



**chiltern  
hundreds**  
a paradigm company

**REPORT  
&  
FINANCIAL STATEMENTS**

**For the year ended**

**31 March 2008**

**Industrial and Provident Societies Reg. No.27789R**

**Chiltern Hundreds Charitable  
Housing Association Limited  
Hundreds House  
24 London Road West  
Amersham  
Bucks  
HP7 0EZ  
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**shaping housing's future**

# **CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED**

## **REPORT AND FINANCIAL STATEMENTS**

For the year ended 31st March 2008

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# CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED

## Details of the Association

As at 31st March 2008

### Chairman

Mr. B. Lipscombe

### Deputy Chairmen

Mr. M. Gahagan (from 1st January 2008)

Mrs. P. Buckland (from 1st January 2008)

Mrs. K. Symons (to 31st December 2007)

### Board Members

Mr. N. Brown (from 1st February 2008)

Mrs. S. Dexter (from 1st February 2008)

Mr. I. Foster-Poole (from 1st February 2008)

Mr. R. Head

Mrs. S. Jones (from 1st January 2008)

Mr. R. Khilji (from 1st February 2008)

Mr. M. Khan (from 1st February 2008)

Ms. K. Lewis (from 1st February 2008)

Mr. A. Main (co-opted) (from 1st January 2008)

Mr. D. Smith (co-opted)

Mr. M. Wright

### Resignations during 2007/8

Ms. A. Hadden (to 31st December 2007)

Mr. P. Priestley (to 5th September 2007)

Mr. E. Singam (to 5th September 2007)

Mr. N. Smith (to 30th September 2007)

### Senior Executives

Ms. A. Hadden: Group Chief Executive

Mr. D. Smith : Group Director of Operations

Mr. A. Main : Group Director of Business Development

Mr. A. Nicol : Group Director of Finance

Mrs. R. Perkins : Group Company Secretary

### Solicitors

Owen White

Trowers and Hamblins

Clarke Willmott

### Valuers

Savills (L&P) Ltd.

### Bankers

Barclays Bank plc

### Lenders

Dexia Public Finance Bank

Nationwide Building Society

Barclays Bank plc

Haven Funding (32) plc

Ipswich Building Society

Housing Association Funding plc

Abbey National plc

### Auditors

Grant Thornton UK LLP

Registered under the Industrial and Provident Societies Act 1965 No.27789R  
Registered Office: Hundreds House, 24 London Road West, Amersham, Bucks., HP7 0EZ.

# CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED

## REPORT OF THE BOARD

The Board presents its report together with the audited financial statements for the year ended 31st March 2008.

### Principal activities

The Association's principal activities are the provision of affordable general needs housing for all age groups and sheltered housing for the elderly.

The Association's parent entity, Paradigm Housing Group Limited, employs all the staff of the Group and provides a comprehensive range of services to Group members.

### Our Vision

*Through housing, deliver solutions that make a positive difference to people's lives and their communities.*

### Strategic Objectives

- **Grow our business in order to achieve our vision**
- **Provide high quality homes and neighbourhoods that exceed customer expectation**
- **Provide high quality services that exceed customer expectations**
- **Add value to our customers lives**

### Values

- **Customer Focused** – actively engaging with our customers to continually improve our service
- **Have Respect** – ensure equality of outcomes by demonstrating respect in all our dealings with our customers
- **Openness** – out of openness and honesty comes trust that enables us to achieve change that benefits all
- **Innovation** – demonstrate and reward innovation and creativity in all we do
- **Commitment** – to have a passion for excellence
- **Empowerment** – to give people confidence to positively influence our services and communities

### Our Brand Personality

- **Dynamic** - Our approach, as a Housing Association, is vibrant, energetic and positive
- **Visionary** - We're a forward thinking business and look for innovative solutions
- **Passionate** - We love and believe in what we do
- **Reliable** - Through our reputation, we can be trusted to deliver on our promises and services to customers
- **Exciting** - It's a fantastic business and a great team to be part of

# CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED

## REPORT OF THE BOARD (continued)

### Performance for the year

The surplus for the year was £1,031k (2007: £2,179k).

The net worth (total reserves) of the Association decreased by £12,434k in the year to £200,418k (2007: £212,852k) as a result of a reduction in the accumulated revaluation surplus which now stands at £158,066k (2007: £173,524k). The revaluation reduction mainly results from different assumptions about future costs of repairs.

The Association has invested £89,201k, net of housing grants, in property improvements and new homes during the year. The increased borrowings necessary to finance this investment has resulted in increased interest costs in the year. As a result of our continued investment in our properties we are on target to meet the Decent Homes Standard by 2010. Having noted this, the Board consider the result for the year to be satisfactory and in line with its targets.

### Future developments

As a preferred partner with the Housing Corporation our housing development programme is expected to yield over 700 properties in the coming year, which the Board consider to be sustainable within a gearing ratio target of 70%.

The total number of properties in ownership at the end of the year was 10,242 a net increase of 574.

Rent convergence to rent restructuring target rents should be achieved in 2 years although current average rents are only marginally below target levels.

### Charitable donations

No charitable donations were made during the year (2007: nil). There were no political donations.

Gift aid donations receivable during the year were £1,250k (2007: £727k).

