



Annual Report & Accounts

For the year ended
31st March 2011



CONTOUR HOUSING GROUP LIMITED
ANNUAL REPORT & ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 2011

TENANT SERVICES AUTHORITY NUMBER: LH4419
INDUSTRIAL AND PROVIDENT SOCIETIES NUMBER: 29696R

CONTOUR HOUSING GROUP LIMITED
ANNUAL REPORT & ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2011

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CONTOUR HOUSING GROUP LIMITED
CORPORATE FRAMEWORK
FOR THE YEAR ENDED 31 MARCH 2011

CORPORATE FRAMEWORK

Our vision

Our Group Vision is: "Creating great places to live" through a growing family of housing organisations, each established to respond to the specific needs of local people by working together to create great places to live across the North West.

Objectives

As part of the Contour family, each Member of the Group underpins and is committed to "creating great places to live". However, as each Member has its own unique role within the Group, that role may be described further in subsidiary mission statements within each organisation's own business plan.

Our Group is driven by three over-riding objectives which apply to all Member organisations, but which may be broken down further into subsidiary objectives.

The Group aims and objectives are to:

- **Provide excellent and efficient services.**
- **Provide decent homes and decent neighbourhoods.**
- **Do more for more people.**

Values

In delivering these objectives, all Members of the Group are in the process of subscribing to the following values which govern the way in which we work.

1. **Excellence in Business** –being professional, commercially aware and responsible in all that we do
2. **Inspiring People** - creating an environment that encourages and empowers ambition, aspiration and achievement
3. **Valuing One Another** - treating everybody with respect, fairness and honesty, appreciating diverse needs and expectations
4. **Trust** - earning trust by being open, honest and doing what we say we will do
5. **Service Excellence** - to deliver excellent value for money services for all our customers and colleagues.

CONTOUR HOUSING GROUP LIMITED

ASSOCIATION DETAILS

FOR THE YEAR ENDED 31 MARCH 2011

Board Members

Chris Jeffries <i>BA (Econ) FCA (Chairman)</i>	Eileen Hutchinson <i>Bed</i>
Philip Miller	Geoffrey Minshull <i>FHCIMA</i>
Robert Lewis <i>CBE</i>	Mushtaq Khan <i>MIH DMS</i>
Tony Dobson	Jason Ridley
Jean Royle	

Group Audit Committee

Chris Jeffries <i>BA (Econ) FCA</i>	Geoffrey Minshull <i>FHCIMA (Resigned 31st January 2011)</i>
Sheila Lever <i>JP BA</i>	Kevin Ruth <i>CIPFA (Chairman)</i>
Jonathan Goldblatt <i>FCCA AMCT</i>	Jason Ridley <i>(Appointed 1st February 2011)</i>
Gordon Hood <i>BSc MRTPI (Appointed 1st Feb 2011)</i>	

Group Treasury Committee

Jason Ridley <i>(Chairman)</i>	Kevin Ruth <i>CIPFA</i>
Chris Jeffries <i>BA (Econ) FCA</i>	Jonathan Goldblatt <i>FCCA AMCT</i>

Executive Group

Phil Gandy	Group Chief Executive <i>(Appointed 1st April 2011)</i>
Michael Creamer <i>BA (Hons) DipTP MRTPI</i>	Group Chief Executive <i>(Resigned 31st March 2011)</i>
Gary Lagar <i>FCMA</i>	Group Director of Finance
Judith Winterbourne	Group Customer Services Director
John Burt <i>MRICS</i>	Group Director of Investments & Initiatives

Company Secretariat

Audrey Davidson	Company Secretary
Phil Gandy	Deputy Company Secretary

CONTOUR HOUSING GROUP LIMITED

ASSOCIATION DETAILS

FOR THE YEAR ENDED 31 MARCH 2011

Legal Status

Contour Housing Group Limited is incorporated under the Industrial and Provident Societies Act 1965 with non-charitable rules and is a Registered Provider.

Registered Office and Principal Place of Business

Quay Plaza 2
1st Floor – Lowry Mall
Salford Quays
Salford
M50 3AH

Auditors

KPMG LLP
St James' Square
Manchester
M2 6DS

Principal Bankers

National Westminster Plc
33 Piccadilly
Manchester
M1 1LR

Legal Advisors

Trowers & Hamlins
Heron House
Albert Square
Manchester
M2 5HD

Cobbetts LLP
58, Mosley St
Manchester
M2 3HZ

Brabners Chaffe Street LLP
55 King Street
Manchester
M2 4LQ

CONTOUR HOUSING GROUP LIMITED

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2011

Contour Housing Group

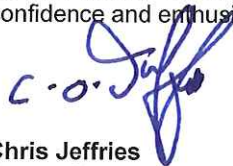
Our operational environment continued to be challenging during the last financial year but despite this, the Contour Group continued to thrive and build upon our previous success. We delivered much needed new homes as well as investing in our existing stock and our local communities, whilst also implementing operational restructuring (as part of the "shaping our future" programme) to ensure we achieve both greater efficiency and even better service to customers.

We delivered the above whilst also sustaining our reputation for financial strength. Turnover increased from £61.2m in 2009/10 to £62.4m, with operating costs increasing by £1.9m. The Group surpluses for the year were £12.3m, an excellent performance when considered in the context of a very challenging wider economy.

Clearly the key achievement of 2010/11 was the extensive work involved in laying the foundations for the creation of the new Symphony Housing Group, on 1 April 2011, via the amalgamation of the Contour and Vicinity Housing Groups.

The next few years will continue to present us with further changes and additional challenges. It is vital, therefore, that Symphony builds upon the Contour Group's past achievements, whilst also creating its own identity, achieving its own success and establishing itself as the key strategic player and partner in the North West.

I would like to take this opportunity to thank the Board Members, Directors and staff across the Group for their efforts, commitment and contribution during 2010/11 and know we can all work to the future with confidence and enthusiasm as part of the Symphony Housing Group.



Chris Jeffries
Group Chairman

CONTOUR HOUSING GROUP LIMITED

BOARD REPORT

FOR THE YEAR ENDED 31 MARCH 2011

Going Concern

The Board, having made appropriate enquiries, consider that adequate resources exist for the Group to continue in operational existence for the foreseeable future and, therefore, that it is appropriate to adopt the going concern basis in preparing the financial statements.

Auditors

In accordance with the Industrial and Provident Societies Acts 1965 to 2003, a resolution to appoint the Group's auditors will be proposed at the Annual General Meeting.

Board Report on the System of Internal Control

The Board acknowledge their ultimate responsibility for ensuring that the Group has in place a system of controls that is appropriate to the various business environments in which it operates and for the review of the effectiveness of that system during the year. These controls are designed to identify and manage rather than eliminate risks which may prevent the organisation from achieving its objectives. The system is designed to give reasonable rather than absolute assurance against material misstatement or loss with respect to:

- (a) the reliability of information used within the organisation or for publication;
- (b) the maintenance of proper accounting and management records; and
- (c) the safeguarding of assets against unauthorised use or disposition

The process followed to identify, evaluate and manage significant risks faced by the Group is ongoing, has been in place during the past financial year and up to date of approval of the annual report and accounts. This process is reviewed regularly by the Board.

The Board has a current policy on fraud covering prevention, detection and reporting of fraud including the recovery of assets.

The Board has itself, and through the activities of the Audit Committee, reviewed the outcome of internal and external audit work and the business assurance review which encompassed internal and external sources of assurance on key risks faced by the organisation.

Key elements of the system of control include ensuring that:

- (a) formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the organisation's assets;
- (b) experienced and suitably qualified staff take responsibility for important business functions. Annual appraisal procedures have been established to maintain standards of performance;
- (c) forecasts and budgets are prepared which allow the Board and management to monitor the key business risks and financial objectives and progress towards financial plans set for the year and the medium term; regular management accounts are prepared promptly, providing relevant, reliable and up-to-date financial and other information and significant variances from budgets are investigated as appropriate;
- (d) all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures through Board resolutions;
- (e) the Audit Committee reviews reports from management, from the internal auditors and from the external auditors to provide reasonable assurance that control procedures are in place and are being followed. This includes a general review of the major risks facing the organisation. The Audit Committee makes regular reports to the Board;
- (f) formal procedures have been established for instituting appropriate action to correct weaknesses identified from the above reports,
- (g) A risk assessment and mapping service has been completed with the approval of the Board. Risks have been documented with agreed priority ratings and with definitions of related current controls and Board monitoring mechanisms. Implementation of any improvement to controls identified by the risk mapping process is monitored by management and the Audit Committee

CONTOUR HOUSING GROUP LIMITED

BOARD REPORT

FOR THE YEAR ENDED 31 MARCH 2011

The Board acknowledges that their responsibility applies to the complete range of risks and controls within the organisation's activities and to ensuring that necessary remedial action is put into operation.

The annual review of the effectiveness of the internal control system has reviewed and considered the following:

(i) The main policies which the board has approved which are designed to provide effective internal control.

- Fraud and Theft Policy
- Recruitment Policy
- Group Financial Policy statements
- Group Financial Scheme of Delegation
- IT Usage Policy
- Group Risk Management Strategy
- Code of Conduct
- Treasury Management Policy
- Disciplinary Policy
- Health and Safety Policy
- Whistle blowing Policy

(ii) On behalf of the Board, the Audit Committee has reviewed the annual report of the Group Chief Executive.

(iii) The Board has as part of the review of the effectiveness of the internal controls reviewed the Group's fraud register and has considered the information provided and the actions undertaken by management. There was no reportable fraudulent activity during the 2010/11 financial year.

The Audit Committee has continuously monitored the effectiveness of the system of internal control in existence in the organisation for the year ended 31 March 2011 and until the Board meeting at which the statement and accounts will be approved. No weaknesses were found in internal controls which resulted in material losses, contingencies, or uncertainties which require disclosure.

Health & Safety

The Board is aware of its responsibilities with regard to Health & Safety. The Association has prepared detailed Health & Safety policies applicable to all Group members and provide staff with training and education on Health & Safety matters.

Employees

The Association recognises that its employees are its greatest assets and cannot achieve its aims and objectives without their involvement and contribution towards running the company. The company communicates and consults with its employees through a variety of structures including regular team briefings, employee emails, monthly newsletters and trade union meetings (through staff consultation forum).

The Association is committed to developing a culture in which equality and diversity is integral to all of our activities, including the recruitment and development of staff. We aim to achieve an inclusive culture that respects and values differences and eliminates discrimination in all areas.

Corporate Governance

The Association has complied closely with the good practice requirements of the Tenant Services Authority (TSA) and accepts all the major recommendations in the National Housing Federation's Code of Governance. It has established a formal policy on Governance appropriate to the needs of the Association.

The Board has adopted in full the National Housing Federation Code of Conduct for its members with the proviso that:

- The Board may have more than 9 members to reflect agreements reached at the time of the merger of Portico Housing Association Limited and Collingwood Housing Association Limited.
- Members' maximum nine year term of office commenced with the adoption of the 2004 Code of Governance

CONTOUR HOUSING GROUP LIMITED

BOARD REPORT

FOR THE YEAR ENDED 31 MARCH 2011

The Group's Board meets frequently to determine policy and to monitor the performance of the Group and its subsidiaries. Day to day direction of the Group is delegated to the Chief Executive and his team of functional directors.

Statement of Board of Management's responsibilities in respect of the Board of Management's report and financial statements

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

The Industrial and Provident Society law requires the Board to prepare financial statements for each financial year. Under those regulations the Board have elected to prepare the financial statements in accordance with UK Accounting Standards.

