

Cassiltoun Group

**Annual
Report and
Accounts
2016 2017**

**Tenants' Charter
Report Card 2017**



Chair's Foreword and Introduction

Once again it is a great pleasure to welcome you to the Cassiltoun Group's Annual Report and Tenants Report Card.



This report covers the business activities of Cassiltoun Housing Association and our two subsidiary companies, Cassiltoun Trust and Cassiltoun Stables Nursery.

We have set out challenging targets across the group with our aim of improving services, involving local people in the process and looking for ways to deliver new services.

Cassiltoun Housing Association's foundations are based on our robust planning which has been in place for many years. Managing our money, risks, services and opportunities are part of the Board's responsibilities and I am confident that we have policies, procedures and strong governance arrangements in place. Throughout the year the Board has sought additional assistance from independent sources to help us gain further assurance about our overall performance.

I am delighted with progress in 2016/17, as we have achieved what we set out to achieve. Our operations team have performed well controlling rent arrears and reducing the rent lost to empty houses. We have

achieved improved performance in many areas of the Tenants Charter such as lets to homeless people (Section 5 referrals) and the time taken to deal with anti-social complaints.

Overall, our staff team have performed very well, this is further evidenced in our Tenant Satisfaction Survey, which demonstrated high levels of customer satisfaction with our staff's response, attitude and willingness to help and resolve problems. On behalf of the Board, I would like to put on record our sincere thanks to the staff team.

During the year we achieved "Healthy Working Lives" gold award, which demonstrates our commitment to being a good employer. I believe that staff who have excellent working conditions and who are supported will deliver the best for our community. **It is worthy of note that the staff absence from work was recorded at 1.03% on the 31st March 2017.**

The Board of Management believe that our tenants and service users will benefit from highly motivated, well trained staff who are dedicated to improving our customer care.

I am delighted to report that Investors in People provided the Board with further assurance by testing our internal systems and providing the Board with a detailed report on our leadership, performance and culture. **Investors in People have now awarded the Association the IIP Platinum Award.**



INVESTORS
IN PEOPLE

Platinum
Until 2019

In last year's annual report I talked about the opportunities being created within the Cassiltoun Group. I hope that this report demonstrates how opportunities become reality for many local people.

Throughout this report you can read about our objectives, performance, success and ambition for the future.

I would like to thank all our partners and volunteers for their support which the Board and Cassiltoun Housing Association greatly appreciate.

Our CEO, Charlie Millar, will highlight other areas of performance and outline our ambitious plans to build many more new houses in the next few years.

Anna Stuart MBE

Chair Cassiltoun Housing Association

Chair Cassiltoun Trust



TPAS Awards 2016. Anna Stuart MBE and Sean Batty
(Winner - Best Practice in Developing Communities)

Internal Audit

In 2017 the Association's internal audit programme included a full audit and verification of the Tenants Charter Return to the SHR, health and safety management system audit, 10% gas servicing inspection audit and an ongoing review of the Association's organisational management including culture and a business plan review by external consultants.

Over the next year we anticipate completing an internal audit of the Association's housing development plans including policy, procedure and business planning.



Principal Activities

The principal activity of Cassiltoun Housing Association Limited is the development, management and maintenance of housing for people in housing need.

The Association has two subsidiaries, Cassiltoun Trust and Cassiltoun Stables Nursery Limited. Cassiltoun Trust is a charitable company established to conserve for the benefit of the public, buildings of historical and architectural significance; advance knowledge about the history and role of Castlemilk; and provide facilities for education, training, employment and recreational time. The principal activity of Cassiltoun Stables Nursery Limited is to provide a first class nursery childcare facility for 0-5 year olds set alongside a local park and woodland environment.

Cassiltoun Housing Association Limited is registered with the Financial Conduct Authority as a Community Benefit entity, The Office of the Scottish Charities Regulator (OSCR) as a Charity and the Scottish Housing Regulator as a Registered Social Landlord. The Association is incorporated in Scotland.

The table below shows the property we own:

Managed Property Numbers	2017	2016
Tenanted Property	982	988
Shared Ownership Properties	4	4
Buchanan Lodge Residential Home (bedspaces)	40	40
Total	1,026	1,032

Chief Executive Officer's Report

2016/17 has been another year of strong performance by the Cassiltoun Group led by Cassiltoun Housing Association.



The Group has achieved its strategic and operational objectives.

Our performance is underpinned by a planning framework which is regularly reviewed and tested. Increasingly our Board are seeking greater assurance from independent advisors when reviewing performance and setting new planning targets.

I believe that this annual report will demonstrate our work in 2016/17 and highlight our many successes and achievements.

During the year, we sought out tenants views by conducting an Independent Tenant Satisfaction Survey (full results available on our website), carried out a Stock Condition Survey to help the Association reassess the requirements on major repair replacements like kitchens, bathrooms and central heating systems.

When we carry out independent surveys we always hope to learn how we could do things better. We fully

intend to make some changes to help us respond to areas where our tenants think we can improve.

We have created an ambitious new build housing plan and have gained the support of Glasgow City Council to take forward development plans to build 42 new homes at 3 sites known as "Barlia 3".

Barlia 3 should be on site by May 2018 and complete by May 2019.

The next development phase will see the Association explore the options for the vacant land on Castlemilk Drive. Glasgow

City Council have also provided funding for a feasibility study at another site located off Barlia Drive, known as the "nursery site".



We provide many services for local people such as our Welfare and Money Advice services. This service has been hugely successful and well received by our tenants and other local residents.

Throughout 2016/17 many people have benefited from the opportunities created by the Cassiltoun Group.

This report will illustrate them. I am very proud of the staff team at the Association and Stables Nursery who

continue to give their all to help the group achieve what we set out to at the start of the year.

2017 will be the 10th year since the Stables opened and since 2007 Cassiltoun Housing Association has continuously improved, delivered more services, provided greater diversity and offered hundreds of local people opportunities for work, training, recreation and activities to combat issues faced by people such as isolation. In 2017 we will celebrate 10 fantastic years operating from the Stables by highlighting our work.

Externally the political and economic world continues to throw up new challenges and risks therefore our attention to planning and testing our assumptions is vitally important. I am pleased to report that in 2017 the Association is as strong and viable as it has ever been and predicated to remain so for many years to come. Our subsidiary businesses are also making improvements and are also on track for continued long term stability.

I would also like to thank our many partners and funders who help us achieve so much for the community in Castlemilk. I would like to acknowledge the commitment of our Board members across the Cassiltoun Group, who give so much of their time to support our work.

The final word of thanks goes to our staff team, who continue to strive each year to improve from the previous year and I cannot ask for much more than that!

Charlie Millar

Chief Executive Officer

Housing Development



During 2016/17 the Association moved forward with plans for phase one of our new build housing development at 3 sites. In total we aim to build 42 new houses and are on target to be on site by May 2018. The design process has been led by **MAST Architects**.

Phase 2 of our development plans are to take forward proposals by 2019/20 to build 78 flats on Castlemilk Drive.

Phase 3 of our development plans will start in the autumn of 2017 by starting a feasibility study for the site known locally as the “nursery site”. The feasibility project will be led by Collective Architecture.

In total we hope to build 170 new affordable properties to meet the needs of the local community. A mix of flats, houses and wheelchair accessible homes will be completed by 2022.

In addition we anticipate the private sector to build a further 151 houses for sale to help complete the physical regeneration of the east end of Castlemilk.

Strategic and Operational Objectives

Strategic Objectives 2017 to 2020

Ensure that our rents remain affordable, maintain a stock base sufficient to achieve economies of scale and deliver effective services in a cost efficient way.

Maintain the high quality of our housing and service provision, ensuring the comfort of tenants and the protection of investment.

Contribute to the wellbeing of the local community by working with tenants, residents, partners and funders to develop initiatives that promote regeneration and increased levels of inclusion.

Ensure that the work of the Cassiltoun Group is supported by good governance, effective financial, management and regulatory compliance and robust administrative and HR systems.

Ensure we attract and retain highly skilled and knowledgeable staff and Board members. Develop our staff and Board members through education, training and coaching.

Our Mission Statement

We aim to enhance the quality of life of our clients and to regenerate and sustain our community through housing-led and resident controlled initiatives.

