

## Report of the Board of Management *(continued)*

### Going Concern

The Association's business activities, together with the factors likely to affect its future development, performance and position are described in the Report of the Board of Management on pages 3 and 4.

The Association meets its day to day working capital requirements through the current account, which is cash positive at the year end. The Association meets its development programme requirements through a combination of grant and debt funding. Note 20 to the accounts highlights the current level of debt and repayment terms. The current economic conditions create uncertainty particularly over the longer term availability of grant and bank finance.

The Association's forecasts and projections show that the group should be able to continue to operate within the level of its current facilities and no matters have been drawn to its attention to suggest that future funding may not be forthcoming on acceptable terms.

After making enquiries, the Board has a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

### Disclosure of Information to the Auditor

The Board members, who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a Board member to make themselves aware of any relevant audit information and to establish that the Association's auditor is aware of that information.

### Auditor

In accordance with Section 83 of the Co-operative and Community Benefit Societies Act 2014, a resolution for the re-appointment of KPMG LLP as auditor of the company is to be proposed at the forthcoming Annual General Meeting.

The Report of the Board of Management was approved on 31 August 2016 and signed on its behalf by:



**W Worth**  
Chair

Oakwood Way  
North Seaton Industrial Estate  
Ashington  
Northumberland  
NE63 0XF

**Consolidated and Association Statement of Comprehensive Income**  
*for the year ended 31 March 2016*

	<i>Note</i>	2016 £000	2015 £000
<b>Turnover</b>	2	<b>19,751</b>	19,734
Cost of sales	2	<b>(578)</b>	(101)
Operating expenditure ( <i>including £362,000 due to restructuring (2015: £nil)</i> )	2	<b>(15,081)</b>	(14,531)
Loss on disposal of tangible fixed assets	6	<b>(242)</b>	(141)
		<hr/>	<hr/>
<b>Operating surplus</b>		<b>3,850</b>	4,961
Share of operating surplus in associate	15	<b>287</b>	1,109
Interest receivable and similar income	10	<b>53</b>	20
Interest payable and similar charges	11	<b>(3,294)</b>	(2,840)
Other finance expense	12	<b>(53)</b>	(40)
Gift Aid receivable		<b>480</b>	199
		<hr/>	<hr/>
<b>Surplus before tax</b>	2-12	<b>1,323</b>	3,409
Taxation	13	<b>(16)</b>	(27)
		<hr/>	<hr/>
<b>Surplus for the year</b>		<b>1,307</b>	3,382
		<hr/>	<hr/>
<b>Total comprehensive income for the financial year</b>		<b>1,307</b>	3,382
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 35 to 59 form an integral part of these financial statements.

All results are derived from continuing operations.

These financial statements were approved by the Board on 31 August 2016 and were signed on its behalf by:



**W Worth**  
*Chair*



**H Parker**  
*Member*




**M Axe**  
*Secretary*

## Consolidated and Association Statement of Financial Position at 31 March 2016


	Note	2016 Consolidated £000	2016 Association £000	2015 Consolidated £000	2015 Association £000
<b>Fixed assets</b>					
Tangible assets	14	185,856	185,856	185,222	185,222
Investments	15	6	6	6	6
HomeBuy loans receivable		222	222	222	222
Investments in associates	15	3,594	-	3,307	-
		<u>189,678</u>	<u>186,084</u>	<u>188,757</u>	<u>185,450</u>
<b>Current assets</b>					
Stock	16	214	214	654	654
Debtors (including £935,000 (2015: £1,498,000) due after more than one year)	17	2,769	6,363	9,728	13,035
Cash and cash equivalents	18	5,828	5,828	3,790	3,790
		<u>8,811</u>	<u>12,405</u>	<u>14,172</u>	<u>17,479</u>
<b>Creditors: amounts falling due within one year</b>	19	<b>(12,447)</b>	<b>(12,447)</b>	<b>(17,333)</b>	<b>(17,333)</b>
		<u>8,811</u>	<u>12,405</u>	<u>14,172</u>	<u>17,479</u>
<b>Net current (liabilities)/assets</b>		<b>(3,636)</b>	<b>(42)</b>	<b>(3,161)</b>	<b>146</b>
<b>Total assets less current liabilities</b>		<b>186,042</b>	<b>186,042</b>	<b>185,596</b>	<b>185,596</b>
<b>Creditors: amounts falling due after more than one year</b>	20	<b>(161,474)</b>	<b>(161,474)</b>	<b>(162,335)</b>	<b>(162,335)</b>
		<u>24,568</u>	<u>24,568</u>	<u>23,261</u>	<u>23,261</u>
<b>Total net assets</b>		<b>24,568</b>	<b>24,568</b>	<b>23,261</b>	<b>23,261</b>
<b>Reserves</b>					
Share capital	22	-	-	-	-
Income and expenditure reserve		24,568	24,568	23,261	23,261
		<u>24,568</u>	<u>24,568</u>	<u>23,261</u>	<u>23,261</u>
<b>Total reserves</b>		<b>24,568</b>	<b>24,568</b>	<b>23,261</b>	<b>23,261</b>

The notes on pages 35 to 59 form an integral part of these financial statements.

These financial statements were approved by the Board on 31 August 2016 and were signed on its behalf by:

  
**W Worth**  
Chair

  
**H Parker**  
Member

  
**M Axe**  
Secretary

Registered society number: 17315R