

MISSION HOUSING ASSOCIATION LIMITED

(FORMERLY VICTORIA PARK HOMES (1965) LIMITED)

**REGISTERED NO.: IP17128R
HCA REGISTERED NO.: L0262**

REPORT AND FINANCIAL STATEMENTS

**for the year ended
31 December 2014**

**FIELD SULLIVAN LIMITED
CHARTERED ACCOUNTANTS**

**NEPTUNE HOUSE
70 ROYAL HILL
LONDON SE10 8RF**

Mission Housing Association Limited (formerly Victoria Park Homes (1965) Limited)

Status:	Industrial and Provident Society, number IP17128R The Association's governing document is its Rules
Board members:	Anne Cartwright (from July 2014) Bernadette Cunningham (from July 2014) Dr John Davies (from July 2014) Tim Fallon (from July 2014) Richard Gatti (from July 2014) Adrian D.C. Greenwood (Chair from July 2014) Robert Lantsbury (from July 2014) Angela Reith (Resigned June 2014) Jane Thorington-Hassell (Chair until June 2014) Mike Wilton
Chief executive officer:	Jim Gilbourne
Secretary:	Anne Cartwright
Council of reference:	Fran Beckett Dorothy Davies John Woodman
Auditor:	Field Sullivan Limited Neptune House 70 Royal Hill London SE10 8RF
Solicitors:	Solomon, Taylor & Shaw 3 Coach House Yard Hampstead London NW3 1QD
Bankers:	Co-operative Bank plc (until December 2014) Barclays Bank plc Lloyds Bank plc (Until July 2014) CAF Bank Limited Reliance Bank Ltd
Registered office:	8 Belmont Hill Lewisham London SE13 5BO

Mission Housing Association Limited (formerly Victoria Park Homes (1965) Limited)

Board Members' Report
for the year ended
31 December 2014

The Board presents its report together with the audited financial statements for the year ended 31 December 2014.

Legislative Provision

The Association is incorporated under the Industrial and Provident Societies Act 1965 and is a Registered Social Housing Provider registered with the Homes and Communities Agency under the Housing and Regeneration Act 2008.

The Association operates under the Model Rules 2011 published by the National Housing Federation. Mission Housing Association Limited (MH) has charitable status as an exempt charity.

Merger between VPH65 and ACH

During the year, Victoria Park Homes (1965) Ltd (VPH65) and Affordable Christian Housing Association Ltd (ACH) agreed to merge and utilise their combined skills and experience to help more key Christian workers to find affordable accommodation in London. VPH65 changed its name to Mission Housing Association Ltd (MH), being approved by the FCA on 3 June 2014. On 30 June 2014, ACH transferred its engagements to MH. The three part-time members of staff of ACH became the staff members of MH whilst the registered office address was changed on 13 August to 8 Belmont Hill, London, SE13 5BD.

The original intention was for VPH65 (the smaller organisation and without staff) to transfer its undertakings to ACH, requiring VPH65 to de-register from the Homes and Communities Agency (HCA). When it became clear that the de-registration process would take too long to meet the planned merger timetable, both Boards agreed to switch round the transfer of engagements. This was purely a pragmatic decision at the time and it remains the Board's intention to re-visit the issue as part of its business planning process.

Some key statements were agreed for the new organisation:-

Statement of Purpose - Mission Housing exists to assist key Christian workers to carry out God's mission and ministry in areas of need and opportunity in London through the provision of a range of housing solutions and service.

Board Affirmation - Our Lord and Saviour Jesus Christ, God manifest in the flesh, as revealed in the Bible, is the sole and absolute authority in all matters pertaining to faith and practice. Together we will seek the guidance of the Holy Spirit in prayer and reflection to interpret this teaching so that collectively we discern and achieve God's Mission and our purpose through the governance of Mission Housing.

Criteria for Selection - We seek to assist Christians who are intentional about living in London and regard choosing to live within the M25 as a strategic choice to further the Kingdom of God, through mission in their neighbourhood or by using their specialist networks. All of our beneficiaries must be supported/sponsored by their local church/mission/ministry, as playing a key role in mission or other Kingdom orientated work.

