

**Clanmil Housing Association Limited**  
**Annual Statement of Accounts**  
**for the year ended 31 March 2008**

# **Clanmil Housing Association Limited**

## **Annual Statement of Accounts for the year ended 31 March 2008**

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## Board of Management and advisers

### Board of Management

G Rice MBE BSc MBIC Sc (Chair)  
G Johnston MA (Oxon) (Vice Chair)  
J Baird MSc FCIH  
J Browne BA DipM MCIM  
G Cunningham IAM  
J Ebbage LL.B (Hons) CPLS  
CT Hogg MBE UD JP DL  
S Kirkwood OBE TD MICE  
W Linton (co-opted)  
D Long (co-opted 26 October 2006)  
M O'Boyle CQSW ASW (appointed 25 April 2007)  
J O'Brien (co-opted)  
C Ramsey BSc (Hons) Dip TP Dip BA MRTPI (co-opted)  
D Rankin MBE RD\* BSc (Econ) MSSc FCII (resigned 27 June 2007)  
M Riordan OBE BSc (Hons)  
M Shiells JP

### Chief Executive and Secretary

CI McCarty BA MCIH MRICS

### Registered office

Northern Whig House  
3 Waring Street  
Belfast  
BT1 2DX

Registered under the Industrial and Provident Societies Act (Northern Ireland) 1969, No. IP 136

### Solicitors

Harrisons  
15-17 Chichester Street  
Belfast  
BT1 4JB

### Bankers

Northern Bank Limited  
1/9 Victoria Street  
Belfast  
BT1 3GA

### Registered auditors

PricewaterhouseCoopers LLP  
Waterfront Plaza  
8 Laganbank Road  
Belfast  
BT1 3LR

## Report of the Board of Management for the year ended 31 March 2008

The Board of Management present their report and the audited financial statements for the year ended 31 March 2008.

### Principal activities

Clanmil Housing is one of the leading providers of affordable housing in Northern Ireland, providing both general and specialised housing for people in need.

We aim to be a primary provider of high quality homes at the lowest possible economic rent for everyone in housing need.

This mission is achieved through:

- Providing high quality services which meet the requirements of our customers;
- Sustaining the highest levels of Governance and Accountability in all areas of operation;
- Progressing appropriate business opportunities to continue growth;
- Using all resources available as efficiently and effectively as possible; and
- Acting responsibly with regard to the environment in all aspects of operations.

The Board of Management is a voluntary Committee who have responsibility for the strategic direction, general policy and management of the Association. The day to day management of operations is delegated to the Chief Executive and the Management Team. The Association employs 170 staff.

Clanmil Housing provides affordable housing in Northern Ireland and is the controlling member of the Clanmil Group.

Clanmil Properties Limited manages commercial property rentals.

Milbreen Limited is currently dormant but intends to develop affordable housing for sale.

Clanmil Ireland provides housing accommodation for those in need in the Republic of Ireland.

The Association continues to grow as an organisation and efficiency savings are reinvested where appropriate to improve existing services, deliver additional services and maintain or improve the stock condition and value.

We strive to operate efficiently and effectively, and outputs are monitored by the Board of Management who receive performance reports covering a variety of financial and non-financial performance information.

For our core business areas we have set a number of key performance indicators - these include rent arrears, voids, customer satisfaction, development programme targets, maintenance repair times, staff turnover and financial stability.

The management of financial resources is critical to our ability to meet our objectives. Whilst the Association has voluntary non-profit making status, the generation of an annual surplus is vital to ensure the ongoing investment in new housing stock, to provide for longer term maintenance obligations, to meet the commitments to lenders, and to generally ensure adequate protection against unforeseen circumstances.

The key strengths of the Association which enable our objectives to be achieved are:

- A commitment to the highest standards of corporate governance;
- A financial position which secures the confidence of funders, facilitating future investment and strategic growth opportunities;
- Professional and dedicated staff who are committed to the Association's objectives; and
- An ability to deliver the social housing development programme.

### Status

The Association is registered under the Industrial and Provident Societies Acts (Northern Ireland) 1969 and 1976 (No. IP 136) and is a Registered Housing Association.

The Association is a registered charity (Charity No. XR 43042).

## Report of the Board of Management for the year ended 31 March 2008 (continued)

### Risk Management

Responsibility for the identification of risks is clearly defined and operates through a rolling risk assessment process. Key risks facing the Association are considered by the Board of Management at each meeting and the Board has adopted a risk-orientated strategic focus.

Performance in the sector is generally affected by government policies and changing legislation, the impact of the regulatory regime, changes in demographic, political or economic conditions or environmental risks. Some of the major factors which may affect the Association over the next year are:

- Limits on Supporting People and other revenue funding;
- Increasing customer demands/expectations including the need to deal with anti-social behaviour;
- Housing policy and planning issues;
- Possible effects of the procurement strategy for the social housing development programme; and
- The possible effects of reducing grant rates and availability of grant on the ability to develop financially viable schemes.

### Performance in the year ended 31 March 2008

During the year the number of homes in management increased by 259 to 1,967. There were 167 units under development at 31 March 2008.

£26.345 million was spent on the development of housing properties during the year, and funding from Housing Association Grant of £17.125 million was received.

Turnover increased by 13% from £7.762 million in 2006/07 to £8.782 million.

The Association's annual review of rental charges at April 2007 resulted in a 3.5% increase in rents.

Operating costs of £5.931 million represent 68% of turnover as compared to 75% in 2006/07.

The surplus for the year was £1.639 million, before transfers to designated reserves, showing an increase of £140K over 2006/07. The majority of the increase in surplus arose from the effective control of management and maintenance costs.

The Association is required to report efficiency savings to the Department for Social Development and achieved a total efficiency gain of £471K for the year using the Department's methodology. This represents an efficiency gain of approximately 7% over 2006/07 costs.

