

Sussex Housing & Care

**SUSSEX HOUSING AND CARE**

**Financial Statements**

**31 March 2011**

**Charitable Industrial & Provident Society**

**Registered Number: 12871R**

**Tenants Services Authority Registered No: LH0079**

**Sussex Housing and Care  
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31 March 2011**

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**Executives and Advisors**

**The Board**

Brian Porter  
Jenifer Barton  
Peter Grose  
Marjorie Lambert  
Michael Sechiari  
Gwynneth Watsham  
Christopher Willis  
Colin Adams  
Michael Corp  
Gwyneth Norman  
Raymond Stenning  
Elizabeth Towner )

Chairman  
Deputy Chairman

Resigned 22 September 2010

Appointed 22 September 2010  
Appointed 22 September 2010  
& resigned 2 February 2011

**External Auditors**

Nexia Smith & Williamson Ltd  
Imperial House  
18 – 21 Kings Park Road  
Southampton  
Hants SO15 2AT

**Internal Auditors**

Chantrey Vellacott  
Prospect House  
58 Queens House  
Reading RG1 4RP

**Solicitors**

Blaker Son & Young  
211 High Street  
Lewes BN7 2NL

**Bankers**

NatWest plc  
Second Floor  
98 Terminus Road  
Eastbourne  
East Sussex BN21 3LX

Clydesdale Bank plc  
5th Floor, Telecom House  
125 – 135 Preston Road  
Brighton BN1 6AF

**Stockbrokers**

UBS  
1 Curzon Street  
London W1J 5UB

**Executive Team**

Martin Burke  
Yvonne Atkinson  
James Rann

Chief Executive  
Director of Operations  
Director of Finance

**Secretary and Registered Office**

Martin Burke  
Ronald Simson House  
24 Sutton Avenue  
Seaford  
Sussex  
BN25 4LG

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## **REPORT OF THE BOARD**

The Board sets out below its report on activities and results for the year and the audited financial statements for the year ended 31 March 2011.

The following information has been prepared in accordance with the Statement of Recommended Practice: Accounting by Registered Social Landlords.

### **Principal Activity**

Sussex Housing and Care (SHC) is a registered provider of social housing (RPSH) with charitable status, established in 1946. The principal activity of the Association is the provision of high quality, affordable and sustainable accommodation and services for older people.

In pursuance of this SHC currently operates four Residential Care Homes and thirteen Sheltered Housing Schemes. In addition to the above SHC owns and manages properties which provide Independent Living accommodation in six locations and also manages seven Leasehold Housing Schemes.

### **The Board**

The Board currently comprises ten voluntary members. It meets at least four times a year. Board meetings are also attended by the Senior Management Team (SMT). Its role is to govern the Association, to provide accountability, to resolve any tensions between stakeholders, to give advice to management, to provide strategic direction and to ensure the Association meets its objectives.

Collectively, the Board has the skills and experience to guide and oversee SHC's affairs. Several Board members have been in senior executive positions in business, industry and professions relevant to housing and caring for older people.

To assist it in carrying out its duties, the Board has appointed functional committees. Nearly all Board members serve on one or more of SHC's committees. In January 2011 the Board held an Awayday to discuss future strategy for the organisation which has contributed to the current revision of the business plan and it also reviewed its governance and structure.

The Board regularly reviews its composition to ensure that skills and experience gaps are identified. One member was appointed during the year. Following the Awayday advertising for new members was undertaken and after a very successful recruitment process five new members will be invited to join the Board in September. They will bring a wide range of housing and care experience to the Board.

There is the scope in a medium sized Association for Board members to be more closely involved in its work without becoming concerned with day to day management decisions. The small professional senior staff team benefit from their assistance and Board members find their contribution more satisfying. Attendance levels at meetings are excellent.

SHC gains from the professional and business-like conduct of its Board and Committee meetings where the actions of the Management Team are challenged and tested. There is an excellent working relationship between the Management Team and Board and between the Chairman and Chief Executive.

Board and Committee Members give of their time and expertise without remuneration or personal gain. Friends Groups Chairmen along with their committees befriend Residents and their pastoral role enhances the service SHC provides to its Residents.

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**REPORT OF THE BOARD (cont'd)**

They also provide a voice for Residents at Board level. During the year, following elections, two residents were appointed to the Board as resident board members.

Several Board Members actively assist in the Association's fundraising efforts and in promoting its work.

The Board has a formal schedule of matters reserved for its decision. Meetings are structured in a manner that ensures that decisions are taken at appropriate times within the year to ensure that SHC's affairs are managed in a manner which not only preserves financial viability, but also ensures projected business development and growth, whilst providing excellent service to its residents.

Responsibility for the Association's day to day operations is delegated to the Senior Management Team which reports through the Chief Executive.

**Risks and uncertainties**

The Association maintains a risk map and risk strategy. On an ongoing basis under the guidance of its SMT the Board considers risks on individual projects which are risk evaluated as and when required. Such risks are also considered in the context of the organisation as a whole. The principal risks to which the Association is currently exposed are:

RISK	ACTION TAKEN
The deterioration of occupancy levels within its care homes	The SMT continues to take action to ensure that acceptable occupancy levels are maintained to preserve adequate income flows within all care homes.
Pensions risk	A new pensions strategy has been adopted by the Board to control any future risks from future pension deficits.
Control of costs	Reporting systems have been reviewed and improved to assist the regular review and control of operational costs.
Funding risk	Grants in general are now significantly reduced resulting in the Association seeking alternative sources of funding.
Local Authority funding for care homes	The Association's exposure to LA funding is limited and it continues to review new residents with this source of funding.

The Finance & General Purposes Committee, with delegated authority of the Board, is involved in discussions of these projects and a review of the potential associated risks.

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**REPORT OF THE BOARD (cont'd)**

**Executive Team**

The members of the executive team are set out on page 1. They act as executives, assisted by other members of the senior management team, within the authority delegated by the Board. The detailed scrutiny of performance, the development of policy and procedures and expenditure approvals within budget are carried out by this team, which meets at least once a month for these purposes.

The Board is responsible for determining the employment terms and conditions of the SMT, ensuring that they are fairly rewarded for their contribution to the Association's overall performance.