Mission Housing Association Limited (formerly Victoria Park Homes (1965) Limited)

Board Members' Report
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31 December 2014

Review of Results

The early results of the merger have led to an increase in the number of properties owned and managed by the association, with a healthy flow of new enquiries and applications for consideration.

To the end of 2014, the Association made an overall surplus of £44,574 compared with a deficit of £101,986 for the previous year. Total Capital & Reserves rose from £1,103,773 to £2,625,461.

Property Movements in 2014 – During the course of the year, two shared ownership purchases were completed by ACH prior to the merger. In the second half of the year, a further two shared ownership purchases were completed at a cost of £572,850, and two other properties were purchased outright for rental. Both shared ownership purchases were supported by new equity loan capital of £445,000, one of the outright purchases was funded entirely via equity loans, and the second outright purchase for £650,000 was supported by an equity loan of £200,000. It is anticipated that during 2015, the latter property will be converted to a shared ownership purchase with the tenants, releasing back over £350,000 to the Association. Before the merger, one shared owner staircased to 100% releasing £51,250 back to the Association. In June, ACH sold two rental properties above the Platt Community Centre, for a combined sale price of £400,000. This was at a discounted price to Regenerate Rise, to further their charitable aims. During the year, a property was purchased through funds raised by the London Mission Housing Bond, which will be managed by the association. MH also agreed to manage another property, whilst the owners are working overseas, who wanted their property to be occupied by workers in their church.

Equity Loans – the Association has continued to attract additional equity loans from private individuals, churches and charitable organisations. These funds are used in the direct support of new property purchases for accepted beneficiaries, where the loan provider may receive an uplift in the value of their loan, linked to the change in value of the property over time. More details are provided in Note 11.

The number of units of accommodation at 31 December 2014 was:

General Needs – Housing for rent	16
Shared ownership	22

In addition , the number of assisted households was:

Supported by Low Cost Housing Loan	4
Housing Support Fund beneficiaries	3

Risk Assessment – The directors have not formally assessed the risk to which the Association is exposed. However the Building Insurance and Public Liability Insurance are reviewed periodically. The rented properties are surveyed and planned maintenance is carried out. Lessees are required to keep their homes in good repair; support is offered in this respect. Reserves are of a level to cover most possible risks. Access to housing, legal and financial experts also minimises risks.

Mission Housing Association Limited (formerly Victoria Park Homes (1965) Limited)

Board Members' Report
for the year ended
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Public Benefit Reporting – The Board of the Association have had regard to the Charity Commission's general guidance on public benefit when reviewing their activities. Currently we have over 45 beneficiaries of our services, who are working with churches and Christian organisations in the London area. We undertook a review of their activities in October 2014, and the results show that they reach a wide range of groups and ethnicities, including the young and old, employed and unemployed, those with physical and mental health issues and addictions, homeless and refugees and many other needy groups across London, with over 10,000 people being impacted.

Reserve Policy – The Association does not set out to hold free reserves. Any cash balances and any overdraft capacities are used as necessary working capital and available for the next housing activity. Reserves are currently high. There are plans to reduce these as more properties are purchased in furtherance of our objectives. A reserve is also maintained to cover equity loan repayments. This is adjusted to take into account the amount of time limited equity loans that need to be repaid over a period of time.

Plans for the Future – In addition to the increase in the number of properties owned and managed by the association, arising from the merger, it is planned to complete on at least six new property purchases in the course of 2015. The management of other properties, where tenants meet the criteria for selection, is also considered a new income stream for the association. Working more closely and more strategically with other Christian Organisations, in the housing of their workers, will also be expanded in the years ahead.

The Board Members

Board members are elected at the Annual General Meeting for a period of three years and are thereafter eligible for re-election. Vacancies may be filled by the Board during the year, for formal election at the next Annual General Meeting. At the date of the merger, the remaining members of MH co-opted five of the members of the ACH Committee of Management to join the Board of Mission Housing.

Angela Reith and Mike Houston of MH stood down at the date of the merger.

Anne Cartwright was co-opted as Board member and continues as Secretary for MH from the date of the merger.