Operational Objectives • 2017 to 2018

- 1 To continue to recruit new board members to assist with the strategic leadership and direction of the Association.
- 2 To support our Board of Management's agreed training and learning plan.
- 3 To maintain performance across the KPI's set out in the Internal Management Plan, Operational Service Plan and Advice Team Service Plan.
- 4 To ensure that we deliver the objectives set in the Asset Management Plan and effectively deliver our 2017/18 major repair improvement plans.
- 5 Continue to maintain the effectiveness of our Reactive, Cyclical and Environmental contracts.
- 6 To support and develop our Social Enterprise Subsidiary "Stables Nursery" business in its fifth year of operation.
- 7 To ensure that the Association's Welfare Reform mitigation plans are effective and that we remain flexible in our approach to managing the full range of welfare changes.
- 8 To support Cassiltoun Trust achieve its objectives including establishing a financial solution to the heating system.
- 9 To meet existing funders expectations and continue to seek other opportunities to continue with non-housing regeneration plans.
- 10 To deliver the Castlemilk Park Events programme in 2017/18 and to progress with the ongoing regeneration of the park.
- 11 To achieve 60% grant funding approval from Glasgow City Council for our Housing Development sites known as Barlia 3 by December 2017/January 2018.
- 12 To complete the necessary energy efficiency works to comply with EESSH requirements before 2020 deadline.
- 13 To secure the necessary private finance borrowing to support the Associations development plans by October/November 2017.
- 14 By the end of 2017 complete a new "Tenants Handbook" which complies with the Housing (Scotland) Act 2014.
- 15 In 2017/18 complete an Investors in People review of gold/platinum standard.
- 16 By June 2017 complete the initial business planning assessment for social enterprise 4 (stair cleaning & environmental services).

Operational Review

Corporate Governance

Our governing body is our Board of Management which is responsible to the wider membership. Board of Management members serve in a voluntary and unpaid capacity and we recognise that this puts even more onus on us to ensure that we set and achieve high standards of professionalism in our work.

The Board of Management is elected by the members of the Association. It is the responsibility of the Board to oversee and lead the strategy and overall direction of the Association, set policy and monitor the operational activities of the Association and its subsidiary companies.

As part of our commitment to continuous improvement we have once again set challenging targets, which are regularly monitored and reviewed by the Board of Management and Senior Management Team.

Going Concern

The Board of Management has reviewed this year's results and projections for the next 5 years. The Board has a strong expectation that the Association has adequate resources to continue in operational existence for the foreseeable future. Thus the going concern basis of accounting is adopted in preparing the financial statements.

Performance Management

During 2016/17, the Association demonstrated continuous improvement in many areas of our performance and excellent signs of stability in others underpinned by a planning framework set out as follows. All our staff take part in the business review sessions during our annual review day when we sign off the 3 year Internal Management Plan and 30 year Business Plan. This has been supported by the use of

clear planning tools such as SMART planning, the Operational Service Plan, the Asset Management Plan and the Association's Financial Business Plans.

The Association produced its third Tenants Charter Report Card in October 2016 which outlined our charter performance and how we benchmark locally and against the Scottish average. Furthermore, areas that require action for improvement have been identified and published.

We have demonstrated that the shared goals that are understood by all our people allows us to improve as an organisation, which will ultimately lead to our tenants receiving the best housing service possible, combined with other activities and non-housing services that the Association delivers with its partners.

We receive very few complaints of a serious nature and we take prompt action to resolve and learn from those received.



Best use of resources

The Association is a Platinum Investors in People organisation and we completed a review in June 2016 of our Values, Vision and Mission. Our ongoing performance, future improvements and strong customer focus depends on a highly motivated and well trained staff team and we believe our performance, high levels of tenant satisfaction and attendance management demonstrates this. Investment in our staff team is critical to our success.

Our planned major repairs programme achieved its target by delivering:

- 147 kitchens in Hoddam Avenue/Terrace and Ballantay Road;
- 57 gas central heating systems replaced around Machrie Road/Street and Croftfoot Terrace;
- 17 new window replacements at Croftfoot Street; and



Board visit to Campbell Construction Group Factory

- 53 properties were painted externally in Elmtree Gdns, Barlia Way and Machrie Drive.

The Association carried out a staff succession plan review covering the next five year period. The purpose of the succession plan is to ensure that the Association's staff have the necessary skills, experience and commitment to take the organisation forward. The review also gave the Board a clear indication of where our staff see their future.

This approach greatly assists the Board to mitigate against potential staffing risks and ensures that we have an adequate training and development plan in place.

The Board have approved a 2017 Succession Plan Review for Board members across our group structure.

The procurement of our reactive repairs, via partnership working with one main contractor, has been successful for the sixth year in succession. Tenant satisfaction



levels are consistently high with performance levels between 99% and 100% regularly achieved. Tenants continue to play a vital role in monitoring this performance.

During the year we completed 4,325 repairs, an increase of 1,426 from the year prior. The table below summarises our targets, repair type and performance.

Category	Target	Number	Completed on time	% Completed within time
Emergency	6 hours	471	471	100%
Urgent and Routine	3 days/10 days	3,854	3,854	100%

Void management performance trend continues to improve year after year. The Association set a target of lower than £8k for rent lost through voids and £5k was achieved (0.13%) demonstrating our commitment to business efficiency. The Association is aware that having a strong base will help us mitigate the ongoing



impact of Welfare Reform. Our business planning assumption for voids is very conservative at 2%.

The Association's arrears management faced a number of challenges although performance managed to be better than the target despite the risks posed by Welfare Reform. We believe that our planned approach to the risks surrounding rental income and arrears levels is being controlled and managed effectively:

Budget target was 3.4%

Performance was 2.3%

The Association continues to prioritise the emerging risks associated with Welfare Reform changes by increasing staffing resources to assist tenants and to cope with the associated additional work load. We believe our approach has helped to maintain good performance and mitigate this risk.

Following on from previous years we believe that sustained performance has been achieved against a

backdrop of business growth and a demanding policy context. The current economic downturn and uncertainty caused by the Brexit vote, political uncertainty and the potential impact on the economy has continued to focus the Board's attention on achieving better value for money and greater efficiencies. This is supported by continuous monitoring to ensure that our key targets are met and also to allow us to take corrective action should the Association encounter unplanned trends or changes that may adversely affect it.

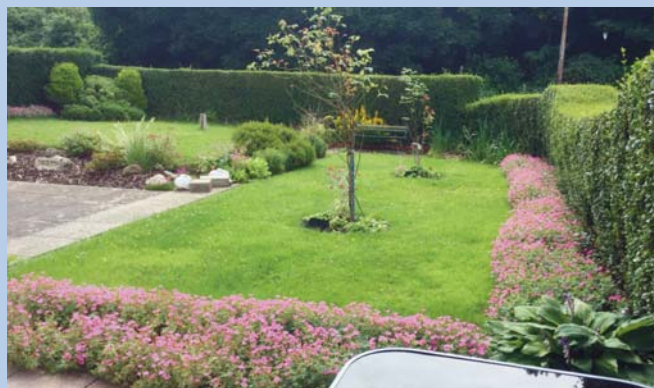
The Association's overall performance demonstrates that the Board has a successful strategy in place to achieve its aims and it continues to prepare for the future impact and risks that Welfare Reform changes will have on our business.

We will continue to support tenants throughout the introduction of Universal Credit to help minimise risks for tenants and the Association. Our Welfare and

Money Advice Team has been in place from April 2014 and made significant progress assisting tenants to maximise their benefits and manage debts and costs more effectively. The benefit of this to the Association is directly translated into lower arrears over the past three years and more staff time to devote to service delivery.

Like every other housing association and local authority with housing stock, the Association has ensured that its properties meet the "Scottish Housing Quality Standard". This was independently verified and is excellent news for our tenants and for our long term financial forecasting.

The Association has a planning framework in place to review and update our approach to ensuring that the Energy Efficiency Targets set by the Scottish Government are in place for 2020.



Delivering our Regeneration Plan

Across the Cassiltoun Group we continue to deliver a wide range of Regeneration Activities. These are funded through a mix of internal and external resources. This year we have received £377,775 of external funding to allow us to continue to deliver our community programmes and events.



Employability

We continue to have a strong focus in our regeneration work on creating jobs and training placements.

Like other organisations we ask that our major contractors offer training and employment opportunities through 'Community Benefit Clauses' in their contracts with us. City Building, one of our main contractors continues to employ 37 people from the G45 area.

Our longstanding partnership with SCVO and Community Jobs Scotland has continued, and moving forward into 2017/2018 we will again be offering CJS Placements across the Group. One of our placements from 2016/2017, was successful in gaining a two year contract with Cassiltoun to work with the Advice Team and deliver Digital Inclusion Initiatives, and another is moving onto a Modern Apprenticeship with the Stables Nursery.



We have continued our tradition of offering work experience placements and we have worked with the local Jobcentre and Castlemilk High School. We have offered a range of work experience placements in our Nursery, Reception, Communities Team and in the Creative Studio.

In addition the Stables Nursery Business continues to offer Modern Apprenticeships and we are pleased that the majority of Apprentices complete their course and go on to secure jobs within the sector.

Finally Cassiltoun Trust's 'Paths to Employment' programme has continued to offer a mix of voluntary and paid training placements. This year (16/17) we were delighted when two of our 26 week placements secured full time permanent positions with good career prospects as a result of the training, qualifications and support they have received on the programme.



Early Intervention

Early Intervention programmes help to prevent people from suffering from exclusion or problems in the future.

Cassiltoun early intervention activities include:

- The Stables Studio programme which prevents social isolation in older people
- Financial inclusion and budgeting advice
- Welfare Rights Assistance
- Digital Inclusion activities

The Stables Studio continues to be a supportive environment for older people in the G45 area. This year the participants have been involved in projects that help others, both in the community and further afield.

