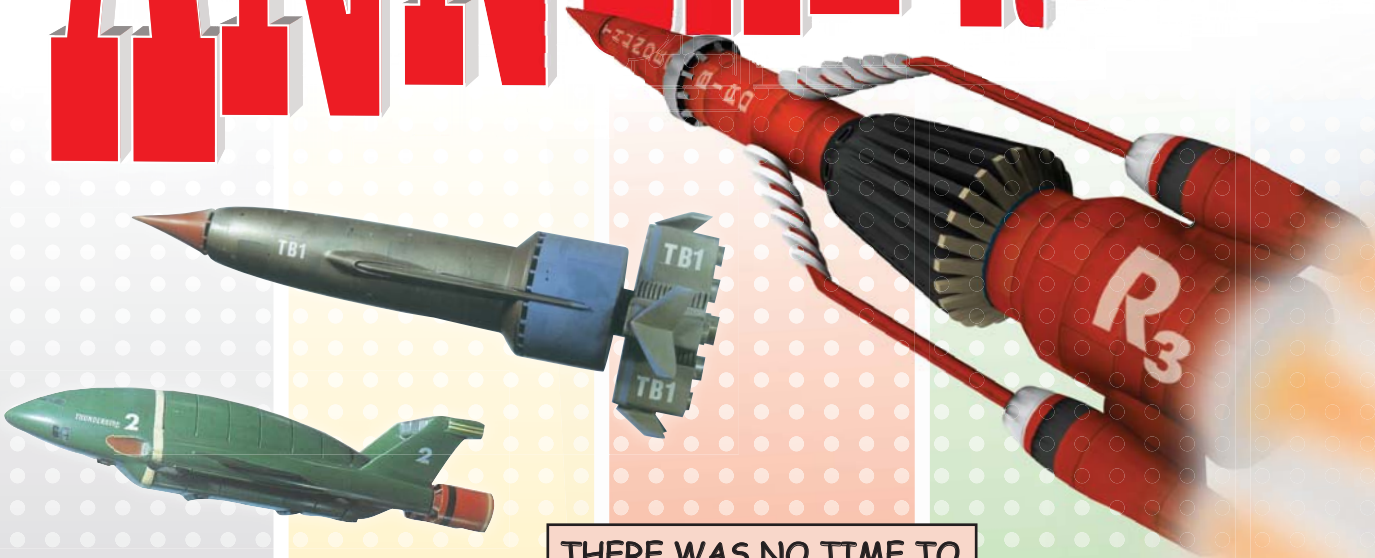


THE OFFICIAL ELHA.COM

2010

# ANNUAL REPORT



THERE WAS NO TIME TO LOSE - WE LAUNCHED R<sub>3</sub>

5

4

3

2

1





FACTFILE:

Peter Hayman bears a likeness to Jeff Tracy, 56, philanthropist and millionaire founder of Tracy technologies, financier and head of International Rescue. The son of a Kansas wheat farmer, he went on to form a civil and construction engineering business that made him one of the richest men in the world. A graduate of the Air Force Academy, he is a former air force test pilot and astronaut.

Whilst not facing all the challenges regularly thrown at International Rescue (and we haven't come across any evil villains either), this has been some year for ELHA. We have been on several successful missions – not least to rescue the Grade B listed former Courier building on Market Street in Haddington from dereliction, turning it into our new operations base.

In common with Tracy Island we even have an underground bunker in our new Head Office, in what was originally a 15th century cellar. We've also had a special operations team excavate part of the site, where they have recovered the oldest pottery ever found in Scotland, something we think may well go on display at the National Museum of Scotland in the future.

But the biggest event of the year has been the launch of our new maintenance company, R3. Through this annual report, we want to celebrate this achievement, and over the next four pages my colleagues will take you through the countdown to launch, setting out what we have done as an organisation, whilst also highlighting some of the other missions we've been on during the last year.

