

West of Scotland Housing Association Ltd

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2016

Scottish Charity Number: SC018486

Co- operative and Community Benefit Societies Registered Number 1828R(S)

WEST OF SCOTLAND HOUSING ASSOCIATION
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

WEST OF SCOTLAND HOUSING ASSOCIATION LIMITED

Report and Financial Statements for the year ended 31 March 2016

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Registration Information

Financial Conduct Authority	Co-operative and Community Benefit Societies Act 2014 Registration Number 1828R(S)
Scottish Housing Regulator	Housing (Scotland) Act 2010 Registered Number HEP201
Recognised Scottish Charity	SC018486

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Management Committee

Ruth Simpson (Chair from 22/09/2015)
Anne Reid (Vice Chair from 22/09/2015)
Katie McLeod (Chair until 22/09/2015)
Ena Hutchison
Ian McGibbon
Colin Menabney
Rab Morrow
Clare Newton
Jim Hayton
Michelle Meldrum
Elaine Davidson
Lynn Clark (Elected 22/09/2015)
Kelly Adams (Elected 22/09/2015)
Paul Macaninch (Elected 22/09/2015)
Robert Higgins (Elected 22/09/2015)
Kate Robinson (Vice chair) (Resigned 26/08/2015)
Siobhan White (Resigned 24/06/2015)
Austin Hardie (Resigned 24/02/2016)

Executive Officers

Lynne Donnelly
Colin MacCallum
Dan Wood (Resigned 25/07/16)
Stewart Gibb

Auditor

KPMG LLP
Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX

Solicitors

Harper McLeod
The Ca'd'oro
45 Gordon Street
Glasgow
G1 3PE

Bankers

Barclays Bank PLC
1st Floor
Aurora House
120 Bothwell Street
Glasgow
G2 7JT

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WSHA Trustees Report

The Management Committee presents its report and the audited financial statements for the year ending 31 March 2016.

Overview

2015/16 was a challenging year for the Association and despite the challenges we faced we sustained good performance and made significant improvements in areas that were underperforming.

During the year a number of key officers left the organisation, this created additional challenges and also excellent opportunities to refocus the business. We appointed a new Chief Executive who is supported by new senior officers who form the Corporate Management Team. Following several successful years our Chairperson stood down and a new and experienced member of the Committee took over this role. With a new and invigorated team in place we refocused our attention on improving services and business growth.

We successfully managed the ongoing impact of welfare reform and helped support our tenants by offering a range of services through our subsidiary, Willowacre Trust. We continued to focus on delivering the services our customers require and to ensure we operate in line with the Scottish Social Housing Charter. The Scottish Government announcement on increased HAG levels gave a boost to our Development plans and we engaged with our Local Authorities to help support the demand for increased affordable housing in our areas of operation. We completed the transfer engagements of a small Housing Association located in Broomhouse, Glasgow and welcomed 98 new tenants to West of Scotland, plans are in place to invest in these homes to improve the quality of life for those who live there.

The constitutional partnership with the Gentoo Group continued to develop as we looked for ways to work together to support our tenants. The changes to funding arrangements and rent controls announced by the Westminster Government resulted in Gentoo making radical changes to its business plan and streamlining Group activities. The extent of these changes, loss of key staff and functions means 2016/17 is the right time for a joint review of the partnership to ensure we move forward in a way that is best for our tenants and both businesses. This review is underway and will be completed by March 2017.

The Association adopted the Financial Reporting Standard 102 (FRS102). The principal changes arising from the standard are to the accounting of housing properties and government grants. Depreciation on housing properties is now calculated on the gross cost of the property and Government grants are no longer treated as a deduction from the cost of housing properties but are recorded as a deferred liability and amortised over the life of the associated property. The effect of these changes on the income and expenditure account is an increased depreciation charge and an increase in turnover due to the inclusion of the amortised grant.

The standard also requires the present value of the agreed schedule of past service pension deficit payments to be recognised as a liability on the balance sheet.

The comparative period figures have been restated to reflect the changes.

During 2015/16 the Association focused on improving customer service standards and performance against the Indicators set out in the Annual Return on the Charter. Our Customers helped design the content and layout of the annual report on the charter which was first published in 2015 and will continue to work with us to present our 2015/16 results. Key highlights for 2015/16 include a reduction in arrears due to the Association from 5.08% in 2014/15 to 4.39% in 2015/16, a reduction in the number of days to relet a home from 48 days in 2014/15 to 37 days in 2015/16 and our management of complaints improved from 66% in 2014/15 to 88% in 2015/16. Tenant satisfaction across a range of services improved against all indicators with the exception of those relating to the quality of the repairs and factoring services which fell from 74% and 77% respectively in 2014/15 to 56% and 76% respectively in 2015/16. Improving the quality of the repairs and factoring services are priorities during 2016/17.

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Principal Activities

The principal activity of West of Scotland Housing Association is to provide for the relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage through the provision, construction, improvement and management of land and accommodation and the provision of care.

West of Scotland Housing Association Ltd is registered with the Financial Conduct Authority as a Friendly Society, The Office of the Scottish Charities Regulator (OSCR) as a charity and the Scottish Housing Regulator as a Registered Social Landlord.

Strategic Aims and Objectives

The Association is a member of the Gentoo Group. The Group's strategic aims set the overall direction for the Group and are the demonstration of how the Group is progressing towards the Vision. The Group's strategic aims are:

- Deliver outstanding service to customers so that people and communities thrive
- Actively manage our assets and develop new homes to meet local needs
- Support our people to deliver our vision and live our values
- Work with others to build effective partnerships
- Be well governed and financially strong

The Association was involved in reviewing the aims and objectives which are reflected throughout the Business and Action Plans we operate to. In delivering these objectives, The Association will draw on the Group's and its own internal resources to ensure the objectives are delivered in a way that meets the requirements of our vision.

