

Co-operative and Community Benefit Society no 8137R

**WOMEN'S PIONEER HOUSING LIMITED**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**



**WOMEN'S PIONEER HOUSING LIMITED  
STRATEGIC REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**Legal and administrative details**

Women's Pioneer Housing (the association) is a charitable housing association registered under the Co-operative and Community Benefit Societies Act 2014 (no 8137R) and as a Registered Provider under the Housing and Regeneration Act 2008 (no LH1548).

**Registered office**

227 Wood Lane, London, W12 0EX

**Board Members**

Caroline Tolhurst	Resigned as Chair and from the Board 14 June 2016
Maureen Hopcroft	Appointed Chair 25 July 2016
Sofia Nilsson	Appointed Vice Chair 25 July 2016
Eleena Broadfoot	
Jo Ghelmini	
Michael Harle	
Vivienne King	
Louise Wolfson	
Caroline Portsmouth	
Shushil Chohan	Resigned from the Board 14 June 2016
Andrea Gwilliam	Resigned from the Board 14 June 2016
Kim Vernau	Appointed to the Board 29 November 2016
Chris Brown	Appointed to the Board 29 November 2016
Claire Thurston	Appointed to the Board 29 November 2016

**Secretary**

Janet Davies

**Executive Directors**

Janet Davies	Chief Executive
Christine Desborough	Director of Housing
Rosemary Farrar	Interim Director of Resources (until 20 June 2016)
Mark Cole	Director of Resources (from 20 June 2016)
Sue Hockett	Director of Property and Estate Services

**Independent Auditors**

Beever and Struthers, 15 Bunhill Row, London ECIY 8LP

**Principal Bankers**

HSBC, 133 Regents Street, London, W1B 4HX

**Principal Solicitors**

Trowers and Hamlins, 3 Bunhill Row, London ECIY 8YZ

# **WOMEN'S PIONEER HOUSING LIMITED STRATEGIC REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

## **Strategic Report**

The Board of Women's Pioneer Housing (the group) is pleased to present its report, together with the audited financial statements for the year ended 31 December 2016.

## **Principal Activities**

The association's principal activity is letting and managing homes for women at rents consistent with its charitable status. It provides both general needs and sheltered housing.

Other activities include developing new homes for rent and managing leasehold properties.

The group has a wholly owned subsidiary Women's Pioneer Homes Limited (WPHL) which was set up in December 2014 to develop and provide additional accommodation at a wider variety of rent levels. As at 31 December 2016 the subsidiary owned four properties let at market rent and had 3 properties under development.

## **History**

Women's Pioneer Housing was established in 1920 by women and men who believed in gender equality and the need to redress the disadvantages women experienced in obtaining and retaining a secure home. Despite changes in social attitudes and legislation, women are still disadvantaged when it comes to getting housing owing to their relatively low incomes and the extra responsibilities many have of caring for others. Women's Pioneer's main objective is to interpret our founders' intentions in a 21st century social and political context by providing attractive rented homes for women who have moderate incomes.

Most of our accommodation comprises converted flats within large Victorian buildings that were purchased in the interwar period. Two thirds of homes are within Royal Borough of Kensington and Chelsea and the remainder in seven other west London boroughs. We are committed to continuing to work in our core areas so that women on low incomes can continue to afford to live in central London. We also need to protect the investment we have made in these communities and support their economic diversity.

## **Objectives and strategy**

The group's objectives and strategy are set out in our business plan that is reviewed and approved by the Board each year.

Our objectives are:

- growing locally to provide more rented homes
- providing excellent housing services for existing and future tenants
- enabling our tenants to live healthy and fulfilled independent lives
- being a voice for women's housing
- maintaining and developing our organisational strength

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**Objectives and strategy (continued)**

**Monitoring achievement**

In planning our activities for 2016 we have identified success factors relating to each of our objectives and have monitored our performance against targets linked to the success factors:

**1. Growing locally to provide more rented homes**

We aim to identify and exploit suitable opportunities through new development to add units to our existing portfolio under our 'Hidden Homes Programme'. During 2016 we started on site to deliver 3 new properties and continued preparations for the delivery of a further 16 properties.

**2. Providing excellent housing services for existing and future tenants**

We continue to maintain and improve our homes, letting them to women in need and facilitating successful sustained tenancies.

We delivered 12 'more than decent' improvements to our studio and one bedroomed flats (2015: 42). Ongoing maintenance costs are noticeably reducing after improvements and this is highlighted when benchmarking our responsive repairs costs to our peers.

We have made efficiency improvements in our repairs service by assigning contractors to specific areas and introducing repairs days which allows a number of jobs to be completed at the same time instead of requiring multiple visits. This has enabled our repairs satisfaction rate to remain high at 94%.

In 2016 the Board continued to develop its approach to performance reporting in order to understand the impact of management actions and strategic decisions. We continued to monitor and benchmark performance through our membership of Housemark and as a member of this group we have access to comparative data from a wide range of other providers and we use it to identify areas where there may be potential to improve performance and value for money.

Also in 2016 we undertook a tenant census to understand our tenant needs and assess satisfaction. The overall satisfaction index score was 76.9% which represents a small increase from the last survey in 2013 (75.8%) and our net promoter score was 38.1% (2013: 33.7%). The results of the survey have been discussed with the Board and an action plan has been devised.

**3. Enabling our tenants to live fulfilled independent lives**

Our Housing Inclusion Manager is responsible for work aimed at maintaining and improving tenants' independence and wellbeing, and takes the lead on both safeguarding and domestic abuse. We are currently working with the Domestic Abuse Housing Alliance (DAHA) on their accreditation process with the intention of improving our response to reports of domestic abuse.

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**Objectives and strategy (continued)**

We own and manage five sheltered housing schemes in the Royal Borough of Kensington and Chelsea. In these schemes and in our inclusion work we use our limited resources to benefit tenants by signposting tenants in need to support services to address issues such as hoarding; by improving IT skills; by maximising benefits take up; and by facilitating aids and adaptations. We have also partnered with Turning Point to deliver NHS Health Checks to all of our eligible tenants in sheltered housing.

We have supported the founding of a credit union in the Royal Borough of Kensington and Chelsea to provide access to affordable credit, and continue to pay for mediation and debt advice services.

**4. Developing and maintaining our organisational strength**

We aim to remain a well-regarded, independent body with strong financial health. Our results continue to show that we meet our ongoing financial commitments. The Group has diversified during 2016 and we have invested 4 properties in our subsidiary to let on a market rent basis. The profits generated by the subsidiary will be gift aided back to the Association to support our core activities.

During 2016 we reviewed our treasury arrangements and renegotiated one of our loans to secure a fixed rate of 1.05% for the next 4 years. This will help to provide certainty in our business plan whilst the association and the wider sector are required to reduce its rents.

The group has tested its resilience to the planned 1% annual cut in rental income for the years 2016 to 2019 and will offset this partially by a small increase in housing stock held within its subsidiary and let at market rent levels.

We regularly stress-test our financial plans to ensure we are resilient to changes in economic assumptions in relation to internal and external factors.

**5. Being a voice for women's housing**

We aim for recognition of women's specific housing needs and our expertise in relation to housing single women in London.

As we develop our long term business plans and move towards the centenary of our founding it is necessary to examine the purpose and value of our work and how this can be demonstrated. We have recently published a short history of the group on our website and we are currently applying for funding from the heritage lottery fund in order to provide educational and training material.

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**Future prospects**

In 2015 the Government announced that it would require all providers of social housing to reduce the rents they charge by 1% each year for 4 years commencing April 2016. Although some exceptions have been made for some classes of specialist housing, this reduction has applied to approximately 80% of our stock. The Board has considered the effect of this reduction on our long term business plan as well as factoring in further pressure from welfare benefit changes. It has concluded that the group can withstand the effect of these changes and remains viable as a housing provider to meet its objectives.

Women's Pioneer remains fully committed to the provision of low cost housing in its high value geographical area of operation. To ensure this remains a long term objective, the Board have put in place a strategy to supplement social rental income with market rent generated from properties owned by our subsidiary Women's Pioneer Homes Ltd.

In 2016 this strategy commenced with the disposal of four homes from Women's Pioneer Housing to the subsidiary which have been let at market rent. In addition to this, various development sites have been transferred to the subsidiary which will deliver an additional 17 properties. At the balance sheet date development had commenced for 3 new properties.

We plan to continue with our 'more than decent' improvements and have set aside a budget of £800k in 2017 which relates to approximately 20 properties.

**Key Performance indicators**

Key performance indicators monitored by the Board are reported below:

	<b>Target</b>	<b>2016</b>	<b>2015</b>
Rent collection rate (over 12 months)	100%	99.7%	99.7%
Current tenant rent arrears	3.75%	3.18%	3.59%
Rent loss due to voids	1%	0.83%	2.58%
Void re-let time	28 days	31 days	38 days
Repairs completed on time	98%	99.0%	97.8%
Average cost per repair	£190	£177	£193
Satisfaction with repairs	95%	94.4%	95.3%

Performance has been good in 2016 with a fall in current tenant rent arrears as well as significant improvement in the void re-let time and void loss rate.

