

**Trident Housing Association
Limited and its subsidiary**

Registered Number IP17133R

Report and Financial Statements

Year Ended 31 March 2009



BDO Stoy Hayward
Chartered Accountants

Trident Housing Association Limited and its subsidiary

Annual report and financial statements
for the year ended 31 March 2009

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Trident Housing Association Limited and its subsidiary

Information for the year ended 31 March 2009

The Board present their annual report and the audited financial statements for the year ended 31 March 2009.

Reference and administrative details

Registered Housing Corporation number L0979

Principal address 239 Holliday Street, Birmingham B1 1SJ

Directors and Trustees

The directors of the company who served during the year ended 31 March 2009 are listed as follows:

Directors

J Morris
N Grace (appointed 17 November 2008)
M Longmore
A McCool
A Rivera
A O'Neill (appointed 1 April 2008, resigned 24 October 2008)
P Roden (resigned 1 April 2008)

Board of Management

D Daley
G Daly
H Grosvenor
G King
P McCabe
M Pritty
A Robson
H Sherriffe
F Slater

There were no appointments since the year end.

Company Secretary P Roden

Auditors BDO Stoy Hayward LLP, 125 Colmore Row, Birmingham, West Midlands, B3 3SD

Solicitors Anthony Collins, 134 Edmund Street, Birmingham, B3 2ES
Shoemiths, 125 Colmore Row, Birmingham, B3 3SD
Gorrara Haden, Quadrant Court, 50 Calthorpe Road, Birmingham, B15 1TH

Bankers National Westminster Bank Plc, 1 St Philips Place, Birmingham, B3 3PP

Lenders Nationwide Building Society, Kings Park Road, Moulton Park, Northampton, NN3 6NW

 Halifax Bank Of Scotland, 150 Fountainbridge, Edinburgh, EH3 9PE

 The Housing Finance Corporation, 107 Cannon Street, London, EC4N 5AF

 The Royal Bank of Scotland plc, 280 Bishopsgate, London, EC2M 4RB

Trident Housing Association Limited and its subsidiary

Board Report for the year ended 31 March 2009

The Board Members present their report and the financial statements for the year ended 31 March 2009.

Operating and financial review

Background

During 2008/2009 Trident has continued on its journey of transformation into a modern social business, operating through the three pillars of Housing and Neighbourhood Services, Care and Support Services and Community Services – taking the form of specific services, social investment and social enterprise initiatives.

Sitting under the three pillars are three key strategic business streams. These are:

- Service delivery
- Growth
- Governance and management

All three business streams are equally important and support each other. These three key strategic business streams form the main headings in the organisations Corporate Plan, the highest level plan, which is being used as a guide towards the year 2010.

Change, challenge and growth

2008/2009 has been a year of great challenge for organisations and individuals in the UK and across the world. The downturn in economic growth, the collapse of the financial sector and the related credit crunch have left many individuals and organisations with uncertain futures. At Trident we have responded positively to this to ensure minimal impact on our business and our services to residents.

Specific examples of our response to these pressures have included:

- shifting the emphasis of our development programme from shared ownership to rent;
- selective intervention for home owners in financial difficulties allowing them to avoid the despair of repossession;
- recruitment of a money advice worker to assist residents in the management of their financial affairs; and
- securing new loan facilities with Nationwide.

Additionally, there have been a number of achievements and changes during the year:

The new group structure is now largely in place, and two new companies have been formed. Firstly, Trident Sphere Limited, a registered charity that will develop our care and support business, and secondly Trident Star Limited, which will manage commercial activities on behalf of the Group. The Group will formally be launched on 1st October 2009 when the two companies will commence trading;

Investment in new technology has been significant, with the introduction of a new computerised purchase ordering system, Proactis, and a new staff management system, Cascade, as well as new servers and related infrastructure. 2009 has also seen the launch of our new website with improved features for our residents. We have also begun the preparatory work for our new performance management system, Clearview, which will go live late in the year.

During the year we reviewed and enhanced our performance management framework, with improved recording and monitoring of performance. Through the information provided we are better able to understand where we can improve services. This framework will continue to be embedded within the Group so that all staff can fully participate in the drive to achieving excellent services.

Trident Housing Association Limited and its subsidiary

Board Report for the year ended 31 March 2009 (Continued)

In January 2009 the Audit Commission visited our offices to carry out a short notice inspection on a number of key service areas. As can be imagined there was a significant amount of work during and after the inspection. Whilst the inspection process was challenging we were pleased that the audit commission noted the improvements we had made and the final report said that prospects for improvement were good. We have taken their recommendations forward and are working on an action plan of activities in response to their findings.

In March 2009 Trident entered into a new maintenance contract with Connaught Limited. This contract has clear performance and service criteria built into it and through this we will achieve improved services for our residents and better value for money.

Property portfolio

Trident has significantly increased the level of investment in asset management during 2008/2009. Homes failing the Decent Home standard is now down to 4%, with Trident being on target to achieve 100% Decent Homes standard by 2010. Trident will also continue to invest in its organisational wide reactive repairs service. Likewise, in grounds maintenance and planned maintenance.

As a member of the Matrix Housing Partnership, Trident also achieved an increased Housing Corporation allocation for development of new homes. Supported by the Nationwide Trident looks forward to further new development activity during 2008/2009.

Governance

This year has been a significant year for the Board. In preparation for the new group, we have established the Group Board which has met monthly to oversee the strategic direction of the Group. In support of that the Trident Sphere Board, Trident Star and a dedicated RSL Board have met to set the direction for these businesses. Towards the end of the year the financial scrutiny of the Group was delegated to the Group Audit and Finance Committee and new terms of reference were agreed and approved by the Group Board. Additionally the governance committee, pension trustees panel and safeguarding committees have continued to meet.

Looking forward

These are both challenging and exciting times for a medium sized social business such as Trident. Trident remains committed to remaining an independent, viable business. In addition to making a genuine social contribution, transforming itself to becoming a fully fledged diverse social business by 2010.

Objectives

Trident is a maturing social business operating and growing the Three Pillars of:

- Housing Service
- Care and Support Services
- Community Services, taking the form of specific services, Social Enterprise initiatives and Social Investment.

There are three key strategic business streams:

- Service delivery
- Growth
- Governance and management

All three business streams are equally important and support each other. We will continuously improve service delivery to our existing customers whilst pursuing growth. Both service delivery and growth are dependent on good governance and management.

All three business streams contribute to the delivery of our mission to grow as a modern social business. Each business stream has a corresponding set of objectives and intended outcomes over the lifespan of the plan.

Trident Housing Association Limited and its subsidiary

Board Report for the year ended 31 March 2009 (Continued)

Service Delivery

Our success is dependent on the quality of our service delivery to our customers. Service delivery is what our customers judge us on. Further improvements in this area will remain an ongoing priority.

Growth

We aim to contribute to a balance of housing types, care and support and community services by addressing immediate and emerging gaps within individual themed and geographical areas, generated by changing demand.

We will actively seek and pursue opportunities to grow that meet our aims, fit with our values and contribute to the communities that we work in. Whilst remaining an independent organisation we will actively pursue partnerships to meet our aims where there is a shared strategic objective.

Governance and management

Our continuing independence as a medium sized business is dependent on continuing to operate as a viable business, meeting the highest standards of governance and management.

During 2008/09 annual turnover stands at £22.5 million and our business plan through to 2014 shows it rising to £30 million.

We employ over 500 members of staff. We value our staff and recognise that they are the key factor in the success of the business.

