BROADLAND
HOUSING GROUP

Financial Review

For the year ended
31st March **2015**

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Association information

Co-operative and Community Benefit Society number:	16274R
Homes and Communities Agency registration number:	L0026
VAT registration number:	927 5127 17
Registered office:	NCFC, Jarrold Stand, Carrow Road, Norwich, NR1 1HU
Group Chief Executive:	Michael Newey D.Sc (Hon) BSc FRICS FCIH FRSA
Group Secretary:	Anna Simpson MA (Cantab) FCA AMCT
Executive Directors:	Louise Archer BSc FRICS (Executive Property Director) Ivan Johnson FCIH (Executive Frontline Director) Andrew Savage MSc MRICS (Executive Partnerships Director) Anna Simpson MA (Cantab) FCA AMCT (Deputy Group Chief Executive)
Bankers:	NatWest Bank, 45 London Street, Norwich, NR1 4LX
Solicitors:	Bates Wells & Braithwaite London LLP, Scandinavian House, 2-6 Cannon Street, London EC4M 6YH Birketts LLP, 24-26 Museum Street, Ipswich, Suffolk, IP1 1HZ Spire Solicitors LLP (formerly Greenland Houchen Pomeroy Solicitors), 36-40 Prince of Wales Road, Norwich, NR1 1HZ
Auditors:	BDO LLP, 2nd Floor, Yare House, 62-64 Thorpe Road, Norwich, NR1 1RY

Association information

Board and committee membership

Non-executive directors	Group Board	Broadland Meridian Board	Group Audit Committee	Remuneration & Membership Committee	Maintenance & Asset Management Panel	Frontline Panel	Capital Funding Panel
The Rt Hon. Baroness Hollis of Heigham DL MA (Cantab) D. Phil (Oxon) F.R.Hist.S	✓ Chair			✓ Chair			
Jonathan Barber BSc (Hons) MSc MBA MCIEH FCMI CIHM	✓		✓ Chair	✓			✓
Richard Croft (tenant)	✓					✓	✓
Richard Hawthorn (tenant)	✓		✓		✓	✓	
Jenny Manser (Ex officio)	✓ Vice Chair	✓ Chair	✓	✓		✓	
Julia Roche (tenant)	✓					✓	✓
Eric Sharpe BA CIHCM	✓				✓	✓ Chair	
Kate Slack BA	✓				✓ Chair		
Paul Slyfield FCCA	✓		✓				✓ Chair
Gavin Tempest BSc(Hons)	✓				✓	✓	
Louise Sorrell (tenant)	✓				✓	✓	
Former non-executive directors in service during the financial year							
Martin Clark MRICS MCIOB (resigned 28 April 2014)	✓		✓				
John Newstead (resigned July 2014)	✓				✓	✓	
Other members							
Michael Newey D.Sc (Hon) BSc FRICS FCIH FRSA	✓		✓				✓
Helen Skoyles BA(Hons) CIHCM		✓	✓				
Eden Kidane tenant lay member (stepped down July 2014)						✓	
Susan Guest independent lay member			✓				

Group Chair and Chief Executive Officer's statement

The theme of the past year has been about preparation.

We knew that we had to prepare for policy changes following the General Election, whichever party won. We also knew that Patricia's term of office as Chair would end in September 2015 and we needed to start the recruitment process for her successor, so that we would have a seamless succession. Another important development were the changes to the Homes and Community Agency's Regulatory Framework that took effect in April 2015 which placed different requirements upon us in respect of business planning and stress testing the business, as well as seeing the introduction of Asset and Liability Registers.

Our current Corporate Strategy was adopted by the Board in 2012 and was due for review in early 2015. The Board decided that it would not be sensible to conclude any review before the General Election, as we needed to know the outcome of the election and any policy changes that a new Government intended to adopt, before we finalised our strategy for the next three to five years.

In hindsight this seems to have been a very sensible decision as the Association faces some very significant challenges as a result of the policies contained in the Conservative Party's manifesto. The Board and staff team are currently working through announcements made by the new Government, both with regard to their proposed legislative programme, outlined in the Queen's Speech, and changes contained in the Chancellor of the Exchequer's Budget in July, to understand their impact on Broadland Housing Association. The Board hope to be able to adopt a new Strategy before the end of this calendar year, or early in 2016.

The key changes so far announced by the Government include the extension of right to buy to housing association tenants and also a reduction in rents charged by housing associations for each of the next four years. The Government are keen to increase home ownership and to help social housing tenants meet their aspiration to own a property. They are also keen to reduce the housing benefit bill, which has grown enormously since private finance was introduced to the provision of social housing back in 1988.

It is a sobering fact that the total amount of grant allocated by the HCA in 2014 was £886 million to contribute to the funding of 44,000 new affordable homes. The total value of the 2011–2015 Affordable Homes Programme was £4.5 billion. These figures contrast with the cost of housing subsidies. The amount of housing benefit paid to social landlords was £14.7 billion nationally annually and the amount paid to private landlords in 2014 was £9 billion.

Social rents now have to include the cost of debt, as opposed to just the cost of management and maintenance. In the long term this is a vastly more expensive subsidy than capital grant, but there is no easy way back to the pre-1988 world, which was the year that grants were first reduced and associations first started borrowing significant amounts of money. As a sector we now owe banks and investors over £63 billion.

Rents in the private sector, frequently on properties owned by buy to let landlords, have increased at a frightening rate since 2010. The national average market rent rise was 15% over the past five years. These increases have fuelled the cost of the welfare system.

Group Chair and Chief Executive Officer's statement

The impact of both the introduction of right to buy and rent reductions is very significant on the Association's business plan and long term viability. We do not yet know how right to buy will operate and we have therefore not yet been able to model it. The Housing Bill will be published in the autumn and we will then be able to understand how it will directly impact on the Association. Our fear is that we will see a significant take up of the new right with a resultant reduction in the number of homes we are able to offer to families who need them. The Government hope that we will be able to replace each sold property with a new home, but the process of land acquisition and planning will make this a significant challenge, especially in the short-term. We are particularly concerned that regulations will prevent us from using any receipts from house sales to reduce our current level of debt. We could end up with a significant amount of money in the bank, whilst still having to finance our existing loans with a reduced rent roll.

There is a huge amount of detail still needed and the Association will work with the Chartered Institute of Housing, the Royal Institution of Chartered Surveyors and the National Housing Federation, as well as directly with the DCLG and other policy influencers, to help mitigate the most negative aspects of this manifesto commitment. We know that the Government have a democratic mandate to deliver this policy and that it will therefore happen, we just need to hope that the final mechanics will not threaten the Association's continued viability.

Over the course of the last five years we have seen the introduction of the bedroom tax and to a large extent have been able to help our affected tenants. We did not have huge numbers of existing tenants subject to housing benefit reductions and we are being cautious in ensuring that we do not house new tenants who are dependent on housing benefit into homes that are deemed too large for the household by the welfare system.

We have not yet seen many of our tenants claiming universal credit, as the roll out has been considerably delayed. We are concerned that the IT systems and government web sites will not be easily accessible to claimants and we are equally apprehensive with regard to whether universal credit will increase our arrears in the short and medium term. We increased capacity in both our income collection and tenancy support teams two years ago and remain committed to supporting our tenants through this period of welfare changes.

The Chancellor's announcement that we must reduce our rents by 1% per annum for the life of this Parliament did take us by surprise. In preparing the 30-year business plan, for submission to the Homes and Community Agency in June, we had taken a very conservative position and assumed that welfare benefits would be frozen and that as a result we would not see any feasible increase in rents until 2019. We did not anticipate that the rent formula would be altered, as the Coalition Government had announced a rent settlement of CPI plus 1% increases until 2024 in the 2013 Comprehensive Spending Review. This new policy was therefore a complete reversal of announced policy.

Our caution in previously assuming no rental growth until 2019 in our business plan has meant that we are not as adversely affected by this new policy as many other housing associations. That does not mean that it will be at all easy for us to implement and our business plan will need a radical re-examination this autumn. Rent reductions do not just affect the year that it happens, but the whole of the 30-year business plan as it permanently reduces our income. Initial modelling would suggest that the Association would need to reduce its operating costs by around £1 million per annum by 2019. This will be a significant challenge, especially if we continue to focus on building new homes to meet the growing demand for our homes.

Group Chair and Chief Executive Officer's statement

We were also concerned by the probable impact on many of our tenants through the changes to tax credits announced in the budget. We recognise that for many families this will mean a reduction in their household incomes and again put pressure on our arrears performance.

We have mentioned above the very comprehensive business planning undertaken over the last 12 months. The HCA introduced a requirement that every regulated provider should also stress test their business plans, in a similar way to the stress testing requirements introduced by the Bank of England on UK banks. This meant that the Association needed to not only understand the impact of different economic scenarios on its business plan, but also needed to understand what set of circumstances would cause the organisation to fail.

Stress testing revealed that the Association's greatest economic risk was that base rate would move quickly to 4% and that, due to adverse market conditions, similar to those seen in 2008/09, the Association would be unable to fix its interest rates using treasury instruments. The Capital Funding Panel is therefore exercising a close monitoring role not just on Bank of England Monetary Policy Committee monthly minutes, but also on the availability of funding. The regular market reports provided by our funding advisors, Centrus, are particularly useful.

We know that we now need to revisit both the business plan and stress testing. This exercise is currently underway with regard to the rent reductions and will be repeated as soon as there is clarity on the mechanics of right to buy.

As mentioned above, the Association is very committed to providing new homes to families and individuals that need them. Since 2011 we have struggled to secure adequate grant from the HCA – average grant rates in our area are now around £16,000 per home, which is far too low to be viable. The Association's criteria require that any new home 'breaks even' within 30 years and grant rates at this level do not repay even within 40 years. To accept HCA grant would put a heavy financial burden on the Association that our business plans would struggle to accommodate.

However the fact that we have not been able to work with the HCA recently does not mean that we are not trying to develop new homes. During the last financial year we established a very innovative partnership with North Norfolk District Council, which will see the development of over 100 mixed tenure homes on five different rural sites in the district. North Norfolk has agreed financial facilities to both Broadland Housing Association and Broadland St Benedict's to help deliver more much needed homes in the district. The surpluses from market sale properties will be used to fund the gap on the affordable homes.

The Association continues to hold an important land bank including land adjacent to the football ground at Carrow Road and land options in West Norfolk. Part of the site at Carrow Road now has planning consent for 250 flats, but we are not progressing this site until we find a financial model that makes it viable. This will be more difficult following the budget. We failed to achieve planning consent at planning appeal on a significant site at Heacham in West Norfolk and, following very positive advice from our legal advisors, including a senior Planning QC, we are now progressing judicial review on the decision not to grant consent. It is unlikely that the judicial review will be heard before November 2015.

The Association has continued to focus on value for money, as discussed in more detail in the Value for Money self-assessment later in these Financial Statements and on our website.

Group Chair and Chief Executive Officer's statement

The Association has taken the view that value for money should be judged against four criteria, namely economy (providing the same service for less cost); efficiency (avoiding wasted cost); effectiveness (providing a service that achieves better outcomes); and equity (providing services that reach all the intended customers equally). Our continued investment in our Information Systems and Technology, both in improvements and additions to our e-business system, RSL Manager, and in our telephony, as well as our 2009 adoption of the UImprove methodology, has meant that we have been able to deliver some significant projects over the last year and that we are well placed to comply with the new regulatory requirement to have Asset and Liability Registers in place by April 2016.

We have also continued to focus on the energy efficiency of our properties. We have the ambition that all our housing stock should have an EPC rating of at least C and we are well on our way to delivering this. We are particularly concerned for any tenant who is suffering fuel poverty and our asset strategy has, as a result, a strong focus on improving our homes where that is economically possible.

As mentioned at the start of this joint report, the Board has also focussed on the recruitment of a new Chair to take over after the AGM in September. After an extensive recruitment exercise led by Jenny Manser as the Group's Vice Chair, supported by Richard Hawthorn and Jon Barber, and advised by Greg Campbell from Campbell Tickell, the Board will be nominating Alison Inman for election as a new Independent Board Member at the AGM and as Chair at the subsequent Board Meeting.

Alison has a very impressive background. She is currently the Vice Chair of the tenant engagement organisation, TPAS, and a member of the Governing Board of the Chartered Institute of Housing. She is also an independent board member of Colne Housing Society in Colchester and a magistrate. She was previously the Chair of Colchester Homes, an Arms Length Management Organisation.

We would like to thank both the Board and the staff for their hard work over the past year. There is no doubt that the Association is facing some very significant challenges over the next five years. Effective teamwork across the Group has meant that our performance remains good; that we are not exposed to any immediate financial crises as a result of the new Government's agenda; and that we have continued to deliver value for money improvements to our services and back office systems.

We are both sure that the team – Board members and staff – are well placed to meet the challenges we face. We know that there will be inevitable change to how we work and perhaps even what we do over the years ahead, but we equally know that the Group will remain committed to our purpose – to improve life opportunities for people through housing and support.

P. Hollis

The Rt Hon. Baroness Hollis of Heigham DL MA (Cantab) D. Phil (Oxon) F.R.Hist.S - Group Chair

Michael Newey D.Sc (Hon) BSc FRICS FCIH FRSA – Group Chief Executive

Operating and financial review

Principal activities

The Group's principal activities are the development and management of affordable housing, supported housing and housing for older people, primarily in Norfolk and North Suffolk as well as providing effective support services that improve the life opportunities of our tenants and vulnerable people in our communities. There is also some provision of low-cost home ownership, primarily through shared ownership. Specialist support services are provided by the Association's charitable subsidiary, Broadland Meridian, which has proved invaluable in combating the impacts of welfare reform.

The Association is a non-profit-making housing association registered with the Financial Conduct Authority as a Co-operative and Community Benefit Society with charitable status. The Association was founded in 1963 and registered by the Housing Corporation in 1963. The Association is the only Registered Provider within the Group and as such is the only entity to be registered with the Homes and Communities Agency. The Association is regarded by the Group Board as the ultimate parent of the Group and is required by statute to prepare group accounts.

Details of other Group entities are as follows:

Broadland St Benedicts Limited – a private limited company established to undertake activities to support the charitable objects of the Group which cannot be undertaken by the Association.

Broadland Meridian – a registered charity, limited by guarantee, which provides training and employment services to disadvantaged individuals.

Charlie's Social Enterprise CIC – a community interest company. Activities in the social enterprise have now ceased.

Meridian East Property Services Limited – a private company, limited by guarantee. Activities in this company have now ceased.

Objectives and strategies

The Group's vision is to improve life opportunities for people in Norfolk and North Suffolk through housing and support provision. This will be achieved by:

- Managing our homes and tenancies to the highest standard we can reasonably achieve;
- Delivering as many new homes for rent and low-cost home ownership in our local communities as possible in partnership with others; and
- Providing effective support services, in partnership, that improve the life opportunities of our tenants and vulnerable people in our communities.

Operating and financial review

Operating review

The number of homes in management by the Group remained unchanged during the year at 4,957 although there were a small number of acquisitions and disposals and conversions from intermediate rent to shared ownership during the year. A surplus of £1,465k was achieved during 2014/15 (2013/14: £754k), continuing the upward trend in line with our strategy to further strengthen reserves for planned development in the future. The Group continues to actively prepare for future development activities across Norfolk with various partners to ensure continued provision of new homes, even where grant remains unavailable or unviable for our business model. Overall, operating costs have risen at a slower rate than revenue leading to slightly improved operating margin of 28.6% (2013/14 28.4%) which evidences continued impact of the 5% efficiency savings drive.