The Association continues its programme of major repairs and improvements to properties and the total expenditure in the year was £796K. The level of expenditure of this nature will fluctuate from year to year dependent on the age and condition of schemes and this has a significant impact on the amount of retained surplus in any one year after the relevant transfer to/from designated reserves.

Designated reserves increased to £5.970 million demonstrating the Association's overall capacity to meet its future major repairs and cyclical maintenance commitments.

A surplus on the disposal of housing properties of £116K was generated during the year and this will be reinvested in the provision of replacement properties for social housing rental.

### Expected performance in the year ending 31 March 2009

The Association expects further expansion in 2008/09 as a result of a significant ongoing development programme with turnover projected to increase by around 5% to approximately £9.250 million.

It is planned that 145 additional units of housing will be completed during the year increasing total stock to 2,112 units.

£4.322 million of expenditure re the ongoing programme of major repairs and improvements to properties is anticipated in the year.

## Report of the Board of Management for the year ended 31 March 2008 (continued)

### Expected performance in the year ending 31 March 2009 (continued)

The Association operates in a highly regulated environment which can result in associated cost pressures and constraints on income streams. We will continue to develop a co-ordinated corporate approach to achieving efficiency targets in line with the Strategic Plan. Priorities have been set to ensure that efficiencies are gained without an adverse impact on service delivery or service user satisfaction.

### Treasury

The Association's treasury management policy facilitates the effective management of cash flows, borrowings, investments and the risks associated with these activities.

At 31 March 2008 the Association had loans outstanding of £17.504 million, representing an increase in the loan portfolio of £6.538 million over 31 March 2007. Bank overdraft decreased from £4.667 million at 31 March 2007 to £92K at 31 March 2008 reflecting a refinancing exercise completed during the year.

The Association was fully compliant with loan covenants during the year. The interest cover ratio for the year of 2.47 and the adjusted net leverage ratio as at 31 March 2008 of 12.19% comfortably exceed the Association's principal lender's requirements.

Responsibility for the management of interest rate risk and liquidity risk is delegated to the Finance Committee. The Association finances its operations through a combination of borrowing and the reinvestment of retained reserves. The amount of borrowings and its terms are reviewed and determined by the Finance Committee.

### Interest rate risk

Exposure to fluctuating interest rates is managed by the composition of a balanced portfolio between fixed rate and variable rate loans.

### Liquidity risk

The Association maintains a mixture of long-term and short-term loan finance that is designed to ensure there is sufficient funds to achieve business objectives and to facilitate planned growth.

At 31 March 2008 the Association had available loan facilities agreed with Banks but undrawn of £14.3 million.

### Currency risk

The Association does not engage in foreign currency transactions and so is not exposed to exchange risk.

### Regulation

The Association's principal regulator is the Department for Social Development (DSD). It is also regulated by the Northern Ireland Housing Executive (NIHE) in its role as administrator of Supporting People funding.

The DSD issued its inspection report on the Association in January 2008 covering four main areas of operations. A four tier grading system has been adopted to reflect the assessments of unacceptable, acceptable, good or exemplary. The individual area assurance ratings attained by the Association are as follows:

Area of operations:	Grading:
Financial Management	Exemplary
Corporate Governance	Good
Property Management	Exemplary
Property Development	Acceptable
Overall	Good

## Report of the Board of Management for the year ended 31 March 2008 (continued)

### Regulation (continued)

It is our understanding that, as at January 2008, of the draft inspection reports issued on 11 Housing Associations only 3 “exemplary” individual area assurance ratings have been attained and it is a measure of the emphasis placed on best practice within Clanmil that the Association achieved 2 of these ratings.

### Quality Management

The quality of the Association’s management systems is recognised through the ISO and Investors in People accreditations, the standards of the Code of Practice for the Centre for Sheltered Housing Studies and the standards of the Regulation and Quality Improvement Authority.

### Statement of the responsibilities of the members of the Board of Management

The Industrial and Provident Societies Acts and registered housing association legislation require the members of the Board of Management to prepare financial statements for each financial year which give a true and fair view of the state of the Association’s affairs and of its surplus or deficit for that period. In preparing these statements the Board is required to:

- Select suitable accounting policies and 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue to operate.

The members of the Board of Management are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to ensure that the financial statements comply with the Industrial and Provident Societies Act (Northern Ireland) 1969 and 1976 and the Registered Housing Associations (Accounting Requirements) Order (Northern Ireland) 1993. They have general responsibility for the taking of reasonable steps to safeguard the assets of the Association and to prevent and detect fraud and other irregularities.

### Statement of disclosure of information to auditors

So far as each of the members of the Board of Management at the date of approval of these financial statements is aware:

- There is no relevant audit information of which the Association’s auditors are unaware; and
- They have taken all the steps that they ought to have taken as members of the Board of Management in order to make themselves aware of any relevant audit information and to establish that the Association’s auditors are aware of that information.

### Internal Control

The Board of Management has overall responsibility for the Association’s internal control systems and for reviewing the effectiveness of these. Such systems can only provide the Board of Management with reasonable (and not absolute) assurance against material misstatement or loss as they are designed to manage the risk of failure to achieve business objectives rather than eliminate the risk completely.

### Audit

The Board of Management has established an Audit Committee with clearly defined terms of reference. The main functions of the Audit Committee are to control and review the external and internal audit functions, the internal control systems and monitor the performance of the Association against the key business indicators. The Association’s internal auditors report directly to the Audit Committee on completion of each systems review and an annual summary report is produced by the internal auditors summarising the systems audit programme each year. The work of the external auditors also provides some assurance through the year end audit and the provision of an internal control report.

## **Board of Management and Executive Officers**

The members of the Board of Management and the executive officers of the Association are listed on page1.