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**Risks and uncertainties**

Risks that may prevent the group from meeting its objectives are considered and reviewed regularly by the group's management team and by the Board. The risks are recorded and assessed by reference to their impact and probability. Major risks, presenting the greatest threat to the group, were formally reported to the Board throughout 2016. These are analysed below:

<b>Key Risk</b>	<b>Action to manage risk</b>
<p><b>Significant change in regulatory control or political view of sector</b> This risk covers the changes being considered in the Housing Act currently being debated in parliament including further cuts in rents chargeable, the loss of control over our assets under the proposed extension of the Right to Buy, possible changes in rent required from higher earners, possible changes to existing grant terms and conditions, further regulatory pressure on associations with fewer than 1,000 homes and further regulatory requirements on Value for Money.</p>	<p>The business plan has been stress tested for each of these changes and is robust enough to withstand four years of multiple changes. The Chief Executive reports regularly to Board on changes and is actively involved in discussions and negotiations with the National Housing Federation, the regulator and with the G320 of smaller housing providers.</p>
<p><b>New business and investment activities</b> This risk covers the issues arising from The 'Hidden Homes' development programme. Risks include the failure to deliver on time and in budget, the failure to deliver to a standard that will be maintained economically, the total failure of the programme and the subsequent loss of income and the failure of a workable exit.</p>	<p>The location of the individual development sites offers multiple opportunities for change in strategy or exit. The Board receives regular and detailed reports containing scheme appraisals prepared using industry software and have provide active challenge and scrutiny to the programme.</p>
<p><b>Catastrophic event results in significant damage to assets, residents or staff</b> This risk covers issues such as gas safety, health and safety and elements of regulation that could consider that WPH has caused serious detriment to resident's welfare.</p>	<p>Staff report to each board meeting on operational measures, including gas safety. Annual gas safety checks are undertaken by a Gas Safe approved supplier, a proprietary Health and Safety system is used to manage compliance with key standards, there is a retained fire safety expert, and Fire Risk assessments are in place for all properties and an independent consultant mechanical services engineer oversees maintenance arrangements including completing spot checks.</p>



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**Risks and uncertainties (continued)**

Key Risk	Action to manage risk
<p><b>Financial viability is threatened due to changes in inflation or interest rate</b> This risk covers a fall in rental income and increase in borrowing costs which would adversely affect the business.</p>	<p>The business plan is regularly stress tested with multiple assumptions including further decrease in rental inflation and increase in the cost of borrowing.</p>
<p><b>Loan covenant breach causing a cross-default on all funding</b> This risk envisages a lack of liquidity in order to meet existing covenants and therefore to continue to finance the business.</p>	<p>The business plan is stress tested regularly and the budget and cashflow is carefully monitored on a monthly basis to incorporate variances and to ensure medium term liquidity.</p>
<p><b>Failure in formal leaseholder consultation process</b> This risk covers the failure to consult properly using the required legal framework under S20 with leaseholders for work to be done to building stock and the subsequent inability to recover costs. There is the risk that leaseholder services will not be tailored to individual agreements and that costs will not be tailored to individual agreements and that costs will not be recovered and customer satisfaction will be damaged.</p>	<p>The group uses legal advice to ensure correct procedures are being followed and undertakes annual audit of service charge accounts.</p>
<p><b>Failure of key lender or retail banker</b> Whilst this risk is assessed at the lowest probability score it features in the top 5 risks due to inability to effectively mitigate impact coupled with investment plans over the next five-years.</p>	<p>Good relationships are maintained with current and other lenders through regular formal and informal meetings. The treasury management policy sets a limit on the maximum counterparty exposure and is reviewed annually and credit ratings for banks are reviewed monthly and reported to Board quarterly.</p>
<p><b>Loss of confidence in board and management team</b> This risk covers the elements of management failure including a failure to set clear strategies and not monitoring performance against business plan and corporate objectives. This recognises the importance of effective Board scrutiny and management oversight and also considers the risk of high Board member turnover and of an under skilled Board.</p>	<p>The Board receives quarterly reports on performance, including management accounts and 18 month cashflow information and holds a twice yearly away day session with senior staff. There is clear delegation arrangements and regular liaison between the Chief Executive and the Chair. There are regular Board appraisals to ensure skills remain appropriate and Board remuneration is considered annually.</p>

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## **Value for Money Statement**

### **What does Value for Money mean to Women's Pioneer**

Our Value for Money strategy sets out how Women's Pioneer Housing approaches, measures and reports Value for Money. In addition it sets out how Value for Money supports our main corporate objectives.

The Value for Money strategy is directly linked to the delivery of three of our five corporate objectives:

- Increasing the number of local homes we own and manage;
- Improving systems to deliver excellent services; and
- Becoming a stronger organisation.

We aim to get the best value from our available resources to allow us to deliver more homes locally and better services. We do this through:

- Delivery of our asset management strategy;
- Good procurement practice, including treasury management;
- Making considered investment in resources, particularly HR and IT, and at the right price;
- Measuring the outputs of our services, and using our tenant scrutiny panel to direct us to areas of concern where we can improve.

In addition, to the extent that we can, we aim to add social value.

Overall control of these areas lies with the Board, which monitors performance and seeks assurance through independent audit. We benchmark against other housing associations through Housemark, report our comparative performance to the Board and set targets based on our knowledge of good practice elsewhere in the sector.

We are regulated by the Homes and Communities Agency (HCA) which publishes a standard setting out its requirements in respect of Value for Money. To ensure we meet these, our Board has approved the Value for Money strategy and performance measures and reviews an annual self-assessment of what has been achieved. These are published in full on our website ([www.womenspioneer.co.uk](http://www.womenspioneer.co.uk)), and summarised in an annual report for tenants.

### **Measuring Value for Money**

Our value for money assessment below considers the following:

- the return on our assets
- comparing performance
- procurement and providing social value
- value for money achievements
- future value for money plans

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**Value for Money – Return on Assets**

Our existing property portfolio is a mix of tenanted and leasehold properties funded by original private investment, grants, reserves and recent loans. The asset management strategy was reviewed in 2016 and confirmed that Women's Pioneer would retain attractive well located stock in good condition that generates surpluses. A methodology has been agreed for systematic options appraisal and where stock does not meet these criteria disposal is arranged to achieve the highest market value.

Our responsive maintenance service is supported by professional advice, on site staff presence for diagnosis and a post inspection regime. Customer satisfaction surveys are provided after every repairs visit and contribute to contractor appraisal. We benchmark our performance through Housemark and the cost of our service to a basket of similar small providers.

The installation of and improvements to the group's lifts and communal heating and hot water plant is co-ordinated to coincide with other planned works and term contracts are in place for long term maintenance to keep the cost as low as possible.

Planned maintenance is benchmarked through Housemark. The programme is informed by a stock condition survey and supervised by external consultants to ensure appropriate cost and quality. It is fully costed and provided for within the business plan and budgets approved by the board. This includes our 'more than decent' programme that systematically improves older stock, enables work to be carried out in the most cost effective way and reduces responsive maintenance costs.

The return on our assets is reported below:

<b>Social Housing lettings</b>	<b>Operating surplus £'000</b>	<b>Capital Employed £'000</b>	<b>Return %</b>
2016	1,380	58,344	2.37
2015	1,715	57,800	2.97

The operating surplus above is based on the surplus from social housing lettings. The return on capital employed has reduced due to the level of planned maintenance investment in 2016.

Going forward, the Board have approved the development of 19 new housing units. Three have started on site and will be let at a subsidised rent and the remaining 16 will be let at market rent. Each building and site owned by the group is being appraised to assess its potential for providing additional or larger homes (the Hidden Homes programme). All rental investment activity is expected to payback within 30 years using the current risk weighted long term cost of capital for the organisation. In this way we are improving the return on our assets within our long term business plan capacity.

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**Value for Money – Comparing performance**

In January 2017, the sector proposed an efficiency scorecard to enable the sector to compare performance whilst driving value for money. This is currently being piloted across members. We have reviewed the scorecard including its definitions and where applicable we are reporting the results below.

<b>Indicator</b>	<b>2016</b>	<b>2015</b>	<b>Housemark 2015/16 quartile ranking</b>
Operating margin	18.9%	23.9%	2
Increase/decrease in operating margin	(18.3%)	30.8%	-
Interest cover adjusted for capitalised repairs (EBITDA MRI)	78%	26%	4
Gearing	30.7%	29.9%	2
Return on capital employed (social housing lettings)	2.37%	2.97%	-
Occupancy	99.2%	97.5%	3
Ratio of responsive repairs to planned maintenance spend	35.0%	40.2%	-
Rent collected	99.7%	99.7%	4
Overheads as a percentage of adjusted turnover	14.6%	13.3%	3
Net promoter score	38.1%	33.7%	-

Where possible we have compared the results to Housemark. Our ranking is based on housing associations in London with less than 5,000 general needs properties.

We are rank in the lowest quartile for interest cover adjusted for capitalised repairs and rent collected. These are discussed below:

- The low EBITDA MRI ranking is due to the level of investment made as a result of our 'more than decent' programme. By investing in our homes the costs of responsive repairs are consistently low and we are one of the top performing associations under this heading (see operating costs per home below).
- The rent collection rate has been consistent at 99.7% for the last 2 years. This performance has placed us in the last quartile. However, we are starting from a low base as our current rent arrears percentage is 3.18% which places us in the top quartile.