Financial Review

The Association made a surplus of £2.1m (2015: £1.0m) during the financial year. Of this, approximately £0.3m arose from the Broomhouse transfer of engagements. During the course of the year rental income, after voids, grew from £12.6m in 2014/15 to £13.4m in 2015/16.

Future Prospects

During the latter part of 2015/16 Committee and staff jointly considered our future priorities. These reflect our Strategic Plan and are clearly outlined in the annual Business Plan and supporting action plan. During 2016/17 we will focus on improving the quality of service we deliver to our customers. We will also focus on business growth, mainly through the introduction of a development programme. Discussions have taken place with each of the six Local Authorities in our areas of operation. As a result we have in place an outline development programme for approximately 500 affordable homes throughout South Lanarkshire, Glasgow City and South Ayrshire. We have also introduced a Factoring Strategy that focusses on service improvement with a view to additional business growth.

Main risks and uncertainties

The Association is conscious that Business Growth brings with it additional risks which must be controlled and effectively managed. Discussions have taken place with a range of lenders who are in support of our plans, and we are in the process of reviewing our approach to risk management to ensure full awareness of the new risks an active development programme presents to the business.

The change to Group priorities brings an added level of uncertainty which will be reviewed during the course of the year. The review will allow the Association to consider the business case associated with remaining part of the group.

An independent consultant has been appointed to support the Association to carry out a review of its governance arrangements; the review will be completed by October 2016. Given the Association forms part of a Group Structure and is moving into a development phase we have a 'medium' engagement with the Scottish Housing Regulator and have a close and productive working relationship. The Association is participating in a review of our performance against the standards for Governance and Financial Management which our Committee and staff are fully supportive of. The outcome of the review will help to inform future business plans and priorities.

Operational Focus

Employee Development, Health and Safety and Equalities

The Association takes seriously its responsibility to employees, it consults on matters of importance to them and takes account of their interests when making decisions that affect them. We experienced significant staff turnover during 2015/16, particularly at a senior level and we are conscious that the way we deliver our services is underpinned by the performance of our staff. The Association is fully committed to investing in the potential of its staff and offers the support required to help achieve their goals and deliver excellent customer service. Opportunities for staff training, career development and promotion are available to all employees and we are committed to ensuring equality and diversity is incorporated into our policies and procedures.

The Association is heavily engaged in delivering its Healthy Working Lives initiative. It achieved Silver Award status for Health at Work and is working towards achieving the Gold award during 2016/17.

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities, as are those from ethnic and other minority groups. In the event of employees becoming disabled, every effort is made to retrain them in order that their employment with the Association may continue.

Customer Service

Between 2014 and 2016 various staff structures were implemented and reviewed. The current structure is delivering improved performance results in most areas. The existing structure consists of three teams that focus on, tenancy management, estates management and allocations; incomes maximisation; day to day repairs, planned maintenance, asset management and new development. The current structure has delivered improvements to customer service, specifically around void management and lettings and complaints handling. Our structure remains under review as we move into our development phase and continue to focus on improving the quality of customer services we provide during 2016.

Communities

We continue to build on our commitment to Sustainable Communities and embed the themes within the strategy namely, Tackling Poverty, Community Education, Wellbeing, Community Safety, Fuel Poverty and Waste Management in all aspects of the Association's business.

We have also continued to develop the activity within the G31 Centre, our community facility in Barrowfield, and our subsidiary charity, Willowacre Trust, which delivers our non-core landlord activities. We work in partnership with a range of stakeholders across our communities to develop plans and services for the communities we serve. We continued to deliver our older persons services, including a handyman service which is free to elderly and vulnerable tenants and our volunteering service. We also introduced Digital Inclusion Workshops for our tenants.

Sale of Housing Properties

Tenants 'Right to Buy' ends during 2016, the Association does not anticipate a significant influx of applications. Applicants will be disposed of under the appropriate legislation and guidance. All costs, first tranche sales, and grants relating to the share of property sold are removed from the financial statements at the date of sale.

In addition the Association continues to dispose of its dispersed properties where appropriate, recognising any gain on sale in the income and expenditure account. We have developed a Stock Disposal Policy which sits in line with our Asset Management Strategy.

Any grants received that cannot be repaid from the proceeds of sale are abated and the grants derecognised from the financial statements.

Committee and Officers' Insurance

The Association maintains insurance to cover its Committee and officers against liabilities in relation to their duties on behalf of the association, as authorised by the Association's rules. In addition the

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Association has a professional indemnity insurance policy covering the agency work it undertakes for other Associations.

Creditor Payment Policy

The payment policy, which the Association follows, is to pay all purchases within 28 days, although some payments are settled in 14 days, and/or in accordance with creditor terms of business.

Management Committee

The Management Committee of West of Scotland Housing Association at 31 March 2016 was as follows:

Ruth Simpson, Chair
Anne Reid, Vice Chair
Michelle Meldrum, Parent Member
Robert Morrow - 1, 2
Ian McGibbon - 1, 2
Jim Hayton - 1
Clare Newton - 1, 2
Elaine Davidson - 2
Ena Hutchison - 2
Colin Menabney - 1
Kelly Adams - 1
Paul Macaninch - 1
Lynn Clark - 2
Robert Higgins
Katie McLeod

Sub Committee Membership

1 Audit Committee
2 Tenant Advisory Group

Each member of the Committee holds one fully paid share of £1 in West of Scotland Housing Association. The executive officers of West of Scotland Housing Association hold no interest in West of Scotland Housing Association's share capital and although not having the legal status of "director" they act as executives within the authority delegated by the Committee.