Each member of the Board of Management other than members co-opted during the year holds one fully paid share of £1 in the Association.

In accordance with the rules of the Association, Ms Baird, Mr Hogg and Ms Rice are due to retire by rotation and are eligible for re-appointment.

## **Auditors**

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office, and a resolution proposing their reappointment will be proposed at the Annual General Meeting.

By order of the Board

CI McCarty  
**Secretary**  
9 June 2008



## Auditors' report to the shareholders of Clanmil Housing Association Limited

We have audited the financial statements of Clanmil Housing Association Limited for the year ended 31 March 2008 which comprise the income and expenditure account, the balance sheet, the cash flow statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

### Respective responsibilities of the Board of Management and Auditors

As described in report of the Board of Management the members of that Board are responsible for the preparation of the annual report and the financial statements, in accordance with applicable Northern Ireland law and United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with the relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the association's members as a body in accordance with the Industrial and Provident Societies Acts (Northern Ireland) 1969 and 1976 and the Registered Housing Associations (Accounting Requirements) Order (Northern Ireland) 1993 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 (Northern Ireland) 1969 and 1976 and the Registered Housing Associations (Accounting Requirements) Order (Northern Ireland) 1993. We also report to you if, in our opinion, the report of the Board of Management is not consistent with the financial statements, if the Association has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, if a satisfactory system of control over books of account and transactions has not been maintained or if information required by law, such as details of Board of Management members' transactions with the Association is not disclosed.

We read the other information issued with the financial statements and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

We review whether the statement on page 5 reflects the Association's compliance with the Department for Social Development's Code of Audit Practice ("the Code") and we report whether the Board of Management has provided the disclosures required by the Code and whether the statement is not inconsistent with the information of which we are aware from our audit of the financial statements. We are not required to form an opinion on the effectiveness of the Association's system of internal financial control.

### Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Board of Management in the preparation of the financial statements, and of whether the financial 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.

## Auditors' report to the shareholders of Clanmil Housing Association Limited (continued)

### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Association's affairs as at 31 March 2008 and of its surplus and cash flows for the year then ended;
- the Association has maintained proper books of account and maintained a satisfactory system of control over its transactions;
- the financial statements are in accordance with the books and have been properly prepared in accordance with the Industrial and Provident Societies Acts (Northern Ireland) 1969 and 1976 and the Registered Housing Associations (Accounting Requirements) Order (Northern Ireland) 1993;
- the information given in the Report of the Board of Management is consistent with the financial statements; and
- with respect to the Board of Management's statement on internal financial controls on page 5, in our opinion the Board of Management has provided the disclosures required by the Code, and the statement is not inconsistent with the information of which we are aware from our audit of the financial statements.

### **PricewaterhouseCoopers LLP**

Chartered Accountants and Registered Auditors

Belfast

9 June 2008

## Income and expenditure account for the year ended 31 March 2008

	Notes	2008 £	2007 £
<b>Turnover</b>	2	<b>8,781,920</b>	7,762,184
<b>Operating costs</b>	3	<b>(5,930,542)</b>	(5,850,437)
<b>Operating surplus</b>	4	<b>2,851,378</b>	1,911,747
Surplus arising from sales of housing property	7	<b>116,144</b>	428,221
Transfer to disposal proceeds fund	7	<b>(152,808)</b>	(441,961)
Interest receivable and similar income	8	<b>43,294</b>	178,592
Interest payable and similar charges	9	<b>(1,218,674)</b>	(576,878)
<b>Surplus on ordinary activities</b>		<b>1,639,334</b>	1,499,721
Less: transfer to designated reserves			
- major repairs	20	<b>(695,043)</b>	197,529
- cyclical maintenance	20	<b>20,426</b>	240,725
- bequests	20	<b>(6,222)</b>	(7,908)
<b>Retained surplus for the year</b>		<b>958,495</b>	1,930,067
Retained surplus brought forward		<b>7,697,809</b>	5,767,742
<b>Retained surplus carried forward</b>		<b>8,656,304</b>	7,697,809

All amounts above relate to continuing operations of the Association.

The Association has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the surplus on ordinary activities and its historical cost equivalents.

## Balance sheet at 31 March 2008

	Notes	2008 £	2007 £
<b>Fixed assets</b>			
Housing properties - depreciated cost	10	153,300,056	127,307,397
Less: Housing Association Grant and other grants	10	(114,498,048)	(97,279,132)
		<b>38,802,008</b>	30,028,265
Other tangible fixed assets	11	1,858,586	1,953,320
Investments	12	2	2
		<b>40,660,596</b>	31,981,587
<b>Current assets</b>			
Debtors	13	5,138,653	4,120,148
Cash at bank and in hand		270,929	194,727
		<b>5,409,582</b>	4,314,875
<b>Creditors: amounts falling due within one year</b>	14	<b>(13,648,202)</b>	(17,101,512)
<b>Net current liabilities</b>		<b>(8,238,620)</b>	(12,786,637)
<b>Total assets less current liabilities</b>		<b>32,421,976</b>	19,194,950
<b>Creditors: amounts falling due after more than one year</b>			
	15	17,592,186	5,910,064
<b>Provisions for liabilities</b>	17	203,394	297,825
		<b>17,795,580</b>	6,207,889
<b>Capital and reserves</b>			
Called up share capital	18	21	20
Capital reserve	19	6	6
Designated reserves	20	5,970,065	5,289,226
Revenue reserve		8,656,304	7,697,809
<b>Total funds</b>	23	<b>14,626,396</b>	12,987,061
		<b>32,421,976</b>	19,194,950

The financial statements on pages 9 to 28 were approved by the Board of Management on 9 June 2008 and were signed on its behalf by:

