

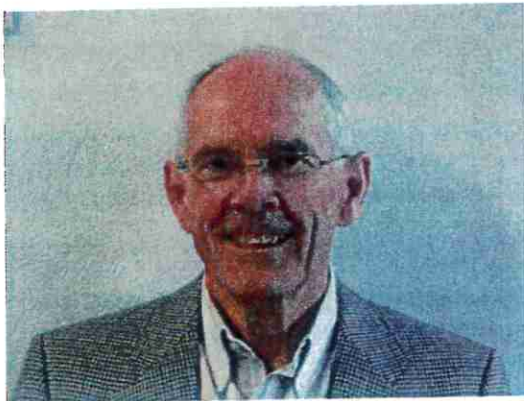
ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED
31 DECEMBER 2017

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CHAIR'S REPORT



I am pleased to present the Annual Report together with the financial statements for the year ended 31 December 2017.

Rockdale has continued to perform well, delivered considerable improvements and continued to demonstrate financial strength at a time when the housing sector as a whole is challenged with significant change.

Fundraising and Marketing

As in previous years, our focus for 2017 has continued to be on strengthening our Access to Care fund. To promote the fund and encourage membership of our "Friends of Rockdale Scheme" we continued to host a number of supporter lunches throughout the course of the year, where attendees were given a tour of our care home and brief talk about current fundraising activities. Over the next twelve months we aim to develop our marketing methods further through the use of social media technologies to increase awareness of the Association in the wider community.

We continue to produce News and Views which serves as a useful communication tool across the organisation. The magazine, which is produced three times a year, is available as a free pick up from doctors', dentists', hospital waiting rooms and the local library. Our thanks go to all the contributors including the companies who continue to advertise with us.

Rockdale House

In the care home occupancy levels and costs were in line with forecast and the overall 'good' rating from the Care Quality Commission (CQC) helped Rockdale House maintain its local reputation and attract new residents.

Our objective is to offer charitable funding to support those residents of Rockdale House who are unable to fully meet their costs. Over the next year we aim to strengthen this purpose further by allocating additional funding which will enable the Association to financially assist more residents wishing to access our care service

Our regular activities are the exercise class, an art group, the mobile shop and library. These are supplemented with regular quizzes on assorted topics, classical music sessions, poetry readings, games and knit and natters. There were also one-off sessions where residents enjoyed pampering, reminiscence, and mental aerobics activities.

A further enriching experience has come from a link with a local nursery school. Oakley House, a day nursery for pre-school children in Rockdale Road, brings around fifteen children aged between three and four each Monday afternoon. The children enjoy a change of scenery and our outdoor space and our residents enjoy sharing time and the liveliness the children bring.

Sheltered Apartments

During the year 21 apartments became void. Whilst these were void we were able to carry out major refurbishment to some although significant investment in previous years has resulted in fewer properties requiring a total refurbishment. In addition to the normal redecorations we refurbished 4 kitchens and 4 bathrooms and fitted 2 acoustic floors.

The support team have been busy with their core duties which are to make regular contact with residents, to visit them routinely and most importantly to respond to emergencies. At other times they assist by liaising with both families and health and social care providers, helping with benefit paperwork and arranging a variety of social events and activities to promote independence and wellbeing.

The Housing Officer manages the popular home help service, liaises with volunteers and community groups and attends to any housing issues in the Sevenoaks and Tunbridge Wells sites.

We consult with residents in a number of different ways which includes both formal consultation, also listening and acting on ideas and suggestions they put forward. The quarterly residents' meetings are well attended and provide a forum for discussion on any housing or service related issues they wish to raise.

Finance

I am pleased to report we had a strong financial year achieving an operating surplus of £326,712 and an overall surplus of £390,036 which was boosted by the sale proceeds of our last remaining leasehold flat.

We continue to strive to achieve value for money for our repair work, maintenance contracts and utility costs, and work hard negotiating cost effective contracts to ensure that we are able to deliver this key objective.

We continue to maintain and improve the accommodation we offer to a high standard, whilst also continuing to try and reduce our responsive maintenance costs through the effective management of our 25-year planned maintenance programme of works. During 2018 we are forecasting to spend £290,000 on planned maintenance projects which equates to 10.2% of our total income from lettings, which is a 2% increase on the previous year. In addition, we are forecasting to spend £260,000 on capital projects.

Reserves

The Association is currently reviewing future investment and development opportunities to ensure we make the best use of our assets. In order to achieve future development opportunities £4 million of our reserves have been ear marked for this purpose. In the short term, the Association will invest its cash deposits and reserves in trusted bank accounts in order to minimise any risk of financial loss.

Looking forward it is clear to see that the future funding of Social Housing is an increasing challenge for us. In addition to the 1% rent cut which remains in place until 2020, the Association is also looking to minimise the risk caused through the withdrawal of Supporting People Funding which ceased in April.

Locally, we completed a number of planned maintenance projects as part of our ongoing commitment to improvement works. A major project for 2017 was the window, fascia and soffit replacement programme at Beatrice Wilson which will improve the buildings energy efficiency and which has already improved lighting and ventilation in the common room. The refurbishment of the assisted bathroom, again in Beatrice Wilson, along with the installation automatic opening doors into the common at Constant Meadow are some of the other improvement projects carried out during the year.

The Association continually strives to improve services and the quality of the accommodation it provides. In order to achieve this, during 2017, we started to review the accommodation needs of current and future residents, to ensure we are able to provide them with a sustainable future. Whilst our journey continues this is an exciting period of change for Rockdale, and one which will shape the future for generations to come.

This year we continued to fulfil our charitable objectives and additionally have committed further funds to enable us to support those less able to afford the quality care Rockdale offers.