Executives

The Executive Officers of West of Scotland Housing Association at 31 March 2016 were as follows:

Lynne Donnelly - Chief Executive Officer
Stewart Gibb - Director of Housing and Customer Services
Colin MacCallum - Director of Finance and Corporate Services
Dan Wood - Director of Property - Resigned 25 July 2016

Disclosure of Information to Auditors

Each of the trustees and executive officers has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

Auditors

The Association recommends the re-appointment of the Gentoo Group auditors, KPMG LLP, as auditors of West of Scotland Housing Association.

On behalf of the Management Committee

Company Secretary *Jennifer Cairns*

Dated: *31/8/16*

Statement of Management Committee's Responsibilities in respect of Internal Financial Control

The Management Committee acknowledges its ultimate responsibility for ensuring that the RSL has in place a system of controls that is appropriate for the business environment in which it operates. These controls are designed to give reasonable assurance with respect to:

- the reliability of financial information used within the Association, or for publication;
- the maintenance of proper accounting records;
- the safeguarding of assets against unauthorised use or disposition.

It is the Management Committee's responsibility to establish and maintain the systems of internal financial control. Such systems can only provide reasonable and not absolute assurance against material financial mis-statement or loss. Key elements of the Association's systems include ensuring that:

- formal policies and procedures are in place, including the on-going documentation of key system and rules in relation to the delegation of authority, which allow the monitoring of controls and restrict the unauthorised use of the Association's assets;
- experienced and suitably qualified staff take responsibility for important business functions and annual appraisal procedures have been established to maintain standards of performance;
- forecasts and budgets are prepared which allow the management team and the governing body to monitor the key business risks, financial objectives and progress being made towards achieving the financial plans set for the year and for the medium term;
- quarterly financial management reports are prepared promptly, providing relevant, reliable and up to date financial and other information, with significant variances from budget being investigated as appropriate;
- Regulatory returns are prepared, authorised and submitted promptly to the relevant regulatory bodies;
- all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through the Management Committee;
- the Audit Committee/Management Committee received reports from management and from external and internal auditors, to provide reasonable assurance that control procedures are in place and are being followed and that a general review of the major risks facing the Association is undertaken;
- formal procedures have been established for instituting appropriate action to correct any weaknesses identified through internal or external audit reports

The Management Committee has reviewed the effectiveness of the system of internal financial control in existence in the Association for the year ended 31 March 2016. No weaknesses were found in internal financial controls which resulted in material losses, contingencies or uncertainties which require disclosure in the financial statements or in the auditor's report on the financial statements

By order of the Management Committee

Company Secretary *Temper Cairns*

Dated: *31/5/16*

Statement of Management Committee's responsibilities in respect of the Management Committee's report and the financial statements

The Management Committee is responsible for preparing the Management Committee's Report and the financial statements in accordance with applicable law and regulations.

Co-operative and Community Benefit Society law requires the Management Committee to prepare financial statements for each financial year. Under those regulations the Management Committee have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the Association and of its income and expenditure for that period.

In preparing these financial statements, the Management Committee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that 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 Management Committee is responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the Association and enable them to ensure that its financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing (Scotland) Act 2010 and the Registered Social Landlords Determination of Accounting Requirements 2014. The Management Committee has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the Association and to prevent and detect fraud and other irregularities.

Independent auditor's report to West of Scotland Housing Association

We have audited the financial statements of West of Scotland Housing Association for the year ended 31 March 2016 set out on pages 11 to 34. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

This report is made solely to the Association in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014 and section 69 of the Housing (Scotland) Act 2010. 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 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 as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Management Committee and auditor

As more fully explained in the Statement of Management Committee's Responsibilities set out on page 8, the Association's Management Committee is responsible for the preparation of 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 and Ireland). Those standards require us to comply with the Auditing Practices Board'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 Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of affairs of the Association as at 31 March 2016 and of its income and expenditure for the year then ended;
- comply with the requirements of the Co-operative and Community Benefit Societies Act 2014; and
- have been properly prepared in accordance with the Housing (Scotland) Act 2010 and the Registered Social Landlords Determination of Accounting Requirements 2014.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the Co-operative and Community Benefit Societies Act 2014 we are required to report to you if, in our opinion:

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

Under the Scottish Housing Regulator Regulatory Advice Note: Internal Financial Controls and the Regulatory Standards we are required to report to you if, in our opinion the Statement on Internal Financial Control on page 7:

- does not provide the disclosures required by the relevant Regulatory Standards within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes issued by the Scottish Housing Regulator in respect of internal financial controls; and

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- is materially inconsistent with the knowledge acquired by us in the course of performing our audit.

M. R. Thompson

Mick Thompson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX

Date: *31 August 2016*

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Statement of Comprehensive Income
For the year end 31 March 2016

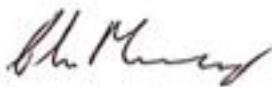
	Notes	2016 £000	2015 £000
Turnover	3	17,708	16,810
Operating Expenditure	3	<u>(14,583)</u>	<u>(13,874)</u>
Operating Surplus	3	3,125	2,936
Other Income	27	302	-
Gain on sale of Property, Plant and Equipment		271	177
Interest Receivable	6	24	67
Interest and Financing costs	7	<u>(1,615)</u>	<u>(2,228)</u>
Total comprehensive income for the year		<u>2,107</u>	<u>952</u>

The results for the year relate wholly to continuing activities.