**Operating cost per home**

The efficiency scorecard also includes an analysis of operating cost per home which is reported below:

<b>Cost per home</b>	<b>Average unit cost (2015/16)</b>	<b>Women's Pioneer (2016)</b>	<b>Women's Pioneer (2015)</b>	<b>Housemark 2015/16 quartile ranking</b>
Housing Management	£1,080	£1,108	£986	2
Service charges	£530	£1,422	£1,211	4
Responsive Maintenance	£1,010	£872	£854	1
Planned Maintenance	£890	£1,781	£1,356	4
Other social housing costs	£470	£53	£62	-
<b>Headline social housing costs</b>	<b>£3,970</b>	<b>£5,236</b>	<b>£4,469</b>	

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**Value for Money – Comparing performance (continued)**

The average unit cost is based on the 2016 HCA global accounts. This will include all housing associations across England and Wales. The Housemark ranking however is based on housing associations with less than 5,000 general needs properties in London.

The overall cost per home is significantly higher than the average unit cost, especially with regards to service charges and planned maintenance. This is due to the nature of the stock of which 98% are flats in West London. Each flat has a service charge attached to them which can be very significant depending on the services being provided. Following a tenant scrutiny panel review of service charges, we are conducting a full review of services during 2017 to assess where efficiency savings can be made.

With regards to planned maintenance we invested heavily during 2016 in line with our asset management strategy. This has enabled the responsive repair costs to remain significantly low. Future spend on planned maintenance will be lower over the medium term in line with the asset management strategy and business plan.

**Value for Money – procurement**

We have a procurement strategy in place which takes into account quality, reliability, benefits for tenants, long term cost and security of supply as well short term pricing.

Work with long term partners is valued because it reduces the time and cost of procurement and improves the quality of the outcome. We seek opportunities for collaborative working which may include joint ventures and cost sharing arrangements.

Socio-economic equality is an important factor in procurement decisions and adds to social value. Where it is consistent with our overall Value for Money strategy we will prioritise suppliers that share our values, for example, those headed by or with a significant number of staff who are women or others disadvantaged in the jobs market. Using a crude measure of added social value we estimate that we have created the equivalent of five additional jobs in the area during the year by our start up assistance to a sole proprietor cleaning company which was able to recruit workers because of a contract with us. We have also promoted RBKC's Pathways to Work which enabled a previously street-homeless tenant of WPH to gain employment in the financial sector.

**Value for Money achievements**

During 2016 we achieved the following:

1. We negotiated with one of our lenders and managed to achieve a fixed interest rate of 1.05% for 4 years on a £10m loan facility. This was previously divided into a number of loans at variable interest rates and a fixed interest rate of 5.46%. This is expected to save approximately £110k in 2017 compared to our original business plan projections.

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**Value for Money achievements (continued)**

2. We have made efficiency improvements in our repairs service by assigning contractors to specific areas and introducing repairs days which allows a number of jobs to be completed at the same time instead of requiring multiple visits. This has enabled our repairs satisfaction rate to remain high at 94% but has also enabled our repairs team to set a 2017 responsive repairs budget with a 0% increase compared to the 2016 costs.
3. We have made approximately 15% savings on our planned electrical works by procuring a separate contract for the works rather than tendering cyclical contracts inclusive of the works. What we identified was that main contractors were sub-contracting the electrical works element and by procuring directly with the sub-contractors we have saved additional overhead and administration charged applied by the main contractors.
4. We have also managed to reduce the level of service provided by a third party Clerk of Works which has made savings of approximately £20,000.
5. Whilst energy costs rose over 2016, we manage to successfully procure a 2% reduction in heating and hot water costs through a procurement agent.

**Value for Money Plans**

Value for money is embedded in Women's Pioneer and during the course of 2017 we will be focusing on the following areas to assist with further value for money savings:

1. A full review will be undertaken of services charged to residents to assess what efficiency savings can be made.
2. We will implement a rent payment predictive software which will assist our housing team in targeting arrears cases more efficiently.
3. We will be implementing a service charge system that will enable reporting of service costs to be more accurate and timely.
4. We will continue to procure services such as the warden call services and our utilities.

Any value for money savings will be reported at each board meeting in conjunction with the key performance indicators.

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**Governance**

Women's Pioneer Housing is governed by a Board composed of 11 non-executive members. Details of the Board, who are drawn from a range of backgrounds are set out on page 1. Maureen Hopcroft was appointed Chair during the year replacing Caroline Tolhurst who served as Chair for 3 years. Three new members – Kim Vernau, Chris Brown and Claire Thurston – joined the board during 2016 replacing Caroline Tolhurst, Shushil Chohan and Andrea Gwilliam who stood down during the year. The Board delegates some of its responsibilities to a finance committee which has a group wide remit. The finance committee has clear terms of reference and report back to the Board after each meeting, where recommendations are considered and approved where appropriate.

**Executive Directors**

The group is managed by the Senior Management Team headed by the Chief Executive and supported by the Director of Resources, Director of Housing and Directors of Property and Estate Services.

The Senior Management Team and other staff have no interest in the Trust's shares and act as executives within the authority delegated by the Board.

The Chief Executive and other Senior Management Team members are on notice periods ranging from three to six months. Details of their remuneration are shown in note 9. Board members receive no remuneration for their services.

Insurance policies are in place indemnify Board members, Executive Directors and staff against liability when acting for the group.

In April 2017 the Chief Executive, Janet Davies will stand down after 25 years of service with Women's Pioneer. After a rigorous recruitment process a new Chief executive has been appointed. Denise Fowler, the current Housing Ombudsman will join the organisation in June.

**Tenant Involvement**

Tenants are actively encouraged to become involved in decision making by the Group. We have two tenant Board members, and an independent Tenant Scrutiny Panel and we work closely with two resident associations set up by our tenants.

**Code of Governance**

As of the date of approving these accounts the group has adopted the National Housing Federation's 'Code of Governance: Promoting Board Excellence for Housing Associations (2015 edition)' and has committed to uphold it and keep to the high standards expected.

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**Statement of Board's responsibilities**

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

The Co-operative and Community Benefit Societies Act 2014 and registered social housing legislation in England 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 group and of the surplus or deficit for that period. In preparing the financial statements the Board is required to:

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

The Board is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the group 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 Social Housing in England from April 2015. It is also responsible for safeguarding the assets of the group and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

The Board is responsible for ensuring that the strategic report includes a fair review of the development and performance of the business and the position of the group and its subsidiaries included in the consolidation, together with the disclosure of the principal risks and uncertainties they face.

**Internal controls assurance**

The Board has overall responsibility for establishing and maintaining the whole system of internal control for the Group and reviewing its effectiveness.

The Board recognises that no system of internal control can provide absolute assurance against material misstatement or loss or eliminate all risk of failure to achieve business objectives. The system of internal control is designed to manage key risks and to provide reasonable assurance that planned business objectives and outcomes are achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the Group's assets and interests.

The process for identifying, evaluating and managing the significant risks faced by the group is ongoing and has been in place throughout the period commencing 1 January 2016 up to the date of approval of this strategic report and financial statements.



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**Internal controls assurance (continued)**

Key elements of the control framework include:

- an organisational structure with clearly defined lines of responsibility and delegation of authority
- policies that are regularly reviewed by the Board and supported by detailed procedures designed to ensure proper implementation of policy
- a risk strategy, supported by detailed risk management action plans, approved by the board and reviewed regularly to ensure that it accurately reflects changes in the housing sector arising principally from changes in government policy with management action plans changed accordingly (most recently January 2017)
- robust strategic and business planning processes with detailed budgets and financial forecasts
- formal recruitment and development policies for all staff together with a formal appraisal process to manage staff development and performance
- clear procedures for managing fraud risk across the group (no instances of financial fraud have been identified during the year)
- annual reviews of key control processes by our external auditors
- benchmarking our processes with others
- a programme of regularly reporting to the Board on the group's financial position, including compliance with loan covenants and requirements for new finance. (No instances of non-compliance with covenants have been reported).

**Financial Review**

**Going Concern**

After making enquiries, the Board has a reasonable expectation that the overall Group has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

**Accounting Policies**

The group's accounting policies are set out on pages 20 to 25 of the financial statements and adopt the requirements of Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice for Registered Social Housing providers 2014 (SORP 2014).

The policies that are most critical to the financial results relate to accounting for housing properties and include capitalisation of costs, the treatment of housing grant and depreciation. For more information relating to material estimates and judgements please refer to the accounting policies

**WOMEN'S PIONEER HOUSING LIMITED**  
**STRATEGIC REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

**Financial Review (continued)**

**Results**

Five-year trends for the group are set out below:

	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013*</b>	<b>2012*</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Statement of Comprehensive Income</b>					
Income from lettings	7,045	6,854	6,577	6,335	5,949
Other activities	297	207	264	246	162
Amortised Social Housing Grant**	276	276	276	-	-
<b>Total Turnover</b>	<b>7,618</b>	<b>7,337</b>	<b>7,117</b>	<b>6,581</b>	<b>6,111</b>
Operating costs	(6,196)	(5,586)	(5,819)	(5,044)	(4,523)
<b>Operating surplus</b>	<b>1,422</b>	<b>1,751</b>	<b>1,298</b>	<b>1,537</b>	<b>1,588</b>
Net interest payable	(954)	(990)	(884)	(856)	(1,168)
Increase in value of investment properties	3,157	-	-	-	-
<b>Surplus transferred to reserves</b>	<b>3,625</b>	<b>761</b>	<b>414</b>	<b>681</b>	<b>420</b>
<b>Statement of Financial Position</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Housing Properties net of depreciation	58,444	57,827	57,081	59,852	58,031
Investment Properties	4,083	-	-	-	-
Other fixed assets	1,510	1,354	1,308	1,298	1,098
<b>Fixed assets</b>	<b>64,037</b>	<b>59,181</b>	<b>58,389</b>	<b>61,150</b>	<b>59,129</b>
Net current assets	1,285	2,357	2,930	5,932	7,798
<b>Total assets less current liabilities</b>	<b>65,322</b>	<b>61,538</b>	<b>61,319</b>	<b>67,082</b>	<b>66,927</b>
Loans (due over one year)	20,449	20,015	20,212	20,813	21,339
Social Housing Grant**	27,506	27,781	28,125	35,939	35,939
<b>Total Liabilities</b>	<b>47,955</b>	<b>47,796</b>	<b>48,337</b>	<b>56,752</b>	<b>57,278</b>
<b>Total Net Assets</b>	<b>17,367</b>	<b>13,792</b>	<b>12,982</b>	<b>10,330</b>	<b>9,649</b>
<b>Reserves</b>	<b>17,367</b>	<b>13,792</b>	<b>12,982</b>	<b>10,330</b>	<b>9,649</b>

The results for 2016 show a 2.8% increase in income from lettings despite a 1% rent reduction for the majority of our tenants. This is due to the following:

- impact of properties let at market rent.
- Uplift in rents following re-lets
- Housing for older people received a rent increase in 2016.