Group financial and performance highlights: five-year summary

For the year ended 31 March **Income and expenditure account**	**2015** **£'000**	**2014** **£'000**	**2013** **£'000**	**2012** **£'000**	**2011** **£'000**
Total turnover	26,030	25,659	24,872	23,463	22,450
Operating surplus	7,438	7,284	6,329	6,323	5,655
Net interest charge	6,520	6,734	6,767	6,105	5,927
Surplus/(deficit)	1,465	754	(438)	218	(299)
Balance sheet					
Housing properties, gross cost less depreciation	278,905	280,169	278,525	278,397	266,613
Social housing grant and other grants	(134,341)	(134,401)	(134,134)	(135,567)	(130,522)
Housing properties owned at year end:	**No.**	**No.**	**No.**	**No.**	**No.**
Rented accommodation	4,831	4,841	4,772	4,748	4,646
Shared ownership accommodation	126	116	110	96	87
	4,957	**4,957**	**4,882**	**4,844**	**4,733**

Key Performance Indicators	**2015**	**2014**	**2013**	**2012**	**2011**
Operating surplus as % turnover	28.6%	28.4%	25.4%	26.9%	25.2%
Rent losses *(voids and bad debts as % of rent and service charges receivable)*	2.2%	1.9%	1.8%	2.2%	1.9%
Rent arrears *(gross arrears as % of rent and service charges receivable)*	4.7%	4.5%	4.6%	5.7%	6.7%
Liquidity *(current assets divided by current liabilities)*	2.7	2.4	1.7	1.3	1.0
Gearing *(total finance raised divided by total properties at historic cost, excluding depreciation)*	46.6%	47.4%	47.6%	46.6%	46.2%

Operating and financial review

Corporate strategy 2012-15

The Group has agreed nine headline strategies (listed below) and each strategy is defined by; what we want to achieve; why and how we are going to deliver it; and, how we are going to measure its achievement. Annual improvement projects are identified and monitored while routine business is monitored in monthly performance reports.

- Customer strategy
- Partnership strategy
- Operations strategy
- Neighbourhood strategy
- Diversification strategy
- Value for Money strategy
- Environmental strategy
- People strategy
- Governance strategy

The achievement of our strategic objectives is closely linked to our value for money philosophy which is explained in more detail in a later section of this document.

In this section we report on some of the highlights of the work undertaken to deliver our strategic objectives. A new Corporate Strategy is due to be launched during 2015/16 which will outline our strategic ambitions going forward, acknowledging that there is more work to do.

Customer strategy

Objective	Performance
To provide services that are easily accessible to our customers.	**Digital inclusion:** Since November 2014, as part of the on-going Worklessness Project, we have been offering an IT skills course to our customers across the region, with two currently being delivered at The Bridewell, Wymondham and The Cedars, Norwich. **Saturday morning repairs service:** We introduced the service in June 2014. During the eight months since that date, the service has been reviewed in the light of experience and popularity. As a result, we will be continuing with an on demand only Saturday morning service.
To ensure the services we provide are those required by our customers.	**Tenancy Support:** We continue to offer a wide range of tenancy support to our customers, focusing on issues such as; money management; tenancy sustainment; assistance accessing benefits; and, work preparation. Since April 2014, the service has assisted 184 tenants, with a further 83 currently receiving support. **Sorrel and Campion House Tenant Participation:** As part of the Sorrel and Campion House Asset Project we have been working with customers to capture feedback on the progress of the project and for customers to make key decisions, where possible. We have been holding quarterly ‘change is happening, your view matters’ sessions with residents to provide opportunities for feedback on proposed works or works that have already taken place. To date we have consulted on seven issues including; location of bicycle sheds; bin stores; and selection of new

Operating and financial review

Customer strategy (continued)

Objective	Performance
To ensure the services we provide are those required by our customers (continued).	windows and doors. **Tenants Estates and Maintenance Forum**: We reviewed the Terms of Reference and focused on areas of importance to customers such as the selection of the kitchen unit, supply contractor and scrutinising the performance of our Broadland Repairs Service and Grounds Maintenance Operative Service.
To ensure our frontline services are fit for purpose and delivered in an effective and efficient manner.	**Anti-social Behaviour (ASB) Review:** This project commenced in December 2014, reviewing the existing policy and approach to handling complaints of ASB. The project has engaged with tenants who have complained of ASB within the past 12 months and this has informed the approach we have been developing. **Repairs Satisfaction and Compliments:** An initiative to ensure that we increase the response rate of post repair customer satisfaction forms has resulted in a consistent return in excess of 10% of all responsive repairs. In addition, free text compliments received outnumber complaints in the ratio 6:1.

Neighbourhood strategy

Objective	Performance
To ensure our services meet local needs and aspirations.	**Re-let performance:** Our re-let times remained in the upper quartile when compared to other organisations. We are currently carrying out repairs and re-letting void properties within an average of 15 days. This compares to an industry standard of between 19 and 25 days.
To ensure the development of new homes to meet the demand for affordable homes in our neighbourhoods.	**New homes:** We have delivered a further 10 homes in 2015/16 making a total of 110 new properties over the life of the Corporate Strategy. We are continuing to work on a number of projects, especially in North Norfolk, that will continue to deliver a programme of new housing. These figures are low when compared to our performance between 2000 and 2010. This is primarily due to uneconomic grant rates being offered by the Homes and Communities Agency since 2011. **North Norfolk District Council land acquisition:** We have now signed the Land Option agreements for Broadland St Benedict's to acquire five sites to deliver a mixed tenure project for approximately 100 properties over the next five years once planning consent has been obtained.

Operating and financial review

Environmental strategy

Objective	Performance
To invest wisely in our housing stock and thereby reduce the running costs of our homes to our tenants.	**Biomass boiler:** We have installed a new communal biomass boiler system as part of a refurbishment project at Campion and Sorrel House in Bowthorpe. The project has been funded primarily by BHA capital though this has been underwritten by using the Government Renewable Heat Incentive Tariff that is expected to pay an annual revenue stream of £29,680 per annum over the next 12 years. Furthermore, the installation contributes to the Group's commitment to reducing its carbon footprint as well as helping to reduce the running costs of the properties for tenants to address fuel poverty. **Disposals to fund energy efficiency improvement:** We are continuing to review the housing portfolio driven by the environmental rating of each property. In 2014/15, we disposed of 10 properties identified as either uneconomical to repair or did not meet the Group's environmental aspirations. The proceeds arising from this will be used to fund energy improvement works in other properties.
To operate as a business in an environmentally responsible manner.	**Wildflower meadows:** The Group has continued its commitment to improving the landscape quality within a number of schemes by creating wildflower meadows. These have improved the biodiversity within these locations as well as creating a visual improvement to landscaped areas. **Reduced mileage:** A new employee expenses policy was launched in 2014/15. In particular we have encouraged car sharing by enhancing the rate given to staff claiming mileage expenses marginally (5 pence per appropriate passenger per mile). This has resulted in a reduction of total mileage claimed of 1.9% from 2013/14 and a decrease in average mileage per employee of 9.7%. There has been a corresponding increase in claims for taking passengers of 19.6% resulting in an additional saving of 1,231 miles from 2013/14. **Recycling old hot water cylinders:** The recycling of copper hot water cylinders removed from our properties following heating upgrades generated a one-off income of approximately £5k in 2014/15. Since this exercise the price of copper has reduced significantly and it is anticipated that income generated from this will decrease. **SHIFT (Sustainable Homes Index for Tomorrow):** We increased our score from a bronze to a silver level and were very close to achieving a gold score. The environmental champions have put an action plan in place to improve our scores for the next round of assessment.

Operating and financial review

Partnership strategy

Objective	Performance
To optimise the benefits of our existing partnerships and to develop new partnerships in order to support our tenants and clients.	**Citizens Advice Bureau contract and Big Lottery Initiative:** This contract - Advice Services Transition Fund (ASTF) – a Big Lottery-funded initiative - is split into two project areas; Norwich CAB; and, South Norfolk CAB. A combination of Job Clubs, Money Management and IT Skills Sessions are provided both internally and at outreach locations across these areas. **Service level and management agreement review (housing management):** In 2014/15 a review of various service level and management agreements with support providers was undertaken for a number of supported housing schemes. This will enable us to continue to deliver high quality services to our supported housing customers through strong partnership arrangements.
To ensure our partnerships help us achieve more with our limited resources.	**Shelter working at our King's Lynn office:** We have worked in partnership to locate a member of Shelter's Advocacy Team in our office at King's Lynn. The benefit for us has been to refer 57 customers to Shelter for assistance. Of the 57 cases, 24 were for one-off advice sessions and the remaining 33 related to specialist advice being given. The referrals were mainly for customers who wanted to challenge their homeless decision from the Local Authority and debt advice. **Raglan Housing:** This partnership has continued into its third year with BHA looking after the tenancy and repair management service for Raglan Housing at a sheltered housing scheme in Norwich city centre. The partnership has enabled a local service provision for Raglan tenants. **Klars/The Hub King's Lynn:** We have let our training suite to King's Lynn Area Resettlement Support (KLARS) who give information and advice to Russian, Lithuanian, Latvian and Polish speaking clients on living and working in North West Norfolk. This service has also helped our tenancy support service within the area. **Asbestos Contract:** Together with ESP (our asbestos consultant and removals contractor) we have developed annual asbestos awareness training as well as a training programme to equip operatives to undertake non-notifiable removal works.

Operating and financial review

Diversification strategy

Objective	Performance
To continue to develop new and innovative products and services that help deliver our mission and vision.	**Open Market Housing:** The Board of Broadland St Benedict's and BHA's Development Team have been working on delivering the Group's first open market housing to create a sustainable new build model for the future. This will not only generate subsidies to support our affordable provision, but also facilitate mixed communities. **Open Market Funding:** Broadland St Benedict's has signed a £750k loan agreement in March 2015 with North Norfolk District Council to commence development of open market housing once appropriate planning consent is achieved.

People strategy

Objective	Performance
To ensure we have the right people working for us with the right attitude, knowledge and skills.	**Terms and conditions of employment benchmarked:** In 2014/15 we carried out a review of all terms and conditions of employment across the Group. These have been benchmarked against both local and national data to advise the Remuneration and Membership Committee on the competiveness of the pay and benefits we offer. **Apprentices:** In 2014/15, we had apprentices located with the Finance, Human Resources, and Customer Services teams. Our intention for 2015/16 is to recruit an apprentice Gas Engineer and a further Broadland Repairs apprentice. **Operative Improvement Team:** The formation of an Operative Improvement Team, with a fifteen-member Core Group at its heart, ensured that the workforce played a significant role in driving change and efficiency within BRS (Broadland Repairs Service). The Team, supplemented by contributions from the remainder of the workforce, captured the operatives' ideas about ways to improve service delivery both financially and through operational efficiencies. The main benefits have been witnessed in; bathroom and kitchen installations; electrical safety; improvements to Personal Protective Equipment purchases; relationships with our merchant network; and, equipment and materials storage.

Operating and financial review

People strategy (continued)

Objective	Performance
To ensure investment in our staff team to help them gain better qualifications and career prospects.	**Management Development Course:** To support individual personal development and to ensure consistent delivery across the Group, all senior managers (excluding Executive Directors and the CEO) have or are undertaking a bespoke Management Development Course. The course is designed to give managers base tools to support them in their role at BHA. **Staff engagement (Best Companies):** We retained our 'one to watch' status in the Best Companies survey and dropped out of the Sunday Times Top 100 not for profit companies to work for. Our overall numerical score dropped slightly from 652.8 in 2013/14 to 648.7 in 2014/15. We did see a rise in our response rate showing that we are improving staff engagement with the process. The Leadership Group is currently developing an action plan to address areas for future enhancement.

Operations strategy

Objective	Performance
To ensure all our activities are relevant to our mission and values.	**Unified communications:** Microsoft Lync, BHA's new telephony system, was deployed throughout head office in 2014/15. Further deployment to area offices is to take place in 2015/16. The new system has improved the way in which we can interact with colleagues, whilst on a call to a customer. Initial feedback from staff has been positive and it is anticipated the changes will improve productivity. **Property data restructure:** This project was completed in 2014/15 and has provided a new database framework for the additional data we now need to manage at each stage of the development and property management cycles. This includes the ability to hold comprehensive data for schemes and blocks with particular emphasis on attributes, replacement lifecycle and day-to-day repairs and maintenance. The restructure has formed part of a new Property Module that will help us respond to enquiries with accurate information on our housing stock, condition, valuations and any associated liabilities. This also links to the on-going development of our asset and liability register to meet the requirements of the new HCA regulatory framework. The module fully integrates with all aspects of our BRS activities delivered through the operative team.

Operating and financial review

Operations strategy (continued)

Objective	Performance
To ensure achievement of our value for money strategy.	**Business Intelligence:** A new piece of software called Qlikview was purchased in 2014/15 to work alongside our internal database, RSL Manager. The software enables integration of the data held in RSL Manager and has enhanced the quality of management information available to analyse our business operations. **Business Planning Software:** In 2014/15 we also purchased a new business planning software system (Brixx) to enable the Group to increase its business modelling capacity. The outputs from the new modelling system are already being used to manage our business planning process and to undertake stress testing. The software also allows us to inform the regulatory quarterly submissions to confirm to the regulator the extent of our funding arrangements and the timing of any new funding requirements.

Value for Money strategy

Objective	Performance
Investment of our financial resources effectively in order to deliver our corporate strategy.	**Energy Performance Certificates:** In March 2015 all surveyors successfully passed their Energy Performance Assessor courses as a result of a strategic decision to bring this service in-house. This will enable us to carry out all our assessments without using external contractors resulting in cost savings. **Servicing renewables:** We have invested in training our Heating Engineers to enable them to carry out servicing of renewable heating systems. This means that we will no longer need to use a contactor to carry out these works. **HouseMark:** In order to better understand the performance of our services we have transitioned to the refreshed HouseMark service during 2014/15. This will enable us to access sophisticated benchmarking information which we can compare our costs and service against.
Please also refer to our Value for Money self-assessment on page 21 for full details.	

Operating and financial review

Governance strategy

Objective	Performance
To ensure that our Boards, Committees and Panels have appropriate skills and experience within their membership.	**Governance compliance:** As part of our commitment to ensuring that our governance model is fit for purpose and regularly reviewed we have conducted our annual compliance review process. We have assessed that BHA is materially compliant with both the National Housing Federation (NHF) Code of Conduct 2012 and the NHF Excellence in Governance Code (published in February 2015).
To ensure that Governance adds value to our delivery of services.	**Internal Audit:** The Internal Audit programme for 2014/15 covered a wide range of areas including review of corporate governance and anti-fraud procedures within the Group. At the end of the year, our internal auditors provided a rating of 'substantial assurance' indicating that our internal control framework is effective.
To ensure that our governance model is fit for purpose and regularly reviewed.	**Board Packs:** We implemented a new software system to streamline the administration of board and committee meetings. This process will facilitate reduced paper usage, printing costs, postage costs and administration time, as well as enhancing accessibility and archiving of papers.

Operating and financial review

Risks and uncertainties

Risks that may prevent the Group achieving its objectives are considered and reviewed on a monthly basis by the Group directors, quarterly by the Group Audit Committee and annually by the Board. The risks are recorded and assessed in terms of their impact and probability. Major risks, presenting the greatest threats to the Group, are reported together with action taken to manage the risks, including assessments of key controls, and the outcome of the action. A summary of the six highest rated risks as at 31 March 2015 and related actions are discussed below.

Risk	Status (as at 31 March 2015)
Further unexpected changes to government policy relating to welfare / benefit changes, or difficulties experienced when policy changes are put into practice, resulting in 'unviability' of the Group.	We have actively undertaken a range of horizon scanning activities, particularly in the run up to the May 2015 general election. Our business modelling and scenario planning continues to assess the likely impact of government policy on our current activities as well as its future viability. The Group's Corporate Strategy is due for renewal during 2015/16 and will outline our strategic vision in light of the known outcome of the general election, business modelling and stress testing.
Failure to convince the social housing regulator of the robustness of our approach to Value for Money (VfM) leading to governance downgrade resulting in more difficulty accessing funding.	Enhancements to our processes for tracking and monitoring Value for Money have been informed by continuing activities to remain abreast of sector knowledge and working with our internal audit advisors. Introduction of six-monthly review of the VfM strand of the Corporate Strategy by the Group Board has also ensured that recognition of gains and areas for improvement is regularly monitored and reported at the highest level, in addition to engagement with staff throughout the organisation. Re-joining HouseMark during 2014/15 has also given us access to detailed benchmarking information and a project is in place to enhance our use of benchmarking data to identify performance improvement opportunities is on-going. Potential avenues for future funding continue to be explored as part of business as usual.
Ineffective co-regulation resulting in regulatory intervention, potential loss of funding and reputational damage.	The focus for our activities is on ensuring that we maximise opportunities for tenant participation. Tenants are members of our Tenant Estates and Maintenance Forum and we have four tenant Board Members (one third of the Board composition) who actively contribute to all aspects of governance. We also have a corporate project underway to assess the effectiveness of our current tenant engagement activities and where we might better direct our resources to ensure that all tenant groups are reached in an equitable way.