The notes on pages 15 to 34 form part of these financial statements.

The financial statements were approved and authorised for issue by the board on 31st August 2016 and signed by

Committee Member:



Committee Member:



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Statement of changes in reserves
For the year end 31 March 2016

	Unrestricted reserve £000	Restricted reserve £000
<i>Current year</i>		
Balance at 1 April 2015	7,372	108
Surplus from statement of comprehensive income	2,107	-
Transfer from restricted reserve	108	(108)
Balance at 31 March 2016	<u>9,587</u>	<u>-</u>

	Unrestricted Fund £000	Restricted reserve £000
<i>Prior year</i>		
Balance at 1 April 2014	6,427	101
Surplus from statement of comprehensive income	952	-
Transfer to unrestricted reserve	(7)	7
Balance at 31 March 2015	<u>7,372</u>	<u>108</u>

The notes on pages 15 to 34 form part of these financial statements.

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Statement of Financial Position
For the year end 31 March 2016

	Notes	2016 £000	2015 £000
Fixed assets			
Tangible assets - social housing	8	201,324	202,211
Tangible assets - property plant and equipment	9	2,911	3,021
Investment in subsidiary	10	-	-
		<u>204,235</u>	<u>205,232</u>
Current Assets			
Trade and other debtors	11	863	973
Investments - short term deposits		6,254	4,037
Cash and cash equivalents		536	1,448
		<u>7,653</u>	<u>6,458</u>
Less: creditors due within one year	12	<u>(5,195)</u>	<u>(4,242)</u>
Net current assets		2,458	2,216
Total assets less current liabilities		206,693	207,448
Creditors: amounts falling due after more than one year	13	(61,172)	(62,900)
Deferred Capital Grants	14	<u>(135,934)</u>	<u>(137,068)</u>
Net assets		<u>9,587</u>	<u>7,480</u>
Reserves			
Share capital	15	-	-
Income and expenditure reserve		9,587	7,372
Restricted reserve		<u>-</u>	<u>108</u>
		<u>9,587</u>	<u>7,480</u>

The notes on pages 15 to 34 form part of these financial statements.

The financial statements were approved and authorised for issue by the board on 31st August, 2016 and signed by:

Committee Member:

Committee Member:

Company Secretary:

Bob Murray
Ruth Simpson
Temper Cairns

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Statement of Cashflows
For the year end 31 March 2016

	2016	2015
	£000	£000
Cashflow from Operating activities		
Surplus for the year	2,107	952
Adjustments for non-cash items:		
Depreciation of tangible fixed assets	5,715	5,460
Government grants amortised in year	(3,542)	(3,504)
Gain on disposal of fixed assets	(271)	(177)
Gain on Broomhouse transfer	(302)	-
Interest payable	1,615	2,228
Interest received	(24)	(67)
HAG abated	(264)	(80)
Decrease in trade and other debtors	110	110
Increase in trade and other creditors	701	229
Decrease in provisions and employee benefits	(450)	(437)
Net cashflow from Operating activities	5,395	4,714
Cashflow from investing activities		
Purchase of tangible fixed assets	(3,458)	(20,590)
Proceeds of tangible fixed assets	959	346
Grants received	1,092	12,201
Interest received	24	67
Broomhouse cash transfer	352	-
Cashflow from financing activities		
Interest paid	(1,513)	(1,633)
Repayments of borrowings	(1,546)	(1,238)
Net change in cash equivalents	1,305	(6,133)

The notes on pages 15 to 34 form part of these financial statements.

Notes to the financial Statements
For the year ended 31 March 2016

1. Accounting policies

(a) Introduction and accounting basis

These financial statements have been prepared in accordance with FRS 102 as issued by the Financial Reporting Council and comply with the requirements of the Co-operative and Community Benefit Societies Act 2014, of the Housing (Scotland) Act 2010, the Determination of Accounting Requirements 2014 issued by the Scottish Housing Regulator and the Statement of Recommended Practice (SORP) Accounting for social housing providers issued in December 2014.

In the transition to FRS 102 from old UK FGAAP, the association has made measurement and recognition adjustments. An explanation of how the transition to FRS 102 has affected the financial position and financial performance of the Association is provided in note 26.

The Association opted to apply transitional arrangements under FRS102 35.10(C) for first time adopters to elect to measure an item of fixed assets at its fair value at the date of transition and use that fair value as its deemed cost at that date. This is coupled with the implementation of accruals method in relation to grants, where the capital grant is initially recognised as a creditor due in more than one year under deferred grant income and amortised over the life of the fixed asset structure as recommended by SORP 2014.

The financial statements have been prepared on the historical cost basis. The principal accounting policies that have been applied consistently to all periods presented in these financial statements are set out below.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies selected for use by the Group. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2. The use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates.

West of Scotland Housing Association Limited is a public benefit entity (PBE).

(b) Going concern

The Management Committee anticipates that a deficit will be generated in the year to 31 March 2017 with a return to surplus in future years. The Association has a healthy cash position and thus the Management Committee is satisfied that there are sufficient resources in place to continue operating for the foreseeable future. Accordingly, the Management Committee continue to adopt the going concern basis of accounting in preparing the annual financial statements.

(c) Turnover

Turnover represents rental and service charge income, factoring service income, and fees or revenue grants receivable from local authorities and from The Scottish Government. Also included is any income from first tranche shared ownership disposals.

(d) Social Housing Grant

Social Housing Grant ("SHG"), at amounts approved by The Scottish Government is paid directly to the Association during the development process.