Monitoring and review

The Board and Executive use the Corporate and Business Plans to measure progress and ensure that the Association is working towards achieving its strategic objectives, which are detailed in these plans.

The Board reviews the plans annually and will in future produce an annual progress report.

The plan will be implemented operationally via departmental plans.

Members of staff will have individual targets that link back to the Corporate Plan, business plan and departmental plans.

Progress towards the strategic objectives will be monitored regularly by the Executive and by departmental teams. This will be linked to the Association's overall performance monitoring arrangements through monitoring of the strategic key performance indications based on the Corporate Plan objectives, and of regulation benchmarking requirements.

Structure

Trident is an industrial and provident society that is registered with the Housing Corporation and also has the status of an exempt charity. At the start of the year, Trident had one wholly owned subsidiary, Trident Charitable Housing Association Limited, which has the same legal status as the parent company and is the legal owner of one property. All of Trident's activities are currently delivered from the parent company with the exception of a small rent being generated by the subsidiary.

During the year two subsidiaries were formed, Trident Sphere Limited, a registered charity, managing and developing the care and support business on behalf of the group and Trident Star Limited, a company limited by shares, to manage the commercial activities of the group. The Group Structure will be launched formally on 1st October 2009.

Trident Housing Association Limited and its subsidiary

Board Report for the year ended 31 March 2009 (Continued)

The Board of Management of Trident comprises members whose details are set out within this Board report who meet on a monthly basis to consider the business of the Association. The Board has three formally constituted committees which operate under delegated authorities from the Board and also uses working groups and panels which consist of Board members, stakeholders and officers for social projects. The committees currently in existence are Audit Committee, Governance Committee and Care and Support Committee.

Trident has partnerships with many stakeholders and organisations across all its activities. Trident is a member of the Matrix Housing Partnership which has enabled it to gain access to Housing Corporation investment funding. The Matrix partners make wider use of the partnership and look into opportunities for collaborative working within the overall objective of each association retaining its independence.

Financial Position

The consolidated income and expenditure discloses a surplus for the year of £410,000. This surplus is achieved from a turnover of £22,482,000 and current five year forecasts predict this turnover increasing to nearer £30 million as a result of expansion in all service areas. New business generated during the course of the year was through the completion of new build schemes, the successful tendering for Care and Support Services across various parts of the Midlands, and growth in the provision of our out of hours services to new clients. Current plans are for expansion to continue in all these areas at sufficient levels to retain similar levels of surplus to be reinvested in the business.

Financial returns and forecasts are all geared to achieving the Government's rent restructuring targets by the year 2010 and as well as the decent homes standard. During the year just ended Trident successfully delivered £3.4 million worth of planned maintenance and capital improvement works within its asset management strategy to deliver decent homes. The Association also completed successful reviews on a large number of its supporting people projects across a number of local authority areas.

The balance sheet at 31 March 2009 shows land and buildings at a cost of over £113 million. The accounting provisions for FRS17 require that a deficit on a defined benefit pension scheme that was closed to future service in 2002 should be shown separately on the balance sheet. This reduces the revenue reserves to £6.4 million, but a contribution schedule has been in place for some years based on the advice of the scheme actuary and was updated in 2007 in order to pay off the deficit within the next fifteen years.

In October 2008 following the collapse of the Icelandic financial system, Kaupthing Singer & Friedlander Limited went into administration. Accordingly Trident along with a number of other institutions was unable to gain access to its funds held on deposit. We have since been advised that not all the deposit will be recovered and a provision of 50% equal to the minimum recovery has been made in the accounts and disclosed in the income and expenditure account. Since the year end a 20% distribution amounting to £158,730 has been received.

Donations

The Group made no political or charitable donations during the year.

Board Members

The members set out below have held office during the whole of the period from 1 April 2007 to the date of this report unless otherwise stated.

D Daley
G Daly
H Grosvenor
F Slater
P McCabe

M Pritty
A Robson
H Sherriffe
G King

Board Members' Indemnity

The Board Members have confirmed that the Group does have Members and Officers Insurance in place.

Trident Housing Association Limited and its subsidiary

Board Report for the year ended 31 March 2009 (Continued)

Financial Instruments

The Association does not have any abnormal exposure to price, credit, liquidity and cash flow risks arising from its trading activities. The Association does not enter into any hedging transactions and no trading in financial instruments is undertaken.

Disclosure of Information to Auditors

In the case of the persons who are Board Members of the Association at the date when this report was approved:

- So far as each of the Board Members are aware, there is no relevant audit information (as defined in the Companies Act 1985) of which the Association's auditors are unaware; and
- Each of the Board Members has taken all the steps that they ought to have taken as a Board Member to make them aware of any relevant audit information (as defined) and to establish that the Association's auditors are aware of that information.

Internal Controls Assurance

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

The Board recognises that no system of internal control can provide absolute assurance or eliminate all risk. The system of internal control is designed to manage risk and to provide reasonable assurance that key business objectives and expected outcomes will be 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.

In meeting its responsibilities, the Board has adopted a risk-based approach to internal controls which are embedded within the normal management and governance process. This approach includes the regular evaluation of the nature and extent of risks to which the Group is exposed and is consistent with Turnbull principles as incorporated in the Housing Corporation's circular 07/07: Internal controls assurance.

The process adopted by the Board in reviewing the effectiveness of the system of internal control, together with some of the key elements of the control framework includes:

Identification of key risks

Management responsibility has been clearly defined for the identification, evaluation and control of significant risks. There is a formal and ongoing process of management review in each area of the Group's activities. The executive team regularly considers reports on significant risks facing the Group and the Chief Executive is responsible for reporting to the Board any significant changes affecting key risks.

Monitoring and corrective action

A process of control self-assessment and regular management reporting on control issues provides hierarchical assurance to successive levels of management and to the Board. This includes a rigorous procedure for ensuring that corrective action is taken in relation to any significant control issues, particularly those with a material impact on the financial statements.

Control environment and control procedures

The Board retains responsibility for a defined range of issues covering strategic, operational, financial and compliance issues including treasury strategy and new investment projects. The Board has adopted and disseminated to all employees, the code of governance - 'Competence and Accountability 2000'. This sets out the Group's policies and procedures with which employees must comply. These cover issues such as delegated authority, segregation of duties, accounting, treasury management, health and safety, data and asset protection and fraud prevention and detection.

Trident Housing Association Limited and its subsidiary

Board Report for the year ended 31 March 2009 (Continued)

Information and financial reporting systems

Financial reporting procedures include detailed budgets for the year ahead and forecasts for subsequent years. These are reviewed and approved by the Board. The Board also regularly reviews key performance indicators to assess progress towards the achievement of key business objectives, targets and outcomes.

The internal control framework and the risk management process are subject to regular review by Internal Audit who are responsible for providing independent assurance to the Board via its Audit Committee. The Audit Committee considers internal control and risk at each of its meetings during the year.

The Board has received the Chief Executive's annual report, has conducted its annual review of the effectiveness of the system of internal control and has taken account of any changes needed to maintain the effectiveness of the risk management and control process.

The Board confirms that there is an ongoing process for identifying, evaluating and managing significant risks faced by the Group. This process has been in place throughout the year under review, up to the date of the annual report, and is regularly reviewed by the Board.