Operating and financial review

Risks and uncertainties (continued)

Risk	Status (as at 31 March 2015)
Under Investment in E-Business systems and IT software leading to inadequate functionality of the system.	Our in-house IT software is critical to the operation of business activities providing frontline services to customers as well as back-office functions. Hence ensuring that sufficient investment of resources in this area is critical to the continued operation of the business. An annual plan of system developments is in place and allocation of resource is formally discussed and agreed at System Risk Appraisal Panel meetings which consider the relative priority of possible developments. Under-staffing within our system development team is an issue which has been actively monitored and significant effort has been put in to developer recruitment. However, the risk is also mitigated by the fact that we could increase capacity by contracting additional input from an external developer organisation that we already have links with.
Failure to adapt our services to meet the government's digital expectations, leading to customers being excluded, resulting in financial hardship for customers.	We have a corporate project 'Digital Inclusion' underway which has a formal remit to enhance our digital offering to all customers. It encompasses digitalising; elements of the sign-up process; encouraging increased use of digital interface by existing customers; engagements with online accounts; customer surveys. This is a longer-term project but continues to receive significant resource and focus within the business.
Ineffective Boards (all Group entities) leading to inadequate leadership and direction resulting in business failure and intervention of Regulator.	During 2014/15 a Board Effectiveness review was undertaken which will be used to inform future governance arrangements where necessary to ensure that a robust Board remains in place. This will be followed in 2015/16 with a further detailed statement of skills and experience of Board members to ensure that member composition continues to reflect the needs of the business going forward. Our approach to synchronised board meetings ensures effective use of Board member and Executive Director's time, as well as ensuring robust oversight. 2015/16 will also see the retirement of our current Board Chair and significant work has already been undertaken to plan and undertake a robust recruitment process to facilitate a secure transition to new Chair, who will be formally proposed and appointed at the AGM on 25 September 2015.

Operating and financial review

Financing, cash flow and treasury policy

The Group borrows, principally from banks, at both fixed and floating rates of interest. Interest rate swaps are used to generate the desired interest profile and to manage the Group's exposure to interest rate fluctuations. The Group's policy is to keep a balanced portfolio of maturity dates and rates. At 31 March 2015, 84% of the Group's borrowings were at fixed rates (2014: 84%). Further detail on the profile of borrowings can be found in note 15. The fixed rates of interest range from 0.71% to 10.54%, with the average interest rate for the year being 4.65% (2014: 4.65%).

The Group's lending agreements require compliance with a number of financial and non-financial covenants. The Group's position is monitored and reported to the Board regularly. The Group was in compliance with its loan covenants at the balance sheet date and the Board expects to remain compliant in the foreseeable future.

The Group has cash balances of £13m at 31 March 2015 (2014: £13.5m). The Group monitors cash flow forecasts closely to ensure that sufficient funds are available to meet liabilities when they fall due, whilst not incurring unnecessary finance costs.

The Group Treasury Policy sets out the controls and parameters for treasury activities across the Group and is reviewed on a three-yearly basis by the Group's Funding Panel.

Housing property valuation

Housing properties were professionally valued by Jones Lang LaSalle, external property consultants. The valuation as at 31 March 2015 on the Existing Use Valuation – Social Housing (EUV-SH) basis totalled £255m (2014: £249m).

Value for Money self-assessment

The Group Board's Value for Money self-assessment

1.0 Introduction

1.1 Value for money philosophy

Value for Money (VfM) is one of the nine core strands of the Group's Corporate Strategy 2012-15 and is regarded as being strategically important by the Board. The Group's value for money philosophy is outlined below:

Value for Money – The 4 Es

Economy – spending less – reducing cost of service delivery whilst maximising performance

Efficiency – spending well – making best use of resources thus avoiding waste

Effectiveness – spending wisely – using resources to achieve desired outcomes

Equity – spending fairly – ensuring services reach all intended groups

Utilising the right balance of financial and staff resources to deliver the right service to the right people at the right time

1.2 Value for money strategy

Our aim (as set out in the Corporate Strategy 2012-15) is to invest our financial resources effectively in order to deliver our corporate strategy through; the adoption of effective and efficient approaches to business delivery; learning from good practice; an integrated approach to continuous improvement; and use of internal data in conjunction with external benchmarking data to understand the relative cost and performance of our service delivery.

1.3 Embedding value for money

Ensuring that our value for money philosophy is embedded is underpinned by a Board commitment that is reflected within a diverse range of initiatives to cascade its importance throughout the organisation. Crucially, this includes a feedback loop to the Board to facilitate review and scrutiny of the extent to which VfM is achieved. For example:

- Quarterly review and challenge of performance data thereby ensuring that the Leadership Group is held to account for performance standards.
- Six-monthly review of progress against delivery of the Corporate Strategy achieved during 2014/15 at Board meetings in October 2014 and May 2015. This included a review of the value for money strand and encompassed an update on corporate improvement projects carried out with the consistent Universal Improvement approach. The value for money achievements arising from corporate projects is detailed in a later section in this self-assessment (see section 4.2).
- Standard report cover template which includes specific consideration of VfM is used for all papers submitted to Leadership Group, Panel, Committee and Board meetings.

Value for Money self-assessment

1.4 Value for money self-assessment

We, the Board, take our responsibility to demonstrate VfM to our stakeholders seriously. This self-assessment presents a summary of our activities during 2014/15 and the extent to which value for money has been achieved.

The information contained here is a summary of our full value for money self-assessment which, along with other supporting documents, is available at:

http://broadlandhousing.org/about-us/publications-and-policies/value-for-money.html

The remainder of this value for money self-assessment presents an overview of our activities in 2014/15 and is intended to give a transparent appraisal of; return on assets; cost and performance of services; and, achievements in current year and future plans.

2.0 Return on Assets

2.1 Asset Management Strategy

The Group's strategic aim is to maximise return on assets to ensure that the stock we hold is well-performing and yields the financial resources required to deliver our wider corporate mission (to improve life opportunities for people in Norfolk and North Suffolk through housing and support provision).

We regard decisions on holding, investing in and disposing of our stock as strategically important and aim to have a strong understanding of how such decisions will influence the social benefit that we can achieve.

2.2 Stock Condition

We recognise that it is fundamentally important to have a clear understanding of our stock profile to underpin strategic asset management decisions. A programme of stock condition surveys is in place to ensure that our data is maintained and can be used to inform investment decisions.

Our stock investment decision framework is closely interlinked with our Environmental Strategy. For instance, our stock appraisal system correlates with our aim to ensure that all properties we own have an EPC rating of at least C by 2017. Since 2008 2,445 properties have been assessed (49% of our stock) and rated at an average of 73.50 which falls within band C (above the national average of 61.1 band D).

Alongside this, a cost benefit analysis report was commissioned during 2014/15 to identify the most effective ways of reducing the energy impact of our homes based on the Carbon Reductions Options for Housing Managers (CROHM) model. Our Asset Improvement Action Plan overlays the EPC and CROHM data to identify the most cost-effective options for improvement works, whilst also maximising opportunities for grant funding, over the next 2-5 years, informed by costed improvement options analysis provided by Parity Projects.

When properties become void they are reviewed by the Risk Assessment Panel in relation to retention, investment or disposal. Identification of properties for disposal is factored on geography (whether they are close to or in communities that are core to our vision) and cost of investment (to bring them to our base standard). There is an organisational commitment to re-invest proceeds from disposals in environmental initiatives on our existing stock.

Value for Money self-assessment

2.3 Financial return on assets

We recognise that the starting point for a focussed asset strategy is to have a detailed understanding of the rental yields on all existing properties owned and managed by the Association. In reviewing this, we have made use of the considerable professional property expertise available within the business, as well as complementary input from valuation advisers.

We have reviewed all properties annually over the last three years, and reviewed the fluctuations between the yields on each valuation basis (existing use value; market value - tenanted; market value - vacant possession).

Existing use value – social housing					
Yield >	7%	8%	9%	10%	11%
General needs properties 2015	28	23	169	3,350	179
General needs properties 2014	30	45	213	3,344	157
Yield >	8%	9%	10%	11%	12%
Supported properties 2015	42	257	349	16	2
Supported properties 2014	41	277	175	195	1
Market value - tenanted					
Yield >	4%	5%	6%	7%	8%
General needs properties 2015	27	1	195	3,337	270
General needs properties 2014	28	2	208	3,326	144
Yield >	7%	8%	9%	10%	11%
Supported properties 2015	54	283	266	0	31
Supported properties 2014	41	318	127	143	31
Market value – vacant possession 2015					
Yield >	3%	4%	5%	6%	7%
Supported properties 2015	59	196	273	75	59
Supported properties 2014	42	228	269	90	59

Figure 1: Yield achieved 2013/14 and 2014/15

Value for Money self-assessment

Figure 1 shows that when using the existing use value and market value – tenanted bases of valuation the 2014/15 yield values have only marginally changed on those of 2013/14. There is a larger variation between years on the market value – vacant possession basis of valuation for general needs properties and this is shown in figure 2 below.

Market value – vacant possession							
Yield >	1%	2%	3%	4%	5%	6%	7%
General needs properties 2015	0	48	426	2,295	873	246	74
General needs properties 2014	0	48	1,627	982	929	0	0

Figure 2: Yield achieved – general needs vacant possession

We have noted that there has been a slight shift in yield values as shown in Figure 3.

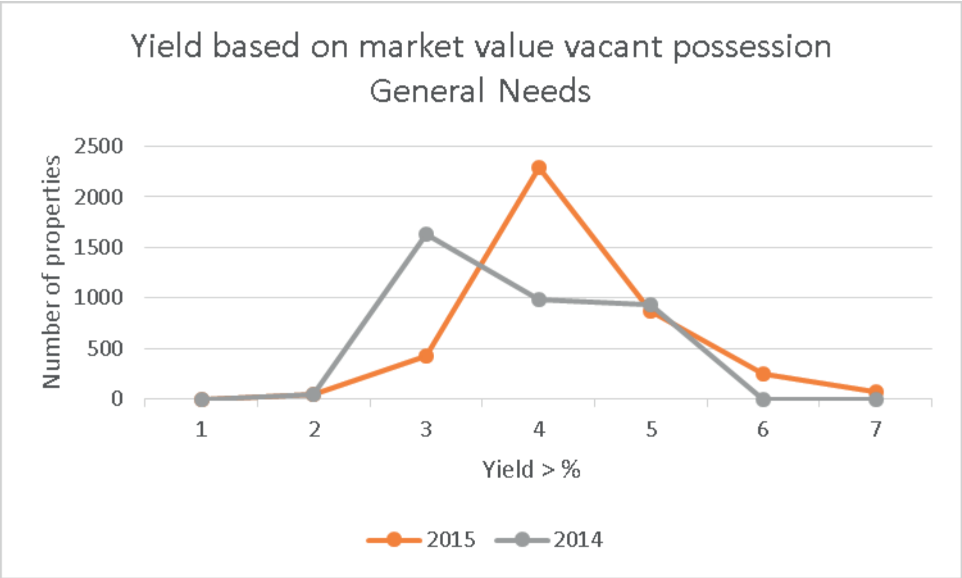


Figure 3: Yield distribution – general needs vacant possession

At present, we are reviewing any properties with a gross yield of less than 2½% Market Value - Vacant Possession (MV-VP), whether they are currently void or occupied, to enable us to have a prepared analysis in place for all our properties. This will provide a measured approach to asset management of our entire portfolio, so that in the event of properties becoming void, we will have a consistent response to support decision making on retention or disposal.

When reviewing the relative performance of our stock we consider a range of factors; yield; energy performance; history (cost and frequency) of repairs; whether significant repairs spend is anticipated; and, whether the property has been, or is expected to be, hard to let. This allows us to reach a realistic and pragmatic decision, taking all existing knowledge into account.

Value for Money self-assessment

2.4 Environmental return on assets

The energy efficiency and environmental impact of our housing stock is core to our Environmental Strategy.

A Carbon Reductions Options for Housing Managers (CROHM) model review was undertaken by Parity Projects in October 2014 which assisted in quantifying the energy performance of our housing stock using the SAP 2009 methodology. This incorporated our entire stock (47% houses, 46% flats and 7% bungalows). It was reported that the estimated average SAP 2009 score of our stock was 71.7, an improvement of 0.1 SAP points from the previous analysis (2013). This score compares favourably with the average SAP across all tenures nationally (56.7), and of the social housing (62.9) and the housing association sector (63.8) as a whole[1].

According to HouseMark as at 31 March 2015, our SAP rating of 72.0 again compared favourably against the median of 70.4 and the upper quartile of 72.6.

2.5 Social return on assets

At the time of the planned upgrade of the heating system at Sorrell and Campion House (a scheme with 95 dwellings) the opportunity was taken to install a biomass boiler. This was in keeping with the Group's strategic aspiration to actively investigate energy efficiency improvements and reduce energy bills for our tenants.

An investment of £231k has so far been made which represents a cost of £2,428 per dwelling. This is partially offset by a revenue stream of £29k per annum that will be receivable over the next 12 years. It is anticipated that the new boiler system will also result in a social benefit to tenants in the form of lower service charges (the value of which is yet to be determined). The Association commissioned Green Homes Energy Solutions to carry out an options appraisal. The brief required them to consider a number of principles such as ensuring that the final option would result in an uplift to the scheme's energy performance and reduce the carbon footprint. Their estimate is that the new biomass boiler will generate an annual heating cost saving of £10k.

3.0 Cost and Performance of Services

3.1 Overview

We consider our key services to be management (i.e. rent collection and letting) and repairs of properties, combined with support activities for tenants. Key measurements of our achievement of our value for money strategy are; average management cost per home; and, relationship between benchmarked performance and benchmarked costs.

3.2 Benchmarking

We have undertaken benchmarking activities in order to understand how the cost of delivering our services compares to the costs incurred by other comparator organisations and the sector as a whole.

[1] Source: Broadland CROHM report from Parity Projects October 2014

Value for Money self-assessment

We use three sources of Benchmarking data:

- Placeshapers - The Association remains a member of Placeshapers, a collaboration of 110 community based housing providers, which between them manage more than 784,000 homes across 10 regions of England and also includes two organisations in Wales[2].
- HouseMark – The Association re-joined HouseMark in 2014/15 which has more than 950 housing organisation members[3]. HouseMark is jointly owned by the Chartered Institute of Housing and the National Housing Federation. As part of re-joining HouseMark during 2014/15 we have been able to participate in performance benchmarking for the current year and this data is referred to later in this self-assessment. Our first cost data submission will be for 2014/15 and therefore we do not have HouseMark benchmarking data for the prior year.
- HCA Global Accounts – The National Housing Federation publishes an annual summary of the financial status of registered providers incorporating income and costs, value of housing assets and amount of borrowing.

3.3 Income Analysis

The Association's primary income stream originates from rent and service charge payments from social housing lettings. The income generated from our homes is shown in the table below:

Analysis of BHA income	2014/15	2013/14	2012/13	2011/12
	£'000	£'000	£'000	£'000
Income from general needs lettings	19,927	19,132	18,288	16,846
Income from supported housing lettings	5,141	4,819	4,608	4,397
Total income from social housing lettings	**25,068**	**23,951**	**22,896**	**21,243**
	No.	No.	No.	No.
Number of homes – general needs	4,198	4,220	4,142	4,113
Number of homes – supported housing	759	737	740	731
Total number of homes	**4,957**	**4,957**	**4,882**	**4,844**
	£	£	£	£
Average income per home – general needs	4,747	4,534	4,415	4,096
Average income per home – supported housing	6,773	6,539	6,227	6,015
Average income per home	**5,057**	**4,832**	**4,690**	**4,385**

Figure 4: Analysis of BHA income per home

[2] As at the time of publication of the 'Placeshapers Making an Impact 2013/14' report published in March 2015

[3] Source: HouseMark website as at 12 June 2015

Value for Money self-assessment

The income generated from our properties as shown in Figure 4 is utilised to provide the services that are embodied in our mission to improve life opportunities for people in Norfolk and North Suffolk through housing and support provision.