C T Hogg  
Board Member

## Cash flow statement for the year ended 31 March 2008

	Notes	2008 £	2007 £
<b>Net cash inflow from operating activities</b>	24	<b>2,895,220</b>	2,291,944
<b>Returns on investments and servicing of finance</b>			
Interest received		39,372	178,791
Interest paid		(955,481)	(571,888)
		<b>(916,109)</b>	(393,097)
<b>Capital expenditure</b>			
Purchase and development of housing properties		(26,731,682)	(17,173,131)
Housing Association Grant and other grants		18,091,334	12,118,738
Voluntary Purchase Grant		40,517	133,598
Purchase of other tangible assets		(33,102)	(126,995)
Receipts from disposal of housing properties		99,654	565,373
		<b>(8,533,279)</b>	(4,482,417)
<b>Financing</b>			
Loan advance		25,340,000	250,000
Loan principal repayments		(14,134,856)	(2,363,451)
Allotment of shares		1	-
		<b>11,205,145</b>	(2,113,451)
<b>Increase/(decrease) in cash in the year</b>	25 - 26	<b>4,650,977</b>	(4,697,021)

## Notes to the financial statements for the year ended 31 March 2008

### 1 Accounting policies

These financial statements are prepared under the historical cost convention, and in accordance with applicable accounting standards and statement of recommended practice. The presentation of the accounts complies with the Registered Housing Associations (Accounting Requirements) Order (Northern Ireland) 1993.

#### Tangible fixed assets

##### Housing properties

Housing properties which include land are stated at cost including appropriate on costs.

##### Other fixed assets

Other fixed assets are stated at cost.

##### Housing Association Grant and other grants

Housing Association Grant and other grants received as a contribution towards the capital costs of housing properties are set against the capital cost of these properties. Housing Association Grant received against revenue expenditure is credited to revenue in the period in which the related expenditure is charged.

Such grants, although treated as a grant for accounting purposes, may be repayable under certain circumstances, primarily following the sale of housing property, but any amount repayable would be restricted to the net proceeds of the sale.

#### Depreciation

##### Housing properties

The Association's policy is to depreciate the cost over the remaining useful economic lives of the properties in accordance with the Statement of Recommended Practice for Accounting by Registered Social Landlords. The useful economic lives have been estimated at follows:

Sheltered housing - 70 years  
Non-sheltered housing - 90 years

##### Other fixed assets

Depreciation of other fixed assets is charged on a straight-line basis over the estimated useful economic lives of the assets at the following annual rates:

Freehold buildings - 2% on cost  
Office furniture and fittings - 10% to 20% on cost  
Motor vehicles - 25% on cost  
Fixed assets related to property - 10% on cost

##### Scheme furniture and equipment

Included in the service charge to tenants is their contribution towards the cost of renewing scheme furniture and equipment. The Association holds these contributions from tenants in a provision for furniture and equipment replacement against which renewals are charged. The contribution amounts are determined by reference to the current estimated cost of renewing these assets and their estimated useful lives.

## Notes to the financial statements for the year ended 31 March 2008 (continued)

### 1 Accounting policies (continued)

#### Disposal proceeds fund

The net surpluses, after loan repayments, that arise from the sale of property to tenants under the voluntary purchase grant arrangements instituted by the Department for Social Development can be used by the Association to fund works on property that would not be eligible for housing association grant or in certain circumstances, attract loan finance. With effect from 1 October 2006 notional interest on the balance is included in the fund.

If the surpluses are not used within three years of their receipt they may be payable in part or in full to the Department for Social Development.

#### Transfer to designated reserves

##### Cyclical maintenance

The Association's obligations in respect of cyclical maintenance are reflected by way of amounts appropriated from revenue to designated reserves, such appropriation being based on maintenance allowances specified by the Department for Social Development. Cyclical maintenance expenditure is charged to revenue and amounts equivalent to this expenditure released from designated reserve to revenue reserve.

##### Major repairs

The amount appropriated to designated reserves in respect of major repairs is calculated in accordance with the Rent Surplus Fund (Northern Ireland) Determination 1992 in respect of traditionally funded schemes. An appropriation is also made in respect of mixed funded and Housing with Care schemes on the basis of planned maintenance. Expenditure when incurred is deducted from the accumulated designated reserve balance.

#### Pensions

The Association participates in a defined benefit pension scheme for a number of employees. Contributions to this scheme are charged to income and expenditure when they fall due as referred to in note 29.

### 2 Analysis of turnover

Turnover and results relate to the Association's main activity which is carried out in the United Kingdom. Turnover represents rental and service charge income and residential charges for Housing with Care, net of voids. It also includes income arising on the lease of a property to a related company, services provided to other Housing Associations and Special Needs Management Allowance (interim protection) received for the provision of housing with care.

### 3 Operating costs

	2008	2007
	£	£
Direct costs	4,821,493	4,704,650
Administrative expenses	1,230,255	1,163,632
Other operating income	(121,206)	(17,845)
	<b>5,930,542</b>	<b>5,850,437</b>

## Notes to the financial statements for the year ended 31 March 2008 (continued)

### 4 Operating surplus

	2008	2007
	£	£
<b>This is stated after charging/(crediting)</b>		
Depreciation	355,999	355,368
Release of capital grant	(777)	(777)
Auditors' remuneration		
– audit services	9,048	5,640
– non-audit services	25,800	823

### 5 Employee information

	2008	2007
	£	£
<b>Staff costs</b>		
Wages and salaries	2,120,278	2,032,774
Social security costs	159,047	155,482
Other pension costs	79,408	63,797
	<b>2,358,733</b>	<b>2,252,053</b>

	Number	Number
<b>Average monthly number of persons employed by the Association during the year by activity</b>		
Administration	52	50
Scheme co-ordinators and ancillary staff	65	63
Special needs	57	56
	<b>174</b>	<b>169</b>

### 6 Directors' emoluments

The remuneration of directors (defined as the Board of Management and the Chief Executive) of the Association during the year was:

	2008	2007
	£	£
Aggregate emoluments	74,842	71,242
Pension contributions to money purchase schemes	8,026	7,605
	<b>82,868</b>	<b>78,847</b>

Members of the Board of Management serve in a voluntary capacity and none were in receipt of emoluments during the year.