Operating costs report an increase of £610k (11%) mainly due to significant investment in our planned maintenance activities. Planned maintenance is substantially higher per property than other small registered providers due to the nature of the buildings owned. There has also been an increase in management costs whilst a new Director of Resources was recruited.

\* Audited accounts using old UK GAAP which does not include additional depreciation and social housing grant income amortised to income receivable.

\*\* Social Housing Grant amortised to income receivable on an annual basis from 2014 in compliance with FRS 102.

**WOMEN'S PIONEER HOUSING LIMITED  
STRATEGIC REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**Financial Review (continued)**

Included in the overall surplus for the year is an increase in value of investment properties of £3.2m. Four properties owned by the subsidiary and 1 property owned by the association have been let on a market rent basis during 2016.

Group reserves at the year end amounted to £17.4m (2015: £13.8m). See the Statement of Changes in Reserves for further details (page 18).

Key statistics for the last 5 years are set out below

	2016	2015	2014	2013*	2012*
General needs properties	813	818	818	815	812
Housing for Older people	184	185	185	185	185
Market rented	5	-	-	-	-
Surplus as a % of turnover*	6.72%	10.37%	5.82%	10.35%	6.87%
Rent losses (void loss as a % of income from lettings)	0.83%	2.58%	1.55%	1.55%	1.98%
Rent arrears (arrears as a % of income from lettings)	3.18%	3.59%	4.50%	4.21%	3.35%
Debt per property owned	£20,437	£19,955	£20,152	£20,813	£21,403
Reserves per property owned	£14,181	£13,751	£12,943	£10,330	£9,678
Interest cover (EBITDA)	1.98	2.43	2.20	2.35	1.66

**Capital structure and treasury management**

Borrowings at the year end were £20.5m and undrawn facilities were an additional £9.8m. The debt is borrowed from banks and building societies in the UK. Our approach is to borrow at fixed and variable rates to minimise our overall exposure to interest rate risk. We do not currently use interest rate swaps or other free-standing derivatives to manage risk. Our average interest rate for our loans (including margins) at the reporting period date was 3.73% (2015: 5.85%).

We report performance to the Board each quarter through the management accounts. Over the same timescale we report compliance with lenders' loan covenants. Based on our current plans we have sufficient funds to meet our commitments over the next 24 months.

**Housing properties**

Social housing properties are held at cost in the Statement of Financial Position and market rented properties are stated at fair value. At 31 December 2016 the group owned 992 properties with a further 10 properties owned that are short-leased to and managed by St Mungo's.

The carrying value of social housing properties net of depreciation is £58.4m (2015: £57.8m) has increased by 1% being the capital value of improvement works during 2016 under the 'More Than Decent' programme.

The Board estimates the value of our housing properties to be more than £400m on a vacant possession basis.

**WOMEN'S PIONEER HOUSING LIMITED  
STRATEGIC REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**Independent auditors and annual general meeting**

The annual general meeting will be held on 6 June 2017 and a resolution to appoint external auditors will be proposed at that meeting. Beaver and Struthers have expressed a willingness to continue in office.

At the date of this report, each Board member confirms the following:

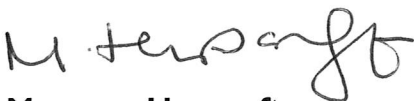
- So far as each Board member is aware, there is no relevant information needed by the Association's auditors in connection with preparing their report of which the Association's auditors are unaware
- Each Board member has taken all the steps that they ought to have taken as a Board member in order to make themselves aware of any relevant information needed by the Association's auditors in connection with preparing their report and to establish that the Association's auditors are aware of that information
- In approving the Annual report we also approve the Strategic report included therein, in our capacity as company directors.

**Statement of compliance**

The Board confirms that the Association has met the Homes and Communities Agency's regulatory expectations in respect of the governance and financial viability standard.

As of the date of approving these accounts the group has adopted the National Housing Federation's 'Code of Governance: Promoting Board Excellence for Housing Associations (2015 edition)' and has committed to uphold it and keep to the high standards expected.

The strategic report was approved by the Board on 28 March 2017 and signed on its behalf by:



**Maureen Hopcroft**  
**Chair**

**WOMEN'S PIONEER HOUSING LIMITED  
STRATEGIC REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**Independent Auditors Report to the members of Women's Pioneer Housing Limited**

We have audited the financial statements of Women's Pioneer Housing Limited (the Association) for the year ended 31 December 2016 which comprise the consolidated and association Statements of Comprehensive Income, the consolidated and association Statement of Financial Position, the consolidated and association's Statement of Changes in Reserves, the consolidated Statement of Cash Flows and the notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the association 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 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 association and the association's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective Responsibilities of the Board and the Auditor**

As explained more fully in the Statement of Board's Responsibilities set out on page 14, the Board is responsible for the preparation of the financial statements which give a true and fair view. 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 Financial Reporting Council's (FRC'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 group and association's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Board; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report to identify material inconsistencies with the audited financial statements and to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materiality 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.

**WOMEN'S PIONEER HOUSING LIMITED  
STRATEGIC REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and association's affairs as at 31 December 2016 and of the group's surplus for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2015.

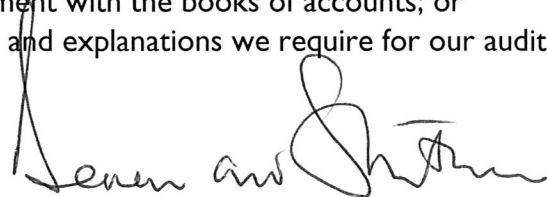
In our opinion the information given in the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements;

**Matters on which we are required to report by exception**

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

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

15 Bunhill Row  
London  
EC1Y 8LP



Beever and Struthers  
Chartered Accountants and Statutory Auditors

Date: 25/4/17.

**WOMEN'S PIONEER HOUSING LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

	Notes	GROUP		ASSOCIATION	
		2016 £	2015 £	2016 £	2015 £
Turnover	3	7,618,360	7,337,139	7,580,069	7,337,139
Operating expenditure	3	(6,195,994)	(5,586,097)	(6,149,472)	(5,586,097)
<b>Operating surplus</b>	3	<b>1,422,366</b>	<b>1,751,042</b>	<b>1,430,597</b>	<b>1,751,042</b>
Gain on disposal of property	6	-	-	433,539	50,078
Interest receivable		18,560	21,656	18,560	21,656
Interest payable and financing costs	7	(973,185)	(1,011,952)	(973,185)	(1,011,952)
Gain/(loss) in valuation of investment properties		3,157,323	-	(31,702)	-
<b>Surplus before tax</b>		<b>3,625,064</b>	<b>760,746</b>	<b>877,809</b>	<b>810,824</b>
Taxation		-	-	-	-
<b>Surplus for the financial year</b>		<b>3,625,064</b>	<b>760,746</b>	<b>877,809</b>	<b>810,824</b>
<b>Total comprehensive income for the year</b>		<b>3,625,064</b>	<b>760,746</b>	<b>877,809</b>	<b>810,824</b>

All amounts relate to continuing activities

The financial statements on pages 21 to 44 were approved and authorised for issue by the Board on 28 March 2017 and signed on its behalf by:

  
**Maureen Hopcroft**  
**Chair**

  
**Eleena Broadfoot**  
**Board member**

  
**Janet Davies**  
**Secretary**

The notes on pages 25 to 44 form part of these financial statements

**WOMEN'S PIONEER HOUSING LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2016**

	Notes	GROUP		ASSOCIATION	
		2016 £	2015 £	2016 £	2015 £
<b>Fixed assets</b>					
Tangible fixed assets	11	58,443,803	57,827,397	58,344,262	57,799,975
Other tangible fixed assets	12	1,509,395	1,353,963	1,509,395	1,353,963
Investment properties	13	4,083,646	-	280,000	-
Investment in subsidiaries	14	-	-	435,500	77,500
		<u>64,036,844</u>	<u>59,181,360</u>	<u>60,569,157</u>	<u>59,231,438</u>
<b>Current assets</b>					
Stocks		-	553,789	-	553,789
Debtors	15	807,106	717,354	1,561,855	717,354
Investments		533,479	528,455	533,479	528,455
Cash and cash equivalents		2,097,206	2,658,729	2,055,853	2,658,729
		<u>3,437,791</u>	<u>4,458,327</u>	<u>4,151,187</u>	<u>4,458,327</u>
Creditors: amounts falling due within one year	16	(2,152,700)	(2,101,323)	(2,095,586)	(2,101,323)
<b>Net current assets</b>		<u><b>1,285,091</b></u>	<u><b>2,357,004</b></u>	<u><b>2,055,601</b></u>	<u><b>2,357,004</b></u>
<b>Total assets less current liabilities</b>		<u><b>65,321,935</b></u>	<u><b>61,538,364</b></u>	<u><b>62,624,758</b></u>	<u><b>61,588,442</b></u>
Creditors: amounts falling due after more than one year	17	47,954,548	47,796,038	47,954,548	47,796,038
<b>Total net Assets</b>		<u><u><b>17,367,387</b></u></u>	<u><u><b>13,742,326</b></u></u>	<u><u><b>14,670,210</b></u></u>	<u><u><b>13,792,404</b></u></u>
<b>Capital and reserves</b>					
Non-equity share capital	19	22	25	22	25
Revaluation reserve		3,189,025	-	-	-
Income and expenditure reserve		14,178,340	13,742,301	14,670,188	13,792,379
<b>Total reserves</b>		<u><u><b>17,367,387</b></u></u>	<u><u><b>13,742,326</b></u></u>	<u><u><b>14,670,210</b></u></u>	<u><u><b>13,792,404</b></u></u>

The financial statements on pages 21 to 44 were approved and authorised for issue by the Board on 28 March 2017 and signed on its behalf by:

  
**Maureen Hopcroft**  
**Chair**

  
**Eleena Broadfoot**  
**Board member**

  
**Janet Davies**  
**Secretary**

The notes on pages 25 to 44 form part of these financial statements



**WOMEN'S PIONEER HOUSING LIMITED**  
**STATEMENT OF CHANGES IN RESERVES**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

<b>GROUP</b>	<b>Share Capital</b>	<b>Retained Earnings</b>	<b>Revaluation Reserve</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 January 2016	25	13,742,301	-	13,742,326
Surplus for the financial year	-	3,625,064	-	3,625,064
Transfer to revaluation reserve	-	(3,189,025)	3,189,025	-
<b>Total comprehensive income for the year</b>	<b>25</b>	<b>436,039</b>	<b>3,189,025</b>	<b>17,367,390</b>
Shares cancelled	(3)	-	-	(3)
<b>At 31 December 2016</b>	<b>22</b>	<b>14,178,340</b>	<b>3,189,025</b>	<b>17,367,387</b>

<b>ASSOCIATION</b>	<b>Share Capital</b>	<b>Retained Earnings</b>	<b>Revaluation Reserve</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 January 2016	25	13,792,379	-	13,792,404
Surplus for the financial year	-	877,809	-	877,809
Transfer to revaluation reserve	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>25</b>	<b>14,670,188</b>	<b>-</b>	<b>14,670,213</b>
Shares cancelled	(3)	-	-	(3)
<b>At 31 December 2016</b>	<b>22</b>	<b>14,670,188</b>	<b>-</b>	<b>14,670,210</b>

The notes on pages 25 to 44 form part of these financial statements

**WOMEN'S PIONEER HOUSING LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016	2015
	£	£
Net cash generated from operating activities	2,019,391	2,355,984
<b>Cash flow from investing activities</b>		
Purchase and construction of Housing Properties	(1,258,272)	(2,614,707)
Purchase of other fixed assets	(361,856)	-
Proceeds from sale of tangible fixed assets	-	-
Interest received	18,560	34,031
	<u>417,823</u>	<u>(224,692)</u>
<b>Cash flow from financing activities</b>		
Interest paid	(958,590)	(986,619)
Issue / cancellation of shares	(3)	(5)
New secured loans	-	250,000
Repayment of borrowings	(20,753)	(445,848)
<b>Net change in cash and cash equivalents</b>	<u>(561,523)</u>	<u>(1,407,164)</u>
Cash as at 1 January	<u>2,658,729</u>	<u>4,065,893</u>
<b>Cash as at 31 December</b>	<u><u>2,097,206</u></u>	<u><u>2,658,729</u></u>
<b>Cash Flow From Operating Activities</b>		
Operating Surplus for the year	<b>1,422,366</b>	<b>1,751,042</b>
<b>Adjustments for non-cash items:</b>		
Depreciation of tangible fixed assets	909,268	1,128,074
Decrease/(increase) in investment	(5,024)	(28,455)
Decrease/(increase) in trade and other debtors	(89,752)	(347,429)
(Decrease)/increase in trade and other creditors	51,377	94,584
Amortisation of loan set up costs	7,098	45,946
Increase/(decrease) in provisions	-	(11,837)
<b>Adjustments for investing or financing activities:</b>		
Amortisation of government grants	(275,942)	(275,940)
<b>Net cash generated from operating activities</b>	<u><u>2,019,391</u></u>	<u><u>2,355,985</u></u>

The notes on pages 25 to 44 form part of these financial statements

**WOMEN'S PIONEER HOUSING LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**Notes to the financial statements for the year ended 31 December 2016**

**1. Legal status**

Women's Pioneer Housing Limited is registered under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Homes and Communities Agency as a housing provider.

**2. Accounting policies**

**Basis of accounting**

The financial statements of the Association are prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Housing SORP 2014: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2015.

The financial statements have been prepared under the historical cost convention as modified by the application of fair value following the valuation of certain properties. They have been prepared on a going concern basis and in accordance with applicable accounting standards in the United Kingdom. They are presented in sterling £.

The preparation of the financial information required management to exercise its judgement in applying the Group's accounting policies. Areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements are explained in the accounting policies below.

**Basis of consolidation**

The group financial statements are the result of the consolidation of the financial statements of the association and its subsidiary. Uniform Accounting policies have been used throughout the Group. All intra-Group transactions, balances and surpluses are eliminated on consolidation.

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**Turnover and revenue recognition**

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<b>Rent</b>	Rental income is recognised from the point when properties under development reach practical completion or otherwise become available for letting. Rental income represents the amount receivable net of any empty properties
<b>Service charges</b>	Service charge income and costs are recognised on an accruals basis. The group operates both fixed and variable service charges on a scheme by scheme basis in full consultation with residents. Where variable service charges are used the charges will include an allowance for the surplus or deficit from prior years, with the surplus being returned to residents by a reduced charge and a deficit being recovered by a higher charge. Until these are returned or recovered they are held as creditors or debtors in the Statement of Financial position.

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**WOMEN'S PIONEER HOUSING LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**2. Accounting policies (continued)**

**Turnover and revenue recognition**

<b>Revenue grants</b>	Revenue grants are recognised when the performance related conditions are met or when the grant proceeds are received or become receivable if no conditions are imposed.
<b>Amortisation of Government grants</b>	Grants provided to purchase or construct social housing assets are recognised on a systematic basis over the useful economic life of the asset for which the grant is intended to compensate.
<b>Interest Receivable</b>	Interest income is recognised on a receivable basis
<b>Gift aid</b>	Gift aid is recognised on a received or a receivable basis

**Taxation**

The association has charitable status and is not subject to corporation tax on surpluses in furtherance of charitable objectives. The profits of its subsidiary are subject to corporation tax but it has elected to distribute its profits to the association via gift aid.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits,
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met, and
- Where timing differences relate to interests in subsidiaries, associates and joint ventures and the Group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair value of liabilities acquired and the amount that will be assessed for tax.

**Value added tax**

The group is registered for VAT but is not able to recover VAT incurred on expenditure. The financial statements therefore include VAT suffered on expenditure.

**Finance costs**

Finance costs are charged to statement of comprehensive income over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**Employee benefits**

A liability is recognised to the extent of any employee benefits including unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted cost to the employees of the future holiday entitlement and accrued at the balance sheet date.

**WOMEN'S PIONEER HOUSING LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**2. Accounting policies (continued)**

**Pensions**

The cost of providing retirement pensions and related benefits is charged to management expenses over the period benefitting from employees' services

The group offers a direct contribution Group Personal Pension for all employees and during the year made a contribution of up to 8% on their behalf.

**Housing properties**

Housing properties are principally properties available for rent and are stated at cost less depreciation. Costs includes the cost of acquiring land and buildings, cost of construction and expenditure in improving or reinvesting in existing properties,

Housing properties in the course of development are stated at cost.

Works to existing properties, for example as part of the 'more than decent' programme, which result in an increase in net rental stream over the lives of the properties, enhancing their economic benefits, are capitalised as improvements. An increase on the net rental stream may arise through an increase in the rental income, a reduction in future maintenance cost, or a significant extension in the life of the property. Where the works are either repair or replacement with no additional benefit, the costs are charged to the statement of comprehensive income.

Housing properties have been split between land and structure costs and a specific set of major components which require periodic replacement. Refurbishment or replacement of such components is capitalised. Freehold land is not depreciated. Depreciation is charged on completed housing properties, excluding the land element, on a straight line basis over the useful economic lift of the components as follows:

<b>Component</b>	<b>Useful economic life (years)</b>
Land	Not depreciated
Structure	130
Roof	60
Kitchen	20
Bathroom	30
Heating	20
Electrical	20
Lifts	25
Carpets	8
Other scheme equipment	10-15

Lifts, carpets and other scheme equipment depreciated through 'Property fittings and equipment' in other fixed assets.

Leasehold properties are amortised over the life of the lease or their estimated useful economic lives in the business, if shorter.