### Financing and treasury management

The Group has borrowing facilities with a number of organisations to meet its financing requirements. These are at both fixed and floating rates of interest in order to manage exposure to interest rate fluctuations. The Group's strategy is to have:

Not more than 25% of borrowings at variable or fixed for less than 5 years

Not more than 50% at fixed rates for more than 10 years

Maximum of 75% of the funds fixed for over 10 years fixed for over 20 years

### Health and safety

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

### Board Members and Senior Executives

Board Members and Senior Executives are listed on page 1. Our appointments policy for non-executive Board Members aims to ensure that representation on the Boards reflects the Association's business needs and the diverse communities that we serve. Details of Board Members and Senior Executives' emoluments are set out in the accounts of the parent entity.

# CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED

## REPORT OF THE BOARD (continued)

### Internal control assurance

The Board acknowledge their ultimate responsibility for ensuring the Association have in place a system of controls that is appropriate to the various business environments in which they operate, and for monitoring their effectiveness. These controls have been designed to mitigate rather than eliminate risk, and give reasonable assurance with respect to:

- Reliability of financial information used within the Association or for publication;
- Maintenance of proper accounting records and;
- Safeguarding of assets against unauthorised use or disposition;

It is the Board's responsibility to establish and maintain system of internal controls and review their effectiveness, and whilst it cannot delegate this responsibility, it has delegated authority to an Audit Committee to regularly review the effectiveness of these internal controls.

A fraud register is maintained and is reviewed by the Audit Committee at each meeting. During the year there were a number of minor frauds reported. The overall value of the frauds was below the threshold for reporting to the Housing Corporation.

The Board regularly receives and reviews the minutes of Audit Committee meetings. The process for identifying, evaluating and managing the significant risks faced by the Association is ongoing, has been in place throughout the year under review and up to the date of approval of the report and financial statements, and is regularly reviewed by the Board. A summary of the processes the Board has adopted and the main policies the Board has established to ensure the effectiveness of the Association's system of internal controls is as follows:

- The Audit Committee reviews reports from management, from the internal auditors and from the external auditors, to provide reasonable assurance that control procedures are in place and being followed. The Audit Committee carries out a regular review of the controls required to manage and mitigate the major risks facing the Association and reports to the Board;
- Formal policies and procedures are in place, including the documentation of key systems and clearly defined management responsibilities for the identification and control of significant risks;
- Experienced and suitably qualified staff take responsibility for important business functions. Annual appraisal procedures have been established to maintain standards of performance;
- Financial forecasts, budgets and business plans are prepared which allow the Board and management to monitor key business risks and financial objectives and progress towards financial objectives set for the year and the medium term;
- All significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures through the Board;
- A comprehensive approach to treasury management is adopted which is reviewed by Board at least annually;
- The Board has approved fraud policies, covering prevention, detection and reporting of fraud, and the recovery of assets.

The Audit Committee has received and considered the Group Finance Director's review of the effectiveness of the systems of internal control and the annual report of the internal auditor.

# CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED

## REPORT OF THE BOARD (continued)

### Going concern

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

### Disclosure of information to auditors

At the date of making this report each of the Association's directors, as set out on page 1, confirm the following:

- so far as each director is aware, there is no relevant information needed by the Association's auditors in connection with preparing their report of which the Association's auditors are unaware
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant information needed by the Association's auditors in connection with preparing their report and to establish that the Association's auditors are aware of that information.

### External Auditors

A resolution to appoint Grant Thornton UK LLP as auditors of the Association will be proposed at the forthcoming Annual General Meeting.

The report of the board was approved by the board on 9th July 2008 and signed on its behalf by:

**Mr. B. Lipscombe**  
Chairman

# CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED

## STATEMENT OF THE BOARD'S RESPONSIBILITIES

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

The Industrial and Provident Societies Acts and registered social landlord legislation in the United Kingdom 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 at the end of the year and of the surplus or deficit of the Association for the year then ended.

In preparing those financial statements the Board is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable United Kingdom Accounting Standards and the Statement of Recommended Practice: "Accounting by registered social landlords" (Update 2005); and
- prepare the financial statements on a going concern basis.

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 it to ensure that the financial statements comply with the Industrial and Provident Societies Acts 1965 to 2002, paragraph 16 of Schedule 1 to the Housing Act 1996 (as amended by the Housing Act 2004) 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 reasonable steps for the prevention and detection of fraud and other irregularities.

The Board is responsible for ensuring that the Report of the Board is prepared in accordance with the Statement of Recommended Practice: "Accounting by registered social landlords" (Update 2005).

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

## **Independent Auditors' Report to the Members**

### **CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED**

We have audited the financial statements on pages 8 to 26.

This report is made solely to the Association's members, as a body, in accordance with regulations made under 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 auditors' 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 directors and auditors**

As described on page 6, the board is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 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, in our opinion, the Report of the Board 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, or if information specified by law regarding directors' remuneration is not disclosed.

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

#### **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 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 of the state of affairs of the Association as at 31st March 2008 and of its surplus for the year then ended and have been properly prepared in accordance with the Industrial and Provident Societies Acts 1965 to 2002, the Housing Act 1996 (as amended by the Housing Act 2004) and the Accounting Requirements for registered social landlords General Determination 2006.

#### **Grant Thornton UK LLP**

Chartered Accountants and Registered Auditors  
Hemel Hempstead, England

# CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED

## INCOME AND EXPENDITURE ACCOUNT

For the year ended 31st March 2008

	Notes	2008 £'000	2007 £'000
Turnover	2	42,756	37,806
Group Gift Aid	8	1,250	727
Operating costs	2	(25,345)	(21,345)
<b>Operating surplus</b>	9	<u>18,661</u>	<u>17,188</u>
Profit on sale of tangible fixed assets	3	2,814	3,248
Interest receivable and other income	6	290	358
Interest payable and similar charges	7	(20,735)	(18,615)
<b>Surplus for the year</b>	19	<u><u>1,030</u></u>	<u><u>2,179</u></u>

The above results relate wholly to continuing activities.