I would like to take this opportunity to thank my fellow Board members for their support during the past 12 months and for their continued commitment to the Association, its residents and staff.

Finally, I would like to add that I am immensely grateful to our staff, volunteers and local community groups who continue to give up so much of their time to help make Rockdale such a great place to work and live.

Roland Courtney
Chair of the Board of Management
March 2018

DIRECTOR'S REPORT

The following statistics outline our performance in key areas:-

Properties in Management

Rockdale House, Rockdale Road, Sevenoaks Registered Residential Care Home	48 rooms 2 short stay rooms
Rockdale Road Site, Sevenoaks	122 sheltered apartments for rent
Webbs Meadow, Akehurst Lane, Sevenoaks	18 sheltered leasehold apartments
Constant Meadow, Akehurst lane, Sevenoaks	10 sheltered leasehold apartments
Summerbank, Rockdale Road, Sevenoaks	10 sheltered leasehold apartments
2 Frant Road and 52 Madeira Park, Tunbridge Wells	14 apartments for rent
Laurie House 1-19, Rockdale Road, Sevenoaks	19 sheltered leasehold apartments

Rents

The average monthly charges for the various types of properties during 2017 were:

		Rent 2017	Services 2017	Support 2017	Total monthly charge	
					2017	2016
Rockdale Road	Studio	£390.23	£224.74	£93.15	£708.13	£706.37
Rockdale Road	1 bedroom	£457.88	£247.21	£93.15	£798.25	£796.67
Stable Court	1 bedroom	£457.88	£216.29*	£93.15	£767.32	£766.20
Tunbridge Wells	Apartments	£382.05	£70.21	not sheltered housing	£452.25	£455.05
Rockdale House	Residential care home	£3,189.58	-	-	£3,189.58	£3,111.79

* Heating & hot water not included in services

Assets and Planned Maintenance

We remain committed to refurbishing and maintaining our stock to a high and competitive standard.

The lost income arising from our 2017 void flats equates to 3% of total income which is less than our budgeted level of 4%. We carried out improvement works in all these flats in order to continue to achieve our 100% decent home standard and ensure they remain attractive to let.

In addition to the decent homes maintenance expenditure we carried out other major works around the site in accordance with our 25-year planned maintenance programme. During 2017 we spent £219,903 on planned maintenance projects which was 7% of our total income.

Also, during the year we fulfilled our capital improvement objectives. This included the replacement of the wooden windows, external doors, fascias and soffits in Beatrice Wilson with either plastic or aluminium alternatives thereby reducing future maintenance costs. We installed Velux windows in the roof of the Beatrice Wilson common room following a suggestion from a resident to improve the lighting. We completely refurbished the assisted bathroom in Beatrice Wilson to enhance existing facilities for residents. At Constant Meadow, automatic opening doors were installed in the common room to improve access for residents with mobility difficulties.

Responsive Maintenance

Our target time for carrying out repairs is 24 hours for emergency repairs, 5 working days for urgent repairs, and one calendar month for routine repairs.

The table below shows our how we have performed compared to previous years.

CONTRACTORS	2017	2016	2015
Emergency repairs	100%	96.88%	97.67%
Urgent repairs	93.58%	96.92%	92.74%
Routine repairs	95.9%	94.35%	94.44%

In 2017, 93 external contractor maintenance jobs were followed up with a satisfaction survey. Of these, 79.49% were satisfied with the work carried out, 3.23% unsatisfied and 18.9% of residents did not reply. We also carried out 84 satisfaction surveys on our in-house caretaking work. 92.86% were satisfied with the work, none were unsatisfied and 7.14% did not reply.

Our in-house maintenance staff carried out 1,094 maintenance jobs in 2017, in addition to their cleaning and other scheduled routine jobs. Our aim is to carry out all emergency and urgent jobs within the same target times as the contractor repairs, and as many of the routine jobs within seven days as we can. The average wait time for work to be completed during 2017 was 1 day. Whilst 83% of jobs were completed within

7 days in the apartments and 87% in Rockdale House this is a reduction in completion times compared to last year when over 90% of all jobs were completed on time.

Location	Maintenance requests 2017	Completed under 4 days 2017	2016 %	Completed under 7 days 2017	2016 %
Sheltered Housing	866	70.13%	75.81%	82.87%	91.97%
Rockdale House	228	69.37%	78.98%	87.16%	90.91%
Totals & Overall %	1,094	69.75%	77.39%	85%	91.44%

Lettings

The number of new lettings during 2017 was:

	2017	2016	2015
Rockdale Road, Rented	20	25	31
Webbs Meadow	4	0	3
Constant Meadow	1	1	1
Rockdale Road, Leasehold	5	21	6
Tunbridge Wells	2	2	2

The loss of rent and service charges over the year as a whole (voids) expressed as a percentage of the gross debit (chargeable if all properties were fully occupied) was:

	Total % of void cost 2017	Total % of void cost 2016	Total % of void cost 2015
Rented apartments	3%	3.51%	5.36%
Rockdale House	7.5%	5.08%	4.32%

Support Coordinators' service

We record how many times the support co-ordinators receive emergency call outs:

	2017	2016	2015	2014
Between 9pm and 10pm	39	28	36	34
Between 10pm and midnight	54	39	71	27
Between midnight and 7am	107	56	105	75
Between 7am and 8.30am	16	14	27	41

The Support Co-ordinators aim to make contact with each resident every three days, some more frequently than this, and offer a visit to each resident once a month. Their success rate was:

	3 day contact 2017	Monthly visit 2017	3 day contact 2016	Monthly visit 2016
Rockdale Rd	99.6%	94.7%	99.8%	99.7%
Akehurst Lane	98.7%	93.9%	99.8%	99.4%
Summerbank/Laurie House	99.4%	92%	100%	99.7%

Anita Cleugh
Director
March 2018

MISSION STATEMENT AND OBJECTIVES

Rockdale's mission is to provide housing, care and other help for older people at an affordable level which will enable them to improve their quality of life.