This has included making school bags and pencil cases for the Star Child project in Africa and knitting fidget blankets for people with dementia.



The Advice Team which comprises of our Financial Inclusion Officer, our Welfare Rights Officer and the Advice Assistant were joined at the end of the 16/17 year by a Digital Inclusion Assistant (funded through the Big Lottery Fund) who will help people get online. The team have again delivered on their targets achieving:

- An increase of £636,000 in benefit income to tenants and service users
- An increase in people taking out home contents insurance
- Helping service users to manage debts totalling £85,000

One target set by the Big Lottery Fund was to increase the numbers of service users with transactional bank accounts so that people were more 'financially included' and had access to a greater range of financial

products. Results from the Advice Team and our recent satisfaction survey indicates that the majority of Cassiltoun tenants now have bank accounts which is a fantastic achievement.

The Advice Team continues to be a vital service at a time when the welfare system is changing dramatically and levels of personal debt are increasing.

The Team also continues to deliver our Furniture Initiative and Home Start projects which assist people at the start of their tenancy by providing basic household items.

Engagement and Participation

Since starting in her post in December 2015, our Community Development Officer, Paddy McKenna, has been busy knocking on doors, attending community

events, meeting new tenants and delivering a wide range of tenant participation activities.

Paddy has been supporting and encouraging people to get more involved in the organisation, this includes encouraging people to join the Estate Action Group and Focus Group and moving from these onto the Board of Management.

The Community Garden programme has flourished with numbers averaging 14 per week. As well as having the chance to socialise, exercise, cook food and take home some vegetables, Paddy has been encouraging the participants to complete Saltire Awards in volunteering and to take the lead in planning the activities of the group.

Paddy also supports the 'Youth Meet Up' group and has assisted this group of young people aged between 16 and 25 to apply for funds and to deliver a range of youth related activities including an outing to an



activity centre. Paddy has also supported the young people to become more active volunteers in the local community. They have also assisted in a wide range of events held at the Stables and the Woodlands.

We had some further good news in April 2017 when the Big Lottery Fund confirmed that they were funding the continuation of the Community Development Officer post for 4 years from August 2017.

Our popular community events programme continued with a wide range of events in the woodlands, the Stables and our trips away. Our annual events are often the highlight of the summer for our families.

These have included:

- Children's summer trip to Blair Drummond Safari Park
- Christmas trip to SECC pantomime
- Over 40's trip to Largs
- Easter celebrations and summer fun days



Health and Greenspace – Castlemilk Park

We are very grateful to the Forestry Commission Scotland for funding that has allowed us to continue with the employment of a Community Woodland Officer. Also the Forestry Commission Scotland and Glasgow Housing Association, who's funding enables us to deliver the wide variety of events and regular activities in the Woodland. We are also supported by members of the Park Steering group (Forestry Commission Scotland, Glasgow Housing Association, Jeely Piece and Glasgow City Council). These activities attract people from Castlemilk, Glasgow and beyond. This helps us to achieve our aspiration to make Castlemilk a fantastic place to live, work and visit.

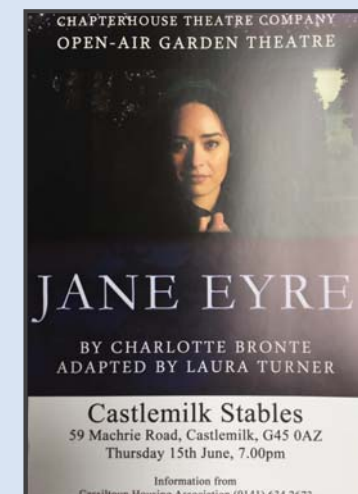
During the 16/17 year we delivered a wide variety of activities based in and around the woodland. This included our popular Pumpkin Festival. We had a fantastic display of over 300 pumpkins carved by the community and over 150 people came to see them lit outside the Stables. Our spooky walk also attracted over 250 people.

Other events have included:

- Evening heath walks
- 'How Old are Yew' history group
- International Peace Day
- Volunteering
- Annual Doggie Day

In March 2017 Cassiltoun Trust learnt that we were fortunate to secure funding from Central Scotland Green Network Trust, People and Communities Fund and Glasgow Housing Association to continue with the 'Paths to Employment' programme. This project continues to provide important training, work experience and qualifications for local people and provide much needed path improvements and woodland maintenance in Castlemilk Park. One participant who moved into employment after the programme said *'This has been the best year of my life, I can't thank everyone enough for all the opportunities you have given me and the confidence I have now got. I will miss the Woodlands and all the people that I have met'.*





Other areas

Operations

Again like previous years we continued to make further improvements to our operational performance through the ongoing integration of service provision, which was underpinned by our robust Operational Service Plan. Our staff have clear targets and objectives to achieve and these are regularly monitored by the Senior Management Team and Board of Management.

Feedback from tenants remains positive with regular high levels of overall satisfaction being identified from satisfaction surveys.

Business Continuity Plan

The Board has a combined plan with robust procedures in place to deal with disasters and any severe business interruptions.

In recent years the Board become more concerned over business interruption and service delivery during severe winter weather and heavy snow. One 4x4 vehicle is owned which can operate safely in bad weather and allow the office to be kept open.

Performance Review

The Board carries out two major strategic performance reviews each year to ensure that our Strategic and Operational Objectives are carefully monitored. The Association uses a traffic light monitoring system (six month reviews and quarterly operational reports) to quickly identify any sign that a set objective may not be achieved. At the end of the year we were pleased that

13 of our 16 objectives were achieved or making considerable progress with no concern. We successfully achieved "Healthy Working Lives Gold Award" and delivered on our strategic objectives.

Policies and Procedures

The Board approves policy and procedures on a rolling basis unless changes in guidance or legislation enforce earlier reviews. The Association has over 70 policies and procedures that provide the necessary guidance on how it runs and manages its business in accordance with these procedures and rules.

Credit Payment Policy

The Association's policy concerning the payment of its trade creditors complies with the Confederation of British Industry guidelines. The average payment period remained at 20 days from receipt of invoice via a weekly payment run. The target set is within 22 days.

Rental Income

The Association's Rent Policy is a points system based on the size, type and facilities of the provided accommodation. The policy ensures that the rent structure is easy to administer and covers the wide variations within the Association's properties.

Budgetary Process

Each year the Board approves the budget and rolling five-year strategic plan where key risk areas are

identified. Performance is monitored and relevant action taken throughout the year with monthly reporting to the Senior Management Team and bi-monthly Board reporting. Variations from the budget are explained and updated forecasts are prepared together with information on key risk areas. Approval procedures are in place in respect of major areas of risk such as major contract tenders, expenditure and treasury management.

Treasury Management

The Association has an active treasury management function, which operates in accordance with the Treasury Management Policy. In this way the Association manages its borrowing arrangements to ensure that it is always in a position to meet its financial obligations as they fall due. Excess balances are placed on short term deposits between 1-18 months. The Association, as a matter of policy, does not enter into transactions of a speculative nature. At March 2017 the Association continued to have a mix of 55% long term fixed and 45% variable rate loan finance.

Quality and Integrity of Personnel

The integrity and competence of personnel are ensured through high recruitment standards and subsequent training courses. High quality personnel are seen as an essential part of the control environment and the ethical standards expected are communicated through the Chief Executive.

Tenants' Charter Report Card 2017

Introduction

Fiona McGowan, Director of Operations, Cassiltoun Housing Association

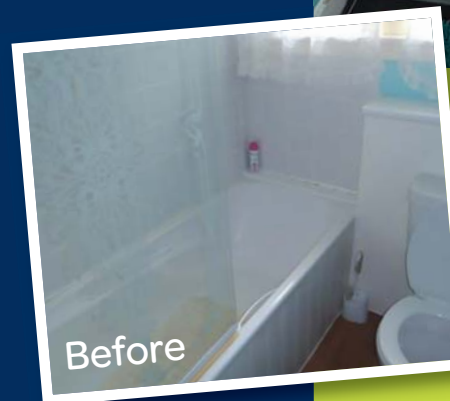


Welcome to Cassiltoun Housing Association's fourth annual Tenants Charter Report Card. The "Social Housing Charter" which was introduced by the Scottish Government on 1st April 2012 is truly embedded into the culture here at Cassiltoun Housing Association. Contained within this report you will find information on how Cassiltoun Housing Association have performed over a range of areas set out in the Charter standards and outcomes with comparisons to the Scottish Average and other local Associations. I am delighted to report that we have outperformed our targets and improved on last year's excellent performance.

The Cassiltoun Standard

Cassiltoun Housing Association prides itself on our high standards of performance, customer service and satisfaction. In order to ensure that we maintain these standards, we rigorously monitor our performance against the targets that we set each year which are contained within our Operations Service Plan. This is reported quarterly to our Operations Sub Committee and published in our quarterly newsletters.

I am delighted that the information contained within this report illustrates that our performance for the financial year 2016/17 has again proved to be excellent and shows improvements on our 2015/16 performance. We know that our performance compares favourably against the Scottish average and also that of neighbouring Housing Associations which we will demonstrate throughout this report.