Mission Housing Association Limited (formerly Victoria Park Homes (1965) Limited)

Board Members' Report
for the year ended
31 December 2014

Board Members responsibilities

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

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

The Board is responsible for maintaining adequate accounting records which disclose, with reasonable accuracy at any time, the financial position of the Association and to enable them to ensure that the financial statements comply with the Industrial and Provident Societies Acts 1965 to 2002, the Housing and Regeneration Act 2008 and the Accounting Direction for Social Housing in England from April 2012. It is also responsible for safeguarding the assets of the Association and hence for taking steps for the prevention and detection of fraud and other irregularities.

All current Board members have taken all the steps they ought to have taken to make themselves aware of any information needed by the association's auditors for the purpose of their audit and to establish that the auditors are aware of that information. The Board members are not aware of any relevant audit information of which the auditors are unaware.

The board of the association are listed on page 1

By order of the Board

A Greenwood
Chair

Date:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MISSION HOUSING ASSOCIATION LIMITED (FORMERLY VICTORIA PARK HOMES (1965) LIMITED)

We have audited the financial statements of Mission Housing Association Limited (formerly Victoria Park Homes (1965) Limited) for the year ended 31 December 2014 which comprise the income and expenditure account, the balance sheet and the related notes numbered 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Association's members, as a body, in accordance with Section 9 of the Friendly and Industrial and Provident Societies Act 1968 and the section 83 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of board members and auditors

As explained more fully in the Statement of Board Members' Responsibilities set out on page 5 the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit 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 Ethical Standards for Auditors.

Scope of audit

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Association's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Board of Management; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Board Members' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 December 2014 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Industrial and Provident Societies Act 1965, the Friendly and Industrial and Provident Societies Act 1968, Co-operative and Community Benefit Societies Act 2014 and the Accounting Direction for Social Housing in England from April 2012.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Friendly and Industrial and Provident Societies Act 1968 and Co-operative and Community Benefit Societies Act 2014 require us to report to you if, in our opinion:

- a satisfactory system of internal 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

Field Sullivan Limited

Chartered Accountants and Statutory Auditors
70 Royal Hill, Greenwich, London, SE10 8RF

Date:

Mission Housing Association Limited (formerly Victoria Park Homes (1965) Limited)

Income and expenditure account
for the year ended
31 December 2014

	Note	2014	2013
		£	£
Turnover	2	137,796	72,430
Operating costs	3	252,139	89,932
Operating deficit		<u>(114,343)</u>	<u>(17,502)</u>
Unrestricted donations		78,287	-
Restricted donations		120,000	-
Interest and other income	6	4,435	997
Interest chargeable and similar charges	5	(136,705)	(85,481)
Realised profit on disposal of fixed assets		92,009	-
Unrealised profit on revaluation of investments		891	-
Surplus/(deficit) for the year	11	<u><u>44,574</u></u>	<u><u>(101,986)</u></u>

The results above for 2013 represent the trading activity of VPH 1965 alone, whilst those for 2014 represent VPH 1965 alone for the first six months and the results of the merged organisation for the second six months. This applies to all notes.

All of the above relates to continuing activities.

There were no recognised gains or losses apart from the above.

There is no difference between the surplus shown above and the surplus on a historical cost basis.

Mission Housing Association Limited (formerly Victoria Park Homes (1965) Limited)

Balance sheet
as at
31 December 2014

	Note	2014		2013	
		£	£	£	£
Tangible fixed assets					
Housing properties	8 / 18		5,937,816		1,272,927
Investments	9		4,868		-
Current assets					
Debtors	10	105,471		25,502	
Cash at bank and in hand		734,814		330,167	
		<u>840,285</u>		<u>355,669</u>	
Creditors: amounts falling due within one year	11	<u>25,997</u>		<u>4,503</u>	
<i>Net current assets</i>			814,288		351,166
Total assets less current liabilities			<u>6,756,972</u>		<u>1,624,093</u>
Creditors: amounts falling due after more than one year	12		4,131,511		520,320
			<u>2,625,461</u>		<u>1,103,773</u>
Capital and reserves					
Share capital	13		67		19
Loan capital	14		8		-
Revenue reserve	14		2,412,917		1,103,754
Restricted reserves	14		212,469		-
			<u>2,625,461</u>		<u>1,103,773</u>

The above balances for 2013 represents the position of VPH 1965 alone, whilst those for 2014 represent the position of the merged organisation.