Our objectives are:-

1. Provide good quality homes and support services for older people which meet their changing needs. This means we will:

- provide well managed housing cost-effectively and to high standards
- consult with residents, tenants and leaseholders on the services provided
- regularly monitor, evaluate and strive to improve services
- provide efficient and responsive repair services, and make adequate provision for planned maintenance
- make the best use of our assets to maintain a sustainable community
- offer appropriate advice to services and welfare benefits

2. Offer high quality residential care. This means we will:

- aim to establish Rockdale House as a model of excellence in residential care
- recognise that the quality of residential care is dependent on the quality of the staff providing it, and thus place a high priority on the recruitment, training and retention of staff

3. Sustain and develop its charitable work. This means we will:

- set aside such capacity and funding, as can be afforded by the Association, for the support of those who do not have the financial means to access our services
- account clearly for our charitable work through external reporting
- seek grants and donations for the support and expansion of our charitable work.

STATEMENT OF BOARD OF MANAGEMENT'S RESPONSIBILITIES

The Board is responsible for preparing the report and financial statements in accordance with applicable law and regulations.

The Co-operative and Community Benefit Societies Act 2014 and registered social housing legislation require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the association and of its income and expenditure for that period.

In preparing these financial statements, the Board is required to:

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

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the association and enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2015. It has general responsibility for taking reasonable steps to safeguard the assets of the association and to prevent and detect fraud and other irregularities.

STATEMENT OF INTERNAL FINANCIAL CONTROLS

The Board acknowledge their ultimate responsibility for ensuring that the Association has in place a system of controls that is appropriate to the various business environments in which it operates. These controls are designed to give reasonable assurance with respect to:

- the reliability of financial information used within the Association or for publication
- the maintenance of proper accounting records, and
- the safeguarding of assets against unauthorised use or disposition.

It is the Board's responsibility to establish and maintain systems of internal financial control. Such systems can only provide reasonable and not absolute assurance against material financial miss-statement or loss. Key elements include ensuring that:

- formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the Association's assets

- experienced and suitably qualified staff take responsibility for key business functions. Annual appraisal procedures have been established to maintain standards of performance
- forecasts and budgets are prepared which allow the Board and senior staff to monitor the key business risks, the financial objectives and progress towards financial plans set for the year. In the medium term, regular management accounts are prepared promptly, providing relevant, reliable, up-to-date financial and other information highlighting significant variances from budgets which are investigated as appropriate
- all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures
- the Board reviews reports from the senior staff and from the external auditors to provide reasonable assurance that control procedures are in place and that they are being followed. This includes a general review of the major risks facing the Association at each Board meeting.
- actions required to rectify any weaknesses identified from the above reports are dealt with on an individual basis. In all cases these actions will be recorded, monitored and reported to the Board
- the Board proactively reviews and manages potential risk exposure through the risk register with an aim for risk mitigation

The Board has reviewed the effectiveness of the internal financial control systems in existence within the Association for the year ending 31st December 2017.

No weaknesses were found in internal financial controls which resulted in material losses, contingencies or uncertainties or which required disclosure in the financial statements or in the auditors' report on the financial statements.

CODE OF GOVERNANCE

The Association complies with the National Housing Federation Code of Governance and the Regulator of Social Housing's Governance and Financial Viability Standard. Whilst the Association understands the importance of Board regeneration it also feels it is important for Trustees to have experience, knowledge and history of the Association to best serve the local community.

Each year the Association provides an assessment of its performance setting out how we are achieving Value for Money in delivering our purpose, objectives and services to residents and this can be found on our website www.rockdale.org.uk under resources.

POLICY ON MEMBERSHIP OF THE ASSOCIATION

People admitted to membership will be those who are likely to be candidates for election to the Board or those who can make some other substantial contribution to the long-term wellbeing of the Association.

Applications for membership to the Board or Committees should be in writing and will be individually considered on the basis of the above criteria by the Board.

MEMBERSHIP OF BOARD AND COMMITTEES AS AT 31 DECEMBER 2017

Board			Appointed
Chair	Roland Courtney	BSc MSc DIC	2015
Members	Jane Budack	RGN	2015
	Ian Grattidge	FCCA	2015
	Jill Griffiths		2011
	Sarah Heilbron		2013
	Jim Latheron		2013
	David McKee		2016
	Gillian Shepherd-Coates	Cert of Social Work CCETSW Dip Man Henley College	2009
	Dr Sian Watt	PhD Cultural Anthropology	2015

Care & Assessment Committee

Chair	Sarah Heilbron
Members	Jane Budack
	Meryl Edwards
	Sara Thomson
	Rachel Robbins

Senior Staff	Anita Cleugh, Director (Appointed 2016)
Bankers	National Westminster bank plc, 67 High Street, Sevenoaks, Kent TN13 1JY
Independent Auditors	Lindeyer Francis Ferguson Ltd, North House, 198 High Street, Tonbridge, Kent TN9 1BE
Solicitors	Knocker & Foscett, The Red House, Sevenoaks, Kent TN13 1JL
	Devonshire's, Salisbury House, 30 Finsbury Circus, London, EC2M 5QY

**ACCOUNTS FOR THE YEAR ENDED
31 DECEMBER 2017**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROCKDALE HOUSING ASSOCIATION

Opinion

We have audited the financial statements of Rockdale Housing Association for the year ended 31 December 2017 which comprise the statement of comprehensive income, statement of financial position, statement of changes in reserves, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 December 2017 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2015.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Board of Management's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Board of Management have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Association's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Annual Report and accounts, other than the financial statements and our auditor's report thereon. The Board of Management is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the Association has not kept proper accounting records; or
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Board of Management

As explained more fully in the Board of Management's responsibilities statement set out on page 10, the Board of Management is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board of Management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Management either intends to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Association's members, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. 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.