The financial statements are required by law to 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 these financial statements, the Board are required to:

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

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association, and enable them to ensure that its financial statements comply with the Industrial & Provident Societies Acts 1965 to 2003, the Housing and Regeneration Act 2008 and the Accounting Requirements for safeguarding Registered Social Landlords general Determination 2006. The Board has general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the association and to prevent and detect fraud and other irregularities.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the association's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of Information to Auditors

At the date of making this report, each of the Group's directors, as set out on page 2, confirm the following:

- So far as each director is aware, there is no relevant information needed by the Group's auditors in connection with preparing this report of which the Group's auditors are unaware, and
- Each director has taken all the steps that they could have taken as a director in order to make themselves aware of any relevant information needed by Group's auditors in connection with preparing their report and to establish that the Group's auditors are aware of that information.

Approved by the Board and signed on their behalf by:


Chris Jeffries (BA (Econ) FCA)
Group Chairman

20th July 2011

CONTOUR HOUSING GROUP LIMITED
OPERATING AND FINANCIAL REVIEW
FOR THE YEAR ENDED 31 MARCH 2011

NATURE OF BUSINESS

Description

Contour Housing Group Limited (the "Association") is the non-charitable parent association of the Contour Housing Group. As such it has no housing stock but all the staff are employed through the Association and charged out to the various subsidiaries to recover its costs.

The subsidiary associations that form the Group are:

Contour Homes Limited – an Industrial & Provident Society with charitable rules and a Registered Provider. Its primary purpose is to provide low cost homes for rent and other charitable housing and housing related activities.

Contour Property Services Limited – an Industrial & Provident Society with non-charitable rules and a Registered Provider. Its primary purpose is to provide a management service to leaseholders and to act as a vehicle for the Group's non-charitable activities.

AvenQuest Homes Limited – an Industrial & Provident Society with charitable rules and a Registered Provider. A Registered Provider established to manage Contour Homes Limited properties from a small scale stock transfer in Avenham, Preston transferred its Engagements to Contour Homes on 24th February 2010.

Hyndburn Homes Limited – an Industrial & Provident Society with charitable rules and a Registered Provider. Its primary purpose is to provide low cost homes for rent and other charitable housing and housing-related activities. It is a recently formed subsidiary of Contour Housing Group Limited to facilitate a transfer of housing stock of 3,500 homes from Hyndburn Borough Council.

Hyndburn Homes Repairs Ltd – a non charitable company limited by guarantee registered under the Companies Act 2006. Its primary purpose is a Direct Labour Organisation providing services to its parent Hyndburn Homes Limited.

Peak Valley Housing Association Limited – an Industrial & Provident Society with charitable rules and a Registered Provider. It is a subsidiary of Contour Housing Group Limited to facilitate the transfer of housing stock of 1,711 homes from Manchester City Council.

The Association has a broad mix of stock covering most local authorities in the North West of England and is one of the largest housing and regeneration agencies in the North West of England.

	2011 Housing Units	2010 Housing Units
General needs	14,037	14,007
Supported housing	1,867	1,833
Shared ownership	683	695
Other	4,390	4,649
Group Total	20,977	21,184

The table above shows that the Association has a broad mix of stock but with most exposure to the general needs sector.

CONTOUR HOUSING GROUP LIMITED
OPERATING AND FINANCIAL REVIEW
FOR THE YEAR ENDED 31 MARCH 2011

The Association is regulated by the Tenants Services Authority (TSA) and complies with its regulatory code. Performance is assessed annually against four main criteria i.e. governance, viability, management and development. In making its judgement, the TSA have considered the risks the group faces, its financial position and the deliverability of its plans. The judgement of the TSA is that the Group meets the expectations set out in the Regulatory Code in terms of financial viability (December 2010).

The Association is governed by a Board of Management composed of 10 non-executive members. Group management team members attend board meetings.

The Association is managed by a Group management team headed by a Chief Executive and supported by directors of Resources (Finance, ICT and HR), Property & Regeneration Services, Managing Director of Contour Homes, Managing Director of Hyndburn Homes and Group Director of Contour Property Services.

Objectives and strategy

The objectives and strategy of the Association are highlighted below and are set out in a business plan. This plan is reviewed annually and approved by the Board. A summarised version of this document is available on application to the Company Secretary.

	Objectives	Strategy
Property Development and Regeneration	<ul style="list-style-type: none"> • Remain a preferred provider in receipt of Homes & Communities Agency (HCA) capital grant. • Deliver a programme in excess of 700 homes into management over the next five years. • Market the group's activities and services throughout the North West. • Develop strategic relations with other partners. 	<ul style="list-style-type: none"> • Exceed HCA delivery standards. • Successful delivery of development programme. • Secure new development and regeneration opportunities. • Community investment. • Establish appropriate pathways to Home Ownership for those who cannot afford outright purchase. • Maximise resources and optimising delivery.
Asset management	<ul style="list-style-type: none"> • Improve stock condition information. • Development of improved option appraisal tools for existing stock. • Development of responsible disposal strategy. • Develop tenure diversification plans. • Stock rationalisation programme. • Optimisation of assets. 	<ul style="list-style-type: none"> • Delivery of major stock improvement. • Delivery of high quality repairs service. • Undertake a review of the balance between planned and routine maintenance work. • Provide value for money service. • Provide a highly responsive and caring service. • Exceed the expectations of our customers.

CONTOUR HOUSING GROUP LIMITED
OPERATING AND FINANCIAL REVIEW
FOR THE YEAR ENDED 31 MARCH 2011

	Objectives	Strategy
Corporate responsibility	<ul style="list-style-type: none"> • Develop high quality affordable housing. • Support community regeneration. • Promote policies that have regard for our environmental responsibilities. • Promote equality and diversity throughout the group, both internally and externally. • Reward and treat staff fairly and consistently. 	<ul style="list-style-type: none"> • Implement Value for Money strategy. • HR strategy. • Examine innovative house building technologies. • Work with local authorities and other strategic partners. • Work with the TSA to develop opportunities to provide affordable housing to diverse communities. • Monitor and report performance against key corporate covenants and performance targets.
Housing management	<ul style="list-style-type: none"> • Provide high quality housing services. • Seek continuous improvement in the services provided. • Provide enhanced services which help create sustainable communities. • Provide tailored services for the varying needs of our residents. • Provide excellent services to those with support needs. • Incorporate residents' views and priorities in the decision making within the organisation. • Meet the Government's target for rent restructuring by 2012. 	<ul style="list-style-type: none"> • Monitor and report performance against targets. • Use best value and Lean techniques to challenge and improve efficiency and quality of services to tenants. • Work with local agencies to provide a range of initiatives which will enhance the area and create or sustain local communities. • Work with agencies and partners to deliver appropriate services to vulnerable residents. • Develop cross service support. • Work with our customers at all levels to ensure their involvement at all levels of services. • Manage the rent plan to advance rent restructuring.
Finance	<ul style="list-style-type: none"> • Generate surpluses sufficient to maintain adequate financial strength to support the business needs including the development programme, and meet existing lender covenants. • Have funding in place to finance the Group's development programme over the next 2 years. • Maximise the use of the Group's assets in delivering the Group's development and where possible, meeting the aspirations of the HCA in terms of grant funding. • Adopt and implement Component Accounting by 31st March 2012 • Plan and prepare for the implementation of the proposed IFRS changes. 	<ul style="list-style-type: none"> • Continued update of the Group's 30 year financial plan and its subsidiaries. • Carry out detailed financial appraisals of all new schemes prior to approval to proceed. • Carry out risk assessment of all new schemes and impact on the financial plan. • Review and arrange new facilities to meet the business needs including the approved development programme.

CONTOUR HOUSING GROUP LIMITED
OPERATING AND FINANCIAL REVIEW
FOR THE YEAR ENDED 31 MARCH 2011

Performance Measures

The next table lists some of the key indicators used by senior management and the Board to monitor achievement of the Group's objectives. These indicators range from financial data (including treasury management) to management of voids and maintenance costs.

Objectives	Indicator	Achievement 2010/11	Achievement 2009/10
Service Delivery (Development, Asset Management, Housing Management)	• Average re-let time (days)	50	39
	• Failing Decent Home standard	2.5%	9.0%
	• Emergency repairs completed in target	94.2%	80.7%
	• Urgent repairs completed on target	87.6%	79.0%
	• Routine repairs completed in target	93.0%	87.8%
	• Vacant dwellings – in management	1.5%	2.3%
	• Lettings to BME tenants	12.0%	10.6%
Financial & HR	• Percent of net rental income collected	99.5%	100.2%
	• Rent lost due to vacant dwellings	2.5%	2.4%
	• Arrears due to current tenants	2.2%	5.1%
	• Gearing ratio	48.5%	48.0%
	• Interest cover	256.2%	238.9%
	• Liquidity ratio	212.0%	162.4%
	• Gender (Male:Female)	44:56	40:60
• Sickness & Absenteeism	3.7%	3.57%	

OPERATING REVIEW

Performance in period

Turnover and operating surplus by activity.

	2011		2010	
	Turnover	Operating Surplus	Turnover	Operating Surplus
	£000	£000	£000	£000
General needs	45,022	15,505	43,913	15,021
Sheltered housing	9,840	1,720	9,703	2,187
Supported housing (inc. revenue grant)	4,038	1,342	3,530	1,421
Shared ownership	1,495	815	1,377	600
Other	2,047	(936)	2,662	(186)
Exceptional item – FRS17	1,035	1,035	-	-
Total	63,477	19,481	61,185	19,043

CONTOUR HOUSING GROUP LIMITED
OPERATING AND FINANCIAL REVIEW
FOR THE YEAR ENDED 31 MARCH 2011

Dynamics of the social landlord

The main risks faced by the Group are considered annually by the senior management team with the Board as part of the business planning process. The definition of risk for this purpose is an event that could prevent the business plan from being achieved if it were to crystallise. Risks are recorded in a risk register which also records key controls to manage each risk, who is responsible for the control and how the control effectiveness is monitored. Risks are analysed according to their impact and probability i.e. high, medium and low given the current control environment.

Risks fall into two categories i.e. strategic and operational. Strategic risks are risks that affect the strategy of the Group and tend to be the result of external e.g. government and regulatory influences. Operational risks are risks to the operational performance of the business and tend to be within the control of the Group.

The Board has assessed that the risks in the next table are those that are most likely to influence future performance.

