

Blackpool Coastal Housing Limited

(a company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2010



Blackpool Coastal Housing Limited (a company limited by guarantee)

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Blackpool Coastal Housing Limited (a company limited by guarantee)

ADMINISTRATIVE INFORMATION

BOARD OF DIRECTORS

Non- Executive Directors (Voting)

Tenant board members

Bill Rogers (Vice Chair) (2) (1)

Alison Stringer (3) (2)

Doreen Wightman (Chair) (4)

Caroline Cook (2) (1)

Janet Stirling (3)

Council nominated board members

Cllr Jim Houldsworth (1)

Cllr Ron Bell (2)

Cllr Joan Greenhalgh (4)

Cllr Simon Blackburn (1)

Cllr Tim Cox (2)

Independent board members

Judith Mills (3)

Diane Bellinger (4)

Carol Hall (4)

Paul Whitehead (1)

Alan Marsh (2) (4)

The Non-Executive Directors were members of the following Board Committees within the year ended 2010, as indicated;

(1) Member of the Finance & Audit committee

(2) Member of the Asset Management committee

(3) Member of the Operations committee

(4) Member of Human Resources committee

Executive Directors (Non –Voting)

Peter Jefferson resigned 1st May 2009

Peter Whittaker resigned 1st May 2009

The Executive Directors were appointed at the date of incorporation, 6 July 2006 and resigned in May 2009 following a review of the governance arrangements but continue to be members of the Senior Management Team.

SENIOR MANAGEMENT TEAM

Peter Jefferson

Chief Executive

Peter Whittaker

Company Secretary

Neil Jack

Director of Finance & Resources

Maggie Cornall

Director of Housing Services

Cyril Holland

Director of Property Services

Blackpool Coastal Housing Limited (a company limited by guarantee)

ADMINISTRATIVE INFORMATION

REGISTERED OFFICE

Progress House
Clifton Road
Blackpool
Lancashire
FY4 4US

AUDITORS

Baker Tilly UK Audit LLP
Registered Auditor
Chartered Accountants
3 Hardman Street
Manchester
M3 3HF

BANKERS

National Westminster Bank plc
20 Corporation Street
Blackpool
Lancashire
FY1 1ER

SOLICITORS

Legal & Democratic Services
Blackpool Council
Town Hall
Blackpool
FY1 1NB

Blackpool Coastal Housing Limited (a company limited by guarantee)

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 March 2010.

INCORPORATION

Blackpool Coastal Housing Limited ("the Company") was incorporated on 6 July 2006 and commenced operations on 15 January 2007 as a result of entering into a fifteen year management agreement between Blackpool Council and the Company.

PRINCIPAL ACTIVITIES

The Company's principal business activities are to manage, maintain and improve the social rented housing stock of Blackpool Council.

CONSTITUTION

The Company is incorporated as a private company limited by guarantee under the Companies Act 2006. As such it has no share capital and is effectively owned by its sole member, Blackpool Council.

BUSINESS REVIEW AND RESULTS FOR THE PERIOD

The year ended 31 March 2010 was the third full year of operation for the Company and the financial result was a surplus of £746,000 (pre adjustment for FRS 17).

The Company's turnover for the year was £12,156,000 with a pre tax surplus of £642,000. The reduction of the surplus from £746,000 to £642,000 is as a result of the adjustments required by the recognition of the pension liability accounted for under Financial Reporting Standard (FRS) 17.

Excluding the FRS 17 adjustments a surplus of £746,000 for the year would have been reported. The reconciliation between the two figures is set out below reversing the FRS 17 adjustment currently shown as a cost within the income & expenditure account.