Accordingly our major categories of expenditure are focused on operational activities which deliver against these strategic aims; management and services; routine maintenance; major repairs; and, provision of support services.

3.4 Expenditure Analysis

The operating costs for the Association over the last four years have been analysed by major category of expenditure in Figure 5 below. These are analysed excluding overhead apportionment.

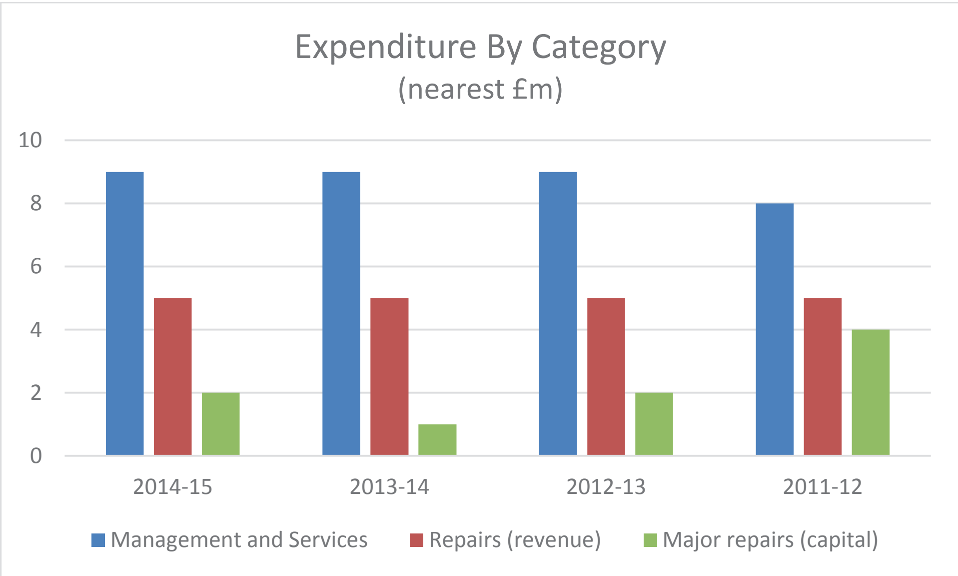


Figure 5: Analysis of BHA Expenditure

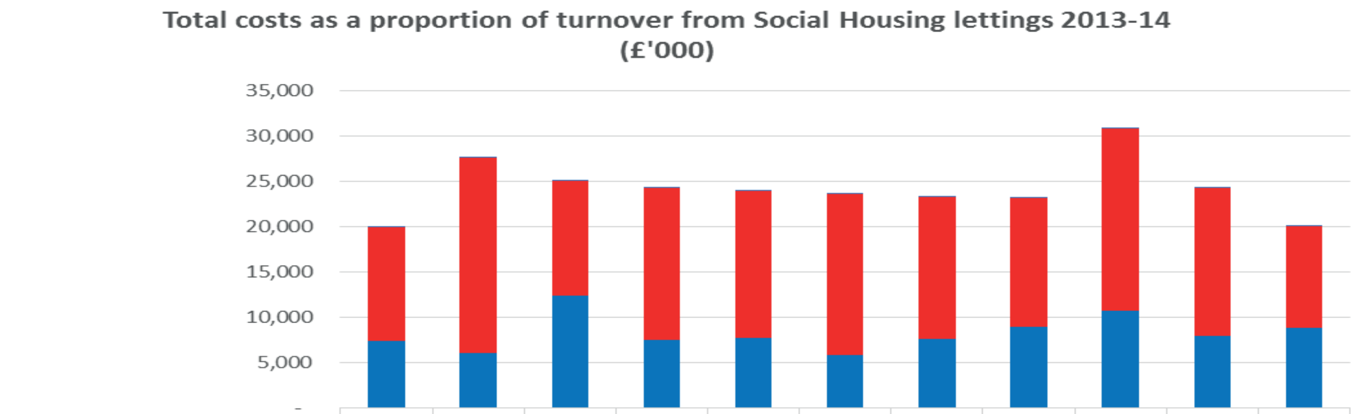
There has been a slight increase in management and service costs. In 2014/15 the overall increase in total repairs spend compared with prior year is 5%.

It is recognised that in 2014/15 repairs spend exceeded budget as a result of choosing to invest in specific activities, balanced by delivering efficiencies elsewhere (payroll was reduced by a frontline staff restructure and a continued benefit arising from favourable interest costs). Investments were made in the following areas; a biomass boiler at Campion and Sorrell House which was brought forward in order to take advantage of grant funding; introduction of a Saturday repairs service which resulted in a short-term increase in use of contractors; implementation of IT system changes; and increased investment in staff training.

Value for Money self-assessment

Cost control is an important element of achieving financial value for money. Through the use of benchmarking information was are able to assess how our costs compare to comparable organisations.

The proportion of our income spent on the provision of services is a key measure of the value for money that we have delivered as it has a direct impact on the operating surplus that we can generate for future investment in provision of new homes and other services. The chart below shows how our cost base compares to a select group of ten comparators chosen from the HCA Global Accounts based on a turnover from social housing lettings and number of units similar to that of BHA. The latest available data relates to 2013/14.



	HA 1	HA 2	HA 3	HA 4	BHA	HA 5	HA 6	HA 7	HA 8	HA 9	HA 10
Costs as % of turnover 2011-12	63%	77%	53%	70%	70%	84%	70%	68%	67%	66%	62%
Costs as % of turnover 2012-13	61%	75%	50%	75%	70%	79%	66%	65%	66%	65%	55%
Costs as % of turnover 2013-14	63%	78%	50%	69%	68%	76%	67%	62%	65%	67%	56%
Total costs 2013-14	12,587	21,565	12,666	16,880	16,271	17,833	15,654	14,293	20,161	16,284	11,303
Turnover minus costs 2013-14	7,388	6,071	12,435	7,450	7,680	5,769	7,599	8,918	10,692	7,982	8,779

Figure 6: Analysis of costs as a proportion of turnover (Source: HCA Global Accounts)

This data shows that our operating costs are in line with those of this selected peer group of similar sized organisations. Our costs as a percentage of turnover for 2013/14 were 68% and this is in line with the average for this peer group (66%) and the average for the whole housing sector (69%).

Value for Money self-assessment

3.4 Benchmarked key financial metrics

The following table shows how our key financial metrics compare against benchmarking data.

Metric	Broadland Housing Association			Benchmark data HCA Global Accounts	
	2014/15	2013/14	2012/13	Select peer group 2013/14	Whole sector 2013/14
Operating margin on social housing lettings	28.6%	28.4%	25.4%	25.7%	26.1%
Surplus on SH lettings per property managed	£1,638	£1,545	£1,388	£1,654	£1,621
Interest per property managed	£1,336	£1,382	£1,394	£1,048	£1,190
Bad debt per property managed	£46.21	£31.58	£28.93	£40.29	£44.78
Liquidity ratio	2.7	2.4	1.7	2.2	2.0

Figure 7: Benchmarked financial metrics

2014/15 has seen strong financial performance, continuing the turnaround since the deficit position of 2012/13.

- Liquidity continues to improve and in 2013/14 exceeded both our select peer group and sector averages, as a result of existing deposits.
- It is noted that bad debt per property has increased as a result of anticipated changes in the political and economic environment. Taking into account our highly prudent approach our performance is similar to the wider sector.
- The surplus on lettings per property managed is slightly below sector averages but is showing a year on year increase.

Value for Money self-assessment

3.5 Final outturn position

In 2014/15 the Group made a net surplus of £1.465m which shows an increasing trend on the financial outturn achieved in previous years.

For the year ended 31 March Income and expenditure account	2015 £'000	2014 £'000	2013 £'000	2012 £'000	2011 £'000
Total turnover	26,030	25,659	24,872	23,463	22,450
Operating surplus	7,438	7,284	6,329	6,323	5,655
Net interest charge	6,520	6,734	6,767	6,105	5,927
Surplus/(deficit)	1,465	754	(438)	218	(299)

The Group will use the surplus to finance future development by having a stronger reserves position to secure new funding.

3.6 Cost of services delivered

We have reviewed our costs against those of similar housing associations in our selected peer group as well as the wider sector:

Cost Metric	BHA 2014/15 £	BHA 2013/14 £	Peer Group 2013/14 £	Sector 2013/14 £
Management costs per property managed	1,055	1,006	854	1,027
Service costs per property managed	412	415	503	697
Routine maintenance per property managed	921	842	912	994
Major repairs per property managed	266	330	121	122

Figure 8: Benchmarked service costs (data source: HCA Global Accounts 2013/14)

Value for Money self-assessment

Highlights from this analysis are:

- Management costs were higher than comparators, whereas service costs and routine maintenance were lower.
- We carried out an in-depth review of service charges across schemes and as a result of this we have brought external contracts for communal cleaning and gardening worth £110k in-house.
- We remain cost conscious and a number of other smaller initiatives have also yielded cost savings, for example, our fleet of repairs vans was brought in-house with a saving of £600 per vehicle per month.

Staff costs: We carry out annual benchmarking exercises both regionally and nationally using data from the NHF pay and benchmarking service which is used to inform the setting of competitive rates of pay and for harmonisation of pay across the Group.

A staff re-structure was undertaken within our Frontline Services team which enabled us to achieve some pay savings and re-invest in strengthening our tenancy support team as well as making a contribution to the surplus achieved.

Benchmarking data: As part of re-joining HouseMark we will be submitting our cost data for 2014/15 and will then have detailed cost benchmarking information available to us going forward. It is our intention to then conduct more sophisticated cost analysis using more detailed comparative data. This will enable us to identify how the cost of delivering specific services compares externally.

3.7 Performance of services delivered

Using HouseMark performance benchmarking information we have compared our performance in key operational areas to the sector as a whole. A summary of our position against the sector upper, median and lower quartiles for each metric is shown below:

PI Type		Enablers	Performance Outcomes			
HouseMark Benchmark	Upper Quartile			Gas servicing Arrears (current and former tenants net of HB)	Re-let time Vacant properties (unavailable)	
	Median	Staff turnover Days lost to staff sickness absence	Rent loss (from voids) Repairs (time taken) No. of repairs per property	Percentage calls answered Arrears (current tenants) Arrears (former tenants) Arrears (written off)	Vacant properties (available) No. of affordable units developed	SAP rating
	Lower Quartile			Time taken to answer calls No. of tenancies terminated (as % of properties managed)	No. of standard units developed	
Strategy Theme		People	Operations	Customer	Neighbourhood	Environmental
		Value for Money Strategy Measure: Monitor Benchmarked Performance				

Figure 9: Performance benchmarked against all HA's (Source: HouseMark 2014/15)

Value for Money self-assessment

From our analysis of performance against the wider sector we have identified the following areas that are performing well and those that will continue to be reviewed:

Well performing areas	Areas for continued review
Gas servicing	Repairs performance
Arrears management	Bad debt write-offs
Void management	Customer call centre
	Tenancy terminations

Using HouseMark reports we have also reviewed our performance in relation to nine of the ten organisations in the select peer group used earlier in this self-assessment (all those that have made a HouseMark data submission).

PI Type		Enablers	Performance Outcomes			
HouseMark Benchmark	Upper Quartile		Repairs (time taken)	Gas servicing Arrears (current and former tenants net of HB) Arrears (current tenants)	Re-let time Vacant properties (unavailable to let)	SAP rating
	Median	Days lost to staff sickness absence	No. of repairs per property		Vacant properties (available to let)	
	Lower Quartile	Staff turnover	Rent loss (from voids)	Percentage calls answered Time taken to answer calls No. of tenancies terminated (as % of properties managed) Arrears (written off) Arrears (former tenants)	No. of standard units developed No. of affordable units developed	
Strategy Theme		People	Operations	Customer	Neighbourhood	Environmental
		Value for Money Strategy Measure: Monitor Benchmarked Performance				

Figure 10: Performance benchmarked against all select peer group (Source: HouseMark 2014/15)

Comparison against this smaller group indicates additional areas where we may be able to make further performance improvements.

Highlights from benchmarked performance analysis

The following analysis provides a balanced view of areas that are performing well and those where further improvements could be made.

Value for Money self-assessment

Repairs: Over the course of 2014/15 our repairs time has decreased from an average of 11.1 days to 9.7 days showing an improvement in performance. The HouseMark data on repairs performance does not make a distinction between emergency and appointable repairs. However, we do monitor performance of each against our aim of completing 96% of jobs within the respective target time. Figure 11 below shows our performance against this aim overlaid with customer satisfaction with the repairs service.

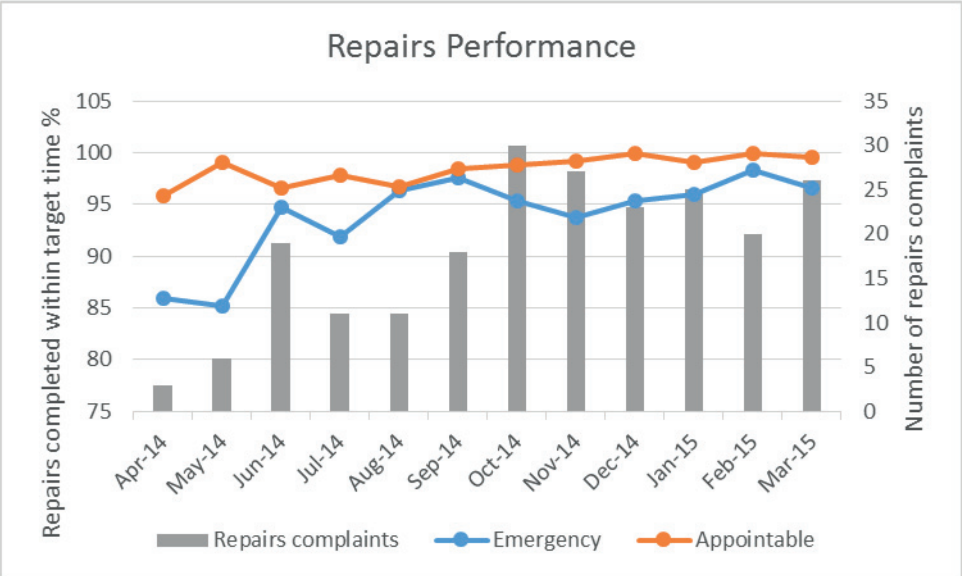


Figure 11: Repairs performance and complaints correlated

During the course of the year the number of complaints increased but started falling again in the last six months to March 2015 and this correlates with an improved consistency in meeting repairs timescale targets over the same period.

Arrears management: Our current tenant rent arrears of 2.85% at quarter 4 is in the upper quartile although slightly exceeding the sector median of 2.73%. We actively monitor arrears and have dedicated Income Officers who work with tenants to help them manage arrears and wherever possible sustain their tenancies.

Arrears management – bad debt write-offs: When comparing against our select peer group our rent arrears write-off of 0.31% of rent due appears high and falls into the lower quartile. However, when compared to the whole sector 0.31% falls between the median of 0.45% and the upper quartile of 0.22%. This could indicate that other similar sized organisations have lower bad debt write-offs and this potentially indicates an area which could be examined further. However it is recognised that we take a very prudent approach to aged debtors and this could be an explanatory factor in the variance to peers.

Void management: Our re-let times are in the upper quartile in relation to both the whole sector and our select peer group. Our monthly performance monitoring includes detailed review of re-let times by tenure as well as showing the number of void days for specific properties and schemes so that these can be effectively monitored, trends identified and actions taken where required.

Value for Money self-assessment

Customer contact centre: HouseMark performance data has highlighted that the time taken to answer customer calls exceeds that of comparators:

	Time taken to answer telephone calls (seconds)			
HouseMark 2014/15	Whole sector	Placeshapers (East region)	Select peer group	BHA performance
Upper quartile	13.06	8.70	14.00	46.50
Median	22.00	13.00	22.49	
Lower quartile	39.00	43.25	28.30	
Sample size	*156*	*7*	*5*	

We have experienced significant performance issues with our telephony provider during 2014/15 which directly impacted on our ability to answer customer calls. Our business continuity plans were successfully brought into force on each occasion and the issue was actively addressed and resolved over a period of months. At the end of the financial year we implemented new software and a new telephony system which will provide more detailed performance information during 2015/16 than was previously available. This will enable us to effectively monitor more detailed information in relation to the customer service that we provide.

