

COMPANY REGISTRATION NUMBER: SC401352

CHARITY REGISTRATION NUMBER: SC042381

Scotland's Housing Network
Company Limited by Guarantee
Financial Statements
31 March 2017

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PATERSON BOYD & Co.
Chartered Accountants

Scotland's Housing Network

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2017

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Scotland's Housing Network

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report)

Year ended 31 March 2017

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2017.

Reference and administrative details

Registered charity name	Scotland's Housing Network
Charity registration number	SC042381
Company registration number	SC401352
Principal office and registered office	Verity House 19 Haymarket Yards Edinburgh EH12 5BH

The trustees

Mr J Wolstencroft (Chair)	
Ms M Callan (Vice Chair)	
Mr P Smith	
Ms S McLeod	
Mr N Ferguson	
Mr W Banks	
Ms M Boyter	
Ms S Mullen	(Resigned 10 May 2016)
Ms J Gray	(Resigned 1 April 2016)
Ms K Finlayson	(Resigned 21 March 2017)

Auditor	Paterson Boyd & Co Limited Chartered Accountants & Statutory Auditor 18 North Street Glenrothes Fife KY7 5NA
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Scotland's Housing Network

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2017

Structure, governance and management

Scotland's Housing Network (SHN) is a consortium of local authority and housing association landlords. Its legal and governance structure is as an incorporated charity. The charity changed its name on 19 January 2016 and was formerly known as Scottish Housing Best Value Network.

The current trustees are all employees of member organisations of SHN which comprise of local authority councils and three housing associations. The trustees do not hold governance positions within these organisations. Trustees are appointed following an election at the Annual General Meeting.

The number of trustees cannot be less than three and is not subject to any maximum. At each AGM one third of the trustees are to retire in order of longevity in office. A trustee who is due to retire is eligible to for reappointment unless they have served for six years, in which case they are not eligible for appointment for a period of two years.

The pay and remuneration for the charity's key management personnel is agreed annually by the Board of Trustees. Inflationary increases are applied to agreed pay scales and take into account inflationary increases applied in local government, the social housing and charity sectors and prevailing inflation rates at the time.

The day to day running of the organisation is under the control of an employee of the charity, the administrative director, Elaine Byrne.

Objectives and activities

The purpose of SHN is to support social landlords in Scotland deliver customer focussed, efficient and effective services which are of the highest quality and are value for money. This purpose is furthered by:

- undertaking research, study and assessment to benchmark good practice in the provision of housing in Scotland;
- encouraging and facilitating the sharing of information and experience among members;
- providing, including to other organisations, training in areas connected with the foregoing; and
- making representations on behalf of the charity regarding practical and policy issues that support good practice in the provision of housing in Scotland.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Scotland's Housing Network

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2017

Achievements and performance

The organisation has achieved its key objectives as set out in the 2015-2018 Business Plan during the financial year. These achievements include:

- The introduction of our Value for Money (VFM) service allowing social landlords to look beyond service performance and examine the cost of performance to their tenants. To complement this, we also introduced our VFM in New Build Developments. With significant resources and emphasis on the social housing new build programme, landlords are now able to examine the impact of their developments on tenant satisfaction and sustainability, as well as being able to benchmark costs and timescales.
- Continuing on the theme of financial scrutiny, we developed an onsite support programme last year to support local authority landlords and their tenants with the implementation of the Scottish Government's HRA Guidance. This programme clearly benefits tenants understanding of the Housing Revenue Account and how their rent money is expended by their landlords.
- Through our involvement in the steering group of Under One Roof, we were instrumental in the development of this invaluable resource to provide a dedicated website to provide impartial advice on repairs and maintenance for flat owners in Scotland.
- Our HMO (House in Multiple Occupation) group discussed with the Scottish Government the difficulties our Local Authority members had when it comes to enforcing some of their legislation. As a result, the Scottish Government have now drafted a revision of the HMO definition which is hoped to go before parliament before the end of this year.
- During 2016/17, Scotland's Housing Network worked with colleagues from the Place, Home and Housing Programme of the iHub to deliver much needed practice exchange forums to support the Health and Social Care Integration agenda for practitioners in the health, social care and housing sectors.
- Our work with the health and social care sector was further advanced when we were commissioned to support performance benchmarking for telecare services throughout Scotland.
- Scotland's Housing Network has supported the work of Tayside, Fife and Central Housing Options Hub since 2010 and in 2016/17 this support was extended to the North and Islands Hub. Our role with these Hubs help with the management of their events, assisting with communication networks, coordinating project work streams and providing benchmarking services to support Housing Options in these locations.
- Our members benefited from the introduction of a new members' website and Business Intelligence tool during 2016/17.