SHG is repayable under certain circumstances primarily following the sale of property, but will normally be restricted to the net proceeds of sale. Any grants received that cannot be repaid from the proceeds of sale are abated.

SHG received as a contribution towards the capital cost of a housing development is recognised in line

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Notes to the financial Statements
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1. Accounting policies (cont'd)

with the accrual model. The accrual model results in the grant being recognised over the expected useful life of the housing property structures.

(e) Fixed assets - Housing properties

Housing properties are stated at cost less accumulated depreciation. The development cost of housing properties includes:-

1. Cost of acquiring land and buildings; and
2. Development expenditure including administration costs

These costs are either termed "qualifying costs" by The Scottish Government for approved social housing grant schemes or are considered for mortgage loans by the relevant lending authorities or are met out of the Association's reserves.

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

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

All costs relating to the share of property sold are removed from the financial statements at the date of sale.

(f) Depreciation

(i). Social housing units

Each housing unit has been split between its major component parts. Each major component is depreciated on a straight line basis over its expected economic useful life. The following major components and useful lives have been identified by the Association:

Land	—	not depreciated
Structure	—	over 50 years
Windows	—	over 25 years
Bathrooms	—	over 30 years
Kitchens	—	over 15 years
Central Heating	—	over 15 years

(ii). Property, plant and equipment

Depreciation is charged on a straight line basis on other fixed assets so as to write off the asset cost less any recoverable value over its anticipated useful life.

The following rates have been used:-

Heritable Property	—	2% per annum
Commercial Property	—	4% per annum
Office Equipment	—	10% per annum,
Computer and Other Equipment	—	33.33% per annum
Motor Vehicles	—	25% per annum

A full year's depreciation is charged in the year of purchase. No charge is made in the year of disposal.

Notes to the financial Statements
For the year ended 31 March 2016

1. Accounting policies (cont'd)

(g) Loans

Mortgage loans are advanced by Private Lenders under the terms of individual mortgage deeds in respect of each property or housing scheme. Security can only be provided in respect of these loans once approval by The Scottish Government has been obtained.

(h) Apportionment of management expenses

Direct employee, administration and operating costs have been apportioned to the relevant sections of the Income and Expenditure Account on the basis of costs of staff directly attributable to the operations dealt with in the financial statements.

(i) Pensions (note 21)

The Association contributes to the two Scottish Housing Association Pension Scheme (SHAPS). The assets of the schemes are held separately from those of the Association in an independently administered fund.

The assets and liabilities of the SHAPS defined benefit scheme relating to a specific employer cannot be separately identified and as such only contributions paid in respect of employees are charged to the Income and Expenditure Account. However, in accordance with FRS 102, the payments in respect of the past service deficit plan have been discounted and recognised as a provision within the financial statements.

(j) Consolidation

The Association and its subsidiary undertaking are subsidiaries of Gentoo Limited. These accounts represent the results of the Association and not of the Gentoo group. Consolidated group accounts have been prepared and copies can be obtained from Emperor House, 2 Emperor Way, Sunderland, SR3 3XR.

(k) Operating leases

Rentals under operating leases are recognised in the Statement of Comprehensive Income on an accruals basis.

2. Critical accounting estimates and judgements

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities.

The use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The principal areas where management has exercised judgement are,

- In estimating the useful lives of housing properties and capitalised components.
- In estimating depreciation rates to be applied to housing properties, capitalised components and other fixed assets.
- In estimating the recoverable amounts of rental and other trade receivables.

WEST OF SCOTLAND HOUSING ASSOCIATION
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

Notes to the financial Statements
For the year ended 31 March 2016

3. Particulars of Turnover, Operating Costs and Operating Surplus

	2016			2015		
	Turnover	Operating Costs	Operating Surplus	Turnover	Operating Costs	Operating Surplus
	£000	£000	£000	£000	£000	£000
Income and Expenditure From Lettings						
Social Lettings (Note 4)	16,976	13,684	3,292	16,059	12,039	4,020
Other Activities (Note 5)	732	899	(167)	751	1,835	(1,084)
	<u>17,708</u>	<u>14,583</u>	<u>3,125</u>	<u>16,810</u>	<u>13,874</u>	<u>2,936</u>

WEST OF SCOTLAND HOUSING ASSOCIATION
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

Notes to the financial Statements
For the year ended 31 March 2016

4. Particulars of turnover, operating costs and operating surplus from social lettings activities

	General Needs Housing £000	Supported Housing Accommodation £000	Shared Ownership Accommodation £000	2016 Total £000	2015 Total £000
Income from rent and service charges					
Rent receivable net of service charges	12,213	809	95	13,117	12,156
Service charges	318	186	2	506	506
Gross income from rents and service charges	12,531	995	97	13,623	12,662
Less voids	(182)	(7)	-	(189)	(107)
Net income from rents and service charges	12,349	988	97	13,434	12,555
Release of Deferred Grant	3,518	-	24	3,542	3,504
Total turnover from social letting activities	15,867	988	121	16,976	16,059
Expenditure					
Management and maintenance administration costs	3,831	280	39	4,150	3,117
Service charges	360	201	1	562	532
Planned cyclical maintenance including major repairs	1,382	116	-	1,498	1,586
Reactive maintenance costs	1,740	121	-	1,861	1,394
Bad Debts - rents and service charges	71	5	-	76	114
Depreciation of social housing	5,129	357	51	5,537	5,296
Operating costs of social lettings activities	12,513	1,080	91	13,684	12,039
Operating surplus on lettings activities	3,354	(92)	30	3,292	4,020

WEST OF SCOTLAND HOUSING ASSOCIATION
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

