




A D V **A** N C E



**Financial statements
and review of the year
2008 - 2009**



Advance is a charitable organisation providing housing, support employment and other community-based services to meet the needs of people who have either a learning disability or a mental health problem.

Advance began in 1974. Now, 35 years later, we provide a flexible range of housing and support options, as well as innovative services like employment, home ownership and Recovery training.

These activities are provided by four specialist business units:



Advance Housing is responsible for the development and management of a diverse range of housing options. As one of the country's leading providers of accommodation services for people with learning disabilities or mental health problems, we're able to provide many different housing solutions designed to suit the needs of individual people.



Advance Support is the part of the Advance Group that focuses on the whole support needs of the individual. We start from the point of view of the individual's ambitions, wants and needs; and in doing so provide tailored services that offer a wide range of choice, through either self-directed support or existing services.



Work in Progress is the part of the Advance Group that aims to create real employment opportunities for people with disabilities, in particular people with learning disabilities or who have experienced a mental health problem. It has supported almost 2,500 people into employment since 2001.



Hilt helps adults with a learning disability to live as part of the community and as independently as possible. We help people choose how they live and what they do, to be in control of their own lives and to be able to make plans for the future. Currently we support people in Hackney, Islington, Newham and Tower Hamlets.

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ADVANCE HOUSING AND SUPPORT LIMITED

BOARD AND ADVISORS

BOARD MEMBERS

Non-Executive Members

Mike Alexander
Helen Baker (Chair)
David Bettle (resigned 17 September 2008)
Adam Carrick (resigned 30 March 2009)
Alison Giraud-Saunders
Peter Harling
Alan Longford
Sharon Patrick
Isabelle Simon Evans
Mark Whittering (resigned 17 September 2008)
Brenda Williams

PRINCIPAL AND REGISTERED OFFICE

2 Witan Way
Witney
Oxon.
OX28 6FH

Executive Members

Derek Healy	Director - Corporate Services
Julie Layton	Director - Finance and Information Services
Stuart Rigg	Chief Executive

Secretary

Derek Healy

AUDITORS

Beever and Struthers
St George's House
215-219 Chester Road
Manchester
M15 4JE

BANKERS

Barclays Bank Plc
Level 28
1 Churchill Place
Canary Wharf
London
E14 5HP

SOLICITORS

Winckworth Sherwood
Minerva House
5 Montague Close
London
SE1 9BB

Advance Housing and Support Limited is incorporated as a charitable Industrial and Provident Society and is registered with the Tenant Services Authority as a Registered Social Landlord.

Tenant Services Authority registration number: LH0280
Company number: 21143R

ADVANCE HOUSING AND SUPPORT LIMITED

BOARD REPORT

The Board is pleased to present the financial statements for the year ended 31 March 2009.

STATUS

At 31 March 2009 Advance comprised the parent, Advance Housing and Support Limited ('Association'), together with the following organisations, each of which are subsidiaries of the Association within the meaning of the Industrial and Provident Societies Act 1965:-

Hilt Support Limited (Hilt)
Work in Progress UK Limited (WiP)

The Association is incorporated under the Industrial and Provident Societies Act 1965 and its governing document forms the rules of the Association.

The Association is registered with the Tenants Services Authority as a Registered Social Landlord (RSL).

Hilt is registered under the Industrial and Provident Societies Act 1965 and the Friendly and Industrial and Provident Society Act 1968.

WiP was a company limited by guarantee during 2008/09. It was registered with the Charity Commission on 15 October 2003. WiP was converted to an Industrial and Provident Society on 8 April 2009 and was removed from the Charity Commission register on 27 April 2009.

PRINCIPAL ACTIVITY

The principal activity of the Advance group is to provide housing, support and employment services to meet the needs of people who have either a learning disability or a mental health problem.

BUSINESS OBJECTIVES AND STRATEGY

Operating throughout central and southern England, the Association provides housing and/or support services to more than 2,000 people. Operational offices are located in Leicester, Redditch, Eastleigh and Dartford, with the head office in Witney, Oxfordshire. The majority of staff, however, are not office based, but work within the services provided.

The Association is both a Registered Social Landlord and a care and support-providing agency. The Advance group ('Advance') incorporates the Association, WiP and Hilt; it works with a wide variety of partners and funders including district council housing departments, social and health services, Supporting People teams, Job Centre Plus and other RSLs and voluntary organisations. It is regulated not only by the Tenant Services Authority, but also by CSCI (Commission for Social Care Inspection) both as a residential and a domiciliary care provider, Supporting People teams and Job Centre Plus.

Advance endeavours to work in a person-centred way, tailoring housing support and employment services to the needs of the individual. Examples of innovative practice include shared ownership schemes for people with learning disabilities and mental health problems; an Inclusion Unit committed to improving tenants and service users' participation not only within the group but also with mainstream facilities and services within their local communities; and an employment service providing specialist support and guidance particularly to people with mental health problems.

Seven key principles underpin all that the Advance does:

- everyone must be valued and treated with dignity and respect
- everyone has the right to live as independently as possible
- everyone has the right to privacy
- everyone has the right to good quality housing in the community
- everyone should have the opportunity to work according to their knowledge, skills and choices

ADVANCE HOUSING AND SUPPORT LIMITED

BOARD REPORT

- everyone should have access to local community facilities and services
- everyone's life can be made richer by a wide circle of friendships and relationships

Advance has a five-year strategic planning cycle. In 2008 Advance undertook a major strategic review culminating in a new five year strategic plan, **Better, together**. This sets the strategic priorities for the Advance group for the period 2009-2014. This is underpinned by strategies for each of the subsidiaries/business segments covering the same period:

Hilt	:	Living in the Future
Advance Support	:	Bold Futures
Advance Housing	:	From Fair, to Good to Great!
WiP	:	Strategic Review

The Strategic Objectives for the Advance group for the five year period are:

- to ensure high quality services are delivered consistently throughout Advance
- to grow by providing more housing, support and employment services for people with learning disabilities, mental health problems and other vulnerable people
- to attract and retain a flexible, motivated, high performing and appropriately trained workforce
- to remain financially sustainable and compliant with regulatory requirements
- to communicate well with all customers (tenants, service users and clients), stakeholders and with each other.

The Board agree key performance indicators on an annual basis for each corporate objective. Performance against these is monitored within the management structure and reported to Committees and the Board.

REVIEW OF FINANCIAL RESULTS

In the year ended 31 March 2009, the Association turnover was £29.4m (2008: £29.1m – restated) and operating costs were £28.4m (2008: £28.4m - restated), leaving an operating surplus of £996,000. The turnover has increased significantly since the production of the 2008 accounts, due mainly to a change in the accounting treatment of Shared Ownership first tranche sales. The impact of the new accounting treatment was to increase turnover by £10.2m and reduce the operating surplus by £192,000.

A surplus of £121,000 (2008: £53,000), was made on the disposal of five properties, four of which were Shared Ownership properties. After interest the overall surplus on ordinary activities was £815,000, this was added to the reserves of the Association.

The consolidated turnover for the Advance group in the year ended 31 March 2009 (including Hilt and WiP), was £35.0m, operating costs were £34.3m, leaving a group operating surplus of £761,000. After the £121,000 surplus on disposal of properties and interest, the overall group surplus on ordinary activities was £630,000.

Key Financial Information

Association:

- Sales of first tranche Shared Ownership properties generated turnover of £10.2m, with associated costs of £10.4m
- Income from the provision of housing accommodation was £9,158,000
- Supporting People income for the year was £6,198,000
- The transfer of support and employment contracts resulted in the TUPE transfer of 66 members of staff, 54 from the Association and 12 from WiP. A number of posts were deleted, resulting in 15 redundancies.

ADVANCE HOUSING AND SUPPORT LIMITED

BOARD REPORT

- Expenditure on major repairs and improvements totalled £1,261,000, of which £351,000 was capitalised. A further £1,425,000 was spent on routine maintenance
- Capital expenditure of £4.1m (net of first tranche sales) was incurred on the Shared Ownership programme. This was partly funded by £2.7m of Social Housing Grant and £0.5m of other capital grants; the balance was funded from reserves and parental loans. This added a further 80 Shared Ownership units to the Association's stock. Capital expenditure of £1.3m was incurred in developing new housing accommodation for letting
- **WiP**, which provides support to clients in their search for employment, incurred a deficit of £272,000
- **Hilt**, which provides support services to adults with learning disabilities in Hackney, Islington, Newham and Tower Hamlets, contributed a surplus of £83,000 to the group in 2008/09

The consolidated balance sheet shows total assets less current liabilities of £20.6m (2008: £19.9m). The Association has a loan facility of £8m with Barclays. This is used to support the Association's ongoing capital development programme. At 31 March 2009 the undrawn facility was £1.5m. The Association also has long term parental loans in the sum of £1,939,000 at 31 March 2009 (2008: £1,598,000). This is made up of 48 individual loans from parents. This money is used in lieu of SHG to fund Shared Ownership properties for their children.