Adaptation – Shower Tray

Mrs Margaret Watt, 6 Croftfoot Crescent 0/2:
"I wish I had put in for this shower tray years ago but I thought it would have been a lot of hassle, it was a great experience and my new shower has given me my independence back, I no longer have the fear of falling and I feel more comfortable in my home."

Homes and Rents

Value for Money

The tables show the average rent increase and average rents compared to the Scottish average and some locally based Housing Associations. As you can see, although Cassiltoun's rent increase was slightly above the Scottish Average, our weekly rents compare very favourably against the Scottish Average and that of our neighbouring Housing Associations.

During November 2016, an independent tenant satisfaction survey was carried out in line with the Scottish Housing Regulator's Guidance in which 78.68% of our tenants felt that the rent for their property represents good value for money.

It is vitally important for the Association to collect as much of the rental income that is due as is possible. This is done through rent management (collecting rents and reducing arrears) and void management (letting empty properties as quickly as possible). The total rent due to Cassiltoun Housing Association for the year was **£3,672,410** of which we collected **99.60%** compared to the Scottish Average of **99.88%**. We receive housing cost direct (Housing Benefit) for 704 households which equates to a value of **£2,139,090**.

As you can see, Cassiltoun's performance benchmarks strongly against the Scottish Average and our neighbouring Associations. However we wrote off a total of £4,571 in former tenant arrears as we were unable to recoup this money. (19.08 %).

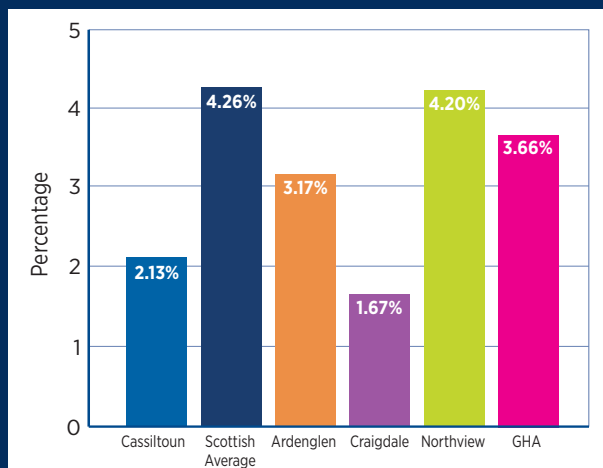
2016/17 Rent Increase

Cassiltoun	Scottish Average	Ardenglen	Craigdale	Northview	GHA
2.5%	2.3%	1.5%	1.8%	3.8%	2.4%

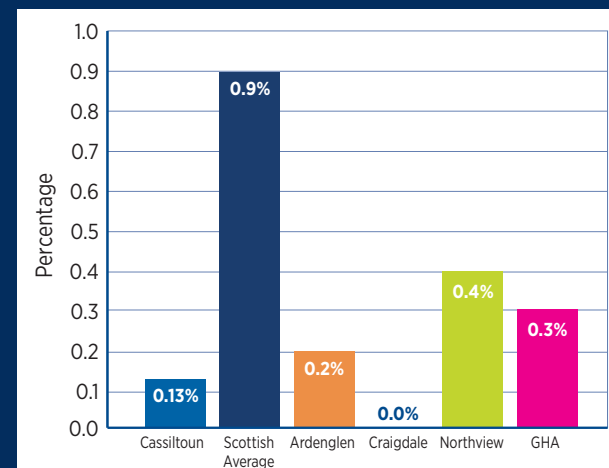
Average Weekly Rents

Size of home	Cassiltoun	Scottish Average	Ardenglen	Craigdale	Northview	GHA
2 Apartment	£67.01	£71.67	£65.80	£65.58	£63.13	£72.20
3 Apartment	£69.78	£73.13	£72.22	£69.94	£78.74	£77.56
4 Apartment	£79.54	£79.42	£80.82	£79.15	£87.47	£90.62
5 Apartment +	£91.22	£88.02	£92.22	£82.51	£97.74	£99.16

Total Rent Arrears




Void Loss





Tenant Satisfaction


Quality and Maintenance of Homes


Key Points:


 **2.02 hours** was the average time taken to complete emergency repairs compared to the **Scottish average of 4.7 hours**. This is a fantastic performance and a credit to the partnership working between the Association and our Reactive Repairs contractor City Building LLP.


 **3.2 days** was the average time taken to complete non-emergency repairs compared to the **Scottish average of 7.1 days**.

 **97.67%** of reactive repairs were completed 'right first time' (a new key performance indicator introduced by the Scottish Housing Regulator) compared to the **Scottish average of 92.4%**.







 **99.06%** of reactive repairs appointments were kept compared to the **Scottish average of 95.7%**.

 **99.45%** of tenants who had repairs or maintenance carried out were satisfied with the service they receive compared to the **Scottish average of 90.06%**.

 **100%** of properties with a gas safety certificate renewed by the anniversary date compared to the **Scottish average of 99.3%**.

 **98.17%** of Cassiltoun's homes met the Scottish Housing Quality Standard compared to the **Scottish average of 93.6%**.

During November 2016, an independent Tenant Satisfaction Survey was carried out in line with Scottish Housing Regulator's Guidance and achieved a 40% response rate. We were delighted with the results which are shown below:

	90.44%	Percentage of tenants satisfied with overall service provided by landlord.
	96.08%	Percentage of tenants who feel landlord is good at keeping them informed about services and decisions.
	85.78%	Percentage of tenants satisfied with opportunities given to them to participate in landlords decision making.
	92.19%	*Percentage of tenants satisfied with the standard of home when moving in.
	85.29%	Percentage of tenants satisfied with the quality of home.
	99.45%	Percentage of tenants satisfied with repairs service.
	86.76%	Percentage of tenants satisfied with management of neighbourhood.

*This question is now asked at every new tenant visit in order to improve our service and quality standard of our homes.

 **Better than the Scottish Average**

 **Worse than the Scottish Average**



Windows

Mrs Callaghan, 1 Tormusk Road:
"I think my new windows are brilliant. I can already notice the difference they have made, my house is a lot warmer and the heating only needs to be on for a few minutes to heat the full property. CMS are a great company and their workmen are excellent."



Tenant Satisfaction (continued)

Complaints

The Association has a Complaints Policy and Procedure in line with the SPSO's model guidance. Whilst we endeavour to get our services and those of our contractors right first time, in reality we recognise that this does not always happen and welcome complaints from our tenants and service users. By monitoring and assessing the complaints that we receive, we learn where mistakes have been made and learn from these in order to improve both our own and our contractors' performance and service provided.

In 2016/17:

- No complaints were received regarding equalities issues.
- 121 complaints were received regarding non-equalities issues.
- 120 were responded to in full, in line with the Association's Complaints Policy at 1st stage complaint.
- 2 then moved to 2nd stage complaint
- 101 - 1st stage complaints were upheld (84.17%)
- 1 - 2nd stage complaint was upheld (50%)
- 91.67% 1st Stage Complaints were responded to within SPSO timescales
- 100% 2nd Stage complaints were responded to within SPSO timescales

What we learned:

Area of Complaint	Substance of Complaint	Outcome
Contractors Service Delivery	Excess water being left in the close following the close cleaners weekly clean.	Housing Officer visiting property on a weekly basis to ensure close cleaning meets with her satisfaction. HO has also spoken with Operations Manager who will joint visit if required.
Policy	Tenant believes that properties have been let to people who do not qualify for them and wants to know why.	Lets have been allocated in line with policy and procedure and letter issued to tenant advising this.
Communication	Tenant contacted to enquire if interested in a house that was becoming available, only to discover that the information on property size required that we have on file is incorrect and house too small for the family.	Apologised to tenant and have now amended records to ensure this does not happen again and HO will contact tenant to ensure all information is correct for application.



Windows

Miss Karen Ryrie, 5 Tormusk Road Flat 1/2:

"I was apprehensive at first to get my new windows as I was worried that I would have a lot of decorating afterwards. However the workmen were excellent and took extra care when fitting my windows, I have had no damage what so ever. "



Tenancy Sustainment

As we are a community based organisation, our community is at the heart of everything that we do. In order to maintain our community, we need to ensure that tenancies are sustained and turnover of our properties remains low.

Therefore, in order to assist our tenants to remain within their own homes as their needs change, the Association each year carry out various medical adaptations, which includes walk in showers and handrails.

In 2016/17 the Association:

- Had 46 requests for medical adaptations on the list
- Completed 39
- Averaged 123 days to complete from receipt of applications

The tables detail our lets for 2016/17, our housing lists and tenancy sustainment information.

Factored Owners

Our factored owners are an integral part of our community and access many of the services that we provide. In November 2016, a satisfaction survey was issued to all our factored owners, however only 21 returns were received. Of these returns, 80.95% were satisfied with the service that they received, which is one of the things that we aim to improve on. However our Annual Management Fee per factored property is £86.81 just above the Scottish Average at £83.07.