However, it is also important to note that the time taken to answer a call is also intrinsically linked to our aim to resolve the reason for the call rather than simply take brief details and return a call to the customer later. This increases the duration of calls and therefore the availability of a customer service advisor for the next call. It should also be noted that our call abandon rate remains low.

Tenancy management: The number of evictions in 2014/15 appears high in comparison to our comparators. This is indicative of changes in the political and economic environment in which we operate. We have taken steps to strengthen our tenancy support team during 2014/15 but this is an area which we will continue to monitor.

	Evictions due to rent arrears as a percentage of all tenancies			
HouseMark 2014/15	Whole sector	Placeshapers (East region)	Select peer group	BHA performance
Upper quartile	0.19	0.16	0.17	0.82
Median	0.37	0.28	0.53	
Lower quartile	0.51	0.38	0.82	
Sample size	*221*	*8*	*5*	

Figure 16: Tenancy terminations – evictions due to rent arrears

Value for Money self-assessment

Customer satisfaction: We undertake regular surveys known as 'Your Opinion Matters' to measure how satisfied customers are with the service that they received. The questions used in the survey are consistent with those set out in HouseMark's Survey of Tenants and Residents (STAR) and enables us to carry out external benchmarking.

In 2014/15, we received 1,056 responses compared to 827 in the previous year. The trends indicate that overall 77% of those surveyed were satisfied with the quality of services provided by us. This represented a minor change of 1% in satisfaction rates from 76% in 2013/14. This compares well to the sector average of 80%[4]. Customer satisfaction rates are regularly reviewed and trends are monitored by our Frontline Panel.

4.0 Assessment of value for money gains

4.1 Progress against prior year commitments

In our 2013/14 VfM self-assessment we reported a number of plans for gaining future VfM gains. Our progress against these commitments is highlighted below:

Commitment	Status (as at 31 March 2015)
• To ensure that the Board review of progress against all areas of the Corporate Strategy, including VfM, would be undertaken on a six-monthly basis going forward (after the March 2014 review that was reported in the 2013/14 VfM self-assessment).	• The Board received and discussed a detailed report of progress against delivery of each of the nine strands of the Corporate Strategy during 2014/15 at its meetings in October 2014 and May 2015.
• To continue actively engaging with SHIFT and CROHM to maintain accurate data on our properties to inform investment and disposal decisions.	• The practice of reviewing properties as they become void is being formally documented within a Disposals Policy, which incorporates a review of all properties falling below a rating of C when they become void.
• To evolve a structured approach to measuring social benefit of the services we provide.	• Initial steps have been taken during 2014/15 towards accomplishing what is recognised as a longer-term aim. A workshop was delivered to staff by Baker Tilly (our internal audit provider) outlining approaches to measuring social impact. This has resulted in a greater awareness of capturing potential benefits when developing remits for formal projects. Our future plans to continue this work are outlined in section 4.5.

[4] Source: (HouseMark STAR benchmarking service analysis of findings 2013/14)

Value for Money self-assessment

Commitment	Status (as at 31 March 2015)
• To continue to research how a higher capital build standard has a long term impact on; rent arrears; void costs; lifetime costs of future maintenance and replacement cycles; and reduction of fuel poverty.	• During 2014/15 we have continued to monitor energy efficiency gains in our four PassivHaus properties. Initial indications have shown that there are considerable energy gains but the extent to which these are realised is dependent on behaviour and lifestyle of tenants. • We also acknowledge that flowrates of air through the properties could be improved and this is being investigated.

4.2 2014/15 value for money gains

We are pleased to report a number of areas where VfM gains have been achieved during 2014/15. Alongside this we also recognise that there will always be ways in which operational activities can be continuously improved to maximise VfM gains and these are also outlined below in section 4.3.

Planned maintenance: The materials cost of kitchen and bathroom replacements has been reviewed and through a combination of procurement changes and cost engineering the average cost per unit has been reduced:

- Kitchens - by 13% to an average £3,031 per property (average saving £437 per kitchen)
- Bathrooms – by 29% to an average £1,747 per property (saving £721 per bathroom)

Kitchen installations: The Operative Improvement Team, working with the Tenant Estate Forum, reviewed the supply chain for kitchen installations. In addition to the material cost savings shown above, the changes have resulted in efficiency gains in respect of labour time. The average kitchen installation now takes 48 hours down from the previous average of 72 hours.

EPC Reviews: Our surveying team attended a Domestic Energy Assessment training course and have all qualified as Domestic Energy Assessors. We can now carry out all Energy Performance Certificate Surveys in-house, resulting in a cost saving of approximately £25k per year.

4.3 Areas for continued improvement

Development: The development of new homes has been much reduced during 2014/15 due primarily to lower grant rates offered by the HCA. It is recognised that compared to the sector our development performance is towards the lower quartile. HouseMark data shows:

- Standard units developed as % of stock – 0.23 versus sector lower quartile 0.13
- Affordable units developed as % of stock – 0.23 versus sector lower quartile 0.04

However, significant work was undertaken during 2014/15 towards future schemes which are detailed in section 4.5.

Value for Money self-assessment

Best Companies: In 2014/15 there was a slight downward trend identified and we scored 652.8 points (648.7 in 2013/14). Analysis of the outcomes indicated a need to invest in the development and training of management staff specifically. This staff group has since undertaken training on the Franklin Covey 7 Habits of Highly Effective People. It has also been recognised that we could do more in terms of staff engagement, particularly with regard to providing feedback on corporate surveys such as Best Companies.

Performance: Section 3.7 sets out the insight we have gained into our relative performance from undertaking benchmarking analysis. The areas for improvement highlighted will continue to be monitored.

4.4 Social benefit

Apprenticeships: We have doubled the number of apprentices in 2014/15 to four. In addition a skills shortage has been recognised within Broadland Repairs Service and there is an organisational commitment to appointing two further apprentices each year for the next three years. This will not only improve the repairs service to tenants but will also secure work for people who may currently be unemployed.

Tenancy Support Workers: The Frontline organisational restructure enabled an investment in increasing capacity within our tenancy support team. In response to changes in the welfare system we have reviewed the referral criteria to include a ‘mandatory’ referral for new customers who have not previously held a tenancy of any kind. This offers assistance in managing utility bills, budgeting and claiming benefits and helps ensure that tenancies are sustainable. We have assisted 184 tenants with a further 83 currently receiving support.

4.5 Future plans

Our priorities for exploiting opportunities for future VfM gains are outlined below:

Staff ideas: A staff survey on value for money was undertaken in May 2015 and the outputs from this will be collated and analysed. Work will be undertaken during 2015/16 to explore ideas put forward by staff in relation to achieving future VfM gains based on their experiences of delivering our services to tenants.

Planned maintenance: Following on from the VfM gains achieved in reducing the cost of kitchen and bathroom re-fits, focus is now moving to gas heating systems to explore the opportunities for further reductions on transactional costs.

Measuring social benefit: Our commitment to measuring social benefit remains strong and is being increasingly explored within Corporate and Directorate projects. This will enable us to develop more sophisticated data to quantify the benefits to tenants of the services we deliver and the improvements to those services that we achieve through our improvement projects.

Measuring social impact: A decision has been taken to contract external advisors to undertake a comprehensive study of social impact of our proposed developments in North Norfolk to accompany our planning applications.

Value for Money self-assessment

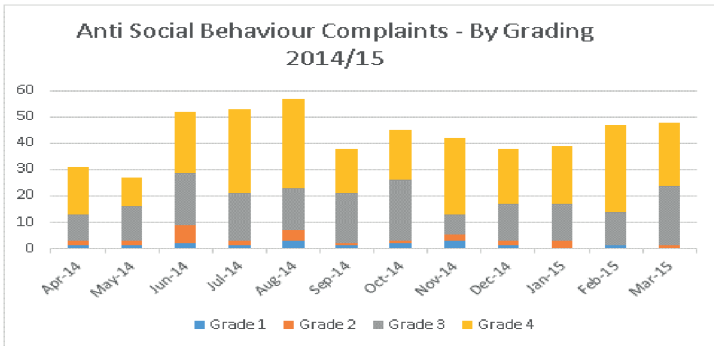
Development: Broadland St. Benedict's (a wholly owned subsidiary of Broadland Housing Association) entered into a Land Options agreement to acquire five sites to deliver a mixed tenure project for approximately 100 properties over the next five years, subject to planning consent being granted. This will enable the Group to deliver affordable housing where it is much needed in rural communities of North Norfolk.

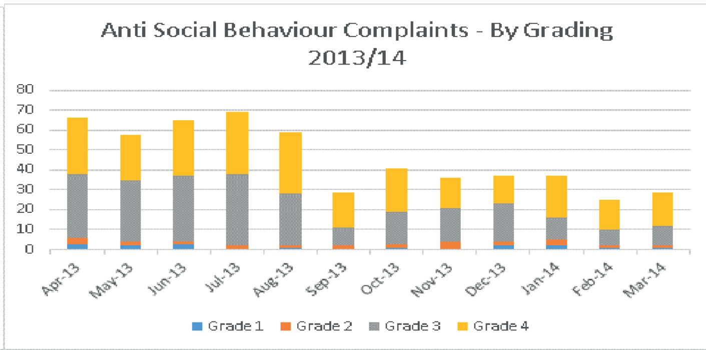
Data analytics: Increased use of Qlikview software will enable us to gain a greater insight into our cost and performance data. It is recognised that this is an essential element in our drive to ensure that we are able to identify where further efficiencies can be achieved, whilst also maintaining high quality and valued services to our tenants.

Corporate projects: A number of long-term projects from 2014/15 will continue into 2015/16. These include;

Tenant engagement: The aim is to assess and enhance tenant participation, engage tenant feedback and inform improvements to services.

Anti-social behaviour: The aim is to launch a new working methodology in partnership with local police authority to achieve a reduction in ASB complaints by working more pro-actively and preventatively.





Base line data has already been gathered which shows a cyclical trend in complaints over the last three years and will be used to measure the impact of the pilot during 2015/16.

Worklessness: Aims to help unemployed tenants acquire employability skills and opportunities to engage in meaningful activity such as voluntary work, training or paid employment.

Jump Start: Based at our scheme which provides moving-on accommodation, this initiative is building a partnership of individuals, groups and organisations who provide positive activities for those residents, other Broadland Housing Association tenants and the local community. The service features; Moving On Moving Up (job club); partnerships with local artists; gardening and allotments with Acorn Allotment Society; and, football with Football in the Community.

Digital inclusion: During 2015/16 we will be launching a Digital by Default project aimed at new customers and those tenants who are already engaged through 'Tenants Online'. We will be establishing the social impact measures during the project kick-start process.

Report of the Group Board

Details of the Group's principal activities, Board members, performance during the year, future strategy and risks are contained within the Operating and Financial Review, which precedes this report.

Executive directors

The Executive directors of the Group are set out on page 2. They act within the authority delegated by the Board. Group insurance policies indemnify Board members and officers against liability when acting for the Group. Executive directors are employed on individual contracts, which are reviewed and benchmarked by external advisers annually and agreed by the Group Remuneration and Membership Committee. Their terms include pension arrangements and other benefits which are set out in note 18 to the Financial Statements.

Employees

We recognise that the success of our business depends on the quality of our managers and staff. It is the policy of the Association that training, career development and promotion opportunities should be available to all employees. We are committed to equal opportunities and in particular we support the employment of people with disabilities, both in recruitment and in retention of employees who become disabled whilst employed by the Group. We have accreditations from Investors in People, Best Companies, Mindful Employer, Stonewall, and Positive about Disabled People. We are in the process of applying for accreditation as a Living Wage Employer and subscribe to the governments Think Act Report gender equality at work initiative.

The Board is aware of its responsibilities on all matters relating to health and safety. The Group has prepared detailed health and safety policies and provides staff training and education on health and safety matters.

NHF Code of Governance

In May 2015, the Group Board formally adopted the most recent edition of the National Housing Federation's Code of Governance (published in February 2015).
The Group Board has reviewed its practices against the Code and complies in all material respects with the principal recommendations of the Code.

A significant number of new requirements were included within the revised edition of the Code, a small number of which the Group is not yet fully compliant with. Therefore the Group has devised the following action plan to ensure necessary steps are taken to fully comply with these requirements within the financial year ending 31 March 2016:

Code Section	Compliant: Yes/No/Partial	Action
C1 The essential functions of the Board must be formally recorded. In addition to matters set out in law and in the Group's constitution these will include as a minimum: (2) setting a positive culture, with strong customer focus; (4) providing oversight, direction and constructive challenge to the organisation's chief executive and executives.	Partial	Update Board responsibilities within the Group Standing Orders to formally record the functions of the Board in subsection 2 and 4. (The Group is fully compliant in terms of recording functions of the Board set out in subsections 1, 3, 5, 6, 7 and 8).

Report of the Group Board

NHF Code of Governance (continued)

Code Section	Compliant: Yes/No/Partial	Action
D4 A member who has left the Board after serving the maximum tenure must not be reappointed for at least one full term of office.	No	Adopt NHF Model Rule D12.2 which states that a retiring Board member having served 9 years shall not be eligible for re-appointment or re-election for at least one full term of office (Amend to reflect the Association's maximum term of 6 years which can be extended by two one year terms). Alternatively, stipulate that after serving the maximum tenure no reappointment is permitted, or reappointment permitted following a longer period of time.
D9 A full and rigorous appraisal process for the individual members of the Board and its Committees, including the Chairs, must be carried out at least every two years.	Partial	Research and implement mechanism for annual appraisal of Chair (annual appraisal process already in place for Board members).
E4 All Boards and Committees must consider annually their effectiveness and how they conduct their business, including: (1) their governing instruments, delegations, regulations, standing orders, structures, systems and other formal documentation; (2) the timing and frequency of meetings; (3) the format of their agendas, papers, minutes and communications; (4) their collective performance as a decision-making body; (5) their compliance with this Code and their legal duties.	Partial	Board Effectiveness Review to take place annually going forward (rather than biennially) and to incorporate elements listed in 1 to 5.
There must be a formal review of these matters at least every three years, to ensure best practice, and that documentation is compliant with the latest legislation and regulations.	Partial	Formal review undertaken by external consultant in May 2011. Frequency to be amended so that this takes place at least every three years.
E5 The Chair of the Board must not chair the committee responsible for remuneration, nor that responsible for audit.	Partial	Standing Orders to be amended to remove the Association's Chair as Chair of R&M and appropriate replacement to be identified.

Report of the Group Board

NHF Code of Governance (continued)

Code Section	Compliant: Yes/No/Partial	Action
G2 Like all other employees, the Chief Executive must have a written and signed contract of employment; the Board must consider whether it should be reviewed at least every three years.	Partial	Terms of reference of R&M to be amended to include provisions for considering whether CEO contract of employment needs reviewing every 3 years.
H4 In the case of a fundamental or ongoing material conflict the Board must consider and determine whether the person concerned should cease to be a Board member.	Partial	This would probably happen in practice, but is not stipulated anywhere. Strengthen existing wording in Group Board Member Code of Conduct to reflect this requirement (it currently states *'if the conflict is likely to recur on a frequent basis, the Board member should offer to resign')*

The Association has decided not to comply with section H5 of the Code which states: *'Where there are persons who are members of more than one Board in a Group, there must be formal arrangements to ensure that if there are any actual or potential conflicts of interest these are managed and identified'.* This is due to the fact that all entities within the Group share a common strategy, goals, and vision. As such, conflicts of interest should not arise due to membership of more than one Board within the Group. Furthermore, it is in the best interest of the Group for members to sit on multiple Boards and Committees within the Group in order to ensure cohesive leadership of the organisation. It would be unnecessary and time consuming for potential conflicts of interest arising from membership of another Group Board or Committee to be recorded at every meeting.

An audit of Broadland Housing Association's compliance with the Code will continue to be carried out annually in line with the Code's requirements.

NHF Code of Conduct 2012

In November 2013, the Group Board formally adopted the most recent edition of the National Housing Federation's Code of Conduct (published in October 2012).

The Group Board reviewed its practices against the Code in May 2015. This review concluded that it continues to comply in all material respects with the principal recommendations of the Code.

An audit of Broadland Housing Association's compliance with the Code will continue to be carried out annually in line with the Code's requirements.

