ConsultCIH Ltd

Financial Statements

For the year ended
31 December 2009

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Contents **Pages**

Officers and Professional Advisors	1
The Directors Report	2
Report of the Auditors	3
Profit and Loss account	4
Balance sheet	5
Notes to the Financial Statements	6-11

ConsultCIH Ltd

Officers and Professional Advisors

The Board of Directors	R Clark P Williams J McHale H Collins J Bolton
Company Secretary	R Clark
Company number	1754648
Registered Office	4 Riley Court Millburn Hill Road University of Warwick Science Park Coventry CV4 7HP
Auditors	Saffery Champness Chartered Accountants Lion House Red Lion Street London WC1R 4GB
Bankers	Barclays Bank Plc Midlands Servicing Team One Snow Hill Birmingham B3 2WN
Solicitors	Trowers & Hamlins Sceptre Court 40 Tower Hill London EC3N 4DX

The Directors' Report
For the Year Ended 31 December 2009

Principal Activities
The principal activity of the company during the year was that of housing and management consultancy

Review of the year and future developments
The outturn for 2009 is a very disappointing figure However, the figure masks a radical business transformation involving new products, new offices and new and key directors
Over the year the business was able to compensate for a continued redirection of resources away from legacy products towards the new working environment working within the values of the CIH As a result we were enabled to compensate for a radical drop in recruitment income between 2008 and 2009 by developing products in financial services governance and customer services and policy The first half of the year in which the office in Merseyside was moved from Formby to Ormskirk was one in which we had to work very hard to make headway From the middle of the year with the arrival of our Financial Services Director in August and the improved image, customer satisfaction and delivery of the organisation was significantly better We were however hit by long term illness to two of the five senior staff of the organisation which significantly affected our results The graph of business success in the last quarter was dramatically higher than in the previous three quarters and this has followed through into much better performance in the first quarter of 2010

The CIH continues to guarantee the future of the organisation but the need for continued financial support from the Institute will diminish over time

Directors
The following directors have held office since 1 January 2009

R Clark
D Butler (resigned 30 September 2009)
S Webb (resigned 30 September 2009)
P Williams
J McHale
H Collins
H Farrand (resigned 30 September 2009)
J Bolton (appointed 30 November 2009)

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

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit and loss of the company for that period In preparing those financial statements, the directors are required to
- select suitable accounting policies and then apply them consistently,
  make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

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

Statement of disclosure to auditors
So far as each of the directors is aware there is no relevant information that has not been disclosed to the company's auditors and each of the directors believes that all steps have been taken that ought to have been taken to make them aware of any relevant audit information and to establish that the company's auditors have been made aware of that information

This report has been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies

On behalf of the board

R Clark
Director
Date 24 05 10

ConsultCIH Ltd

Independent Auditors' Report to the Members
For the Year Ended 31 December 2009

We have audited the financial statements on pages 4 to 11 The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of the directors and auditors

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

Scope of the audit of the financial statements

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 company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of affairs of the company as at 31 December 2009 and of its loss for the year then ended, and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

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

Stewart Garrard (Senior Statutory Auditor)
For and on behalf of

Saffery Champness
Chartered Accountants
Statutory Auditors
London Date 30 June 2010

ConsultCIH Ltd

Profit and Loss account
For the Year Ending 31 December 2009

	Notes	Year ended 31 December 2009	Year ended 31 December 2008
		£	£
Turnover		933,056	939,494
Cost of sales		(484,709)	(451,996)
Gross profit		448,347	487,498
Administrative expenses		(686,016)	(606,152)
Operating (Loss)/profit	2	(237,669)	(118,654)
Interest receivable		2	114
Interest payable and similar charges		(4,569)	(3,475)
(Loss)/profit on ordinary activities before taxation		(242,236)	(122,015)
Tax on (loss)/profit on ordinary activities	3	830	23,600
Net (loss)/profit for the financial year		(241,406)	(98,415)

There are no profits or losses other than those reflected above

ConsultCIH Ltd

Balance sheet
As at 31 December 2009

	Notes	31 December 2009		31 December 2008	
		£	£	£	£
Fixed assets					
Tangible assets	4		6,949		11,125
Current assets					
Work in progress		81,268		91,399	
Debtors	5	174,772		170,314	
		256,040		261,713	
Creditors. amounts falling due within one year	6	471,137		230,549	
Net current liabilities			(215,097)		31,164
Total assets less current liabilities			(208,148)		42,289
Creditors amounts falling due after more than one year	7		0		9,031
			(208,148)		33,258
Provisions for liabilities and charges					
Deferred taxation			-		-
			(208,148)		**33,258**
Capital and reserves					
Called up equity share capital	9		1,000		1,000
Profit and loss account	10		(209,148)		32,258
Shareholders' funds - equity interests			**(208,148)**		**33,258**