Risks	Comments
<p>Strategic:</p> <ul style="list-style-type: none"> • Economic Reforms • Housing Benefit Reforms • Availability of Capital Grant & HCA 2011-15 Development Programmes • Availability of affordable borrowings 	<p>The Government has introduced a series of 'austerity' measures aimed at reducing the UK's national debt. In essence this affects the economy in many ways (increased taxation and reduction in public expenditure). In addition, these measures coupled with the unprecedented low interest rates and higher commodity prices have kept UK rates of inflation (both RPI and CPI) well above the Government's target level.</p> <p>Housing Benefits accounts for approximately 70% of or rental income. The Governments stated objectives to reform the current approach to benefit payments in favour of a single benefit credit/payment covering all aspects of a claimants need could have a significant impact of the Housing Sector. Particularly if the level of Housing benefits or method by which it is paid (i.e. if paid directly by the tenant. Could adversely affect our rent collection performance and/or the level of bad debts.</p> <p>The Association obtains grant funding through the HCA. The recent changes in the political and economic environment including the implications of the Governments 'austerity' measures have seen significant reductions in the amount of funds available from grant. This coupled with the open bidding arrangement made by the HCA from the 2011-15 Development Programmes could significantly impact on the Associations ability to develop its objectives of delivery over 350 units over the next five years.</p> <p>In addition to grant funding from the HCA, the Group business plan is predicated external funding facilities. The current market conditions have significantly increased the cost of borrowings to the extent that any additional increases, in respect of new funding facilities, may limit the ability of the Group to meet its future development programme.</p>

CONTOUR HOUSING GROUP LIMITED
OPERATING AND FINANCIAL REVIEW
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Risks	Comments
<p>Operational:</p> <ul style="list-style-type: none"> <li data-bbox="256 416 427 445">• Interest rates <li data-bbox="256 607 608 667">• Building costs and project/development overruns <li data-bbox="256 775 459 804">• Loan covenants <li data-bbox="256 999 639 1077">• Financing the long term maintenance costs highlighted in Contour Homes <li data-bbox="256 1218 651 1279">• Removal of 'ring fencing' of Supporting People grant/funding. 	<p data-bbox="679 416 1359 577">Sensitivity analysis is undertaken each time the financial plan is updated to assess the impact of any adverse movements in interest rates on the Association's borrowing and are summarised as a business within the Group business plan. 75% of borrowings are at fixed rates of interest to minimise the Association's exposure to interest rate movement.</p> <p data-bbox="679 607 1359 741">A detailed financial appraisal is carried out for each new scheme which includes an analysis of risk and impact on the financial plan. Procurement is managed through framework agreements and these are reviewed regularly on an open book basis.</p> <p data-bbox="679 770 1359 965">The critical and most sensitive covenants for the Group are interest cover, liquidity and adjusted net gearing ratios. These are measured and monitored monthly and reported to Board. The 30 year Financial Plan measures the impact of covenants and highlights periods where the financial plan has any significant change to current ratios. The current financial plan does not anticipate any breach of key covenants.</p> <p data-bbox="679 994 1359 1189">An updated stock condition survey has identified a significant increase in maintenance costs over the life of the Contour Homes 30 year business plan. The business plan has been adapted to meet this need and has been supported by a range of business strategies including targeted efficiency savings, pricing, improved delivery of existing maintenance services and a reduction in the development programmes.</p> <p data-bbox="679 1218 1359 1406">Local authorities continue to face significant cutbacks in funding it receives from central Government. Previously this area of subsidy has been 'ring fenced' but this is now not the case. The Group provides a range of services in this area and relies on local authority support. Reduction in this area may impact on the Group's ability to continue to provide these services.</p>

CONTOUR HOUSING GROUP LIMITED
OPERATING AND FINANCIAL REVIEW
FOR THE YEAR ENDED 31 MARCH 2011

Investment for the future

The Group is committed to spending in the region of £54m over the next 5 years (including the major improvement plans at Hyndburn Homes and Peak Valley Housing Association) to maintain and improve its existing housing stock. It endeavours to maintain a balance of expenditure between day-to-day responsive repairs and planned works such as replacements of roofs, kitchens, bathrooms and heating systems. This balance varies between Group Subsidiaries and reflects their position in relation to their initial development.

In addition to investing in its existing stock the Board has approved a new build housing programme of over 700 units over the next 5 years. This development is mainly within Contour Homes, Hyndburn Homes and Peak Valley programmes and developments in terms of stock transfers as well as ongoing HC prospects. Funding will be secured through grant funding and new loan facilities which have been factored into the financial plan.

FINANCIAL REVIEW

The main accounting policies that are critical to the results of the Group are: -

- the method of accounting for capital grant which is deducted in the balance sheet from the cost of assets;
- capitalisation of interest and development administration costs in carrying out the development programme which is added to the cost of new schemes;
- the calculation of housing property depreciation; and
- capitalisation of improvement programme expenditure in the subsidiaries.

Each of these policies have remained unchanged in the period under review.

Capital structure and treasury policy

Net borrowings after set up costs at the period end were £192.3m (gross debt - £194m) and the unused facilities were an additional £89.4m. This debt is borrowed wholly from banks and building societies registered in the UK.

Treasury management is the responsibility of the Group Director of Resources. Strategy is set annually and approved by the Board. The current policy is to maintain 75% of borrowings at fixed rates of interest.

Maturity profile: the next table provides an analysis of when the debt falls due for repayment:

Years	2011 £m	2010 £m
0-1	1.2	1.2
1-2	2.0	1.2
2-3	2.3	1.8
3-5	10.4	4.5
5-10	34.3	26.5
10-15	29.6	32.2
15-20	30.5	28.4
20-25	43.0	36.8
25-30	40.5	46.6
>30	0.2	0.2
	194.0	179.4
Gross debt excluding set up costs		

Contour Homes Limited is the only association in the group that has adopted the wider rules in respect of hedging investments. However, it is not intended to invoke the powers of these rules as it is considered by the Board that adequate control over interest rate management currently exists.

The Group only makes use of hedging instruments to fix variable rate debt at the time of drawdown. The Group borrows only in sterling and so does not have any currency risk.

Surpluses are invested in approved UK institutions and the Board monitors investment returns.

CONTOUR HOUSING GROUP LIMITED
OPERATING AND FINANCIAL REVIEW
FOR THE YEAR ENDED 31 MARCH 2011

Cash flows

Cash inflows and outflows for the period under review are set out in the cash flow statement. Net cash inflows from operating activities are from the management of housing stock. Returns on investment and servicing of finance are due to interest income and interest charges. The net cash outflow from capital expenditure is the spend on new properties and transferred stock and capitalised net of grant and sales proceeds. The net movement on financing is the difference between loans repaid and new loans.

The Group experienced a net increase in cash and bank balances in the last year of £2.6m (2010: increase of £1.9m). This was primarily due to capital expenditure in the year being met out of the receipts of grant relating to the Group's prior years development programme.

Current liquidity

Cash and bank balances at the year-end were £35.9m (2010: £16.6m). Net current assets were £24.2m (2010: £12.3m). Additionally the Group has facilities and security in place to borrow a further £49.4m with an additional £40m facility that was signed with Yorkshire Building Society in December 2010, giving a total facility of £89.4m (2010: £65.0m).

The Board does not consider there are any seasonal effects on the borrowing requirements. The main factor influencing the amount and timing of borrowing is the pace of the development programme and this does have a significant impact according to the timing of land acquisitions and interim payment to contractors.

Capital & Reserves

After transfer of the surplus for the year of £12.3m (2010: £10.8m) at the year end the consolidated group reserves amounted to £102.3m (2010: £88.5m).

STATEMENT OF COMPLIANCE

The board confirms that this Operating and Financial Review has been prepared in accordance with the principles set out in Part 2 of the 2008 SORP Update for registered social landlords.

CONTOUR HOUSING GROUP LIMITED
INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2011

Independent auditor's report to the members of Contour Housing Group Limited

We have audited the financial statements of Contour Housing Group Limited for the year ended 31 March 2011 which comprise the Group and Association Income and Expenditure Account, the Group Statement of Total Recognised Surpluses and Deficits, the Group and Association Balance Sheet, the Group Cash flow and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the association's members, as a body, in accordance with section 128 of the Housing and Regeneration Act 2008 and section 9 of the Friendly and Industrial and Provident Societies Act 1968. Our audit work has been undertaken so that we might state to the association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the association and the association's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Board and auditor

As more fully explained in the Statement of Board's Responsibilities set out on page 7, the association's Board is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of affairs of the Group and Association as at 31 March 2011 and of the Group and Association's surplus for the year then ended; and
- have been properly prepared in accordance with the Industrial and Provident Societies Acts 1965 to 2003 and the Industrial and Provident Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Requirements for Registered Social Landlords General Determination 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Industrial and Provident Societies Acts 1965 to 2003 and the Industrial and Provident Societies (Group Accounts) Regulations 1969 require us to report to you if, in our opinion:

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



HP Jones (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
St James' Square
Manchester
M2 6DS

Dated: 22 August 2011

CONTOUR HOUSING GROUP LIMITED
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2011

	Consolidated Group		Association		
	Notes	Year Ended 31 March 2011 £000	Year Ended 31 March 2010 £000	Year Ended 31 March 2011 £000	Year Ended 31 March 2010 £000
Turnover	2/2c	62,442	61,185	9,726	8,984
Operating Costs	2	(43,996)	(42,142)	(9,780)	(8,984)
Exceptional item – FRS17 change in benefits	2	1,035	-	68	-
Operating surplus / (deficit)	2	19,481	19,043	14	-
Surplus on sale of fixed assets	2b	1,149	527	-	-
Interest receivable and other income	7	290	170	-	18
Interest payable and similar charges	8	(8,607)	(8,902)	12	(18)
Surplus on ordinary activities before taxation		12,313	10,838	2	-
Taxation on surplus on ordinary activities	9	(21)	(33)	(1)	(2)
Surplus on ordinary activities after taxation		12,292	10,805	1	(2)
Retained surplus / (deficit)		12,292	10,805	1	(2)
All amounts relate to continuing activities.					
		Year Ended 31 March 2011 £000	Year Ended 31 March 2010 £000	Year Ended 31 March 2011 £000	Year Ended 31 March 2010 £000
Statement of Recognised Gains & Losses					
Surplus for the financial period		12,292	10,805	1	-
Transfer to designated reserves		(72)	(152)	-	-
Actuarial (loss)/gain relating to pension scheme	32	1,461	(3,004)	171	-
Prior year adjustment		-	-	-	-
Total recognised surpluses for the year		13,681	7,649	172	-
Total recognised surpluses since incorporation		77,540	63,859	27	-

CONTOUR HOUSING GROUP LIMITED

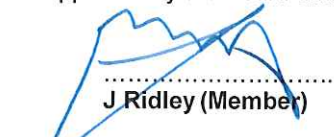
BALANCE SHEET

AS AT 31 MARCH 2011

	Notes	Consolidated Group		Association	
		2011 £000	2010 £000	2011 £000	2010 £000
Intangible fixed assets					
Goodwill	34	1,632	1,741	-	-
Tangible fixed assets					
Housing properties	11	580,968	554,087	-	-
Depreciation	11	(20,081)	(17,029)	-	-
Social Housing and other Grants	11	(294,213)	(285,111)	-	-
		<u>268,306</u>	<u>253,688</u>	<u>-</u>	<u>-</u>
Other tangible fixed assets	12	<u>7,003</u>	<u>7,374</u>	<u>-</u>	<u>-</u>
		<u>275,309</u>	<u>261,062</u>	<u>-</u>	<u>-</u>
Current assets					
Stock	10	26	186	-	-
Debtors due within one year	13	8,911	15,168	5,023	1,719
Investments – cash on deposit		25,800	9,000	-	2,000
Cash at bank and in hand		<u>10,106</u>	<u>7,552</u>	<u>(19)</u>	<u>290</u>
		<u>44,843</u>	<u>31,906</u>	<u>5,004</u>	<u>4009</u>
Debtors due after one year	13	483	564	-	-
Creditors: amount falling due within one year					
Amounts falling due within one year	14	<u>(21,153)</u>	<u>(19,677)</u>	<u>(4,888)</u>	<u>(3,842)</u>
Net current assets		<u>24,173</u>	<u>12,793</u>	<u>116</u>	<u>167</u>
Total assets less current liabilities		<u>299,482</u>	<u>273,855</u>	<u>116</u>	<u>167</u>
Provision for liabilities and charges	32	2,734	2,442	-	-
Pension liability – Contour	32	89	312	89	312
Pension liability – Hyndburn Homes	32	2,004	3,591	-	-
Pension liability – Peak Valley	32	<u>317</u>	<u>763</u>	<u>-</u>	<u>-</u>
		<u>5,144</u>	<u>7,108</u>	<u>89</u>	<u>312</u>
Creditors: amount falling due after one year					
Other grants	15	-	-	-	-
Loans	15	191,081	176,410	-	-
Recycled Capital Grant Fund	16	261	910	-	-
Disposal Proceeds Fund	16	<u>746</u>	<u>931</u>	<u>-</u>	<u>-</u>
		<u>192,088</u>	<u>178,251</u>	<u>-</u>	<u>-</u>
		<u>197,232</u>	<u>185,359</u>	<u>89</u>	<u>312</u>
Capital and reserves					
Non-equity share capital		-	-	-	-
Designated reserves	19	24,710	24,637	-	-
Revenue reserves	20	<u>77,540</u>	<u>63,859</u>	<u>27</u>	<u>(145)</u>
Association's funds		<u>102,250</u>	<u>88,496</u>	<u>27</u>	<u>(145)</u>
		<u>299,482</u>	<u>273,855</u>	<u>116</u>	<u>167</u>