	Yr ended 31 March 2010	Yr ended 31 March 2009
	£ '000	£ '000
Surplus for the period under FRS 17	642	155
Operating charge under FRS17	347	486
Actual pension contributions	(363)	(324)
Return on employer assets	(343)	(421)
Interest on pension liabilities	463	470
FRS 17 adjustment in the period	<u>104</u>	<u>211</u>
Surplus for the period excluding FRS 17	<u>746</u>	<u>366</u>

Vision Statement – Working Together to Achieve Quality Living

Blackpool Coastal Housing (BCH):

Will be 'One Team' – where everyone identifies with the Company as a whole not just with the area in which they work

Will have 'One Culture' - where tenants views are at the heart of all decision-making and customer and staff involvement not only inform, but also lead the development of services in the community

Will share 'One Vision' to be the best housing management service in the North West, and to be an excellent employer providing services our staff are proud to deliver and our customers are delighted to receive.

Blackpool Coastal Housing Limited (a company limited by guarantee)

DIRECTORS' REPORT

Mission Statement

In delivering its Vision BCH will:

- Effectively manage the investment in Blackpool Council's housing stock to ensure it meets the Decent Homes Standard and meets the additional standards developed by customers (Decent Homes Plus)
- Continually improve services to tenants
- Extend the empowerment of tenants in the management of their homes and the services they receive
- Contribute to the wider regeneration and sustainability of the communities of Blackpool by entering into partnerships with appropriate organisations by training and, where possible, by employing local people
- Provide value for money to tenants, Blackpool Council and the wider community
- Become one of the Sunday Times Top 100 best companies to work for
- Minimise the detrimental impact the organisation has upon the environment

Values Statement

- BCH puts people at the heart of everything it does, valuing staff and empowering customers to be involved in decision making in a spirit of openness
- In improving and developing its services BCH balances the aspirations of its customers and the ideas of its staff with value for money and cost effective services
- BCH is committed to partnership and works with all of its stakeholders to provide services that meet the needs of customers
- BCH strives to improve continually, puts things right quickly in the event things go wrong and learns so that it does not happen again
- BCH offers fair access and treatment to all customers and employees regardless of age, race, sex, disability, sexual orientation or religion

Equalities Statement

Blackpool Coastal Housing is committed to providing services that meet the needs of all sections of the community housed by Blackpool Council, living near properties managed by BCH or seeking access to or information on housing services in the Blackpool area.

We seek to ensure that access, services and opportunities are equal, regardless of race, religion, culture, nationality, ethnic background, colour, disability, gender, sexuality, age, literacy, income level and marital status.

BCH is also committed to developing a workforce and a democratic Board that reflects the community it serves. We seek to be an employer that values and develops the skills and abilities of people from different backgrounds.

BCH operates a Single Equality Scheme to ensure that all policies and procedures comply with the requirements of the Equality Acts 2006 and 2010. A programme is in place to ensure that all BCH policies and procedures are assessed for their equality impact and BCH has ensured that all staff have received and will continue to receive regular equality and diversity training.

Services Provided

BCH is responsible for administering all landlord housing services, including the Building Maintenance Direct Workforce, which delivers the Day to Day and Void Housing Repairs Services. BCH is also responsible for determining and implementing cyclical and planned maintenance programmes, including the capital funded Decent Homes Programme. The second year completed in 2009-10 on time, to budget and with exceptionally high levels of customer satisfaction.

Supported Housing Services are provided for vulnerable tenants, particularly older people and homeless people, including a Sheltered Housing Service and an Emergency Housing Service. These responsibilities are delivered

Blackpool Coastal Housing Limited (a company limited by guarantee)

DIRECTORS' REPORT

by BCH under the Supporting People Programme, through a contracting agreement with Blackpool Council. Contracting agreements are also in place to allow BCH to manage the Travellers Site and the Re-assurance Project on Grange Park.

The functions delegated to BCH can be summarised as:

- Income collection
- Tenant information and consultation on matters which are the responsibility of BCH
- Tenant participation, including involvement in monitoring and review of service standards
- Anti-Social Behaviour management
- Enforcement of tenancy conditions
- Similar functions for leaseholders
- Stock investment decisions
- Responsive repairs
- Planned and cyclical maintenance
- Managing lettings, voids and under occupation
- Tenancy sign up and allocation
- Estate management and caretaking; and
- Sheltered Housing Service

The functions retained by the Council include:

- Overall housing strategy and enabling
- Determining policies on lettings and anti-social behaviour (in consultation with BCH) and rents
- Managing the Supporting People programme
- Homelessness, general housing advice
- Administration of the Housing Register

Future Developments

The BCH Business Plan identifies the actions that BCH will take towards becoming an excellent housing management organisation including:

- Improving the way we manage our performance to provide even better value for money whilst continuing to meet the needs of our customers
- Making our services more accessible to more people
- Providing our services to standards set by our customers
- Communicating even more effectively with our customers and partners
- Making more improvements to services based on what our customers tell us they want
- Providing our Board with more training and resources to support their decision making
- Learning more about our customers so that we can meet their needs more effectively
- Providing opportunities to customers who would not normally get involved to get involved and stay involved
- Attracting more funding to enable us to do the things our customers want us to do
- Making sure that our customers are happy with the services that they ask for
- Working more with our partners and with communities to make differences that our customers tell us that they want
- Continuing to improve the homes that people live in to standards set by the Government and by customers
- Getting even more high standard repairs done even more quickly
- Reducing even further the amount of time properties are empty
- Completing disability equipment and adaptations work even more quickly and efficiently
- Providing an even broader range of support to customers who may be having difficulty sustaining their tenancy
- Working more closely with our partners to tackle anti-social behaviour and address the issues our customer have about the area in which they live

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DIRECTORS' REPORT

- Continuing to increase the effectiveness of the income and debt recovery service
- Further minimising the loss of rent income by taking prompt action to support people in difficulty
- Involving leaseholders more in the way their services are run and improving communications with them
- Providing more opportunities for leaseholders to buy into bulk contracts
- Making sure that the recently tendered grounds maintenance contract continues to be cost effective and meets the needs of customers

PRINCIPAL RISKS AND UNCERTAINTIES

The directors have fully considered all major known risks and uncertainties, which may affect the Company in the foreseeable future. The directors believe that there are no major known risks or uncertainties that are currently likely to affect the Company.

FINANCIAL INSTRUMENTS

The Company's operations expose it to minimal financial risks including the effects of credit risk.

As the company does not have material exposures in the area identified above, consequently it does not use derivative instruments to manage this exposure.

The Company's principal financial instruments comprise sterling cash and bank deposits together with trade debtors and trade creditors that arise directly from its operations. The Company's principal debtor is Blackpool Council, therefore this is not considered to be a risk.

DIRECTORS

Under the Memorandum and Articles of Association the 15 non-executive directors represent the local community:

- Five Blackpool Council nominees
- Four Blackpool Council tenants and one leaseholder
- Five Independent members

The directors who served during the year are shown on Page 1. Non-executive directors were appointed on and served throughout the period and subsequently, except where indicated. Executive directors were appointed at the date of incorporation, 6 July 2006, and resigned in May 2009.

Third party indemnity insurance was in place for the Directors during the period. The directors have no interests in the Company.

RETIREMENT PROVISIONS

In accordance with the Articles of Association at the second annual general meeting two Tenant Board members and two Independent Board members shall retire, being those Board members longest in office. In the event that more than two of the longest serving Tenant or Independent Board Members have an equal period of service at that time the Board members to retire shall be chosen by the drawing of lots from amongst them. Two Tenant Board members and two Independent Board members shall retire in the same manner at the third annual general meeting and one Tenant Board member and one Independent Board member shall retire at the fourth annual general meeting. This cycle of retirements shall be repeated in subsequent years.

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DIRECTORS' REPORT

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

CHARITABLE DONATIONS

The company made no charitable donations during the year.

AUDITORS

A resolution for the re-appointment of Baker Tilly UK Audit LLP was approved at the annual general meeting held on 21 September 2010.