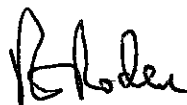
Statement of Responsibilities of the Board

The Board is required to prepare financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice for each financial year, which give a true and fair view of the state of affairs of the Association and of the surplus or deficit for that period. In preparing those financial statements, the Board is required to:

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

The Board is responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the Association and enable its members to ensure that the financial statements comply with the Industrial and Provident Societies Acts 1965 to 2002, the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 2006. It also has general responsibility for maintaining a satisfactory system of control over the accounting records and transactions and for taking such steps as are reasonably open to it to safeguard the assets of the Association to prevent and detect fraud and other irregularities.

Approved by the Board on 19th August 2009
And signed on its behalf by



P Roden
Secretary

Trident Housing Association Limited and its subsidiary

Independent Auditors' Report to the Members of the Trident Housing Association Limited and its Subsidiary for the year ended 31 March 2009

Independent auditor's report to the members of Trident Housing Association Limited

We have audited the Group and Association financial statements (the "financial statements") of Trident Housing Association Limited for the year ended 31 March 2009 which comprise the Income and Expenditure Accounts, the Balance Sheets and Statements of Total Recognised Surpluses and Deficits for the Group and Association, the consolidated cash flow statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of the Board and auditors

The Board's responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of responsibilities of the Board.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Industrial and Provident Societies Acts 1965 to 2002, the Industrial & Provident Societies (Group Accounts) Regulations 1969, the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 2006. We also report to you if, in our opinion, the Group has not kept proper accounting records, a satisfactory system of control over transactions has not been maintained, or if we have not received all the information and explanations we require for our audit.

We read other information contained in the Report of the Board, and consider whether it is consistent with the audited financial statements. This other information comprises only the Board Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Our report has been prepared pursuant to the requirements of Schedule 1 paragraph 16 to the Housing Act 1996 and Section 9 of the Friendly and Industrial and Provident Societies Act 1968 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the above statutes or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Board in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Group's and Association's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Trident Housing Association Limited and its subsidiary

Independent Auditors' Report to the Members of the Trident Housing Association Limited and its Subsidiary for the year ended 31 March 2009

Opinion

In our opinion the Group and Association financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Group's and Association's affairs as at 31 March 2009 and of their results for the year then ended; and
- have been properly prepared in accordance with the Industrial and Provident Societies Acts 1965 to 2002, the Industrial & Provident Societies (Group Accounts) Regulations 1969, the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 2006.

BDO Stoy Hayward LLP

BDO Stoy Hayward LLP
Chartered Accountants and Registered Auditors
Birmingham

Date: *3 September 2009*

Trident Housing Association Limited and its subsidiary

Consolidated income and expenditure account for the year ended 31 March 2009

	Notes	2009 £'000	2008 restated* £'000
Turnover	3a	22,482	21,201
Operating costs	3a	(18,923)	(17,352)
Impairment of investment	3a	(386)	-
Operating Surplus	3a/6	3,173	3,849
Surplus on sale of properties	19	110	629
Interest receivable and similar income		86	252
Interest payable and similar charges	5	(2,912)	(2,862)
Net finance charge on pension scheme	21	(47)	(62)
Surplus for the year	18	410	1,806

*Restated due to prior year adjustments – see note 2.

The Group's results all relate to continuing activities which have been calculated on the historical cost basis.

Consolidated statement of total recognised surpluses and deficits for the year ended 31 March 2009

	Notes	2009 £'000	2008 restated* £'000
Surplus for the year		410	1,806
(Losses)/gains arising from FRS17 pension obligation		(1,702)	1,389
Total recognised (losses)/surpluses relating to the year		(1,292)	3,195
Prior year adjustment	2	1,768	
Total recognised gains since the last annual report		476	

*Restated due to prior year adjustments – see note 2.

Trident Housing Association Limited and its subsidiary

Association income and expenditure account for the year ended 31 March 2009

	Notes	2009 £'000	2008 restated* £'000
Turnover	3b	22,452	21,171
Operating costs	3b	(18,898)	(17,341)
Impairment of investment	3b	(386)	-
Operating Surplus	3b/6	3,168	3,830
Surplus on sale of properties	19	110	629
Interest receivable and similar income		75	234
Interest payable and similar charges	5	(2,912)	(2,862)
Net finance charge on pension scheme	21	(47)	(62)
Surplus for the year	18	394	1,769

*Restated due to prior year adjustments – see note 2.

The Association's results all relate to continuing activities which have been calculated on the historical cost basis.

Statement of total recognised surpluses and deficits for the year ended 31 March 2009

	2009 £'000	2008 restated* £'000
Surplus for the year	394	1,769
(Losses)/gains arising from FRS17, pension obligation	(1,702)	1,389
Total recognised (losses)/surpluses relating to the year	(1,308)	3,158
Prior year adjustment	2	1,768
Total recognised gains since the last annual report	460	

*Restated due to prior year adjustments – see note 2.


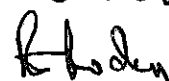
Trident Housing Association Limited and its subsidiary

Consolidated balance sheet As at 31 March 2009

	Notes	2009 £'000	2008 restated* £'000
Fixed Assets			
Tangible assets			
Housing Properties - Cost	10a	113,615	102,536
- Social Housing Grant	10a	(55,122)	(54,026)
- Other Grants	10a	(1,138)	(1,138)
- Depreciation	10a	(3,928)	(3,208)
		53,427	44,164
Other fixed assets	11	2,597	1,830
		56,024	45,994
Current Assets			
Stocks	13	296	976
Debtors - due within one year	14	1,587	1,758
Cash at bank and in hand		1,741	4,140
		3,624	6,874
Creditors: Amounts falling due within one year	15	(5,076)	(4,330)
		(1,452)	2,544
Total Assets less Current Liabilities		54,572	48,538
Creditors: Amounts falling due after more than one year	16	44,908	39,093
Pension fund liability	21	3,242	1,731
Capital and Reserves			
Share capital	17	-	-
Revenue reserves	18	6,422	7,714
		54,572	48,538

*Restated due to prior year adjustments – see note 2.

The financial statements on pages 10 to 35 were approved by the Board on 19th August 2009 and were signed on its behalf by:


 M.C. Drake - Member of the Board

 R. Boden - Secretary



Trident Housing Association Limited and its subsidiary

Association balance sheet As at 31 March 2009

	Notes	2009 £'000	2008 restated* £'000
Fixed Assets			
Tangible assets			
Housing Properties - Cost	10b	113,453	102,374
- Social Housing Grant	10b	(55,122)	(54,026)
- Other Grants	10b	(1,138)	(1,138)
- Depreciation	10b	(3,904)	(3,186)
		<hr/>	<hr/>
	10b	53,289	44,024
Other fixed assets	11	2,597	1,830
Investments – group undertaking	12	-	-
		<hr/>	<hr/>
		55,886	45,854
Current Assets			
Stocks	13	296	976
Debtors - due within one year	14	1,587	1,758
Cash at bank and in hand		1,409	3,806
		<hr/>	<hr/>
		3,292	6,540
Creditors: Amounts falling due within one year	15	(5,271)	(4,505)
		<hr/>	<hr/>
Net Current (Liabilities)/Assets		(1,979)	2,035
		<hr/>	<hr/>
Total Assets less Current Liabilities		53,907	47,889
		<hr/>	<hr/>
Creditors: Amounts falling due after more than one year	16	44,908	39,093
Pension fund liability	21	3,242	1,731
Capital and Reserves			
Share capital	17	-	-
Revenue reserves	18	5,757	7,065
		<hr/>	<hr/>
		53,907	47,889
		<hr/>	<hr/>

*Restated due to prior year adjustments – see note 2.