5 months since the mission began, 4 years in planning, 3 partners making it happen, 2 new worlds to explore (Midlothian and Edinburgh), 1 new company – R3 Repairs Limited are GO!!!

FAB

*A. P. Hayman*

Peter Hayman, Chairman

ARE YOU SURE YOU CAN'T GET ANY MORE OUT

WORKING ANY MORE.

WHERE'S THAT RESCUE SHIP? I CAN'T TAKE MUCH MORE OF THIS HEAT...

AND OUTSIDE, THE SUN BURNED MERCILESSLY ON...

# 4



### FACTFILE:

Martin is sometimes mistaken for Scott Tracy, Jeff Tracy's oldest son and principle rescue co-ordinator for International Rescue. Educated at Yale and Oxford, Scott heads up the organisation in the absence of his father. Known for his quick thinking and always first in the danger zone, Scott is a typical field commander, with secondary duties as co-pilot of Thunderbird 3.

YES...TRY...  
THE...SIGNAL...  
AGAIN

Like any good adventure, there's been a fair bit of tension and drama across the last year, with a dramatic but ultimately happy ending too. We equipped our new base with a new space age IT network and telephone system which means we can provide better and faster services than ever before, especially on the Internet, where our technology remains light years ahead of most others in our sector.

But our new HQ needed to be finished before we could launch R3, and in the end we moved in with only three weeks to spare...

We've fought through endless legal jargon, battled the mysterious forces of TUPE, and braved the snow that caused chaos at the vital moment in our restoration of the old Courier building, but we saw them all off.

Our operations have almost doubled in size as a result. We have built more homes than ever before, with another 140 either currently under construction or going on site this year. We've developed a loan agreement with the Council, the like of which has never been seen in the universe before – our calculations tell us we can now build even more homes for less earth pounds. We've reduced our projected management and maintenance costs and kept rents low – our increase for the last financial year was one of the lowest in Scotland. Intelligence we have received from our 2009 tenants survey suggests our agents in the field are also doing well.

Mission accomplished, but new operations are already underway. For the time being though, they remain top secret.

WATCHED THE SCREEN AS  
WE TRIED ONE LAST TIME...



### FACTFILE:

Paula is thought to be half-sister to Lady Penelope Creighton-Ward. Daughter of aristocrat Sir Hugh Creighton-Ward and his wife, Amelia, Lady Penelope is the Secret London Agent for International Rescue. A skilled skier and linguist, speaking French, German and Italian, she is a world renowned fashion icon, supermodel and celebrity, having appeared on the cover of Chic magazine.

Instead of flying around in rockets, my staff and I have spent most of the last year engaged in planning and logistics duties.

We have worked hard at our computers and calculators, revising business plans, working through inter-group transactions, installing new communications systems and preparing group-wide accounts. We came under a sustained paper attack from planet VAT but reinforcements from Anderson Strathern and Baker Tilly helped steer us away from potential black holes.

We are now busily collecting data (we are monitoring R3's accounts closely in the early part of its mission, along with keeping a close eye on fuel and other running costs at our new base), primarily to assess our mission to date, but also to help plot our future course. We are very optimistic though, so far everything

is going to plan and I can look forward to lots more modelling work in the coming year – of the numbers variety of course.

In addition, we need to prepare for R3's next mission to carry out repairs for private homeowners and businesses from early next year – not just an increase in orders and invoicing, but also as the workforce grows, paying more wages (this can be time consuming as many R3 staff members are paid weekly), and supporting more off-site IT kit.

So, not so much on the espionage front recently, but a lot of undercover work. Without it, no mission can succeed.

# REPORT SUBMITTED BY TRACEY KERR

## Director of Housing



### FACTFILE:

Tracey is the spitting image of Tin-Tin Kyrano. The daughter of Kyrano, Tin-Tin performs a variety of roles on Tracy Island including laboratory and engineering assistance to Brains. Often involved in rescue missions she is known to occasionally accompany Lady Penelope on espionage assignments. Possesses hypnotic powers but only uses them to help her friends.