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

Director:

Director:

Secretary:

Mission Housing Association Limited (formerly Victoria Park Homes (1965) Limited)

Notes to the accounts
for the year ended
31 December 2014

1 Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

(i) *Introduction and accounting basis*

The financial statements have been prepared in accordance with applicable Accounting Standards and statements of recommended practice. The accounts comply with the Housing and Regeneration Act 2008, the Accounting Direction for Social Housing in England from April 2012 and the Statement of Recommended Practice "Accounting by Registered Social Housing Providers 2010". The accounts are prepared on the historical cost basis of accounting.

(ii) *Turnover*

Turnover represents rental income and service charges net of voids, fees and grants from local authorities and the Homes and Communities Agency.

(iii) *Fixed assets*

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation

Depreciation is charged on a straight line basis over the expected useful economic lives of the fixed assets at the following annual rates:

Furniture and equipment	25% per annum
Housing properties	
Freehold	Over useful economic life
Leasehold	Over useful economic life

Land is not depreciated.

Capitalisation of works on housing properties

Works on housing properties which tend to increase the utility or useful economic life of the assets are capitalised. Initial works on new housing properties acquired to make them habitable are also capitalised.

Sale of housing properties

When a housing property is sold its cost and depreciation to the date of sale are excluded from fixed assets. Any profit or loss on such sale is taken to the income and expenditure account.

Mission Housing Association Limited (formerly Victoria Park Homes (1965) Limited)

Notes to the accounts
for the year ended
31 December 2014

Shared ownership housing properties

Are included in the fixed assets at the percentage of the Association's share in the ownership. Any payment for increase in percentage of share is treated as addition. Any payments received for decrease in shares is treated similar to sale of housing property.

Impairment

Houses, which are depreciated over a period in excess of 50 years, are subject to impairment reviews annually, in accordance with FRS15 and the 2010 SORP. Where there is evidence of impairment, fixed assets are written down to recoverable amount. Any such write downs are charged to operating surplus.

(iv) VAT

Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

(v) Housing loans

Finance charges on housing loans are recognised in the income and expenditure account as they accrue.

(vi) Operating leases

Amounts payable under operating leases are recognised in the income and expenditure account as they fall due.

2 Turnover

	2014 £	2013 £
Rent	133,950	70,762
Void losses	-	-
Rental income net of voids	<u>133,950</u>	<u>70,762</u>
Guest rooms	-	925
Service charges	3,744	743
Insurance for shared ownerships	102	-
	<u><u>137,796</u></u>	<u><u>72,430</u></u>

Mission Housing Association Limited (formerly Victoria Park Homes (1965) Limited)

Notes to the accounts
for the year ended
31 December 2014

3 Operating costs

	Note	2014 £	2013 £
Property maintenance		12,848	2,037
Legal and Professional fees for properties		17,134	-
Other direct costs		14,405	1,048
Wages and salaries	4	36,402	-
Rent, water rates and business rates		12,906	13,950
Light and heat		1,912	-
Premises		1,856	-
Printing, postage and stationery		1,840	-
Telephone and fax		664	-
Insurance		649	1,315
Travel and subsistence		214	-
Website and computer costs		7,357	-
Cleaning		1,070	-
Audit fees		4,999	3,210
Legal fees		1,968	-
Accountancy		3,137	1,414
Professional fees		2,958	6,846
Membership and subscriptions		2,728	1,378
E123 adjustment		(8,215)	-
Marketing		11,145	400
Other admin costs		1,621	1,676
		129,598	33,274
Major works on properties		33,810	38,663
Access gift for Ridgeway		20,000	-
Non cash depreciaton		68,731	17,995
		252,139	89,932

Mission Housing Association Limited (formerly Victoria Park Homes (1965) Limited)