**Review of the Year**

The results for the year set out on page 10 show a surplus on ordinary activities of £682,034 (2010: restated deficit £235,929).

During the course of this financial year the Association tried to address the issue of rising vacancies and deficits at its dual registered care and nursing home, Cheneys, by reducing the occupancy level and matching staff levels accordingly. Unfortunately this did not resolve the issue of continuing operational deficits that were generated by this home and consequently the Board took the difficult decision to close it completely. This process took place in early January 2011 and was completed before the financial year end.

Despite the difficult action above the following positive developments have been achieved:

- The Rowans: this new development of nineteen units at Crowborough is under construction and is expected to complete in September 2011. The scheme is designed for older residents who currently live in family sized council housing but do not need accommodation of this size. This project will offer high quality housing and also contribute to the wider housing strategy of Wealden District Council.
- Digital Inclusion: the Association has commenced a programme of introducing computer equipment and training at its sheltered schemes to assist and encourage Residents in the use of computers. Grants were obtained for the purchase of equipment and SHC will continue to seek out further grants to extend the programme further. The project has been enthusiastically received by residents.
- Review of pay and conditions: during the year the Association reviewed the pay and conditions for care staff and implemented changes to rates and conditions which will benefit staff and improved operational efficiencies.
- Review of contracts for services and supplies: the Association has commenced a programme of reviewing its arrangements with a number of property services and supplies with a view to achieving better value in terms of prices and operational efficiencies. This year the contracts for decorating, responsive repairs and heating maintenance were re-tendered.
- New auditors: following a tender process Nexia Smith & Williamson were appointed as external auditors to the Association.
- New investment advisors: during the year the Association reduced the number of investment managers from two to one firm. A review was undertaken of both incumbent firms (which arose from the transfer of the Alison Howles Trust to SHC in 2009) and UBS were appointed as sole advisors.

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**REPORT OF THE BOARD (cont'd)**

- Resident Board Members: the Association has under its constitution two positions for Residents to sit on the Board as full members and represent Residents. During the year Residents were formally asked to put their names forward for election to these vacant positions and two Residents were voted in by the residents.
- Residents Council: this has been set up to provide a forum for elected representatives to communicate issues relating to schemes to the senior management team and allow discussion about Residents wishes. The Council has already had its first meeting.

**Investment for the Future**

The key priorities for 2011/12 are as follows:

- Completion of The Rowans site and to let it to full occupancy promptly.
- Continue our commitment to developing staff, improve our staff training programme creating team spirit and awareness and ensuring staff involvement in services development
- To implement the new IT strategy which enable better communication within the organisation and achieve operational efficiencies.
- To develop a Leasehold Service Management plan and strategy to ensure that our services and future programmes are managed in a planned and controlled way
- To develop a good domiciliary care model in preparation for the Extra Care sheltered provision
- Continue to review the supply of services with a view to achieving savings.
- We hope to commence work on our first Extra Care scheme on the site of Cheney's in Seaford.
- We have bid for funding to the HCA for the Cheney's Extra Care scheme. We also hope to negotiate S106 developments with a number of housebuilders.

**Capital Structure, Investment and Treasury Policy**

The Association is financed by a combination of retained reserves, which are not distributable, long term committed loan facilities from lending institutions and Social Housing Grant awarded by the Homes and Communities Agency to support the development activities of the Association.

Treasury management is undertaken by the Executive Team and is monitored by the Board which receives and scrutinises regular reports.

The Board has the power to invest in such assets as permitted by the Association's rules including securities and stocks and shares quoted on any recognised Stock Exchange and Freehold and Leasehold property. The Association has established an investment portfolio with our stockbrokers under a discretionary agreement within an agreed risk profile. The performance is regularly monitored by the Board.

**Cash Flows and Liquidity**

At the end of the year the Association held cash balances (including deposits) of £2,916,926.

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**REPORT OF THE BOARD (cont'd)**

**Suppliers' Payments**

The Association has a policy of paying suppliers within a month of invoice receipt. Payment runs are made fortnightly. Small companies are normally paid within 14 days. There has been no significant non-compliance with this policy during the year.

**Reserves Policy**

The Association carries out a variety of long term and short term projects. The Board considers that, given the nature of the work of the Association the reserves are adequate to provide flexibility to cover timing of certain income flows, adequate working capital for core costs and will allow the Association to respond quickly to emergencies.

At the year end the free reserves (being Negative Goodwill and Revenue Reserves) were £14,171,472 (2010: restated £13,069,842) after a provision for the pension deficit of £844,000. The Association considers that this potential liability is unlikely to crystallise in the near future and indeed may reverse in years to come as the pension deficit is addressed in due course. The Association also has a significant level of revenue reserves which are not expected to be expended in the next twelve months.

**Statement on Internal Controls**

The Board is responsible for maintaining a sound system of internal control which:

- focuses on the significant risks that threaten the organisation's ability to meet its objectives; and
- provides reasonable assurance of the safeguarding of assets

The Board is also responsible for the effectiveness of internal control. The internal control system 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 process for identifying, evaluating and managing the significant risks faced by the Association is ongoing. This process has been in place for the year ended 31 March 2011 and up to the date of the approval of the annual report and financial statements and is regularly reviewed by the Board.

The process which the Board has adopted in reviewing the effectiveness of the Association's system of internal controls is as follows:

- The appointment of independent external specialist auditors to review internal controls within the Association
- Monitoring performance of the Association
- Carrying out risk assessments on new and existing projects

The main policies which the Board has established and which are designed to provide effective internal control are as follows:

- An annual risk appraisal
- Receiving and reviewing an annual Internal Controls report
- A fraud policy

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**REPORT OF THE BOARD (cont'd)**

No significant problems arose during the year. There were no identified material internal control weaknesses.

**Internal Controls Assurance**

Board meetings are held regularly and there is a defined schedule of matters reserved for decision by the Board. The process adopted by the Board in reviewing the effectiveness of the systems of internal control, together with some of the key elements of the control framework, includes:

*Control environment*

The Board retains responsibility for a schedule of matters covering strategic, operational, financial, and compliance issues. The Board has adopted a code of governance based on the NHF's recommendations. This sets out the Association's policies with regard to the quality, integrity and ethics of its employees. It is supported by a framework of policies and procedures with which employees must comply.