By order of the board



Peter Whittaker
Company Secretary
21st September 2010

Blackpool Coastal Housing Limited (a company limited by guarantee)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The directors are also responsible for the maintenance and integrity of the corporate and financial information on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in the annual reports may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF BLACKPOOL COASTAL HOUSING LIMITED (A COMPANY LIMITED BY GUARANTEE)

We have audited the financial statements on pages 10 to 22. 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).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As more fully explained in the Directors' Responsibilities Statement set out on page 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2010 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' 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 Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Baker Tilly UK Audit LLP

28th September 2010

Keith Ward ACA (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
3 Hardman Street
Manchester
M3 3HF

Blackpool Coastal Housing Limited (a company limited by guarantee)
INCOME AND EXPENDITURE ACCOUNT
For the year ended 31 March 2010

	<i>Notes</i>	2010 £ '000	2009 £ '000
Turnover	<i>1</i>	12,156	11,826
Operating expenses		(11,394)	(11,622)
OPERATING SURPLUS	<i>2</i>	<u>762</u>	<u>204</u>
Interest payable	<i>3</i>	(120)	(49)
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>642</u>	<u>155</u>
Taxation	<i>6</i>	-	-
SURPLUS ON ORDINARY ACTIVITIES AFTER TAXATION	<i>13</i>	<u><u>642</u></u>	<u><u>155</u></u>

All activities are continuing.

The notes and policies on pages 14 to 22 form part of these financial statements.

Blackpool Coastal Housing Limited (a company limited by guarantee)
STATEMENT OF TOTAL RECOGNISED SURPLUSES AND DEFICITS
For the year ended 31 March 2010

		2010	2009
	<i>Notes</i>	£ '000	£ '000
SURPLUS FOR THE YEAR	<i>13</i>	642	155
PENSION SCHEME SURPLUSES AND DEFICITS			
Actual return less expected return on pension scheme assets	<i>19</i>	1,437	(1,724)
Experienced surpluses and deficits arising on scheme liabilities	<i>19</i>	(3,112)	2,111
Changes in assumptions underlying the present value of scheme liabilities	<i>19</i>	-	-
		<u>(1,675)</u>	<u>387</u>
TOTAL RECOGNISED (LOSSES)/ SURPLUSES RELATING TO THE YEAR		<u><u>(1,033)</u></u>	<u><u>542</u></u>

Blackpool Coastal Housing Limited (a company limited by guarantee)

Company Registration No: 05868852

BALANCE SHEET

As at 31 March 2010

	<i>Notes</i>	2010 £ '000	2009 £ '000
FIXED ASSETS			
Tangible fixed assets	7	228	109
		228	109
CURRENT ASSETS			
Stock	8	29	31
Debtors	9	665	754
Cash at bank and in hand		2,921	2,056
		3,615	2,841
CREDITORS: amounts falling due within one year	10	(2,509)	(2,362)
		1,106	479
NET CURRENT ASSETS		1,106	479
NET ASSETS EXCLUDING PENSION LIABILITY		1,334	588
Pension liability	19	(2,919)	(1,140)
NET LIABILITIES INCLUDING PENSION LIABILITY		(1,585)	(552)
		1,334	588
CAPITAL AND RESERVES			
Income and Expenditure account	12	1,334	588
Pension Reserve	12	(2,919)	(1,140)
TOTAL DEFICIT	13	(1,585)	(552)
		(1,585)	(552)

The financial statements on pages 10 to 22 were approved by the Board of Directors and authorised for issue on 21 September 2010 and signed on its behalf by:



Doreen Wightman
Chair
21st September 2010



Bill Rogers
Vice Chair
21st September 2010

Blackpool Coastal Housing Limited (a company limited by guarantee)
Company Registration No: 05868852

BALANCE SHEET
As at 31 March 2010

Blackpool Coastal Housing Limited (a company limited by guarantee)

CASHFLOW STATEMENT

For the year ended 31 March 2010

	<i>Notes</i>	2010 £ '000	2009 £ '000
NET CASH INFLOW FROM OPERATING ACTIVITIES	<i>14</i>	1,071	770
Capital expenditure		(206)	(44)
	<i>15</i>	<u>865</u>	<u>726</u>
INCREASE IN CASH	<i>16</i>	<u>865</u>	<u>726</u>

There were no significant non-cash transactions in the period.

The notes and policies on pages 14 to 22 form part of these financial statements.

Blackpool Coastal Housing Limited (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2010

ACCOUNTING CONVENTION

The financial statements have been prepared under the historical cost convention and in accordance with applicable UK accounting standards.