Total reserves carried forward at 31 March 2009 for the Association are £9.1m. For the group, total reserves are £11.6m., including £2.2m. of negative goodwill arising on consolidation.

EMPLOYEES

Advance's policy is to discuss and consult with employees through the forum of the Joint Consultative Committee (JCC) and the Advance Staff Association (ASA) all matters likely to affect employee's interests. Information on matters of concern to employees is given through a monthly electronic briefing, known as 'Advance Update' and through regular newsletters and briefings which aim to achieve a common awareness on the part of all employees.

Advance's approach to equality and diversity is centered on the benefits a diverse workforce can bring to the group and encompasses gender, race, disability, religious belief, sexual orientation and age. Advance has been awarded the Two Ticks Disability Symbol and takes appropriate action to meet the five commitments regarding the employment, retention, training and career development of disabled people.

REVIEW OF THE YEAR

Key Achievements

There have been some inspirational achievements and excellent performance in all parts of Advance during the year, notwithstanding the harsh and uncertain external environment we all find ourselves working and living within.

Following a comprehensive and highly participatory strategic review a new strategic plan was adopted during the year. **Better, together** promotes the benefits of synergy between the various parts of Advance and re-emphasises the importance we attach to partnership and collaboration with others.

There has been good progress on both internal synergy and external partnership in 2008/09. Internally, Hilt has become fully embedded as a member of the Advance group. Not only has the planned provision of central services continued (ICT services have been provided to Hilt since the set up and opening of the new Hilt office in the Summer of 2008 and a joint project team established to commission a new group wide 'eHR' system) but an increasing number of initiatives are moving from one part of Advance to another: a senior member of Hilt staff has been seconded to work across the group as the lead for 'personalisation'; Advance Housing has provided the expertise to enable Hilt service users to access a home of their own through shared ownership for the first time; Advance 'Coast' service (Citizenship, Opportunities and Safety Training) has delivered throughout the country including in East London working with Hilt service users.

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BOARD REPORT

External partnerships have also delivered some key outcomes. Our Strategic Network for Mental Health (with Second Step Bristol, Sussex Oakleaf and Mind in Birmingham) completed a major two year Department of Health funded project called 'Recovery in Action'. New services have been developed with a wide range of partners including Brandon Trust, Sovereign Housing consortium, Shaw Trust, and the Leicestershire Partnership NHS Trust. Advance has also played the leading role in the establishment of Charity Works, a partnership between the Children's Society, RSPCA, Together, Terrence Higgins Trust, RNID and Advance designed to provide graduate training, development and career opportunities within the third sector.

Better, together contains five corporate objectives, these are summarised under Business Objectives and Strategy (above). There has been significant progress during the year on all five objectives.

There were some notable achievements on **quality** of services: we exceeded our targets for CSCI (CQC) and Supporting People gradings, achieved targets for property repairs performance and tenant satisfaction and achieved Matrix accreditation for employment support services nationally.

The Housing Corporation signed-off the action plan arising from the 2007 Audit Commission housing inspection during the year, and considerable progress has been made in implementing the housing improvement plan, including the establishment of a new Landlord Customer Services team, which becomes the first point of contact for all tenants and shared owners in 2009.

The Association achieved excellent **financial** performance in meeting all key financial performance indicators, resulting from much improved performance management (particularly on voids and arrears control where all targets were met), the continued roll-out of Project Compete (our costs and efficiency programme) and continuation of excellent financial controls and systems. Hilt has benefitted from the professional finance function provided by Advance and this has enabled it to maintain and control its financial performance effectively, resulting in key financial targets being exceeded. WiP did not achieve the level of income anticipated in the 2008/09 budget. Various steps were taken to reduce costs and the deficit for the year of £272,000 was within the parameters set by the Board. We have continued to meet all regulatory requirements during 2008/09.

Although staff turnover was very high due mainly to the churn of contracts won and lost (i.e. staff transferred to other providers as contracts came to an end) our performance as an employer remains good. In particular we have exceeded most targets in relation to **staff diversity** for both ethnicity and disability.

Business development and **growth** has not been consistent across all parts of the group, but due to Advance's active involvement across housing, support and employment overall we have had some notable successes. For example, the number of people with a learning disability or mental health problem for whom we provide housing has increased by about 250 during the year largely as a result of our partnership with Comhome and Curnow Care in Cornwall and our award winning shared ownership schemes (SOLD and Own Home). We remain committed to the delivery of employment support services, but this has been a very difficult year for WiP. NDDP came to an end and although WiP achieved some success as a sub-contractor under Pathways to Work, the volume of business has fallen substantially. Our plans to grow this area of activity in future include bidding to DWP for the new Specialist Disability Employment Programme (SDEP) and Right to Bid; tendering for local authority and PCT funded employment projects; working in partnership with Shaw Trust, our mainstream housing partners and others on a variety of projects aimed at getting people into mainstream employment. We will also transfer WiP into the main association in order to give our employment services greater capacity to win new business.

There has been significant progress with regard to **communication** and **engagement** with both service users and carers during the year. The ground work we have done in building confidence and capacity of tenants/service users over recent years paid off when we received over 30 expressions of interest for Board and Committee membership. In 2009 we will achieve our target of having meaningful service user/tenant membership of all boards and committees throughout the Advance group. Service users have also played a leading role in three local initiatives which have become group-wide: Safe Inside: Safe Outside (a recovery and wellbeing service), Coast to Coast (Citizenship, Opportunities and Safety Training) and Get Up and Go (health and fitness). In the summer of 2008 Advance held its first parents and carers conference. From this it was agreed that there should be carer representation on the group Board and this is already in place.

Further information on Advance's performance is available on request or via the web-site www.advanceuk.org

ADVANCE HOUSING AND SUPPORT LIMITED

BOARD REPORT

Key Risks

The key risks facing Advance and its ability to meet the corporate objectives set out in **Better together** have been considered during the year by the Group Management Team and Board and incorporated into an updated Corporate Risk Map. In order to address the risks and opportunities identified following the adoption of the Strategic Plan, it has been agreed that the top three priorities for 2009/10 are:

- achieving consistency of quality in all services
- achieving organic and non-organic growth
- retaining existing business

Controls are identified for all risks and an assessment made as to whether these are satisfactory. If these controls are not satisfactory, an action plan is developed.

The Board and staff of Advance believe the group has a bright future and is actively seeking to improve performance and efficiency within existing services and to develop new ones.

STATEMENT OF THE BOARD'S FINANCIAL RESPONSIBILITIES

The Directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The Industrial and Provident Societies Acts 1965 to 2002 require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of the surplus or deficit for that period. In preparing those financial statements, the Board is required to:

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

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and enable them to ensure that the financial statements comply with the Industrial and Provident Societies Acts 1965 – 2002, the Industrial and Provident (Group Accounts) Regulations 1969, the Housing Act 1966 and the Accounting Requirements for Registered Social Landlords General Determination 2006. It is also responsible for safeguarding the assets of the Association and hence for taking all reasonable steps for the prevention and detection of fraud and other irregularities.

GOVERNANCE

Advance regularly monitors compliance with the Code of Governance 'Competence and Accountability', adopted by the National Housing Federation in 1995 and revised in 2000 and 2004.

The Board comprises 8 non-executive members and 3 co-opted executive members and are responsible for managing the affairs of the Group. Its members can call on a wide range of experience, including the professional, commercial and public sectors. There are currently no tenant representatives or local authority nominees, but plans are in place to introduce service users to the Board during 2009/10.

ADVANCE HOUSING AND SUPPORT LIMITED

BOARD REPORT

The non-executive Board members are elected for three year terms at the Annual General Meeting. One third of the Board retire by rotation each year and the maximum consecutive term of elected office is nine years.

The Board is responsible for determining the strategy and policies of Advance. The implementation of these has been delegated to the Chief Executive and Directors of the Advance group who meet formally on a regular basis. The Directors have responsibility for the design, operation and monitoring of the systems of internal control.

Recruitment and appointment of new Board members – when seeking to appoint new Board members, Advance advertises the position through a number of national outlets, as well as using all networking opportunities available. Particular attention is paid to attracting applicants from diverse backgrounds and communities (for example Black Minority Ethnic groups) and to filling any knowledge and skills gaps within the current make-up of the Board.

Policies and procedures for induction and training of non-executive Board members – following initial meetings with the Chair of the Board and the Chief Executive, new Board members are invited to the general Induction Day for Advance staff. This addresses organisational structure, culture, values, policies and procedures.