Report of the Group Board

Internal controls assurance

The Board acknowledges its overall responsibility, applicable to all organisations within the Group, for establishing and maintaining the whole system of internal control and for reviewing its effectiveness. The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and to provide reasonable assurance against material misstatement or loss.

The process for identifying, evaluating and managing the significant risks faced by the Group is ongoing and has been in place throughout the period commencing 1 April 2014 up to the date of approval of the report and financial statements.

Key elements of the control framework include:

- Board approved terms of reference and delegated authorities for Group Audit Committee, Frontline Panel and Capital & Funding Panel;
- clearly defined management responsibilities for the identification, evaluation and control of significant risks;
- robust strategic and business planning processes, with detailed financial budgets and forecasts;
- formal recruitment, retention, training and development policies for all staff;
- established authorisation and appraisal procedures for significant new initiatives and commitments;
- a sophisticated approach to treasury management which is subject to external review;
- regular reporting to the appropriate committee on key business objectives, targets and outcomes;
- Board approved fraud policies, covering prevention, detection and reporting, together with recoverability of assets; and
- regular monitoring of loan covenants and requirements for new loan facilities.

A fraud register is maintained and is reviewed by the Group Audit Committee on a quarterly basis. No frauds were reported during the year. This will be reflected in the Association's Fraud Report submitted to the HCA for the period.

As the provider of internal audit service to Broadland Housing Association for the period, Baker Tilly is required to provide to the Group Board an opinion on the adequacy and effectiveness of the organisation's governance, risk management and control arrangements. Based upon the areas reviewed, Baker Tilly reported that it had gained **SUBSTANTIAL ASSURANCE** that the key risks to the achievement of Broadland Housing Association's objectives are being adequately managed by the risk management, control and governance processes in place.

The Board cannot delegate ultimate responsibility for the system of internal control, but it has delegated the authority for regularly reviewing the effectiveness of the system of internal control to the Group Audit Committee. The Group Chair receives a copy of all Group Audit Committee reports and minutes and is updated on committee activity at regular Chairs' meetings. All Group Audit Committee reports and minutes are made available electronically to Group Board members. The Group Board receives a résumé at each of its meetings outlining decisions made by the Committee. The Group Board has received the annual review of the effectiveness of the system of internal control for the Group, and the annual report of the internal auditor.

Report of the Group Board

Going concern

The Group's business activities, its current financial position and risks likely to affect its future development are set out within the Operating and Financial Review. The Group has in place long-term debt facilities which provide adequate resources to finance both the reinvestment and development programmes to which it has committed, and the Group's day to day operations. The Group also has a long-term business plan which shows that it is able to service these debt facilities whilst continuing to comply with lenders' covenants.

On this basis, the Board has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, being a period of twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

Statement of the responsibilities of the Board for the report and financial statements

The Board is responsible for preparing the report and financial statements in accordance with applicable law and regulations. Co-operative and Community Benefit Society legislation requires the Board to prepare financial statements for each financial year. Under the law the Board have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws). Under the Co-operative and Community Benefit Society legislation the Board must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and surplus or deficit of the Association and Group 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 accounting estimates that are reasonable and prudent; and
- state whether the requirement of the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2012 have been followed, subject to any material departures disclosed and explained in the financial statements.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and Association and enable that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. It is also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the Board members is aware:

- there is no relevant audit information of which the Association's auditors are unaware; and
- the Board has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the Association's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Report of the Group Board

Annual General Meeting

The annual general meeting will be held on 25 September 2015 at Broadland Housing Association's registered office.

The report of the Board was approved by the board on 23 July 2015 and signed on its behalf by:

P. Hollis

The Rt Hon. Baroness Hollis of Heigham DL MA (Cantab) D. Phil (Oxon) F.R.Hist.S - Group Chair

Independent auditor's report to the members of Broadland Housing Association Limited

We have audited the financial statements of Broadland Housing Association Limited for the year ended 31 March 2015 which comprise the Consolidated and Association Income and Expenditure Accounts, the Consolidated Statement of Total Recognised Surpluses and Deficits, the Consolidated Reconciliation of Movements in Group funds, the Consolidated and Association Balance Sheets, the Consolidated Cash Flow Statement and the related notes. 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 regulations made under the Housing and Regeneration Act 2008 and Section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the housing 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 housing association and the housing 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 the auditor

As explained more fully in the Statement of Board's Responsibilities set out on page 43, the Board is responsible for the preparation of financial statements and for being satisfied that they 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 Financial Reporting Councils (FRC'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 FRC's website at www.frc.org.uk/auditscopeukprivate

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group and Parent Association's affairs as at 31 March 2015 and of the Group and Association surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom generally accepted accounted practice; and
- have been properly prepared in accordance with the requirement of the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2012.

Independent auditor's report to the members of Broadland Housing Association Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where we are required to report to you if, in our opinion:

- the information given in the Report of the Group Board for the financial year for which the financial statements are prepared is not consistent with the financial statements;
- the Parent Association has not kept proper accounting records, or returns adequate for our audit have not been received from branches not visited by us;
- a satisfactory system of control over transactions has not been maintained;
- the Parent Association financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we need for our audit.

BDO LLP

BDO LLP, Statutory auditor
Norwich
United Kingdom

23 July 2015

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Consolidated and Association income and expenditure accounts

	Notes	Association		Group	
		2015	2014	2015	2014
		£'000	£'000	£'000	£'000
Turnover	2a/2	25,760	25,324	26,030	25,659
Operating costs	2a/2	(18,249)	(18,042)	(18,592)	(18,375)
Operating surplus	2a/2	7,511	7,282	7,438	7,284
Interest receivable and similar income	6	121	133	123	136
Interest payable and similar charges	7	(6,643)	(6,870)	(6,643)	(6,870)
Gains on disposal of fixed assets		547	204	547	204
Surplus before taxation		1,536	749	1,465	754
Taxation	9	-	-	-	-
Surplus for the year	8	1,536	749	1,465	754

All amounts relate to continuing activities.

The above surpluses are the historical cost surpluses.

The accompanying notes form part of these financial statements.

Consolidated statement of total recognised surpluses and deficits

	Note	Group 2015 £'000	Group 2014 £'000
Surplus for the year		1,465	754
Unrealised gains on revaluation of fixed asset investments	17	9	11
Total recognised surpluses and deficits relating to the year		1,474	765

The accompanying notes form part of these financial statements.

Consolidated reconciliation of movements in Group funds

	Group 2015 £'000	Group 2014 £'000
Opening total funds	12,208	11,443
Total recognised surpluses and deficits relating to the year	1,474	765
Closing total funds	13,682	12,208

Consolidated balance sheet

	Notes	2015 £'000	2015 £'000	2014 £'000	2014 £'000
Fixed assets					
Housing properties:					
Gross cost less depreciation	10		278,905		280,169
Less: Social Housing Grants	10b	(114,499)		(114,532)	
Other grants	10b	(19,842)	(134,341)	(19,869)	(134,401)
			144,564		145,768
Other tangible fixed assets	11		3,711		3,726
			148,275		149,494
Investments	12		143		134
			148,418		149,628
Current assets					
Properties held for sale		211		34	
Debtors and prepayments	13	2,372		2,127	
Cash at bank and in hand		13,010		13,484	
		15,593		15,645	
Creditors: Amounts falling due within one year	14	(5,729)		(6,593)	
Net current assets			9,864		9,052
Total assets less current liabilities			158,282		158,680
Creditors: Amounts falling due after more than one year	15		144,600		146,472
Capital and reserves					
Revenue reserve	16a	13,535		12,070	
Restricted reserves	16b	95		95	
Investment revaluation reserve	17	52		43	
			13,682		12,208
			158,282		158,680

The accompanying notes form part of these financial statements.

Consolidated balance sheet

The financial statements were approved by the Board of Management and authorised for issue on 23 July 2015 and are signed on its behalf by:

Chair – The Rt. Hon. Baroness Hollis of Heigham DL MA(Cantab) D.Phil(Oxon) F.R.Hist.S

Vice Chair – Jenny Manser

Secretary – Anna Simpson MA(Cantab) FCA AMCT

The accompanying notes form part of these financial statements.

Association balance sheet

	Notes	2015		2014	
		£'000	£'000	£'000	£'000
Fixed assets					
Housing properties:					
Gross cost less depreciation	10a		279,170		280,434
Less: Social Housing Grants	10b	(114,499)		(114,532)	
Other grants	10b	(19,842)	(134,341)	(19,869)	(134,401)
			144,829		146,033
Other tangible fixed assets	11a		3,710		3,725
			148,539		149,758
Investments	12		143		134
			148,682		149,892
Current assets					
Properties held for sale		211		34	
Debtors and prepayments	13	2,679		2,254	
Cash at bank and in hand		12,598		13,023	
		15,488		15,311	
Creditors: Amounts falling due within one year	14	(6,058)		(6,764)	
Net current assets			9,430		8,547
Total assets less current liabilities			158,112		158,439
Creditors: Amounts falling due after more than one year	15		144,600		146,472
Capital and reserves					
Revenue reserve	16a	13,365		11,829	
Restricted reserves	16b	95		95	
Investment revaluation reserve	17	52		43	
			13,512		11,967
			158,112		158,439

The accompanying notes form part of these financial statements.

Association balance sheet

The financial statements were approved by the Board of Management and authorised for issue on 23 July 2015 and are signed on its behalf by:

P. Hollis

Chair – The Rt. Hon. Baroness Hollis of Heigham DL MA(Cantab) D.Phil(Oxon) F.R.Hist.S

Vice Chair – Jenny Manser

Secretary – Anna Simpson MA(Cantab) FCA AMCT

The accompanying notes form part of these financial statements.

Consolidated cash flow statement

	2015		2014	
	£'000	£'000	£'000	£'000
Net cash inflow from operating activities (note a)		10,578		11,960
Returns on investments and servicing of finance				
Interest received	123		136	
Interest paid	(6,860)		(6,997)	
Net cash outflow from returns on investments and servicing of finance		(6,737)		(6,861)
Capital expenditure				
Acquisition and construction of housing properties	(3,303)		(5,511)	
Social Housing Grants and other grants received	166		438	
Proceeds from sale of housing properties	208		797	
Purchase of other tangible fixed assets	(654)		(969)	
Sales of other tangible fixed assets	1,038		370	
Purchase of fixed asset investments	-		(3)	
		(2,545)		(4,878)
Net cash inflow before use of liquid resources and financing		1,296		221
Financing				
Loan issue costs	(34)		-	
Housing loans received	-		6,750	
Housing loans repaid	(1,736)		(1,704)	
Net cash (outflow)/inflow from financing		(1,770)		5,046
(Decrease)/increase in cash (note b)		(474)		5,267

The accompanying notes form part of these financial statements.

Notes to the cash flow statement

		2015 £'000	2014 £'000
(a)	**Reconciliation of operating surplus to net cash inflow from operating activities**		
	Operating surplus	7,438	7,284
	Depreciation	3,558	3,348
	Amortisation of leasehold properties	114	125
	Increase in fixed asset investments	9	11
	(Increase)/decrease in debtors	(245)	1,074
	(Decrease)/increase in creditors	(296)	118
	Net cash inflow from operating activities	10,578	11,960

		2015 £'000	2014 £'000
(b)	**Reconciliation of net cash flow to movement in net debt**		
	(Decrease)/increase in cash in year	(474)	5,267
	Loans received	-	(6,750)
	Loans repaid	1,736	1,704
	Loan issue costs	34	-
	Change in net debt resulting from cash flows	1,296	221
	Loan issue costs amortised	(65)	(55)
	Movement in net debt in the year	1,231	166
	Net debt at 1 April 2014	(134,155)	(134,321)
	Net debt at 31 March 2015	(132,924)	(134,155)

Notes to the cash flow statement

(c) Analysis of changes in net debt

	At 1 April 2014	Cash Flows	Loan Issue Costs Amortised	At 31 March 2015
	£'000	£'000	£'000	£'000
Cash at bank and in hand	13,484	(474)	-	13,010
Debt due within one year	(1,659)	(199)	-	(1,858)
Debt due after one year	(145,980)	1,969	(65)	(144,076)
Total	(134,155)	1,296	(65)	(132,924)

The accompanying notes form part of these financial statements.

Notes to the financial statements

The Association is incorporated under the Co-operative and Community Benefit Societies Act 2014 and registered with the Homes and Communities Agency as a Registered Social Landlord as defined by the Housing Act 1996.

1 Principal accounting policies

Basis of accounting

The Financial Statements have been prepared in accordance with applicable United Kingdom Accounting Standards, the Statement of Recommended Practice (SORP): Accounting by Registered Social Housing Providers Update 2010 and the Accounting Direction for Private Registered Providers of Social Housing 2012.

The Financial Statements are prepared under the historical cost convention, as modified by the revaluation of fixed asset investments.

Going concern

The Group's business activities, its current financial position and factors likely to affect its future development are set out within the Operating and Financial Review. The Group has in place long-term debt facilities which provide adequate resources to finance committed reinvestment and development programmes, along with the Group's day to day operations. The Group also has a long-term business plan which shows that it is able to service these debt facilities whilst continuing to comply with lenders' covenants.

Basis of consolidation

These financial statements are Group statements and have been prepared by consolidating the results of Broadland Housing Association Limited, together with results of its subsidiary undertakings from 1 April 2014 to 31 March 2015. Information on group subsidiaries is given in note 24.

Turnover and revenue recognition

Turnover comprises rental income receivable in the year, income from shared ownership first tranche sales, sales of properties built for sale and other services included at the invoiced value (excluding VAT) of goods and services supplied in the year and revenue grants receivable in the year.

Value added tax

The Group charges VAT on some of its income and is able to recover part of the VAT it incurs on expenditure. The Financial Statements include VAT to the extent that it is suffered by the Group and not recovered from HM Revenue and Customs. The balance of VAT payable or recoverable at the year end is included as a current asset or liability.

Broadland Housing Association Limited, Broadland Meridian, Charlie's Social Enterprise Community Interest Company and Meridian East Property Services Limited are all part of a VAT group.

Broadland St Benedicts Limited is independently VAT registered.

Notes to the financial statements

Capitalisation of interest and administration costs
Interest on specific loans financing the development programme, or on net borrowing to the extent that it is deemed to be financing development, is capitalised up to the date of completion of the scheme.

Administration costs relating to the construction of housing properties are capitalised only to the extent that they are incremental to the development process and directly attributable to bringing the property into use.

Pension costs
The Association participates in an industry-wide defined benefits scheme, The Social Housing Pension Scheme (SHPS) operated by The Pensions Trust, and retirement benefits to the Association's employees are funded by contributions from all participating employers and employees in the scheme as it has not been possible to identify the share of underlying assets and liabilities balance going to individual participating employees. Payments are made in accordance with periodic calculations by participating associations taken as a whole. The cost of providing retirement pensions and related benefits is charged to operating cost over the periods benefiting from the employees' services.

The Association also participates in a defined contribution scheme for its employees. Contributions are charged to the income and expenditure account in the year in which they become payable.

Broadland Meridian only participates in the defined contribution pension scheme.

Housing properties
Housing properties are principally properties available for rent and are stated at cost less depreciation. Cost includes the cost of acquiring land and buildings, development costs, interest charges incurred during the development period and expenditure incurred in respect of improvements.

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised as improvements.

Shared ownership properties are split proportionally between the current and fixed assets based on the element relating to expected first tranche sales. The first tranche proportion is classed as a current asset and related sales proceeds included in turnover, and the remaining element is classed as fixed asset and included in housing properties at cost, less any provisions needed for depreciation or impairment.

Notes to the financial statements

Donations
Land donated to the Association by public bodies and by other parties pursuant to Section 106 planning conditions is included in the Balance Sheet at a fair value. The value of the donation is recognised within Other Grants in the year of donation.

Land and investments donated by non-public bodies other than as described above are included in the Balance Sheet at a fair value. The value of the donation is recognised within the Income and Expenditure Account in the year of donation. A transfer is made to restricted reserves equivalent to the fair value of the land.

Social Housing Grant
Social housing grant (SHG) is receivable from the Homes and Communities Agency (the HCA) and formerly from the Housing Corporation and is utilised to reduce the capital costs of housing properties, including land costs. It is allocated to the land and structure components in proportion to their cost. SHG due from the HCA or received in advance is included as a current asset or liability. SHG received in respect of revenue expenditure is credited to the income and expenditure account in the same period as the expenditure to which it relates.