Notes to the financial Statements
For the year ended 31 March 2016

5. Particulars of turnover, operating costs and operating surplus from other activities

	Grants from Scottish Ministers	Other revenue grants	Supporting people income	Other Income	Total Turnover		Other operating Costs		Other operating Costs		Operating deficit	
	2016 £000	2016 £000	2016 £000	2016 £000	2016 £000	2015 £000	2016 £000	2015 £000	2016 £000	2015 £000	2016 £000	2015 £000
Stage 3 adaptations	201	-	-	-	201	-	201	-	-	-	-	-
Factoring	-	-	-	47	47	36	106	39	(59)	(3)		
Development and Construction of Property Activities	-	-	-	25	25	25	77	76	(52)	(51)		
Support activities	-	-	-	-	-	62	42	87	(42)	(25)		
Other activities	-	438	-	21	459	628	473	1,633	(14)	(1,005)		
Total for other activities 2016	201	438	-	93	732	751	899	1,835	(167)	(1,084)		

WEST OF SCOTLAND HOUSING ASSOCIATION
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

Notes to the financial Statements
For the year ended 31 March 2016

6. Interest receivable and other income

	2016 £000	2015 £000
Interest receivable on deposits	<u>24</u>	<u>67</u>

7. Interest payable and similar charges

	2016 £000	2015 £000
Loans	1,513	1,633
Unwinding of pension deficit interest	<u>102</u>	<u>595</u>
	<u>1,615</u>	<u>2,228</u>

WEST OF SCOTLAND HOUSING ASSOCIATION
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Notes to the financial Statements
For the year ended 31 March 2016

8. Tangible Fixed Assets – social housing

	Housing Properties Held for Letting £000	Housing Properties In Course of Construction £000	Shared Ownership Held for Letting £000	TOTAL £000
<i>Current Year</i>				
Cost				
At start of year	252,492	274	3,153	255,919
Additions during year	1,254	2,084	-	3,338
Transfers in year	2,900	-	-	2,900
Disposals	(733)	-	(273)	(1,006)
At end of year	<u>255,913</u>	<u>2,358</u>	<u>2,880</u>	<u>261,151</u>
Depreciation				
At start of year	52,832	-	876	53,708
Transfers in year	952	-	-	952
Provided in the year	5,486	-	51	5,537
Eliminated on Disposal	(295)	-	(75)	(370)
At end of year	<u>58,975</u>	<u>-</u>	<u>852</u>	<u>59,827</u>
Net Book Value at 31 March 2016	<u>196,938</u>	<u>2,358</u>	<u>2,028</u>	<u>201,324</u>
Net Book Value at 31 March 2016	<u>199,660</u>	<u>274</u>	<u>2,277</u>	<u>202,211</u>

Development administration costs capitalised amounted to £Nil (2015: Nil) for which Social Housing Grants amounting to £Nil (2015: £Nil) were received in the year.

The proceeds of property disposals in the year were £252,816 (2015: £346,250). These units cost £492,604 (2015: £391,690) and had a net book value of £351,452 (2015: £360,000). HAG of £179,217 (2015:£286,010) is due to be repaid in respect of these disposals.

The cost of new components capitalised in the year was £929,124 (2015: £1,205,088).

Components with a cost of £512,878 (2015: £Nil), HAG of £Nil (2015:£Nil) and accumulated depreciation of £229,049 (2015:£Nil) were disposed of during the year.

WEST OF SCOTLAND HOUSING ASSOCIATION
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

Notes to the financial Statements
For the year ended 31 March 2016

9. Tangible Fixed Assets – Property Plant and Equipment

	Land	Commercial Property	Offices	Other Equipment	Total
	£000	£000	£000	£000	£000
Cost					
At start of year	152	100	3,081	1,470	4,803
Additions in year	-	-	-	120	120
Disposals in year	(25)	-	(82)	(1)	(108)
At end of year	<u>127</u>	<u>100</u>	<u>2,999</u>	<u>1,589</u>	<u>4,815</u>
Depreciation					
At start of year	-	16	409	1,357	1,782
Provided in year	-	4	60	114	178
Disposals in year	-	-	(31)	(25)	(56)
At end of year	<u>-</u>	<u>20</u>	<u>438</u>	<u>1,446</u>	<u>1,904</u>
Net Book Value					
At 31 March 2016	<u>127</u>	<u>80</u>	<u>2,561</u>	<u>143</u>	<u>2,911</u>
Net Book Value					
At 31 March 2015	<u>152</u>	<u>84</u>	<u>2,672</u>	<u>113</u>	<u>3,021</u>

WEST OF SCOTLAND HOUSING ASSOCIATION
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Notes to the financial Statements
For the year ended 31 March 2016

10. Investment in subsidiary

	2016 £	2015 £
Investment in Subsidiary	<u>1</u>	<u>1</u>

The investment represents a 100% shareholding in Willowacre Trust a trust registered in Scotland. West of Scotland Housing Association controls Willowacre Trust, a Scottish charity and company limited by guarantee. The principal activities of Willowacre Trust are the provision of support and services. The profit on ordinary activities after taxation of Willowacre Trust for the year to 31 March 2016 are £5,727 (2015: ££29,012).

11. Trade and Other Receivables

	2016 £000	2015 £000
Rental Arrears	661	722
Less: provision for bad debts	(229)	(258)
	<u>432</u>	<u>464</u>
Amounts owed by Subsidiary undertakings (due within 1 year)	6	2
Other Debtors	328	378
Prepayments and Accrued Income	<u>97</u>	<u>129</u>
	<u>863</u>	<u>973</u>

12. Creditors amounts falling due within one year

	2016 £000	2015 £000
Bank loans and overdrafts	1,659	1,563
Trade Payables	1,515	1,154
Contract Retentions	182	208
Other Creditors	1,085	656
Accruals and deferred income	466	369
Rent in advance	<u>288</u>	<u>292</u>
	<u>5,195</u>	<u>4,242</u>

Included in Other Creditors is £943,101 (2015: £450,000) in respect of pension contributions due to the Scottish Housing Associations Pension Schemes.