The notes on pages 6 to 11 form part of these accounts
The accounts have been prepared in accordance with the special provisions of the Companies Act 2006 applicable to small companies

Approved by the board on 24.05.10

R Clark
Director

1 Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK Accounting Standards (UK Generally Accepted Accounting Practice)

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax, and in respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion

Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less depreciation Depreciation is calculated to write off tangible fixed assets over their estimated useful lives at the following annual rates

Fixtures & Fittings	-	20% - 33 1/3% of cost
Motor Vehicles	-	20% of cost

Work in Progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal levels of activity Provision is made for any foreseeable losses where appropriate

Pension Costs

The company operates a defined benefit pension scheme
The defined benefit scheme is a multi-employer scheme The company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and accordingly contributions to the scheme are charged to the Profit and Loss Account in the year in which they are incurred

Deferred Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Leases

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives Obligations under such agreements are included in creditors net of the finance charge allocated to future periods The finance element of the rental payment is charged to the Profit and Loss Account so as to produce a constant periodic rate of charge on the net obligation outstanding each period Rentals applicable to operating leases are charged to the Profit and Loss Account over the period in which the cost is incurred

2 Operating Result

Operating result is stated after charging (crediting)

	Year ended 31 December 2009 £	Year ended 31 December 2008 £
Directors' emoluments	38,079	104,456
Depreciation of owned fixed assets	3,069	7,537
Depreciation of assets held under hire purchase agreements	4,161	4,161
Operating lease charges - land & building	7,637	8,500
Operating lease charges - other	4,701	-
Auditors remuneration	3,500	3,000
Profit on disposal of fixed assets	(4,500)	(2,000)
Compensation paid to Director for loss of office	-	35,774

3 Taxation on ordinary activities

Prior years			
Arising from			
Losses carried back	2008	(830)	
		(830)	
Taxation on ordinary activities		(830)	(23,600)

There are losses carried forward of £1,049

4 Tangible fixed assets

	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost			
At 1 January 2009	15,232	63,566	78,798
Additions	3,138	3,027	6,165
Disposals	-	(20,399)	(20,399)
As at 31 December 2009	18,370	46,194	64,564
Depreciation.			
At 1 January 2009	12,431	55,244	67,675
Charge for the year	3,069	7,270	10,339
On Disposals	-	(20,399)	(20,399)
As at 31 December 2009	15,500	42,115	57,615
Net book value			
As at 31 December 2009	2,870	4,079	6,949
As at 31 December 2008	2,802	8,323	11 125

Hire purchase agreements

Included within the net book value of £6,952 is £nil (2008 - £8,322) relating to assets held under hire purchase agreements

5 Debtors

	2009	2008
	£	£
Trade debtors	145,240	124,003
Other debtors - tax recoverable	22,830	22,000
Prepayments and accrued income	6,702	24,311
	174,772	170,314

6 Creditors Amounts Falling due Within One Year

	2009	2008
	£	£
Overdrafts	64,053	67,848
Trade creditors	93,088	46,111
Other creditors including taxation and social security		
Corporation tax	-	-
VAT	1,846	24,579
PAYE & NI	12,344	20,311
Pension	6,234	6,072
Net obligations under finance lease and hire purchase contracts	9,031	5,144
Accruals and deferred income	46,838	33,969
Amounts owed to group undertakings	237,703	26,515
	471,137	230 549

The following liabilities disclosed under creditors falling due within one year are secured on assets of the company and guaranteed by the Chartered Institute of Housing

	2009	2008
	£	£
Overdrafts	64,053	67,848

7 Creditors. Amounts Falling due after More than One Year

	2009	2008
	£	£
Hire purchase agreements	-	9,031
	-	9,031

8 Pension Commitments

The company participates in the Social Housing Pension Scheme (SHPS) The scheme is funded and is contracted out of the state scheme

SHPS is a multi-employer defined benefit scheme Employer participation in the Scheme is subject to adherence with the employer responsibilities and obligations as set out in the "SHPS House Policies and Rules Employers Guide"

The Scheme operated a single benefit structure, final salary with 1/60th accrual rate until 31 March 2007
From April 2007 there are three benefit structures available, namely

- Final salary with a 1/60th accrual rate
- Final salary with a 1/70th accrual rate
- Career average revalued earnings with a 1/60th accrual rate

An employer can elect to operate different benefit structures for their active members (as at the first day of April in any given year) and their new entrants An employer can only operate one open benefit structure at any one time An open benefit structure is one which new entrants are able to join

