

Annual General Meeting

You are invited to attend the AGM on Wednesday 23rd September at 7.00 pm. This will be held in the Horizon Hotel, Esplanade, Ayr.

Agenda

- To approve the Minutes of the 2008 AGM
- Results of the Board Elections
- To receive the Audited Accounts and the Board's report for the year to 31 March 2009
- To re-appoint Armstrongs as auditors

You may appoint someone else (a proxy) to represent you at the AGM. If you would like to do this please contact the office for a form or go to www.ayrshirehousing.org.uk.

The Board consists of five tenant members, five community members as well as five representatives appointed by South Ayrshire Council, including Councillors. Each year a number of the tenant and community members retire from the Board who are then eligible for re-election. This year, there are three places in the community section and two in the tenant section. We have become used to postal ballots to select the successful candidates. This year though the number of candidates equals the places so there is no need for ballots.

At the AGM, the members will be asked to confirm the appointment of the following to the Board:

Tenant: Gordon McDines and John Scott (both re-appointments)
Community: Margaret Imrie, Rhonda Leith and Paul Torrance (re-appointment)

Highlights

The past twelve months have been Ayrshire Housing's busiest with 150 new houses under construction. This good news though needs to be tempered by the uncertainty over the Scottish Government's commitment to support new investment in affordable housing over the next few years.

In March, we completed the first phase of our major 100 house project where we are working alongside the community and South Ayrshire Council to regenerate Ayr's Lochside area.

We were delighted that Alex Neil, Scotland's housing minister, opened Viewfield Court in Ayr. This striking scheme provides 44 new homes close to the town centre.

The latest of our village schemes was completed in August with the opening of 7 much needed rented houses in Maidens. This attractive development includes 2 innovative heating systems which we will evaluate over the next 12 months to see how they have benefited our tenants.

We will shortly be finishing more new houses in Girvan and Prestwick together with the remainder of the houses at Lochside. The Lochside project includes 25 houses for sale through the Scottish Government's shared equity scheme. Despite a difficult market, we are making every effort to ensure that this scheme contributes to the overall success of the Lochside project.



Allocations

During 2008-09, the association re-let 149 properties. These included 65 temporary lets using accommodation we provide for homeless persons and for women who are victims of domestic abuse. In addition to providing temporary accommodation, the association also assisted South Ayrshire Council's response to homelessness by accommodating a significant number of homeless households in permanent housing. These households were referred to the association by South Ayrshire Council through a statutory referral process.

In all, 78 homeless households were accommodated in either permanent or temporary housing by the association during 2008-09.

The association's performance in re-letting houses during the last year was very good with 75% of vacant properties being let within two weeks, compared to 61% last year. This figure increases to 99% let within four weeks, compared to 89% last year.

Our average re-let time for vacant properties in 2008-09 was 11 days.

Planned Maintenance

The association has in place a fully funded investment plan which is reviewed annually. This plan provides the financial structure for the maintenance and improvement of our housing stock for the next thirty years.

Over the past year we have carried out the following external painter work;

- The Clachan, Barr
- Fernbank Court, Prestwick
- Crown Square, Ayr
- Glenhead Place/Court, Coylton
- Belmont
- Forehill, Ayr

This work contributes to ensuring that our commitment to providing tenants with accommodation of a high standard of maintenance and repair is achieved. It also addresses our obligations to making sure that our houses meet the Scottish Standard Housing Quality Standard.

Repairs

We have carried out approximately 4284 repairs over the past year. The vast majority were carried out on time and to our tenants' satisfaction. Working with our contractors, we seek regular feedback from our tenants to ensure that the quality of the service is maintained and indeed enhanced.

We ensured that our statutory responsibilities to service gas installations were honoured in 96% of our houses over the year. We are working with our contractors to improve further this figure.

The Partnerships we entered into covering landscape maintenance, gas servicing and reactive repairs are now well established. We hope that these are delivering the benefits for our tenants that we envisaged when establishing these arrangements. These contracts are all closely monitored by the association to ensure that they provide our tenants with the value for money and quality that is expected.

Wider Role

We have received new funding from the Scottish Government's wider role fund to allow a continuation of the Lochside People + Place initiative for another two years. This exciting mix of community and arts projects complements the physical improvements in the area. In collaboration with a network of associations across Ayrshire, two year funding has also been secured for the continuation of the highly regarded Access Construction and Tenant Welcome programmes.

These projects are managed for us by Aspire2gether – the new name for Ayrshire Initiatives. We are pleased to have continued to work with their Board and staff over the past twelve months to further secure its position as a leading social enterprise in the fields of personal and community development.

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A copy of the 2008-9 Annual Accounts is available at www.ayrshirehousing.org.uk. Alternatively, a paper copy can be obtained by phoning Sharon Ritchie on 01292 880120. Ayrshire Housing's financial position is a strong one. The annual turnover is over £4.0M and reserves stand at £12.5M. Through our continued development programme almost £11.5M has been added to the asset base.