The financial statements on pages 10 to 35 were approved by the Board on ^{19th August 2009} and were signed on its behalf by:



 - Member of the Board
 - Member of the Board
 - Secretary

Trident Housing Association Limited and its subsidiary

Consolidated cash flow statement For the year ended 31 March 2009

		2009		2008 restated*	
	Notes	£'000	£'000	£'000	£'000
Net cash inflow from operating activities	26a		3,285		6,694
Returns on investments and servicing of finance					
Interest received		86		252	
Interest paid		(2,738)		(2,675)	
			(2,652)		(2,423)
Capital expenditure and financial investment					
Acquisition and construction of housing properties		(10,604)		(4,124)	
Net proceeds on disposal of housing properties		156		1,057	
Shared ownership 1 st tranche receipts		-		-	
Proceeds on disposal of other fixed assets		-		11	
Social housing and other grants received		1,131		66	
Purchase of other fixed assets		(1,109)		(1,062)	
Contribution to defined benefit pension scheme		(238)		(220)	
			(10,664)		(4,272)
Net cash outflow before financing			(10,031)		(1)
Financing					
Loan fees amortised		-		1	
Mortgage loans received		8,369		13,500	
Mortgage loan repayments		(737)		(10,590)	
Non housing loan		-		(2,185)	
			7,632		726
(Decrease)/increase in cash	26c		(2,399)		725

*Restated due to prior year adjustments – see note 2.

Trident Housing Association Limited and its subsidiary

Notes to the financial statements for the year ended 31 March 2009

1 Accounting policies

The financial statements have been prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and comply with the Statement of Recommended Practice "Accounting by Registered Social Landlords" issued in 1999 (updated in 2002, 2005 and 2008) (SORP) and the Accounting Requirements for Registered Social Landlords General Determination 2006.

a Accounting convention and basis of consolidation

The financial statements are prepared under the historical cost convention and, with the exception of the changes in accounting policy discussed in note 2, on a basis consistent with the prior year. They consolidate the results of Trident Housing Association Limited and its wholly owned subsidiary, Trident Charitable Housing Association Limited.

The Board and Directors monitor and review on a regular basis the cash flow and trading position of the Group and Association using a range of tools including budgets and cash flow projections. These indicate that there are sufficient resources and agreed facilities available to meet commitments as they fall due and accordingly the Directors and Board continue to prepare the financial statements using the going concern basis.

b Turnover

Turnover represents rents, services and supporting people grants recoverable, income for care from local authorities and health authorities and other income.

c Depreciation

Housing land and buildings

Freehold land is not depreciated. Depreciation of housing properties is charged so as to write off the cost of freehold housing properties (net of social housing and other grants) to their estimated residual value on a straight line basis over their expected useful economic lives as follows:

Pre-1920 rehab	up to 60 years
1920-1950 houses	up to 100 years
1960s and 1970s houses	up to 80 years
1960s and 1970s blocks of flats	up to 100 years
1980s and 1990s houses and flats	up to 100 years
2000s houses and flats	up to 100 years

The useful economic life of a property is deemed to commence at:

- the completion of major refurbishment work after purchase; or
- the completion of building work for new properties; or
- the date of purchase if no major refurbishment work takes place.

Properties held on long leases are depreciated over their estimated useful economic lives or the lives of the lease if shorter. For properties with an estimated useful life of more than 50 years, impairment reviews are carried out on an annual basis in accordance with FRS11, and provisions are made against the carrying value where appropriate.

Other fixed assets

Depreciation is calculated to write off the cost less estimated residual value of other fixed assets on a straight line over their estimated lives as follows:

Housing fixtures and fittings	15 to 30 years	Motor vehicles	5 years
Housing furniture and equipment	5 to 7 years	Direct labour equipment	3 years
Tenant amenities equipment	5 to 10 years	Office equipment	4 to 10 years
Leasehold offices	50 years		

Trident Housing Association Limited and its subsidiary

Notes to the financial statements for the year ended 31 March 2009 (Continued)

1 Accounting policies (continued)

d Works to existing properties

Expenditure on existing housing properties is capitalised to the extent that it results in an enhancement of economic benefit in excess of the standard of performance anticipated when the asset was first acquired or constructed. This results in an increase in rental income, a reduction in maintenance costs or through an extension of the life of the property.

e Social Housing Grant (SHG) and other grants

Grants for capital expenditure are deducted from the cost of the fixed assets to which they relate as they become receivable. Grants received in advance of the relevant expenditure are included in short-term creditors and represent amounts to be utilised in the next accounting period.

Grants for revenue expenditure are credited to the income and expenditure account as they become receivable.

f Sales of housing properties

The surplus or deficit on the disposal of housing properties is recognised in the income and expenditure account in the period in which the disposal occurs, as the difference between the net sale proceeds and the net carrying value.

Receipts from first tranche shared ownership sales are included in turnover and a proportion of the cost of the shared ownership unit, representing the share sold, is charged to operating expenses. Prior to sale, this share of the unit cost is included in stock, rather than in fixed assets. This is a change in accounting policy and has resulted in a prior year adjustment (see note 2). Under the previous policy, receipts from such transactions were offset against the cost of tangible fixed assets.

Surpluses from sales under Right to Acquire are accounted for in the Balance Sheet by a transfer to a Disposal Proceeds Fund and are calculated as the difference between the net sales proceeds and the net carrying value.

g SHG and other grants on property disposals

SHG is recyclable under certain circumstances, primarily following sale of a property but will normally be restricted to net proceeds of sale. Where SHG is recycled, it is to be utilised for qualifying purposes within 3 years of the disposal and is held within creditors as recycled capital grants (note 14). If not utilised within the timescale then the grant is repayable.

h Capitalisation of development overheads

The Association's development programme is managed by the lead RSL in the Matrix Partnership, whose management costs relating to development are charged to the Association and capitalised.

i Stocks

Maintenance stock is valued at the lower of cost and net realisable value. Housing stock for sale is valued at cost. This includes the first tranche share of any properties held as shared-ownership properties, prior to the transaction completing.

j Operating leases

Rentals payable under operating leases are charged on a straight line basis over the term of the lease.

Trident Housing Association Limited and its subsidiary

Notes to the financial statements for the year ended 31 March 2009 (Continued)

1 Accounting policies (continued)

k Interest and finance costs

Development and capitalised interest

Interest on borrowings, after deduction of interest on SHG in advance, to the extent that they are deemed to be financing the development programme, is capitalised. All other interest is charged to the income and expenditure account in the year in which it is incurred.

Deferred interest

Interest on low-start finance is charged at a constant percentage of the remaining balance of the capital sum outstanding to the extent that the total interest charges over the term of the loan are known. Where interest charges are dependent on external factors beyond the Association's control, they are charged as they become payable.

l Pensions

Final salary scheme –

This scheme was closed to new entrants as at 31 March 2002. The charge for the year, and related liabilities are accounted for under FRS17.

Money purchase scheme -

Contributions payable to this pension scheme are charged to the income and expenditure account in the period to which they relate.

m Agency managed units

In respect of units owned by the Association where the managing agent suffers the risks and has control of the benefits, the income and expenditure and related assets and liabilities are not included in the financial statements.

n Provision for bad debts

Arrears are reviewed regularly and provisions are accounted for after assessing their recoverability. For rental debtors a rolling provision of 100% is made in respect of ex-tenants and 40% in respect of current tenant balances.