**WOMEN'S PIONEER HOUSING LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**2. Accounting policies (continued)**

**Investment properties**

Investment properties are defined as properties held to earn rentals and for capital appreciation on a commercial basis. The Group holds properties rented on the open market.

Investment properties are included in the balance sheet at their open market value. This is determined in accordance with the guidance notes on the valuation of assets issued by the Royal Institute of Chartered Surveyors.

Properties held as investments are revalued annually and the surplus or deficit is recognised in the statement of comprehensive income. No depreciation is provided in respect of investment properties.

**Other fixed assets**

Other fixed assets are stated at historical purchase cost less accumulated depreciation. Costs include the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided on a straight-line basis as follows:

- Computer equipment 5 years
- Office equipment and vehicles 5 years

**Property Impairment**

Annually housing properties are assessed for impairment indicators. Where indicators are identified then a detailed assessment is undertaken to compare the carrying amount of assets or cash-generating units for which impairment is indicated to their recoverable amounts. The group defines a cash-generating unit as a scheme. Where the carrying amount of an asset or cash-generating unit is deemed to exceed its recoverable amount, the asset is written down to its recoverable amount. This is likely to be the value in use of the asset based on its service potential. The resulting impairment loss is recognised in the statement of comprehensive income. The Group has used the depreciated replacement cost as a measure when assessing impairment.

**Government grants**

Grant received in relation to newly acquired or existing housing properties is accounted for using the accrual model set out in FRS 102 and the Housing SORP 2014. Grant is carried as deferred income in the balance sheet and released to the income and expenditure account on a systematic basis over the useful economic lives of the asset for which it was received. In accordance with Housing SORP 2014 the useful economic life of the housing property structure has been selected

Where Social Housing Grant (SHG) funded property is sold, the grant becomes recyclable and is transferred to a recycled capital grant fund until it is reinvested in a replacement property. If there is no requirement to recycle or repay the grant on disposal of the assets any unamortised grant remaining within creditors is released and recognised as income within the income and expenditure account.

Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once performance related conditions have been met.

**WOMEN'S PIONEER HOUSING LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**2. Accounting policies (continued)**

**Provisions**

Provisions have been included in the financial statements only to the extent that there is a present legal or constructive obligation to transfer economic benefits.

**Debtors & Creditors**

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.

The Group estimates the recoverable value of rental and other receivables and impairs the debtor by appropriate amounts. When assessing the amount to impair it reviews the age profile of the debt, historical collection rates and the class of debt.

**Loans, investments and short term deposits**

All loans, investments and short term deposits held by the Group, are classified as basic financial instruments in accordance with FRS 102. These instruments are initially recorded at the transaction price, less any transaction costs (historical cost). Basic financial instruments are subsequently measured at amortised cost when the adjustment is considered material, using the effective interest rate method so that the amount recognised is at a constant on the carrying amount. If the adjustment is not material the financial instruments are stated on the balance sheet at historical cost. Loans and investments that are payable or receivable within one year are not discounted.

**Financial liabilities and equity**

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

**Cash and cash equivalents**

Cash and cash equivalents in the Group's consolidated balance sheet consist of cash at bank, in hand, deposits and short term investments with an original maturity of three months or less.

**Revaluation reserve**

The group maintains a revaluation reserve which represents the gain in value of investment properties compared to original cost.

**Critical accounting judgements and estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affects the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

**WOMEN'S PIONEER HOUSING LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
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**2. Accounting policies (continued)**

**Critical accounting judgements and estimation uncertainty (continued)**

1. Development expenditure. The group capitalised development expenditure in accordance with the groups accounting policy. Initial capitalisation of costs is based on management's judgement that development scheme is confirmed, usually when board approval has taken place including access to the appropriate funding. In determining whether a project is likely to cease, management monitors the development and considers if changes have occurred that result in impairment.
2. Categorisation of housing properties. The group has undertaken a detailed review of the intended use of all housing properties. In determining the intended use, the group has considered if the asset is held for social benefit or to earn commercial rentals. The group has determined that market rented property are investment properties.
3. Impairment. The group has identified a cash generating unit for impairment assessment purposes at a property scheme level.

**Other key sources of estimation uncertainty**

**Tangible fixed assets (see note 11 & 12)**

Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

For housing property assets, the assets are broken down into components based on management's assessment of the properties. Individual useful economic lives are assigned to these components.

**Investment properties (see note 13)**

Investment properties are professionally valued annually using a yield methodology. This uses market rental values capitalised at a market capitalisation rate but there is an inevitable degree of judgement involved in that each property is unique and value can only ultimately be reliably tested in the market itself.

**Going concern**

The Association's financial statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future. The Government's announcements in July 2015 impacting on the future income of the Association have led to a reassessment of the Association's business plan as well as an assessment of imminent or likely future breach in borrowing covenants. No significant concerns have been noted and we consider it appropriate to continue to prepare the financial statements on a going concern basis.



**WOMEN'S PIONEER HOUSING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**3 Turnover, operating costs and operating surplus:**

<b>GROUP</b>	<b>Turnover</b>	<b>2016 Operating costs</b>	<b>Operating surplus</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Social Housing lettings (note 4)</b>	7,321,718	(5,941,335)	1,380,383
<b>Other social housing activities</b>			
Other	14,012	(42,144)	(28,132)
<b>Non-social housing activities</b>			
Market rented lettings	100,205	(47,807)	52,398
Leaseholder service charges	182,425	(164,708)	17,717
	<u>7,618,360</u>	<u>(6,195,994)</u>	<u>1,422,366</u>

<b>GROUP</b>	<b>Turnover</b>	<b>2015 Operating costs</b>	<b>Operating surplus</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Social Housing lettings (note 4)</b>	7,130,358	(5,414,731)	1,715,627
<b>Other social housing activities</b>			
Other	30,755	(18,300)	12,455
<b>Non-social housing activities</b>			
Market rented lettings	-	-	-
Leaseholder service charges	176,026	(153,066)	22,960
	<u>7,337,139</u>	<u>(5,586,097)</u>	<u>1,751,042</u>

**WOMEN'S PIONEER HOUSING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**3 Turnover, operating costs and operating surplus:**

**ASSOCIATION**

	Turnover	2016 Operating costs	Operating surplus
	£	£	£
<b>Housing lettings (note 4)</b>	7,321,718	(5,941,335)	1,380,383
<b>Other social housing Activities</b>			
Other	64,518	(42,144)	22,374
<b>Non-social housing activities</b>			
Market rented lettings	11,408	(1,285)	10,123
Leaseholder service charges	182,425	(164,708)	17,717
	<u>7,580,069</u>	<u>(6,149,472)</u>	<u>1,430,597</u>

**ASSOCIATION**

	Turnover	2015 Operating costs	Operating surplus
	£	£	£
<b>Housing lettings (note 4)</b>	7,130,358	(5,414,731)	1,715,627
<b>Other social housing Activities</b>			
Other	30,755	(18,300)	12,455
<b>Non-social housing activities</b>			
Market rented lettings	-	-	-
Leaseholder service charges	176,026	(153,066)	22,960
	<u>7,337,139</u>	<u>(5,586,097)</u>	<u>1,751,042</u>

**WOMEN'S PIONEER HOUSING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**4 Turnover and operating expenditure**

**GROUP & ASSOCIATION**

	2016			2015
	General needs housing	Supported housing and housing for older people	Total	Total
	£	£	£	£
Rent receivable	4,952,587	973,257	5,925,844	5,732,824
Service income	742,861	377,071	1,119,932	1,121,594
Net rental income	5,695,448	1,350,328	7,045,776	6,854,418
Revenue grants	-	-	-	-
Amortised government grants	175,871	100,071	275,942	275,940
Turnover from Social housing lettings	5,871,319	1,450,399	7,321,718	7,130,358
Management	838,184	255,567	1,093,751	978,998
Service charge costs	860,539	543,158	1,403,697	1,202,750
Responsive maintenance	736,601	124,928	861,529	848,245
Planned maintenance	1,362,407	234,242	1,596,649	1,260,183
Major repairs expenditure	132,954	28,880	161,834	86,576
Bad debts	50,057	12,514	62,571	38,584
Depreciation of Housing Properties	531,344	172,430	703,774	938,122
Property Leases	6,910	50,620	57,530	61,273
Operating expenditure on Social Housing Lettings	4,518,996	1,422,339	5,941,335	5,414,731
<b>Operating surplus on Social housing lettings</b>	<b>1,352,323</b>	<b>28,060</b>	<b>1,380,383</b>	<b>1,715,627</b>
Void losses	47,442	11,248	58,690	177,059

**5 Accommodation under management and in development**

	GROUP		ASSOCIATION	
	2016	2015	2016	2015
<b>Social Housing</b>				
General needs housing	803	808	803	808
Supported housing and housing for older people	184	185	184	185
<b>Non-Social Housing</b>				
Market rented	5	0	1	0
<b>Total owned and managed</b>	<b>992</b>	<b>993</b>	<b>988</b>	<b>993</b>
<b>Leasehold properties managed</b>	<b>90</b>	<b>90</b>	<b>90</b>	<b>90</b>
<b>Accommodation managed by others</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>
<b>Properties under development</b>	<b>4</b>	<b>0</b>	<b>1</b>	<b>0</b>

**WOMEN'S PIONEER HOUSING LIMITED**  
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**6 Gain on disposal of property plant and equipment**

	<b>GROUP</b>		<b>ASSOCIATION</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Proceeds of sales	-	-	708,975	77,500
less: Cost of Sales	-	-	(275,436)	(27,422)
Surplus	<u>-</u>	<u>-</u>	<u>433,539</u>	<u>50,078</u>

This represents land and property being invested in Women's Pioneer Homes Limited, the wholly owned subsidiary of Women's Pioneer Housing Limited.