Lindeyer Francis Ferguson Ltd

Lindeyer Francis Ferguson Limited

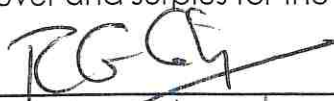


Chartered Accountants
Statutory Auditors
North House
198 High Street
Tonbridge
Kent TN9 1BE

Date: 30 April 2018.

Rockdale Housing Association Ltd
STATEMENT of COMPREHENSIVE INCOME
for the YEAR ENDED 31st DECEMBER 2017

	Note	2017	2016
		£	£
TURNOVER			
Income from Lettings	3	3,078,864	3,016,280
OPERATING EXPENDITURE			
Direct Property Management and Administration	3	(2,945,942)	(2,874,369)
		132,922	141,911
Exceptional Items:			
Net Income from transfer of Head Leases	3	161,590	1,562,638
Loss on disposal	3	-	(744,990)
	3	294,512	959,559
Other Operating Income		66,523	113,872
Other Operating Costs		(34,323)	(28,681)
OPERATING SURPLUS		326,712	1,044,750
Interest Receivable and Other Income	7	114,792	89,283
Interest Payable and Other Costs	8	(51,468)	(57,717)
SURPLUS AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR	10	<u>390,036</u>	<u>1,076,316</u>

The turnover and surplus for the current and previous years relate to continuing activities

R Courtney - Chairman


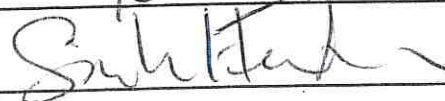
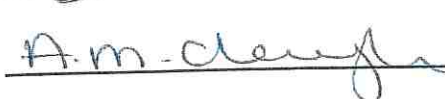
S Heilbron - Deputy Chairman

A Cleugh - Secretary

Rockdale Housing Association Ltd
STATEMENT OF FINANCIAL POSITION as at 31st DECEMBER 2017

	Note	2017		2016
		£	£	£
FIXED ASSETS				
Housing Properties	11	8,279,476		8,348,413
Other tangible fixed assets	12	<u>75,995</u>		<u>96,261</u>
		8,355,471		8,444,674
CURRENT ASSETS				
Stock		14,412	12,312	
Trade and other debtors	13	<u>98,067</u>	1,462,820	
Cash and cash equivalents		<u>4,652,182</u>	<u>2,984,110</u>	
		4,764,661	4,459,242	
CREDITORS				
Amounts falling due within one year	14	<u>(437,204)</u>	<u>(444,079)</u>	
NET CURRENT ASSETS		4,327,457		4,015,163
TOTAL ASSETS LESS CURRENT LIABILITIES		12,682,928		12,459,837
CREDITORS				
Amounts falling due after more than one year	15	<u>(2,723,846)</u>	<u>(2,890,791)</u>	
TOTAL NET ASSETS		9,959,082		9,569,046
EQUITY				
Called-up share capital	18	49		49
Reserves:				
Restricted reserves	19	<u>369,263</u>		<u>331,794</u>
Income and Expenditure reserve		<u>9,589,770</u>		<u>9,237,203</u>
		9,959,082		9,569,046

The financial statements on page 16 to 33 were approved by and authorised for issue by the Board of Management on 30 April 2018 and were signed on its behalf by

R Courtney - Chairman

S Heilbron - Deputy Chairman

A Cleugh - Director

Rockdale Housing Association Ltd
STATEMENT OF CHANGES IN RESERVES
for the YEAR ENDED 31st DECEMBER 2017

	Called up share capital	Restricted Reserves	Income and Expenditure Reserve	Total
	£	£	£	£
Balance at 1 January 2017	49	331,794	9,237,203	9,569,046
Share issued during the year	-	-	-	-
Surplus for the year	-	-	390,036	390,036
Income and Expenditure	-	37,469	(37,469)	-
Balance at 31 December 2017	49	369,263	9,589,770	9,959,082
 Balance at 1 January 2016	 48	 323,593	 8,169,088	 8,492,729
Share issued during the year	1	-	-	1
Surplus for the year	-	-	1,076,316	1,076,316
Transfers	-	8,201	(8,201)	-
Balance at 31 December 2016	49	331,794	9,237,203	9,569,046

Rockdale Housing Association Ltd
STATEMENT OF CASH FLOWS
for the YEAR ENDED 31st DECEMBER 2017

	2017		2016	
	£	£	£	£
Surplus for the year		390,036		1,076,316
Adjustment for non-cash items:				
Depreciation of tangible fixed assets	345,236			337,298
Loss on disposal of tangible fixed assets	17,378			762,603
Amortisation of social housing grant	(73,020)			(70,427)
Change in stock	(2,100)			(1,443)
Change in trade and other debtors	1,359,971			(1,084,820)
Change in trade and other creditors	(99,828)			(569,772)
Adjustment for investing or financing activities:				
Interest payable	17,120			17,214
Interest receivable	(23,176)			(31,869)
		1,541,581		(641,216)
Net cash generated from operating activities		1,931,617		435,100
Cash flow from investing activities				
Acquisition & construction of properties	(247,977)		-	
Purchase of other fixed assets	(25,434)		(32,571)	
Proceeds from sale of tangible fixed assets	-		1,000	
Interest received	27,958		31,842	
		(245,453)		271
Cash flow from financing activities				
Interest paid	(17,144)		(17,237)	
Repayments of borrowings	(948)		(857)	
Share Capital issued	-		1	
		(18,092)		(18,093)
Net change in cash and cash equivalents		1,668,072		417,278
Cash and cash equivalents at beginning of year		2,984,110		2,566,832
Cash and cash equivalents at end of year		4,652,182		2,984,110