Scotland's Housing Network

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2017

Financial review

During the period 1st April 2016 to 31st March 2017, public sector and ALACHO membership subscriptions of £334,468 (2016: £323,608) were received. Private sector membership subscriptions of £84,410 (2016: £98,884) were received. Other income of £54,343 (2016: £68,205) was received for the provision of management and consultancy services. Grants were received from The Scottish Government for the development of welfare reform practice exchange for all social landlords, totalling £25,000.

Costs of charitable activities were £535,871 (2016: £512,605) including governance costs of £3,484 (2016: £4,043). At the balance sheet date, the unrestricted fund balance carried forward was £206,580 (2016: £247,745). At 31st March 2017 the ALACHO division had funds of £2,992 (2015: a deficit of £2,495).

Reserves policy

The unrestricted reserves at 31 March 2017 of £206,580 include a planned drawdown over the next two financial years of £59,517 to fund the capital investment that arose in respect of our new members' website and business intelligence tool. The remaining unrestricted reserves will be held as working capital and to cover three months' running costs as recommended by OSCR.

Key risks faced by Scotland's Housing Network

The Trustees of Scotland's Housing Network work hard to mitigate risks and review key strategic and operational risks at each board meeting. The main risk surrounds loss of membership and associated income and we work hard to ensure our services and benefits to members are responsive and assist them with emerging issues in housing. In addition, we actively seek out other funding streams to support our costs and thus allowing us to maintain membership fees at very competitive levels. As a small team our risks surrounding workforce planning are inherent, principally as most of the posts are specialised and niche in nature.

Plans for future periods

SHN will build on the initial work undertaken during 2016/17 and continue to develop its business intelligence tool for members. We will embed the value for money benchmarking services and work collaboratively with the sector on our new build housing benchmarking service. Having reviewed our self-assessment resources during 2016/17, we will promote the facilitated on-site service that complements this invaluable resource. Working with our members we will develop services for their tenants to access. A review of our existing practice exchange forums is also planned for the forthcoming year to ensure they continue to meet members' needs and emerging issues. Likewise, a staffing review will be undertaken to ensure the current structure is fit for future purpose. Finally, as always, we will strive to increase our membership to ensure we retain our position as the leading housing benchmarking network in Scotland.

Scotland's Housing Network

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Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2017

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
 - they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.
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Scotland's Housing Network

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 March 2017

The trustees' annual report (incorporating the directors' report) and the strategic report were approved on 5 October 2017 and signed on behalf of the board of trustees by:



J Wolstencroft
Chairperson

Scotland's Housing Network

Company Limited by Guarantee

Independent Auditor's Report to the Members of Scotland's Housing Network

Year ended 31 March 2017

We have audited the financial statements of Scotland's Housing Network for the year ended 31 March 2017 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charity's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. We have been appointed auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Scotland's Housing Network

Company Limited by Guarantee

Independent Auditor's Report to the Members of Scotland's Housing Network *(continued)*

Year ended 31 March 2017

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the trustees' report for the financial year for the financial statements are prepared is consistent with the financial statements.

Other matter

The 2016 comparative figures in the financial statements are unaudited as no audit was carried out in the prior year.

Scotland's Housing Network

Company Limited by Guarantee

Independent Auditor's Report to the Members of Scotland's Housing Network *(continued)*

Year ended 31 March 2017

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept proper and adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



Neil Paterson B.A., C.A. (Senior Statutory Auditor)

For and on behalf of
Paterson Boyd & Co Limited
Chartered Accountants & Statutory Auditor
18 North Street
Glenrothes
Fife
KY7 5NA

Paterson Boyd & Co Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

5 October 2017

Scotland's Housing Network

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

31 March 2017

		2017		2016	
		Unrestricted	Restricted	Total funds	Total funds
	Note	funds	funds	£	£
		£	£		
Income and endowments					
Donations and legacies	5	–	25,000	25,000	30,710
Charitable activities	6	405,357	68,800	474,157	490,697
Investment income	7	1,036	–	1,036	1,431
Total income		<u>406,393</u>	<u>93,800</u>	<u>500,193</u>	<u>522,838</u>
Expenditure					
Expenditure on charitable activities	8,9	447,558	88,313	535,871	512,605
Total expenditure		<u>447,558</u>	<u>88,313</u>	<u>535,871</u>	<u>512,605</u>
Net (expenditure)/income and net movement in funds					
		<u>(41,165)</u>	<u>5,487</u>	<u>(35,678)</u>	<u>10,233</u>
Reconciliation of funds					
Total funds brought forward		<u>247,745</u>	<u>(2,495)</u>	<u>245,250</u>	<u>235,017</u>
Total funds carried forward		<u>206,580</u>	<u>2,992</u>	<u>209,572</u>	<u>245,250</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 13 to 22 form part of these financial statements.