This, together with the Board's Governance Regulations, cover issues such as delegated authority, segregation of duties, accounting, treasury management, health and safety, data and asset protection, and fraud prevention and detection.

*Identification and evaluation of key risks*

Management responsibility has been clearly defined for the identification, evaluation and control of significant risks. There is a formal and on-going process of management review in each area of the Association's activities. This process is co-ordinated through a reporting framework to the Board. The Chief Executive is responsible for reporting to the Board any significant changes affecting key risks.

*Monitoring and corrective action*

A process of control self assessment and regular management reporting on control issues provides hierarchical assurance to successive levels of management and to the Board.

*Information and financial reporting systems*

Financial reporting procedures include detailed budgets for the year ahead and forecasts for subsequent years. These are reviewed and approved by the Board. The Board also regularly reviews key performance indicators to assess progress towards the achievement of key business results, targets and outcomes. The Board confirms that there is an on-going process for identifying, evaluating and managing significant risks faced by the Association.

The management has a duty to report to the Board all cases of fraud and attempted fraud, detailing the nature and extent of the fraud and any implications for the Association's internal controls.

**Going Concern**

The Board of Management has a reasonable expectation that the Association has adequate resources to continue in operation for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

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**REPORT OF THE BOARD (cont'd)**

**Statement of responsibilities of the Board**

The Board is responsible for preparing the Board's Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice for each financial year that give a true and fair view of the state of affairs of the Association and of the surplus or deficit for that period.

In preparing these financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates which are reasonable and prudent;
- state whether applicable UK accounting standards and the Statement of Recommended Practice 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 maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to ensure that the financial statements comply with the Industrial and Provident Societies Acts 1965 to 2002, the Housing and Regeneration Act 2008 and the Accounting Requirements for Registered Social Landlords General Determination 2006 as amended. It has general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Association and to prevent and detect fraud and other irregularities.

On Behalf of the Board



**B Porter  
Chairman  
4 July 2011**

**Sussex Housing and Care  
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**Independent Auditors Report to the Members of Sussex Housing and Care**

We have audited the financial statements of Sussex Housing & Care for the year ended 31 March 2011, which comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement, the Statement of Total Recognised Surpluses and Deficits and the related notes 1 to 24. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Association's members, as a body, in accordance with the requirements of statute. 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 or assume responsibility to anyone other than the Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective Responsibilities of the Board and Auditors**

As explained more fully in the Statement of Board's Responsibilities the Board is responsible for preparing the financial statements which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2011 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Industrial and Provident Societies Acts, 1965 to 2002, the Housing and Regeneration Act 2008 and The Accounting Requirements for Registered Social Landlords General Determination 2006.

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

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

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

*Nexia Smith & Williamson*

Nexia Smith & Williamson  
Statutory Auditor  
Chartered Accountants

Imperial House  
18 – 21 Kings Park Road  
Southampton SO15 2AT

Date: 11 July 2011

**Sussex Housing and Care  
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Income and Expenditure Account for the year ended 31 March 2011**

	Notes	2011 £	2010 as restated £
Turnover	2	5,687,238	5,975,960
Other operating costs		(5,501,988)	(6,221,792)
Exceptional credit in respect of pension revaluation		481,000	-
Operating Costs	2	<u>(5,020,988)</u>	<u>(6,221,792)</u>
Operating Surplus/(Deficit)	2	666,250	(245,832)
Operating Surplus/(Deficit) excluding exceptional credit in respect of pension revaluation		185,250	(245,832)
Interest receivable and other income	5	57,324	54,297
Interest payable	6	<u>(41,540)</u>	<u>(44,394)</u>
Surplus/(Deficit) on ordinary activities	7	<u>682,034</u>	<u>(235,929)</u>

These results relate wholly to continuing activities.

**Statement of recognised surpluses and deficits**

	2011 £	2010 as restated £
Surplus/(Deficit) on ordinary activities	682,034	(235,929)
Movement on market value of investments	41,746	126,301
Actual return less expected return on pension scheme assets	(15,000)	671,000
Experience gains and losses on pension scheme liabilities	565,000	-
Effect of changes in actuarial assumptions	<u>-</u>	<u>(1,564,000)</u>
Total recognised surpluses and deficits relating to the year	1,273,780	<u>(1,002,628)</u>
Prior Year Adjustment	17	545,590
Total recognised surpluses and deficits since last report	<u>1,819,370</u>	

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**Balance Sheet as at 31 March 2011**

	Notes	2011 £	2010 as restated £
<b>Tangible Fixed Assets</b>			
Housing properties - gross cost			
less depreciation	8	22,994,163	21,571,069
less SHG	8	<u>(10,856,171)</u>	<u>(10,072,421)</u>
		12,137,992	11,498,648
Other	9	<u>592,846</u>	<u>670,638</u>
		12,730,838	12,169,286
<b>Investments</b>			
Investments	10	1,207,401	1,160,731
		<u>13,938,239</u>	<u>13,330,017</u>
<b>Current Assets</b>			
Debtors	11	200,263	88,577
Cash		<u>2,916,926</u>	<u>3,078,075</u>
		3,117,189	3,166,652
<b>Less: Creditors</b>			
Amounts falling due within one year	12	<u>1,314,492</u>	<u>915,434</u>
<b>Net Current Assets</b>		1,802,697	2,251,218
<b>Total assets less current liabilities</b>		<u>15,740,936</u>	<u>15,581,235</u>
<b>Creditors</b>			
Amounts falling due after one year	13	613,962	629,483
<b>Provisions for Liabilities</b>			
Pension Liability	18	844,000	1,812,000
<b>Capital and Reserves</b>			
Share capital	14	179	333
Negative goodwill	16	6,174,603	6,305,007
Revaluation reserve	15	111,323	69,577
Revenue reserves	15	7,996,869	6,764,835
		<u>15,740,936</u>	<u>15,581,235</u>

The notes on pages 14 to 31 form part of the financial statements.