The notes on pages 12 to 26 form part of these financial statements.

## CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED

### STATEMENT OF TOTAL RECOGNISED SURPLUSES AND DEFICITS

For the year ended 31st March 2008

	Notes	2008 £'000	2007 £'000
Surplus for the year		1,030	2,179
Unrealised surplus on revaluation of investment	18	924	1,948
Net unrealised (deficit) / surplus on revaluation of housing properties	17	(14,377)	28,652
<b>Total recognised (deficits) / surpluses for the year</b>		<u><u>(12,423)</u></u>	<u><u>32,779</u></u>

### NOTE OF HISTORICAL COST SURPLUSES AND DEFICITS

For the year ended 31st March 2008

		2008 £'000	2007 £'000
Reported surplus on ordinary activities before taxation		1,030	2,179
Realisation of property revaluation (deficits)/surpluses of previous years	17	(11)	262
Difference between an historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	17	1,081	908
<b>Historical cost surpluses on ordinary activities before taxation</b>		<u><u>2,100</u></u>	<u><u>3,349</u></u>
<b>Historical cost surpluses for the year after taxation</b>		<u><u>2,100</u></u>	<u><u>3,349</u></u>

The notes on pages 12 to 26 form part of these financial statements.

# CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED

## BALANCE SHEET

As at 31st March 2008

	Notes	2008 £'000	2007 £'000
<b>Tangible fixed assets</b>			
Housing properties at valuation	11	612,731	552,626
Other tangible fixed assets	11	3,955	3,979
		<hr/>	<hr/>
		616,686	556,605
Investments	12	23,726	22,802
		<hr/>	<hr/>
		640,412	579,407
<b>Current assets</b>			
Short term investments	12	5,450	450
Debtors	13	8,803	13,442
Cash at bank and in hand	27	10,431	5,618
		<hr/>	<hr/>
		24,684	19,510
<b>Creditors: amounts falling due within one year</b>	14	(20,784)	(18,608)
		<hr/>	<hr/>
<b>Net current assets</b>		3,900	902
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		<u>644,312</u>	<u>580,309</u>
		<hr/>	<hr/>
<b>Creditors: Amounts falling due after more than one year</b>	15	<u>443,894</u>	<u>367,457</u>
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	16	-	-
Revaluation reserve	17	158,066	173,524
Investment revaluation reserve	18	12,577	11,653
Revenue reserve	19	29,775	27,675
		<hr/>	<hr/>
<b>Association's funds</b>		200,418	212,852
		<hr/>	<hr/>
		<u>644,312</u>	<u>580,309</u>

The notes on pages 12 to 26 form part of these financial statements.

The financial statements on pages 8 to 26 were approved by the Board on 9th July 2008 and were signed on their behalf by:

Mr. B. Lipscombe  
(Chairman)

Mr. M. Gahagan  
(Board Member)

Mrs. R. Perkins  
(Secretary)

## CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED

### CASH FLOW STATEMENT For the year ended 31st March 2008

	Notes	2008 £'000	2007 £'000
Cash flow from operating activities	22	25,525	12,035
Returns on investments and servicing of finance	23	(19,634)	(17,968)
Capital expenditure and financial investment	24	(70,186)	(44,995)
Management of liquid resources	25	-	-
Financing	26	74,107	55,015
<b>Increase in cash in the period</b>		<u>9,812</u>	<u>4,087</u>

#### RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

		2008 £'000	2007 £'000
Increase in cash in the period	27	9,812	4,087
Cash inflow from increase in debt and lease financing	26	(74,107)	(55,015)
Movement in net debt in the period	27	<u>(64,295)</u>	<u>(50,928)</u>
Net debt at 1 April 2007	27	(354,581)	(303,653)
<b>Net debt at 31 March 2008</b>	27	<u>(418,876)</u>	<u>(354,581)</u>

# CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2008

### 1. PRINCIPAL ACCOUNTING POLICIES

The financial statements of the Association have been prepared in accordance with applicable accounting and financial reporting standards and the Statement of Recommended Practice - Accounting by Registered Social Landlords, update issued in April 2005, and comply with the Accounting Requirements for Registered Social Landlords General Determination 2006.

A summary of the main accounting policies is set out below.

#### **Basis of preparation**

The financial statements are prepared on the historical cost basis of accounting subject to an annual revaluation of housing properties.

#### **Subsidiaries**

The accounts of the subsidiaries are not consolidated within these accounts as the Association's voting rights are controlled by Paradigm Housing Group Ltd. Consolidated accounts are prepared in the accounts of the parent entity.

#### **Turnover**

Turnover represents rental and service charge income receivable, revenue grants and income from other services.

#### **Fixed assets**

Tangible fixed assets except housing properties are stated at cost less accumulated depreciation. Completed housing properties are stated at Existing Use Value for Social Housing (EUV-SH).

Housing properties under construction are stated at cost less related social housing grant and other capital grants. The cost of shared ownership properties is stated net of first tranche sales proceeds.

Costs includes the cost of acquiring land and buildings ,development costs ,interest charges incurred during the development period and expenditure incurred in respect of improvements.