WEST OF SCOTLAND HOUSING ASSOCIATION
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Notes to the financial Statements
For the year ended 31 March 2016

13. Creditors – amounts falling due after more than one year

Creditors - amounts falling due after more than one year

	2016 £000	2015 £000
Bank term loans	55,888	57,529
SHAPS pension deficit repayment plan	5,010	5,371
Grant Repayable or Recyclable	239	-
Contract Retentions	35	-
	<u>61,172</u>	<u>62,900</u>

Bank term loans are secured by specific charges on the Association's properties and are repayable at rates of interest ranging from 0.74% to 7.24% (2015: 0.74% to 7.24%).

The bank loans are repayable as follows:

	2016 £000	2015 £000
Between one and two years	1,669	1,679
Between two and five years	5,699	5,239
In five years or more	<u>48,520</u>	<u>50,611</u>
	<u>55,888</u>	<u>57,529</u>

WEST OF SCOTLAND HOUSING ASSOCIATION
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Notes to the financial Statements
For the year ended 31 March 2016

14. Deferred Capital Grants

	Housing Properties Held for Letting £000	Housing Properties In Course of Construction £000	Shared Ownership Properties Held for Letting £000	Total £000
Current Year				
At start of year	136,438	162	468	137,068
Additions during year	222	870	-	1,092
Transfers in year	1,496	-	-	1,496
Disposals	(128)	-	(52)	(180)
Amortised in year	(3,518)	-	(24)	(3,542)
As at 31 March 2016	<u>134,510</u>	<u>1,032</u>	<u>392</u>	<u>135,934</u>

15. Share Capital

	2016	2015
Shares of £1 each issued and fully paid		
At beginning of year	107	102
Issued during the year	22	5
Share forfeited in year	(16)	-
Transferred in during year	91	-
At end of year	<u>204</u>	<u>107</u>

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

WEST OF SCOTLAND HOUSING ASSOCIATION
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

Notes to the financial Statements
For the year ended 31 March 2016

16. Directors emoluments

The directors are defined as the members of the Management Committee, the executive officers and any other person reporting directly to the Chief Executive or the Management Committee. No emoluments were paid to any members of the Management Committee during the year.

A new chief executive was appointed in October 2015. The emoluments for the year to 31 March 2016 shown below represent the aggregate of the amounts paid to the incoming and departing chief executive.

	2016 £	2015 £
Emoluments (excluding pension contributions) of:		
Chief Executive	<u>82,320</u>	<u>75,229</u>

As a result of the changes in the management team during the year there were no employees whose emoluments exceeded £60,000.

	2016	2015
£60,001 - £70,000	-	1
£70,001 - £75,000	<u>-</u>	<u>1</u>

The total emoluments paid to directors, including those holding the post of chief executive, during the year was

	2016 £	2015 £
Emoluments (excluding pension contributions)	<u>145,497</u>	<u>140,880</u>
Total expenses reimbursed in so far as not chargeable to UK Income Tax	<u>2,714</u>	<u>1,328</u>

The Chief Executive is an ordinary member of the Association's pension scheme as described in note 21. The Association's contribution for the Chief Executive in the year amounted to £9,954 (2015: £8,041).

WEST OF SCOTLAND HOUSING ASSOCIATION
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

Notes to the Financial Statements
For the year ended 31 March 2016

17. Employee Information

	2016	2015
The number of persons (head count) employed during the year was:		
Maintenance Operatives	22	22
Administration Staff	41	41
Wardens and Cleaners	4	4
	<u>67</u>	<u>67</u>

	2016	2015
The average weekly number of persons (full time equivalent) employed by the Association during the year was:	<u>67</u>	<u>67</u>

	2016 £000	2015 £000
Staff costs (including directors emoluments):	2,300	2,214
Social security costs	182	177
Pension Costs	212	217
	<u>2,694</u>	<u>2,608</u>

18. Operating Surplus

	2016 £000	2015 £000
Operating surplus is stated after crediting /charging:		
Depreciation	5,999	5,537
Amortised capital grants	3,542	3,504
Repairs: cyclical, major, day to day	3,643	2,980
Auditors remuneration		
- in their capacity as auditors	29	28
- in respect of other services	<u>-</u>	<u>-</u>

19. Taxation

The Association is a registered charity and is exempt from corporation tax on its charitable activities. No corporation tax was due on its non charitable activities.

WEST OF SCOTLAND HOUSING ASSOCIATION
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

Notes to the Financial Statements
For the year ended 31 March 2016

20. Capital Commitments

	2016 £000	2015 £000
Capital expenditure which has been contracted for but has not been provided for in the financial statements	400	1,000
Capital expenditure which has been authorised by the Management Committee but is not contracted	1,400	-
	<u>1,800</u>	<u>1,000</u>
This is to be funded by:		
Private Finance	<u>1,800</u>	<u>1,000</u>

Notes to the Financial Statements
For the year ended 31 March 2016

21. Pensions

The company participates in the Scottish Housing Associations Pension scheme (SHAPS), a multi-employer scheme which provides benefits to some 155 non-associated employers. The scheme is a defined benefit scheme in the UK.