**7 Interest payable and similar charges**

	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
On loans repayable within five years	383,959	-	383,959	-
On loans wholly or partly repayable in more than five years	561,358	977,930	561,358	977,930
Costs associated with financing	27,868	34,022	27,868	34,022
	<u>973,185</u>	<u>1,011,952</u>	<u>973,185</u>	<u>1,011,952</u>

**8 Surplus on ordinary activities**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
The operating surplus is stated after charging/(crediting):		
Depreciation of housing properties	703,774	938,122
Depreciation of other tangible fixed assets	205,494	225,213
Surplus on sale of other fixed assets	-	-
Auditors remuneration (excluding VAT):		
Audit of the group financial statements	11,250	13,500
Audit of subsidiary	3,500	-
Fees payable to the association's auditor and its associates for other services to the group:		
Tax compliance services	300	-
Service charge certification	2,300	2,100
Other services	<u>5,500</u>	<u>5,385</u>

**WOMEN'S PIONEER HOUSING LIMITED**  
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**9 Board members and executive directors**

	<b>GROUP</b>		<b>ASSOCIATION</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Aggregate emoluments payable to executive directors	<u>257,992</u>	<u>207,414</u>	<u>257,992</u>	<u>207,414</u>
Emoluments payable to the highest paid director, excluding pension contributions	<u>86,874</u>	<u>76,434</u>	<u>86,874</u>	<u>76,434</u>
Aggregate amount of executive directors pensions	<u>17,697</u>	<u>15,086</u>	<u>17,697</u>	<u>15,086</u>
Aggregate amount of any consideration payable to third parties for making available the services of a Director	<u>39,821</u>	<u>79,205</u>	<u>39,821</u>	<u>79,205</u>

The Chief Executive is an ordinary member of the Women's Pioneer Group Personal Pension, a defined contribution scheme to which the association contributes up to 8% of salary. No enhanced or special terms apply. There are no additional pension arrangements. A contribution by Women's Pioneer of £6,720 (2015:£5,880) was paid in addition to the personal contributions of the Chief Executive.

Directors (key management personal) are defined as the Chief Executive and other members of the Senior Management Team, being the Director of Resources, Director of Housing and Director of Property Services.

None of the board members received emoluments and no expenses reimbursed (2015: nil)

**10 Employee Information**

	<b>GROUP</b>		<b>ASSOCIATION</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>
The average number of persons employed during the year expressed in full time equivalents (35 hours per week) was:				
Administration	8	6	8	6
Housing and support	11.5	16	11.5	16
Services	11.5	7.5	11.5	7.5
	<u>31</u>	<u>29.5</u>	<u>31</u>	<u>29.5</u>
<b>Staff costs</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Wages and Salaries	1,038,118	900,829	1,038,118	900,829
Social Security costs	88,892	77,316	88,892	77,316
Other pension costs	69,715	52,801	69,715	52,801
	<u>1,196,725</u>	<u>1,030,946</u>	<u>1,196,725</u>	<u>1,030,946</u>
Aggregate number of full time equivalent staff whose remuneration exceeded £60,000 in the period:	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>
£60,001 to £70,000	2	1	2	1
£70,001 to £80,000	-	1	-	1
£80,001 to £90,000	-	-	-	-
£90,001 to £100,000	1	-	1	-

**WOMEN'S PIONEER HOUSING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**11a Tangible Fixed Assets**

<b>GROUP</b>	<b>.....Housing properties.....</b>		<b>Total</b>
	<b>Housing Properties held for letting</b>	<b>Housing Properties under construction</b>	
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At start of the year	67,012,907	206,122	67,219,029
Additions	117,963	25,079	143,042
Works to existing properties	1,177,138	-	1,177,138
Disposals of components	(347,037)	-	(347,037)
At end of the year	<u>67,960,971</u>	<u>231,201</u>	<u>68,192,172</u>
<b>Depreciation</b>			
At start of the year	9,391,632	-	9,391,632
Charge for the year	703,774	-	703,774
Eliminated on disposals	(347,037)	-	(347,037)
At end of the year	<u>9,748,369</u>	<u>-</u>	<u>9,748,369</u>
<b>Net Book value at the end of the year</b>	<u>58,212,602</u>	<u>231,201</u>	<u>58,443,803</u>

**Housing Properties comprise:**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Freehold land and buildings	53,556,272	52,891,185
Long leasehold land and building	4,706,783	4,753,738
Short leasehold land and buildings	180,749	182,474
	<u>58,443,804</u>	<u>57,827,397</u>

**Works to existing properties in the year**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Improvement works capitalised	143,042	45,660
Components capitalised	1,177,138	2,330,986
Amounts charged to expenditure	1,758,483	1,073,180
	<u>3,078,663</u>	<u>3,449,826</u>

The aggregate amount of interest and finance cost included in the cost of housing properties is £nil

The carrying value of tangible fixed assets pledged as security for liabilities is £23,687,899  
(2015: £23,902,959)

**WOMEN'S PIONEER HOUSING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**11b Tangible Fixed Assets**

<b>ASSOCIATION</b>	<b>.....Housing properties.....</b>		<b>Total</b>
	<b>Housing Properties held for letting</b>	<b>Housing Properties under construction</b>	
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At start of the year	66,985,485	206,122	67,191,607
Additions	117,963	25,079	143,042
Works to existing properties	1,177,138	-	1,177,138
Disposals of properties	(81,032)	-	(81,032)
Disposals of components	(347,037)	-	(347,037)
At end of the year	<u>67,852,517</u>	<u>231,201</u>	<u>68,083,718</u>
<b>Depreciation</b>			
At start of the year	9,391,632	-	9,391,632
Charge for the year	703,774	-	703,774
Eliminated on disposals of properties	(8,913)	-	(8,913)
Eliminated on disposals of components	(347,037)	-	(347,037)
At end of the year	<u>9,739,456</u>	<u>0</u>	<u>9,739,456</u>
<b>Net Book value at the end of the year</b>	<u>58,113,061</u>	<u>231,201</u>	<u>58,344,262</u>

<b>Housing Properties comprise:</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Freehold land and buildings	53,503,731	52,863,763
Long leasehold land and building	4,706,783	4,753,738
Short leasehold land and buildings	180,749	182,474
	<u>58,391,263</u>	<u>57,799,975</u>

<b>Works to existing properties in the year</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Improvement works capitalised	143,042	45,660
Components capitalised	1,177,138	2,330,986
Amounts charged to expenditure	1,758,483	1,073,180
	<u>3,078,663</u>	<u>3,449,826</u>

The aggregate amount of interest and finance cost included in the cost of housing properties is £nil

The carrying value of tangible fixed assets pledged as security for liabilities is £23,687,899  
(2015: £23,902,959)

**WOMEN'S PIONEER HOUSING LIMITED**  
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**12 Other fixed assets**

<b>Group &amp; Association</b>	<b>.....Other fixed Assets.....</b>			
	<b>Freehold Offices</b>	<b>Office equipment and vehicles</b>	<b>Properties fittings &amp; equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
At start of the year	478,441	339,424	1,580,630	2,398,495
Additions	-	115,002	246,854	361,856
Disposals	-	-	(137,007)	(137,007)
At end of the year	<u>478,441</u>	<u>454,426</u>	<u>1,690,477</u>	<u>2,623,344</u>
<b>Depreciation</b>				
At start of the year	48,156	275,733	720,642	1,044,531
Charge for the year	7,438	28,951	169,105	205,494
Eliminated on disposals	-	-	(136,076)	(136,076)
At end of the year	<u>55,594</u>	<u>304,684</u>	<u>753,671</u>	<u>1,113,949</u>
<b>Net Book value at the end of the year</b>	<u>422,847</u>	<u>149,742</u>	<u>936,806</u>	<u>1,509,395</u>

**13 Investment properties held for letting**

	<b>GROUP</b>		<b>ASSOCIATION</b>		
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At start of the year	-	-	-	-	-
Additions	926,323	-	311,702	-	-
Gain/(loss) from adjustment in value	3,157,323	-	(31,702)	-	-
At end of year	<u>4,083,646</u>	<u>-</u>	<u>280,000</u>	<u>-</u>	<u>-</u>

Investment properties were valued in 2016 by Savills professional qualified external valuers. The valuation of properties was undertaken in accordance with the Royal institute of Chartered Surveyors Valuation Standards. The properties have been valued at open market value basis.



**WOMEN'S PIONEER HOUSING LIMITED**  
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**14 Investment in subsidiary**

The group includes the following subsidiary registered in England:

<b>Company</b>	<b>Incorporation</b>	<b>Ownership</b>	<b>Nature of business</b>	<b>Regulated / non-regulated</b>
Women's Pioneer Homes Ltd	Company	100%	Market rent	Non-regulated
<b>ASSOCIATION</b>				
			<b>2016</b>	<b>2015</b>
			£	£
<b>Cost</b>				
At start of the year			77,500	-
Additions			358,000	77,500
Disinvestment in subsidiary			-	-
At end of the year			<u>435,500</u>	<u>77,500</u>
<b>Impairment</b>				
At start of the year			-	-
Additions			-	-
Disinvestment in subsidiary			-	-
At end of the year			<u>-</u>	<u>-</u>
<b>Net Book Value</b>			<u>435,500</u>	<u>77,500</u>

As required by statute, the financial statements consolidate the results of Women's Pioneer Housing Limited and its subsidiary. The association has the right to appoint members to the board of its subsidiary, thereby exercising control. The Board believe that the carrying value of the investment is supported by their underlying assets.