Works to existing properties are works which result in an increase in the net rental income, such as a reduction in future maintenance costs ,or result in a significant extension of the useful economic life of the property in the business. Only the direct overhead costs associated with new developments or improvements are capitalised

#### **Depreciation**

Housing properties are depreciated on a straight line basis over 100 years down to its residual value, which is taken to be the proportion of the net book value attributable to land. No depreciation is provided on housing properties in the year of acquisition or in the course of construction.

# CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2008

### 1. PRINCIPAL ACCOUNTING POLICIES (continued)

#### Depreciation(continued)

Depreciation on other tangible fixed assets is charged on a straight-line basis so as to write down the value of the assets to their estimated residual values over the expected economic useful lives of the assets as follows:

	<b>Years</b>
Freehold offices	30
Motor vehicles	5
Office equipment and computers	3 - 5
Office furniture	7
Telephone system	7
Scheme furniture and equipment	5
Leasehold office improvements	30 years or the term of the lease whichever is shorter.

#### Impairment

Impairment is defined as the permanent diminution in value of an asset. Where there is an indication that impairment has occurred, a review of the relevant income stream is conducted and a comparison made against the current value of the asset as required under FRS 11. If there is no indication that impairment has occurred, it is assumed that the property is not impaired. Impaired properties are shown at their recoverable amount.

#### Social Housing Grant (SHG)

Where developments, including housing properties in the course of construction, are financed wholly or partly by SHG, the cost of those developments is reduced by the amount of the grant receivable. The amount transferred to a revaluation reserve as a result of the revaluation of housing properties is calculated as the difference between the valuation amount and the net cost of the properties after deducting SHG. SHG is not secured by a legal charge and is considered to be a subordinated debt. SHG is treated as a grant for accounting purposes but is repayable under certain circumstances, primarily following the sale of property if the Association chooses not to reinvest, but will often be restricted to net proceeds of sale. SHG received in advance of expenditure is included within creditors.

#### Nomination grants

Where the Association receives a payment in return for nomination rights over a period of more than one year, the income is held as deferred income in the balance sheet and amortised over the life of the nomination agreement. Each year an equal proportion of the income is credited to the income and expenditure account, the balance remaining is shown as deferred income in the balance sheet.

#### Repairs provisions

Due to the numbers of properties and the establishment of regular programmes of repair and maintenance, the Association does not make provision for future works but charges actual costs to the income and expenditure account. Major repairs expenditure on housing properties are capitalised where it adds to the value of the property, extends its useful economic life or results in an improvement in the revenue streams through increased income or reduced expenditure.

# CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2008

### 1. PRINCIPAL ACCOUNTING POLICIES (continued)

#### Capitalisation of development overheads

Directly attributable costs involved in administering development projects are capitalised within housing properties.

#### Sales of housing properties

Proceeds from the sale of housing properties, other than first tranche shared ownership sales, are recognised in the income and expenditure account on sale completion.

The sale proceeds of first tranche shared ownership sales are accounted for as a capital contribution and deducted from the original cost of the property. The sales proceeds of properties built for outright sale are recognised as turnover.

Completed housing properties for outright sale and housing properties under construction are valued at cost. Cost comprises material, direct labour, direct development overheads, capitalised interest and where appropriate less any grant receivable.

The cost of sales of rented properties is taken at valuation, after adjusting for any grant that is repayable, and an amount equal to the revaluation surplus is released from the revaluation reserve.

#### Leases

Where the Association enters into a lease, which entails taking substantially all the risks, and rewards of an asset, the lease is treated as a 'Finance lease'. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the income and expenditure account, and the capital element, which reduces the outstanding obligation for future instalments.

#### Taxation

As a registered Charitable Industrial and Provident Society, the Association is exempt from taxation.

#### Interest payable

Interest is capitalised on borrowings to finance developments to the extent that it accrues in respect of the period of development. Other interest payable on bank loans is charged to the income and expenditure account in the year in which it is incurred. Capitalised interest is calculated on the Group's average external variable borrowing rate. Interest is payable on inter-company balances at 0.5% above base rate and is calculated on a weekly basis.

#### Value Added Tax

The Association is a member of a group VAT registration and VAT which is charged on some of its income and recovered on some of its expenditure, is recorded by the parent company. The financial statements include VAT to the extent that it is suffered by the Association and is not recoverable.

# CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2008

### 2. PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

	2008			2007		
	Turnover £'000	Operating costs £'000	Operating surplus £'000	Turnover £'000	Operating costs £'000	Operating surplus £'000
Social housing lettings	40,647	(23,542)	17,105	37,023	(20,121)	16,902
Other social housing activities	700	(1,035)	(335)	300	(1,176)	(876)
Non-social housing activities:						
- lettings	1,289	(655)	634	483	(48)	435
- Development for sale	120	(113)	7	-	-	-
	<u>42,756</u>	<u>(25,345)</u>	<u>17,411</u>	<u>37,806</u>	<u>(21,345)</u>	<u>16,461</u>