The financial statements were approved by the Board and signed on its behalf by:


C Jeffries (Chair)


J Ridley (Member)


P Gandy (Chief Executive)

20th July

2011

CONTOUR HOUSING GROUP LIMITED

CASHFLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2011

		Consolidated Group		Association	
	Notes	2011 £000	2010 £000	2011 £000	2010 £000
Net cash inflow / (outflow) from operating activities	25	<u>23,716</u>	<u>23,286</u>	<u>(2,309)</u>	<u>317</u>
Taxation					
Corporation tax paid		<u>(22)</u>	<u>(37)</u>	<u>-</u>	<u>-</u>
Returns on investments and servicing of finance					
Interest received		220	88	-	-
Interest paid		<u>(8,768)</u>	<u>(9,055)</u>	<u>-</u>	<u>-</u>
		<u>(8,548)</u>	<u>(8,967)</u>	<u>-</u>	<u>-</u>
Capital expenditure					
Purchase and construction of housing properties		(27,253)	(35,154)	-	-
Social Housing grant – received		15,147	15,728	-	-
Purchase of other fixed assets		(455)	(1,590)	-	-
Sale of housing properties and other fixed assets		<u>2,124</u>	<u>1,206</u>	<u>-</u>	<u>-</u>
		<u>(10,437)</u>	<u>(19,810)</u>	<u>-</u>	<u>-</u>
Net cash inflow / (outflow) before financing and liquid resources		4,709	(5,528)	(2,309)	317
Management of liquid resources		(16,800)	(3,000)	2,000	(1,000)
Financing					
Loans received		15,600	11,500	-	-
Loans repaid		<u>(955)</u>	<u>(1,035)</u>	<u>-</u>	<u>-</u>
Net cash inflow from financing		<u>14,645</u>	<u>10,465</u>	<u>-</u>	<u>-</u>
Increase / (decrease) in cash	31	<u><u>2,554</u></u>	<u><u>1,937</u></u>	<u><u>(309)</u></u>	<u><u>(683)</u></u>

CONTOUR HOUSING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements of the Group are prepared under the historical cost convention in accordance with applicable United Kingdom accounting standards and the Statement of Recommended Practice: accounting by Registered Social Landlords, update issued in 2008, and comply with the Accounting Requirements for Registered Social Landlords General Determination 2006.

Turnover

Group turnover comprises rental income receivable in the year and other services included at the invoiced value (excluding VAT) of goods and services supplied in the year; VAT recoverable from HM Customs and Excise and revenue grants. Contour Housing Group Limited turnover and costs represents staff costs recharges to subsidiary associations.

Value added tax

The Group is VAT registered but a large proportion of its income (rent) – is exempt from VAT purposes giving rise to a partial exemption calculation. Expenditure is therefore shown inclusive of VAT and the input tax recoverable is shown in the income and expenditure account.

Interest payable

Interest, including issue costs, is allocated at a constant rate on the carrying amount over the period of the borrowing. Interest is capitalised on borrowings to finance departments to the extent that it accrues in respect of the period of development if it represents either:

- Interest on borrowings specifically financing the development programme after deduction of interest on Social Housing Grant (SHG) in advance;
- Interest on borrowings of the Association as a whole after deduction of interest on SHG in advance to the extent that they can be deemed to be financing the development programme.

Other interest payable is charged to the income and expenditure account in the year.

Employee costs

Employees of Contour Housing Group are employed by Contour Housing Group Limited and the costs are recharged to the appropriate subsidiaries at cost. Employee costs and associated disclosures can therefore be found in the financial statements of Contour Housing Group Limited rather than the subsidiary associations.

Housing properties

Housing properties are principally properties available for rent and are stated at cost. Cost included the cost of acquiring land and buildings, development costs, interest charges incurred during the development period, directly attributable staff costs and expenditure incurred in respect of improvements. Shared ownership properties are included in housing properties at cost, less the first tranche sale proceeds and any provisions needed for depreciation or impairment.

Improvements are works which result in an increase in the net rental income, such as a reduction in future maintenance costs, or result in a significant extension of the useful economic life of the property in the business. Land donated by local authorities and others is added to cost at the market value of the land at the time of donation.

CONTOUR HOUSING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

Depreciation of housing properties

Freehold land is not depreciated. Depreciation is charged so as to write down the net book value of housing properties to their estimated residual value, on a straight-line basis, over their estimated useful economic lives. The depreciable amount is arrived at on the basis of original cost, less SHG and other grants, less residual value (being the estimated cost of the land at the date of purchase). The Group's housing properties are depreciated over the following periods from 1 October 1999:

- New build 100 years
- Rehabilitated 60 years
- Long leases over the length of the lease

Impairment

In relation to housing properties, houses that are depreciated over a period in excess of 50 years are, in accordance with Financial Reporting Standard No 11 and the 2008 SORP, subject to impairment reviews annually. Other fixed assets will be reviewed for impairment if there is an indication that impairment may have occurred.

Where there is evidence of impairment, fixed assets will be written down to the recoverable amount via operating surplus.

Social housing grant

Social housing grant (SHG) is receivable from the Housing Corporation and is utilised to reduce the capital costs of housing properties. The amount of SHG receivable is calculated on fixed basis depending on the size, location and type of housing property. SHG due from the Housing Corporation or received in advance is included as a liability. SHG received in respect of revenue expenditure is credited to the income and expenditure account in the same period as the expenditure to which it relates.

SHG is subordinated to the repayment of loans by agreement with the Housing Corporation. SHG released on sale of a property is normally available to be recycled and is credited to a Recycled Capital Fund and included in the balance sheet in creditors.

Other grants

These include grants from local authorities and other organisations. Grants in respect of revenue expenditure are credited to the income and expenditure account in the same period as the expenditure to which they relate. Other grants which are received in advance of expenditure are included as a liability.

Other tangible fixed assets

Tangible fixed assets are stated at cost less depreciation and any provision for impairment.

Depreciation is provided evenly on the cost of other tangible fixed assets to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land. The principal annual rates used for other assets are:

- Freehold office premises 2%
- Short leasehold property over life of lease
- Furniture, fixtures, fittings and scheme equipment 10%
- Computers and office equipment 20%
- Motor vehicles 22%
- Service renewals/scheme equipment over the expected life of the component

CONTOUR HOUSING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

Properties for sale

Completed properties for outright sale and properties under construction are valued at the lower of cost and net realisable value. Cost comprises materials, direct labour and direct development overheads. Net realisable value is based on estimated sales price after allowing for all further costs of completion and disposal.

Investment properties

These comprise investment properties, as defined by the Statement of Standard Accounting Practice Number 19 (SSAP 19). In accordance with SSAP 19, the values of investment properties are reviewed annually by the Board and the properties are revalued by external advisors at least once during each five year period.

Surpluses and deficits on individual properties are transferred to the revaluation reserve except that any permanent diminution in value of an investment property which is in excess of any previously recognised surplus over cost relating to the same property, or the reversal of such a deficit is charged (or credited) to the income and expenditure account for the year.

Depreciation is not provided in respect of investment properties. The Board consider that this policy which is a departure from statutory accounting rules is necessary to provide a true and fair view. If this departure from statutory accounting rules had not been made the profit for the period would have been decreased by depreciation.

Major repairs

Planned & Cyclical and Major Repairs expenditures are written off in the year the expenditure is incurred unless there is a clear financial case for capitalisation on individual projects with the exception of the following cases

- Stock transfers – significant expenditure is committed to single estate and LSVT stock transfers from local authorities and these are reflected in the individual transfer business plans. The first cycle of works are a significant enhancement to the transferred housing stock and these improvement works are therefore capitalised.
- Development – development costs, interest charges incurred during the development period and directly attributable staff costs are capitalised.
- Service renewals – service renewals for scheme equipment are capitalised reflecting the benefit that the equipment contributes to the scheme over a period.

In the above cases, for the avoidance of doubt, depreciation will commence in the year following the expenditure being incurred.

Designated Reserves (excluding the major repairs reserve)

The Group establishes *restricted reserves* for specific purposes where their use is subject to external restrictions and *designated reserves* where reserves are earmarked for a particular purpose.

Major repairs reserve

The Group's commitment to fund other major repairs is recognised by the transfer from accumulated surpluses to the major repairs reserve – the amount is based on the expected future liabilities over the next 10 years arising from the results of the Association's latest stock condition survey.

Basis of consolidation

The group financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 March each year. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed. Acquisitions are accounted for under the acquisition method.

CONTOUR HOUSING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

Pensions

For defined benefit schemes the amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the profit and loss account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest.

Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the group, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the balance sheet.

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

For multi-employer defined benefit schemes, where it is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to individual participating employers, the accounting charge for the period under FRS17 represents the employer contribution payable.

Intangible assets – goodwill

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight line basis over its useful economic life, which is 20 years. Provision is made for any impairment.

Negative goodwill is similarly included in the balance sheet and is credited to the profit and loss account in the periods in which the acquired non-monetary assets are recovered through depreciation or sale. Negative goodwill in excess of the fair values of the non-monetary assets acquired is credited to the profit and loss account in the periods expected to benefit.

Goodwill arising on acquisitions in the year ended 31 March 2008 and earlier periods was written off to reserves in accordance with the accounting standard then in force. As permitted by the current accounting standard the goodwill previously written off to reserves has not been reinstated in the balance sheet. On disposal or closure of a previously acquired business, the attributable amount of goodwill previously written off to reserves is included in determining the profit or loss on disposal.

Bad Debt Provisions

A bad debt provision is held against the risk of failure to recover current and former tenant rent and service charge arrears. The provision is calculated as at 31st March and any adjustment required is written off or back through the income and expenditure account. The provision is calculated in line with the following aged debt:

10% of current arrears aged 1-8 weeks plus;
50% of current arrears aged 9-16 weeks plus;
75% of current arrears aged 17-32 weeks plus;
90% of current arrears aged 33+ weeks plus;
100% of former tenant arrears.

Other debts (accounts receivable) are dealt with on a case by case basis.