GOING CONCERN

The Company's activities, together with the factors likely to affect its future development and position are set out in the Report of the Board of Directors.

On the basis of their assessment of the Company's financial position, the Company's directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

TURNOVER

Turnover represents fees for general property management, for managing housing on behalf of the Family Intervention Unit and the Child Accident Prevention Scheme, it is stated net of value added tax. All income is recognised at the point of service delivery.

TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost. Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Computer and I.T. Equipment	3 – 5 years
Vehicles, Plant and Equipment	3 – 5 years

STOCKS

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based upon estimated selling price less further costs expected to be incurred to disposal. Provision is made for obsolete and slow-moving items.

RETIREMENT BENEFITS

For defined benefit schemes the amount charged to the Income and Expenditure account in respect of pension costs and other post retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost. The interest cost and expected return on assets are included within other finance costs. Actuarial Surpluses and deficits arising from new valuations and from updating valuations to the balance sheet date are recognised in the Statement of Total Recognised Surpluses and deficits.

Defined benefit schemes are funded, with the assets held separately from the group in separate trustee administered funds. Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at each balance sheet date. The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency. A pension scheme asset is recognised on the balance sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the balance sheet date. A pension scheme liability is recognised to the extent that the company has a legal or constructive obligation to settle the liability.

VALUE ADDED TAX (VAT)

The Company is registered for VAT. VAT is charged on services provided to Blackpool Council and all VAT paid on purchases is fully recoverable.

OPERATING LEASES

Operating lease rentals are charged directly to the income & expenditure account in the year in which they are incurred. The value of leased assets is not reflected in the balance sheet.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2010

1	ANALYSIS OF TURNOVER	2010 £ '000	2009 £ '000
	Management fee from Blackpool Council	11,924	11,672
	Other Council Income	232	154
		<u>12,156</u>	<u>11,826</u>

Turnover represents the value, net of value added tax, of goods and services provided to third parties. The directors consider that the Company only operates in one business and geographical sector.

2	OPERATING SURPLUS	2010 £ '000	2009 £ '000
	This is stated after charging:		
	Depreciation of fixed assets	87	45
	Operating lease costs	34	34
	Auditors' remuneration - for audit services	17	19
		<u>138</u>	<u>98</u>

3	INTEREST PAYABLE	2010 £ '000	2009 £ '000
	Interest on pension scheme liabilities	463	470
	Expected return on pension scheme assets	(343)	(421)
		<u>120</u>	<u>49</u>

4	STAFF COSTS	2010 £ '000	2009 £ '000
	Wages and salaries	3,717	3,377
	Agency staff	126	127
	Social security costs	275	248
	Other pension costs	347	486
		<u>4,465</u>	<u>4,238</u>

Average number of employees during the period:

Senior management team	5	5
Property services	74	68
Housing services	67	63
Support services	22	22
Total	<u>168</u>	<u>158</u>

Blackpool Coastal Housing Limited (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2010

5	DIRECTORS & SENIOR MANAGEMENT TEAM REMUNERATION	2010 £ '000	2009 £ '000
	<u>Executive Directors remuneration</u>		
	Wages and salaries	9	105
	Other pension costs	1	13
		10	118
	<u>Other Members of the Senior Management Team</u>		
	Wages and salaries	255	141
	Other pension costs	31	17
		286	158
		296	276
	Directors & Senior Management Team accruing benefits under Company Pension Scheme		
	Directors	-	2
	Other members of Senior Management Team	5	3

The Executive Directors resigned as Directors of the Company in May 2009 following a review of the governance arrangements but continue to be members of the Senior Management Team. Their remuneration for the year is shown above as 1 month as Executive Directors, with the remaining 11 months included within Other Members of the Senior Management Team.

None of the non-executive directors received any remuneration or taxable benefits and none were members of the pension scheme.

6 TAXATION

HM Revenue and Customs have confirmed that the Company is exempt from corporation tax on its activities with Blackpool Council.