Lets 2016/17

Percentage of lettable houses that became vacant	7.13%
Existing Tenants	14
Waiting List	38
Section 5 Referrals (homeless)	19
Total	71
Average time to re-let properties	6.41 days

Housing List 2016/17

New applicants added to list	360
Applicants on list at end of reporting year	379
Applications cancelled	214
Section 5 Referrals received	37

Court Actions

Number of abandoned properties	11
Court Actions initiated 2016/17	16
Properties recovered for non payment of rent	3
Number of Notice of Proceedings for Recovery of Possession issued	47
Number of Decrees for Eviction granted	4

Lets 2016/17 where the tenancies have been sustained for more than 1 year

Total Lets	76
Total Sustained	70
Existing tenants % sustained	90%
Section 5 Referrals (homeless) % sustained	100%
Waiting list % sustained	92.19%
Total	92.11%

Anti-Social Behaviour

Number of cases reported 2016/17	112
Cases Resolved 2016/17	109
Cases resolved within locally agreed targets	109
Percentage resolved within agreed targets	97.32%



Garden - new turf

Tenant was delighted with the workmen and her new garden.

How has Cassiltoun Housing Association performed?

When we compare our Charter Indicator performance against local landlords and the Scottish average performance for all landlords, the evidence points to a consistently strong performance.

For example:

- Our rents are competitive
- Satisfaction levels are high
- Our housing stock is in good condition
- We complete emergency and non-emergency repairs quickly
- We collect our rents
- We do not lose excessive rental income due to re-let performance.

Last year the Association identified some areas for improvement and I am pleased to report that we were successful in improving on:

- Improve the applications for medical adaptations quicker and to improve the average days taken to complete medical adaptations.
- Lets to homeless people
- Meeting the timescales and targets that we set for anti social behaviour complaints

However, the Association have identified that we still require to improve on the following areas:

- Overall Tenant Satisfaction.

You can get further information on the Social Housing Charter in a number of ways.

1. If you have internet access then visit the Scottish Housing Regulator's website (www.scottishhousingregulator.gov.uk). The website contains detailed information about the Charter and the Indicators.
2. Visit Cassiltoun Housing Association's website (www.cassiltoun.org.uk) and check out the Charter Section and read previous newsletters with Charter information.
3. If you would like to receive a paper copy of the summary contact our office, 59 Machrie Road, Glasgow, G45 0AZ. Tel: 0141 634 2673.



Financial Highlights

The year saw our new accounting rules fully embedded which requires us to show £575k of historical grants allocated into the year.

This makes comparability to real cash income more difficult but the results on page 18 come from the audited accounts.

Rental income is an inflationary increase of 2% and the flurry of right to buy sales resulted in a small surplus. Management costs were maintained at close to last years level and the major repairs figure is spending going through the income & expenditure account whereas a further £984k is treated as capital expenditure and enhances our assets on the balance sheet.

Overall the factoring service made a small loss which is similar to previous years although 2015/16 included an

anomaly. Spending on our wider role activities increased this year to reflect our diverse actions and salaries were higher due to temporary staffing posts. Interest paid on loans was again lower than the previous year and we pay between 0.8% and 6.4% for borrowing, with a large proportion being on a fixed rate

The impact of welfare reform remains limited although owners debt has increased. Balance sheet additions to our properties totalled £1,043k which includes purchasing the land at 6 Barlia Street which was the old local repairs team site, together with grants of £240k towards this and medical adaptations.

By the end of the year these grants along with revenue grants helped increase the bank balance by £559k and this shows that monies are ploughed back into providing services, maintaining properties and having internal funds to support our development proposals for 2018.



Cassiltoun Housing Association Staff Team

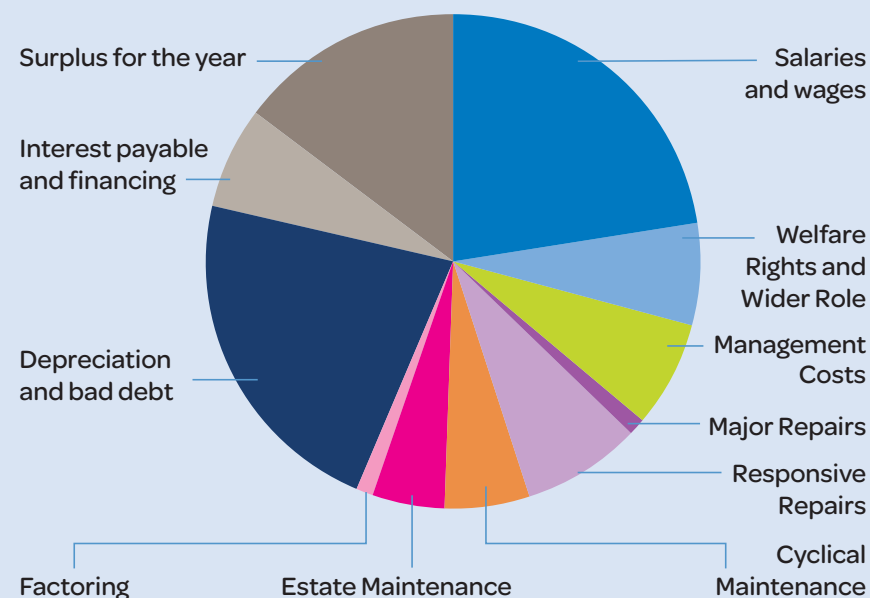
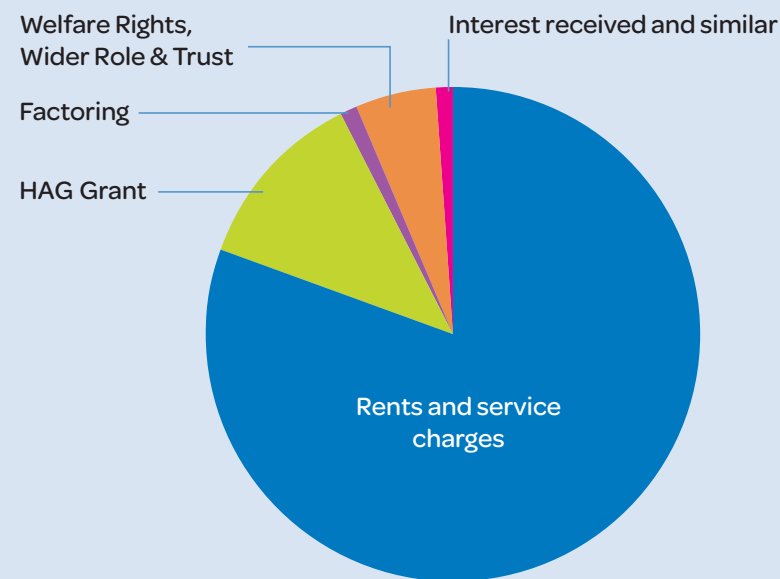
Key Financial Information	2016/ 2017	2015/ 2016
Association		
Staff Costs / Turnover	23.0%	21.1%
Management Administration Costs / Turnover	26.5%	22.7%
Reactive Maintenance / Turnover	12.6%	11.1%
Loan Interest Payable / Turnover	5.8%	6.3%
Current Ratio (current assets / current liabilities)	3.2 times	3.4 times
Bank Loan Interest Cover (operating surplus / bank loan interest)	3.5 times	3.8 times
Asset cover (total assets less current liabilities / creditors > 1yr)	1.2 times	1.2 times
Debt per Housing Unit	£7,265	£7,547
Group		
Staff Costs / Turnover	25.2%	22.9%
Management Administration Costs / Turnover	21.0%	20.2%
Average number of days to pay suppliers	20.3 days	20.2 days

Income (£000s)

	2016/17	% of income	2015/16
Rents and service charges	3,882	80.6%	3,806
Proportion of HAG grant (not cash)	575	11.9%	493
Factoring	54	1.1%	77
Welfare Rights, Wider Role & Trust	252	5.2%	268
Surplus /(loss) on RTB or property disposal	11	0.2%	-19
Interest received and similar	45	0.9%	38
Total income	4,819		4,663

Expenditure (£000s)

	2016/17	% of income	2015/16
Salaries and wages	1,096	22.7%	981
Welfare Rights and Wider Role	318	6.6%	229
Management costs	335	7.0%	313
Major repairs	57	1.2%	151
Responsive repairs	376	7.8%	306
Cyclical maintenance	263	5.5%	226
Estate maintenance	221	4.6%	208
Factoring	61	1.3%	64
Depreciation and bad debt	1,070	22.2%	1,051
Interest payable and financing	317	6.6%	341
Total expenditure	4,114		3,870
Surplus for the year	705	14.6%	793



Current Staff

Charlie Millar	Chief Executive Officer
Gamal Haddou	Director of Finance
Fiona McGowan	Director of Operations
Clair Malpas	Regeneration Manager
Paula Brownlie	Corporate Services Manager
John Williams	Area Housing Manager (Property)
Clare MacLean	Area Housing Manager (Services)
Lorna Leishman	Finance Officer
Donna Fullerton	Welfare Rights Officer
Anne Miller	Financial Inclusion Officer
Patricia McKenna	Community Development Officer
James Docherty	Technical Officer
Stuart Whittaker	Community Woodland Officer
James Wilson	Housing Officer
Grant Kennedy	Housing Officer
Karen Graham	Corporate Services Assistant
Catherine Reilly	Housing Assistant
John Brown	Housing Assistant
Connor McLean	Advice Assistant
Lisa Wilson	Receptionist