CONTOUR HOUSING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

2. TURNOVER, OPERATING COSTS AND OPERATING SURPLUS/(DEFICIT)

	Turnover £000	2011 Operating costs £000	Operating surplus £000	Turnover £000	2010 Operating costs £000	Operating surplus £000
2a. Income and Expenditure from Social Housing Lettings – Consolidated Group						
General Let Accommodation	45,022	(29,517)	15,505	43,913	(28,892)	15,021
Sheltered Accommodation	9,840	(8,120)	1,720	9,703	(7,516)	2,187
Supported Housing	3,469	(2,696)	773	3,159	(2,109)	1,050
Shared Ownership	1,495	(680)	815	1,377	(777)	600
Revenue Grant	569	-	569	371	-	371
	<u>60,395</u>	<u>(41,013)</u>	<u>19,382</u>	<u>58,523</u>	<u>(39,294)</u>	<u>19,229</u>
Income and Expenditure from Non Social Housing Lettings						
Student Accommodation & Commercial Property	277	(234)	43	466	(299)	167
Total (see note 3)	<u>60,672</u>	<u>(41,247)</u>	<u>19,425</u>	<u>58,989</u>	<u>(39,593)</u>	<u>19,396</u>
Other Income and Expenditure from Social Housing Management Services	-	56	56	1,216	(228)	988
Other Income and Expenditure from Non Social Housing						
Development Services, Commercial and other Corporate Activities, including PFI, Hattersley and Hyndburn bids Management Services	42	(1,646)	(1,604)	23	-	23
Developments for Sale : Shared Ownership	1,643	(1,159)	484	874	(933)	(59)
Ground rents	-	-	-	-	(1,388)	(1,388)
	<u>85</u>	<u>-</u>	<u>85</u>	<u>83</u>	<u>-</u>	<u>83</u>
	<u>62,442</u>	<u>(43,996)</u>	<u>18,446</u>	<u>61,185</u>	<u>(42,142)</u>	<u>19,043</u>
Exceptional Item – FRS17 change in benefits	1,035	-	1,035	-	-	-
Total	<u><u>63,477</u></u>	<u><u>(43,996)</u></u>	<u><u>19,481</u></u>	<u><u>61,185</u></u>	<u><u>(42,142)</u></u>	<u><u>19,043</u></u>
2b. Cost of Sales and Property Disposals – Consolidated Group						
Right to Buy and Right to Acquire sales	1,310	(1,001)	309	1,078	(632)	446
Developments for Outright Sale	143	(112)	31	99	(30)	69
Other disposals	809	-	809	27	(15)	12
Total	<u>2,262</u>	<u>(1,113)</u>	<u>1,149</u>	<u>1,204</u>	<u>(677)</u>	<u>527</u>
2c. Income and Expenditure from Social Housing Lettings - Association						
Other Group costs				-	-	-
Intergroup Charges	9,726	(9,780)	54	8,984	(8,984)	-
Total	<u>9,726</u>	<u>(9,780)</u>	<u>54</u>	<u>8,984</u>	<u>(8,984)</u>	<u>-</u>

CONTOUR HOUSING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

3. PARTICULARS OF INCOME AND EXPENDITURE FROM SOCIAL HOUSING LETTINGS

	General Accommodation £000	Supported Housing £000	Sheltered Housing £000	Shared Ownership £000	Total Social Housing £000	Student & Commercial Housing £000	Total 2011 £000	Total 2010 £000
Income from Lettings								
Net Rent Receivable	43,238	2,225	7,873	1,230	54,566	277	54,843	53,597
Service Charges Receivable	1,784	1,226	1,967	265	5,242	-	5,242	4,960
Net Rents Receivable	45,022	3,451	9,840	1,495	59,803	277	60,085	58,557
Revenue Grants	178	18	-	-	196	-	196	61
Supporting People Grants	-	-	391	-	391	-	391	371
Total Income from Lettings	<u>45,200</u>	<u>3,469</u>	<u>10,231</u>	<u>1,495</u>	<u>60,395</u>	<u>277</u>	<u>60,672</u>	<u>58,989</u>
Expenditure on Letting Activities								
Services	2,985	1,065	2,389	243	6,682	136	6,818	6,021
Management	7,540	554	2,215	231	10,540	33	10,573	9,553
Lease Rent	-	-	-	-	-	-	-	-
Routine Maintenance	9,982	405	1,916	92	12,395	(10)	12,385	13,804
Rent Losses from Bad Debts	405	49	13	(2)	465	45	510	516
Depreciation of Housing Properties	2,536	151	244	98	3,029	27	3,056	2,779
Impairment of Housing Properties	-	-	-	-	-	-	-	-
Planned Maintenance	6,069	472	1,343	18	7,902	3	7,905	6,920
Total Expenditure on Lettings	<u>29,517</u>	<u>2,696</u>	<u>8,120</u>	<u>680</u>	<u>41,013</u>	<u>234</u>	<u>41,247</u>	<u>39,593</u>
Operating Surplus on Letting Activities	<u>15,683</u>	<u>773</u>	<u>2,111</u>	<u>815</u>	<u>19,382</u>	<u>43</u>	<u>20,316</u>	<u>19,396</u>
Void Losses	<u>854</u>	<u>107</u>	<u>546</u>	<u>32</u>	<u>1,539</u>	<u>42</u>	<u>1,581</u>	<u>1,489</u>

CONTOUR HOUSING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

4. OPERATING SURPLUS

Operating surplus is after charging:

	2011	2010
	£000	£000
Depreciation on fixed assets:		
Housing	3,144	2,779
Other	605	428
Pension goodwill – amortisation	109	109
Impairment	92	450
Auditor's remuneration:		
In their capacity as Auditors	75	65
Operating lease payments	414	357

5. REMUNERATION OF DIRECTORS

The Group is controlled by a voluntary board. Their expenses, which include conferences and training costs, amounted to £13,393 (2010: £16,138) and they received no remuneration.

The Group Chief Executive, who was also the highest paid director, received emoluments (excluding pension contributions) of £151,792 (2010: £148,834). Pension contributions were £12,674 (2010: £21,156) and there were no enhanced benefits.

The five Executive Directors (including the Group Chief Executive) received aggregate emoluments (excluding pension contributions) of £522,384 (2010: £449,267) and pension contributions of £40,866 (2010: £56,676). All the Executive Directors of the Group are ordinary members of the SHPS pension scheme and have no enhanced benefits.

6. STAFF NUMBERS AND COSTS

The average number of fulltime equivalent staff employed by Contour Housing Group Limited (including directors) during the year, analysed by category, was as follows:

	Consolidated Group and Association 2011 No. of employees	Consolidated Group and Association 2010 No. of employees
Office to the Group Chief Executive	4	3
Group Resources	58	45
Group Business Development	64	65
Group Customer Services	208	196
Hyndburn Homes	114	117
	448	426

CONTOUR HOUSING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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Aggregate payroll costs of the above staff:

	Consolidated Group and Association 2011 £000	Consolidated Group and Association 2010 £000
Wages and salaries	10,730	10,726
Social security costs	827	800
Other pension costs (excl. enhanced pension payment)	1,055	996
FRS 17 pension adjustments	(686)	201
Severance payments	366	43
	<u>12,292</u>	<u>12,766</u>

Staff are employed on joint contracts to provide services for subsidiary associations. Salary costs in respect of these services are included in administration recharges to subsidiaries.

7. INTEREST RECEIVABLE

	Consolidated Group 2011 £000	2010 £000
Bank interest	290	165
Other income	-	5
Interest receivable	<u>290</u>	<u>170</u>

Interest receivable by the Association was £nil (2010: £18,000)

8. INTEREST PAYABLE AND SIMILAR CHARGES

	Consolidated Group 2011 £000	2010 £000
On loans repayable after more than 5 years:		
Housing loan interest	8,720	9,067
FRS 17 - Pension adjustments	142	-
Income tax & other adjustments	-	-
Amortised loan set up	98	66
	<u>8,960</u>	<u>9,133</u>
Capitalised interest	(367)	(231)
	<u>8,593</u>	<u>8,902</u>

Interest has been capitalised at 6.0% per annum.

Interest payable by the Association was £nil (2010: £18,000)

CONTOUR HOUSING GROUP LIMITED
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FOR THE YEAR ENDED 31 MARCH 2011

9. TAXATION

	Consolidated Group		Contour Housing Group Ltd	
	2011 £000	2010 £000	2011 £000	2010 £000
Current taxation charge for the year	26	20	(5)	(10)
Deferred taxation charge for the year	(5)	13	6	12
Taxation (relief) / charge for the year	<u>21</u>	<u>33</u>	<u>1</u>	<u>2</u>
The rate of tax for the year based on the UK standard rates of corporation tax is 28%. The actual tax charge differs from the standard tax charge due to the reasons set out in the table below:				
Surplus on ordinary activities before taxation	<u>12,313</u>	<u>10,838</u>	<u>2</u>	<u>-</u>
Theoretical tax at 28%	3,448	3,035	1	-
Effects of tax free income due to charitable activities	(3,417)	(3,000)	-	-
Adjustment to the charge in respect of prior years	(4)	(10)	2	(11)
Capital allocations in excess of depreciation	(1)	(2)	-	-
Expenditure not deductible for tax purposes		-	-	-
Use of unrecognised deferred tax asset b/f		(2)	-	-
Short term timing differences	1	1	(2)	1
Marginal relief	<u>(6)</u>	<u>(2)</u>	<u>-</u>	<u>-</u>
	<u>21</u>	<u>20</u>	<u>1</u>	<u>(10)</u>

Association: profit before tax was £1,903 and taxation charges in the year were £852 (2010: nil).

10. STOCK AND WORK IN PROGRESS HELD FOR DISPOSAL

	Consolidated Group	
	2011 £000	2010 £000
Stock held for resale at beginning of the period	186	169
Additions during year	-	17
Disposals during year	<u>160</u>	<u>-</u>
Stock held for resale at end the period	26	186
Other	<u>-</u>	<u>-</u>
	<u>26</u>	<u>186</u>

The Association held nil properties within stock at 31 March 2011 (2010: nil).

CONTOUR HOUSING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

11. FIXED ASSETS – HOUSING PROPERTIES

Group	Completed Schemes			Schemes Under Construction			Consolidated Group	
	Rented Accommodation £000	Shared Ownership £000	Student Accommodation £000	Rented Accommodation £000	Shared Ownership £000	Outright Sale £000	Total 2011 £000	Total 2010 £000
At 1 April 2010	454,633	23,793	2,409	72,790	-	462	554,087	518,906
Additions	1,209	(11)	-	26,247	-	-	26,292	35,656
Capitalised Interest	-	-	-	369	-	-	369	231
Disposals	(632)	(301)	-	-	-	-	(933)	(706)
Transferred on completion	11,290	-	-	(11,290)	-	-	-	-
Transferred from Other Fixed Assets – Stockport office	-	-	-	344	-	-	344	-
Transferred from Hyndburn Homes – Within Grove	-	-	-	809	-	-	809	-
At 31 March 2011	<u>466,500</u>	<u>23,481</u>	<u>2,409</u>	<u>88,116</u>	<u>-</u>	<u>462</u>	<u>580,968</u>	<u>554,087</u>
Depreciation								
At 1 April 2010	(15,329)	(586)	(306)	(808)	-	-	(17,029)	(14,250)
Charge for the year	(2,135)	(99)	(27)	(791)	-	-	(3,052)	(2,779)
Impairment	-	-	-	-	-	-	-	-
At 31 March 2011	<u>(17,464)</u>	<u>(685)</u>	<u>(333)</u>	<u>(1,599)</u>	<u>-</u>	<u>-</u>	<u>(20,081)</u>	<u>(17,029)</u>
Less Social Housing Grant								
At 1 April 2010	(243,320)	(10,891)	(575)	(30,325)	-	-	(285,111)	(274,756)
Received	(1,249)	-	-	(8,317)	-	-	(9,566)	(10,940)
Disposals	324	140	-	-	-	-	464	585
Transferred on completion	(7,754)	-	-	7,754	-	-	-	-
Transfer to social rent	-	-	-	-	-	-	-	-
At 31 March 2011	<u>(251,999)</u>	<u>(10,751)</u>	<u>(575)</u>	<u>(30,888)</u>	<u>-</u>	<u>-</u>	<u>(294,213)</u>	<u>(285,111)</u>
Net Book Value								
At 1 April 2010	195,984	12,316	1,528	41,657	-	462	251,947	229,901
At 31 March 2011	<u>196,951</u>	<u>12,044</u>	<u>1,501</u>	<u>55,715</u>	<u>-</u>	<u>463</u>	<u>266,674</u>	<u>251,947</u>
Freehold land & buildings	188,920	10,280	-	55,715	-	463	255,378	240,734
Long leasehold land & buildings	8,031	1,764	1,501	-	-	-	11,296	11,213
At 31 March 2011	<u>196,951</u>	<u>12,044</u>	<u>1,501</u>	<u>55,715</u>	<u>-</u>	<u>463</u>	<u>266,674</u>	<u>251,947</u>

Additions to housing properties in the year included improvement works to Peak Valley £5,310k (2010: £11,051k) and Hyndburn Homes £8,645k (2010: £5,621k) and capitalised interest of £367k (2010: £231k) at an average rate of 6%. Contour Housing Group Limited (Association) does not own any properties or other fixed assets.