7	TANGIBLE FIXED ASSETS	Computer and IT equipment £ '000	Vehicles, Plant and Equipment £ '000	Total £ '000
	COST			
	As at 1 April 2009	53	142	195
	Additions	120	86	206
	As at 31 March 2010	173	228	401
	DEPRECIATION			
	As at 1 April 2009	34	52	86
	Charge for the period	40	47	87
	As at 31 March 2010	74	99	173
	NET BOOK VALUE			
	As at 31 March 2010	99	129	228
	As at 1 April 2009	19	90	109

Blackpool Coastal Housing Limited (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2010

8	STOCK	2010 £ '000	2009 £ '000
	Consumables	29	31
		<u>29</u>	<u>31</u>
9	DEBTORS: amounts falling due within one year	2010 £ '000	2009 £ '000
	Amounts due from Blackpool Council	654	752
	Other	11	2
		<u>665</u>	<u>754</u>
		<u>665</u>	<u>754</u>
10	CREDITORS: amounts falling due within one year	2010 £ '000	2009 £ '000
	<i>Amounts payable to Blackpool Council</i>		
	Deferred Income	100	222
	Accruals	1,070	827
	Other	525	783
	<i>Other Creditors</i>		
	Accruals	103	105
	Other taxes and social security	326	73
	Other creditors	385	352
		<u>2,509</u>	<u>2,362</u>
		<u>2,509</u>	<u>2,362</u>
	Included within other creditors is £46,000 (2009: nil) owed to the Lancashire County Pension Scheme.		
11	SHARE CAPITAL		
	The company is limited by guarantee and the liability of its member to contribute to any deficiency of assets is £1. The member has no rights to the income or assets of the company.		
12	RESERVES	2010 £ '000	2009 £ '000
	<i>Pension reserve</i>		
	As at 1 April 2009	(1,140)	(1,316)
	Deficit for the period relating to pension scheme	(104)	(211)
	Actuarial (loss)/gain relating to pension scheme	(1,675)	387
	At 31 March 2010	<u>(2,919)</u>	<u>(1,140)</u>
	<i>Income and expenditure reserve</i>		
	As at 1 April 2009	588	222
	Surplus for the period, non pension scheme	746	366
	At 31 March 2010	<u>1,334</u>	<u>588</u>
		<u>1,334</u>	<u>588</u>

Blackpool Coastal Housing Limited (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2010

13	RECONCILIATION OF TOTAL DEFICITS		2010	2009
			£ '000	£ '000
	Opening deficit at 1 April 2009		(552)	(1,094)
	Surplus for the period		642	155
	Actuarial (loss)/gain relating to pension scheme		(1,675)	387
			<u>(1,585)</u>	<u>(552)</u>
	Closing deficit at 31 March 2010		<u>(1,585)</u>	<u>(552)</u>
14	RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING SURPLUS ACTIVITIES		2010	2009
			£ '000	£ '000
	Operating surplus		762	204
	Depreciation of fixed assets		87	45
	Decrease/(Increase) in stocks		2	(6)
	Decrease/(Increase) in debtors		89	529
	(Decrease)/Increase in creditors		147	(164)
	Difference between pension scheme contributions and amounts charged to the income and expenditure account		(16)	162
	NET CASH INFLOW FROM OPERATING ACTIVITIES		<u>1,071</u>	<u>770</u>
15	RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS		2010	2009
			£'000	£'000
	Net funds at 1 April 2009		2,056	1,330
	Increase in cash in the period		865	726
			<u>865</u>	<u>726</u>
	Change in net funds		865	726
	Net funds at 31 March 2010		<u>2,921</u>	<u>2,056</u>
16	ANALYSIS OF CHANGES IN NET FUNDS	1 April 2009	Cash flows	31 March 2010
		£ '000	£ '000	£ '000
	Cash at bank and in hand	2,056	865	2,921
		<u>2,056</u>	<u>865</u>	<u>2,921</u>
17	ULTIMATE PARENT UNDERTAKING			

The Company is a wholly owned subsidiary of Blackpool Council, a local government organisation. No one party controls the Company as, under the Memorandum and Articles of Association, Blackpool Council can only appoint one third of the board, with the balance of directors being drawn from Council tenants (including leaseholders) and independent members of the wider community. The Council prepare consolidated group accounts which include Blackpool Coastal Housing. The consolidated group accounts of Blackpool Council are the only accounts that include the results of the Company.

