



“JOHNNIE” JOHNSON
HOUSING

“Johnnie” Johnson Housing Association
Report and Financial Statements
For the year ended 31st March 2009

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Board Members, Executive Directors, Advisors and Bankers

Board

Chair Person
Deputy Chair

Kath Lavery
David Goodman

Other Members

Pamela Allenby
Derek Ankers
Les Baker
Rina Dabhi
Barbara Garvey

David Evans
Morris Globe
Mel Hill
Norman Laidler
Joe Robinson

Executive Directors

Chief Executive and Secretary
Director of Finance & Business
Services
Director of Development & Property
Services
Director of Housing Services

Jim Lunney
Harvey Norton
Steven Normansell
Peter Daly

Registered office

Astra House
Spinners Lane
Poynton
Cheshire
SK12 1GA

Registered number

Registered as a charitable social landlord under the Industrial and Provident Societies Acts, No: 23699R

Registered by the Tenant Services Authority, No: SL3344

Auditors

PKF (UK) LLP
5 Temple Square
Temple Street
Liverpool
L2 5RH

Solicitors

Trowers & Hamblins
Heron House
Albert Square
Manchester M2 5HD

Howarth Goodman
8 King Street
Manchester
M60 8HG

Dickinson Dees
112 Quayside
Newcastle Upon Tyne
NE99 1SB

Bankers

National Westminster Bank Plc
Royal Bank Scotland
5th Floor
135 Bishopsgate
London EC2M 3UR

Alliance & Leicester Commercial
Bank
Corporate Charging
Bootle
Merseyside GIR 0AA

Report of the Board

The Board of Management presents its Report and the Audited Financial Statements for the year ended 31 March 2009.

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 2008. 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. Accordingly, the Board is of the view that it would be prudent not to overstate the expected useful lives of its business assets.

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 £6,043 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 current 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 Trust has comprehensive policies and procedures in place for the prevention, detection and reporting of fraud including codes of conduct and whistle-blowing for both staff and board members. These have now been drawn together under an overall Anti-fraud and Corruption Policy Statement. In addition, all new entries in the fraud register are specifically reported to the Board and Audit and Risk Committee.

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 2008 up to the date of approval of the annual report and financial statements.

The Board receives and considers reports from management on these risk management and control arrangements. All reports to Board are expected to identify risk implications.

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

- A review of the focus and scale of internal audit works which have been more than doubled in the year.
- A review of the main policies providing effective internal control, resulting in changes to the methodology for risk mapping to make it easier to identify areas of concern.

Key elements of the control framework include:

- Approved terms of reference and delegated authorities for audit and risk management and remuneration committees. These were reviewed during the year.
- Annual review of the Trust's risk map by the Board;
- Detailed financial budgets and forecasts and regular timely review of management accounts;
- Formal policies and robust procedures for all areas of the Trust's work;
- Robust policies and procedures on recruitment, induction, appraisal and staff management;
- 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;
- 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.

Report of the Board (continued)

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

PKF (UK) LLP were first appointed as auditors to the company in 2007 and their engagement is to be reviewed during 2009 in accordance with good practice. A resolution to reappoint PKF (UK) LLP as external auditors subject to external competition will be proposed at the Annual General Meeting.

By Order of the Board



JIM LUNNEY
Secretary

21st July 2009

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 RSL 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 company's 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 RSL"), for the year ended 31 March 2009 which comprise the income and expenditure account, the balance sheet, cash flow statement and statement of total recognised surpluses and deficits and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the RSL in accordance with the Friendly and Industrial and Provident Societies Act 1968. Our audit work has been undertaken so that we might state to the RSL 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 RSL 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 the Board'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 have been properly prepared in accordance with the Industrial and Provident Societies Acts 1965 and 2002, 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 RSL 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 annual report of the Board and consider whether it is consistent with the audited financial statements. 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 judgements made by the Board of Management in the preparation of the financial statements, and of whether the accounting policies are appropriate to the RSL'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 RSL's affairs as at 31 March 2009 and of its surplus for the year then ended; and
- have been properly prepared in accordance with the Industrial and Provident Societies Act 1965 to 2002, Schedule 1 to the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 2006.



PKF (UK) LLP
Registered Auditors
Liverpool, UK

Date: 13th August 2009

Income and Expenditure Account

For the year ended 31 March 2009

	Note	2009 £'000	2008 £'000
Turnover: continuing activities	2	131	127
Operating costs	2	(144)	(147)
		<hr/>	<hr/>
Operating (deficit): continuing activities	4	(13)	(20)
Surplus on sale of properties	5	20	-
Interest receivable and other income	6	3	16
		<hr/>	<hr/>
Surplus/(deficit) on ordinary activities before taxation		10	(4)
Tax refund	9	-	4
		<hr/>	<hr/>
Surplus/(Deficit) for the financial year		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 2009