SHG is subordinated to the repayment of loans by agreement with the HCA.

Recycled Capital Grant/Disposal Proceeds Fund
SHG released on sale of a property may be repayable but is normally available to be recycled and is credited to a Recycled Capital Grant Fund and included in the balance sheet in creditors. Where individual components are disposed of and this does not create a relevant event for recycling purposes, any grant which has been allocated to the component is released to the income and expenditure account.

Depreciation of housing properties
Freehold land is not depreciated. Depreciation of buildings and subsequent structural works is charged so as to write down the net book value to the estimated residual value, on a straight-line basis, over their remaining estimated useful economic lives in the business. The depreciable amount is arrived at on the basis of original cost, less the proportion of SHG and other grants attributable to housing properties, less residual value. Depreciation of additional component parts commences in the year following the addition.

Properties held on leases are amortised over the life of the lease or their estimated useful economic lives in the business, if shorter.

Notes to the financial statements

Depreciation of housing properties (continued)
Major components are treated as separable assets and depreciated over their expected useful economic lives or the lives of the structure to which they relate, if shorter, at the following annual rates:

Structure	150 years
Roofs	60 years
Kitchens	17 years
Bathrooms	30 years
Windows	30 years
Doors	30 years
Boilers	15 years
Heaters	30 years

Housing properties in the course of construction are transferred into completed schemes upon practical completion.

Works to existing housing properties
The Association capitalises expenditure on housing properties which results in enhancement of the economic benefit of the asset such as an increase in the net rental stream over the life of the property. An increase in the net rental stream may arise through an increase in rental income, a reduction in future maintenance costs, or a significant extension of the useful life of the property.

Impairment
Housing properties which are depreciated over a period in excess of 50 years are subject to impairment reviews annually. Other assets are reviewed for impairment if there is an indication that impairment may have occurred.
Where there is evidence of impairment, fixed assets are written down to their recoverable amount, being the higher of the net realisable value or the value in use to the group. Any such write down is charged to operating surplus.

Other tangible fixed assets and depreciation
Other tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided to write of the cost of assets over their expected useful lives as follows:

Freehold office buildings and commercial properties	1% per annum on cost or remaining useful life
Office/business equipment, fixtures and fittings	20% per annum on cost
Motor vehicles	25% per annum on cost
Computer equipment	25% per annum on cost
Leasehold office	over term of lease
Canteen equipment (included in office equipment column)	20% per annum on cost

Notes to the financial statements

Properties for Sale
Shared ownership first tranche sales, completed properties for outright sale and property under construction are valued at the lower of cost and net realisable value. Cost comprises materials, direct labour and direct development overheads. Net realisable value is based on estimated sales price after allowing for all further costs of completion and disposal.

Properties managed by agencies
Where the agency carries the financial risk, the Income and Expenditure Account includes only that income and expenditure which relates solely to the Association. Other income and expenditure of property in this category is excluded from the Income and Expenditure Account.

Fixed asset investments
Fixed asset investments are shown in the Balance Sheet at market value. Any gain or loss arising during the year is credited/debited to the Investment Revaluation Reserve.

Loan finance issue costs
Loan finance issue costs are written off evenly over the life of the related loan. Loans are stated in the Balance Sheet at the amount of the net proceeds after issue, plus increases to account for any subsequent amounts written off.

Related party transactions
The Group has taken advantage of the exemption available under FRS 8 (revised) not to disclose transactions with its subsidiary undertakings as they are wholly owned subsidiaries of this Group which produces consolidated financial statements, with the following exception:

Under the Accounting Direction for Private Registered Providers of Social Housing (2012), there is a requirement to disclose intra group transactions occurring between regulated and non-regulated elements of the business.

Notes to the financial statements

2 Turnover, operating costs and operating surplus/(deficit): Group

	2015 Turnover £'000	2015 Operating costs £'000	2015 Operating surplus/(deficit) £'000	2014 Turnover £'000	2014 Operating costs £'000	2014 Operating surplus/(deficit) £'000
Income and expenditure from social housing lettings						
General needs housing	19,927	13,597	6,330	19,132	13,504	5,628
Supported housing	5,141	3,330	1,811	4,819	2,767	2,052
	25,068	16,927	8,141	23,951	16,271	7,680
Other activities						
Supported people contract income	77	22	55	77	-	77
Supported housing management	50	70	(20)	72	58	14
Other management	37	37	-	40	26	14
Commercial properties	74	49	25	53	42	11
Development services	192	938	(746)	68	825	(757)
Miscellaneous	53	-	53	293	199	94
Shared ownership	209	206	3	770	625	145
Training and employment	270	343	(73)	335	329	6
	26,030	18,592	7,438	25,659	18,375	7,284

See note 3 for detailed analysis of income and expenditure from social housing lettings.

Notes to the financial statements

2(a) Turnover, operating costs and operating surplus/(deficit): Association

	2015 Turnover £'000	2015 Operating costs £'000	2015 Operating surplus/(deficit) £'000	2014 Turnover £'000	2014 Operating costs £'000	2014 Operating surplus/(deficit) £'000
Income and expenditure from social housing lettings						
General needs housing	19,927	13,597	6,330	19,132	13,504	5,628
Supported housing	5,141	3,330	1,811	4,819	2,767	2,052
	25,068	16,927	8,141	23,951	16,271	7,680
Other activities						
Supported people contract income	77	22	55	77	-	77
Supported housing management	50	70	(20)	72	58	14
Other management	37	37	-	40	26	14
Commercial properties	74	49	25	53	42	11
Development services	192	938	(746)	68	825	(757)
Miscellaneous	53	-	53	293	195	98
Shared ownership	209	206	3	770	625	145
	25,760	18,249	7,511	25,324	18,042	7,282

See note 3 for detailed analysis of income and expenditure from social housing lettings.

Notes to the financial statements

3 Income and expenditure from social housing lettings

	2015 General needs housing £'000	2015 Supported housing £'000	2015 Total £'000	2014 General needs housing £'000	2014 Supported housing £'000	2014 Total £'000
Income from lettings						
Rent receivable net of identifiable service charges	18,936	3,679	22,615	18,135	3,449	21,584
Charges for support services	-	-	-	(3)	-	(3)
Service charges receivable	991	1,462	2,453	1,000	1,370	2,370
Gross rental income	19,927	5,141	25,068	19,132	4,819	23,951

Notes to the financial statements

3 Income and expenditure from social housing lettings (continued)

	2015 General needs housing £'000	2015 Supported housing £'000	2015 Total £'000	2014 General needs housing £'000	2014 Supported housing £'000	2014 Total £'000
Expenditure on social housing lettings						
Management	4,487	757	5,244	4,301	699	5,000
Services	954	1,092	2,046	925	1,137	2,062
Routine maintenance	3,875	705	4,580	3,879	306	4,185
Furnishings and equipment	37	145	182	40	74	114
Major repairs expenditure	1,100	220	1,320	1,494	148	1,642
Rent losses from bad debts	173	57	230	129	29	158
Amortisation and depreciation of housing properties	2,679	324	3,003	2,515	365	2,880
Component disposals	292	30	322	221	9	230
Operating costs on social housing lettings	13,597	3,330	16,927	13,504	2,767	16,271
Operating surplus on lettings	6,330	1,811	8,141	5,628	2,052	7,680
Rent losses from voids	(164)	(85)	(249)	(141)	(86)	(227)
Service charge losses from voids	(13)	(48)	(61)	(31)	(35)	(66)
	(177)	(133)	(310)	(172)	(121)	(293)

Notes to the financial statements

4 The Board, executives' and senior staff emoluments

Executives and senior staff

	Group 2015 £'000	Group 2014 £'000
The aggregate emoluments paid to executives including pension contributions and benefits in kind	540	515
The remuneration paid to the highest paid senior executive of the Association excluding pension contributions but including benefits in kind	129	126

The full time equivalent number of executives and senior staff who received emoluments:

	2015 No.	2014 No.
£50,001 to £60,000	-	1.0
£60,001 to £70,000	3.0	2.0
£70,001 to £80,000	-	-
£80,001 to £90,000	2.0	2.9
£90,001 to £100,000	1.9	1.0
£110,001 to £120,000	-	1.0
£120,001 to £130,000	1.0	-
	7.9	7.9

The Chief Executive of the Association is not a member of SHPS. There is an individual pension arrangement between himself and the Association (defined contribution stakeholder plan), with no special or enhanced terms. Such an arrangement also exists between one other executive director and the Association, again with no special or enhanced terms. The Association contributes a standard contribution (for employees joining the Association after 1 June 1995, and currently, 13.6% of pensionable earnings) to the plan.

Notes to the financial statements

4 The Board, executives' and senior staff emoluments (continued)

Board members

	Group 2015 £'000	Group 2014 £'000 Restated
Total expenses reimbursed to the Board, Committees and senior executives not chargeable to United Kingdom income tax	2.0	3.0
The Board of Management remuneration	41.3	39.7
The Rt. Hon Baroness Hollis of Heigham	7.5	7.5
Fiona Anthony	-	-
Martin Clark	1.5	3.0
Peter Goodrick	-	-
Richard Hawthorn	3.0	3.0
Jenny Manser	3.8	5.0
David Poole	-	-
Kate Slack	3.0	3.0
Jonathan Barber	3.0	3.0
John Newstead	1.5	3.0
Eric Sharpe	3.0	3.0
Louise Wiseman	3.0	3.0
Richard Croft	1.5	1.6
Julia Roche	3.0	1.6
Paul Slyfield	1.5	-
Gavin Tempest	1.5	-
Helen Skoyles (Broadland St Benedicts)	3.0	3.0
Martin Clark (Broadland St Benedicts)	1.5	-
	41.3	39.7

Notes to the financial statements

5 Employee information

	Association 2015 No.	Association 2014 No.	Group 2015 No.	Group 2014 No.
Office staff	105	106	120	123
Scheme managers and operatives	91	91	91	91
	196	197	211	214
The full-time equivalent was	185	189	199	204

	Association 2015 £'000	Association 2014 £'000	Group 2015 £'000	Group 2014 £'000
Salaries and wages	5,373	5,409	5,966	6,017
Social security costs	464	451	488	475
Other pension costs (see note 18):				
Defined Benefit	378	371	378	371
Defined Contribution	165	48	179	68
	6,380	6,279	7,011	6,931

6 Interest receivable and similar income

	Association 2015 £'000	Association 2014 £'000	Group 2015 £'000	Group 2014 £'000
Interest receivable from term deposits and bank deposits	115	127	117	130
Dividend income from unit trusts and shares	6	6	6	6
	121	133	123	136

Notes to the financial statements

7 Interest payable and similar charges

	Association 2015 £'000	Association 2014 £'000	Group 2015 £'000	Group 2014 £'000
On bank loans, overdrafts and other loans	6,833	6,905	6,833	6,905
Loan issue cost amortisation	65	55	65	55
	6,898	6,960	6,898	6,960
Interest capitalised	(255)	(90)	(255)	(90)
	6,643	6,870	6,643	6,870
Capitalised interest has been calculated using a weighted average annual rate of interest of:			4.65%	4.65%

8 Surplus for the year

	Association 2015 £'000	Association 2014 £'000	Group 2015 £'000	Group 2014 £'000
Surplus for the year is stated after charging:				
Depreciation of freehold properties	2,861	2,735	2,861	2,735
Amortisation of leasehold properties	114	125	114	125
Depreciation of shared ownership properties	28	20	28	20
Depreciation of other tangible fixed assets	669	593	669	593
Auditor's remuneration (excluding VAT):				
In their capacity as auditors (including expenses)	20	20	27	27
In respect of other services	1	-	1	-
	21	20	28	27

Notes to the financial statements

9 Tax on surplus on ordinary activites

The Association is entitled to tax relief afforded to charitable bodies by Part 11 of the Corporation Taxes Act 2010.

	Association & Group 2015 £'000	Association & Group 2014 £'000
Corporation tax		
UK corporation tax on results for the year	-	-

Notes to the financial statements

10 Tangible fixed assets: Group

	Freehold housing properties completed £'000	Leasehold housing properties completed £'000	Housing properties in the course of construction £'000	Shared ownership properties completed £'000	2015 Total £'000	2014 Total £'000
Cost						
At 1 April 2014	289,871	11,894	5,964	3,898	311,627	307,528
Additions	1,380	3	2,753	27	4,163	5,677
Component disposals	(779)	-	-	-	(779)	(612)
Other disposals	(724)	-	-	(38)	(762)	(924)
Amounts written off	(302)	-	(935)	-	(1,237)	-
Transfers between categories	392	-	(772)	380	-	-
Transfer to current assets	(169)	-	-	-	(169)	(42)
At 31 March 2015	289,669	11,897	7,010	4,267	312,843	311,627
Depreciation/amortisation						
At 1 April 2014	29,702	1,662	-	94	31,458	29,003
Charge for year	2,861	114	-	28	3,003	2,880
Component disposals	(457)	-	-	-	(457)	(382)
Other disposals	(74)	-	-	-	(74)	(43)
Transfers to current assets	8	-	-	-	8	-
At 31 March 2015	32,040	1,776	-	122	33,938	31,458
Net book value						
At 31 March 2015	257,629	10,121	7,010	4,145	278,905	280,169
At 31 March 2014	260,169	10,232	5,964	3,804	280,169	278,525

Notes to the financial statements

10(a) Tangible fixed assets: Association

	Freehold housing properties completed £'000	Leasehold housing properties completed £'000	Housing properties in the course of construction £'000	Shared ownership properties completed £'000	2015 Total £'000	2014 Total £'000
Cost						
At 1 April 2014	290,136	11,894	5,964	3,898	311,892	307,793
Additions	1,380	3	2,753	27	4,163	5,677
Component disposals	(779)	-	-	-	(779)	(612)
Other disposals	(724)	-	-	(38)	(762)	(924)
Amounts written off	(302)	-	(935)	-	(1,237)	-
Transfers between categories	392	-	(772)	380	-	-
Transfer to current assets	(169)	-	-	-	(169)	(42)
At 31 March 2015	289,934	11,897	7,010	4,267	313,108	311,892
Depreciation/amortisation						
At 1 April 2014	29,702	1,662	-	94	31,458	29,003
Charge for year	2,861	114	-	28	3,003	2,880
Component disposals	(457)	-	-	-	(457)	(382)
Other disposals	(74)	-	-	-	(74)	(43)
Transfer to current assets	8	-	-	-	8	-
At 31 March 2015	32,040	1,776	-	122	33,938	31,458
Net book value						
At 31 March 2015	257,894	10,121	7,010	4,145	279,170	280,434
At 31 March 2014	260,434	10,232	5,964	3,804	280,434	278,790

Notes to the financial statements

10(b) Social housing and other grants: Group and Association

	Completed schemes £'000	Under construction £'000	2015 Total £'000	2014 Total £'000
Social Housing Grant				
At 1 April 2014	114,532	-	114,532	114,601
Receivable in year	286	-	286	-
Disposals	(319)	-	(319)	(69)
At 31 March 2015	114,499	-	114,499	114,532
Other grants				
At 1 April 2014	19,869	-	19,869	19,533
Receivable during year	110	-	110	336
Repayment	(137)	-	(137)	-
At 31 March 2015	19,842	-	19,842	19,869
Total grants	134,341	-	134,341	134,401

The total accumulated amount of Social Housing Grant (including both capital and revenue grant) at 31 March 2015 is £115,809k (2014: £115,842k).