Notes to the accounts
for the year ended
31 December 2014

4 Gross wages of staff	Note	2014 £	2013 £
Number of part time staff		3	-
Gross wages		31,118	-
Employers NI		2,338	-
Employers pension		2,946	-
	3	36,402	-
<p>The directors are defined as the members of the Board. None of the board members received any emoluments (2013: Nil).</p>			
5 Interest chargeable and similar charges			
Mortgage interest and other interest		6,476	-
Interest on bonds		1,152	-
Interest on Housing loans (63 Median Road)		39,388	85,481
Interest on equity loans, linked to the value of particular properties		89,689	-
		136,705	85,481
6 Interest and other income			
Interest on secured loan		1,456	166
Dividend income		40	-
Bank interest		899	831
Income E123 project		1,200	-
Management fee received		250	-
Other income		590	-
		4,435	997
7 Surplus/(deficit) on ordinary activities			
Auditors' remuneration (including VAT and expenses)			
- For the current year		4,800	3,150
- In relation to prior year		199	60
Depreciation		17,335	17,995
Operating lease rentals (land and buildings)		13,950	13,950
Landlord's lighting		-	195

Mission Housing Association Limited (formerly Victoria Park Homes (1965) Limited)

Notes to the accounts
for the year ended
31 December 2014

8 Tangible fixed assets

	Housing Properties:				Total £
	Office equipment	Office land and buildings	Freehold & Leasehold properties	Shared ownership properties	
	£	£	£	£	
Cost					
At 1 January 2014	-	-	545,105	862,152	1,407,257
Acquired on merger	1,435	535,400	1,427,005	1,475,304	3,439,144
Additions	-	-	-	1,856,350	1,856,350
Disposals	-	-	-	(126,425)	(126,425)
Revaluation	-	-	-	-	-
At 31 December 2014	<u>1,435</u>	<u>535,400</u>	<u>1,972,110</u>	<u>4,067,381</u>	<u>6,576,326</u>
Depreciation					
At 1 January 2014	-	-	53,019	81,311	134,330
Acquired on merger	-	26,770	160,861	256,305	443,936
Charge for the year	239	10,708	17,361	40,424	68,732
Disposals	-	-	-	(8,488)	(8,488)
At 31 December 2014	<u>239</u>	<u>37,478</u>	<u>231,241</u>	<u>369,552</u>	<u>638,510</u>
Net book value					
At 31 December 2014	<u>1,196</u>	<u>497,922</u>	<u>1,740,869</u>	<u>3,697,829</u>	<u>5,937,816</u>
At 31 December 2013	<u>-</u>	<u>-</u>	<u>492,086</u>	<u>780,841</u>	<u>1,272,927</u>

Housing properties consist of long leasehold properties of £3,035,1069 (2013: £187,985) and freehold properties of £2,997,628 (2013: £1,084,942). Depreciation was charged for the year on long leasehold properties of £19,801 (2013: £3,581) and freehold properties of £37,984 (2013: £14,414).

9 Investments

	2014 £	2013 £
At 1 January 2014	-	-
Acquired on merger	3,977	-
Additions	-	-
Disposals	-	-
Revaluation	891	-
At 31 December 2014	<u>4,868</u>	<u>-</u>

Mission Housing Association Limited (formerly Victoria Park Homes (1965) Limited)

Notes to the accounts
for the year ended
31 December 2014

10 Debtors

	2014	2013
	£	£
Due in less than 1 year:		
Arrears of rent and service charges	8,865	6,275
Secured loan *	6,762	4,400
Arrears of management charges	-	10,100
Unpaid share capital	-	1
Prepayments	5,324	1,151
	20,951	21,927
Due after more than 1 year:		
Secured loan *	84,520	3,575
	105,471	25,502

*The loans are secured on the properties to which they relate.