Organisational structure – Advance’s governance structure is as follows:-

- Board (comprising non-executive and co-opted executive members)
- Advance Support Committee
- Advance Housing Committee
- Audit Committee
- Finance and IS Committee
- Remuneration Committee
- Group Management Team
- WiP Board
- Hilt Board

The Board has the ultimate responsibility for the Advance group’s affairs and has delegated responsibilities to its various committees and Group Management Team. All delegations, lines of responsibility and levels of authorisation are set out in the organisation’s Standing Orders of 31 March 2009.

INTERNAL CONTROL

The Board has overall responsibility for the systems of internal controls and the management of risk throughout the Advance group. In addition, the Board of each subsidiary acknowledges its responsibility for the system of internal control in its subsidiary. The Audit Committee is responsible to the Board for reviewing the systems and reporting on their effectiveness. The system of internal controls focuses on significant risks that would threaten Advance’s ability to meet its objectives.

The Board recognises that no system of internal control can provide absolute assurance or eliminate all risk. The systems of internal control are designed to manage rather than eliminate the risk of failure to achieve business objectives and it is recognised by the Board that these systems provide reasonable, but not absolute, assurance against material mis-statement or loss, and the development of the system is a continuing process. The systems of internal control also exist to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the Advance’s assets and interests.

Fraud

Advance does not tolerate fraud and action is taken to reduce fraud through the control systems. A new Anti-Fraud Policy was introduced in March 2009 and work is ongoing to monitor and enhance the control environment throughout the Group in order to reduce the risk of fraud.

The process adopted by the Board in reviewing the effectiveness of the system of internal control, together with some of the key elements of the control framework includes:

Risk map

The Group has continued to focus during the year on linking risk management to business planning processes, within the objective of creating a more risk aware culture throughout the Association.

Board and Group Management Team members have been trained in advanced risk management techniques and have fully embraced the development of the risk management framework. The Board has adopted a risk-based approach to internal controls that is embedded within the normal management and governance process. This approach includes the regular evaluation of the nature and extent of risks to which the Association is exposed and is consistent with Turnbull principles as incorporated in the Housing Corporation circulars R2-25/01 and 07/07: Internal Controls Assurance.

Identification and evaluation of key risks

Management responsibility has been clearly defined for the identification, evaluation and control of significant risks. There is a formal and ongoing process of management review in each area of the group's activities. This process is coordinated through a regular reporting framework by the Board and Audit Committee. The Group Management Team regularly considers reports on significant risks facing Advance and the Chief Executive is responsible for reporting to the Board any significant changes affecting key risks.

Monitoring and corrective action

A process of regular management reporting on control issues provides a hierarchical assurance to successive levels of management and to the Board. This includes a rigorous procedure for ensuring that corrective action is taken in relation to any significant control issues, particularly those with a material impact on the financial statements.

Control environment and control procedures

The Board retains responsibility for a defined range of issues covering strategic, operational, financial and compliance issues including Treasury Strategy and major new investment projects. The Board has adopted, and disseminated to all employees, a Code of Conduct. This sets out Advance's policies with regard to the quality, integrity and ethics of its employees. It is supported by a framework of policies with which employees must comply. These cover issues such as delegated authority, segregation of duties, accounting, Treasury Management, health and safety, data and asset protection and fraud protection and detection.

Information and financial reporting systems

Financial reporting procedures include detailed budgets for the year ahead and forecasts for subsequent years. These are reviewed and approved by the Board. The Board also regularly reviews Key Performance Indicators to assess progress towards the achievement of key business objectives, targets and outcomes, as described in the Annual Report.

The internal control framework and the risk management process are subject to regular review by the Audit Committee which is responsible for providing independent assurance to the Board. The Audit Committee considers internal control and risk at each of its meetings during the year. The Internal Auditors also provide independent assurance to the Board via the Audit Committee.

The Board has received reports from the Chief Executive, Director of Finance and Audit Committee and has reviewed the effectiveness of the system of internal control for the year ended 31 March 2009 and up to the date of signing these financial statements. It has identified changes needed to maintain and improve the effectiveness of the risk management and control process.

The Board confirms that there is an ongoing process for identifying, evaluating and managing the significant risks faced by Advance. The process has been in place throughout the year under review and is regularly reviewed by the Board.

ADVANCE HOUSING AND SUPPORT LIMITED

BOARD REPORT

DISCLOSURE OF INFORMATION TO AUDITORS

As far as the Directors are aware, there is no information needed by the auditors in connection with preparing their report of which the auditors are unaware.

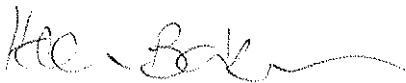
The Directors have taken all reasonable steps they ought to have taken as Directors in order to make themselves aware of any information needed by the auditors in connection with preparing their report and to establish that the auditors are aware of that information.

ANNUAL GENERAL MEETING

The Annual General Meeting will be held on 16 September 2009.

AUDITORS

Beever and Struthers have indicated their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed to the Annual General Meeting.



By order of the Board
27 July 2009

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ADVANCE HOUSING AND SUPPORT LIMITED

We have audited the financial statements on pages 11 to 40.

This report is made solely to the Association's members as a body, in accordance with section 9 of the Friendly and Industrial and Provident Societies Act 1968. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the board and auditors

The Board's responsibilities for preparing the Board Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Board's Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Industrial and Provident Societies Acts 1965 to 2002, the Industrial and Provident Societies (Group Accounts) Regulations 1969, Schedule 1 of the Housing Act 1996 (as amended by the Housing Act 2004) and the Accounting Requirements for Registered Social Landlords General Determination 2006.

We also report to you if the Association has not kept proper accounting records, if the Association has not maintained a satisfactory control over its transactions, if the financial statements are not in agreement with the books of account, and if we have not received all the information and explanations which are necessary for the purposes of the audit.

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

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Board in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Association's circumstances, consistently applied and adequately disclosed.

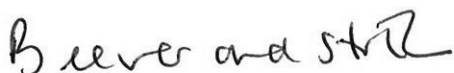
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the Group and the Association as at 31 March 2009 and of the surplus of the Group and the Association for the year then ended;
- have been properly prepared in accordance with the Industrial and Provident Societies Acts 1965 to 2002, the Industrial and Provident Societies (Group Accounts) Regulations 1969, Schedule 1 of the Housing Act 1996 (as amended by the Housing Act 2004), and the Accounting Requirements for Registered Social Landlords General Determination 2006; and are not inconsistent with the information contained in the Board Report.

Beever and Struthers
Registered Auditors



St George's House
215-219 Chester Road
Manchester
M15 4JE

Dated: 27 July 2009

ADVANCE HOUSING AND SUPPORT LIMITED

CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT
Year ended 31 March 2009

	Note	2009 £'000	2008 £'000 (restated)
TURNOVER	2	35,018	35,714
Operating costs	2	<u>(34,257)</u>	<u>(34,907)</u>
GROUP OPERATING SURPLUS	2	761	807
Surplus on disposal of housing properties	3	121	53
Interest receivable		168	245
Interest payable and similar charges	6	<u>(420)</u>	<u>(346)</u>
SURPLUS ON ORDINARY ACTIVITIES	18	<u>630</u>	<u>759</u>

All amounts relate to continuing activities.

The Association records all assets at their depreciated historical cost and the historical cost surplus is identical to that shown above.

The notes on pages 16 to 40 form part of these financial statements.

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED SURPLUSES AND DEFICITS
Year ended 31 March 2009

	Note	2009 £'000	2008 £'000
Surplus for the year		630	759
Prior year adjustment	27	(661)	-
Total (deficit) /surplus recognised since the last annual report		<u>(31)</u>	<u>759</u>

ADVANCE HOUSING AND SUPPORT LIMITED

ASSOCIATION INCOME AND EXPENDITURE ACCOUNT
Year ended 31 March 2009

	Note	2009 £'000	2008 £'000 (restated)
TURNOVER	2	29,388	29,072
Operating costs	2	<u>(28,392)</u>	<u>(28,364)</u>
OPERATING SURPLUS	2	996	708
Surplus on disposal of housing properties	3	121	53
Interest receivable		118	86
Interest payable and similar charges	6	<u>(420)</u>	<u>(346)</u>
SURPLUS ON ORDINARY ACTIVITIES	18	<u>815</u>	<u>501</u>

All amounts relate to continuing activities.

The Association records all assets at their depreciated historical cost and the historical cost surplus is identical to that shown above.

The notes on pages 16 to 40 form part of these financial statements.