The financial statements were approved by the Board on 4 July 2011 and were signed on its behalf by:

B Porter



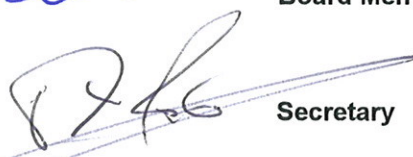
Chairman

C Adams



Board Member

M Burke



Secretary

**Sussex Housing and Care  
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**Cash Flow statement for the year ended 31 March 2011**

	2011		2010 Restated	
	£	£	£	£
<b>Net cash inflow from operating activities</b>		629,444		535,514
<b>Returns on investment and servicing of finance</b>				
Interest received	57,324		54,297	
Interest paid	<u>(41,540)</u>		<u>(44,394)</u>	
<b>Net cash inflow from returns on investments and servicing of finance</b>		15,784		9,903
<b>Investing Activities</b>				
Social housing grant received	783,750		-	
Construction of properties	(1,572,525)		(111,393)	
Purchase of investments	(1,080,098)		(153,546)	
Sale of investments	1,104,576		127,475	
Purchase of other tangible fixed assets	(21,309)		(104,321)	
Sale of tangible fixed assets	<u>-</u>		<u>11,189</u>	
<b>Net cash outflow from investing activities</b>		<u>(785,606)</u>		<u>(230,596)</u>
<b>Net Cash (outflow)/inflow before financing</b>		(140,378)		314,821
<b>Financing</b>				
Housing loans repaid	(15,521)		(11,768)	
(Decrease)/Increase in share capital	<u>(154)</u>		<u>(3)</u>	
<b>Net Cash outflow from financing</b>		(15,675)		(11,771)
<b>(Decrease)/Increase in cash and cash equivalents</b>		<u>(156,053)</u>		<u>303,050</u>

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**Notes to the Cash Flow statement**

**Reconciliation of operating surplus/(deficit) to  
net cash inflow from operating  
activities**

	2011 £	2010 £ Restated
Operating surplus/(deficit)	666,250	(245,832)
Depreciation charges	248,532	199,189
Amortisation of negative goodwill	(130,404)	(130,403)
Loss/(Profit) on sale of fixed assets	-	(2,316)
Loss/(Profit) on sale of investments	(29,402)	(22,332)
(Decrease)/Increase in Pension liability	(418,000)	30,000
(Increase)/Decrease in debtors	(111,686)	460,244
Increase/(Decrease) in creditors	404,154	246,964
	<u>629,444</u>	<u>535,514</u>

**Analysis of changes in cash and cash  
equivalents during the year**

	2011 £	2010 £
Balance at 1st April	3,064,861	2,761,811
Net Cash (Outflow) / Inflow	(156,053)	303,050
Balance at 31st March	<u>2,908,808</u>	<u>3,064,861</u>

**Analysis of the balance of cash and  
cash equivalent as shown in the  
balance sheet**

	2010 £	Cashflow £	Non cash Changes £	2011 £
Cash at bank & in hand	3,078,075	(161,149)	-	2,916,926
Bank overdraft	(13,214)	5,096	-	(8,118)
	<u>3,064,861</u>	<u>(156,053)</u>	-	<u>2,908,808</u>
Housing loans due in less than one year	(13,258)	15,521	(15,521)	(13,258)
Housing loans due in more than one year	(609,559)	-	15,521	(594,038)
	<u>2,442,044</u>	<u>(140,532)</u>	-	<u>2,301,512</u>

**Sussex Housing and Care  
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**Notes to the Financial Statements for the year ended 31 March 2011**

**1. Principal Accounting Policies**

The financial statements have been prepared in accordance with applicable Accounting Standards including the Statement of Recommended Practice (the SORP), "Accounting by Registered Social Landlords – update 2008", the Accounting Requirements for the Registered Social Landlords General Determination 2006 and the Industrial and Provident Societies Acts 1965 to 2002.

A summary of the more important accounting policies is set out below.

**Basis of Accounting**

The financial statements are prepared on the historical cost basis of accounting except for the revaluation of investments which have been restated at market value.

**Turnover**

Turnover represents rental income and service charge income receivable, fees and revenue grants from local authorities and The Tenant Services Authority, management fees receivable and miscellaneous income in respect of services provided in the year.

**Service Charges**

Charges which are made to leaseholders for major repairs and the replacement of equipment on the schemes are held in sinking funds which are ring-fenced for the use of those schemes. These sinking funds are disclosed on the balance sheet as creditors.

**Fixed Assets and Depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is charged on the following basis and rates:

Freehold land		is not depreciated
Freehold buildings	2%	per annum on cost
Fixtures and fittings	15%	per annum of written down value
Computer equipment	33.3%	per annum on cost
Computer software	20%	per annum on cost
Motor vehicles	20%	per annum on cost

**Housing Properties and Depreciation**

Housing properties are shown at cost. The cost of housing properties funded with Social Housing Grant includes cost of land and buildings, development expenditure. The deemed cost of housing properties acquired by Transfer of Engagements is recorded at their fair values at the date of transfer.

**Social Housing Grant**

Social Housing Grant (SHG) is paid by the Homes and Communities Agency to subsidise the cost of housing properties and is included in fixed assets. Where developments have been financed wholly or partly by SHG the cost of those developments have been reduced by the amount of the grant received.

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**Notes to the Financial Statements for the year ended 31 March 2011**

**Principal Accounting Policies (Cont'd)**

SHG in respect of properties under construction, to the extent that it exceeds the costs incurred on those properties, is included within creditors as SHG in advance.

If housing properties are disposed of grant is repayable to the Homes & Communities Agency or subject to restrictions in use and is included within creditors as "Recycled Capital Grant Fund".

Grants received in respect of revenue expenditure are credited to the income and expenditure account in the same period as the expenditure to which it relates.

**Negative Goodwill**

Negative Goodwill arises from the transfer of engagement to Sussex Housing & Care. Goodwill is based on the discounted cashflow of the businesses acquired and it represents the difference between the consideration given and the fair value of the net assets of the acquired businesses.

Negative goodwill is included within the reserves and released to the income and expenditure account in the periods in which the fair values of the non-monetary assets are recovered whether through depreciation or sale.