It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

Upon transition to FRS 102 a liability is recorded within provisions for any contractual commitment to fund past deficits within the SHAPS scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2012. This actuarial valuation showed assets of £394m, liabilities of £698m and a deficit of £304m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid to the scheme as follows:

Deficit contributions

From 1 April 2014 to 30 September 2027:	£26,304,000 per annum (payable monthly and increasing by 3% each on 1st April)
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The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit.

The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

**Notes to the Financial Statements
For the year ended 31 March 2016**

21. Pensions (cont'd)

PRESENT VALUES OF PROVISION

Reconciliation of opening and closing provisions	Period Ending 31 March 2016 (£000s)	Period Ending 31 March 2015 (£000s)
Provision at start of period	5,821	5,663
Unwinding of the discount factor (interest expense)	124	186
Deficit contribution paid	(450)	(437)
Re-measurements - impact of any change in assumptions	(22)	409
Provision at end of period	5,473	5,821

Income and expenditure impact	Period Ending 31 March 2016 (£000s)	Period Ending 31 March 2015 (£000s)
Interest expense	124	186
Re-measurements – change in discount rate and taken to interest expense	(22)	409

Assumptions	31 March 2016 % per annum	31 March 2015 % per annum	31 March 2014 % per annum
Rate of discount	2.29	2.22	3.42

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following schedule details the deficit contributions agreed between the company and the scheme at each year end period:

WEST OF SCOTLAND HOUSING ASSOCIATION
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

Notes to the Financial Statements
For the year ended 31 March 2016

22. Property Stock

The number of units of accommodation owned by the Association was as follows;

	Units in Management		Units under Development	
	2016	2015	2016	2015
General Needs Housing	3,163	3,030	18	18
Shared Ownership Accommodation	52	58	-	-
Supported Housing Accommodation	221	255	-	-
	<u>3,436</u>	<u>3,343</u>	<u>18</u>	<u>18</u>
Total Housing Stock				
<u>Other Property</u>				
Commercial	6	5	-	-
Heritable - Association's Offices	<u>2</u>	<u>3</u>	<u>-</u>	<u>-</u>
Total Other Property	<u>8</u>	<u>8</u>	<u>-</u>	<u>-</u>

23. Revenue Commitments

	2016 £000	2015 £000
Operating Leases which expire:		
Within one year	6	6
Within two to five years	<u>-</u>	<u>6</u>
	<u>6</u>	<u>12</u>

24. Related Party Transactions

The Association has one wholly owned subsidiary, Willowacre Trust, a charitable company limited by guarantee. Under FRS 102, the Association is not required to disclose transactions with wholly owned subsidiaries.

The terms applicable to tenant members of the Association are the same terms applicable to all tenants.

Rental income and associated services charges of £28,138 (2015: £26,471) were due from members of the Management Committee who were also tenants of the Association. The aggregate balance outstanding at the 31 March 2016 was £1,030 (2015: £1,991). At the 31 March one (2015: one) member of the Management Committee's rental account was in arrears. The amount due was £1,030 (2015: £1,991). An arrangement is in place for the account to be brought up to date.

During the year expenses of £3,531 (2015: £2,568) were reimbursed to members of the Management Committee in respect of training, travelling and subsistence costs.

WEST OF SCOTLAND HOUSING ASSOCIATION
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

Notes to the Financial Statements
For the year ended 31 March 2016

25. Legislative Provisions

The Association is incorporated under the Co-operative and Community Benefit Societies Act 2014.

26. Transition to FRS 102

These financial statements are prepared in accordance with FRS 102. The transition date to this accounting standard was 1 April 2014. This transition impacts on the previous accounting policies adopted and as such there has been a restatement of prior years' figures resulting in a prior year adjustment.

The effect of these changes in accounting policies on the 2015 financial statements is shown below.

	1 April 2014	31 March 2015
	£000	£000
Capital and reserves (as previously stated) (excluding restricted reserve)	13,406	14,531
Restatement of depreciation on housing units	(35,924)	(39,449)
Restatement of grant received for housing units	34,608	38,111
Incorporation of SHAPS deficit repayment plan	(5,663)	(5,821)
Capital and reserves (as restated) (excluding restricted reserve)	<u>6,427</u>	<u>7,372</u>
		Year ended
		31 March 2015
	Note	£000
Surplus for the year (as previously stated)		1,132
Depreciation adjustment	a)	(3,525)
Grant adjustment	a)	3,504
SHAPS deficit repayment plan adjustment	b)	(159)
Surplus for the year (as restated)		<u>952</u>

- a) Under FRS 102, Social Housing units are held at cost and split between their major component parts for the purposes of depreciation. This is coupled with the implementation of the accruals method in relation to grants, where the capital grant is initially recognized as a creditor due in more than one year under deferred grant income and amortised over the life of the fixed asset structure as recommended by SORP 2014.
- b) A liability has been recorded within provisions for any contractual commitment to fund past deficits within the SHAPS scheme.

Notes to the Financial Statements
For the year ended 31 March 2016

27. Transfer of Engagements

On 30 November 2015 the Association accepted a transfer of engagements from Broomhouse Housing Association (1986) Limited. The Association recognised a gain of £302,000 on the transfer and is disclosed in the Income and Expenditure Account as Other Income. The assets and liabilities recognised as a consequence of the transfer of engagements are as follows:

	£000s
Housing properties	2,900
Less aggregate depreciation	(952)
	<u>1,948</u>
Housing Association Grant	(2,212)
Less amortised	716
	<u>(1,496)</u>
Cash	352
S75 pension expense	(480)
Other net liabilities	(22)
	<u>(150)</u>
Gain on transfer	<u>302</u>