CONTOUR HOUSING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

12. FIXED ASSETS – OTHERS

Group Cost	Freehold Office Premises £000	Freehold Land £000	Investment Property £000	Furniture, Fittings & Equipment £000	Motor Vehicles £000	Computers and Office Equipment £000	Scheme Equipment £000	Total Consolidated Group £000
At 1 April 2010	2,969	624	928	1,825	388	1,364	4,063	12,161
Additions	-	-	-	-	-	7	566	573
Transfer to Fixed Assets – former Stockport office	(344)	-	-	-	-	-	-	(344)
At 31 March 2011	<u>2,625</u>	<u>624</u>	<u>928</u>	<u>1,825</u>	<u>388</u>	<u>1,371</u>	<u>4,629</u>	<u>12,390</u>
Less Depreciation								
At 1 April 2010	1,601	-	25	1,292	212	1,360	297	4,787
Charge for the year	81	-	-	190	41	2	296	610
Impairment charge	92	-	-	-	-	-	-	92
Disposals	(102)	-	-	-	-	-	-	(102)
At 31 March 2011	<u>1,672</u>	<u>-</u>	<u>25</u>	<u>1,482</u>	<u>253</u>	<u>1,362</u>	<u>593</u>	<u>5,461</u>
Net Book Value								
At 1 April 2010	<u>1,368</u>	<u>624</u>	<u>903</u>	<u>533</u>	<u>176</u>	<u>4</u>	<u>3,766</u>	<u>7,374</u>
At 31 March 2011	<u><u>953</u></u>	<u><u>624</u></u>	<u><u>903</u></u>	<u><u>343</u></u>	<u><u>135</u></u>	<u><u>9</u></u>	<u><u>4,036</u></u>	<u><u>7,003</u></u>

Contour Housing Group Limited (Association) does not own any properties or other fixed assets.

CONTOUR HOUSING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

13. DEBTORS

	Consolidated Group		Association	
	2011 £000	2010 £000	2011 £000	2010 £000
Rent and service charge arrears	3,308	3,026	-	-
Less provision for doubtful debts	<u>(1,384)</u>	<u>(1,260)</u>	<u>-</u>	<u>-</u>
	1,924	1,766	-	-
Amounts owed by subsidiaries	-	-	2,917	606
Amounts due to leaseholders	3,113	2,839	-	-
Prepayment and sundry debtors	3,793	10,480	2,106	1,111
Amounts due from HMRC	-	2	-	2
Avalon VAT debtor less than one year	81	81	-	-
Amounts due under other grants receivable less than one year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	8,911	15,168	5,023	1,719
Amounts due greater than one year				
Avalon VAT debtor greater than one year	<u>483</u>	<u>564</u>	<u>-</u>	<u>-</u>
	<u>9,392</u>	<u>15,732</u>	<u>5,021</u>	<u>1,719</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated Group		Association	
	2011 £000	2010 £000	2011 £000	2010 £000
Bank and building society loans	1,226	1,243	-	-
Trade creditors	1,142	1,308	993	832
Capital creditors and retentions	2,154	2,192	-	-
Amounts owed to subsidiaries	-	-	296	668
Amounts owed to leaseholders	1,922	1,294	1,922	1,294
Accruals and deferred income	8,353	6,497	1,678	1,046
Social Housing Grant repayable	6,337	7,115	-	-
Income tax & other charges	<u>19</u>	<u>28</u>	<u>(1)</u>	<u>2</u>
	<u>21,153</u>	<u>19,677</u>	<u>4,888</u>	<u>3,842</u>

CONTOUR HOUSING GROUP LIMITED
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FOR THE YEAR ENDED 31 MARCH 2011

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Consolidated Group	
	2011	2010
	£000	£000
Orchardbrook loans	8,003	8,077
Local Authority loans	8	8
Bank and building society loans	173,060	158,130
Non housing loans	-	-
Bank loan – Rivers (Hillock) HA Ltd	10,010	10,195
Bank loan – Limehurst Village trust Ltd	-	-
Total loans	191,081	176,410
Capital Grants (Peak Valley)	-	-
	<u>191,081</u>	<u>176,410</u>

The Orchardbrook loans are repaid in half yearly instalments over the estimated life of the scheme on which the loan is secured, at fixed rates of interest ranging from 9.125% to 15.875%. The final instalments fall to be repaid in the period 2012 to 2050.

All bank and building society loans are secured by charges either on the Association's housing properties or on the rental streams arising from properties. Loans are repayable in instalments with final dates up to 2036. As at 31 March 2011 interest rates chargeable varied from 1.06% to 11.85%.

	Consolidated Group	
	2011	2010
	£000	£000
Debt is repayable in instalments as follows:		
Between one and two years	1,952	1,161
Between two and five years	12,695	5,958
After five years	176,434	169,291
	<u>191,081</u>	<u>176,410</u>

The Association has nil creditors falling due after more than one year (2010: nil).

16. RECYCLED CAPITAL GRANT AND DISPOSAL PROCEEDS FUNDS:

	Consolidated Group	
	Recycled Capital Grant Fund £000	Disposal Proceeds Fund £000
At the start of the year	910	931
Added in the year	241	305
Withdrawn in the year	(890)	(490)
At the end of the year	<u>261</u>	<u>746</u>

Funds withdrawn in the year were used for qualifying purposes.

CONTOUR HOUSING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

17. OPERATING LEASES

The Group holds some of its office equipment on operating leases. It also contract hired some of its motor vehicles. Payments are accounted for in the month in which they fall due. At 31 March 2011 the Group had annual commitments under these leases of .

	Year ended 31 March 2011 £000	Year ended 31 March 2010 £000
Lease expiring:		
Within one year	247	273
In the second to fifth years	417	331
In more than five years	<u>15</u>	<u>177</u>
	<u>679</u>	<u>781</u>

18. NON-EQUITY SHARE CAPITAL

	Contour Housing Group Limited	
	2011 £	2010 £
Shares of £1 each fully paid and issued		
At the start of the year	14	12
Shares issued in the year	<u>-</u>	<u>2</u>
At the end of the year	<u>14</u>	<u>14</u>

The Association's shares are not transferable or redeemable. Payments of dividends or other benefits are forbidden by the Association's rules and by the Housing Association Acts.

19. DESIGNATED RESERVES

	Consolidated Group				
	Major Repairs Reserve £000	Renewals Fund £000	Cyclical Fund £000	Equipment Furniture Reserve £000	Total £000
At the start of the year	23,459	383	227	569	24,638
Transfer from revenue reserves (see note 20)	<u>22</u>	<u>-</u>	<u>50</u>	<u>-</u>	<u>72</u>
At the end of the year	<u>23,481</u>	<u>383</u>	<u>277</u>	<u>569</u>	<u>24,710</u>

All 'post 1988' properties completed to date have been insured with HAPM (Housing Association Property Mutual Ltd.) or NHBC (National House Building Council).

The Association's reserves at 31 March 2011 were nil (2010: nil).

CONTOUR HOUSING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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20. RECONCILIATION OF MOVEMENT IN REVENUE RESERVES

	Consolidated Group 2011 £000	Association 2011 £000
At 1 April 2010	63,859	(145)
Transfer to designated reserves	(72)	-
Actuarial loss on revaluation of Hyndburn Homes pension fund	214	-
Actuarial loss on revaluation of Contour Homes pension fund	-	171
Actuarial loss on revaluation of Peak Valley pension fund	1,461	-
Surplus / (Deficit) for the period	<u>12,311</u>	<u>-</u>
At 31 March 2011	<u><u>77,559</u></u>	<u><u>26</u></u>

21. REGISTRATION

The Association is registered under the Housing Act 1996, registration number LH4419. The Association is incorporated under the Industrial and Provident Societies Act 1965, registration number 29696R.

22. SUBSIDIARY UNDERTAKINGS AND JOINT VENTURES

Under the definition of control in FRS2, the Association has various subsidiaries, Contour Homes Limited, Hyndburn Homes Limited, Hyndburn Homes Repairs Limited, Contour Property Services Limited, Peak Valley Housing Association and Avenquest Homes Limited which are all registered in England under the Housing Act 1985. Avenquest Homes Limited transferred its terms of engagement to Contour Homes Limited and its registration with the FSA was cancelled with effect from 24th February 2010.

Hyndburn Homes Repairs Limited donated £nil (2010: £59,000) to Hyndburn Homes Limited under the Gift Aid Scheme.

Rivers was incorporated under the Industrial and Provident Societies Act with charitable status and was a subsidiary of Contour Homes Limited. On 3rd October 2008 Rivers transferred its terms of engagement to Contour Homes Limited and deregistered.

23. TRANSACTIONS WITH SUBSIDIARY UNDERTAKINGS

The surpluses arising in transactions with subsidiaries in this financial year were nil (2010: nil).