Trident Housing Association Limited and its subsidiary

Notes to the financial statements for the year ended 31 March 2009 (Continued)

2 Prior year adjustments

Accounting for first tranche shared ownership transactions

Following the 2008 amendment to the SORP, the Group and Association have changed their accounting policy in respect of first-tranche shared ownership transactions (see note 1), resulting in a restatement of the prior year figures, as detailed below.

Capitalised improvements net of depreciation

As a result of work performed in anticipation of the introduction of component accounting, the Group and Association have obtained more detailed information in respect of expenditure incurred in relation to progress towards achieving 'The Decent Homes Standard'. This has revealed that in 2008 the incorrect amount of expenditure was capitalised. Accordingly, the prior year has been adjusted to reflect the appropriate amount of capital expenditure.

These adjustments have resulted in the following restatement to the 2008 figures:

Group	Turnover £'000	Operating Expense s £'000	Surplus for year £'000	Fixed Assets £'000	Stock £'000	Opening reserves £'000
2008 as previously reported	20,675	(18,137)	495	43,043	329	4,062
Restatements due to:						
First tranche sales	526	(474)	52	(138)	647	457
Capitalised improvements net of depreciation	-	1,362	1,362	1,362	-	-
	-	(103)	(103)	(103)	-	-
2008 as restated	21,201	(17,352)	1,806	44,164	976	4,519
Association	Turnover £'000	Operating Expense s £'000	Surplus for year £'000	Fixed Assets £'000	Stock £'000	Opening reserves £'000
2008 as previously reported	20,645	(18,126)	458	42,903	329	3,450
Restatements due to:						
First tranche sales	526	(474)	52	(138)	647	457
Capitalised improvements net of depreciation	-	1,362	1,362	1,362	-	-
	-	(103)	(103)	(103)	-	-
2008 as restated	21,171	(17,341)	1,769	44,024	976	3,907

Trident Housing Association Limited and its subsidiary

Notes to the financial statements
for the year ended 31 March 2009 (Continued)

3a Turnover, operating costs and operating surplus

Group	Turnover 2009 £'000	Operating Costs 2009 £'000	Operating Surplus/(deficit) 2009 £'000	Turnover 2008 restated* £'000	Operating Costs 2008 restated* £'000	Operating Surplus/(deficit) 2008 restated* £'000
Income and expenditure from lettings						
General needs housing	6,606	(4,598)	2,008	6,203	(3,884)	2,319
Supporting housing	4,883	(3,513)	1,370	5,207	(3,824)	1,383
Shared ownership	293	(290)	3	235	(121)	114
	<u>11,782</u>	<u>(8,401)</u>	<u>3,381</u>	<u>11,645</u>	<u>(7,829)</u>	<u>3,816</u>
Other social housing income and expenditure						
Care and support services	9,513	(9,603)	(90)	8,542	(8,623)	(81)
Other activities						
First tranche shared ownership sales	756	(618)	138	526	(474)	52
Home owners	207	(180)	27	205	(194)	11
Market rents and other income	224	(121)	103	283	(232)	51
	<u>1,187</u>	<u>(919)</u>	<u>268</u>	<u>1,014</u>	<u>(900)</u>	<u>114</u>
Impairment of investment**	-	(386)	(386)	-	-	-
Total	<u>22,482</u>	<u>(19,309)</u>	<u>3,173</u>	<u>21,201</u>	<u>(17,352)</u>	<u>3,849</u>

* Restated due to prior year adjustments – see note 2.

** Early in October 2008, the bank Kaupthing Singer and Friedlander went into administration. The Group had £772,000 deposited with this institution, which is currently subject to the administration process. The creditor progress report issued by the administrator, dated 17 April 2009, outlined that the return to creditors was projected to be a minimum of 50p in the £, and as such the Group considers that it is appropriate to make a provision of £386,000.

Trident Housing Association Limited and its subsidiary

Notes to the financial statements
for the year ended 31 March 2009 (Continued)

3b	Turnover, operating costs and operating surplus					
Association	Turnover 2009 £'000	Operating Costs 2009 £'000	Operating Surplus/(deficit) 2009 £'000	Turnover 2008 restated* £'000	Operating Costs 2008 restated* £'000	Operating Surplus/(deficit) 2008 restated* £'000
Income and expenditure from lettings						
General needs housing	6,606	(4,598)	2,008	6,203	(3,884)	2,319
Supporting housing	4,883	(3,513)	1,370	5,207	(3,824)	1,383
Shared ownership	293	(290)	3	235	(121)	114
	<u>11,782</u>	<u>(8,401)</u>	<u>3,381</u>	<u>11,645</u>	<u>(7,829)</u>	<u>3,816</u>
Other social housing income and expenditure						
Care and support services	9,513	(9,603)	(90)	8,542	(8,623)	(81)
Other activities						
First tranche shared ownership sales	756	(618)	138	526	(474)	52
Home owners	207	(180)	27	205	(194)	11
Market rents and other income	194	(96)	98	253	(221)	32
	<u>1,157</u>	<u>(894)</u>	<u>263</u>	<u>984</u>	<u>(889)</u>	<u>95</u>
Impairment of investment**	-	(386)	(386)	-	-	-
Total	<u>22,452</u>	<u>(19,284)</u>	<u>3,168</u>	<u>21,171</u>	<u>(17,341)</u>	<u>3,830</u>

* Restated due to prior year adjustments – see note 2.

** Early in October 2008, the bank Kaupthing Singer and Friedlander went into administration. The Association had £772,000 deposited with this institution, which is currently subject to the administration process. The creditor progress report issued by the administrator, dated 17 April 2009, outlined that the return to creditors was projected to be a minimum of 50p in the £, and as such the Association considers that it is appropriate to make a provision of £386,000.

Trident Housing Association Limited and its subsidiary

Notes to the financial statements for the year ended 31 March 2009 (Continued)

4 Income and expenditure from lettings

Group and Association	General needs housing 2009 £'000	Supported housing 2009 £'000	Shared ownership 2009 £'000	Total 2009 £'000	Total 2008 restated* £'000
Income from lettings activities					
Rents receivable	5,773	2,821	259	8,853	8,328
Service charges receivable	833	1,423	34	2,290	2,379
Net rental income	<u>6,606</u>	<u>4,244</u>	<u>293</u>	<u>11,143</u>	<u>10,707</u>
Supporting people subsidy	-	267	-	267	571
Housing Corporation revenue grants	-	236	-	236	285
Other revenue grants and income	-	136	-	136	82
Turnover from lettings	<u><u>6,606</u></u>	<u><u>4,883</u></u>	<u><u>293</u></u>	<u><u>11,782</u></u>	<u><u>11,645</u></u>
Expenditure from lettings activities					
Supporting people direct costs	-	(248)	-	(248)	(580)
Services	(779)	(936)	(37)	(1,752)	(2,239)
Management	(1,772)	(1,321)	(131)	(3,224)	(2,311)
Responsive maintenance	(1,394)	(714)	(58)	(2,166)	(1,681)
Planned maintenance	(81)	(26)	(2)	(109)	(324)
Bad debts	(126)	(54)	(3)	(183)	(193)
Depreciation of housing properties	(446)	(214)	(59)	(719)	(501)
Operating costs on letting activities	<u>(4,598)</u>	<u>(3,513)</u>	<u>(290)</u>	<u>(8,401)</u>	<u>(7,829)</u>
Operating surplus on letting activities	<u>2,008</u>	<u>1,370</u>	<u>3</u>	<u>3,381</u>	<u>3,816</u>
Void losses	<u>(74)</u>	<u>(219)</u>	<u>-</u>	<u>(293)</u>	<u>(404)</u>

*Restated due to prior year adjustments – see note 2.