	2009 £'000	2008 £'000
Surplus/(Deficit) for the financial year	10	-
Unrealised surplus on revaluation of Housing Properties	-	42
Depreciation eliminated on revaluation	-	11
	<hr/>	<hr/>
Total recognised surpluses and deficits relating to the year	10	53
	<hr/> <hr/>	<hr/> <hr/>

Note of Historical Cost Surpluses and Deficits

For the year ended 31 March 2009

	2009 £'000	2008 £'000
Reported surplus/(deficit) on ordinary activities before taxation	10	(4)
Excess of actual depreciation charge over historical cost depreciation	3	-
	<hr/>	<hr/>
Historical cost surplus/(deficit) on ordinary activities before taxation	13	(4)
	<hr/> <hr/>	<hr/> <hr/>

Reconciliation of Movements in Funds

For the year ended 31 March 2009

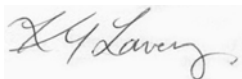
	2009 £'000	2008 £'000
Opening total funds	507	454
Total recognised surpluses and deficits relating to the year	10	53
	<hr/>	<hr/>
Closing total funds	517	507
	<hr/> <hr/>	<hr/> <hr/>

Balance Sheet

At 31 March 2009

	Note	2009 £'000	2008 £'000
Tangible fixed assets			
Housing properties	10	366	379
Current assets			
Cash at bank and in hand		440	427
Creditors: Amounts falling due within one year	11	(289)	(299)
Net current assets		151	128
Total assets less current liabilities		517	507
Capital and reserves			
Non-equity share capital	13	-	-
Revaluation reserve	14	278	281
Revenue reserve	14	239	226
Association's funds		517	507
		517	507

The financial statements were approved by the Board on 21st July 2009 and signed on its behalf by:



Kath Lavery
Chair



David Goodman
Deputy Chair



Jim Lunney
Secretary

Date: 21st July 2009

Cash Flow Statement

For the year ended 31 March 2009

	Note	2009 £'000	2008 £'000
Net cash outflow from operating activities	16	(26)	(378)
Returns on investments and servicing of finance			
Interest received		3	16
Taxation paid		-	-
Capital expenditure		-	-
Sale of Housing Properties		36	-
Management of liquid resources		-	-
Financing		-	-
Increase/(decrease) in cash	17	13	(362)

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 1966 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 2008 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.

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 Homes 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

	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)
	-----	-----	-----
	131	(144)	(13)
	=====	=====	=====

	2008		
	Turnover	Operating Costs	Operating surplus / (deficit)
	£'000	£'000	£'000
Social housing lettings	126	(131)	(5)
Other social housing activities	-----	-----	-----
Other	1	-	1
Gift-aid payment	-	(16)	(16)
	-----	-----	-----
	127	(147)	(20)
	=====	=====	=====

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

	2009	2008
	Low cost home ownership £'000	Low cost home ownership £'000
Rent receivable net of identifiable service charges	22	22
Service income	108	104
	<hr/>	<hr/>
Net rental income	130	126
Other Housing Corporation revenue grants	-	-
Other revenue grants	-	-
	<hr/>	<hr/>
Turnover from social housing lettings	130	126
	<hr/>	<hr/>
Management	28	25
Services	88	85
Routine maintenance	6	5
Planned maintenance	12	12
Depreciation of housing properties	4	4
	<hr/>	<hr/>
Operating costs on social housing lettings	138	131
	<hr/>	<hr/>
Operating deficit on social housing lettings	(8)	(5)
	<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:

	2009 No.	2008 No.
Social housing		
Low cost home ownership	89	90
	<hr/> <hr/>	<hr/> <hr/>

Notes to the Financial Statements

4. Operating Surplus

This is arrived at after charging/(crediting):

	2009 £'000	2008 £'000
Depreciation of housing properties	4	4
Auditors' remuneration (including VAT)		
- for audit services	2	1
- for non-audit services:	-	-
Gift Aid payment	6	16
	<u> </u>	<u> </u>

5. Surplus on sale of fixed assets – housing properties

	2009 £'000	2008 £'000
Disposal proceeds	38	-
Carrying value of fixed assets	(18)	-
	<u> </u>	<u> </u>
	20	-
	<u> </u>	<u> </u>

6. Interest Receivable and Other Income

	2009 £'000	2008 £'000
Interest receivable and similar income	3	16
	<u> </u>	<u> </u>
	3	16
	<u> </u>	<u> </u>

Notes to the Financial Statements

7. Employees

Average monthly number of employees expressed in full time equivalents:

	2009 No.	2008 No.
Housing, support and care	1	1
	<hr/>	<hr/>
	1	1
	<hr/> <hr/>	<hr/> <hr/>

Employee costs:

	2009 £'000	2008 £'000
Wages and salaries	18	17
Social security costs	1	1
Other Pension Costs	2	2
Staff Accommodation	2	2
	<hr/>	<hr/>
	23	22
	<hr/> <hr/>	<hr/> <hr/>

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 company (2008: 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 2008	709
Disposal	(16)
At 31 March 2009	<u>693</u>

Depreciation and impairment

At 1 April 2008	-
Depreciation charged in year	(4)
Released on disposal	
At 31 March 2009	<u>(4)</u>