The amortisation through the income and expenditure account is over the remaining useful lives of the underlying housing properties, being 50 years.

**Capitalised Costs**

*Interest*

Interest on the mortgage loan financing development is capitalised in respect of periods of development up to the date of practical completion of the scheme.

*Major repairs expenditure*

Major repairs expenditure on housing properties is capitalised to the extent the repairs are improvements in accordance with the SORP (i.e. where expenditure leads to an increase in the net rental stream over the life of the property and is therefore an enhancement of the economic benefits of the asset in excess of the previously assessed standard of performance anticipated when the assets were first acquired, constructed, last replaced or revalued).

An increase in the net rental stream may arise through an increase in the rental income, a reduction in future maintenance, or a significant extension of the life of the property. All other major repairs expenditure is charged to the Income and Expenditure account as incurred.

**Sussex Housing and Care  
Financial Statements  
31 March 2011**

**Notes to the Financial Statements for the year ended 31 March 2011**

**Principal Accounting Policies (Cont'd)**

**Pension Schemes**

The Association operates a final salary pension scheme for its employees with East Sussex County Council.

The assets of the scheme are held and managed separately from those of the Association. The pension scheme assets are measured using market values. Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

The pension scheme surpluses (to the extent that they are recoverable) or deficits are recognised in full. The movement in the scheme surpluses/deficits is split between operating charges, finance items and, in the statement of total recognised gains and losses, actuarial gains and losses.

The Association also participates in the Social Housing Pension Scheme (SHPS) which is a multi-employer defined benefit scheme. The Association is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required under FRS17 'Retirement benefits', accounts for the scheme as if it were a defined contribution scheme.

As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period.

**Sussex Housing and Care  
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**Notes to the Financial Statements for the year ended 31 March 2011**

**2 (a). Turnover, Operating surplus and surplus for the year**

	Turnover £	2011 Operating Costs £	Operating surplus/(deficit) £
<b>Income and Expenditure from Lettings</b>			
Social housing lettings	1,818,516	(1,187,445)	631,071
Non-social housing activities:			
Residential & Nursing Care	3,537,205	(4,031,205)	(494,000)
Sub-market Lettings	70,256	(30,765)	39,491
Leasehold Accommodation	241,086	(241,086)	-
Other activities	20,175	(40,929)	(20,754)
	<u>5,687,238</u>	<u>(5,531,430)</u>	<u>155,808</u>
<b>Other Expenditure</b>			
Profit/(Loss) on sale of assets	-	29,442	29,442
Exceptional pension credit		481,000	481,000
	<u>5,687,238</u>	<u>(5,020,988)</u>	<u>666,250</u>
	Turnover £	2010 Operating Costs (restated) £	Operating surplus/(deficit) (restated) £
<b>Income and Expenditure from Lettings</b>			
Social housing lettings	1,781,324	(1,473,180)	308,144
Non-social housing activities:			
Residential & Nursing Care	3,863,720	(4,446,143)	(582,423)
Sub-market renting	74,135	(37,422)	36,713
Leasehold Accommodation	221,954	(224,893)	(2,939)
Other activities	34,827	(64,802)	(29,975)
	<u>5,975,960</u>	<u>(6,246,440)</u>	<u>(270,480)</u>
<b>Other Expenditure</b>			
Profit/(Loss) on sale of assets	-	24,648	24,648
	<u>5,975,960</u>	<u>(6,221,792)</u>	<u>(245,832)</u>

**Sussex Housing and Care  
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**Notes to the Financial Statements for the year ended 31 March 2011**

**2 (b). Turnover, Operating surplus and surplus for the year**

	<b>General Sheltered Housing 2011</b>	<b>General Sheltered Housing 2010 (restated)</b>
	£	£
<b>Turnover</b>		
Rents Receivable	1,290,737	1,250,499
Service Income	462,659	444,672
Other Revenue Grants	58,994	78,303
Other Income	6,126	7,850
Total Turnover	1,818,516	1,781,324
<b>Operating costs</b>		
Management	326,174	352,064
Services	519,547	555,033
Care & Support	53,525	99,250
Routine Maintenance	198,864	274,819
Major repairs Expenditure	57,715	116,117
Bad debts	(2,160)	(1,519)
Depreciation of properties	72,719	74,021
Other costs	(38,939)	3,395
Total Operating costs	1,187,445	1,473,180
<b>Operating surplus/(deficit)</b>	631,071	308,144
Void losses	72,134	65,110

## Sussex Housing and Care Financial Statements

### Notes to the Financial Statements for the year ended 31 March 2011

#### 3 Directors' Emoluments

The Directors are defined as the Board members, the Chief Executive, and the Operations and Finance Directors.

No pension contributions or benefits in kind were paid to the Board members of the Association. Pension contributions were made on behalf of the Chief Executive, Operations and Finance Directors.

These directors are ordinary members of the East Sussex County Council Pension Scheme and no special or enhanced terms apply.

The remuneration paid to the directors of the Association (the Board, Chief Executive and Operations and Finance Directors) was:

	<b>2011</b>	<b>2010</b>
Total emoluments paid to directors (including pension contributions and benefits in kind)	<u>£232,303</u>	<u>£199,722</u>
Emoluments to Chief Executive (including pension contributions and benefits in kind)	<u>£94,922</u>	<u>£88,690</u>
Emoluments to the highest paid director (the Chief Executive) (excluding pension contributions)	<u>£81,047</u>	<u>£75,740</u>
The number of directors including the highest paid director who received emoluments (excluding pension contributions) in the following ranges were:-		
	<b>No.</b>	<b>No.</b>
£ NIL	10	14
£ 1 - £ 1,000	-	-
£ 40,001 - £ 45,000	-	1
£ 45,001 - £ 50,000	-	-
£ 55,001 - £ 60,000	2	1
£ 60,001 - £ 65,000	-	-
£ 65,001 - £ 70,001	-	-
£ 75,001 - £ 80,000	-	1
£ 80,001 - £ 85,001	1	-
Total expenses re-imbursed not chargeable to United Kingdom Income Tax	<u>£2,020</u>	<u>£2,248</u>