## Notes to the financial statements for the year ended 31 March 2008 (continued)

### 7 Transfer to disposal proceeds fund

	2008	2007
	£	£
Proceeds of disposal	116,144	428,221
Notional interest	36,852	17,617
Depreciation on properties disposed	(188)	(3,877)
Transfer to disposal proceeds fund (note 15)	152,808	441,961

Following guidance issued by the Department for Social Development the disposal proceeds fund has been adjusted for notional interest and depreciation.

### 8 Interest receivable and similar income

	2008	2007
	£	£
Interest receivable	43,294	178,592

### 9 Interest payable and similar charges

	2008	2007
	£	£
Housing property loans	893,758	385,675
Other loans	88,476	98,828
Interest payable to DSD re HAG received in advance	233,842	90,149
Bank interest and charges	2,598	2,226
	1,218,674	576,878

## Notes to the financial statements for the year ended 31 March 2008 (continued)

### 10 Tangible fixed assets - housing properties

	2008	2007
	£	£
<b>Cost</b>		
At 1 April 2007	128,490,656	110,848,048
Additions	26,345,420	18,363,910
Disposals	(124,786)	(721,302)
<b>At 31 March 2008</b>	<b>154,711,290</b>	128,490,656
<b>Housing Association Grant and other grants</b>		
At 1 April 2007	97,279,132	85,692,744
Additions	17,308,461	12,112,839
Disposals	(89,545)	(526,451)
<b>At 31 March 2008</b>	<b>114,498,048</b>	97,279,132
<b>Depreciation</b>		
At 1 April 2007	1,183,259	973,802
Charge for the year	228,163	213,334
Disposals	(188)	(3,877)
<b>At 31 March 2008</b>	<b>1,411,234</b>	1,183,259
<b>Net book value comprises</b>		
- Freehold property	24,050,188	19,350,465
- Long leasehold property	14,751,820	10,677,800
	<b>38,802,008</b>	30,028,265
<b>Net book value comprises:</b>		
- Completed schemes	37,128,623	25,194,274
- Properties under construction	1,673,385	4,833,991
	<b>38,802,008</b>	30,028,265

## Notes to the financial statements for the year ended 31 March 2008 (continued)

### 11 Other tangible fixed assets

	Freehold buildings £	Office furniture and equipment £	Fixed asset property £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 April 2007	2,190,090	602,806	7,600	42,731	2,843,227
Additions	1,889	31,213	-	-	33,102
Disposals	-	(69,734)	-	-	(69,734)
<b>At 31 March 2008</b>	<b>2,191,979</b>	<b>564,285</b>	<b>7,600</b>	<b>42,731</b>	<b>2,806,595</b>
<b>Depreciation</b>					
At 1 April 2007	420,893	419,263	7,600	42,151	889,907
Charge for year	58,504	68,752	-	580	127,836
Disposals	-	(69,734)	-	-	(69,734)
<b>At 31 March 2008</b>	<b>479,397</b>	<b>418,281</b>	<b>7,600</b>	<b>42,731</b>	<b>948,009</b>
<b>Net book value</b>					
<b>At 31 March 2008</b>	<b>1,712,582</b>	<b>146,004</b>	<b>-</b>	<b>-</b>	<b>1,858,586</b>
At 31 March 2007	1,769,197	183,543	-	580	1,953,320

### 12 Investments

	2008 Subsidiary Undertaking £	2007 Subsidiary Undertaking £
<b>Cost</b>	<b>2</b>	<b>2</b>

The investment represents the Association's holding in wholly owned subsidiary companies, Clanmil Properties Limited and Milbreen Limited.

The Association also owns Skerry Court Management Services Limited which was dormant throughout the year and has a carrying value of £Nil (2007: £Nil)

The Board of Management has not produced consolidated accounts on the grounds of materiality.

### 13 Debtors

	2008 £	2007 £
Amounts owed by NIHE re Housing Benefit and Supporting People funding	<b>103,328</b>	266,491
Other rental debtors	<b>101,144</b>	41,536
Housing Association Grant	<b>4,114,481</b>	2,969,906
Amounts owed by subsidiary undertaking	<b>25,357</b>	19,334
Amounts owed by related undertaking	<b>113,397</b>	60,944
Other debtors	<b>473,926</b>	606,455
Prepayments and accrued income	<b>207,020</b>	155,482
	<b>5,138,653</b>	4,120,148

## Notes to the financial statements for the year ended 31 March 2008 (continued)

### 14 Creditors: amounts falling due within one year

	2008	2007
	£	£
Bank overdraft (Note 16)	92,439	4,667,214
Bank loans (Note 16)	452,811	1,323,060
DSD loans (Note 16)	53,817	48,410
Housing Association Grant in advance	8,713,246	7,127,002
Deferred historic building grant	31,992	32,769
Other creditors including tax and social security	895,480	938,145
Services equalisation account	431,613	406,231
Accruals and deferred income	2,436,132	2,558,681
Disposal proceeds fund	540,672	-
	<b>13,648,202</b>	<b>17,101,512</b>

### 15 Creditors: amounts falling due after more than one year

	2008	2007
	£	£
Bank loans (Note 16)	15,906,639	3,782,836
DSD loans (Note 16)	1,090,778	1,144,595
Disposal proceeds fund	594,769	982,633
	<b>17,592,186</b>	<b>5,910,064</b>

The surplus on the disposal proceeds fund must be used within three years of the sale of the property.