Rockdale Housing Association Ltd
NOTES TO THE FINANCIAL STATEMENTS for the YEAR ENDED 31st
DECEMBER 2017

1. STATUS

Rockdale Housing Association Limited is registered under the Co-operative and Community Benefit Societies Act 2014 as an exempt charity (No. 13507R) and a private registered provider of social housing in the United Kingdom registered with the Homes and Communities Agency (No.LH0869) under the Housing Act 1996. The Association is a Public benefit entity (PBE) as defined in the glossary of FRS 102.

The Association's registered address is Rockdale Lodge, Rockdale Road, Sevenoaks, Kent, TN13 1JT. The nature of the Association's operations is given in the Director's Report.

2. PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102, the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102); the Statement of Recommended Practice for Social Housing Providers 2014; and with the Accounting Direction for private registered providers of social housing in England 2015. The financial statements are also prepared under the Co-operative and Community Benefit Societies Act 2014. The financial statements are prepared in pounds sterling which is the functional currency of the Association and are rounded to the nearest pound.

The principal accounting policies of the Association are set out in paragraphs (a) to (k) below.

(a) Basis of Accounting

These financial statements have been prepared on the going concern basis under the historical cost convention.

(b) Turnover

Turnover is measured at the fair value of the consideration received or receivable. Turnover represents rental and service charges income receivable in the year net of rent and service charge losses from voids, and revenue grants from the Homes and Communities Agency.

Income from the transfer of the head lease of the completed development properties is an exceptional item. It is recognised, net of costs incurred, on the date the head lease is transferred.

Rockdale Housing Association Ltd
NOTES TO THE FINANCIAL STATEMENTS for the YEAR ENDED 31st
DECEMBER 2017

(c) Pension Costs

The pension scheme is a defined benefit scheme but it is a multi-employer scheme and so it is not possible for the Association to identify its share of the underlying assets and liabilities. The pension costs charged in the financial statements represent the contributions arising under the contractual agreement between the scheme and the Association, as detailed in note 17.

Where the plan is in deficit and where the Association has agreed, with the plan, to participate in a deficit funding arrangement the association recognises a liability for this obligation. The amount recognised is the net present value of the contributions payable under the agreement that relate to the deficit. This amount is expensed in the statement of comprehensive income. The unwinding of the discount factor is recognised as a finance cost.

(d) Fixed Assets - Housing Land and Buildings

Housing properties are stated at cost which includes the following:

- Costs of acquiring land and buildings including legal fees;
- Development expenditure including consultants' fees;
- Interest charged on the mortgage loans raised to finance the scheme;
- Expenditure on improvements including consultants' fees;
- Amounts equal to allowances for administration and supervision of schemes approved for Social Housing Grant (SHG).

Any invoices and architects' certificates relating to capital expenditure incurred in the year are included in the financial statements for the year at gross value before retentions, provided that the dates of issue or valuation are prior to the year end.

Depreciation is provided on housing properties, excluding land, so as to write off the net cost less estimated residual value of each asset over its remaining estimated useful life. Major components are treated as separable assets and depreciated over their expected useful economic lives or the lives of the structure to which they relate, if shorter, as follows:

Main fabric/structure	50 years straight line
Roof	25-50 years straight line
Windows and communal bathrooms	20 years straight line
Professional kitchens	15 years straight line

Assets under construction are carried at cost and are not depreciated until they are brought into use. Expenditure on improvements is only capitalised where it results in incremental future benefits such as increased rental income, reduced maintenance costs, a significant extension in the useful economic life of the asset or a major component is replaced. Works to existing properties are treated as improvements where they comply with this policy.

Rockdale Housing Association Ltd
NOTES TO THE FINANCIAL STATEMENTS for the YEAR ENDED 31st
DECEMBER 2017

(e) Fixed Assets - Other Assets

Tangible fixed assets other than housing properties are stated at cost less accumulated depreciation. Depreciation is calculated to write off the cost over the estimated useful economic life at the following rates:

Plant and machinery	10 years straight line
Fixtures, fittings and equipment including computers	5 years straight line

(f) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each accounting reference date. The key indicators considered are declines in market value, physical damage, changes in demand and contamination issues (e.g. the identification of asbestors requiring removal), among others. If such indicators exist, the recoverable amount is estimated and compared to the carrying amount. Where the carrying amount exceeds the recoverable amount, an impairment loss is recognised in the statement of comprehensive income.

(g) Debtors and Creditors Receivable / Payable Within One Year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income.

Unutilised contributions made by leaseholders to service charges are provided for in creditors due within one year, in so far as reductions will be made to future service charge contributions in respect of these. Additionally under-recovered service charges are recognised in debtors in so far as the recovery of the balance is virtually certain.

(h) Loans and Borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a financing transaction it is measured at present value.

Rockdale Housing Association Ltd
NOTES TO THE FINANCIAL STATEMENTS for the YEAR ENDED 31st
DECEMBER 2017

(i) Social Housing Grants

Social Housing Grants (SHG) are included in deferred income and then released to income on a systematic basis using the accrual method. This amortisation is calculated on a pro rata basis over the expected useful life (as shown in note (d) above) of the housing properties' structure and their individual components (excluding land).

SHG is repayable under certain circumstances, primarily following the sale of the property, but will normally be restricted to net proceeds of sale. The grants are reflected in the financial statements once payment has been approved.