ConsultCIH Ltd has elected to operate the Final salary with 1/60th accrual rate benefit structure for active members as at April 2009 and the career average revalued earnings with 1/60th accrual rate benefit structure for new entrants from April 2009

The Trustee commissions an actuarial valuation of the Scheme every 3 years The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required so that the Scheme can meet its pension obligations as they fall due

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

During the accounting period the company paid contributions of £35,808 (2008 £40,991) at the rate of 12 3 to 14 1% Member contributions varied between 6 7 and 8 4%

As at the balance sheet date there were 4 (2008 5) active members of the Scheme employed by ConsultCIH The annual pensionable payroll in respect of these members was £256,577 (2008 £205,884) ConsultCIH continues to offer membership of the scheme to its employees

It is not possible in the normal course of events to identify on a consistent and reasonable basis the share of underlying assets and liabilities belonging to individual participating employers This is because the scheme is a multi employer scheme where the scheme assets are co-mingled for investment purposes, and benefits are paid from total scheme assets Accordingly, due to the nature of the scheme, the accounting charge for the period under FRS17 represents the employer contribution payable

The last formal valuation of the Scheme was performed as at 30 September 2008 by a professionally qualified actuary using the Projected Unit Method The market value of the Scheme's assets at the valuation date was £1,527 million The valuation revealed a shortfall of assets compared with the value of liabilities of £663 million, equivalent to a past service funding level of 70%

The financial assumptions underlying the valuation as at 30 September 2008 were as follows

	% pa
Valuation Discount Rates	
Pre retirement	7 8
Non Pensioner Post retirement	6 2
Pensioner Post retirement	5 6
Pensionable earnings growth	4 7
Price Inflation	3 2
Pension increases	
Pre 88 GMP	0 0
Post 88 GMP	2 8
Excess over GMP	3 0

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

Following consideration of the results of the actuarial valuation it was agreed that the shortfall of £663 million would be dealt with by the payment of deficit contributions of 7 5% of pensionable salaries, increasing each year in line with salary growth assumptions, from 1 April 2010 to 30 September 2020, dropping to 3 1% from 1 October 2020 to 30 September 2023 Pensionable earnings at 30 September 2008 are used as the reference point for calculating these deficit contributions

Employers that participate in the Scheme on a non-contributory basis pay a joint contribution rate (i e a combined employer and employee rate) Employers that have closed the Scheme to new entrants are required to pay an additional employer contribution loading of 3 0% to reflect the higher costs of a closed arrangement A small number of employers are required to contribute at a different rate to reflect the amortisation of a surplus or deficit on the transfer of assets and past service liabilities from another pension scheme into the SHPS Scheme

As a result of pension scheme legislation there is a potential debt on the employer that could be levied by the Trustee of the Scheme The debt is due in the event of the employer ceasing to participate in the Scheme or the Scheme winding up

The debt for the Scheme as a whole is calculated by comparing the liabilities for the Scheme (calculated on a buyout basis i e the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Scheme If the liabilities exceed assets there is a buy-out debt

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

ConsultCIH Limited has been notified by The Pension Trust of the estimated employer debt on withdrawal from the Social Housing Pension Scheme based on the financial position of the Scheme as at 30 September 2008 As of this date the estimated employer debt for ConsultCIH was £2,277,000

The next full actuarial valuation will be performed as at 30 September 2011

9 Share capital

	2009 £	2008 £
Authorised		
1 000 shares of £1 each	1 000	1,000
Allotted, called up and fully paid		
1,000 shares of £1 each	1,000	1 000

10 Statement of movements on profit and loss account

	Year ended 31 December 2009 £	Year ended 31 December 2008 £
Balance brought forward	32,258	130,673
(Loss)/Profit for the financial year	(241,406)	(98,415)
Balance carried forward	(209,148)	32,258

11 Control

The company is controlled wholly by the Chartered Institute of Housing, a corporation established with Royal Charter status and registered as a charity in England and Scotland

The Chartered Institute of Housing prepares group accounts and copies of its financial statements can be obtained from its principal office at Octavia House, Westwood Business Park, Westwood Way, Coventry, CV4 8JP

12 Related Party Transactions

The company has taken advantage of the exemption in FRS 8 from the requirement to disclose transactions with the Chartered Institute of Housing on the grounds that consolidated financial statements are prepared by that organisation

13 Operating lease commitments

	Land & Buildings		Other	
	2009	2008	2009	2008
	£	£	£	£
Leases expiring within				
1 year	7,464	8 500	-	-
2 - 5 years	-	-	5,447	-
After 5 years	-	-	-	
	7,464	8,500	5,447	-