### 16 Loans

	2008	2007
	£	£
<b>Bank loans - Housing property and other loans</b>		
Less than one year, or on demand (Note 14)	452,811	1,323,060
Between one and two years	620,275	253,906
Between two and five years	3,196,563	808,343
After more than five years	12,089,801	2,720,587
	<b>16,359,450</b>	<b>5,105,896</b>

### Security

The Northern Bank holds a mortgage over Northern Whig House as security for its variable rate bank loan.

The Bank of Ireland, First Trust and Barclays loans are secured by way of mortgages upon the deeds of the related housing properties and bear interest at fixed and variable rates.

## Notes to the financial statements for the year ended 31 March 2008 (continued)

### 16 Loans (continued)

	2008	2007
	£	£
<b>Department for Social Development - Housing Property Loans</b>		
Less than one year (Note 14)	53,817	48,410
Between one and two years	59,845	53,817
Between two and five years	223,085	200,485
After more than five years	807,848	890,293
	<b>1,144,595</b>	<b>1,193,005</b>

### Security

The loans from the Department for Social Development bear interest at rates ranging between 8.50% and 15.375%.

### 17 Provisions for liabilities

	Provision for remedial work £	Provision for scheme furniture replacement £	Total £
At 1 April 2007	101,218	196,607	297,825
(Released)/charged to income and expenditure account	(101,218)	25,032	(76,186)
Expenditure during the year	-	(18,245)	(18,245)
<b>At 31 March 2008</b>	<b>-</b>	<b>203,394</b>	<b>203,294</b>

### 18 Called up share capital

	2008	2007
	£	£
<b>Ordinary shares of £1 each, fully paid</b>		
At 1 April 2007	20	21
Allotted during the year	1	-
Transfer to capital reserve	-	(1)
<b>At 31 March 2008</b>	<b>21</b>	<b>20</b>

### 19 Capital reserve

	2008	2007
	£	£
At 1 April 2007	6	5
Transfer from share capital	-	1
<b>At 31 March 2008</b>	<b>6</b>	<b>6</b>

## Notes to the financial statements for the year ended 31 March 2008 (continued)

### 20 Designated reserves

	Major repairs £	Cyclical repairs £	Bequests £	Total £
At 1 April 2007	4,645,665	618,634	24,927	5,289,226
Appropriations from revenue reserve:				
- transfer from rent surplus fund	338,903	-	-	338,903
- provided	1,152,113	184,507	-	1,336,620
- expenditure on repairs	(795,973)	(204,933)	-	(1,000,906)
- interest and other income received	-	-	6,222	6,222
<b>Sub-total</b>	<b>695,043</b>	<b>(20,426)</b>	<b>(6,222)</b>	<b>680,839</b>
<b>At 31 March 2008</b>	<b>5,340,708</b>	<b>598,208</b>	<b>31,149</b>	<b>5,970,065</b>

### 21 Rent surplus fund

	2008 £	2007 £
Net relevant income	<b>423,628</b>	401,017
Appropriation to major repairs reserve	<b>(338,903)</b>	(320,814)
Retained in revenue reserve	<b>(84,725)</b>	(80,203)
	-	-

## Notes to the financial statements for the year ended 31 March 2008 (continued)

### 22 Turnover, operating surplus and surplus for the year

	Turnover £	Operating costs £	Operating surplus £	Interest receivable £	Interest payable £	2008 Surplus for the year	Turnover £	Operating surplus £	2007 Surplus for the year £
<b>Income and expenditure from lettings</b>									
Housing accommodation	6,832,603	(4,137,044)	2,695,559	-	(1,127,600)	1,567,959	6,069,111	1,841,381	1,365,557
Special needs accommodation	1,653,282	(1,497,463)	155,819	-	-	155,819	1,470,066	70,366	70,366
	8,485,885	(5,634,507)	2,851,378	-	(1,127,600)	1,723,778	7,539,177	1,911,747	1,435,923
<b>Other income and expenditure</b>	296,035	(296,035)	-	-	-	-	223,007	-	-
Total	8,781,920	(5,930,542)	2,851,378	-	(1,127,600)	1,723,778	7,762,184	1,911,747	1,435,923
Interest receivable	-	-	-	43,294	-	43,294	-	-	178,592
Interest payable	-	-	-	-	(91,074)	(91,074)	-	-	(101,054)
	8,781,920	(5,930,542)	2,851,378	43,294	(1,218,674)	1,675,998	7,762,184	1,911,747	1,513,461
Surplus arising from sales of housing property	116,144	-	-	-	-	116,144	428,221	-	428,221
Transfer to disposal proceeds fund	(152,808)	-	-	-	-	(152,808)	(441,961)	-	(441,961)
	8,745,256	(5,930,542)	2,851,378	43,294	(1,218,674)	1,639,334	7,748,444	1,911,747	1,499,721

Notes to the financial statements for the year ended 31 March 2008 (continued)

23 Reconciliation of movements in funds

	2008	2007
	£	£
Surplus on ordinary activities	16,639,334	1,499,721
New share capital issued	1	-
Net movement during year	1,639,335	1,499,721
Opening funds	12,987,061	11,487,340
<b>Closing funds</b>	<b>14,626,396</b>	<b>12,987,061</b>

24 Net cash inflow from operating activities

	2008	2007
	£	£
Operating surplus	2,951,378	1,911,747
Movement in service charges equalisation account	25,382	72,370
Depreciation charge	355,999	355,368
Release of capital grant	(777)	(777)
Impairment	11,025	48,729
(Decrease)/Increase in provisions for liabilities and charges	(94,431)	7,804
Increase in debtors	(211,210)	(62,599)
(Decrease) in creditors	(42,146)	(40,698)
<b>Net cash inflow from operating activities</b>	<b>2,895,220</b>	<b>2,291,944</b>