Depreciated value

At 31 March 2009	<u>689</u>
At 31 March 2008	<u>709</u>

Social Housing Grant

At 1 April 2008	<u>(330)</u>
Disposals	<u>(7)</u>
At 31 March 2009	<u>(323)</u>

Net book value

At 31 March 2009	<u>366</u>
At 31 March 2008	<u>379</u>

Completed housing properties are stated at Existing Use Value for Social Housing (EUUV-SH) as at 31 March 2008. 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:

Completed properties at valuation	£'000
Housing properties under construction at cost net of SHG and other grants	366
Consolidated at valuation date	<u>366</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:

	2009	2008
	£'000	£'000
Historical cost	468	468
Social housing grant	(323)	(330)
Other capital grants	-	-
Depreciation and impairment	(14)	(11)
	<u>131</u>	<u>127</u>

Social housing grant

	2009	2008
	£'000	£'000
Total accumulated SHG receivable at 31 March:		
Capital grant	323	330
Revenue grant	-	-
	<u>323</u>	<u>330</u>

Notes to the Financial Statements

10. Tangible Fixed Assets – Properties (continued)

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

	2009	2008
	£'000	£'000
Freehold land and buildings	366	379
Long leasehold land and buildings	-	-
Short leasehold land and buildings	-	-
	<u>366</u>	<u>379</u>
	<u><u>366</u></u>	<u><u>379</u></u>

Expenditure on works to existing properties

	2009	2008
	£'000	£'000
Amounts capitalised	-	-
Amounts charged to income and expenditure account	18	17
	<u>18</u>	<u>17</u>
	<u><u>18</u></u>	<u><u>17</u></u>

11. Creditors: Amounts Falling Due Within One Year

	2009	2008
	£'000	£'000
Funds held on behalf of Residents	155	179
Amounts owed to group undertakings	114	109
Recycled capital grant fund (note 12)	7	-
Other creditors	6	6
Accruals and deferred income	7	5
	<u>289</u>	<u>299</u>
	<u><u>289</u></u>	<u><u>299</u></u>

12. Recycled Capital Grant Fund

	2009	2008
	£'000	£'000
At 1 April 2008	-	-
Grants recycled	7	-
Interest accrued	-	-
Transfers to other group members	-	-
	<u>7</u>	<u>-</u>
	<u>7</u>	<u>-</u>
Repayment of grant to Housing Corporation	-	-
Balance at 31 March 2009	<u>7</u>	<u>-</u>
	<u><u>7</u></u>	<u><u>-</u></u>
Amount due for repayment to Housing Corporation	<u>-</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>

Notes to the Financial Statements

13. Non-Equity Share Capital

	2009	2008
	£	£
Shares of £1 each issued and fully paid		
At 1 April	85	88
Shares issued during the year	-	-
Shares surrendered during the year	(8)	(3)
At 31 March	<u>77</u>	<u>85</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.

14. Reserves

	Revaluation Reserve – Housing Properties £'000	Revenue Reserve £'000	Total Reserves £'000
At 1 April 2008	281	226	507
Surplus/(Deficit) for the year	-	10	10
Transfer in respect of depreciation on revalued properties	(3)	3	-
Surplus on revaluation of Housing Properties			
At 31 March 2009	<u>278</u>	<u>239</u>	<u>517</u>

15. Contingent Liabilities

The association had no known contingent liabilities at 31 March 2009 (2008: nil).

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

	2009	2008
	£'000	£'000
Operating surplus/(deficit)	(13)	(20)
Depreciation of tangible fixed assets	4	4
	<u>(9)</u>	<u>(16)</u>
Working capital movements		
Properties for outright sale		
Debtors	-	-
Increase/(decrease) in Creditors	(17)	(362)
Net cash (outflow)/inflow from operating activities	<u>(26)</u>	<u>(378)</u>

Notes to the Financial Statements

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

	2009	2008
	£'000	£'000
Increase / (decrease) in cash	13	(362)
Cash flow from (decrease) in liquid resources	-	-
Cash inflow from increase in debt and lease finance	-	-
Increase in net debt from cash flows	<u>13</u>	<u>(362)</u>
Change in market value of investments	-	-
Total changes in net funds for the period	<u>13</u>	<u>(362)</u>
Net funds at 1 April	427	789
Net funds at 31 March	<u><u>440</u></u>	<u><u>427</u></u>

18. Analysis of Net Funds

	1 April	Cash	Non-cash	31 March
	2008	Flow	movement	2009
	£'000	£'000	£'000	£'000
Cash at bank and in hand	427	13	-	440
Changes in cash	<u>427</u>	<u>13</u>	<u>-</u>	<u>440</u>
Current asset investment	-	-	-	-
Loans	-	-	-	-
Finance leases	-	-	-	-
Changes in funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Changes in net funds	<u><u>427</u></u>	<u><u>13</u></u>	<u><u>-</u></u>	<u><u>440</u></u>

19. 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.