ASSOCIATION STATEMENT OF TOTAL RECOGNISED SURPLUSES AND DEFICITS
Year ended 31 March 2009

	Note	2009 £'000	2008 £'000
Surplus for the year		815	501
Prior year adjustment	27	(661)	-
Total surplus recognised since the last annual report		<u>154</u>	<u>501</u>

ADVANCE HOUSING AND SUPPORT LIMITED

CONSOLIDATED BALANCE SHEET

As at 31 March 2009

	Note	2009		2008 (restated)	
		£'000	£'000	£'000	£'000
TANGIBLE FIXED ASSETS					
Housing properties	9				
Depreciated cost			75,760		70,464
Social housing grant			(46,727)		(43,806)
Other capital grants			(14,988)		(13,301)
			<hr/>		<hr/>
Net book value of housing properties			14,045		13,357
Other tangible fixed assets	10		3,100		2,238
			<hr/>		<hr/>
			17,145		15,595
CURRENT ASSETS					
Debtors	12	3,892		5,745	
Cash at bank and in hand		5,629		3,607	
		<hr/>		<hr/>	
			9,521	9,352	
CREDITORS: amounts falling due within one year	13	(6,094)		(5,077)	
		<hr/>		<hr/>	
NET CURRENT ASSETS			3,427		4,275
			<hr/>		<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES			20,572		19,870
			<hr/>		<hr/>
CREDITORS: amounts falling due after more than one year	14		8,867		8,758
PROVISIONS	15		108		141
CAPITAL AND RESERVES					
Share capital	17		-		-
Negative goodwill	18		2,199		2,203
Restricted reserves	18		342		578
Revenue reserves	18		9,056		8,190
			<hr/>		<hr/>
			20,572		19,870
			<hr/>		<hr/>

The notes on pages 16 to 40 form part of these financial statements.

These financial statements were approved and authorised for issue by the Board and signed on its behalf by:


MIKE ALEXANDER
 Board member


HELEN BAKER
 Chair


DEREK HEALY
 Secretary

Date of approval: 27 July 2009

ADVANCE HOUSING AND SUPPORT LIMITED

ASSOCIATION BALANCE SHEET

As at 31 March 2009

	Note	2009		2008 (restated)	
		£'000	£'000	£'000	£'000
TANGIBLE FIXED ASSETS					
Housing properties	9				
Depreciated cost			75,760		70,464
Social housing grant			(46,727)		(43,806)
Other capital grants			(14,988)		(13,301)
			<u>14,045</u>		<u>13,357</u>
Net book value of housing properties			14,045		13,357
Other tangible fixed assets	10		2,005		2,127
			<u>16,050</u>		<u>15,484</u>
CURRENT ASSETS					
Debtors	12	3,406		4,972	
Cash at bank and in hand		4,138		1,177	
			<u>7,544</u>	<u>6,149</u>	
CREDITORS: amounts falling due within one year	13	(5,463)		(4,393)	
			<u>2,081</u>	<u>1,756</u>	
NET CURRENT ASSETS					
TOTAL ASSETS LESS CURRENT LIABILITIES					
			<u>18,131</u>	<u>17,240</u>	
CREDITORS: amounts falling due after more than one year	14		8,867		8,758
PROVISIONS	15		108		141
CAPITAL AND RESERVES					
Share capital	17		-		-
Restricted reserves	18		100		151
Revenue reserves	18		9,056		8,190
			<u>18,131</u>		<u>17,240</u>

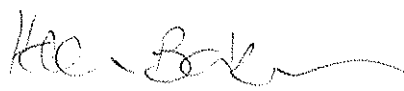
The notes on pages 16 to 40 form part of these financial statements.

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MIKE ALEXANDER
Board Member

Date of approval: 27 July 2009



HELEN BAKER
Chair



DEREK HEALY
Secretary

ADVANCE HOUSING AND SUPPORT LIMITED

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 March 2009

	Note	2009 £'000	2008 (restated) £'000
NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES	19(a)	5,093	(2,091)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		141	245
Interest paid		(408)	(328)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(267)	(83)
		4,826	(2,174)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			
Purchase and construction of housing properties		(6,084)	(7,261)
Social and other housing grant received		3,838	4,728
Purchase of other fixed assets		(1,338)	(720)
Disposal of housing properties		611	549
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		(2,973)	(2,704)
ACQUISITION OF SUBSIDIARY			
Cash acquired		-	283
CASH MOVEMENT BEFORE USE OF MONEY MARKET DEPOSITS AND FINANCING	19(c)	1,853	(4,595)
DECREASE IN MONEY MARKET DEPOSITS	19(c)	2,711	2,438
FINANCING			
Loans received		341	2,357
Housing loans repaid		(172)	(90)
CASH INFLOW FROM FINANCING		169	2,267
INCREASE IN CASH	19(c)	4,733	110

1 PRINCIPAL ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and comply with the Accounting Requirements for Registered Social Landlords General Determination 2006 and the Statement of Recommended Practice: Accounting by Registered Social Landlords 2008. A summary of the principal accounting policies is set out below, the only change since last year is the treatment of first tranche shared ownership sales.

Basis of consolidation

The consolidated financial statements incorporate those of the Association and all of its subsidiary undertakings for the year. Subsidiaries acquired during the year are consolidated using the acquisition method. Their results are incorporated from the date that control passes. The fair value of the separable net assets acquired is shown as reserves. All financial statements are made up to 31 March.

Turnover

Turnover represents the proceeds of first tranche shared ownership property sales, rent, support and service charges receivable, fees and revenue grants from local authorities and the Homes and Communities Agency and a small amount of charitable donations.

Turnover is recognised in the financial statements as follows:

First tranche Shared Ownership	Proceeds of first tranche sale at date of sale to Shared Owner
Rent	On a time apportioned basis, in accordance with the terms of the tenancy agreements
Support services	Under the Supporting People (SP) regime implemented in April 2003 income is recognised in terms of contracted hours worked. A provision is made for any potential clawback arising out of the SP reviews; if after a formal review it is certain that no clawback will arise the provision is released.
Service charges	On a time apportioned basis and / or on the basis of services provided, dependent on the terms of the tenancy / lease agreements
Fees	On a work done basis
Grants	As the associated expenditure is incurred, provided that the conditions for receipt have been matched and there is reasonable assurance that the grant is receivable
Donations	On a receipts basis

Housing properties – recognition of cost

Housing properties are stated at cost less Social Housing Grant and other grants. Cost consists of expenditure incurred in bringing the property to a lettable condition.

New developments by the Association comprise land cost, construction costs including internal fittings, professional fees, interest charges and other directly attributable costs (including development staff and in-house surveyors). Where existing buildings are acquired, cost comprises the amount paid for the building or transfer value, whichever is appropriate, together with costs incurred in bringing the building into use calculated in the same way as for new developments.

1 PRINCIPAL ACCOUNTING POLICIES (continued)

Works to existing housing properties

Works to existing housing properties are capitalised when the works give rise to an enhanced economic life of the property, reduced maintenance costs or an increase in net income (whether from reduced voids or rent increases). In particular, the cost is capitalised where, in order to meet service users' requirements, shared properties are modernised to become self-contained: one room, typically a long term void, may be lost during this process.

Depreciation of housing properties

Depreciation is charged on a straight line basis over the estimated useful economic life of the asset (excluding land) as follows:

Group homes and registered homes	40 years
Newbuild flats	60 years
Miscellaneous – newbuild	60 years
Miscellaneous – existing satisfactory purchases	60 years
Shared ownership	40 - 60 years

The figure depreciated is the cost of the building (excluding the land) less the Social Housing Grant (SHG) attributable to the building.

Impairment of housing properties

Assets that are impaired in value or in use are written down to their estimated economic value.

In the event of structural faults resulting in open market value falling below net book value a provision is made for the shortfall.

Impairments in use are identified by reference to occupancy levels of the properties concerned, the indication of potential impairment being an increase in void rate that is not expected to reverse and is in excess of that envisaged when the property was first acquired or constructed.

Sales of housing properties – shared ownership

In accordance with the 2008 Statement of Recommended Practice for Registered Social Landlords, the Association's accounting policy for the treatment of first tranche shared ownership sales has been changed to the policy set out in the following paragraph. As a result of this policy change, the prior years' results have been restated as required by Financial Reporting Standard 3. The effects are explained in note 27.

Under shared ownership arrangements, the Association grants long leases on a shared ownership basis to qualifying persons who occupy the property at a lease premium equal to between 25% and 75% of value. The occupier has the right to purchase further proportions up to 100% based on a current open market valuation of the property at the time. These shared ownership properties are split proportionally between fixed and current assets, with the expected first tranche sale element being treated as a current asset. First tranche sale proceeds are included in turnover, with the associated costs being charged to the income and expenditure account as cost of sales. The remaining element is classed as a fixed asset and included in housing properties at cost, less any provisions for depreciation (or impairment). Subsequent tranches sold are reflected in the income and expenditure account as a surplus or deficit on disposal of housing properties.

Social Housing Grant

Social Housing Grant (SHG) receivable against the capital cost of housing properties including those in course of development is deducted from their cost. It is subordinated to other loans with the Homes and Communities Agency's agreement. In the event of sale of the property SHG is repayable unless the Homes and Communities Agency permits either abatement or the recycling of the funds against the cost of another of the Association's properties.