CONTOUR HOUSING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

24. HOUSING STOCK

	Consolidated Group	
	2011	2010
	No.	No.
The number of properties in management at the year end were:		
General Let	12,283	12,253
Hollins and Avenues	587	587
AvenQuest	580	580
Handforth	<u>587</u>	<u>587</u>
Total General Needs	14,037	14,007
Supported	1,867	1,833
Shared Ownership	683	695
Private retirement	185	185
Managed Associations	-	-
Properties managed by other Agencies	252	275
Temporary Social Housing	35	35
Student Accommodation	<u>64</u>	<u>64</u>
	17,123	17,094
Stock managed for owner occupiers	<u>3,854</u>	<u>4,090</u>
Total housing stock	<u><u>20,977</u></u>	<u><u>21,184</u></u>

CONTOUR HOUSING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

The following organisations managed properties on behalf of the Association:

	Consolidated Group	
	2011	2010
	No.	No.
The number of properties in management at the year end were:		
St Vincents	5	5
Creative Support	36	36
Bolton Young Persons	8	8
Bolton Metro	8	8
Bolton Asylum Seekers	2	2
Ashiana	72	95
BASE	12	12
Carr Gomm	9	9
East Cheshire Housing Consortium	9	9
Joseph Cox Trust	39	39
Rochdale Petrus	20	20
Sale & Altrincham Mencap	19	19
Stockport Women's Aid	13	13
	<u>252</u>	<u>275</u>

25. RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Consolidated Group		Association	
	2011	2010	2011	2010
	£000	£000	£000	£000
Operating surplus/(deficit)	19,481	19,043	14	-
Depreciation charges	3,749	3,203	-	-
Impairment charge	92	450	-	-
Loan amortisation fees	-	-	-	-
Pension adjustments – goodwill amortisation	109	201	-	5
Pension adjustments – interest & contributions	308	-	16	-
Exceptional item – FRS17 change in benefits	(1,103)	-	(68)	-
Loss on disposal of fixed assets	-	-	-	-
(Increase)/ Decrease in stock	160	(17)	-	-
Decrease / (Increase) in debtors	(2,949)	1,240	(3,304)	1,184
Increase/(decrease) in creditors	3,577	(1,550)	1,033	(872)
(Decrease) / Increase in monies held in trust	292	716	-	-
	<u>23,716</u>	<u>23,286</u>	<u>(2,309)</u>	<u>317</u>

26. CAPITAL COMMITMENTS

	Consolidated Group	
	2011	2010
	£000	£000
Capital expenditure contracted for but not provided for in the financial statements	37,151	28,446
Capital expenditure authorised by the Board of Management but not yet contracted for	<u>22,837</u>	<u>29,864</u>

CONTOUR HOUSING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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27. IMPAIRMENT

Under FRS11 the Group is required to perform impairment tests on its housing stock so that properties are not shown at an amount exceeding their recoverable amount. At year end the impairment review was carried out by Local Authority area. The Board reviewed the results and concluded that no provision was necessary for the financial year for housing stock (2010: £nil). Additionally, the Board also agreed to an impairment provision in the year of £92,000 against the investment in the Outram House office.

28. PAYMENT OF CREDITORS

The average number of days between receipt and payment of purchase invoices was 28 days (2010: 28).

29. ANALYSIS OF CHANGES IN NET DEBT

	Consolidated Group			
	At 1 April 2010 £000	Cash Flows £000	Non-cash Changes £000	At 31 March 2011 £000
Cash at bank and in hand	7,552	2,554	-	10,106
Investments/cash on deposit	9,000	16,800	-	25,800
Debt due within one year	(1,243)	-	17	(1,226)
Debt due after one year	(176,410)	(14,645)	(26)	(191,081)
Total	<u>(161,101)</u>	<u>4,709</u>	<u>(9)</u>	<u>(156,401)</u>

30. ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR

	Consolidated Group		
	Housing Loans £000	Non- Housing Loans £000	Total Loans £000
At the start of the year	177,653	-	177,653
Cash inflow (outflow) from financing	14,645	-	14,645
Non-cash changes	9	-	9
At the end of the year	<u>192,307</u>	<u>-</u>	<u>192,307</u>

31. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2011 £000	2010 £000
Increase/(decrease) in cash in the year	2,554	1,937
Cash used to increase/(decrease) liquid resources	16,800	3,000
Cash outflow from repayment of debt finance	955	1,035
Cash inflow from increase in debt finance	(15,600)	(11,500)
Changes in net debt from cash flows	<u>4,709</u>	<u>(5,528)</u>
Non-cash movement	(9)	(9)
Net debt at 1 April 2010	(161,101)	(155,564)
Net debt at 31 March 2011	<u>156,401</u>	<u>(161,101)</u>

CONTOUR HOUSING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

32. PROVISIONS & LIABILITIES

	Leaseholder Funds £000	Hyndburn FRS17 Pension Deficit £000	Contour FRS17 Pension Deficit £000	Peak Valley FRS17 Pension Deficit £000	Consolidated Group £000
At 1 April 2010	2,442	3,591	312	763	7,108
Transfer to provisions	292	-	-	-	292
Interest allocated to provisions	-	139	12	5	156
Transfers to reserves (Actuarial gain in period)	-	(1,076)	(171)	(214)	(1,461)
Contributions in the period	-	(346)	(19)	(32)	(397)
Past service costs/ (gains)	-	(772)	(68)	(263)	(1,103)
Current service cost in the period	-	468	23	58	549
At 31 March 2011	<u>2,734</u>	<u>2,004</u>	<u>89</u>	<u>317</u>	<u>5,144</u>

33. PENSION COSTS

(a) The Social Housing Pension Scheme

General

Contour Housing Group Limited participates in the Social Housing Pension Scheme (SHPS) (the Scheme). The Scheme is funded and is contracted out of the State Pension scheme. SHPS is a multi-employer defined benefit scheme. Employer participation in the Scheme is subject to adherence with the employer responsibilities and obligations as set out in the "SHPS House Policies and Rules Employer Guide".

The Scheme operated a single benefit structure, final salary with a 1/60th accrual rate until 31st March 2007. From April 2007 there are two benefit structures available to Contour Housing Group, namely:

1. Final salary with a 1/60th accrual rate
2. Final salary with a 1/70th accrual rate

A defined contribution option will be made available from 1 October 2011.

An employer can elect to operate different benefit structures for their active members (as at the first day of April in any given year) and their new entrants. An employer can only operate one open benefit structure at any one time. An open benefit structure is one which new entrants are able to join. Contour Housing Group continues to operate the Final Salary 1/60th accrual rate benefit structure for active members and the Final Salary 1/70th accrual rate benefit structure for new entrants from 1st April 2007. This does not reflect any benefit structure changes made from April 2010.

The Trustee commissions an actuarial valuation of the Scheme every 3 years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required, in respect of each benefit structure, so that the scheme can meet its pension obligations as they fall due. From April 2007 the split of the total contribution rate between member and employer is set at individual employer level, subject to the employer paying no less than 50% of the total contribution rate. From 1 April 2010 the requirement for employers to pay at least 50% of the total contribution rate no longer applies.

CONTOUR HOUSING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

33. PENSION COSTS

(a) The Social Housing Pension Scheme

The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

During the accounting period to 31st March 2011, Contour Housing Group paid contributions at the rates detailed in the table below.

Benefit Structure	Employers contribution rate	Employees contribution rate	Reduced employees contribution rate
1/60 th	9.45%	8.35%	8.45%
1/70 th	8.35%	7.05%	N/A

As at the balance sheet date there were 148 active members of the Scheme employed by Contour Housing Group. The annual pensionable salary in respect of these members was £4.36million. Contour Housing Group continues to offer membership of the Scheme to its employees.

It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to individual participating employers. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS17 represents the employer contribution payable.

The last formal valuation of the Scheme was performed as at 30th September 2008 by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £1,527 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £663 million, equivalent to a past service funding level of 69.7%. The next full actuarial valuation will be carried out as at 30th September 2011.

Since the contribution rates payable to the Scheme have been determined by reference to the last full actuarial valuation, the following notes relate to the formal actuarial valuation as at 30th September 2008. The financial assumptions underlying the valuation undertaken as at 30 September 2008 were as follows:

	% pa
Valuation discount rates	
<i>Pre retirement</i>	7.8
<i>Non pensioner post retirement</i>	6.2
<i>Pensioner post retirement</i>	5.6
Pensionable earnings growth	4.7
Price inflation	3.2
Pension increases	
<i>Pre 88 GMP</i>	0.0
<i>Post 88 GMP</i>	2.8
<i>Excess over GMP</i>	3.0

Expenses for death in service, insurance, administration and PYF levy are included in the contribution rate.

The long term joint contribution rates that will apply from April 2010 required from employers and members to meet the future benefit accrual were assessed at: -

Benefit structure	Long term joint contribution rate (% of pensionable salaries)
<i>Final salary with a 1/60th accrual rate</i>	17.8
<i>Final salary with a 1/70th accrual rate</i>	15.4

If an actuarial valuation reveals a shortfall of assets compared to liabilities the Trustee must prepare a Recovery Plan setting out the steps to be taken to make up the shortfall. Following consideration of the results of the actuarial valuation, it was agreed that the shortfall of £663 million would be dealt with by the payment of deficit contributions of 7.5% of pensionable salaries increasing in line with salary growth assumptions from 1 April 2010 to 30 September 2020 dropping to 3.1% from 1 October 2020 to 30 September 2023. Pensionable earnings at 30 September 2008 are used as a reference point for calculating these deficit contributions. These deficit contributions are in addition to the long term joint contribution rates set out in the table above.

CONTOUR HOUSING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

33. PENSION COSTS (CONTINUED)

(a) The Social Housing Pension Scheme

Impact of new legislation

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the Scheme as at 30 September 2010. Such a report is required by legislation for years in which a full actuarial valuation is not carried out. The funding update revealed an increase in the assets of the Scheme to £1,986million and indicated a reduction in the shortfall of assets compared to liabilities to approximately £497million, equivalent to a past service funding level of 80.0%. As a result of pension scheme legislation there is a potential debt on the employer that could be levied by the Trustee of the Scheme. The debt is due in the event of the employer ceasing to participate in the Scheme or the Scheme winding up. The debt for the Scheme as a whole is calculated by comparing the liabilities for the Scheme (calculated on a buy-out basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Scheme. If the liabilities exceed the assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the Scheme's liability attributable to employment with the leaving employer compared to the total amount of the Scheme's liabilities (relating to the employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Scheme liabilities, Scheme investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

Contour Housing Group has been notified by the Pensions Trust of the estimated employer debt on withdrawal from the Social Housing Pension Scheme, based on the financial position of the Scheme as at 30th September 2010. At this date the estimated employer debt for Contour Housing Group was £23.4 million.

(b) Greater Manchester Pension Fund – Peak Valley Housing Association Limited

On 25th September 2006 Peak Valley Housing Association Limited was admitted to the Greater Manchester Pension Fund (GMPF) for the 15 TUPE staff employed by the company. Currently there are 10 staff in the scheme. Hymans Robertson LLP were instructed by Tameside Metropolitan Borough Council, the Administering Authority to GMPF to undertake an actuarial valuation as at 31st March 2011 for the purposes of FRS17 for Peak Valley Housing Association Limited. The Association has taken the pension liability of £317,000 on to its Balance Sheet as at 31st March 2011. Disclosure in the previous year gave a pension deficit of £763,000.

	FRS17 Pension Surplus / (Deficit) £000
At 1 April 2010	(763)
Actuarial gain in period	214
Contributions in the period	32
Current service cost in the period	(58)
Past service gain	263
Net interest and return on assets	(5)
	(317)
At 31 March 2011	(317)

The last formal valuation of the GMPF was carried out as at 31 March 2010. The fund actuary projected the results of this valuation forward to 31st March 2011 using approximate methods. The roll forward allows for: -

- changes in financial assumptions;
- additional benefit accrual;
- estimated cash flows over the period; and
- membership information

The results of the actuarial calculations for the period ended 31st March 2011 are set out in the note below.

CONTOUR HOUSING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

33. PENSION COSTS (CONTINUED)

(b) Greater Manchester Pension Fund – Peak Valley Housing Association Limited

The significant changes that have taken place during the year for a typical employer in the Fund are that:

- the deficit has reduced due to positive asset returns and falling long term inflation expectations;
- the deficit has fallen further due to the pension increase change from RPI to CPI is regarded as a change in benefit and will be treated as a past service credit;
- the projected pension expense for next year has also fallen for the same reasons

Balance Sheet at 31st March 2011

There has been an improvement in the FRS17 balance sheet since 31st March 2010. This is principally due to the fact that the financial assumptions at 31st March 2011 are more favourable than they were at 31st March 2010, an pension increases are being linked to (lower) CPI rather than RPI from June 2010. The mortality assumptions have typically been changed (although had already been strengthened last year to reflect improvements in life expectancy). However, all else being equal the considered effect of these factors serves to decrease the value of the liabilities and thus have a positive impact on the FRS17 position. With regard to the assets, the previous 12 months have been better than expected for most funds, resulting in a positive impact on the FRS17 position.