We regularly monitor our performance and can report the following financial performance indicators:

AYRSHIRE HOUSING

FINANCIAL PERFORMANCE INDICATORS

| | Year to 31.3.09 | Year to 31.3.08 | Year to 31.3.07 | Year to 31.3.06 | Target High / Low | Indicates |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|-----------|
|--|--------------------|--------------------|--------------------|--------------------|-------------------------|-----------|

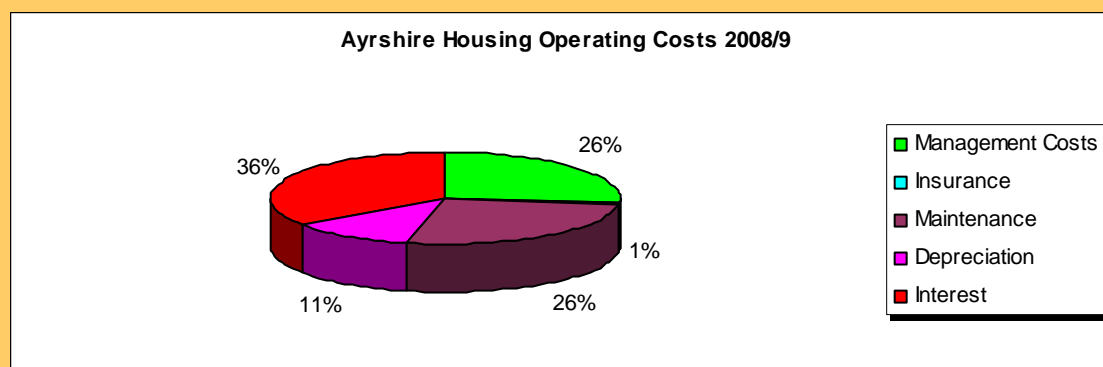
KEY FINANCIAL INDICATORS

| | | | | | | |
|--|--------|--------|--------|--------|------|---------------------------------|
| Current Assets : Current Liabilities | 1.63 | 1.34 | 3.86 | 1.38 | High | Ability to pay short term debts |
| Cash : Current Liabilities | 2.21 | 1.51 | 3.33 | 0.99 | High | Ability to pay short term debts |
| Gearing Ratio (loans divided by reserves) | 1.91 | 1.79 | 2.66 | 2.38 | Low | Financial strength |
| Income on lettings : Interest Payable | 3.50 | 2.84 | 3.34 | 3.49 | High | Ability to repay interest |
| Average Cost of Capital | 4.1% | 5.42% | 5.47% | 5.32% | Low | Financial strength |
| Housing Debt per Unit | £17.9k | £17.2K | £16.1K | £16.6K | Low | Financial strength |
| Operating Surplus : Interest Payable | 1.62 | 1.10 | 1.18 | 1.26 | High | Ability to repay interest |
| Operating Surplus plus Depreciation : Interest Payable | 1.94 | 1.38 | 1.54 | 1.64 | High | Ability to repay interest |
| Operating Surplus % Turnover | 47% | 39% | 36% | 37% | High | Operating efficiency |

CORE BUSINESS INDICATORS

| | | | | | | |
|--|-------|-------|-------|-------|-----|---|
| Rent Arrears % Annual Rent Receivable | 4.4% | 5.3% | 5.6% | 6.5% | Low | Efficiency of Rent Collection |
| Void Losses % Rent Receivable to Date | 0.6% | 0.8% | 0.9% | 1.0% | Low | Efficiency of Lettings |
| Bad Debts % Rent Receivable to Date | 0.8% | 0.2% | 0.6% | 3.0% | Low | Efficiency of Rent Collection |
| Management costs % rental income | 21.4% | 21.3% | 20.7% | 22.3% | Low | Cost effectiveness of management |
| All Maintenance costs % rental income | 21.9% | 27.2% | 28.8% | 23.9% | Low | Adequacy/ efficiency of repairs programme. |

The total operating costs in 2008/9 amounted to £3.3M and this can be broken down by category:



Proposed Rule Changes

Due to a quirk in our current rules, sometimes Board members have to retire after only one year's service. The Board thinks that this is unfair and is proposing some minor changes to our rule book (or Articles of Association) to guarantee at least two years service and also to bring them generally up to date. The existing articles are available from our office or www.ayrshirehousing.org.uk.

You are invited to attend an Extraordinary General Meeting which will take place immediately after the AGM on 23rd September 2009. The proposed special resolution is as follows:

“ That the Articles of Association of the Company be amended as follows:-

Article 44

Where the figures “2004” appear in Article 44 they shall be delete and replaced with the figures “2010” in each case; and

In Article 44, after the words “...two Tenant Board Members...” and before the word “...shall” there shall be inserted the words “who shall at that time have been in office for a period of 2 years or more”.

Article 46

Where the figures “2004” appear in Article 46 they shall be delete and replaced with the figures “2010” in each case; and

In Article 46, after the words “...two Community Board Members... and before the word “...shall” there shall be inserted the words “who shall at that time have been in office for a period of 2 years or more”.

Articles 49 (b) and 82

Where the words “Communities Scotland” appear in Article 49 (b) and Article 82 they shall be delete and replaced with the words “the Scottish Housing Regulator”.

We can supply this document in a print size to suit. It is also available in Braille, audio and other formats, and in other languages. Our website also has several accessibility features which you may find useful.

Competitions

This year's Garden and Pet competitions have once again proved to be very popular, with many of you taking the time to get involved in these hotly contested competitions.

The winners will be announced at this year's AGM.

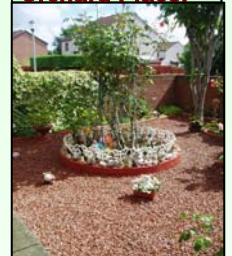
Garden Competition 2008

The winner of the Best Garden Award went to Miss Ann Tyson of Orchard Place, Ayr and Best Close and Small Garden went to Mr McPherson of Crown Square, Ayr. The winners were announced at our AGM last year.

Crown Square, Ayr



Orchard Place.



Pet Competition 2008

Joint winners, Ben a German Shepherd (from Dundonald) and Orbit the cat (from Maybole).

May we take this opportunity to thank all those who took part in both the Garden and Pet Competitions, and to say that we look forward to next years competitions.