10(c) Repairs

	2015 £'000	2014 £'000
Routine maintenance	4,580	4,185
Major repairs expenditure	1,320	1,642
Capitalised repairs	1,810	1,367
	7,710	7,194

Notes to the financial statements

11 Other tangible fixed assets: Group

	Freehold office buildings £'000	Leasehold office buildings £'000	Office & computer equipment £'000	Freehold commercial £'000	2015 Total £'000	2014 Total £'000
Cost						
At 1 April 2014	1,881	1,300	3,751	107	7,039	6,343
Additions	-	-	654	-	654	969
Disposals	-	-	(58)	-	(58)	(273)
At 31 March 2015	1,881	1,300	4,347	107	7,635	7,039
Depreciation/amortisation						
At 1 April 2014	116	435	2,752	10	3,313	2,992
Charge for year	18	82	567	2	669	593
Disposals	-	-	(58)	-	(58)	(272)
At 31 March 2015	134	517	3,261	12	3,924	3,313
Net book value						
At 31 March 2015	1,747	783	1,086	95	3,711	3,726
At 31 March 2014	1,765	865	999	97	3,726	3,351

Notes to the financial statements

11(a) Other tangible fixed assets: Association

	Freehold office buildings £'000	Leasehold office buildings £'000	Office & computer equipment £'000	Freehold commercial £'000	2015 Total £'000	2014 Total £'000
Cost						
At 1 April 2014	1,881	1,300	3,605	107	6,893	6,193
Additions	-	-	654	-	654	969
Disposals	-	-	(56)	-	(56)	(269)
At 31 March 2015	1,881	1,300	4,203	107	7,491	6,893
Depreciation/amortisation						
At 1 April 2014	116	435	2,607	10	3,168	2,844
Charge for year	18	82	567	2	669	593
Disposals	-	-	(56)	-	(56)	(269)
At 31 March 2015	134	517	3,118	12	3,781	3,168
Net book value						
At 31 March 2015	1,747	783	1,085	95	3,710	3,725
At 31 March 2014	1,765	865	998	97	3,725	3,349

Notes to the financial statements

12 Fixed asset investments: Group and Association

	Cost		Market Value	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Unit trusts	91	91	143	134

Fixed asset investments are included in the balance sheet at market value.

13 Debtors: amounts falling due within one year

	Association 2015 £'000	Association 2014 £'000	Group 2015 £'000	Group 2014 £'000
Rent arrears	1,172	1,071	1,172	1,071
Less: provision for bad debts	(486)	(345)	(486)	(345)
	686	726	686	726
Other debtors and prepayments	1,667	1,371	1,686	1,401
Intercompany debtors	326	157	-	-
	2,679	2,254	2,372	2,127

14 Creditors: amounts falling due within one year

	Association 2015 £'000	Association 2014 £'000	Group 2015 £'000	Group 2014 £'000
Housing loans	1,858	1,659	1,858	1,659
Trade creditors	2,390	2,618	2,391	2,707
Intercompany creditors	420	282	-	-
Housing capital creditors	355	1,096	355	1,096
Taxation and social security	137	168	144	186
Other creditors and accruals	150	168	233	172
Loan interest	748	773	748	773
	6,058	6,764	5,729	6,593

There is a joint and several liability under the group VAT registration, which the Association is part of. The total VAT repayable at 31 March 2015 was £1k (2014: VAT payable £8k).

Notes to the financial statements

15 Creditors: amounts falling due after more than one year

	Group & Association 2015 £'000	Group & Association 2014 £'000
Housing loans	144,076	145,980
Disposal proceeds fund	130	406
Recycled capital grant	394	86
	144,600	146,472

		Disposal Proceeds Fund £'000	Recycled Capital Grant £'000
Opening balance		406	86
Inputs to funds:	Grants recycled	-	320
Recycling of grant:	New build	(274)	(12)
	Other	(2)	-
Closing balance		130	394

	2015 Gross £'000	2015 Costs £'000	2015 Net £'000	2014 Net £'000
Housing loans repayable by instalments:				
Within one year	1,923	(65)	1,858	1,659
Between one and two years	3,320	(58)	3,262	1,777
Between two and five years	15,954	(148)	15,806	12,022
In five years or more	125,694	(686)	125,008	132,181
	146,891	(957)	145,934	147,639

All housing loans are secured by specific charges on a number of the Association's housing properties and are payable at varying rates of interest in the range of 0.71% to 10.54%.

Notes to the financial statements

16 Reserves

(a) Revenue Reserves

	Association 2015 £'000	Association 2014 £'000	Group 2015 £'000	Group 2014 £'000
At 1 April 2014	11,829	11,080	12,070	11,316
Surplus for the year	1,536	749	1,465	754
At 31 March 2015	13,365	11,829	13,535	12,070

(b) Restricted Reserves

	Group & Association 2015 £'000	Group & Association 2014 £'000
At 1 April 2014 and 31 March 2015	95	95

The restricted reserve of £95,000 reflects property donated to the Association. The terms of the donation state that the property can only be used for social housing purposes, by the Association, and cannot be sold.

Notes to the financial statements

17 Investment Revaluation Reserve

	Group & Association 2015 £'000	Group & Association 2014 £'000
At 1 April 2014	43	32
Increase in value of investments	9	11
At 31 March 2015	52	43

18 Pension obligations

Broadland Housing Association participates in the Social Housing Pension Scheme (the Scheme). The Scheme is funded and is contracted-out of the State Pension scheme.

The Scheme is a multi-employer defined benefit scheme. Employer participation in the Scheme is subject to adherence with the employer responsibilities and obligations as set out in the 'SHPS House Policies and Rules Employer Guide'.

The Scheme operated a single benefit structure, final salary with a 1/60th accrual rate until 31 March 2007. From April 2007 three defined benefit structures have been available, namely:

Final salary with a 1/60th accrual rate.
Final salary with a 1/70th accrual rate.
Career average revalued earnings (CARE) with a 1/60th accrual rate.

From April 2010 a further two defined benefit structures have been available, namely:

Final salary with a 1/80th accrual rate.
Career average revalued earnings (CARE) with a 1/80th accrual rate.

A defined contribution benefit structure was made available from 1 October 2010.

A Career average revalued earnings (CARE) structure with a 1/120th accrual rate was made available from 1 April 2013. This structure is contracted-in to the State Second Pension scheme.

An employer can elect to operate different benefit structures for their active members and their new entrants. An employer can operate one open defined benefit structure plus CARE 1/120th, plus the defined contribution benefit structure at any one time. An open benefit structure is one which new entrants are able to join.

Notes to the financial statements

18 Pension obligations (continued)

The Association currently operates the Final salary 1/60th scheme, CARE 1/60th, CARE 1/120th and a defined contribution structure(s) for active members.

The Trustee commissions an actuarial valuation of the Scheme every three years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required, in respect of each benefit structure, so that the Scheme can meet its pension obligations as they fall due. From April 2007 the split of the total contribution rate between member and employer is set at individual employer level, subject to the employer paying no less than 50% of the total contribution rate. From 1 April 2010 the requirement for employers to pay at least 50% of the total contribution rate no longer applies.

The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

During the accounting period The Association paid contributions at the rate of 5.5% to 10.6% member contributions varied between 3% and 14.3%.

As at the balance sheet date there were 164 active members of the Scheme employed by the Association. The annual pensionable payroll in respect of these members was £4,256,036.The Association continues to offer membership of the Scheme to its employees.

It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. The Scheme is a multi-employer scheme, where the assets are co-mingled for investment purposes, and benefits are paid out of total Scheme assets. Accordingly, due to the nature of the Scheme, the accounting charge for the period under FRS17 represents the employer contribution payable.

The last formal valuation of the Scheme was performed as at 30 September 2011 by a professionally qualified Actuary using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £2,062 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £1,035 million, equivalent to a past service funding level of 67.0%.

The Scheme Actuary is currently finalising the 2014 valuation but key provisional results have been confirmed. As at 30 September 2014, the market value of the Scheme's assets was £3,123 million. There was a shortfall of assets compared with the value of liabilities of £1,323 million, equivalent to a past service funding level of 70%.

Notes to the financial statements

18 Pension obligations (continued)

The financial assumptions underlying the valuation as at 30 September 2011 were as follows:

Valuation Discount Rates:	% p.a.
Pre-Retirement	7.0
Non Pensioner Post Retirement	4.2
Pensioner Post Retirement	4.2
Pensionable Earnings Growth	2.5 per annum for 3 years, then 4.4
Price Inflation (RPI)	2.9
Pension Increases:	
Pre 88 GMP	0.0
Post 88 GMP	2.0
Excess Over GMP	2.4

Expenses for death-in-service insurance, administration and Pension Protection Fund (PPF) levy are included in the contribution rate.

The valuation was carried out using the following demographic assumptions:

Mortality pre-retirement – 41% SAPS S1 Male / Female All Pensioners (amounts), Year of Birth, CMI_2009 projections with long term improvement rates of 1.5% p.a. for Males and 1.25% p.a. for Females.

Mortality post retirement – 97% SAPS S1 Male / Female All Pensioners (amounts), Year of Birth, CMI_2009 projections with long term improvement rates of 1.5% p.a. for Males and 1.25% p.a. for Females.

The long-term joint contribution rates required from April 2013 from employers and members to meet the cost of future benefit accrual were assessed at:

Benefit Structure	Long-term Joint Contribution Rate (% of pensionable salaries)
Final salary with a 1/60th accrual rate	19.4
Final salary with a 1/70th accrual rate	16.9
Career average revalued earnings (CARE) with a 1/60th accrual rate	18.1
Final salary with a 1/80th accrual rate	14.8
Career average revalued earnings (CARE) with a 1/80th accrual rate	14.0
Career average revalued earnings (CARE) with a 1/120th accrual rate	9.7

Notes to the financial statements

18 Pension obligations (continued)

If an actuarial valuation reveals a shortfall of assets compared to liabilities the Trustee must prepare a Recovery Plan setting out the steps to be taken to make up the shortfall.

Following consideration of the results of the actuarial valuation it was agreed that the shortfall of £1,035 million would be dealt with by the payment of deficit contributions as shown in the table below:

From 1 April 2013 to 30 September 2020	A cash amount(*) equivalent to 7.5% of members' earnings per annum (payable monthly and increasing by 4.7% per annum each 1 April)
From 1 October 2020 to 30 September 2023	A cash amount(*) equivalent to 3.1% of members' earnings per annum (payable monthly and increasing by 4.7% per annum each 1 April)
From 1 April 2013 to 30 September 2026	£30,640,000 per annum (payable monthly and increasing by 3% per annum each 1 April; first increase on 1 April 2014)

(*) The contributions of 7.5% will be expressed in nominal pound terms (for each employer), increasing each year in line with the earnings growth assumption used in the 30 September 2008 valuation (i.e. 4.7% per annum). The contributions of 3.1% will be calculated by proportioning the nominal pound payment at the time of the change. Earnings at 30 September 2008 (for each Employer) will be used as the reference point for calculating these contributions.

These deficit contributions are in addition to the long-term joint contribution rates as set out above.

Employers that participate in the Scheme on a non-contributory basis pay a joint contribution rate (i.e. a combined employer and employee rate).

Employers that have closed the defined benefit section of the Scheme to new entrants are required to pay an additional employer contribution loading of 2.5% to reflect the higher costs of a closed arrangement.

A small number of employers are required to contribute at a different rate to reflect the amortisation of a surplus or deficit on the transfer of assets and past service liabilities from another pension scheme into the Scheme.

Notes to the financial statements

18 Pension obligations (continued)

New employers that do not transfer any past service liabilities to the Scheme pay contributions at the ongoing future service contribution rate. This rate is reviewed at each valuation and new employers joining the Scheme between valuations up until 1 April 2010 do not contribute towards the deficit until two valuations have been completed after their date of joining. New employers joining the Scheme after 1 April 2010 will be liable for past service deficit contributions from the valuation following joining. Contribution rates are changed on the 1 April that falls 18 months after the valuation date.

A copy of the Recovery Plan, setting out the level of deficit contributions payable and the period for which they will be payable, must be sent to The Pensions Regulator. The Regulator has the power under Part 3 of the Pensions Act 2004 to issue scheme funding directions where it believes that the actuarial valuation assumptions and/or Recovery Plan are inappropriate. For example the Regulator could require that the Trustee strengthens the actuarial assumptions (which would increase the Scheme liabilities and hence impact on the Recovery Plan) or impose a schedule of contributions on the Scheme (which would effectively amend the terms of the Recovery Plan).

As a result of pension scheme legislation there is a potential debt on the employer that could be levied by the Trustee of the Scheme. The debt is due in the event of the employer ceasing to participate in the Scheme or the Scheme winding up.

The debt for the Scheme as a whole is calculated by comparing the liabilities for the Scheme (calculated on a buy-out basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Scheme. If the liabilities exceed assets there is a buy-out debt.

The leaving employer’s share of the buy-out debt is the proportion of the Scheme’s liability attributable to employment with the leaving employer compared to the total amount of the Scheme’s liabilities (relating to employment with all the currently participating employers). The leaving employer’s debt therefore includes a share of any ‘orphan’ liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Scheme liabilities, Scheme investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

Potential employer debt is treated as a contingent liability

Broadland Housing Association has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Scheme, based on the financial position of the Scheme as at 30 September 2014. At this date the estimated employer debt for The Association was £18,122,505 (30 September 2013: £13,458,659).

Notes to the financial statements

19 Non equity share capital and loan stock

	Group 2015 £	Group 2014 £
At 1 April 2014	338	330
Issued during the year	8	8
At 31 March 2015	346	338

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

20 Capital and revenue commitments

	Group 2015 £'000	Group 2014 £'000
Capital expenditure that has been contracted for but has not been provided for in the financial statements:		
Development	-	-
Capital expenditure that has been authorised by the Board of Management but has not yet been contracted for:		
Development	15,593	8,178
	15,593	8,178

21 Commitments under operating leases – motor vehicles: Group and Association

The Group had annual commitments under non-cancellable operating leases as set out below:

	2015 £'000	2014 £'000
Operating leases which expire:		
Within 1 year	42	19
Within 2 to 5 years	288	360
	330	379

Notes to the financial statements

22 Units

The number of units of housing accommodation in management at 31 March was:

	Group 2015 No.	Group 2014 No.
Rented accommodation	4,831	4,841
Shared ownership accommodation	126	116
	4,957	4,957

The Association owns property used by other bodies, as follows:

	2015 No.	2014 No.
Autism Anglia	25	25

The Association received a management fee in respect of the 25 Autism Anglia units of £9k (2014: £9k).

23 Related parties

The Board and committees have tenant members who hold tenancy agreements on normal terms. The Association's rules prohibit tenant Board and Committees Members from using their position to their advantage.

In accordance with the requirements of the Accounting Direction for Private Registered Providers of Social Housing (2012) the following transactions and balances are disclosed which have occurred between the Association and other non-housing regulated group entities:

- During the year the Association purchased tenancy support activities and training from its subsidiary undertaking, Broadland Meridian, to the value of £370k (2014: £352k)
- During the year the Association incurred back office administration costs on behalf of its subsidiary undertaking, Broadland Meridian and recharged these to the value of £70k (2014: £100k). At 31 March 2015 the sum of £320k (2014: £150k) was shown as a debtor within the Association accounts (note 13) and a creditor within Broadland Meridian. The sum of £420k (2014: £282k) was shown as a creditor in the Association accounts (note 14) and a debtor within Broadland Meridian, for housing related services provided by Broadland Meridian to the Association.
- At 31 March 2015 the sum of £6k (2014: £7k) was shown as a debtor within the Association accounts (note 13) and a creditor within Broadland St Benedicts Limited, for services provided.

Notes to the financial statements

24 Group subsidiaries

Broadland Housing Association Limited is the parent company of the Broadland Group of companies. It provides services to the subsidiary companies within the Group and also receives services from its subsidiary companies.

The following companies are subsidiaries of the Broadland Housing Association Limited:

Broadland St Benedicts Limited
Registered under the Companies Act and incorporated in England and Wales, the principal activity of the company is to develop housing. Net loss 2014/15: £2k (2013/14: net loss £4k).

Broadland Meridian
Registered as a charity under the Companies Act and incorporated in England and Wales, the principal activity of the company is to provide employment opportunities. Net deficit 2014/15: £69k (net surplus 2013/14: £9k).

Meridian East Property Services Limited
Registered under the Companies Act and incorporated in England and Wales, the principal activity of the company was to provide the rental of freehold property to its parent Broadland Meridian. This is now provided by Broadland Housing Association. The sale of the property to Broadland Housing Association took place on 29 October 2011 and the company is now dormant. Net profit/loss 2014/15: £nil (2013/14: net profit/loss £nil).

Charlie's Social Enterprise Community Interest Company
Registered under the Companies Act and incorporated in England and Wales, the principal activity of the company is the provision of retail sales of catering activities. The company has remained dormant throughout the year. Net loss 2014/15: £nil (2013/14: net loss £nil).

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