Profit & Loss Account at 31st March 2011

In terms of the revenue account, the FRS17 service cost for 2010/11 has risen significantly from the previous year. The service cost is based on financial conditions at the start of the year i.e. assumptions as at 31st March 2010. These are “tighter” than the previous year assumptions (31st March 2009) leading to a higher service cost. On the positive side, however, the introduction of CPI for pension increases during the year has reduced the P&L cost. There are also lower P&L projections for 2011/12 than 2010/11.

As a general principle, benefits accrued up to 31 March 2008 will continue to be calculated in accordance with the scheme rules at that date. A new scheme was introduced from 1 April 2008 and the main changes to the LGPS benefit structure are given below: -

- removal of the Rule of 85 for some or all service;
- pension calculated as 1/60 x final pay x period of scheme membership;
- employees contribution rates ranging from 5.5% to 7.5% of pensionable pay, determined by a seven tier structure based on the level of whole time pensionable pay as at 1 April in each year;
- following the abolition of the Rule of 85, the employer contribution rate has been increased from 12.5% to 13.9% of pay
- earliest retirement age for non ill-health retirements of age 55 (with employer consent) or from age 50 for existing members opting to draw benefits with employer consent before 31 March 2010

The balance sheet disclosures for the period ended 31st March 2011 are set out in table A below showing the Net Pension Liability as at 31st March 2011 is a liability of £317,000 (2010: liability of £763,000). This liability has been recognised in the financial statements of the Association at 31st March 2011.

Table A – Balance Sheet Disclosure as at 31st March 2011

Assumptions as at	31st March 2011	31st March 2010
	%pa	%pa
Inflation/Price increase rate	2.8%	3.8%
Salary increase rate	4.3%	5.3%
Pension increase rate	6.6%	6.9%
Discount rate	5.5%	5.5%

Fair Value of Employer Assets	Long Term Return at 31st March 2011	Assets at 31st March 2011	Long Term Return at 31st March 2010	Assets at 31st March 2010
	%pa	£000's	%pa	£000's
Equities	7.5%	1,286	7.8%	1,261
Bonds	4.9%	331	5.0%	301
Property	5.5%	97	5.8%	113
Cash	4.6%	234	4.8%	207
Total		1,948		1,882

CONTOUR HOUSING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

33. PENSION COSTS (CONTINUED)

(b) Greater Manchester Pension Fund – Peak Valley Housing Association Limited

Balance Sheet as at	31 st March 2011 £000's	31 st March 2010 £000's
Fair Value of Employer Assets	1,948	1,882
Present Value of Funded Liabilities	(2,265)	(2,645)
Net (under) / over funding in funded plans	(317)	(763)
Present Value of Unfunded Liabilities	-	-
Unrecognised Past Service Cost	-	-
Net (Liability)/ Asset	(317)	(763)

During the financial period Peak Valley Housing Association Limited has paid contributions of £32,000 to the scheme (2010: £48,000).

(c) Lancashire County Pension Scheme – Contour Homes Limited

The Group participates in the Lancashire County Pension defined benefit scheme. Mercers Limited has undertaken an actuarial valuation as at 31st March 2011 for the purposes of FRS17 for Contour Homes Limited. The total operating credit for the year ended 31 March 2011 was £33,000 (2010: charge of £32,000) as the results of a past service gain of £68,000. During the financial period the Group has paid contributions of £19,000 (2010: £27,000). The balance sheet disclosures for the period ended 31st March 2011 show the Net Pension Liability as at 31st March 2011 is a liability of £89,000 (2010: £312,000).

d) Lancashire County Pension Scheme – Hyndburn Homes Limited

Hyndburn Homes participates in the Lancashire County Pension defined benefit scheme. The pension costs relating to the staff transferred under TUPE regulations were acquired on 30 March 2006 and were measured under FRS 17 at that date.

Fair value of the scheme assets and the expected returns on those assets on acquisition and on the balance sheet date were as follows:

	Expected rate of return at 31 March 2011 %	Fair value at 31 March 2011 £000	Expected rate of return at 31 March 2010 %	Fair value at 31 March 2010 £000
Equities	7.5%	6,843	7.5%	6,174
Government bonds	4.4%	748	4.5%	655
Other bonds	5.1%	1,497	5.2%	1,122
Cash/liquidity	0.5%	855	0.5%	468
Property	6.5%	107	6.5%	374
Other	7.5%	641	7.5%	561
Total		10,691		9,354

CONTOUR HOUSING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

33. PENSION COSTS (CONTINUED)

(d) Lancashire County Pension Scheme – Hyndburn Homes Limited

Reconciliation of scheme assets and liabilities to the balance sheet:

	31 March 2011	31 March 2010
	£000	£000
Fair value of scheme assets	10,691	9,354
Present value of scheme liabilities	(12,695)	(12,945)
Deficit in the scheme net pension liability	<u>(2,004)</u>	<u>(3,591)</u>

The actuarial assumptions used were:

	31 March 2011	31 March 2010
Rates of inflation - RPI	3.5%	3.5%
Rate of inflation - CPI	3.0%	3.0%
Rate of increase in salaries	5.00%	5.25%
Rate of increase in pensions	3.0%	3.5%
Discount rate	5.5%	5.7%

	31 March 2011	31 March 2010
	£000	£000
Pensions employee charges within operating costs		
Current Service Cost	(468)	(278)
Past Service Gain	772	-
Net Gain/(Loss)	<u>304</u>	<u>(278)</u>

	31 March 2011	31 March 2010
	£000	£000
Pensions finance charges within operating costs		
Expected Return on Assets	612	437
Interest on Pension Liabilities	(751)	(577)
Net Loss	<u>(139)</u>	<u>(140)</u>
Total pension gain/(cost) recognised in I&E	<u>165</u>	<u>(418)</u>

CONTOUR HOUSING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

33. PENSION COSTS (CONTINUED)

(d) Lancashire County Pension Scheme – Hyndburn Homes Limited

Movement in Surplus/(Deficit) during 2010/11	£000
Deficit at 1 April 2010	(3,591)
Current Service Cost	(468)
Employer Contributions	346
Past Service/Curtailment/Settlement Gain (Loss)	772
Net Interest/ Return on Assets as above	(139)
Actuarial Gain / (Loss)	1,076
Deficit at End of Year	<u><u>(2,004)</u></u>

Statement of Actuarial Gains and Losses

Asset Gain / (Loss)	385	(3.6% of period end Assets)
Liability Gain / (Loss)	691	(5.4% of period end Liabilities)
Change in Assumptions	-	
Net Gain / (Loss)	<u><u>1,076</u></u>	

(e) Exceptional Item – FRS17 Change in Benefits

In its June 2010 budget, the government announced that it intended for future increases in public sector pension schemes to be linked to changes in the Consumer Price Index (CPI) rather than, the Retail Price Index (RPI). The following paragraphs reflect the financial impact of this change to the scheme benefits of the Lancashire County Council and Greater Manchester Pension funds operated across Contour Housing Group and its subsidiaries.

Hyndburn Homes Limited has considered the Lancashire County Council LGPS scheme rules and associated members' literature and has concluded that this change is a change in benefits and so recognized the resulting credit £772k in the Income and Expenditure account.

Contour Housing Group Limited has considered the Lancashire County Council LGPS scheme rules and associated members' literature and has concluded that this change is a change in benefits and so recognized the resulting credit £68k in the Income and Expenditure account.

Peak Valley Housing Association Limited has considered the Greater Manchester Pension Fund LGPS scheme rules and associated members' literature and has concluded that this change is a change in benefits and so recognized the resulting credit £263k in the Income and Expenditure account.

CONTOUR HOUSING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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34. INTANGIBLE FIXED ASSETS - GOODWILL

	Positive Goodwill £000
Group cost	
At 1 April 2010	2,176
Additions	-
Disposals	-
At 31 March 2011	<u>2,176</u>
Amortisation	
At 1 April 2010	435
Charge for the year	109
At 31 March 2011	<u>544</u>
Net book value	
At 31 March 2010	1,741
At 31 March 2011	<u>1,632</u>

Goodwill of £2.176 million has arisen from the revaluation of pension scheme assets for FRS17 accounting purposes (see note 33) Goodwill arose on the acquisition of Hyndburn Homes, is to be depreciated on a straight line basis over a period of twenty years. Amortisation for the year to 31st March 2011 is £109,000 (2010: £109,000).

35. RELATED PARTIES

The Board has tenant members Ms J Royle and Ms E Hutchinson, who hold tenancy agreements on normal terms and cannot use their position to their advantage.

36. IMPROVEMENT PROGRAMME/VAT SHELTER

(a) Peak Valley Housing Association

At the time of the transfer of the Housing stock in September 2006, Peak Valley Housing Association entered into a HM Revenue & Customs (HMRC) approved arrangement with Manchester City Council (MCC) to carry out a housing stock improvement programme totaling £49m. There is no VAT sharing agreement with the Council in respect of the improvement programme. An estimated amount of £8.2m of VAT savings was approved under the approved arrangement with MCC reflecting the 10 year VAT shelter agreed with HMRC.

Improvement programme expenditure since transfer to 31 March 2011 is £43.5 million and a further £15.9 million is anticipated within the business plan for the next 3 years. £10.9m of this expenditure represents first cycle works and is deemed to be of a capital nature charged within the Balance Sheet as it is incurred. The remaining £5.0m represents investment in 45 new build units. The capital cost charged to the Balance Sheet is depreciated over a period of 60 years in line with the Group's depreciation policy.

(b) Hyndburn Homes Limited

At the time of the transfer of the Housing stock in March 2006, Hyndburn Homes entered into a HM Revenue & Customs (HMRC) approved arrangement with Hyndburn Borough Council to carry out a housing stock improvement programme totaling £52.3m. There is no VAT sharing agreement with the Council in respect of the improvement programme. An estimated amount of £9.1million of VAT savings was approved under the approved arrangement with Hyndburn reflecting the 10 year VAT shelter agreed with HMRC.

CONTOUR HOUSING GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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36. IMPROVEMENT PROGRAMME/VAT SHELTER (CONTINUED)

(b) Hyndburn Homes Limited

Improvement programme expenditure for the 5 years to 31 March 2011 is £38.8 million and a further £19.4 million is anticipated within the business plan for the next 3 years up to 2014 the year of peak debt. All of this expenditure represents first cycle works and is deemed to be of a capital nature charged within the Balance Sheet as it is incurred. The capital cost charged to the Balance Sheet is depreciated over a period of 60 years in line with the Group's depreciation policy.

37. POST BALANCE SHEET EVENTS

On 1st April 2011 the Association became a subsidiary of Symphony Housing Group Limited. Symphony Housing Group Limited was formed on 1st April 2011 following the amalgamation of Vicinity Housing Group Limited and Contour Housing Group Limited, and replaced Contour Housing Group Limited as the ultimate parent undertaking.

Symphony Housing Group Limited is a Registered Social Landlord, registration number 31216R. Its registered office is:

Symphony Housing Group Limited
12 Hanover Street
Liverpool
L1 4AA