Jenna Laing	Finance Assistant
Isla Dundas	Administrator (Financial & Digital Inclusion)
William Reynolds	Handyman/Estate Caretaker
Ainsleigh Maguire	Customer Services Assistant
Amanda McDermott	Customer Services Assistant
Emma Scott	Customer Services Assistant (Technical)
Steven Cole	Estates Assistant
Cathy Malone	Cleaner

Board of Management

Anna M Stuart MBE	Chair
George Kelly	Vice Chair
Teresa McGowan	Treasurer
Evelyn Ferguson	Secretary
Adam Milligan	Board Member
Robert Brennan	Board Member
William Craig	Board Member
James Garrow	Board Member
Teresa Sadler	Board Member
Julie McNeil	Board Member
Debbie Mackenzie	Board Member



Cassiltoun Housing Association Board of Management

Registration particulars

Financial Conduct Authority

Co-operative and Community Benefit Societies Act 2014 • Registered Number 2190 R(S)

Scottish Housing Regulator

Housing (Scotland) Act 2010
Registered Number 84

Office of the Scottish Charity Regulator

Charities and Trustee Investment (Scotland) Act 2005
Scottish Charity Number SC 035544

Auditor

Scott-Moncrieff • 25 Bothwell Street • Glasgow G2 6NL

Banker

Bank Of Scotland
82 Main Street • Rutherglen G73 2HZ

Solicitor

T C Young • 7 West George Street • Glasgow G2 1BA

Celebrating 10 Years of Success

In 2017 Cassiltoun Trust celebrated a significant milestone. This year marks 10 years since the Stables building re-opened its doors after its £4.7 million restoration.



Over the year the Trust will celebrate this important milestone with a series of events. This includes:

- The creation of a film that captures the 'Story of the Stables'.
- An enhanced Doors Open Day programme with guided walks and children's events
- A Festival of Sport
- Community celebration day
- Garden Party for funders and supporters
- The launch of a Community Bursary scheme.

I would like to thank all our Board members, funders and supporters both past and present without whom the Stables would not be the successful and well - loved building that it is today.

As well as being busy planning and delivering the 10th Anniversary programme we have continued to focus on our strategic aims and operational objectives.

Anna M Stuart MBE *Chair Cassiltoun Trust*

Strategic Aims

To empower our local community and extended communities to make positive changes in their lives by providing education/training, employment, health and leisure time opportunities.

Promote, enhance and preserve the public's knowledge of Castlemilk's rich history.

To continue to preserve the historical and architectural significance of Castlemilk Stables for the local and extended community and to promote the preservation of other historical landmarks in the area.

To promote, influence and implement and participate in local and national strategies that assist and drive community led economic regeneration and development.

To achieve the delivery of its strategic objectives, the Trust currently relies on the assistance of its parent organisation, Cassiltoun Housing Association Limited, with both a management agreement and in-kind support, providing experienced staff and administration to support effective governance.

Both the Trust and Cassiltoun Housing Association Limited have been successful in attracting funding to support learning, education and training activities which will be delivered from the Stables and ensures the building remains as a community asset. In addition, office and meeting facilities are offered to groups or businesses.



Cassiltoun Trust Business Planning Day, 22nd February 2017



Trust Operational Objectives

- 1 Support Board members to sustain and improve their skills and knowledge to help ensure that they are as effective as possible.
- 2 To maintain and develop the Stables external environment including the community orchard and garden by working in partnership with local agencies and Castlemilk community to maximise the use of our assets.
- 3 Continue to develop partnerships both new and existing; with local voluntary and statutory groups who can assist the project achieve its education, learning and wider role targets.
- 4 To maximise the Trust's income and monitor expenditure.
- 5 To develop Castlemilk Park with our strategic partners to ensure that the needs and aspirations of the local community are given the opportunity to be realised.
- 6 Promote the objectives of Cassiltoun Trust further within Castlemilk and the wider regeneration community.
- 7 To participate in the 2017 Glasgow Doors Open Day Festival and wider events being held in Glasgow.
- 8 To plan and prepare how best to acknowledge and celebrate 10th anniversary of the opening of Castlemilk Stables in 2017.
- 9 By the summer of 2017 develop a brief for consultants to successfully appoint a design team to take forward the Stables heating renewal project.
- 10 Complete the design process 6 months after appointment (approx. Dec 2017).
- 11 To achieve tender stage by quarter one of 2018/19.
- 12 Consider opportunities for profitable events.



Operational Review and Achievements

Our 17th Year of Operation

We have continued to deliver our 'Paths to Employment' employability programme in Castlemilk Park funded by Central Scotland Green Network Trust, People and Communities Fund, Glasgow Housing Association and Cassiltoun Housing Association. Last year we were delighted when two of our 26 week placements obtained full time, permanent jobs with good career prospects, one in a Housing Association and the other within the Forestry sector.

Our Museum Display was renewed again, this time by Cassiltoun Housing Association's Estate Action Group. They focussed on changes to the way people communicate with each other and yet again it has been a welcome addition to the reception area of the building.



The activities based in the building and the surrounding woodland create a thriving and friendly atmosphere for local people and visitors to the area. The Community Gardening Group and Stables Studio art programme continue to provide a positive and welcoming environment for people to meet, learn new skills and keep physically and mentally active. This year we have introduced other health and wellbeing programmes in partnership with other agencies, this has included: community cycling, working with the Bike Station, our 'Revive' programme working with local Health partners and a summer activity programme of sports in Castlemilk Park delivered as part of Park Lives.

The Trust continues to receive a profusion of visitors from across the UK to learn about the work that we deliver and the transformational changes that we have achieved. This year we even welcomed visitors from Ethiopia to learn more about Social Enterprise creation.

Financial Review

The Trust achieved an unusually high surplus in the year as a result of the termination of the existing lease agreement with Cassiltoun Housing Association Limited on 31 March 2017. A new lease agreement was signed on 31 March 2017. As a result the rental income that was deferred of £132,884 at 31 March 2017 was released to income. Without this the underlying position would be a deficit of £12,843 arising from high heating running costs and an increase in commercial rates. The high costs had

been expected and during the year consultants recommended replacing the heating system for reasons identified further below. Mainstream trading income was in-line with expectations. The business plan demonstrates the Trust undertaking its planned activities and maintenance requirements whilst allowing for some periods of vacant occupancy.

Surplus for the year

The financial results of Cassiltoun Trust are as follows:

	2017 £	2016 £
Funds balance brought forward	355,434	355,367
Surplus / (loss) for the year	120,041	67
Funds balance carried forward	475,475	355,434

Plans for the Future

Castlemilk Park: We will continue to work with our partners on improvements plans for Castlemilk Park and are keen to continue with discussions about how we can best develop and further the regeneration of this local greenspace.

Heating System: After completing an options appraisal on the Heating System we will be working with specialist consultants to draw up fully costed plans for the next stage of the heating renewal.

Financial Highlights

The Trust had a rather mixed year of trading with one single £133k transaction turning a loss for the year into a surplus. This historical rent transaction with Cassiltoun Housing was eliminated which will help with clarity from the new year however it resulted in an exceptional income on the last day of the year.

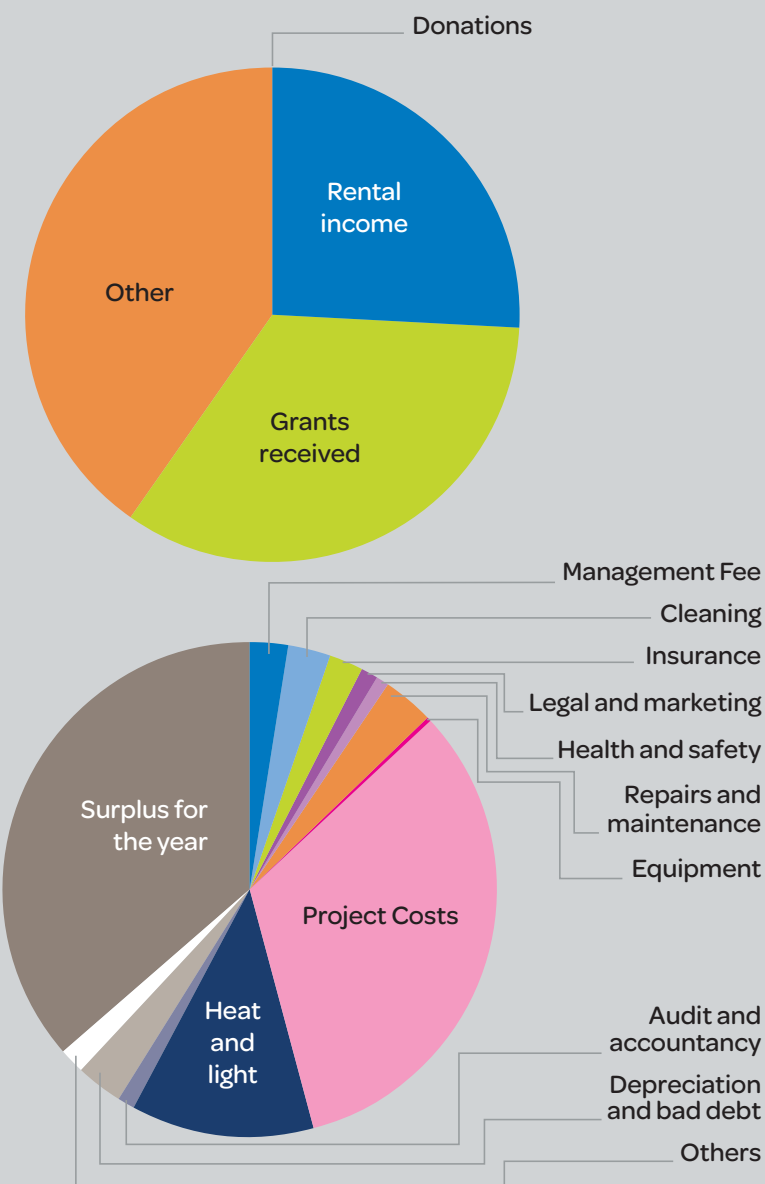
The normal recurring activities of the Trust were mainly in line with expectations except for heating costs which increased substantially due to a faulty system. Breakdown repairs to the heating system were much lower than last year but this was offset by higher running costs. A feasibility study was undertaken to explore bringing gas into the building and consultants are working on costings and a design plan. Project costs are £109k of which the biggest activity continues to be the Park Employability project.