Scotland's Housing Network

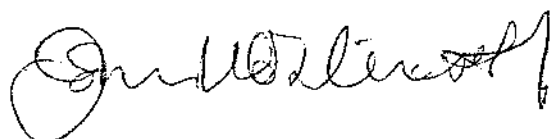
Company Limited by Guarantee

Statement of Financial Position

31 March 2017

		2017 £	2016 £
Fixed assets			
Tangible fixed assets	16	59,517	48,365
Current assets			
Debtors	17	52,486	31,515
Cash at bank and in hand		175,932	181,724
		<u>228,418</u>	<u>213,239</u>
Creditors: amounts falling due within one year	18	78,363	16,354
Net current assets		<u>150,055</u>	<u>196,885</u>
Total assets less current liabilities		<u>209,572</u>	<u>245,250</u>
Net assets		<u>209,572</u>	<u>245,250</u>
Funds of the charity			
Restricted funds		2,992	(2,495)
Unrestricted funds		206,580	247,745
Total charity funds	20	<u>209,572</u>	<u>245,250</u>

These financial statements were approved by the board of trustees and authorised for issue on 5 October 2017, and are signed on behalf of the board by:



J Wolstencroft
Chairperson

The notes on pages 13 to 22 form part of these financial statements.

Scotland's Housing Network

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 March 2017

	2017	2016
	£	£
Cash flows from operating activities		
Net (expenditure)/income	(35,678)	10,233
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	30,461	1,060
Other interest receivable and similar income	(1,036)	(1,431)
Accrued expenses/(income)	55,218	(14,222)
<i>Changes in:</i>		
Trade and other debtors	(20,971)	4,563
Trade and other creditors	6,791	(26,770)
Cash generated from operations	34,785	(26,567)
Interest received	1,036	1,431
Net cash from/(used in) operating activities	<u>35,821</u>	<u>(25,136)</u>
Cash flows from investing activities		
Purchase of tangible assets	(41,613)	(47,663)
Net cash used in investing activities	<u>(41,613)</u>	<u>(47,663)</u>
Net decrease in cash and cash equivalents	(5,792)	(72,799)
Cash and cash equivalents at beginning of year	<u>181,724</u>	<u>254,523</u>
Cash and cash equivalents at end of year	<u>175,932</u>	<u>181,724</u>

The notes on pages 13 to 22 form part of these financial statements.

Scotland's Housing Network

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2017

1. General information

The charity is a private company limited by guarantee, registered in Scotland and a registered charity in Scotland. The address of the registered office is Verity House, 19 Haymarket Yards, Edinburgh, EH12 5BH.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities and Trustee Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended).

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 24.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Scotland's Housing Network

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Scotland's Housing Network

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Scotland's Housing Network

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Computer equipment & software - Straight line over 3 years

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at the carrying value plus accrued interest less repayments. The financing charge to expenditure is at a constant rate calculated using the effective interest method

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Scotland's Housing Network is a company limited by guarantee and has no share capital. Each member of the charity has undertaken to contribute an amount not exceeding £1 towards any deficit arising in the event of the charity being placed in liquidation.

Scotland's Housing Network

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

5. Donations and legacies

	Restricted Funds £	Total Funds 2017 £	Restricted Funds £	Total Funds 2016 £
Grants				
Scottish Government grant for Welfare Reform	25,000	25,000	28,910	28,910
Scottish Government grant for HRA implementation	–	–	1,800	1,800
	<u>25,000</u>	<u>25,000</u>	<u>30,710</u>	<u>30,710</u>

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Public sector subscriptions	265,668	–	265,668
Private sector memberships	85,346	–	85,346
Management and consultancy services	54,343	–	54,343
ALACHO memberships	–	68,800	68,800
	<u>405,357</u>	<u>68,800</u>	<u>474,157</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Public sector subscriptions	256,958	–	256,958
Private sector memberships	98,884	–	98,884
Management and consultancy services	68,205	–	68,205
ALACHO memberships	–	66,650	66,650
	<u>424,047</u>	<u>66,650</u>	<u>490,697</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Bank interest receivable	<u>1,036</u>	<u>1,036</u>	<u>1,431</u>	<u>1,431</u>