Trident Housing Association Limited and its subsidiary

Notes to the financial statements for the year ended 31 March 2009 (Continued)

5 Interest payable and similar charges

	2009 £'000	2008 £'000
Group and Association		
Bank loans and other loans repayable wholly or partly in more than five years	2,746	2,675
Deferred interest	181	164
Interest on RCGF and DPF	29	54
	<u>2,956</u>	<u>2,893</u>
Less: Capitalised	(44)	(31)
	<u>2,912</u>	<u>2,862</u>

The rate used to capitalise interest was 5.4%.

6 Operating surplus

The operating surplus for the year is stated after charging/(crediting):

	Group		Association	
	2009	2008 restated*	2009	2008 restated*
	£'000	£'000	£'000	£'000
Depreciation on housing properties	720	504	718	501
Depreciation on other tangible fixed assets	343	192	343	192
Rent losses from bad debts	192	204	192	204
Auditors' remuneration (including VAT):				
In their capacity as external auditors	21	17	20	16
Surplus on sale of other fixed assets	-	(6)	-	(6)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

*Restated due to prior year adjustments – see note 2.

7 Taxation

The Association and its subsidiary both have charitable status and therefore are not liable to pay Corporation Tax.

8 Staff costs

Group and Association (excluding temporary agency costs)	2009 £'000	2008 £'000
Wages and salaries	7,976	7,085
Social security costs	704	624
Other pension costs	387	326
	<u>9,067</u>	<u>8,035</u>
Average number of full-time equivalent persons (including the Chief Executive) employed during the year	Number	Number
Office staff	86	58
Care and support staff	297	288
Maintenance staff	10	15
Total employees	<u>393</u>	<u>361</u>

Trident Housing Association Limited and its subsidiary

Notes to the financial statements for the year ended 31 March 2009 (Continued)

9 Directors Emoluments			
Group and association	£		Number
Board member allowance entitlements were introduced on 1 October 2006 at the following rates:			
Chair	9,000		1
Vice Chair	4,500		1
Committee Chairs	3,500		3
Members	3,000		4

The allowances paid during the year amounted to £36,000 (2008: £36,000)

The emoluments of the directors as set out on page 2 were:

	2009 £'000	2008 £'000
Emoluments (including pension contributions and benefits in kind)	380	382
The emoluments of directors disclosed above (excluding pension contributions but including benefits in kind) include amounts paid to:		
The highest paid director	90	90

The Chief Executive is an ordinary member of the pension scheme. The pension scheme is a money purchase pension scheme funded by annual contributions by the employer and the employee. No enhanced or special terms apply. There are no additional pension arrangements.

Trident Housing Association Limited and its subsidiary

Notes to the financial statements
for the year ended 31 March 2009 (Continued)

10a Tangible fixed assets – Housing properties

Group	General needs		Shared ownership		Supported		Total
	Completed	Under construction	Completed	Under construction	Completed	Under construction	
Cost	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 April 2008 - previously reported	57,297	-	5,164	1,886	36,755	210	101,312
Restatement - first tranche sales*	-	-	409	(547)	-	-	(138)
Restatement - capitalisation*	1,172	-	-	-	190	-	1,362
At 1 April 2008 - restated*	58,469	-	5,573	1,339	36,945	210	102,536
Additions	2,441	1,093	356	672	2,219	3,867	10,648
Transfers from stock	-	-	610	-	-	-	610
Disposal	-	-	(179)	-	-	-	(179)
Schemes completed	-	-	2,011	(2,011)	-	-	-
At 31 March 2009	60,910	1,093	8,371	-	39,164	4,077	113,615
Social Housing Grant							
At 1 April 2008	31,171	-	2,072	-	20,783	-	54,026
Additions	-	431	-	-	448	252	1,131
Disposals	-	-	(35)	-	-	-	(35)
At 31 March 2009	31,171	431	2,037	-	21,231	252	55,122
Other grants							
At 1 April 2008 and 31 March 2009	95	-	-	-	1,043	-	1,138
Depreciation							
At 1 April 2008 - previously reported*	2,001	-	168	-	936	-	3,105
Restatement - housing depreciation*	87	-	-	-	16	-	103
At 1 April 2008 - restated*	2,088	-	168	-	952	-	3,208
Charge for the year	478	-	39	-	203	-	720
At 31 March 2009	2,566	-	207	-	1,155	-	3,928
Net book value							
At 31 March 2009	27,078	662	6,127	-	15,735	3,825	53,427
At 31 March 2008 - restated*	25,115	-	2,786	1,886	14,167	210	44,164

*Restated due to prior year adjustments – see note 2.

Total expenditure on works to existing properties amounted to £6,991,000 (2008 : £2,497,000). This has been split between amount capitalised of £5,094,000 and amount charged to the income and expenditure account of £1,897,000.

Trident Housing Association Limited and its subsidiary

Notes to the financial statements
for the year ended 31 March 2009 (Continued)

10b Tangible fixed assets – Housing properties

Association	General needs		Shared ownership		Supported		Total
	Completed	Under construction	Completed	Under construction	Completed	Under construction	
Cost	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 April 2008 – previously reported	57,135	-	5,164	1,886	36,755	210	101,150
Restatement - first tranche sales*	-	-	409	(547)	-	-	(138)
Restatement – capitalisation*	1,172	-	-	-	190	-	1,362
At 1 April 2008 – restated*	58,307	-	5,573	1,339	36,945	210	102,374
Additions	2,441	1,093	356	672	2,219	3,867	10,648
Transfers from stock	-	-	610	-	-	-	610
Disposal	-	-	(179)	-	-	-	(179)
Schemes completed	-	-	2,011	(2,011)	-	-	-
At 31 March 2009	60,748	1,093	8,371	-	39,164	4,077	113,453
Social Housing Grant							
At 1 April 2008	31,171	-	2,072	-	20,783	-	54,026
Additions	-	431	-	-	448	252	1,131
Disposals	-	-	(35)	-	-	-	(35)
At 31 March 2009	31,171	431	2,037	-	21,231	252	55,122
Other grants							
At 1 April 2008 and 31 March 2009	95	-	-	-	1,043	-	1,138
Depreciation							
At 1 April 2008 - previously reported*	1,979	-	168	-	936	-	3,083
Restatement - housing depreciation*	87	-	-	-	16	-	103
At 1 April 2008	2,066	-	168	-	952	-	3,186
Charge for the year	476	-	39	-	203	-	718
At 31 March 2009	2,542	-	207	-	1,155	-	3,904
Net book value							
At 31 March 2009	26,940	662	6,127	-	15,735	3,825	53,289
At 31 March 2008	24,975	-	2,786	1,886	14,167	210	44,024

*Restated due to prior year adjustments – see note 2.

Total expenditure on works to existing properties amounted to £6,991,000 (2008 : £2,497,000).

This has been split between amount capitalised of £5,094,000 and amount charged to the income and expenditure account of £1,897,000

Trident Housing Association Limited and its subsidiary

Notes to the financial statements for the year ended 31 March 2009 (Continued)

11 Tangible fixed assets Group and Association	Leasehold office £'000	Plant and equipment £'000	Total £'000
Cost			
At 1 April 2008	1,213	5,493	6,706
Additions	-	1,112	1,112
Disposals	-	(3)	(3)
At 31 March 2009	1,213	6,602	7,815
Depreciation			
At 1 April 2008	337	4,539	4,876
Charge for the year	24	319	343
Eliminated on disposal	-	(1)	(1)
At 31 March 2009	361	4,857	5,218
Net book value			
At 31 March 2009	852	1,745	2,597
At 31 March 2008	876	954	1,830

12 Fixed asset investments – Group undertakings

As at 31 March 2009, the Association had the following three group undertakings:

Trident Charitable Housing Association Limited

Trident Housing Association owns all twelve ordinary shares of £1 each in Trident Charitable Housing Association Limited, a charitable association whose rules vest control in the Association.