## Sussex Housing Care Financial Statements

### Notes to the Financial Statements for the year ended 31 March 2011

#### 4 Employee Information

The average number of persons (including the Chief Executive) employed was:

	2011 Full time Equivalents	2010 Full time Equivalents
Office staff	14	13
Managers, Wardens and Care Staff	64	79
Catering staff	14	20
Domestics, Laundry and Maintenance	13	24
	105	136

Staff costs for the above persons

	2011 £	2010 £
Wages and Salaries	2,818,873	3,221,163
Social Security Costs	197,551	236,115
Other direct pension costs	102,133	102,697
Additional Pension Provision	-	30,000
	3,118,557	3,589,975

#### 5 Interest Receivable and Other Income

	2011 £	2010 £
Income receivable from listed investments	28,902	37,611
Building Society, Bank and other interest	28,422	16,686
	57,324	54,297

#### 6 Interest payable on loans

	2011 £	2010 £
Repayable wholly or partly in more than 5 years	40,973	43,827
On Loan Stock	567	567
	41,540	44,394

#### 7 Surplus/(Deficit) on Ordinary Activities

	2011 £	2010 £ (restated)
Surplus/(Deficit) on Ordinary Activities is after charging/(crediting);		
(Profit)/Loss on sale of Fixed Assets	-	(2,316)
(Profit)/Loss on sale of Investments	(29,402)	(19,862)
Depreciation on tangible owned fixed assets	248,532	199,796
Amortisation of Negative Goodwill (Net)	(130,404)	(130,403)
Auditor's remuneration in their capacity as auditors	11,872	11,457

**Sussex Housing and Care  
Financial Statements**

**Notes to the Financial Statements for the year ended 31 March 2011**

<b>8 Freehold Housing Properties</b>	<b>Sheltered Housing (restated) £</b>	<b>Care Homes (restated) £</b>	<b>Under Construction £</b>	<b>TOTAL (restated) £</b>
<b>Cost</b>				
As at 1 April 2010	14,420,807	8,187,725	-	22,608,532
Additions		8,991	1,563,534	1,572,525
Transfers	-	-	-	-
Disposals	-	-	-	-
As at 31 March 2011	<u>14,420,807</u>	<u>8,196,716</u>	<u>1,563,534</u>	<u>24,181,057</u>
<b>Social Housing Grant</b>				
As at 1 April 2010	7,420,318	2,652,103	-	10,072,421
Additions			783,750	783,750
Transfers	-	-	-	-
Disposals	-	-	-	-
As at 31 March 2011	<u>7,420,318</u>	<u>2,652,103</u>	<u>783,750</u>	<u>10,856,171</u>
<b>Depreciation</b>				
As at 1 April 2010 restated	312,258	725,205	-	1,037,463
Eliminated on Disposals	-	-	-	-
Charge for year	82,194	67,237	-	149,431
As at 31 March 2011	<u>394,452</u>	<u>792,442</u>	<u>-</u>	<u>1,186,894</u>
<b>Net Book Values</b>				
As at 31 March 2011	<u>6,606,037</u>	<u>4,752,171</u>	<u>779,784</u>	<u>12,137,992</u>
As at 31 March 2010 restated	<u>6,688,231</u>	<u>4,810,417</u>	<u>-</u>	<u>11,498,648</u>

Works to existing properties of £8,991 were capitalised & £304,590 was expensed.

The cost and fair values of housing properties is after deducting Social Housing Grants from the Homes & Communities Agency and Local Authorities.

The title deeds of the freehold properties are deposited as required as security for mortgage loans.

**Sussex Housing and Care  
Financial Statements**

**Notes to the Financial Statements for the year ended 31 March 2011**

**9 Other Tangible Fixed Assets**

	Freehold Offices (restated)	Fixtures & Fittings	Computer Equipment & Software	Motor Vehicles	TOTAL (restated)
	£	£	£	£	£
<b>Cost</b>					
As at 1 April 2010	367,598	1,224,544	165,348	147,953	1,905,443
Additions	-	17,021	4,288	-	21,309
Disposals	-	-	-	-	-
As at 31 March 2011	<u>367,598</u>	<u>1,241,565</u>	<u>169,636</u>	<u>147,953</u>	<u>1,926,752</u>
<b>Depreciation</b>					
As at 1 April 2010 restated	19,815	965,150	141,059	108,781	1,234,805
Eliminated on Disposals	-	-	-	-	-
Charge for year	4,412	68,451	11,873	14,365	99,101
As at 31 March 2011	<u>24,227</u>	<u>1,033,601</u>	<u>152,932</u>	<u>123,146</u>	<u>1,333,906</u>
<b>Net Values</b>					
As at 31 March 2011	<u>343,371</u>	<u>207,964</u>	<u>16,704</u>	<u>24,807</u>	<u>592,846</u>
As at 31 March 2010 (restated)	<u>347,783</u>	<u>259,394</u>	<u>24,289</u>	<u>39,172</u>	<u>670,638</u>

**Sussex Housing and Care  
Financial Statements**

**Notes to the Financial Statements for the year ended 31 March 2011**

10 Investments	Shares in Subsidiaries £	Listed Investments £	Property £	TOTAL £
Cost/valuation 1 April 2010	2	1,070,729	90,000	1,160,731
Additions	-	1,080,098	-	1,080,098
Disposals	-	(1,075,174)	-	(1,075,174)
Revaluations	-	41,746	-	41,746
Cost/valuation 31 March 2011	<u>2</u>	<u>1,117,399</u>	<u>90,000</u>	<u>1,207,401</u>
Historic cost of listed investments		<u>1,006,076</u>		

The following have been bequeathed to the Association:

1. A flat at Nevill Close, Crowborough which will be retained until the current resident leaves and then sold.
2. A half share of an estate in Tunbridge Wells, the total annual income of which is £36,000, and which will be transferred to Sussex Housing and Care on the death of the life tenant.

Sussex Housing Association Limited is a wholly owned Subsidiary undertaking of Sussex Housing and Care at the Balance Sheet date. The issued Share capital comprised two £1 Ordinary shares. The company has been dormant throughout the year.