(j) Restricted Reserves

Restricted reserves are those reserves which are subject to external restrictions governing their use.

(k) Critical accounting policy

Our financial statements are prepared in accordance with FRS102. In many cases, the accounting treatment of a particular transaction is specifically dictated by FRS 102 and does not require management's judgment in its application, while in other cases judgement may be required in making estimates and decisions about how a specific accounting policy may affect the reported amount of assets, liabilities, revenue, costs and expenses.

We consider these policies requiring management judgement and estimates used in the preparation of our financial statements to be critical accounting policies.

The key estimates and assumptions used in the preparation of these accounts are set out below:

Multi-employer defined benefit pension scheme:

The scheme is accounted for as defined contribution scheme. Details of the scheme and the reasons for the accounting treatment are given in Note 2(c) and Note 17.

As stated in Note 2(c) the Association recognises a liability for pension deficit funding at its net present value. The discount rate used is a key source of estimation uncertainty and the Association has adopted the rate advised by the scheme provider as set out in Note 17.

Useful economic lives of tangible assets:

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on future developments, economic utilisation and the physical condition of the assets.

See note 2(d) for the useful economic lives for each class of assets.

Rockdale Housing Association Ltd
NOTES TO THE FINANCIAL STATEMENTS for the YEAR ENDED 31st
DECEMBER 2017

3. INCOME AND EXPENDITURE for Social Housing

	2017	2016
Fees receivable	1,922,880	1,850,108
Rents receivable	685,718	692,345
Service charges receivable	453,890	431,607
Support charges receivable	171,710	157,407
Amortised Social Housing Grant	73,020	70,427
	3,307,218	3,201,894
Less: Voids, Losses and Charitable Contributions (Note 4)	(228,354)	(185,614)
Income from Lettings	3,078,864	3,016,280
Direct Property Operating Costs:		
Staff costs	(1,670,937)	(1,633,031)
Maintenance costs	(405,919)	(385,328)
Depreciation and loss on disposal of tangible fixed assets	(362,615)	(354,912)
Pension deficit costs	(600)	(35,000)
Utilities, rates and insurance	(170,585)	(180,653)
Other costs	(335,286)	(285,445)
Operating Expenditure	(2,945,942)	(2,874,369)
Operating Surplus before exceptional items	132,922	141,911
Exceptional Item: Income on transfer of Head Lease	161,590	1,562,638
Exceptional Item: Loss on Sale of the original Rockdale House	-	(744,990)
Operating Surplus from Social Housing Activities	£294,512	£959,559

Note on Exceptional Item: Net Income on Transfer of Head Lease

The last tranche of contractual net income arising from the sale of Laurie House flats has been recognised in the Statement of Comprehensive Income:

	2017	2016
Income recognised under the Development Agreement for the transfer of the Head Lease to Balfour Beatty	-	704,770
Contractual income arising from the sale of Summerbank flats	-	194,335
Contractual income arising from the sale of Laurie House flats	167,939	898,718
Legal and other costs incurred in the development of the leasehold flats	(6,349)	(235,185)
	£161,590	£1,562,638

Rockdale Housing Association Ltd
NOTES TO THE FINANCIAL STATEMENTS for the YEAR ENDED 31st DECEMBER
2017

4. VOIDS, LOSSES AND CHARITABLE CONTRIBUTIONS

	2017	2016
Voids due to vacancies	177,461	130,918
Charitable contributions to fees	50,786	54,645
Write offs and other losses	107	51
	£228,354	£185,614

5. EMOLUMENTS PAID TO KEY MANAGEMENT PERSONNEL

Key Management Personnel are defined as the people responsible for planning and directing the activities of Rockdale Housing Association. These comprise the Director, the Finance and Maintenance Manager, the Home Manager and the Housing Manager. The highest paid director is the person who reports directly to the Board.

Details of emoluments paid to Key Management Personnel are given below:

	2017	2016
Remuneration paid on behalf of Key Management Personnel, including national insurance and pension contributions	£194,034	£201,692
Remuneration to the highest paid director, excluding national insurance and pension contributions (partial year for 2016)	£53,420	£30,649

The previous Director stepped down during 2016 and is not included in the comparative figure above

The Director is an ordinary member of the Social Housing Pensions Scheme the details of which are shown in Note 17

No employee is paid more than £60,000

No emoluments were paid to any of the members of the Board of Management

6. EMPLOYEE INFORMATION

	2017	2016
The average number of full time equivalent persons (working 37 hours per week), employed during the year was	67	66
The average number of persons employed during the year was	83	84

Staff costs are included in both property operating costs and other operating costs and during the year amounted to:

Wages and Salaries	1,547,481	1,504,987
Social Security Costs	115,366	98,314
Other Pension Costs	50,187	55,230
Pension Deficit Costs (see Note 17)	600	35,000
	£1,713,634	£1,693,531

Staff costs include £9,115 for agency staff, (2016: £34,830)

Rockdale Housing Association Ltd
NOTES TO THE FINANCIAL STATEMENTS for the YEAR ENDED 31st
DECEMBER 2017

6. EMPLOYEE INFORMATION (Continued)]

	2017	2016
Reconciliation of Staff Costs above to Note 3:		
Staff Costs as above	1,713,634	1,693,531
Included in Note 3 in headings other than Staff costs:		
Home Help staff, Pension deficit costs and health insurance included in Other costs	(£34,525)	(60,500)
Maintenance staff included in Maintenance costs	(£8,172)	
Staff Costs per Note 3	<u>£1,670,937</u>	<u>£1,633,031</u>

