2009 £'000
Total accumulated SHG receivable at 31 March:		
Capital grant	323	323
Revenue grant	-	-
	<u>323</u>	<u>323</u>

Notes to the Financial Statements

10. Tangible Fixed Assets – Properties (continued)

Housing properties book value, net of depreciation and grants comprises:

	2010 £'000	2009 £'000
Freehold land and buildings	377	366
Long leasehold land and buildings	-	-
Short leasehold land and buildings	-	-
	<u>377</u>	<u>366</u>

Expenditure on works to existing properties

	2010 £'000	2009 £'000
Amounts capitalised	-	-
Amounts charged to income and expenditure account	16	18
	<u>16</u>	<u>18</u>

11. Current Asset Investment: Money Market Deposit

	2010 £'000	2009 £'000
Investment	251	-
	<u>251</u>	<u>-</u>

12. Creditors: Amounts Falling Due Within One Year

	2010 £'000	2009 £'000
Funds held on behalf of Residents	152	155
Amounts owed to group undertakings	220	114
Recycled capital grant fund (note 13)	7	7
Other creditors	4	6
Accruals and deferred income	6	7
	<u>389</u>	<u>289</u>

13. Recycled Capital Grant Fund

	2010 £'000	2009 £'000
At 1 April 2009	7	-
Grants recycled	-	7
Interest accrued	-	-
Transfers to other group members	-	-
	<u>7</u>	<u>7</u>
Repayment of grant to Housing Corporation	-	-
Balance at 31 March 2010	<u>7</u>	<u>7</u>
	<u>-</u>	<u>-</u>
Amount due for repayment to Housing Corporation	-	-

Notes to the Financial Statements

14. Non-Equity Share Capital

	2010 £	2009 £
Shares of £1 each issued and fully paid		
At 1 April 2009	77	85
Shares issued during the year	-	-
Shares surrendered during the year	(7)	(8)
	<u>70</u>	<u>77</u>
At 31 March 2010	<u>70</u>	<u>77</u>

The shares provide members with the right to vote at general meetings, but do not provide any rights to dividends or distributions on a winding up.

15. Reserves

	Revaluation Reserve – Housing Properties £'000	Revenue Reserve £'000	Total Reserves £'000
At 1 April 2009	278	239	517
Deficit for the year	-	(4)	(4)
Transfer in respect of depreciation on revalued properties	7	-	7
Surplus on revaluation of Housing Properties	7	-	7
Transfer to Revenue Reserve	(3)	3	-
	<u>289</u>	<u>238</u>	<u>527</u>
At 31 March 2010	<u>289</u>	<u>238</u>	<u>527</u>

16. Contingent Liabilities

The association had no known contingent liabilities at 31 March 2010 (2009: £nil).

17. Reconciliation of Operating Surplus to Net Cash Flow from Operating Activities

	2010 £'000	2009 £'000
Operating deficit	(6)	(13)
Depreciation of tangible fixed assets	3	4
	<u>(3)</u>	<u>(9)</u>
Working capital movements		
Properties for outright sale	-	-
Debtors	-	-
Increase/(decrease) in Creditors	100	(17)
	<u>97</u>	<u>(26)</u>
Net cash inflow/(outflow) from operating activities	<u>97</u>	<u>(26)</u>

Notes to the Financial Statements

18. Reconciliation of Net Cash Flow to Movement in Net Funds

	2010 £'000	2009 £'000
(Decrease)/increase in cash	(152)	13
Cash flow from increase in liquid resources	251	-
Cash inflow from increase in debt and lease finance	-	-
Increase in net funds from cash flows	99	13
Change in market value of investments	-	-
Total changes in net funds for the period	99	13
Net funds at 1 April 2009	440	427
Net funds at 31 March 2010	539	440

19. Analysis of Net Funds

	1 April 2009 £'000	Cash Flow £'000	Non-cash movement £'000	31 March 2010 £'000
Cash at bank and in hand	440	(152)	-	288
Changes in cash	440	(152)	-	288
Current asset investment	-	251	-	251
Loans	-	-	-	-
Finance leases	-	-	-	-
Changes in funds	-	-	-	-
Changes in net funds	440	99	-	539

20. Ultimate Parent Company

The ultimate parent company is "Johnnie" Johnson Housing Trust Limited, a Registered Social Landlord. The parent company is incorporated in England. Copies of the accounts of "Johnnie" Johnson Housing Trust can be obtained from its registered office, Astra House, Spinners Lane, Poynton, Cheshire SK12 1GA.

21. Related Party Transactions

During the year there have been transactions with group undertakings. As these transactions are included in the consolidated accounts of the Trust, whose accounts are publically available, the Association has taken advantage of the exemption allowed by FRS 8.