In certain circumstances, SHG is available to fund the cost of major repairs to a building. Where the repair provides enhancements to the building which would have resulted in additional costs at the time of original construction, these costs are capitalised and the associated SHG included on the balance sheet.

Other tangible fixed assets

Other tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is charged on the straight line basis over the expected useful economic lives of the assets at the following rates:

Housing property furniture and equipment	33% pa
Computer equipment	20% - 50% pa
Office furniture and equipment	20% pa
Freehold office premises	2% pa
Leasehold office premises	20% pa or the life of the lease if shorter

Retirement benefits

The Group participates in a defined benefit pension scheme. The pension costs charged against the income and expenditure account represent the amount of contributions payable to the scheme in respect of the accounting period. The assets of the scheme are held separately from those of the Group, in an independently administered fund.

Provisions

Provisions are made to recognise liabilities incurred under onerous terms of past contractual arrangements.

Reserves

Any income that is restricted as to use is transferred to a restricted fund and transfers are made to reflect the use of the funds in the year. Where restricted funds are used to acquire assets and the restrictions continue to apply to the proceeds from any subsequent disposal of the assets, the funds continue to be recorded as restricted.

Operating leases

Rental payments made under operating leases are charged to expenditure on a straight-line basis over the life of the lease.

Homes managed on behalf of others

The Association reflects the income and expenditure of homes that it manages on behalf of other owners in its own income and expenditure account as, in accordance with the management agreement, the Association takes on the risks and rewards of the letting activities.

Value added tax

All expenditure is stated gross of irrecoverable value added tax

Service charge sinking funds

Service charge sinking funds are included as part of creditors due within one year.

Support income and costs including Supporting People income and costs

Supporting People (SP) contract income received from Administering Authorities is accounted for as SP income in turnover. The related support costs are matched against this income (see Note 2).

If the charges to individuals are not dealt with as part of rent, the income and related costs are shown as 'Supporting People' in 'Other income and expenditure from Social Housing Activities'.

Support charges included in the rent are shown as income from social housing lettings note 2 matched with related expenditure.

Restricted Grants

Where grants are received for restricted purposes they are only separately identified in the income and expenditure Account if material to the Association as a whole. Smaller grants are identified and their restricted grant transactions summarised in a separate Note to the Accounts.

ADVANCE HOUSING AND SUPPORT LIMITED

NOTES ON THE FINANCIAL STATEMENTS

Year Ended 31 March 2009

2 **TURNOVER, OPERATING COSTS AND OPERATING SURPLUS**

2(a) Summary

<u>CONSOLIDATED</u> YEAR ENDED 31 MARCH 2009	Turnover £'000	Operating costs £'000	Surplus / (deficit) £'000
Income and expenditure from property sales			
Sales of first tranche shared ownership properties	10,212	10,404	(192)
Income and expenditure from social housing letting activities - see 2(b) below			
Housing accommodation	10,768	9,666	1,102
Other income and expenditure from social housing activities			
Supporting People	7,517	6,980	537
Other Support	4,265	4,076	189
Housing Management fees	1,196	1,360	(164)
Development activities	174	578	(404)
Other	261	290	(29)
Non social housing activities			
Job placement activities	625	903	(278)
CONSOLIDATED TOTAL	35,018	34,257	761
<u>CONSOLIDATED</u> YEAR ENDED 31 MARCH 2008	Turnover £'000	Operating costs £'000	Surplus / (deficit) £'000
Income and expenditure from social housing letting activities			
Housing accommodation	10,056	9,480	576
Other income and expenditure from social housing activities			
Supporting People	8,231	7,760	471
Other Support	4,532	4,198	334
Housing Management fees	1,110	1,293	(183)
Development activities	153	548	(395)
Other	236	242	(6)
Non social housing activities			
Job placement activities	1,776	1,610	166
CONSOLIDATED TOTAL as previously stated	26,094	25,131	963
Prior year adjustment – first tranche shared ownership sales	9,620	9,776	(156)
CONSOLIDATED TOTAL as restated	35,714	34,907	807

ADVANCE HOUSING AND SUPPORT LIMITED

NOTES ON THE FINANCIAL STATEMENTS
Year Ended 31 March 2009

2 **TURNOVER, OPERATING COSTS AND OPERATING SURPLUS (Contd.)**

2(a) **Summary (continued)**

<u>ASSOCIATION</u>	Turnover	Operating costs	Surplus / (deficit)
YEAR ENDED 31 MARCH 2009	£'000	£'000	£'000
Income and expenditure from property sales			
Sales of first tranche shared ownership properties	10,212	10,404	(192)
Income and expenditure from social housing letting activities - see 2(b) below			
Housing accommodation	9,158	8,124	1,034
Other income and expenditure from social housing activities			
Supporting People	6,198	5,652	546
Other Support	2,044	1,839	205
Housing Management fees	1,196	1,360	(164)
Development activities	174	578	(404)
Other	173	202	(29)
Non social housing activities			
Management charges to subsidiaries	233	233	-
ASSOCIATION TOTAL	29,388	28,392	996
<u>ASSOCIATION</u>			
YEAR ENDED 31 MARCH 2008	Turnover £'000	Operating costs £'000	Surplus / (deficit) £'000
Income and expenditure from social housing letting activities			
Housing accommodation	8,386	7,866	520
Other income and expenditure from social housing activities			
Supporting People	6,948	6,431	517
Other Support	2,445	2,037	408
Housing Management fees	1,110	1,293	(183)
Development activities	153	548	(395)
Other	157	160	(3)
Non social housing activities			
Management charges to subsidiaries	253	253	-
ASSOCIATION TOTAL as previously stated	19,452	18,588	864
Prior year adjustment – first tranche shared ownership sales	9,620	9,776	(156)
ASSOCIATION TOTAL as restated	29,072	28,364	708

ADVANCE HOUSING AND SUPPORT LIMITED

NOTES ON THE FINANCIAL STATEMENTS
Year Ended 31 March 2009

2 **TURNOVER, OPERATING COSTS AND OPERATING SURPLUS (Continued)**

2(b) Social housing letting activities

<u>CONSOLIDATED</u>	SUPPORTED HOUSING	REGISTERED HOMES	SHARED OWNERSHIP	2009 TOTAL	2008
	£'000	£'000	£'000	£'000	£'000
Income					
Rents receivable	3,505	-	763	4,268	3,952
Service charges receivable	1,652	-	1,077	2,729	1,929
Registered Homes	-	3,692	-	3,692	4,020
Homes and Communities Agency grant for major repairs	79	-	-	79	155
Rents and Charges receivable	<u>5,236</u>	<u>3,692</u>	<u>1,840</u>	<u>10,768</u>	<u>10,056</u>
Expenditure					
Housing management	1,976	92	281	2,349	2,218
Care and support costs	-	3,289	-	3,289	3,560
Housing services	758	239	407	1,404	1,511
Bad debts	51	-	(13)	38	-
Routine maintenance	942	74	409	1,425	1,305
Major repairs	566	21	323	910	673
Depreciation on housing properties	131	26	94	251	213
Total expenditure	<u>4,424</u>	<u>3,741</u>	<u>1,501</u>	<u>9,666</u>	<u>9,480</u>
Operating surplus / (deficit)	<u>812</u>	<u>(49)</u>	<u>339</u>	<u>1,102</u>	<u>576</u>
Losses from voids	263	171	-	434	434

ADVANCE HOUSING AND SUPPORT LIMITED

NOTES ON THE FINANCIAL STATEMENTS
Year Ended 31 March 2009

2 TURNOVER, OPERATING COSTS AND OPERATING SURPLUS (Continued)

2(b) Social housing letting activities (Continued)

	<u>ASSOCIATION</u>			2009 TOTAL £'000	2008 £'000
	SUPPORTED HOUSING £'000	REGISTERED HOMES £'000	SHARED OWNERSHIP £'000		
Income					
Rents receivable	3,370	-	763	4,133	3,716
Service charges receivable	1,548	-	1,077	2,625	1,929
Registered Homes	-	2,321	-	2,321	2,586
Homes and Communities Agency grant for Major Repairs	79	-	-	79	155
Rents and Charges receivable	4,997	2,321	1,840	9,158	8,386
Expenditure					
Housing management	1,739	92	281	2,112	2,102
Care and support costs	-	1,984	-	1,984	2,287
Housing services	758	239	407	1,404	1,303
Bad debts	51	-	(13)	38	-
Routine maintenance	942	74	409	1,425	1,288
Major repairs expenditure	566	21	323	910	673
Depreciation on housing properties	131	26	94	251	213
Total expenditure	4,187	2,436	1,501	8,124	7,866
Operating surplus / (deficit)	810	(115)	339	1,034	520
Losses from voids	246	90	-	336	422

The total expenditure on works to existing properties was £ 2,686,000 (2008: £2,143,000), of which £351,000 (2008: £182,000) has been capitalised and £2,335,000 (2008: £1,961,000) expensed.