7. INTEREST RECEIVABLE AND OTHER INCOME

	2017	2016
Deposit interest receivable	23,176	31,869
Charitable donations and bequests	37,246	36,645
Akehurst Lane Sinking Fund Income	54,370	20,769
	<u>£114,792</u>	<u>£89,283</u>

8. INTEREST PAYABLE AND OTHER COSTS

	2017	2016
Fundraising, publicity and awareness costs	22,348	20,503
Interest charge arising from unwinding of discount factor on pension deficit contributions creditor	12,000	20,000
Loans payable wholly or partly after five years	17,120	17,214
	<u>£51,468</u>	<u>£57,717</u>

9. TAXATION

The Association is an exempt charity, registered under the Co-operative and Community Benefit Societies Act 2014, number 13507R, and by virtue of Section 505 of the Income and Corporation Taxes Act 1988 is therefore exempt from liability to taxation on its income and gains

10. SURPLUS FOR THE YEAR

	2017	2016
Surplus for the year is after charging:		
Depreciation - tangible fixed assets	£345,236	£337,298
Exceptional Item, Income on transfer of Head Lease:	£161,590	£1,562,638
Exceptional Item, Loss on disposal of original Care Home	-	£744,990
Loss on disposal of tangible fixed assets	£17,378	£17,614
Auditors' remuneration, including irrecoverable VAT:		
- in the capacity of Auditors	£9,630	£9,450
- in other capacity	£1,920	£1,920

Rockdale Housing Association Ltd**NOTES TO THE FINANCIAL STATEMENTS for the YEAR ENDED 31st
DECEMBER 2017****11. TANGIBLE FIXED ASSETS - HOUSING PROPERTIES**

	Freehold Housing Properties under Shared Ownership	Freehold Housing Properties Held for Letting	Freehold Offices	Total
COST				
At 1st January 2017	168,276	10,612,762	236,135	11,017,173
Additions	-	247,977	-	247,977
Disposals	-	(152,085)	-	(152,085)
At 31st December 2017	£168,276	£10,708,654	£236,135	£11,113,065
DEPRECIATION				
At 1st January 2017	52,702	2,508,419	107,639	2,668,760
Charge for year	3,366	291,036	5,404	299,806
Disposals	-	(134,977)	-	(134,977)
At 31st December 2017	£56,068	£2,664,478	£113,043	£2,833,589
NET BOOK VALUE				
At 1st January 2017	£115,574	£8,104,343	£128,496	£8,348,413
At 31st December 2017	£112,208	£8,044,176	£123,092	£8,279,476

There exists a charge and a pending charge in favour of Balfour Beatty over three of the Association's properties. These charges will be released, and the leases assigned, once the redevelopment has completed. No significant additional liability is expected to arise from this arrangement.

Rockdale Housing Association Ltd**NOTES TO THE FINANCIAL STATEMENTS for the YEAR ENDED 31st DECEMBER 2017****12. OTHER FIXED ASSETS**

	Plant, Machinery, Fixtures, Fittings & Equipment	Computer Hardware & Software	Total
COST			
At 1st January 2017	296,156	26,344	322,500
Additions	12,965	12,469	25,434
Disposals	(3,336)	(2,933)	(6,269)
At 31st December 2017	<u>£305,785</u>	<u>£35,880</u>	<u>£341,665</u>
DEPRECIATION			
At 1st January 2017	214,390	11,849	226,239
Charge for year	37,726	7,704	45,430
Released on disposal	(3,066)	(2,933)	(5,999)
At 31st December 2017	<u>£249,050</u>	<u>£16,620</u>	<u>£265,670</u>
NET BOOK VALUE			
At 1st January 2017	<u>£81,766</u>	<u>£14,495</u>	<u>£96,261</u>
At 31st December 2017	<u>£56,735</u>	<u>£19,260</u>	<u>£75,995</u>

13. DEBTORS: Due within one year

	2017	2016
Interest receivable	8,964	13,746
Rent receivable	21,070	20,918
Contractual income from the sale of leasehold flats under the Development Agreement	-	1,389,983
Other debtors and prepayments	<u>68,033</u>	<u>38,173</u>
	<u>£98,067</u>	<u>£1,462,820</u>

Rockdale Housing Association Ltd**NOTES TO THE FINANCIAL STATEMENTS for the YEAR ENDED 31st
DECEMBER 2017**

14. CREDITORS: Amounts falling due within one year

	Note	2017	2016
PAYE and National Insurance		27,627	26,315
Pension contributions		15,794	15,406
Balfour Beatty retention		77,091	77,091
Social Housing Grants Deferred	16	73,020	73,020
Pensions Deficit Contributions	17	106,000	103,000
Accruals		87,196	79,009
Other creditors		50,476	70,238
		£437,204	£444,079

15. CREDITORS: Amounts falling due after more than one year

	Note	2017	2016
Social Housing Grants Deferred	16	1,931,879	2,004,899
Pensions Deficit Contributions	17	627,433	720,410
Housing loans - Orchardbrook Limited		164,534	165,482
		£2,723,846	£2,890,791

The loan from Orchardbrook Limited is repayable over 60 years from 1985 and interest is fixed at 10.375%. The loan is secured by a first legal charge over the relevant properties.

16. SOCIAL HOUSING GRANTS DEFERRED

	Note	2017	2016
At 1st January	14, 15	2,077,919	1,960,474
Amortisation for the year		(73,020)	(70,427)
Add back grant amortisation on original Care Home when grant recycled last year to current Home		-	187,872
Social Housing Grants Deferred at 31st December		£2,004,899	£2,077,919
Less amount included in Creditors due within one year:		(73,020)	(73,020)
At 31st December - Creditors due after more than one year		£1,931,879	£2,004,899

Total cumulative grants received as at both 31 December 2017 and 2016 were £3,369,938.