Blackpool Coastal Housing Limited (a company limited by guarantee)

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For the year ended 31 March 2010

18 RELATED PARTY TRANSACTIONS

The Company has related party transactions with Blackpool Council. Management fees and other services are invoiced to the Council, details of this income is shown in Note 1. The Council has provided insurance, legal and other services to the company to the value of £2,888,000 (2009: £3,236,000). Payments have also been made to Blackpool Council for the use of Council owned assets. These payments have been charged to the Income and Expenditure account in the period. Details of the amounts due to and from Blackpool Council are set out in notes 9 and 10. Any surplus funds are placed on deposit with the Council.

The Company has Tenant Members of the Board, but it is the Company's policy that the tenancy of any tenant member of the Board is on normal commercial terms and they cannot use their position to their advantage.

19 RETIREMENT BENEFITS

The Company is an admitted member of the Lancashire County Pension Scheme, a local government funded defined benefit scheme. In December 2006 the Accounting Standards Board (ASB) made a number of changes to the FRS17 accounting standard. In the main, these changes related to the presentation of the figures and the disclosures rather than the underlying calculations themselves.

Blackpool Council has funded the deficit at 15 January 2007 (the date of transfer) for those Blackpool Council staff that transferred to the Company. As a result there was no pension deficit to transfer to the Company.

The Company's contribution rate during the year was 12.3% and will remain the same in 2010/11. Estimated employer contributions for 2010/11 are £363,000.

The assumptions and net assets and liabilities of the element of the scheme relating to the company were:

	31 March 2010	31 March 2009	31 March 2008	31 March 2007
ASSUMPTIONS	% p.a.	% p.a.	% p.a.	% p.a.
Rate of inflation	3.5	3.3	3.6	3.1
Rate of increase in salaries	5.25	5.05	5.35	4.85
Rate of increase in pensions	3.5	3.3	3.6	3.1
Discount rate	5.7	7.1	6.1	5.4

	31 March 2010		31 March 2009		31 March 2008		31 March 2007	
FAIR VALUE AND EXPECTED RETURNS ON ASSETS	Value £'000	Long- term rate of return expected %	Value £'000	Long- term rate of return expected %	Value £'000	Long- term rate of return expected %	Value £'000	Long- term rate of return expected %
Equities	4,907	7.5	3,144	7.5	3,837	7.5	3,327	7.5
Government bonds	520	4.5	401	4.0	438	4.6	435	4.7
Other bonds	892	5.2	632	6.0	925	6.1	647	5.4
Property	372	6.5	380	6.5	370	6.5	362	6.5
Cash	297	0.5	252	0.5	204	5.25	233	5.25
Other	446	7.5	329	7.5	395	7.5	171	7.5
Total	7,434		5,138		6,169		5,175	

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2010

19 RETIREMENT BENEFITS continued

The expected rate of return on plan assets is based on market expectations, at the beginning of the period, for investment returns over the entire life of the related obligation. The assumption used is the average of the following assumptions appropriate to the individual asset classes weighted by the proportion of the assets in the particular asset class. The rates quoted are gross of expenses.