3 SALE OF HOUSING PROPERTIES

	CONSOLIDATED AND ASSOCIATION	
	2009 £'000	2008 £'000
Proceeds	611	549
Cost of sales (note 9)	(493)	(459)
Selling expenses / Social Housing Grant written off (net)	3	(37)
Surplus on disposal	121	53

Arising out of these disposals Social Housing Grant of £309,000 is available to be recycled into future developments.

ADVANCE HOUSING AND SUPPORT LIMITED

NOTES ON THE FINANCIAL STATEMENTS
Year Ended 31 March 2009

4 DIRECTORS' EMOLUMENTS

The directors are defined in the Accounting Requirements for Registered Social Landlords General Determination 2006 as the members of the Board and the group management team. Apart from the Chair, the non-executive members of the Board receive no remuneration.

The remuneration paid to the directors (including the chair and executive members of the Board) was:

	CONSOLIDATED		ASSOCIATION	
	2009	2008	2009	2008
	£'000	£'000	£'000	£'000
Emoluments (including pension contributions and benefits in kind):				
- paid to Executive board and group management team in respect of 8 directors (2008:8)	597	559	470	442
- paid to non-executive board member - Chair	8	8	8	8
	=====	=====	=====	=====
Emoluments (excluding pension contributions but including benefits in kind) paid to the highest paid director (Chief Executive)	94	93	94	93
	=====	=====	=====	=====

The Chief Executive is a member of the Social Housing Pension Scheme. Contributions are made by the Association at the same rates as apply to all employees and no enhanced or special terms apply.

	CONSOLIDATED		ASSOCIATION	
	2009	2008	2009	2008
	£'000	£'000	£'000	£'000
Total expenses reimbursed to the non-executive members of the Board	2	1	2	1
Total expenses reimbursed to the group management team, including executive members of the Board	11	9	8	7
	=====	=====	=====	=====
	13	10	10	8
	=====	=====	=====	=====

5 EMPLOYEE INFORMATION

The average number of persons, expressed in full time equivalents, employed during the year was:

	CONSOLIDATED		ASSOCIATION	
	2009	2008	2009	2008
	Number	Number	Number	Number
Office staff	70	97	59	87
Scheme based staff	447	446	308	313
Job Placement Activities	21	35	-	-
	=====	=====	=====	=====
Total	538	578	367	400
	=====	=====	=====	=====

The average number of employees of the Association during the year was 445 (2008: 483).

5 EMPLOYEE INFORMATION (Continued)

ADVANCE HOUSING AND SUPPORT LIMITED

NOTES ON THE FINANCIAL STATEMENTS
Year Ended 31 March 2009

	CONSOLIDATED		ASSOCIATION	
	2009	2008	2009	2008
Staff costs during the year:	£'000	£'000	£'000	£'000
Wages and salaries	11,723	12,782	7,992	8680
Social security costs	1,021	1,098	673	722
Pension costs	347	378	310	323
	<u>13,091</u>	<u>14,258</u>	<u>8,975</u>	<u>9,725</u>

6 INTEREST PAYABLE AND SIMILAR CHARGES

	CONSOLIDATED AND ASSOCIATION	
	2009	2008
	£'000	£'000
On bank loans repayable by instalments, over more than five years	420	346
	<u>420</u>	<u>346</u>

7 SURPLUS ON ORDINARY ACTIVITIES

	CONSOLIDATED		ASSOCIATION	
	2009	2008	2009	2008
The surplus on ordinary activities for the year is stated after charging:	£'000	£'000	£'000	£'000
Operating lease rentals – properties	752	801	580	614
Depreciation – tangible owned fixed assets	727	586	664	549
Auditors' remuneration in their capacity as auditors	30	30	21	19
	<u>752</u>	<u>801</u>	<u>580</u>	<u>614</u>

8 TAXATION

No provision for United Kingdom corporation tax has been made as the Association is accepted as a charity by the Inland Revenue. Income and capital gains of the Association are generally exempt from tax if applied for charitable purposes.

ADVANCE HOUSING AND SUPPORT LIMITED

NOTES ON THE FINANCIAL STATEMENTS
Year Ended 31 March 2009

9 TANGIBLE FIXED ASSETS – HOUSING PROPERTIES

CONSOLIDATED AND ASSOCIATION

	Housing accommodation held for letting		Shared Ownership properties	Total
	Completed	Properties in course of construction		
	£'000			
Cost			£'000	£'000
At 1 April 2008 as previously stated	53,577	-	18,989	72,566
Prior year adjustment	-	-	(794)	(794)
At 1 April 2008 as restated	53,577	-	18,195	71,772
Additions – cost of properties purchased in the year	1,268	-	4,122	5,390
– improvements to existing properties	351	-	-	351
– cost of properties under construction	-	257	-	257
Disposals	(302)	-	(165)	(467)
At 31 March 2009	54,894	257	22,152	77,303
Social Housing Grant				
At 1 April 2008 as previously stated	33,758	-	10,134	43,892
Prior year adjustment	-	-	(77)	(77)
At 1 April 2008 as restated	33,758	-	10,057	43,815
Received during year	285	199	2,714	3,198
Grants transferred from another RSL	24	-	-	24
Transfer to Recycled Capital Grant Fund and written off	(228)	-	(82)	(310)
At 31 March 2009	33,839	199	12,689	46,727
Other capital grants				
At 1 April 2008	11,483	-	1,818	13,301
Prior year adjustment	-	-	(9)	(9)
At 1 April 2008 as restated	11,483	-	1,809	13,292
Received during year	1,204	-	492	1,696
At 31 March 2009	12,687	-	2,301	14,988
Depreciation				
At 1 April 2008 as previously stated	1,108	-	247	1,355
Prior year adjustment	-	-	(47)	(47)
At 1 April 2008 as restated	1,108	-	200	1,308
Charge for the year	157	-	92	249
Disposals	(12)	-	(2)	(14)
At 31 March 2009	1,253	-	290	1,543
Net book value:				
At 31 March 2009	7,115	58	6,872	14,045
At 31 March 2008 as restated	7,228	-	6,129	13,357

ADVANCE HOUSING AND SUPPORT LIMITED

NOTES ON THE FINANCIAL STATEMENTS
Year Ended 31 March 2009

9 TANGIBLE FIXED ASSETS – HOUSING PROPERTIES (Continued)

Net book value of housing properties comprises:

	2009	2008
	£'000	£'000
Freehold land and buildings	11,955	11,791
Long leasehold land and buildings	2,090	1,566
	<u>14,045</u>	<u>13,357</u>

10 OTHER TANGIBLE FIXED ASSETS

<u>CONSOLIDATED</u>	Housing property furniture and equipment	Leasehold office premises	Freehold office premises	Office equipment and fittings	Computer equipment	Total
Cost	£'000	£'000	£'000	£'000	£'000	£'000
At 1 April 2008	629	25	1,875	113	685	3,327
Additions	205	9	982	59	83	1,338
Disposals	-	(10)	-	-	(21)	(31)
At 31 March 2009	<u>834</u>	<u>24</u>	<u>2,857</u>	<u>172</u>	<u>747</u>	<u>4,634</u>
	=====	=====	=====	=====	=====	=====
Depreciation						
At 1 April 2008	376	21	204	62	426	1,089
Charge for the year	248	5	53	32	138	476
Disposals	-	(10)	-	-	(21)	(31)
At 31 March 2009	<u>624</u>	<u>16</u>	<u>257</u>	<u>94</u>	<u>543</u>	<u>1,534</u>
	=====	=====	=====	=====	=====	=====
Net book value:						
At 31 March 2009	<u>210</u>	<u>8</u>	<u>2,600</u>	<u>78</u>	<u>204</u>	<u>3,100</u>
	=====	=====	=====	=====	=====	=====
At 31 March 2008	<u>253</u>	<u>4</u>	<u>1,671</u>	<u>51</u>	<u>259</u>	<u>2,238</u>
	=====	=====	=====	=====	=====	=====

ADVANCE HOUSING AND SUPPORT LIMITED

NOTES ON THE FINANCIAL STATEMENTS
Year Ended 31 March 2009

10 OTHER TANGIBLE FIXED ASSETS- continued

<u>ASSOCIATION</u>	Housing property furniture and equipment £'000	Leasehold office premises £'000	Freehold office premises £'000	Office equipment and fittings £'000	Computer equipment £'000	Total £'000
Cost						
At 1 April 2008	629	15	1781	56	624	3,105
Additions	205	9	29	-	48	291
At 31 March 2009	834	24	1,810	56	672	3,396
Depreciation						
At 1 April 2008	376	11	204	20	367	978
Charge for the year	248	5	32	9	119	413
At 31 March 2009	624	16	236	29	486	1,391
Net book value:						
At 31 March 2009	210	8	1,574	27	186	2,005
At 31 March 2008	253	4	1,577	36	257	2,127

11 SUBSIDIARIES

The Association has the following subsidiaries:

Hilt Support Limited	Activity:
Work in Progress UK Limited	Support for people with Learning Disabilities Job placements

Hilt is a registered Friendly Society with charitable aims; WiP was a UK charitable company limited by guarantee at 31 March 2009, since that date it has changed its status to a charitable Industrial and Provident Society registered with the Financial Services Authority.