11 Debtors	2011 £	2010 £
Amounts falling due within one year:		
Rent and service charges in arrears	54,473	53,103
Provision for bad and doubtful debts	(6,489)	(6,285)
	<u>47,984</u>	<u>46,818</u>
Other debtors	14,940	22,802
Prepayments	137,339	18,957
	<u>200,263</u>	<u>88,577</u>
12 Creditors: Amounts falling due within one year	2011 £	2010 £ restated
Bank overdraft	8,118	13,214
Bank Loans	13,258	13,258
Trade Creditors	795,618	381,373
Funds held on behalf of Leaseholders & tenants	372,515	352,099
Other taxation and Social Security payable	54,882	84,110
Accruals and deferred income	70,101	71,380
	<u>1,314,492</u>	<u>915,434</u>

**Sussex Housing and Care  
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**Notes to the Financial Statements for the year ended 31 March 2011**

<b>13 Creditors: Amounts falling due after more than one year</b>	<b>2011 £</b>	<b>2010 £</b>
3% Loan Stock	16,924	16,924
3.5% Loan Stock	3,000	3,000
Bank Loans	594,038	609,559
	<b>613,962</b>	<b>629,483</b>

Housing loans from Orchardbrook Ltd (part of Royal Bank of Scotland) and Dexia are secured by specific charges on the Association's Housing Properties and are repayable at rates of interest of between 5% & 13% in instalments due as follows:-

	<b>2011 £</b>	<b>2010 £</b>
In five years or more	541,006	556,527
<b>14 Called-up Share Capital</b>	<b>2011 £</b>	<b>2010 £</b>
Allotted, issued and fully paid As at 1 April 2010	333	336
Issued during the year	4	2
Cancelled during the year	(158)	(5)
As at 31 March 2011	179	333

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

<b>15 Reserves</b>	<b>Revaluation Reserve £</b>	<b>Revenue Reserves £</b>
As at 1 April 2010 restated	69,577	6,764,835
Revaluation in year	41,746	-
Surplus in year	-	682,034
Actual return less expected return on pension liabilities	-	(15,000)
Experienced gains and losses on pension liabilities	-	565,000
As at 31 March 2011	111,323	7,996,869

**Sussex Housing and Care  
Financial Statements**

**Notes to the Financial Statements for the year ended 31 March 2011**

<b>16 Negative Goodwill</b>	<b>2011</b>
	<b>£</b>
<b>Cost</b>	
As at 1 April 2010 and 31 March 2011	6,520,124
<b>Amortisation</b>	
As at 1 April 2010	215,117
Credit for year	130,404
As at 31 March 2011	<u>345,521</u>
<b>Net Book Values</b>	
As at 31 March 2011	<u>6,174,603</u>
As at 31 March 2010	<u>6,305,007</u>

**17 Prior year adjustment**

The depreciation policy on buildings has been revised to only include buildings and not the land element in accordance with generally accepted accounting practice.

The effect of this change has been to reduce the depreciation charge on buildings this year by £99,621 (2010: £86,575) and to reduce depreciation charged prior to 2010 on land by £618,270.

Furthermore a reserve of £72,680 at 31 March 2010 has been reclassified as a creditor and is now included within "Funds held on behalf of Leaseholders and Tenants".

**Sussex Housing and Care  
Financial Statements  
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**Notes to the Financial Statements for the year ended 31 March 2011**

**18 Pension Obligations**

The Association operates a final salary (defined benefit) pension scheme for its employees with East Sussex County Council. The assets of the scheme are held separately from those of the Association. The Chief Executive, Operations and Finance Directors are ordinary members of the pension scheme and receive no special benefits from the scheme.

The pension cost is determined on the advice of independent qualified actuaries, Messrs Hymans Robertson. The pension cost for 2010/11 is based on the actuarial valuation of the scheme at 31 March 2010. The projected unit method of valuation was used. The next formal valuation is due to be undertaken in March 2013. Interim reviews are carried out for accounting purposes and the actuaries provide employers with the requisite FRS17 reporting information for inclusion in the accounts.

The valuation of the scheme is based on the following annual financial assumptions:

	<b>2011</b>	<b>2010</b>
	%	%
Inflation/pension rate	2.8	3.8
Salary increase rate	5.1	5.3
Expected return on assets	6.9	7.1
Discount rate	5.5	5.5
<b>Expected rates of return as at 31 March</b>	<b>2011</b>	<b>2010</b>
	%	%
Equities	7.5	7.8
Bonds	4.9	5.0
Property	5.5	5.8
Cash	4.6	4.8
<b>Fair value of Employer Assets and Liabilities</b>	<b>2011</b>	<b>2010</b>
	<b>£'000</b>	<b>£'000</b>
Equities	2,539	2,303
Bonds	260	156
Property	260	218
Cash	195	436
Total Fair Value of Employer Assets	3,254	3,113
Present Value of Funded Liabilities	(4,098)	(4,925)
<b>Net under Funding in Funded Plans</b>	<b>(844)</b>	<b>(1,812)</b>

**Sussex Housing and Care  
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**Notes to the Financial Statements for the year ended 31 March 2011**

**18 Pension Obligations (cont)**

<b>Amount Recognised in the Income &amp; Expenditure Account</b>	<b>2011 £'000</b>	<b>2010 £'000</b>
Current service cost	132	79
Interest cost	250	216
Expected return on Employer Assets	(219)	(147)
Past Service Cost/(Gain)	(481)	-
<b>Total (credit)/charge</b>	<b>(318)</b>	<b>148</b>
<b>Actual Return on Assets</b>	<b>213</b>	<b>817</b>
<b>Amount Recognised in the Statement of Total Recognised Gains &amp; Losses (STRGL)</b>	<b>2011 £'000</b>	<b>2010 £'000</b>
Actual less Expected Return on Pension Scheme Assets	(15)	671
Experience Gains and Losses arising on Scheme Liabilities	565	-
Effect of changes on actuarial assumptions	-	(1,564)
<b>Actuarial gains/(losses) in recognised in STRGL</b>	<b>550</b>	<b>(893)</b>
<b>Cumulative Actuarial Gains / (Losses)</b>	<b>(601)</b>	<b>(1,151)</b>
<b>Movement in Surplus / Deficit during the year</b>	<b>2011 £'000</b>	<b>2010 £'000</b>
Deficit at 01 April	(1,812)	(889)
Current Service Cost	(132)	(79)
Employer Contributions	100	118
Past Service Costs	481	-
Net Return on Assets	219	147
Actuarial Gains/(Losses)	550	(893)
Interest cost	(250)	(216)
	<b>(844)</b>	<b>(1,812)</b>