25 Analysis of net debt

	1 April 2007 £	Cash flow £	Non-cash changes £	31 March 2008 £
Cash at bank and in hand	194,727	76,202	-	<b>270,929</b>
Bank overdraft	(4,667,214)	4,574,775	-	<b>(92,439)</b>
	(4,472,487)	4,650,977	-	<b>178,490</b>
Debt due after one year	(4,927,431)	(12,576,614)	506,628	<b>(16,997,417)</b>
Debt due within one year	(1,371,470)	1,371,470	(506,628)	<b>(506,628)</b>
	(10,771,388)	(6,554,167)	-	<b>(17,325,555)</b>



## Notes to the financial statements for the year ended 31 March 2008 (continued)

### 26 Reconciliation of net cash flow to movement in net debt

	2008	2007
	£	£
Decrease in cash in financial year	4,650,977	(4,697,021)
Repayment of loans	14,134,856	2,363,451
New loans	(25,340,000)	(250,000)
Movement in net debt in the year	(6,554,167)	(2,583,570)
Net debt at 1 April 2007	(10,771,388)	(8,187,818)
<b>Net debt at 31 March 2008</b>	<b>(17,325,555)</b>	<b>(10,771,388)</b>

### 27 Particulars of lettings

	2008	2007
	£	£
Rent and service charges	8,571,556	7,675,059
Less: rent losses from bad debts and voids	(225,896)	(272,461)
	8,345,660	7,402,598
Grants from government departments and other agencies:		
- Special needs management allowance (interim protection)	140,225	137,579
	8,485,885	7,540,177

## Notes to the financial statements for the year ended 31 March 2008 (continued)

### 28 Service income, Department for Social Development allowances, and operating costs

	2008				2007			
	Service income £	DSD allowances £	Operating costs £	Surplus/ (deficit) for the year £	Service income £	DSD allowances £	Operating costs £	Surplus/ (deficit) for the year £
<b>Housing accommodation 1,858 units (2007 - 1,599 units)</b>								
Services	1,764,692	-	1,728,574	36,118	1,742,400	-	1,670,512	71,888
Management	-	623,056	656,346	(33,290)	-	556,305	634,140	(77,835)
Maintenance	-	1,116,266	819,379	296,887	-	964,439	874,418	90,021
<b>Special needs accommodation 109 units (2007 - 109 units)</b>								
Services	568,858	-	1,134,234	(565,376)	520,122	-	1,033,898	(513,776)
Management	-	162,805	264,754	(101,949)	-	159,888	257,953	(98,065)
Maintenance	-	51,427	116,963	(65,536)	-	49,398	96,072	(46,674)
	<b>2,333,550</b>	<b>1,953,554</b>	<b>4,720,250</b>	<b>(433,146)</b>	<b>2,262,522</b>	<b>1,730,030</b>	<b>4,566,993</b>	<b>(574,441)</b>
Rent surplus fund			84,725				80,203	
Major repairs provisions			879,550				(197,529)	
			<b>5,684,525</b>				<b>4,449,667</b>	
Housing accommodation			4,118,122				3,009,121	
Special needs accommodation			1,566,403				1,440,546	
			<b>5,684,525</b>				<b>4,449,667</b>	

## Notes to the financial statements for the year ended 31 March 2008 (continued)

### 29 Pension commitments

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".

Contributions during the year amounted to £71,382 (2007 - £56,192) and are charged to income and expenditure when they fall due, in accordance with SSAP 24 and FRS 17.

The Scheme operated a single benefit structure, final salary with a 1/60<sup>th</sup> accrual rate, to March 2007. From April 2007 there are three benefit structures available, namely:

Final salary with a 1/60<sup>th</sup> accrual rate.

Final salary with a 1/70<sup>th</sup> accrual rate.

Career average revalued earnings with a 1/60<sup>th</sup> accrual rate.

An employer can elect to operate different benefit structures for their active members (as at the first day of April in any given year) and their new entrants. An employer can only operate one open benefit structure at any one time. An open benefit structure is one which new entrants are able to join.

The Association has elected to operate the final salary with a 1/60<sup>th</sup> accrual rate benefit structure for active members and for new entrants.

The Trustee commissions an actuarial valuation of the Scheme every 3 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 14.1% (2007: 11.7%). Member contributions varied between 6.4% and 8.4% depending on their age.

As at the balance sheet date there were 22 active members of the Scheme employed by the Association. The annual pensionable payroll in respect of these members was £534,435. The Association continues to offer membership of the Scheme to its employees.

It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to individual participating employers. Accordingly, due to the nature of the Plan, 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 2005 by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £1,278 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £283 million, equivalent to a past service funding level of 82%.

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the Scheme as at 30 September 2007. Such a report is required by legislation for years in which a full actuarial valuation is not carried out. The funding update revealed an increase in the assets of the Scheme to £1,760 million and indicated a decrease in the shortfall of assets compared to liabilities to approximately £209 million, equivalent to a past service funding level of 89%. Annual funding updates of the SHPS Scheme are carried out using approximate actuarial techniques rather than member by member calculations, and will therefore not produce the same results as a full actuarial valuation. However they will provide a good indication of the financial progress of the scheme since the last full valuation.

## Notes to the financial statements for the year ended 31 March 2008 (continued)

### 29 Pension commitments (continued)

Since the contribution rates payable to the Scheme have been determined by reference to the last full actuarial valuation the following notes relate to the formal actuarial valuation as at 30 September 2005.