ADVANCE HOUSING AND SUPPORT LIMITED

NOTES ON THE FINANCIAL STATEMENTS
Year Ended 31 March 2009

12 DEBTORS

	CONSOLIDATED		ASSOCIATION	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000
Amounts receivable within one year:				
Residents' rent arrears	760	1,109	714	1,045
Less: Provision for bad debts	(401)	(696)	(365)	(640)
	<u>359</u>	<u>413</u>	<u>349</u>	<u>405</u>
Other debtors	1,706	1,784	1,274	1,249
Shared Ownership property sales	230	2,766	230	2,766
Prepayments	298	468	254	238
Capital grants receivable	1,299	314	1,299	314
	<u>3,892</u>	<u>5,745</u>	<u>3,406</u>	<u>4,972</u>

13 CREDITORS

	CONSOLIDATED		ASSOCIATION	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000
Amounts falling due within one year				
Housing loans (Note 14)	173	157	173	157
Trade creditors	1,173	628	994	517
Leaseholders' funds	719	547	719	547
Rents in advance	374	545	374	545
Capital grants received in advance	512	297	512	297
Recycled capital grant fund (Note 14)	305	41	305	41
Social security and other taxes	297	405	203	246
Accruals and deferred income	2,297	2,032	1,967	1,669
Other creditors	244	425	216	374
	<u>6,094</u>	<u>5,077</u>	<u>5,463</u>	<u>4,393</u>

14 CREDITORS

	CONSOLIDATED AND ASSOCIATION	
	2009 £'000	2008 £'000
Amounts falling due after more than one year:		
a) Housing loans	6,162	6,350
b) Parental loans – shared ownership	1,939	1,598
c) Recycled capital grant fund	766	810
	<u>8,867</u>	<u>8,758</u>

ADVANCE HOUSING AND SUPPORT LIMITED

NOTES ON THE FINANCIAL STATEMENTS
Year Ended 31 March 2009

14 CREDITORS

Amounts falling due after more than one year (continued)

- a) Housing loans from Barclays Bank and other institutions are secured by specific charges on certain of the Association's housing properties and are repayable at rates of interest currently varying between 5.80% and 10.14% (average rate 6.8%) in instalments due as follows:

	2009	2008
	£'000	£'000
In one year or less	173	157
Between one and two years	183	168
Between two and five years	624	570
In five years or more	5,355	5,612
	6,335	6,507
	=====	=====

8% of the total housing loans at 31 March 2009 were repayable at variable rates (8% in 2008).

- b) Parental loans are made to support the provision of some shared ownership properties. The loans will become repayable if the properties are sold. They do not bear interest.
- c) The recycled capital grant fund must be utilised by 31 March 2012:

	CONSOLIDATED AND ASSOCIATION	
	2009	2008
	£'000	£'000
At 1 April	851	621
Grants recycled	310	280
Grant written off	-	(32)
Interest accrued	30	42
Major repairs and works to existing stock	(120)	(60)
At 31 March	1,071	851
	=====	=====
Falling due within one year		305
41		
Falling due after more than one year	766	810
	1,071	851
	=====	=====

ADVANCE HOUSING AND SUPPORT LIMITED

NOTES ON THE FINANCIAL STATEMENTS
Year Ended 31 March 2009

15 PROVISIONS

	CONSOLIDATED AND ASSOCIATION			
	Ridgeway £'000	Lease £'000	2009 £'000	2008 £'000
At 1 April	15	126	141	17
Utilised in the year	-	(34)	(34)	(2)
Provided in the year	-	1	1	126
At 31 March	15	93	108	141

The provision for Ridgeway major repairs relates to the contractual arrangements entered into with the Ridgeway Partnership (previously OLD T). The lease provision relates to the Association's future obligations under the terms of onerous property leases.

16 PENSION OBLIGATIONS

Social Housing Pension Scheme

The Association participates in the Social Housing Pension Scheme (SHPS). The Scheme is funded and is contracted out of the state scheme.

SHPS 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, to March 2007. From April 2007 the Association operated the final salary with a 1/60th accrual rate benefit structure for active members as at 31 March 2007 and the career average revalued earnings scheme with a 1/60th accrual rate benefit structure for new entrants from 1 April 2007.

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.

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 11.1% or 13.2%. Member contributions varied between 5.9% and 9.3% depending on their age.

As at the balance sheet date there were 81 active members of the Scheme employed by the Association. The annual pensionable payroll in respect of these members was £2,212,000. The Association continues to offer membership of the Scheme to its employees.

16 PENSION OBLIGATIONS – continued

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. 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 2008 by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £1,527 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £663 million, equivalent to a past service funding level of 70%.

The financial assumptions underlying the valuation as at 30 September 2008 were as follows:-

	% pa
Valuation Discount Rates	
Pre retirement	7.8
Non Pensioner Post retirement	6.2
Pensioner Post retirement	5.6
Pensionable earnings growth	4.7
Price inflation	3.2
Pension Increases	
Pre 88 GMP	0.0
Post 88 GMP	2.8
Excess over GMP	3.0

Expenses for death in service insurance, administration and PPF levy are included in the contribution rate

The valuation was carried out using the following demographic assumptions:

Mortality pre retirement – PA92 Year of Birth, long cohort projection, minimum improvement 1%pa
Mortality post retirement – 90% S1PA Year of Birth, long cohort projection, minimum improvement 1%pa

The long-term joint contribution rates that will apply from April 2010 required 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 1/60 th accrual rate	17.8
Career average revalued earnings with a 1/60 th accrual rate	14.9

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.

NOTES ON THE FINANCIAL STATEMENTS
Year Ended 31 March 2009

Following consideration of the results of the actuarial valuation it was agreed that the shortfall of £663 million would be dealt with by the payment of deficit contributions of 7.5% of pensionable salaries, increasing each year in line with salary growth assumptions, from 1 April 2010 to 30 September 2020, dropping to 3.1% from 1 October 2020 to 30 September 2023. Pensionable earnings at 30 September 2008 are used as the reference point for calculating these deficit contributions. These deficit contributions are in addition to the long-term joint contribution rates set out in the table above.

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). The Regulator has reviewed the recovery plan for the SHPS Scheme and confirmed that, in respect of the September 2005 actuarial valuation, it does not propose to issue any scheme funding directions under Part 3 of the Pensions Act 2004. A copy of the recovery plan in respect of the September 2008 valuation will be forwarded to the Regulator in due course.

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 buyout 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.

The Association has been notified by the Pensions Trust of the estimated employer debt on withdrawal from the Social Housing Pension Scheme based on the financial position of the Scheme as at 30 September 2008. As of this date the estimated employer debt for the Association was £14,234,000.

ADVANCE HOUSING AND SUPPORT LIMITED

NOTES ON THE FINANCIAL STATEMENTS
Year Ended 31 March 2009

17 SHARE CAPITAL

	CONSOLIDATED AND ASSOCIATION	
	2009	2008
Shares of £1 each issued and fully paid	£	£
At 1 April	34	31
Issued during year	-	3
	<hr/>	<hr/>
At 31 March	34	34
	=====	=====

The share capital of the Association consists of shares with a nominal value of £1 each, which carry no rights to dividends or other income. Shares in issue are not capable of being repaid or transferred. Where a shareholder ceases to be a member, that person's share is cancelled and the amount paid up thereon becomes the property of the Association.

18 RESERVES

Revenue	CONSOLIDATED	ASSOCIATION
	£'000	£'000
At 1 April 2008 as previously stated	8,851	8,851
Prior year adjustment (see Note 27)	(661)	(661)
	<hr/>	<hr/>
At 1 April 2008 as restated	8,190	8,190
Surplus for the year	630	815
Transfer from restricted reserves	51	51
Transfer of subsidiaries' net deficit for the year to restricted reserves	185	-
	<hr/>	<hr/>
At 31 March 2009	9,056	9,056
	=====	=====

ADVANCE HOUSING AND SUPPORT LIMITED

NOTES ON THE FINANCIAL STATEMENTS
Year Ended 31 March 2009

18 RESERVES (Continued)

Negative Goodwill on Acquisition

	Hilt £'000	WiP £'000	Total £'000
At 1 April 2008	2,067	136	2,203
Release of goodwill to income - equivalent to depreciation charged in the year on acquired assets	-	(4)	(4)
At 31 March 2009	<u>2,067</u> =====	<u>132</u> =====	<u>2,199</u> =====

Restricted reserves

	Hilt reserves for support of people with learning disabilities in NE London £'000	Work in Progress reserves for job placement £'000	Charitable reserve for capital expenditure £'000	CONSOLIDATED Total £'000
At 1 April 2008	72	355	151	578
Release to revenue reserves	-	-	(51)	(51)
Transfers of subsidiaries' surpluses/(deficits) for year from/(to) revenue reserves (including goodwill release)	83	(268)	-	(185)
At 31 March 2009	<u>155</u> =====	<u>87</u> =====	<u>100</u> =====	<u>342</u> =====

**ASSOCIATION
Charitable
reserve for capital
expenditure
£'000**

At 1 April 2008	151
Release to revenue reserves	(51)
At 31 March 2009	<u>100</u> =====

The charitable reserve relates to conditional capital grants and donations that are potentially repayable if the Association ceases to use particular properties for the specified purpose.