**Sussex Housing and Care  
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**Notes to the Financial Statements for the year ended 31 March 2011**

**18 Pension Obligations (cont)**

<b>Reconciliation of Defined Benefit Obligation</b>	<b>2011 £'000</b>	<b>2010 £'000</b>
Opening Defined Benefit Obligation	(4,925)	(3,129)
Current Service Cost	(132)	(79)
Interest Cost	(250)	(216)
Contributions by Members	(35)	(33)
Actuarial Losses / (Gains)	565	(1,564)
Past Service Costs / (Gains)	481	-
Estimated Benefits Paid	198	96
Closing Defined Benefit Obligation	<u>(4,098)</u>	<u>(4,925)</u>
 <b>Reconciliation of Fair Value of Employer Assets</b>	 <b>2011 £'000</b>	 <b>2010 £'000</b>
Opening Fair Value of Employer Assets	3,113	2,240
Expected Return on Assets	219	147
Contributions by Members	35	33
Contributions by the Employer	100	118
Actuarial Gains / (Losses)	(15)	671
Benefits Paid	(198)	(96)
Closing Fair Value of Employer Assets	<u>3,254</u>	<u>3,113</u>
 <b>Analysis of amount to be charged to operating profit for the year to 31 March 2012</b>	 <b>2011 £'000</b>	
Projected current service cost	112	
Interest on obligation	225	
Expected Return on plan assets	<u>(224)</u>	
Closing Fair Value of Employer Assets	<u>113</u>	

Employer contributions during the year were 19.0% of earnings and employees contribution were on average 6.5% of earnings.

**Sussex Housing and Care  
Financial Statements  
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**Notes to the Financial Statements for the year ended 31 March 2011**

**18 Pension Obligations (cont)**

**Amounts for the current and previous accounting periods**

	2011 £'000	2010 £'000	2009 £'000	2008 £'000	2007 £'000
Fair value of employer assets	3,254	3,113	2,240	2,709	2,455
Present value of defined benefit obligation	(4,098)	(4,925)	(3,129)	(3,126)	(2,876)
Surplus / (Deficit)	(844)	(1,812)	(889)	(417)	(421)
Experience (losses)/gains on assets	(15)	671	(670)	58	1
Experience (losses)/gains on liabilities	91	-	-	(519)	(3)

**Arrangements under Social Housing Pension Scheme (SHPS)**

Staff transferred from Saxon Homes Limited have retained membership in the Social Housing Pension Scheme (SHPS) which is a multi-employer defined benefit scheme. The scheme is funded and is contracted out of the state pension scheme. The Association has elected to operate the final salary with 1/60<sup>th</sup> accrual benefit structure for active members.

The employers' contribution to the scheme is 14.1% and the employees' contribution from the four existing members ranged from 7% to 8.5% for the year ended 31 March 2011.

A formal valuation was last undertaken in September 2008 identifying a market value of £1,527 million and a shortfall of £663 million which is proposed to be funded by the payment of deficit contributions of 7.5% of pensionable salaries (adjusted annually) from 01 April 2010 to September 2020 and 3.1% from October 2020 to September 2023. The next triennial valuation of the scheme is due in September 2011.

Financial assumptions underlying the September 2008 valuation were:	% pa
Valuation discount rate	7.8
Non Pensioner Post Retirement	6.2
Pensioner Post Retirement	5.6
Pensionable earnings growth	4.7
Price inflation	3.2
<b>Pension Increases</b>	
Pre 88 GMP	0.0
Post 88 GMP	2.8
Excess over GMP	3.0

**Sussex Housing and Care  
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**Notes to the Financial Statements for the year ended 31 March 2011**

**18 Pension Obligations (cont)**

The potential debt to the Association if it withdraws from the scheme is £300,000. The directors do not feel that it is necessary to make a provision in the accounts at this stage because no decision has been taken to close the scheme.

The Association also offers a Stakeholder Pension Scheme to those employees not eligible to join the main pension scheme.

**19 Capital Commitments**

	<b>2011</b>	<b>2010</b>
	<b>£'000</b>	<b>£'000</b>
Capital expenditure that has been contracted for but has not been provided for in the financial statements	1,675	Nil
Capital expenditure that has been authorised by the Board but has not yet been contracted for	Nil	2,792

A social housing grant of £1,567,500 has been secured against The Rowans project cost of £2,792,000 which will leave a net commitment of £1,224,500 for the Association which will be met by way of loan finance.

**20 Contingent Liabilities**

There are no known contingent liabilities at 31 March 2011

**21. Related Parties**

SHC acts as sole trustee for the following trust and charges management fees for its administration as set out below:

	2011	2010
	£	£
The M M Woodhouse Trust	500	500

Mr Raymond Stenning (a sheltered scheme resident) and Mrs Betty Towner (a leaseholder) were Tenant Board members during the year. The terms of their tenancy and service charges were on normal terms.

**22. Legislative Provisions**

The Trust is incorporated under the Industrial and Provident Societies Act 1965 and is a Registered Provider of Social Housing registered with the Tenant Services Authority under the Housing Act 1996.

**Sussex Housing and Care  
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**Notes to the Financial Statements for the year ended 31 March 2011**

**23. Units in Management**

	<b>2011</b>	<b>2010</b>
Number of units under management at the end of the year		
Sheltered Accommodation	373	373
Residential/Nursing Accommodation	183	183
Independent Housing	25	30
Leasehold Sheltered Accommodation	155	155
	<hr/>	<hr/>
<b>Total Units</b>	<b>736</b>	<b>741</b>
	<hr/>	<hr/>

**24. Taxation**

The Association is a charitable organisation and does not pay Corporation Tax.