	31 March 2010 £'000	31 March 2009 £'000	31 March 2008 £'000	31 March 2007 £'000
Fair value of assets	7,434	5,138	6,169	5,175
Value placed on liabilities	(10,353)	(6,278)	(7,485)	(6,503)
Net Pension Deficit	(2,919)	(1,140)	(1,316)	(1,328)
ANALYSIS OF THE AMOUNT CHARGED TO OPERATING DEFICIT			2010 £ '000	2009 £ '000
Current service cost			347	486
Past service costs			-	-
Total operating charge			347	486
ANALYSIS OF THE AMOUNT CHARGED TO FINANCE COSTS			2010 £ '000	2009 £ '000
Expected return on assets			343	421
Interest on pension liabilities			(463)	(470)
Net charge			(120)	(49)
ANALYSIS OF AMOUNT RECOGNISED IN STATEMENT OF TOTAL RECOGNISED SURPLUSES AND DEFICITS (STRSD)			2010 £ '000	2009 £ '000
Actual return less expected return on pension scheme assets			1,437	(1,724)
Experience gains and losses arising on scheme liabilities			(3,112)	2,111
Changes in assumptions underlying the present value of scheme liabilities			-	-
Actuarial (deficit)/surplus recognised in STRSD			(1,675)	387
AMOUNT RECOGNISED IN STATEMENT OF TOTAL RECOGNISED SURPLUSES AND DEFICITS (STRSD)			Year ended 31 March 2010	Year ended 31 March 2009
Actuarial (loss)/gain in STRSD	(1,675)	387	239	(1,294)
Cumulative gain/(loss) in STRSD	(2,343)	(668)	(1,055)	(1,294)
Actual return on plan assets	1,780	1,292	380	6.5

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2010

19 RETIREMENT BENEFITS continued

HISTORY OF EXPERIENCE SURPLUSES AND DEFICITS	Year ended 31 March 2010	Year ended 31 March 2009	Year ended 31 March 2008	Period ended 31 March 2007
Difference between expected and actual return on share of scheme assets:				
Amount (£'000)	1,437	(1,713)	(433)	(13)
Percentage of share of scheme assets	19.3	33.3	7.0	0.3
Experience gains and (losses) on share of scheme liabilities:				
Amount (£'000)	(3,112)	2,100	917	(1,583)
Percentage of present value of share of scheme liabilities	30.1	33.5	12.3	24.3
Total amount recognised in statement of total recognised surpluses and deficits:				
Amount (£'000)	(1,675)	387	239	(1,294)
Percentage of the present value of share of scheme liabilities	16.2	6.2	3.2	19.9

CHANGE IN BENEFIT OBLIGATION DURING YEAR TO 31 MARCH

	£'000 2010	£'000 2009
Benefit Obligation at beginning of period	6,278	7,485
Current Service Cost	347	486
Interest on Pension Liabilities	463	470
Member Contributions	197	175
Past Service Cost	-	-
Actuarial losses/(gains) on liabilities	3,112	(2,111)
Benefits/Transfers paid	(44)	(227)
Benefit Obligation at end of period	<u>10,353</u>	<u>6,278</u>

CHANGE IN PLAN ASSETS DURING YEAR TO 31 MARCH

	£'000 2010	£'000 2009
Fair value of plan assets at beginning of period	5,138	6,169
Expected return on plan assets	343	421
Actuarial gains/ (losses) on assets	1,437	(1,724)
Employer contributions	363	324
Member Contributions	197	175
Benefits/transfers paid	(44)	(227)
Fair value of plan assets at end of period	<u>7,434</u>	<u>5,138</u>

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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2010

19 RETIREMENT BENEFITS continued

MOVEMENT IN DEFICIT DURING THE PERIOD	Year ended 31 March 2010 £'000	Year ended 31 March 2009 £'000
Deficit in scheme at beginning of the period	(1,140)	(1,316)
Current service cost	(347)	(486)
Past service costs	-	-
Employer contributions	363	324
Net interest on assets	(120)	(49)
Actuarial (losses)/gains	(1,675)	387
Deficit in scheme at end of the period	<u>(2,919)</u>	<u>(1,140)</u>

A deferred tax asset has not been recognised on the pension liability as it is not expected to be recoverable due to the expected future tax position of the company.

20 COMMITMENTS UNDER OPERATING LEASES

At 31 March 2010 the Company had annual commitments under non-cancellable operating leases set out below:

	2010		2009	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
OPERATING LEASES WHICH EXPIRE:				
Within 1 year	-	-	-	-
Within 2 to 5 years	-	35	-	35
After more than 5 years	99	-	-	-
	<u>99</u>	<u>35</u>	<u>-</u>	<u>35</u>