19 NOTES ON THE CASH FLOW STATEMENT

a)	Reconciliation of operating surplus to net cash inflow from operating activities				
		2009		2008	
		£'000		£'000	
				(restated)	
	Group operating surplus	761		807	
	Depreciation of tangible fixed assets	725		579	
	(Decrease) / increase in provision	(33)		124	
	Decrease / (increase) in debtors	2,835		(3,196)	
	Increase/ (decrease) in creditors	809		(371)	
	Negative goodwill release (note 18)	(4)		(34)	
	Net cash inflow/(outflow) from operating activities	5,093		(2,091)	
		=====		=====	
b)	Reconciliation of net cash inflow to movement in net funds / (debt)				
		2009		2008	
		£'000		£'000	
	Increase/(decrease) in cash in the year	4,733		(173)	
	Decrease in Money Market deposits	(2,711)		(2,438)	
	Cash inflow from increase in loans	(169)		(2,267)	
	Increase /(decrease) in net debt from cash flows	1,853		(4,878)	
	Cash and Money Market deposits acquired with new subsidiary on 1 April 2007	-		2,783	
	Net debt at 1 April	(4,498)		(2,403)	
	Net debt at 31 March	(2,645)		(4,498)	
		=====		=====	
c)	Analysis of changes in net funds				
		At 1	Movement in the year		At 31
		April		Other	March
		2008	Cashflow	changes	2009
		£'000	£'000	£'000	£'000
	Money Market deposits	3,811	(2,711)	-	1,100
	Cash at bank and in hand	(204)	4,733	-	4,529
		3,607	2,022	-	5,629
	Debt due after one year	(7,948)	(326)	173	(8,101)
	Debt due within one year	(157)	157	(173)	(173)
		(4,498)	1,853	-	(2,645)
		=====	=====	=====	=====

ADVANCE HOUSING AND SUPPORT LIMITED

NOTES ON THE FINANCIAL STATEMENTS
Year Ended 31 March 2009

20 CAPITAL COMMITMENTS

	CONSOLIDATED		ASSOCIATION	
	2009	2008	2009	2008
	£'000	£'000	£'000	£'000
Capital expenditure that has been contracted for but has not been provided for in these financial statements	4,188	1,201	4,188	548
Capital expenditure that has been authorised by the Board but has not been contracted for	7,830	7,164	7,830	6,711
	12,018	8,365	12,018	7,259

The Association's 2009 contracted expenditure will be partially funded by Social Housing grants of £2,523,000, and the authorised expenditure is gross of associated grants to be transferred to the Association of £6,321,000 (2008 £5,870,000).

21 OPERATING LEASES

At 31 March 2009 there were annual commitments under operating leases, which expire as follows:

	CONSOLIDATED			
	2009	2009	2008	2008
	Land and buildings	Other	Land and buildings	Other
	£'000	£'000	£'000	£'000
Less than one year	100	11	144	5
Between two and five years	209	16	145	23
More than five years	279	3	303	-
	588	30	592	28

	ASSOCIATION			
	2009	2009	2008	2008
	Land and buildings	Other	Land and buildings	Other
	£'000	£'000	£'000	£'000
Less than one year	74	11	97	5
Between two and five years	100	12	48	19
More than five years	279	3	303	-
	453	26	448	24

22 HOUSING STOCK

ADVANCE HOUSING AND SUPPORT LIMITED

NOTES ON THE FINANCIAL STATEMENTS
Year Ended 31 March 2009

	CONSOLIDATED		ASSOCIATION	
	2009	2008	2009	2008
	Number	Number	Number	Number
Units under management at year end:				
Units for rent	1,366	1,362	1,290	1,286
Shared ownership units	422	325	422	325
	<u>1,788</u>	<u>1,687</u>	<u>1,712</u>	<u>1,611</u>
Units owned but managed by another RSL:	129	138	129	138
Units under development:				
For rent	10	-	10	-
Shared ownership	10	27	10	27
	<u>1,937</u>	<u>1,852</u>	<u>1,861</u>	<u>1,776</u>
	=====	=====	=====	=====

23 POST BALANCE SHEET EVENT

In order to ensure the continuation of the current operations of WiP and to increase the capacity for winning new business, the Boards of both WiP and Advance have resolved since the year-end that a Transfer of Engagements from WiP to Advance will take place by September 2009. To facilitate this process, the status of WiP was changed to an Industrial and Provident Society, registered with the Financial Services Authority, on the 8 April 2009.

24 LEGISLATIVE PROVISIONS

The Association is incorporated under the Industrial and Provident Societies Act 1965 and is registered with the Tenant Services Authority as a Registered Social Landlord under the Housing Act 1996.

25 SOCIAL HOUSING GRANT

Accumulated social housing grant (both revenue and capital) received by the Group and the Association as at 31 March 2009 was £48,189,000 (2008: £44,496,000).

26 RESTRICTED GRANTS

ADVANCE HOUSING AND SUPPORT LIMITED

NOTES ON THE FINANCIAL STATEMENTS
Year Ended 31 March 2009

Included in the Association's Income and Expenditure Account for the year ended 31 March 2009 are amounts received in grants to cover expenditure for restricted purposes. Under the terms of the grants, there are requirements for these projects to be separately identified in the accounting system of the Association. Deferred Grants are carried forward in the Balance Sheet as creditors. Movements in the year are summarised as follows:

	Dept of Health Grant - Recovery in action - Ref: 2006-0513-1115- 2131-43133170	Big Lottery Fund Grant - Coast to Coast - Ref: MK/1/010166452
	£	£
Deferred grant at 1 April 2008	-	29,764
Grant received in year	31,477	107,376
Expenditure in year	(30,891)	(93,345)
Depreciation	-	(393)
	<hr/>	<hr/>
Deferred grant carried forward at 31 March 2009	586	43,402
	<hr/>	<hr/>

27 PRIOR YEAR ADJUSTMENT

As explained in note 1, there is a change of accounting policy for these 2009 financial statements in the treatment of first tranche sales of shared ownership properties. The new treatment is to include these sales and associated costs in the Income and Expenditure Account, rather than the previous policy of reflecting them as a deduction within fixed assets on the Balance Sheet. In order to ensure the previous results are comparable, and in accordance with Financial Reporting Standard 3, the prior year figures have been adjusted to the new basis as follows:

BALANCE SHEET – TANGIBLE FIXED ASSETS	CONSOLIDATED and ASSOCIATION
	£'000
Net Book Value of housing properties - as previously stated 1 April 2008	14,018
<u>Less</u> first tranche deficits	(794)
<u>Add</u> depreciation write-back adjustment	47
<u>Add</u> Social Housing and other capital grants transferred	86
	<hr/>
As restated at 1 April 2008	13,357
	<hr/>

ADVANCE HOUSING AND SUPPORT LIMITED

NOTES ON THE FINANCIAL STATEMENTS
Year Ended 31 March 2009

27 PRIOR YEAR ADJUSTMENT (Continued)	CONSOLIDATED and ASSOCIATION	
		Total
		£'000
BALANCE SHEET - REVENUE RESERVES		
Revenue Reserves as previously stated		8,851
First tranche proceeds		28,039
First tranche cost of sales		(28,833)
Depreciation write-back adjustment		47
Social Housing and other capital grants transferred		86
Total adjustment		(661)
Revenue Reserves as restated		8,190
INCOME AND EXPENDITURE ACCOUNT - TURNOVER	CONSOLIDATED 2008 £'000	ASSOCIATION 2008 £'000
As previously stated	26,094	19,452
Add proceeds of sale of first tranches of shared ownership properties	9,591	9,591
Add Social Housing grants transferred	29	29
As restated	35,714	29,072
INCOME AND EXPENDITURE ACCOUNT - OPERATING COSTS		
As previously stated	25,131	18,588
Add cost of sales of first tranches of shared ownership	9,783	9,783
Depreciation reduction	(7)	(7)
As restated	34,907	28,364



Advance exists to enable
people with either a
learning disability or a
mental health problem to
realise their individual
potential as valued citizens



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