The financial assumptions underlying the valuation as at 30 September 2005 were as follows:

	% pa
- Investment return pre retirement	7.2
- Investment return post retirement	4.8
- Rate of salary increases to 30 September 2010	5.0
- Rate of salary increases from 1 October 2010	4.0
- Rate of pension increases	2.5
- Rate of price inflation	2.5

The valuation was carried out using the PA92C2025 mortality rate table for non-pensioners and PA92C2013 mortality rate for pensioners. The table below illustrates the assumed life expectancy in years for pension scheme members at age 65 using these mortality assumptions:

	Males	Females
	Assumed life expectancy in years at age 65	Assumed life expectancy in years at age 65
Non-pensioners	20.4	23.3
Pensioners	19.4	22.4

The long-term joint contribution rates 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 <sup>th</sup> accrual rate	17.6
Final salary with a 1/70 <sup>th</sup> accrual rate	15.3
Career average revalued earnings with a 1/60 <sup>th</sup> accrual rate	14.1

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

Age	Under 30	30 - 40	Over 40
Benefit structure	Long-term joint contribution rate (% of pensionable salaries)		
Final salary with a 1/60 <sup>th</sup> accrual rate	16.1	17.1	18.1
Final salary with a 1/70 <sup>th</sup> accrual rate	13.8	14.8	15.8
Career average revalued earnings with a 1/60 <sup>th</sup> accrual rate	12.6	13.6	14.6

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 to the financial statements for the year ended 31 March 2008 (continued)

### 29 Pension commitments (continued)

Following consideration of the results of the actuarial valuation it was agreed that the shortfall of £283 million would be dealt with by the payment of deficit contributions of 4.4% of pensionable salaries with effect from 1 April 2007. These deficit contributions are in addition to the long-term joint contribution rates set out in the table 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 Scheme to new entrants are required to pay an additional employer contribution loading of 3.0% 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 SHPS Scheme.

Employers joining the Scheme after 1 October 2002 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 applies until the second valuation after the date of joining the Scheme, at which point the standard employer contribution rate is payable. Contribution rates are changed on the 1 April that falls 18 months after the valuation date.

If the valuation assumptions are borne out in practice this pattern of contributions should be sufficient to eliminate the past service deficit by 30 September 2020.

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.

The next full actuarial valuation will be carried out as at 30 September 2008.

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 31 March 2007. As of this date the estimated employer debt for the Association was £1.053m.

In addition, the Association contributes to the personal pension schemes of certain employees.

## Notes to the financial statements for the year ended 31 March 2008 (continued)

### 30 Contingent liabilities

Clanmil Housing Association Limited has provided a letter of comfort to First Trust Bank whereby it agrees to ensure that Clanmil Housing Association Ireland Limited is in a position to discharge its liabilities to the bank and comply with its obligations under the bank's facility agreement. Clanmil Housing Association Limited shall not be rendered liable to First Trust Bank as guarantor, indemnitor or on any matter whatsoever in relation to any obligations or liabilities that Clanmil Housing Association Ireland Limited may have with First Trust Bank.

There is also a contingent liability in respect of one of the Association's schemes whereby Housing Association Grant may be repayable if this scheme is removed from Social Housing subject to ongoing negotiations with the Department. Should this grant be repaid it would not have a significant effect on the Association's balance sheet.

### 31 Capital commitments - Housing Properties

	2008	2007
	£	£
<b>Capital expenditure</b>		
Contracted for but not provided in the financial statements	<b>13,300,538</b>	13,920,323

The Association anticipates that this expenditure will be funded by Housing Association Grant from the Department for Social Development, payable by Northern Ireland Housing Executive and by private finance, both external and internal.

### 32 Financial commitments

At 31 March 2008 the company had an annual commitment under a non-cancellable operating lease expiring as follows:

	Property 2008	Property 2007
	£	£
After five years	<b>114,856</b>	114,856

### 33 Related party disclosures

Details of the Association's subsidiaries are disclosed in Note 12. In addition to the subsidiaries, Clanmil Housing Association Ireland Limited is deemed to be a related undertaking by virtue of the fact that Clanmil Housing Association Limited has controlling voting rights over Clanmil Housing Association Ireland Limited. The balances with the subsidiaries and related undertakings at the year end were as follows:

	2008	2007
	£	£
<b>Amounts owed by subsidiary undertaking</b>		
Clanmil Properties Limited	<b>25,357</b>	19,334
<b>Amounts owed by related undertaking</b>		
Clanmil Housing Association Ireland Limited	<b>113,397</b>	60,944

Rent and service charges for all tenant Members are levied at full rates as per the Association's rent and service charges policies.

## Notes to the financial statements for the year ended 31 March 2008 (continued)

### 33 Related party disclosures (continued)

Transactions between these related parties during the year were as follows:

	2008	2007
	£	£
<b>Clanmil Properties Limited</b>		
Rent charge from Clanmil Housing Association Limited to Clanmil Properties Limited	<b>112,625</b>	112,625
Management and administration charge from Clanmil Housing Association Limited to Clanmil Properties Limited	<b>2,750</b>	2,750
Contribution from Clanmil Properties Limited to Clanmil Housing Association Limited in respect of the insurance of Northern Whig House	<b>2,583</b>	2,499
Gift aid donation from Clanmil Properties Limited to Clanmil Housing Association Limited	<b>22,774</b>	19,334
Rent and service charges from Clanmil Properties Limited to Clanmil Housing Association Limited	<b>101,500</b>	101,500
<b>Clanmil Housing Association Ireland Limited</b>		
Management and administration charge from Clanmil Housing Association Limited to Clanmil Housing Association Ireland Limited	<b>26,504</b>	26,410
Unsecured loan advanced by/(repaid to) Clanmil Housing Association Limited to/(by) Clanmil Housing Association Ireland Limited	<b>25,257</b>	5,848
Loan interest charged by Clanmil Housing Association Limited to Clanmil Housing Association Ireland Limited	<b>692</b>	174