Scotland's Housing Network

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Activity type 1	52,149	25,000	77,149
Support costs	395,409	63,313	458,722
	<u>447,558</u>	<u>88,313</u>	<u>535,871</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Activity type 1	96,948	30,710	127,658
Support costs	315,802	69,145	384,947
	<u>412,750</u>	<u>99,855</u>	<u>512,605</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly		Total funds 2017 £	Total fund 2016 £
	£	Support costs £	£	£
Services to members	77,149	392,925	470,074	440,651
ALACHO	--	62,313	62,313	67,911
Governance costs	--	3,484	3,484	4,043
	<u>77,149</u>	<u>458,722</u>	<u>535,871</u>	<u>512,605</u>

10. Analysis of support costs

	Analysis of support costs activity 1 £	Analysis of support costs activity 2 £	Total 2017 £	Total 2016 £
Staff costs	268,703	51,025	319,728	295,611
Premises	65,457	--	65,457	34,508
Communications and IT	1,938	--	1,938	1,668
General office	26,366	11,288	37,654	48,057
Governance costs	2,484	1,000	3,484	4,043
Depreciation	30,461	--	30,461	1,060
	<u>395,409</u>	<u>63,313</u>	<u>458,722</u>	<u>384,947</u>

Scotland's Housing Network

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

11. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

	2017	2016
	£	£
Depreciation of tangible fixed assets	<u>30,461</u>	<u>1,060</u>

12. Auditor's remuneration

	2017	2016
	£	£
Fees payable for the audit of the financial statements	<u>2,000</u>	<u>—</u>

13. Independent examination fees

	2017	2016
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>—</u>	<u>949</u>

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2017	2016
	£	£
Wages and salaries	275,518	258,169
Social security costs	25,142	23,611
Employer contributions to pension plans	17,604	12,214
Other employee benefits	<u>1,464</u>	<u>1,617</u>
	<u>319,728</u>	<u>295,611</u>

The average head count of employees during the year was 9 (2016: 9). The average number of full-time equivalent employees during the year is analysed as follows:

	2017	2016
	No.	No.
Administrative staff	<u>7</u>	<u>7</u>

No employee received employee benefits of more than £60,000 during the year (2016: Nil).

15. Trustee remuneration and expenses

No expenses or remuneration were paid to members of the board of directors during the current or prior years.

Scotland's Housing Network

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

16. Tangible fixed assets

	Computer equipment & software £
Cost	
At 1 April 2016	57,376
Additions	41,613
At 31 March 2017	<u>98,989</u>
Depreciation	
At 1 April 2016	9,011
Charge for the year	30,461
At 31 March 2017	<u>39,472</u>
Carrying amount	
At 31 March 2017	<u>59,517</u>
At 31 March 2016	<u>48,365</u>

17. Debtors

	2017 £	2016 £
Trade debtors	43,110	13,757
Prepayments and accrued income	8,168	7,838
Other debtors	1,208	9,920
	<u>52,486</u>	<u>31,515</u>

18. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	8,414	4,769
Accruals and deferred income	58,495	3,277
Social security and other taxes	9,433	8,308
Other creditors	2,021	—
	<u>78,363</u>	<u>16,354</u>

Scotland's Housing Network

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

19. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £17,604 (2016: £12,214).

20. Analysis of charitable funds

Unrestricted funds

	At 1 April 2016	Income	Expenditure	At 31 March 2017
	£	£	£	£
General funds	<u>247,745</u>	<u>406,393</u>	<u>(447,558)</u>	<u>206,580</u>

Restricted funds

	At 1 April 2016	Income	Expenditure	At 31 March 2017
	£	£	£	£
ALACHO	(2,495)	68,800	(63,313)	2,992
Scottish Government grant	–	25,000	(25,000)	–
	<u>(2,495)</u>	<u>93,800</u>	<u>(88,313)</u>	<u>2,992</u>

21. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2017
	£	£	£
Tangible fixed assets	59,517	–	59,517
Current assets	224,426	3,992	228,418
Creditors less than 1 year	<u>(78,363)</u>	<u>–</u>	<u>(78,363)</u>
Net assets	<u>205,580</u>	<u>3,992</u>	<u>209,572</u>

Scotland's Housing Network

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

22. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2017	2016
	£	£
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	228,418	213,239
	<u>228,418</u>	<u>213,239</u>
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	78,363	16,354
	<u>78,363</u>	<u>16,354</u>

23. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2017	2016
	£	£
Not later than 1 year	30,000	30,000
Later than 1 year and not later than 5 years	30,000	60,000
	<u>60,000</u>	<u>90,000</u>

24. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The charity transitioned to FRS 102 on 1 April 2015.

No transitional adjustments were required in the retained funds or income or expenditure for the year.