### PARTICULARS OF INCOME AND EXPENDITURE FROM SOCIAL HOUSING LETTINGS

	2008				Restated 2007
	General needs housing £'000	Supported Housing £'000	Low cost home ownership £'000	Total £'000	Total £'000
<b>Income:</b>					
Rent receivable net of identifiable service charges	35,465	2,336	1,550	39,351	35,952
Service income	345	643	94	1,082	913
Charges for support services	-	214	-	214	158
<b>Turnover from social housing lettings</b>	<u>35,810</u>	<u>3,193</u>	<u>1,644</u>	<u>40,647</u>	<u>37,023</u>
<b>Operating costs</b>					
Management	3,973	303	169	4,445	3,716
Services	468	681	57	1,206	1,084
Supporting People contract	-	217	-	217	201
Routine maintenance	4,886	189	-	5,075	3,690
Planned maintenance	1,587	11	-	1,598	1,098
Major Repairs	5,962	184	-	6,146	6,075
Bad debts	246	19	-	265	232
Property lease charges	10	62	-	72	63
Depreciation of housing properties	2,845	230	126	3,201	2,698
Other costs	1,227	90	-	1,317	1,264
<b>Operating costs on social housing lettings</b>	<u>21,204</u>	<u>1,986</u>	<u>352</u>	<u>23,542</u>	<u>20,121</u>
<b>Operating surplus on social housing lettings</b>	<u>14,606</u>	<u>1,207</u>	<u>1,292</u>	<u>17,105</u>	<u>16,902</u>
<b>Voids</b>	<u>706</u>	<u>47</u>	<u>-</u>	<u>753</u>	<u>517</u>

Included in repairs costs are repairs management costs for routine maintenance of £286k (2007: £194k) and for planned maintenance £85k (2007: £94k) and major repairs £446k (2007: £387k)

In 2008 maintenance expenditure has been split between routine maintenance, planned maintenance and major repairs and the prior year has been restated to reflect this change. In the prior year, cyclical maintenance of £1,098k and voids of £1,478k were included in routine maintenance and these have now been included in planned maintenance and major repairs respectively. Expenditure of £4,597k included in planned maintenance in the prior year has been transferred to major repairs.

### SOCIAL HOUSING LETTINGS OPERATING COSTS - OTHER COSTS

	2008 £'000	2007 £'000
Grounds maintenance	409	421
Insurance	506	515
Office depreciation	361	288
Other costs	41	40
	<u>1,317</u>	<u>1,264</u>

# CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2008

### 2. PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS (continued)

#### TURNOVER AND OPERATING COSTS FROM OTHER SOCIAL HOUSING ACTIVITIES

	2008 £'000	2007 £'000
<b>Turnover</b>		
Office equipment, other rental and licence fees	700	300
<b>Operating costs</b>		
Corporate communications and marketing	180	223
New business development	350	415
Uncapitalised development costs	444	457
Other	61	81
	<u>1,035</u>	<u>1,176</u>

#### TURNOVER AND OPERATING COSTS FROM NON-SOCIAL HOUSING ACTIVITIES

	2008 £'000	2007 £'000
<b>Turnover</b>		
Leasehold shop lettings	188	164
Market rents	1,068	286
Office rent	33	33
	<u>1,289</u>	<u>483</u>
<b>Operating Costs</b>		
Management	117	48
Services	183	-
Maintenance	40	-
Bad Debts	300	-
Other	15	-
	<u>655</u>	<u>48</u>

#### HOUSING STOCK AND HOUSING UNDER MANAGEMENT

	2008 No.	2007 No.
General needs housing	8,237	7,866
Supported housing	691	702
Low cost home ownership	835	643
Non-social housing	196	189
	<u>9,959</u>	<u>9,400</u>
Leasehold flats	283	268
	<u>10,242</u>	<u>9,668</u>
Non-association property under management	7	7
	<u>10,249</u>	<u>9,675</u>
<b>Units under development at 31 March:</b>		
General needs housing	263	256
Low cost home ownership	302	196
	<u>565</u>	<u>452</u>

### 3. SURPLUS ON SALE OF TANGIBLE FIXED ASSETS

	Housing sales £'000	2008 Other fixed assets £'000	Total £'000	2007 Total £'000
Proceeds	8,454	9	8,463	9,488
Transfer to disposals fund	(3,361)	-	(3,361)	(2,652)
Net book value of properties sold	(2,205)	(5)	(2,210)	(3,465)
Other costs	(78)	-	(78)	(123)
Surplus on sale of fixed assets	<u>2,810</u>	<u>4</u>	<u>2,814</u>	<u>3,248</u>

# CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2008

### 4. DIRECTORS' EMOLUMENTS

No emoluments were paid by the Association to the Board, the Chief Executive and Senior Executives in respect of their services during the period. Emoluments paid by the parent entity are disclosed in the group accounts.

### 5. EMPLOYEES

Management and administration is provided by the Association's parent entity, Paradigm Housing Group Ltd. Contracts of employment are held by the parent entity and information about remuneration and group pension obligations are disclosed in the group accounts.

### 6. INTEREST RECEIVABLE AND OTHER INCOME

	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
Interest receivable from short term deposits	5	6
Interest receivable from group companies	285	352
	<u>290</u>	<u>358</u>

### 7. INTEREST PAYABLE AND SIMILAR CHARGES

	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
On bank loans, overdrafts and other loans:		
Repayable within five years:		
Interest payable to group companies	237	235
Other bank interest	151	187
Repayable in more than five years	23,230	18,925
	<u>23,618</u>	<u>19,347</u>
Interest capitalised on properties in the course of construction	<u>(2,883)</u>	<u>(732)</u>
	<u>20,735</u>	<u>18,615</u>
Capitalisation rate used to determine the finance costs capitalised during the period	5.32%	5.44%

### 8. GIFT AID

Gift Aid receivable from group companies amounted to £1,250k (2007: £727k).

### 9. OPERATING SURPLUS

	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
<b>Operating surplus is stated after charging:</b>		
Depreciation:		
Tangible owned fixed assets:		
Freehold and leasehold housing properties	3,201	2,698
Other owned fixed assets	374	380
Auditors' remuneration (including VAT):		
In their capacity as auditors	28	27
In respect of other services	11	-
Surplus on sale of fixed assets other than housing properties	4	-

### 10. TAXATION

As a registered charitable Industrial and Provident Society, the Association is exempt from Corporation Tax on its surplus.

# CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2008

### 11. TANGIBLE FIXED ASSETS

	Housing properties £'000	Housing properties in course of construction £'000	Freehold office properties £'000	Leasehold office improvements £'000	Computers, equipment, fixtures and vehicles £'000	Total £'000
<b>Cost or valuation</b>						
Valuation at 1 April 2007	693,804	47,682	3,385	1,158	2,761	748,790
Additions	5,950	105,807	27	26	302	112,112
Property improvements	2,149	-	-	-	-	2,149
Transfers to completed schemes	73,574	(73,574)	-	-	-	-
Disposals	(11,926)	(111)	-	-	(230)	(12,267)
Demolitions in year for redevelopment	(149)	149	-	-	-	-
Interest Capitalised	-	2,852	-	-	-	2,852
Deficit on revaluation	(17,073)	-	-	-	-	(17,073)
At 31 March 2008	<u>746,329</u>	<u>82,805</u>	<u>3,412</u>	<u>1,184</u>	<u>2,833</u>	<u>836,563</u>
<b>Depreciation</b>						
At 1 April 2007	2,685	-	785	242	2,298	6,010
Eliminated on revaluation	(2,685)	-	-	-	-	(2,685)
Charge for the year	3,200	-	113	44	217	3,574
Eliminated in respect of disposals	(13)	-	-	-	(225)	(238)
At 31 March 2008	<u>3,187</u>	<u>-</u>	<u>898</u>	<u>286</u>	<u>2,290</u>	<u>6,661</u>
<b>Social Housing Grant</b>						
At 1 April 2007	175,568	8,462	-	-	-	184,030
Additions	1,780	25,609	-	-	-	27,389
Completed schemes	16,251	(16,251)	-	-	-	-
Disposals	(1,781)	-	-	-	-	(1,781)
At 31 March 2008	<u>191,818</u>	<u>17,820</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>209,638</u>
<b>Other grants</b>						
At 1 April 2007	2,025	120	-	-	-	2,145
Additions	227	1,206	-	-	-	1,433
Completed schemes	724	(724)	-	-	-	-
At 31 March 2008	<u>2,976</u>	<u>602</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,578</u>
<b>Net book value at 31 March 2008</b>	<u>548,348</u>	<u>64,383</u>	<u>2,514</u>	<u>898</u>	<u>543</u>	<u>616,686</u>
<b>Net book value at 31 March 2007</b>	<u>513,526</u>	<u>39,100</u>	<u>2,600</u>	<u>916</u>	<u>463</u>	<u>556,605</u>
Cost or valuation at 31 March 2008 is represented by:						
Gross cost	587,195	82,805	3,412	1,184	2,833	677,429
Less SHG and other grants	(194,794)	(18,422)	-	-	-	(213,216)
Less depreciation	(2,119)	-	(898)	(286)	(2,290)	(5,593)
Historical cost net book value	390,282	64,383	2,514	898	543	458,620
Revaluation reserve	158,066	-	-	-	-	158,066
	<u>548,348</u>	<u>64,383</u>	<u>2,514</u>	<u>898</u>	<u>543</u>	<u>616,686</u>

There is no material difference between accumulated Social Housing Grant (capital and revenue) and the figure disclosed above.

### Expenditure on works to existing properties

	2008 £'000	2007 £'000
Amounts capitalised	2,149	3,009
Amounts charged to income and expenditure	12,819	10,863
	<u>14,968</u>	<u>13,872</u>

# CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2008

### 11. TANGIBLE FIXED ASSETS (continued)

#### Valuation of Housing Properties

Completed housing properties are shown at valuation.

Completed properties were valued by Savills (L&P) Limited at £519,789k based on 9,591 properties valued at 30 November 2007 and the net addition of 368 properties since that time are valued by management at £28,559k using the same average level as the valued stock. The following is the valuer's statement:

"Savills (L&P) Limited, part of the Savills Group, is a general practice firm providing surveying and valuation services around the country. The valuer is 'external' and our valuation is at 31 March 2008 on an EUV-SH basis.

The valuation has been made in accordance with the RICS Appraisal and Valuation Standards (6th Edition) and takes into account where appropriate the Housing Corporation's "Performance Indicators" for Registered Social Landlords and the new Rent Restructuring Regime applicable from 2002 onwards.

This valuation assumes that annual rent increases are implemented in line with the Association's Rent Plan in accordance with the Rent Influencing Regime regulated by the Housing Corporation.

It should be noted that future growth in both capital and rental values may not occur and values can fall as well as rise."

In determining the valuation the valuers made use of discounted cashflow methodology. The key assumptions relate to future rent increases, management and maintenance costs and sales. A discount rate of between 4.87% and 6.66% (2007: 4.87% to 6.66%) and a long term inflation rate of 2.5% (2007: 2.5%) has been assumed.

Variations in the key assumptions between years can have a significant effect on valuations.

Alternative valuations were provided as follows:

Basis of Alternative Valuation	Valuation	Valuation
	2008	2007
	£'000	£'000
Vacant possession value	<u>1,657,939</u>	<u>1,521,489</u>
Open market value - existing use and sales	<u>818,743</u>	<u>744,939</u>

The 'existing use and sales' valuation assumes that the Association or a funder in possession would adopt different rent policies and sell vacant properties on the open market.

# CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2008

### 12. INVESTMENTS

Long Term Investments	2008 £'000	2007 £'000
Shares in subsidiaries at net asset value		
Valuation at 1 April 2007	22,802	20,854
Surplus on revaluation	924	1,948
At 31 March 2008	<u>23,726</u>	<u>22,802</u>

Details of subsidiary entities are shown in note 29.

Short Term Investments	2008 £'000	2007 £'000
Bond Issues security deposit	450	450
Short term deposit	5,000	-
	<u>5,450</u>	<u>450</u>

Short term deposits relate to grant received, deposited for 14 days over the year end.

### 13. DEBTORS

	2008 £'000	2007 £'000
<b>Amounts falling due within one year:</b>		
Current tenants	2,662	1,790
Former tenants	336	218
Rental debtors	2,998	2,008
Less bad debt provision	(489)	(312)
	<u>2,509</u>	<u>1,696</u>
Social Housing Grant receivable	118	3,091
Amounts owed by group entities	3,874	5,596
Prepayments and accrued income	2,212	2,973
Other debtors	90	86
	<u>8,803</u>	<u>13,442</u>

Rental debtors as at 31st March 2008 includes rent due for an additional 6 days after year end, as the rental week ended on 6th April 2008. At the end of the previous year rental debtors included the rent due on 1 additional day as the rental week ended on 1st April 2007. The rent for the additional days is included in accruals and deferred income.

### 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008 £'000	2007 £'000
Loans repayable in less than one year	151	143
Amounts owed to group entities	9,268	3,874
Disposal Proceeds Fund	500	50
Recycled Capital Grant Fund	438	312
Social Housing Grant in advance	-	2,488
Rent in advance	714	142
Tenant accounts in credit	318	407
Accruals and deferred income	9,395	11,192
	<u>20,784</u>	<u>18,608</u>

# CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2008

### 15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2008 £'000	2007 £'000
Housing loans	434,235	359,796
Other loans	370	370
Deferred income	1,004	1,128
Recycled capital grant fund	913	613
Disposal proceeds fund	7,372	5,550
	<u>443,894</u>	<u>367,457</u>

Deferred income represents payments made in advance for nomination rights over specified properties. The income is released on a straight line basis over the period of the agreements which have between 5 and 26 years remaining.

#### Housing Loans

At 31 March 2008 £434,235k (2007: £360,136k) had been drawn down, of which £337,335k (2007: £235,088k) was fixed with interest rates varying from 4.56% to 6.94%. The balance of £96,900k (2007: £125,048k) has interest rates varying from 0.20% to 0.45% above the London Inter-Bank Offer Rate.

These loans are secured by a first charge on 6,642 of the Association's properties and are repayable as follows:

	2008 £'000	2007 £'000
In one to two years	191	151
In two to five years	821	10,743
In five years or more	433,223	349,242
	<u>434,235</u>	<u>360,136</u>

Included in housing loans above are unamortised arrangement fees of £340k. These fees are being amortised on a straight line basis over the period of the loans which range from 4 years to 19 years.

#### Other loans

Other loans represents a creditor of £370k which in certain circumstances is payable to the Commission for New Towns and is deferred land acquisition costs.

#### Deferred Income

Deferred income represents payments in advance from local authorities and other organisations for nomination rights and other agreements, amortised over the remaining period of the agreements. The payment in advance from Bucks County Council is secured by a first charge on 15 of the Association's properties.

# CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2008

### 15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (CONTINUED)

#### Recycled Capital Grant Fund

Recycled Capital Grant Fund is capital grant provided through the Housing Corporation and local authorities which is repayable in certain circumstances, but which the Association is proposing to exercise its option to recycle into new projects.

	2008 £'000	2007 £'000
At 1 April 2007	925	756
Grants Recycled	774	653
Interest accrued	56	32
Major repairs and works to existing stock	-	(46)
Purchase/ development of properties	(184)	-
	<u>1,571</u>	<u>1,395</u>
Repayment of grant to Housing Corporation	(220)	(470)
At 31 March 2008	<u>1,351</u>	<u>925</u>
Amount due for repayment to Housing Corporation	<u>438</u>	<u>220</u>
Falling due within 1 year	438	312
Falling due after more than one year	913	613
	<u>1,351</u>	<u>925</u>

#### Disposal Proceeds Fund

Disposal Proceeds Fund is the net proceeds from sales of housing properties to tenants under voluntary and statutory purchase grant schemes.

	2008 £'000	2007 £'000
At 1 April 2007	5,600	5,010
Net Sale proceeds recycled	2,589	1,998
Interest accrued	375	318
Acquisition of dwellings for letting	(692)	(1,726)
At 31 March 2008	<u>7,872</u>	<u>5,600</u>
Falling due within 1 year	500	50
Falling due after more than one year	7,372	5,550
	<u>7,872</u>	<u>5,600</u>

### 16. SHARE CAPITAL

	2008 £	2007 £
<b>Allotted, issued and fully paid</b>		
At 1 April 2007	23	24
Cancelled during year	(1)	(1)
At 31 March 2008	<u>22</u>	<u>23</u>

Each member of the Board, apart from co-opted members, holds one ordinary share of £1 in the Association.