We contracted with Great Gardens to provide the training and undertake the improvements that walkers and park users see although from 2017/18 this service will be provided by The Conservation Volunteers.

Rental income is a 4% inflationary increase from last year and there are inter company Cassiltoun group agreements in place covering office space rentals. No bad debts exist and the bank balance reduced by nearly £12k. The office building remains valued at £470k together with £9k of other assets.

Income (£s)	2016/17	% of income	2015/16
Rental income	85,974	26.0%	82,376
Grants received	111,701	33.8%	124,549
Donations	230	0.1%	1,000
Other	132,884	40.2%	550
Interest Received	12	0.0%	13
Total income	330,801		208,488

Expenditure (£s)	2016/17	% of income	2015/16
Management fee	8,856	2.7%	8,640
Cleaning	8,532	2.6%	7,822
Insurance	7,923	2.4%	7,700
Legal and marketing	3,175	1.0%	2,649
Health and safety	2,631	0.8%	-
Repairs and maintenance	10,778	3.3%	26,145
Equipment	1,060	0.3%	120
Project costs	109,280	33.0%	113,082
Heat and light	39,665	12.0%	26,373
Audit and accountancy	3,400	1.0%	2,034
Depreciation and bad debts	10,320	3.1%	10,006
Others	5,140	1.6%	3,850
Total expenditure	210,760		208,421
Surplus for the year	120,041	36.3%	67



General Reserves

It is the policy of the Trust to maintain unrestricted funds, which are the Trust's free reserves, at a level to provide sufficient funds to cover maintenance, administration and support costs.

Going Concern

The Board of Trustees has reviewed the results for this year along with projections for the next 25 years. It therefore has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis has been adopted in these financial statements.

Structure, governance and management

Cassiltoun Trust has a Board of Trustees who have the responsibility to ensure that the business achieves its strategic and operational aims and objectives.

The Trust reviewed its business plan which sets out to describe:

- Its strategic aims
- Management arrangements
- Operating environment
- Policy and procedure implementation
- Operational objectives
- Risk analysis

Our governing body is our Board of Trustees, which is responsible to the wider membership. They report at least annually to Cassiltoun Housing Association Limited

and management of the day to day activities is performed via a service agreement by Cassiltoun Housing Association Limited which provides financial, human resource and governance support. Trustees serve in a voluntary capacity and we recognise that this puts even more onus on us to ensure that we set and achieve high standards of professionalism in our work. We take governance very seriously, and in the last year we continued to build on work from previous years which strengthened our governance arrangements. We reviewed and developed our Board member agreement between individual members and the Trust.

Reference and admin details

Cassiltoun Trust is a company limited by guarantee and not having a share capital, with a company registration number SC205629. It is recognised as a charity for tax purposes by HMRC and by the Office of the Scottish Charities Regulator (reference number SC030310).

Each member has undertaken to contribute an amount not exceeding £1 towards any deficit arising in the event of the charitable company being wound up. The accounts comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Trust's Independence Agreement of November 2012, Financial Reporting Standard 102 and the relevant statement of recommended practice (the Charities FRS 102 SORP).

The charitable company has Memorandum and Articles of Association which establish the objects and powers of the charitable company and details how it is to be governed.

Board of Trustees

Anna M Stuart MBE	<i>Chairperson</i>
Christine Devine	<i>Vice-Chairperson</i>
Charlie Millar	<i>Treasurer</i>
Charlie Turner	<i>Board Member</i>
Lewis MacSween	<i>Board Member</i>
Councillor Malcolm Cunning	<i>Board Member</i> (stepped down June 2017)
Bailie Councillor Glenn Elder	<i>Board Member</i> (nominated by GCC 6 Sept 17)
Lesley Blair	<i>Board Member</i>
Adam Milligan	<i>Board Member</i>

Registration particulars

Registered at Companies House

Registration Number SC205629

Office of the Scottish Charity Regulator

Charities and Trustee Investment (Scotland) Act 2005
Scottish Charity Number SC030310

Auditor

Scott-Moncrieff • 25 Bothwell Street • Glasgow G2 6NL

Banker

Bank Of Scotland
82 Main Street • Rutherglen G73 2HZ

Solicitor

T C Young • 7 West George Street • Glasgow G2 1BA

Chair's Report



Another successful year for the Nursery and our children

This year the Nursery has continued to grow and develop – just like the children in our care.



By working with the Care Inspectorate we have continued to increase the number of child care spaces we offer which at the end of March 2017 was 40. However we are continuing to invest and improve facilities in the Nursery.

This will enable us to increase our registration to 55 childcare spaces (achieved in June 2017).

I would like to thank all the staff of the Nursery for their hard work and also the other members of the Nursery Board. In particular I would like to thank Gillian Campbell our parent member who steps down at the end of this year as her eldest child graduates from the Nursery in the summer.

Active, Healthy Children

At Stables Nursery we encourage children to be physically active as this helps to develop a child's motor functions as well as improving cognitive and social skills. We do this through lots of indoor and outdoor play, football training, Play on Pedals and Forest Kindergarten. We also encourage the children to make healthy food choices and the children access the growing spaces in the Community Garden to grow and taste fresh vegetables.

Parent Involvement

The Nursery continues to involve parents and their views in the work that we do. We have a parent member on the Board of Management and encourage parents to give us regular feedback about the services we provide. This is done formally through consultations and also informally when parents come to pick up their children or at regular parents evenings throughout the year.

Graduation

Every Graduation we have at the Nursery is special but this year we celebrated an important milestone as it was the first year that many of the children who graduated had been with us since they were babies.

This year the children performed their version of 'We are Going on a Bear Hunt' as well as singing a song and telling us what they wanted to be when they grew up which ranged from Barbie Maker to Racing Car Driver.

George Kelly Chair • Cassiltoun Stables Nursery



Business Review

The Board of Trustees have pleasure in presenting their Report and the Financial Statements for the year ended 31 March 2017.

Objectives and Activities

The principal activity of Cassiltoun Stables Nursery Limited is to provide a first class childcare facility for 0-5 year olds set alongside a local woodland and outdoor natural environment. We aim to support



parents returning to work, gaining employment or attending college with each child nurtured and encouraged to grow physically, emotionally, intellectually and morally.

The Nursery follows the principals of GIRFEC (Getting IT Right For Every Child) and SHANARI (Safe, Healthy, Active, Nurtured, Achieving, Respected and Included). The Nursery is innovative and encourages even the youngest children to make choices and communicate likes and dislikes.

Operational Review and Achievements

Registration with the Care Inspectorate was achieved in February 2013 and during the past year further marketing was undertaken with the number of children attending remaining between 60-65 however they are taking up more days and so this is the equivalent of 36 full time children at March 2017 compared to 32 at the beginning of the year.

We were also delighted that we continued to provide partnership places which enables parents to keep their children with us and receive Childcare Funding from Glasgow City Council.

The Nursery inspection reports can be seen on the Care Inspectorate website at <http://www.careinspectorate.com/index.php/care-services>

The Nursery continues to provide training and student placements with the generated surplus and grant awards of £14,709 from SCVO and £3,430 from

Employment Enterprise (South Lanarkshire Council) to allow 4 paid training places to be taken up.

Financial Review

The early years of deficit trading and building up the business has now switched to being profitable, making a healthy trading surplus of £19,241 on the back of largely fixed support and accommodation costs but greater children numbers. Staffing costs increased in proportion to the new numbers and old historical bad debts arising in the first 2 years have been eliminated.