All transactions between the two entities are carried out so neither party makes a surplus or deficit on the transaction.

Trident Sphere

Trident Housing Association at all times will have a majority of the votes in Trident Sphere, a charitable association and company limited by guarantee. It was incorporated on 28th November 2008 and has not traded to date.

Trident Star Limited

Trident Housing Association is the sole shareholder in Trident Star Limited, a company limited by shares. It was incorporated on 27th March 2009 and has not traded to date.

13 Stocks

Group and Association	2009 £'000	2008 restated* £'000
Property stock for sale	293	973
Maintenance materials and tenant amenities stocks	3	3
	296	976

*Restated due to prior year adjustments – see note 2.

Trident Housing Association Limited and its subsidiary

Notes to the financial statements for the year ended 31 March 2009 (Continued)

14 Debtors

Group and Association	2009 £'000	2008 £'000
Amount falling due within one year		
Rental debtors	1,255	880
Less: Provision for bad debts	(940)	(567)
	<u>315</u>	<u>313</u>
Other debtors	220	336
Prepayments and accrued income	1,052	1,109
	<u>1,587</u>	<u>1,758</u>

15 Creditors: amounts falling due within one year

	Group		Association	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000
Housing loans	2,836	745	2,836	745
Trade creditors	837	957	837	957
Other taxation and social security costs	200	191	200	191
Accruals and deferred income	1,203	2,239	1,200	2,239
Due to subsidiary	-	-	198	175
Recycled capital grant fund	-	198	-	198
	<u>5,076</u>	<u>4,330</u>	<u>5,271</u>	<u>4,505</u>

Movements on recycled capital grant fund

	2009 £'000	2008 £'000
Opening balance	198	444
Inputs to reserve:		
Grants recycled	35	17
Interest accrued	4	22
Outputs from reserve:		
Major repairs	(237)	(285)
Closing balance	<u>-</u>	<u>198</u>
Amount due for repayment to the Housing Corporation, £Nil		

Trident Housing Association Limited and its subsidiary

Notes to the financial statements for the year ended 31 March 2009 (Continued)

16 Creditors: amounts falling due after more than one year

Group and Association	2009 £'000	2008 £'000
Housing loans	44,058	38,245
Amortisation of loan fees	(71)	(42)
Disposal proceeds fund	921	890
	<u>44,908</u>	<u>39,093</u>

Housing loans are secured by specific charges on the Association's housing properties and are repayable at rates of interest varying between 4.5% and 12.5%.

Movements on disposals proceeds fund

	2009 £'000	2008 £'000
Opening balance	890	-
Reclassification from creditor due less than one year	-	799
Inputs to reserve:		
Realised profits	6	37
Grants recycled	-	11
Interest accrued	25	43
Closing balance	<u>921</u>	<u>890</u>

Amount due for repayment to the Housing Corporation, £Nil (2008: £Nil).

The housing loans are repayable as follows:	2009 £'000	2008 £'000
Housing loans repayable by instalments:		
Between one to two years	10,720	990
Between two and five years	2,159	2,967
Repayable after five years	26,179	27,788
	<u>39,058</u>	<u>31,745</u>
Wholly repayable after five years	5,000	6,500
	<u>44,058</u>	<u>38,245</u>

The loans repayable between one and two years include £10 million which has a repayment date of 18 April 2010. Trident are currently obtaining proposals for future loan funding which will enable this loan to be repaid or rolled into a new facility.

Trident Housing Association Limited and its subsidiary

Notes to the financial statements for the year ended 31 March 2009 (Continued)

17 Share capital – Group and Association

	2009 £	2008 £
At start of financial year	41	41
Issued during the year	1	-
Cancelled during the year	-	-
At end of financial year	<u>42</u>	<u>41</u>

Shares carry no right to a dividend or a distribution on winding up. Shareholders have a right to vote at the annual general meeting. When a shareholder ceases to be a shareholder their share is cancelled and becomes the property of the Association.

18 Reserves

	Group income & expenditure £'000	Association income & expenditure £'000
At 1 April 2007 -- as previously reported	4,062	3,450
Restatement*	457	457
At 1 April 2007 - restated	<u>4,519</u>	<u>3,907</u>
Surplus for the year --restated	1,806	1,769
Net actuarial gain on pension	1,389	1,389
At 31 March 2008 - restated	<u>7,714</u>	<u>7,065</u>
Surplus for the year	410	394
Net actuarial loss on pension	(1,702)	(1,702)
At 31 March 2009	<u>6,422</u>	<u>5,757</u>

*Restated due to prior year adjustments – see note 2.

19 Sale of properties

Group and Association

	Shared ownership: further tranches £'000	Total 2009 £'000	Total 2008 £'000
Proceeds of sales	156	156	1,057
Less: costs of sale	(46)	(46)	(381)
Transferred to disposal proceeds fund (see note 16)	-	-	(47)
	<u>110</u>	<u>110</u>	<u>629</u>

Trident Housing Association Limited and its subsidiary

Notes to the financial statements for the year ended 31 March 2009 (Continued)

20 Units in management and development

	2009 Number	2008 Number
Group		
In management		
General needs		
Self contained	1,571	1,535
Shared bedspaces	3	3
Market rents	40	28
Supported housing		
Self contained	261	273
Shared bedspaces*	294	293
Registered care home bedspaces	57	57
Sheltered	363	365
Home ownership		
Shared ownership	123	128
Home owners	365	365
Commercial properties – non social housing units	10	10
	<u>3,087</u>	<u>3,057</u>
Under development		
General needs		
Self contained	26	23
Supported housing		
Self contained	29	15
Home ownership		
Shared ownership	-	13
	<u>55</u>	<u>51</u>

*Included in the above Group figures are 12 shared housing bedspaces (2008:12) included in the financial statements of the subsidiary company. All other units are managed by, or under the development of, the Association.

Trident Housing Association Limited and its subsidiary

Notes to the financial statements for the year ended 31 March 2009 (Continued)

21 Pension obligations

Group and Association

A. Defined Benefits Scheme

The company sponsors Trident Housing Association Retirement and Death Benefits Plan which is a defined benefit arrangement. The scheme was closed to new entrants and frozen as at 31 March 2002.

The last full actuarial valuation of this scheme was carried out by a qualified independent actuary as at 6 April 2006 and this has been adjusted and updated to 31 March 2009 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

The contributions made by the employer over the financial year were £238,000 (2008 £220,000). Under the schedule of contributions, the employer will pay £20,450 per month to the scheme from April 2009, increasing each year at 3% per annum. This contribution rate is to continue until reviewed following the triennial valuation of the scheme due as at 6 April 2009. Expenses and life assurance premiums are paid by the employer direct to the providers.

Present values of scheme liabilities, fair value of assets and surplus (deficit)

	2009 £'000	2008 £'000	2007 £'000
Assets	4,063	5,413	5,686
Liabilities	(7,305)	(7,144)	(8,964)
Deficit	<u>(3,242)</u>	<u>(1,731)</u>	<u>(3,278)</u>

There were no unrecognised surpluses or deferred tax balances associated with the scheme at any of the above dates.