**15 Debtors**

	<b>GROUP</b>		<b>ASSOCIATION</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	£	£	£	£
Rent and service charges receivable	350,237	338,855	345,098	338,855
less: provision for bad and doubtful debts	(74,412)	(41,174)	(69,643)	(41,174)
	<u>275,825</u>	<u>297,681</u>	<u>275,455</u>	<u>297,681</u>
Other debtors	313,754	237,638	313,752	237,638
Prepayments and accrued income	217,527	182,035	217,527	182,035
Amounts due from group undertakings	-	-	755,121	-
	<u>807,106</u>	<u>717,354</u>	<u>1,561,855</u>	<u>717,354</u>

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**16 Creditors: amounts falling due within one year**

	<b>GROUP</b>		<b>ASSOCIATION</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	£	£	£	£
Loans (note 17b)	22,866	468,099	22,866	468,099
Trade creditors	576,033	627,256	576,033	627,256
Deferred Social Housing Grant (note 18)	275,942	276,454	275,942	276,454
Rents and service charges received in advance	305,171	233,109	298,487	233,109
Other taxation and social security	28,638	21,311	28,638	21,311
Accruals and deferred income	877,179	408,223	826,749	408,223
Social Housing Grant repayable	66,871	66,871	66,871	66,871
	<u>2,152,700</u>	<u>2,101,323</u>	<u>2,095,586</u>	<u>2,101,323</u>

**17 Creditors: amounts falling due after more than one year**

	<b>GROUP</b>		<b>ASSOCIATION</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	£	£	£	£
Loans (note 17b)	20,448,526	20,014,584	20,448,526	20,014,584
Deferred Social Housing Grant (note 18)	27,506,022	27,781,454	27,506,022	27,781,454
Total	<u>47,954,548</u>	<u>47,796,038</u>	<u>47,954,548</u>	<u>47,796,038</u>

**17b Loan analysis**

	<b>GROUP</b>		<b>ASSOCIATION</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	£	£	£	£
<b>Loans repayable by instalments</b>				
Within one year	22,866	468,099	22,866	468,099
In one year or more but less than two years	25,195	470,101	25,195	470,101
In two years or more and less than five years	92,119	1,424,414	92,119	1,424,414
In five years or more	194,889	8,099,218	194,889	8,099,218
	<u>335,069</u>	<u>10,461,832</u>	<u>335,069</u>	<u>10,461,832</u>
<b>Loans not repayable by instalments</b>				
Within one year	-	-	-	-
In one year or more but less than two years	-	-	-	-
In two years or more and less than five years	10,108,362	-	10,108,362	-
In five years or more	10,034,978	10,034,978	10,034,978	10,034,978
	<u>20,143,340</u>	<u>10,034,978</u>	<u>20,143,340</u>	<u>10,034,978</u>
add: loan premium	298,083	310,010	298,083	310,010
less: issue costs	(305,100)	(324,125)	(305,100)	(324,125)
Total loans	<u>20,471,392</u>	<u>20,482,695</u>	<u>20,471,392</u>	<u>20,482,695</u>

Loans are secured by specific charges on the Association's individual housing properties.

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**17b Loan analysis (continued)**

The interest rate profile of the Association at 31 December 2016 was:

	<b>Total</b>	<b>Variable</b>	<b>Fixed</b>	<b>Weighted</b>
		<b>rate</b>	<b>rate</b>	<b>average</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>rate</b>
				<b>%</b>
Instalments Loans	335,069	-	335,069	9.96%
Non-instalment loans	20,143,340	250,000	19,893,340	3.61%
	<u>20,478,409</u>	<u>250,000</u>	<u>20,228,409</u>	<u>3.71%</u>

At 31 December 2016 the Association has the following borrowing facilities:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Undrawn facilities	<u>9,750,000</u>	<u>9,750,000</u>

**18 Deferred capital grant**

	<b>GROUP</b>		<b>ASSOCIATION</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At start of the year	28,057,908	28,400,719	28,057,908	28,400,719
Released to income in the year	(275,942)	(275,940)	(275,942)	(275,940)
Less: Capital grant to be repaid	-	(66,871)	-	(66,871)
At end of the year	<u>27,781,966</u>	<u>28,057,908</u>	<u>27,781,966</u>	<u>28,057,908</u>
Amount due to be released < 1 year	275,942	276,454	275,942	276,454
Amount due to be released > 1 year	<u>27,506,022</u>	<u>27,781,454</u>	<u>27,506,022</u>	<u>27,781,454</u>
	<u>27,781,964</u>	<u>28,057,908</u>	<u>27,781,964</u>	<u>28,057,908</u>

The total amount of grant received and potentially repayable is £35,939,067 (2015: £35,939,067)

This includes grant amortised to the Statement of Comprehensive Income

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<b>19 Non-equity share capital</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Shares of £1 each issued and fully paid:		
At 1 January	25	30
Shares issued during the year	-	-
Shares surrendered during the year	(3)	(5)
At 31 December	<u>22</u>	<u>25</u>

The shares provide members with the right to vote at general meetings of the association but do not have a right to any dividend or distribution in a winding-up and are not redeemable.

<b>20 Capital Commitments</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Capital Expenditure that has been contracted for but has not been provided for in the financial statements	800,000	310,000
Capital Expenditure that has been authorised by the Board but has not yet been contracted for	4,500,000	4,645,000
	<u>5,300,000</u>	<u>4,955,000</u>

The association expects these commitments to be financed with the undrawn loan facilities

Capital Commitments will be incurred over the next:

In one year or more but less than two years	3,350,000	350,000
In two years or more and less than five years	1,950,000	4,645,000
In five years or more	-	-
	<u>5,300,000</u>	<u>4,995,000</u>

**21 Related Parties**

The Board has two tenant members who hold tenancy agreements on normal terms and cannot use their position to their advantage.

Rent charged to Board member Jo Ghelmini was £8,551 (2015: £7,826) and arrears on her tenancy at the reporting period end was £nil (2015: £nil).

Rent charged to Board member Caroline Portsmouth was £6,840 (2015: £6,700) and arrears on her tenancy at the reporting period end of £nil (2015:£nil).

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**21 Related Parties (continued)**

Women's Pioneer Housing Limited is the Parent entity in the Group and ultimate controlling party. The parent provides management services, other services and has a loan facilities with its subsidiary Women's Pioneer Homes Limited

During the year the association had the following intra-group transactions with its subsidiary

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Management charges	28,000	-
Other charges	4,767	-
Interest charges	-	-
Balance due at 31 December	755,121	-

**Management Charges**

Intra-group management fees are receivable by the association from the subsidiary to cover the running costs the association incurs on behalf of managing the subsidiary and providing services. The management fee is calculated based on an allocated time by staff members providing the following services:

- Housing Management (including arrears & repairs management)
- IT services
- Finance services including purchase ledger and management accounting
- Executive services

**Other Charges**

Other intragroup charges are payable to the association from the subsidiary and relate to the cost of providing communal services to the properties owned by the subsidiary.

**Interest Charges**

During the year the Association agreed a £5m loan facility with the subsidiary. At 31 December 2016 this is undrawn.

**Property Sales**

Under an agreement with the Homes and Communities Agency dated 15 December 2015 four properties were transferred to Women's Pioneer Homes at cost with the undertaking that were any of the properties to be sold at a future date the whole of the profit from that sale would accrue to the Women's Pioneer Housing holding company.

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**22 Financial instruments**

The Group and Association's financial instruments may be analysed as follows:

	<b>GROUP</b>		<b>ASSOCIATION</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
<b>Financial Assets</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Financial Assets measured at fair value				
Investment properties	4,083,646	-	280,000	-
Financial Assets measured at historic costs				
Rental Debtors	275,825	297,681	275,455	297,681
Other receivables	313,754	237,638	1,068,873	237,638
Prepayments and accrued income	217,527	182,035	217,527	182,035
Cash and cash equivalents	2,630,685	3,187,184	2,589,332	3,187,184
<b>Total financial assets</b>	<u>7,521,437</u>	<u>3,904,538</u>	<u>4,431,187</u>	<u>3,904,538</u>
<b>Financial liabilities</b>				
Financial Liabilities held at amortised cost				
Loans payable	20,478,409	20,496,810	20,478,409	20,496,810
Financial Liabilities held at historic cost				
Trade creditors	576,033	627,256	576,033	627,256
Other creditors	1,210,988	662,643	1,153,874	662,643
Deferred capital grant	27,781,964	28,057,908	27,781,964	28,057,908
<b>Total financial liabilities</b>	<u>50,047,394</u>	<u>49,844,617</u>	<u>49,990,280</u>	<u>49,844,617</u>

Financial assets measured at fair value through the statement of comprehensive income comprise fixed asset investments in properties owned by Women's Pioneer Homes limited.

Financial assets measured at amortised cost comprise cash at bank, trade debtors, other debtors and prepayments and accrued income

Financial liabilities measured at amortised cost comprise bank loans and other loans

Financial liabilities measured at historic cost comprise trade creditors, other creditors and deferred capital grant.