11 Creditors: amounts falling due within one year

	2014	2013
	£	£
Rent in advance	6,118	793
Accruals and other creditors	7,379	3,710
Bank loan secured on 8 Belmont Hill, London	12,500	-
	25,997	4,503

Mission Housing Association Limited (formerly Victoria Park Homes (1965) Limited)

Notes to the accounts
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12 Creditors: amounts falling due after more than one year

	2014	2013
	£	£
Amounts falling due after more than one year:		
Bank loan secured on 8 Belmont Hill, London		
Between one and two years	25,000	-
Between two and five years	37,500	-
In five or more years	221,911	-
Housing loans (63 Median Road) repayable by instalments:		
Between one and two years	-	-
Between two and five years	589,708	520,320
In five or more years	-	-
Equity loans, linked to the value of particular properties		
Between one and two years	-	-
Between two and five years	-	-
In five or more years	2,492,392	-
Standard loans		
Between one and two years	-	-
Between two and five years	-	-
In five or more years	250,000	-
London Missional Housing Bond		
Between one and two years	-	-
Between two and five years	515,000	-
In five or more years	-	-
	4,131,511	520,320

A description of the loans:-

- (i) Bank mortgage - with The Reliance Bank Ltd. Income is received through letting of surplus office space
- (ii) London Missional Housing Bond – a partnership of churches and Christian organisations to support the mission of the church in some of the most deprived areas of London.
- (iii) Equity Loans - the size of loans ranges from £5,000 to £400,000, repayable at maturity or on the sale of a property.

Number of properties with equity loans	Number of loans
13	34

Mission Housing Association Limited (formerly Victoria Park Homes (1965) Limited)

Notes to the accounts
for the year ended
31 December 2014

13 Share capital

	2014	2013
	£	£
Authorised, allotted and called-up ordinary shares of £1 each fully paid:		
At 1 January 2014	19	19
Acquired on merger	48	-
Additions	-	-
Cancelled shares	-	-
At 31 December 2014	67	19

The shares carry no rights to any form of dividend or distribution either during the Association's life or on a winding-up.

When a shareholder ceases being a member the share is cancelled and the value becomes part of the Association's funds.

14 Capital and Reserves

	Share capital	Loan capital	Revenue reserve	Restricted reserve	Totals
	£	£	£	£	£
At 1 January 2014	19	-	1,103,754	-	1,103,773
Acquired on merger	48	8	1,384,589	92,469	1,477,114
Movement in the year	-	-	(75,426)	120,000	44,574
At 31 December 2014	67	8	2,412,917	212,469	2,625,461

The restricted reserve represents housing gifts received and held for intended beneficiaries.

15 Housing stock

	Rented	Long Lease	Shared Ownership	Total
Brought Forward	2	3	7	12
Acquired on merger	4	6	14	24
Additions	1	-	3	4
Disposals	-	-	(2)	(2)
Carried forward	7	9	22	38

Mission Housing Association Limited (formerly Victoria Park Homes (1965) Limited)

Notes to the accounts
for the year ended
31 December 2014

16 Operating lease commitments

The Association had annual commitments at 31 December 2014 under operating leases for land and buildings expiring:

	2014 £	2013 £
In one year	13,950	-
In two to five years	<u>2,188</u>	<u>14,400</u>

The above operating leasing consist of £2,188 for the photocopier and £13,950 for rent payable to a homeowner for the E123 project.

17 Related party transactions

There are no related party transactions that need disclosing. No board member received any remuneration or received reimbursement for any expenditure incurred during the year.

18 Merger

On 1 July 2014 Mission Housing (formerly Victoria Park Homes (1965)) merged its activities with Affordable Christian Housing Association ("ACH").

As part of absorbing ACH into Mission Housing, the previously stated financial position of ACH in their accounts to 30 June 2014, have been restated to take account of Mission Housing's accounting policies, and this has given rise to a number of fair value adjustments, notably in relation to: stating their property portfolio at depreciated value; and restating their equity loans to their fair value based on the current value of the associated properties.

	ACH June 2014 Accounts	Fair value adjustment	ACH Accounts incorporating Fair value adjustment
Fixed assets	3,417,355	(422,147)	2,995,208
Current assets	605,103	-	605,103
Creditors due within one year	(211,567)	-	(211,567)
Creditors due in more than one year	<u>(1,742,665)</u>	<u>(168,965)</u>	<u>(1,911,630)</u>
	2,068,226	(591,112)	1,477,114