Reconciliation of opening and closing balances of the present value of the scheme liabilities

	2009 £'000	2008 £'000
Scheme liabilities at start of period	7,144	8,964
Interest cost	470	478
Actuarial losses/(gains)	167	(2,062)
Benefits paid and death in service insurance premiums	(476)	(236)
	<u>7,305</u>	<u>7,144</u>

Reconciliation of opening and closing balances of the fair value of scheme assets

	2009 £'000	2008 £'000
Fair value of scheme assets at start of period	5,413	5,686
Expected return on scheme assets	423	416
Actuarial losses	(1,535)	(673)
Contributions by the Group	238	220
Benefits paid and death in service insurance premiums	(476)	(236)
	<u>4,063</u>	<u>5,413</u>

Trident Housing Association Limited and its subsidiary

The actual loss on the scheme assets over the period ending 31 March 2009 was £1,112,000.

Notes to the financial statements for the year ended 31 March 2009 (Continued)

21 Pension obligations (continued)

Total expense recognised in the income and expense account

	2009 £'000	2008 £'000
Interest cost	470	478
Expected return on scheme assets	(423)	(416)
	<u>47</u>	<u>62</u>

Statement of total recognised surpluses and deficits

	2009 £'000	2008 £'000
Difference between expected and actual return on scheme assets: Amount: (loss)	(1,535)	(673)
Effects of changes in the demographic and financial assumptions underlying the present value of the scheme liabilities: Amount: (loss)/gain	(167)	2,062
	<u>(1,702)</u>	<u>1,389</u>

Assets

	2009 £'000	2008 £'000	2007 £'000
Equities	2,903	4,423	4,762
Bonds	606	503	533
Property	31	42	62
Cash	406	330	198
Insured pensions	117	115	131
	<u>4,063</u>	<u>5,413</u>	<u>5,686</u>

None of the fair values of the assets shown above include any of the Group's own financial instruments or any property occupied by, or other assets used by, the Group.

Assumptions

	2009 % per annum	2008 % per annum	2007 % per annum
Inflation	3.2	3.7	3.3
Rate of discount	6.7	6.8	5.4
Pension in payment increases	5.0	5.0	5.0
Revaluation rate for deferred pensioners	5.0	5.0	5.0
Allowance for commutation of pension for cash at retirement	Yes	Yes	Yes

The mortality assumptions adopted at 31 March 2009 imply the following life expectancies at age 65:

Male currently aged 40	23.3 Years
Female currently aged 40	26.1 Years
Male currently aged 65	22.0 Years
Female currently aged 65	24.9 Years

Trident Housing Association Limited and its subsidiary

Notes to the financial statements for the year ended 31 March 2009 (Continued)

21 Pension obligations (continued)

Expected long term rate of return

The long term expected rate of return on cash is determined by reference to bank base rates at the balance sheet dates. The long term expected return on bonds is determined by reference to UK long dated government and corporate bond yields at the balance sheet date. The long term expected rate of return on equities is based on the dividend yield, the assumption for RPI and as allowance for real dividend growth. The long term expected rate of return on property is based on the rental yield and an allowance for rental growth.

	2009 per annum	2008 per annum
Equity	8.50%	7.75%
Bonds	5.50%	5.00%
Property	7.75%	7.75%
Cash	5.50%	5.25%
Insured pensions	6.80%	5.40%
	8.00%	7.35%

Amounts for the current and previous four years

	2009 £'000	2008 £'000	2007 £'000	2006 £'000	2005 £'000
Fair value of scheme assets	4,063	5,413	5,686	5,121	3,828
Present value of scheme liabilities	(7,305)	(7,144)	(8,964)	(9,204)	(7,941)
Deficit in scheme	(3,242)	(1,731)	(3,278)	(4,083)	(4,113)
Experience adjustment on scheme assets	(1,535)	(673)	8	(877)	(152)

The best estimate of contributions to be paid by the Group to the scheme for the period beginning after 31 March 2009 is £245,000.

B: Money Purchase Scheme

With effect from 1 April 2002 a new money purchase scheme was set up and is open to all staff.

The contributions made by the employer over the financial year in respect of the money purchase scheme were £111,000 (2008: £119,000). The average number of staff in scheme during the year was 79 (2008: 77).

The Chief Executive's pension arrangements are that:

- i) he is an ordinary member of the pension schemes;
- ii) no enhanced or special items apply;
- iii) there are no individual pension arrangements to which the Group makes a contribution.

Trident Housing Association Limited and its subsidiary

Notes to the financial statements for the year ended 31 March 2009 (Continued)

22 Capital Commitments

	2009 £'000	2008 £'000
Group and Association		
Capital expenditure contracted for but not provided for in the financial statements	1,545	6,512
	<u>1,545</u>	<u>6,512</u>
Capital expenditure authorised but not yet Contracted for in the financial statements	8,541	10,351
	<u>8,541</u>	<u>10,351</u>

The Board expect the expenditure they have authorised to be fully financed by SHG, loan finance or other capital grants.

23 Other financial commitments

Group and Association

At 31 March 2009 the Association was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2010.

	Land and buildings £'000	Other £'000
Operating leases which expire		
Within 1 year	-	8
Within 2 to 5 years	2	13
After more than 5 years	77	-
	<u>79</u>	<u>21</u>
	<u>79</u>	<u>21</u>

24 Related party transactions

Certain members of the Board are also tenants of the Association. Their tenancies are on normal commercial terms and they cannot use their position to their advantage.

25 Legislative provisions

The Association and its subsidiary are both incorporated under the Industrial and Provident Societies Act 1965 are registered social landlords and exempt charities.

Trident Housing Association Limited and its subsidiary

Notes to the financial statements for the year ended 31 March 2009 (Continued)

26 Consolidated cash flow statement

	2009 £'000	2008 £'000 restated*		
a Reconciliation of operating surplus to net cash flow from operating activities				
Operating surplus for the year	3,173	3,849		
Depreciation charges - Housing properties	720	504		
- Other fixed assets	342	191		
Surplus on sale and write off of other fixed assets	-	(6)		
Movement in housing stocks	203	(72)		
Movement in debtors	171	1,830		
Revenue grant transferred from creditors	(237)	(285)		
Movement in creditors	(1,087)	683		
Net cash inflow from operating activities	<u>3,285</u>	<u>6,694</u>		
b Reconciliation of net cash flow to movement in net debt				
(Decrease)/increase in cash	(2,399)	725		
Cash outflow from increase in debt	(7,632)	(726)		
Change in net debt resulting from cash flows	(10,031)	(1)		
Other non cash changes	(243)	(164)		
Movement in net debt in the year	(10,274)	(165)		
Net debt at 1 April 2008 and 1 April 2007	(34,808)	(34,643)		
Net debt at 31 March 2009 and 31 March 2008	<u>(45,082)</u>	<u>(34,808)</u>		
c Analysis of changes in net debt				
	At 1 April 2008	Cash flows	Other non cash charges	At 31 March 2009
	£'000	£'000	£'000	£'000
Cash at bank and in hand	4,140	(2,399)	-	1,741
Housing loans due within one year	(745)	2	(2,093)	(2,836)
Housing and non-housing loans due after one year	(38,203)	(7,634)	1,850	(43,987)
	<u>(34,808)</u>	<u>(10,031)</u>	<u>(243)</u>	<u>(45,082)</u>

*Restated due to prior year adjustments – see note 2.