At the Balance Sheet date the Nursery has an improved Unrestricted Funds deficit of £61,921. This will be eliminated over the next 3 years through continued surpluses being generated.

Plans for Future Periods

With the increased registration size the Nursery will rent a further room early next year from Cassiltoun Trust to absorb future growth and a further application to increase to 55 places (current registration limit is 40) will be made as the new room is large enough to accommodate a further 16 children.

General Reserves

It is the policy of the Nursery to build up unrestricted reserves after the initial early years of trading losses. These will then be maintained at a level to provide sufficient funds to cover the costs of providing childcare and the associated management and administration expenses.

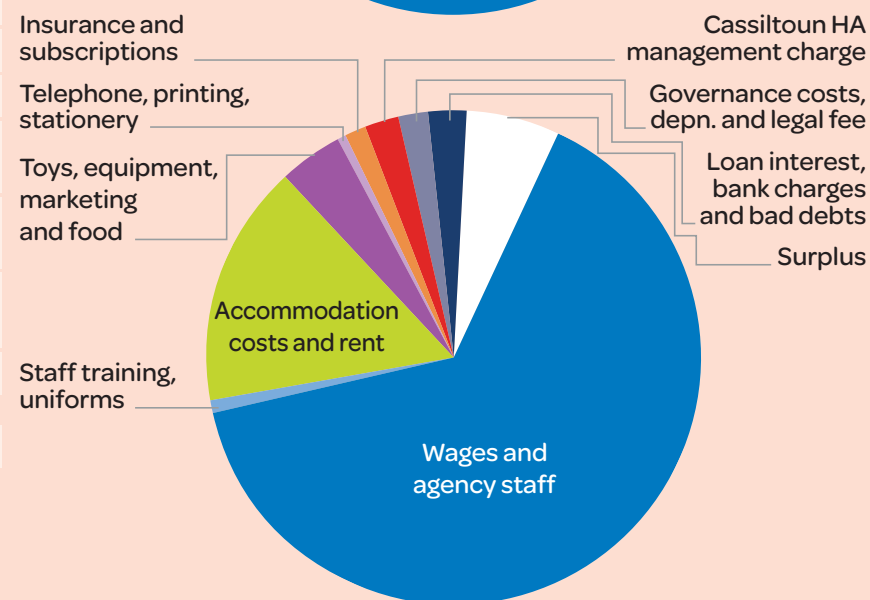
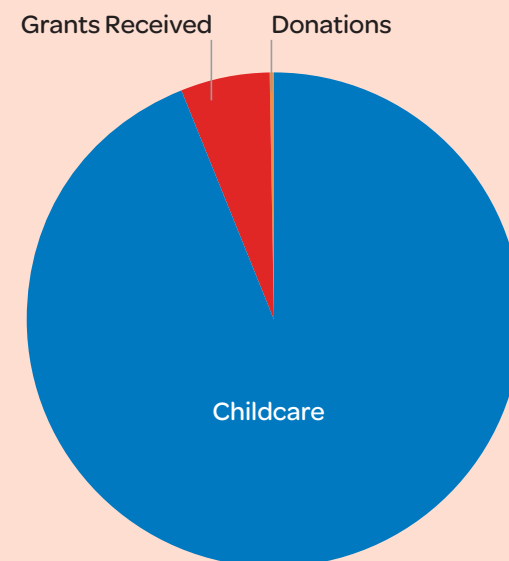
Financial Highlights



The Nursery completed its fourth full year of trading with childcare income significantly higher than last year at £301k and was £31k greater than we expected during the budget setting process. As a result of increased children numbers, wages were also higher than a year ago and pensions auto enrollment was introduced for the staff. After wages, the next highest costs are accommodation and food for the children. The Housing Association charges a discounted service fee for providing finance, HR and management services. It is pleasing to report that overall the Nursery switched from making trading losses in previous years to making a £19k surplus this year and forecast children sales for 2017/18 are £370k.

Income (£s)		2016/17	% of income	2015/16
Childcare		300,884	94.1%	231,840
Grants received - other		18,139	5.7%	6,339
Donations		770	0.2%	-
Total income		319,793		238,179

Expenditure (£s)		2016/17	% of income	2015/16
Wages and agency staff		206,711	64.6%	164,221
Staff training, uniforms		2,425	0.8%	4,338
Accommodation costs and rent		50,525	15.8%	49,963
Toys, equipment, marketing and food		13,098	4.1%	14,769
Telephone, printing, stationery		1,918	0.6%	1,830
Insurance and subscriptions		4,904	1.5%	3,889
Cassiltoun HA management charge		6,708	2.1%	6,545
Governance costs, depn. and legal fee		6,027	1.9%	13,700
Loan interest, bank charges and bad debts		8,236	2.6%	8,792
Total expenditure		300,552		268,047
Surplus/(deficit) for the year		19,241	6.0%	-29,868





Going Concern

The Board of Trustees has reviewed the results for this year and has also reviewed projections for the next 10 years. The Nursery is no longer reliant upon the support of Cassiltoun Housing Association Limited to continue to operate as a going concern and is now trading profitably. Nevertheless the Board of the Housing Association has signed a letter of support confirming that the Association will support the Nursery for a period of 12 months from the signing of these financial statements. For this reason, the going concern basis has been adopted.

Structure, governance and management

Our governing body is our voluntary Board of Trustees, which is responsible to the wider membership. They report at least annually to Cassiltoun Housing Association Limited. Management of the day to day activities is performed by the paid team of staff who are supported by Cassiltoun Housing Association Limited which provides financial, human resource and governance support under a service level agreement.

Trustees are appointed from each of the Board of Cassiltoun Housing Association Limited on the basis of their interest in childcare and early learning, from current or previous nursery managers and a place is reserved for a current parent.

During the year Trustees have received a formal appraisal and assessment carried out by an external consultant with training plans created to improve knowledge and increase effectiveness.

Reference and admin details

Cassiltoun Stables Nursery Limited was incorporated on 9 May 2012 and is a company limited by guarantee and not having a share capital. Its registered number is SC423689. It is recognised as a charitable company by the Office of the Scottish Charities Regulator (Reference number SC043312). Each member has undertaken to contribute an amount not exceeding £1 towards any deficit arising in the event of the company being wound up. The accounts comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Nursery's governing document Financial Reporting Standard 102 and the relevant Statement of Recommended Practice (the Charities FRS 102 SORP). The charitable company's Memorandum and Articles of Association establish the objects and powers of the charitable company and is governed under its Articles of Association of 24 January 2012.

Registration particulars

Registered at Companies House

Registration Number SC205629

Office of the Scottish Charity Regulator

Charities and Trustee Investment (Scotland) Act 2005
Scottish Charity Number SC030310

Auditor

Scott-Moncrieff • 25 Bothwell Street • Glasgow G2 6NL

Banker

Bank Of Scotland • 82 Main Street • Rutherglen G73 2HZ

Solicitor

T C Young • 7 West George Street • Glasgow G2 1BA

Board of Trustees

George Kelly	<i>Chairperson</i>
Gillian Campbell	<i>Parent Representative</i>
Jean Farrell	<i>Nursery Professional</i>
Teresa Sadler	<i>Independent Member (resigned 9 February 2017)</i>
Anna Stuart	<i>Independent Member (appointed 9 February 2017)</i>

Current Staff

Hazel Kelly	<i>Nursery Manager</i>
Pat Main	<i>Senior Child Development Officer</i>
Ashley Kelly	<i>Senior Child Development Officer</i>
Kimberley McGarvey	<i>Child Development Officer</i>
Chloe Nixon	<i>Child Development Officer</i>
Dean Gilchrist	<i>Child Development Officer</i>
Toni Hockham	<i>Child Development Officer</i>
Adele Cathie	<i>Child Development Officer</i>
Beth Wilson	<i>Child Development Officer</i>
Anna Campbell	<i>Modern Apprentice</i>
Brogan Gallagher	<i>Modern Apprentice</i>
Amber Munroe	<i>Modern Apprentice</i>
Sanna Hayat	<i>Modern Apprentice</i>
Cathy Malone	<i>Catering Assistant</i>
Kathleen McCloskey	<i>Domestic Assistant</i>
Ellis McGuigan	<i>Admin Assistant – Community Jobs Scotland Placement</i>
Ellen Longstaff	<i>Cleaner</i>

Our Partners 2016 • 2017





Cassiltoun Housing Association

email housing@cassiltoun.org.uk

web www.cassiltoun.org.uk

Registered Scottish Charity
No SC 035544



Cassiltoun Trust

email trust@cassiltoun.org.uk

web www.cassiltountrust.org.uk

Registered Scottish Charity
No SC 030310



Cassiltoun Stables Nursery

email nursery@cassiltoun.org.uk

web www.cassiltounstablesnursery.org.uk

Company Registration No SC 423689

Registered Scottish Charity No SC 043312

Care Inspectorate Registration
No CS 2012308178

Castlemilk Stables • 59 Machrie Road • Glasgow G45 0AZ

telephone **0141 634 2673** • fax **0141 634 9987**



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