Rockdale Housing Association Ltd NOTES TO THE FINANCIAL STATEMENTS for the YEAR ENDED 31st DECEMBER 2017

17. PENSION OBLIGATIONS

Rockdale Housing Association Ltd participates in the Social Housing Pension Scheme (SHPS), a multi employer scheme which provides benefits to some 500 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for Rockdale Housing Association to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30th December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing' arrangement. Therefore the Association is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal.

A full actuarial valuation for the scheme was carried out with an effective date of 30th September 2014. The actuarial valuation was certified on 23rd November 2015 and showed assets of £3,123m, liabilities of £4,446m and a deficit of £1,323m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combinations from all employers, to the scheme as follows:

Deficit contributions

Tier 1	£40.6m per annum
From 1 April 2016 to 30 September 2020:	(payable monthly and increasing by 4.7% each year on 1 st April)
Tier 2	£28.6m per annum
From 1 April 2016 to 30 September 2023:	(payable monthly and increasing by 4.7% each year on 1 st April)
Tier 3	£32.7m per annum
From 1 April 2016 to 30 September 2026:	(payable monthly and increasing by 3.0% each year on 1 st April)
Tier 4	£31.7m per annum
From 1 April 2016 to 30 September 2026:	(payable monthly and increasing by 3.0% each year on 1 st April)

Rockdale Housing Association Ltd**NOTES TO THE FINANCIAL STATEMENTS for the YEAR ENDED 31st
DECEMBER 2017****17. PENSION OBLIGATIONS continued**

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2011; this valuation was certified on 17 December 2012 and showed assets of £2,062m, liabilities of £3,097m and a deficit of £1,035m. To eliminate this funding shortfall, payments consisted of the Tier 1, 2 & 3 deficit contributions.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement, the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

The net present value of our future deficit payments is £733,433. This amount is split between creditors due in less than one year £106,000 and creditors due after more than one year £627,433. A reconciliation of the opening and closing pension creditor provisions is shown below. The pension deficit charge included in this years operating costs is £600.

RECONCILIATION OF DEFICIT PAYMENTS CREDITOR

	Note	2017	2016
At 1st January		823,410	860,914
Utilised during the year		(102,577)	(92,504)
Change in discount rate		600	35,000
Charge for the year		12,000	20,000
Balance at 31 December	14, 15	733,433	823,410
Less included in Creditors due within one year:		(106,000)	(103,000)
Creditors due after more than one year		£627,433	£720,410
Rate of discount used in the above calculation		1.41%	1.45%

The discount rates shown are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would yield the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The Scheme's financial position has been valued as at 30 September 2017 but this has not yet been certified. There will be a likely increase in the Pension Deficit Payments Creditor shown above, when the results of the valuation are known.

In the future, the Social Housing Pension Scheme is planning to provide to each member details of their individual share of the assets and liabilities of the Scheme. Once this information is available there will be a requirement to account for this potential liability in the Statement of Financial Position.

Rockdale Housing Association Ltd

NOTES TO THE FINANCIAL STATEMENTS for the YEAR ENDED 31st DECEMBER 2017

18. SHARE CAPITAL

	2017	2016
Shares of £1 each issued and fully paid at beginning of year	49	48
Shares issued during year	-	1
Balance at 31st December	£49	£49

19. RESTRICTED RESERVES

	At 1st January	Income	Expenditure	At 31st December
Akehurst Lane Reserves	335,257	50,472	(19,486)	366,243
Summerbank Reserves	977	2,515	-	3,492
Laurie House 1-11 Reserves	(2,220)	3,968	-	1,748
Laurie House 12-19 Reserves	(2,220)	-	-	(2,220)
Total	£331,794	£56,955	(£19,486)	£369,263
2016				
Akehurst Lane Reserves	323,593	23,778	(12,114)	335,257
Summerbank Reserves	-	1,007	(30)	977
Laurie House 1-11 Reserves	-	-	(2,220)	(2,220)
Laurie House 12-19 Reserves	-	-	(2,220)	(2,220)
Total	£323,593	£24,785	(£16,584)	£331,794

These reserves are only expendable in the management and maintenance of the specific blocks of Leasehold apartments as indicated. They comprise the sinking fund as specified in the leases.

Rockdale Housing Association Ltd**NOTES TO THE FINANCIAL STATEMENTS for the YEAR ENDED 31st
DECEMBER 2017****20. DESIGNATED RESERVES**

Certain funds have been set aside within unrestricted funds by the Board for management purposes and called designated reserves. The Board feel it is useful to give information on these funds as disclosed below:

	2017	2016
Planned Maintenance Fund:		
Amounts set aside for future expenditure on planned maintenance	925,994	937,397
Access to Care Fund:		
To provide financial support for people who have no recourse to other funds to access care at Rockdale. This year the fund was increased by donations totalling £29,013 and also £100,000 was allocated from general funds. The fund was utilised to provide charitable support to residents of £50,786	127,836	49,609
Capital Reserve Fund:		
Amounts set aside for future capital expenditure	47,345	189,322

21. ACCOMMODATION IN MANAGEMENT

The following is the number of units in management at both the beginning and end of the year:

		2017	2016
General Needs housing	- Social rent	14	14
Sheltered apartments for rent	- Housing for older people	122	123
Care home	- Providing personal care under the Care Standards Act 2000	48	48
Leasehold properties	- Shared Ownership	28	28
	- Fully owned by Lessee	29	26
Balance at 31st December		241	239

22. OPERATING LEASE COMMITMENTS

At 31 December 2017 the association had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017	2016
Not later than one year	7,358	4,522
Later than one and not later than five years	20,428	16,202
Total Commitments to end of lease period	£27,786	£20,724