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

# CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2008

### 17. REVALUATION RESERVE

	2008 £'000	2007 £'000
At 1 April 2007	173,524	145,780
Revaluation surplus/(deficit) during the year - housing properties	(14,388)	28,914
Transfer to revenue reserve on disposal	11	(262)
Historical cost depreciation adjustment to revenue reserve	<u>(1,081)</u>	<u>(908)</u>
At 31 March 2008	<u>158,066</u>	<u>173,524</u>

### 18. INVESTMENT REVALUATION RESERVE

	2008 £'000	2007 £'000
At 1 April 2007	11,653	9,705
Revaluation surplus during the year - investments in subsidiaries	<u>924</u>	<u>1,948</u>
At 31 March 2008	<u>12,577</u>	<u>11,653</u>

### 19. REVENUE RESERVE

	2008 £'000	2007 £'000
At 1 April 2007	27,675	24,326
Surplus for the year	1,030	2,179
Transfers from revaluation reserve	<u>1,070</u>	<u>1,170</u>
At 31 March 2008	<u>29,775</u>	<u>27,675</u>

### 20. RECONCILIATION IN MOVEMENT OF ASSOCIATION FUNDS

	2008 £'000	2007 £'000
At 1 April 2007	212,852	179,811
<b>Movements in the year:</b>		
Surplus for the year	1,030	2,179
Revaluation surplus/(deficit) in the year	(14,388)	28,914
Surplus on revaluation of investments	<u>924</u>	<u>1,948</u>
At 31 March 2008	<u>200,418</u>	<u>212,852</u>

# CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2008

### 21. FINANCIAL COMMITMENTS

	2008 £'000	2007 £'000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	87,377	48,173
Capital expenditure that has been authorised by the Board but has not yet been contracted for	109,340	144,407
	<u>196,717</u>	<u>192,580</u>

The above commitments will be financed partly through borrowings which are available for draw-down under existing loan arrangements, income from property sales and social housing grant.

### 22. RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2008 £'000	2007 £'000
Operating surplus	18,661	17,188
Group deed of covenant & Gift Aid	1,250	727
Capitalised development costs	(3,624)	(3,812)
Capitalised Interest	(1,936)	(729)
Depreciation charges	3,336	2,828
Deferred Income	(124)	(125)
(Increase)/decrease in debtors	3,332	(3,136)
(Decrease)/Increase in creditors	4,630	(906)
<b>Net cash inflow from operating activities</b>	<u>25,525</u>	<u>12,035</u>

### 23. RETURNS ON INVESTMENT AND SERVICING OF FINANCE

	2008 £'000	2007 £'000
Interest received	290	406
Interest paid	(19,924)	(18,374)
<b>Net cash outflow for returns on investments and servicing of finance</b>	<u>(19,634)</u>	<u>(17,968)</u>

### 24. CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	2008 £'000	2007 £'000
Acquisition and construction of housing properties	(108,000)	(69,320)
Purchase of other tangible fixed assets	(130)	(1,148)
Receipts from sales of housing properties	8,454	9,488
Receipts from sales of other tangible fixed assets	9	-
Social housing grant received	29,481	15,985
<b>Net cash outflow from capital expenditure and financial investment</b>	<u>(70,186)</u>	<u>(44,995)</u>

# CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2008

### 25. MANAGEMENT OF LIQUID RESOURCES

	2008 £'000	2007 £'000
Long term cash deposits	-	-
Short term cash deposits	-	-
<b>Net cash inflow from management of liquid resources</b>	<u>-</u>	<u>-</u>

### 26. FINANCING

	2008 £'000	2007 £'000
Housing loans repayable within 1 year	8	9
Debt due beyond a year:		
Housing loans repayable within 5 years	-	-
Housing loans repayable in more than 5 years	74,099	55,006
<b>Net cash inflow from financing</b>	<u>74,107</u>	<u>55,015</u>

### 27. ANALYSIS OF NET DEBT

	At 1 April 2007 £'000	Cash Flow £'000	Other £'000	At 31 March 2008 £'000
Cash in hand and at bank	5,618	4,813		10,431
Investments and short term deposit	450	5,000		5,450
Debt due within 1 year	(143)	(8)	-	(151)
Debt due after 1 year	(360,136)	(74,099)	-	(434,235)
Other loans	(370)	-		(370)
	<u>(354,581)</u>	<u>(64,294)</u>	-	<u>(418,875)</u>

### 28. BORROWING FACILITIES

The association has undrawn committed borrowing facilities. The facilities available at 31st March were as follows:

	2008 £'000	2007 £'000
Expiring in more than two years	<u>103,600</u>	<u>178,630</u>

### 29. SUBSIDIARIES

The following entities are wholly owned subsidiaries.

Company	Country of Registration	Principal Activity	Class of shares	% of shares held
Paradigm Homes plc	England	Provision of housing for rent	Ordinary	100%
Mary Bailey-Smith Almshouses	England	Provision of almshouses	n/a	

# CHILTERN HUNDREDS CHARITABLE HOUSING ASSOCIATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2008

### 30. RELATED PARTY DISCLOSURE

All of the Association's voting rights are controlled within the group headed by Paradigm Housing Group Limited.

The Association has taken advantage of the exemption contained in FRS 8 not to disclose details of transactions or balances with entities that form part of the group as these transactions are eliminated in the consolidated accounts of the parent company.

Two Board Members were tenants of the Association during the year and paid rent and received services on exactly the same basis as any other tenants of the Association.

### 31. ULTIMATE HOLDING ENTITY

The ultimate parent company and controlling entity is Paradigm Housing Group Limited. The controlling entity is registered with both the Housing Corporation (registration number L4215) and the Industrial and Provident Society (registration number 28844R). Copies of the consolidated financial statements are available from the Head Office of Paradigm Housing Group Limited situated at: Hundreds House, 24 London Road West, Amersham, Bucks., HP7 0EZ.