# 2

HEY, ALAN - DAD  
WANTS TO SEE YOU

As Director of International Tenant Services / Housing, our unit is all systems go all year, every year! This year has been no exception but aside from this, our mission for 2009/10 was clear – to ensure normal operations were not affected by the other missions going on elsewhere in the Association.

I'm pleased to report that our normal system checks confirmed our performance remains good in all areas, although our radar tells us that rent arrears are starting to increase slightly, so we are stepping up surveillance as a result. This is one of the key service areas we will try to improve in 2010/11, which fits in well with the improvements we will make to our housing information and advice services in the coming year.

We used special agents (CA Market Research), to carry out a comprehensive

tenant survey last year (and many thanks to the 674 people who took part). We are delighted with the results, with overall only 6% of tenants saying they were unhappy with us as their landlord. We will also use the intelligence gathered to improve services, and we have already undertaken a major survey of 1,000 housing applicants in shaping our new Tenancy Sustainment Policy, ensuring we provide even better services to people moving into a new home with us.

Above all though, the launch of R3 means that we are finally in full control of one of our most important services, and we're ready to send our agents out in R3 rockets/vans\* as soon as any of our tenants contact us for help!

\*depending on availability at the time of the call

# REPORT SUBMITTED BY DUNCAN MACKAY

Director of Asset Management



## FACTFILE:

Duncan shares all the qualities of Alan Tracy, Jeff's youngest son. Baby-faced, blonde and 21 years of age, Alan is the astronaut mainly responsible for Thunderbird 3, and has been to the moon many times. An accomplished sportsman and driver, he can be hot-headed at times. Alan studied at Harvard University, where his natural impetuosity led to a clash with authorities over the launch (and subsequent crash) of an unsanctioned self-built rocket.

As soon as I was given my mission, I realised its importance and that there was no room for failure. After all, that was why they had given it to me. I kept an activity log 'Duncan's Blog' on our [R3repairs.co.uk](http://R3repairs.co.uk) website.

Throughout the preparations for launch I remained calm, despite the lack of a functioning communications system with the outgoing contractor, and the reported problems in getting our new base operational in time. In the end, we had 10 days to meet our new staff members and prepare them for operations, the only minor problem being that we were not able to secure enough staff carriers (vans) in time, and so had to use some un-branded ones for the first few weeks.

Since launch, only minor modifications have been required, and all systems are absolutely go – including our online

repairs by appointment service – the first of its kind in the known universe. And whilst not quite International Rescue, we do cover all of East Lothian, Midlothian and Edinburgh City, and our phone number – **03000 999 247** – says everything about our service.

By early 2011, we'll have extended our service to all local businesses and householders. We know these are new worlds, especially for our sector, but we're not afraid of them – we can't wait to get there. Our launch has been exciting in itself, but it's the journey that we have started...

To quote Peter Hayman in his introduction to this report, **FAB**.

# MISSION CONTROL

## Mission Data

### HOUSING EARTHLINGS

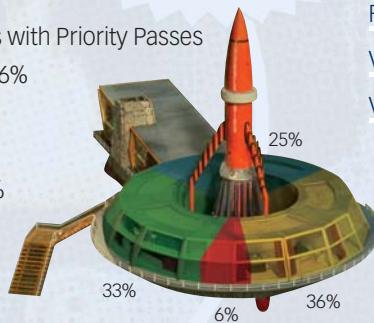
86% of all our allocations were made to Priority Pass holders, who account for just under 16% of Registered applicants. On average, we received 84 applications for each home we advertised as available to let.

As at 31 March 2010, our housing register had:

3,175 live Registrations  
71 Registrations 'on hold'

458 Applicants with Priority Passes

Gold Plus 36%  
Gold 6%  
Silver 33%  
Bronze 25%



Last year, we created 138 new tenancies

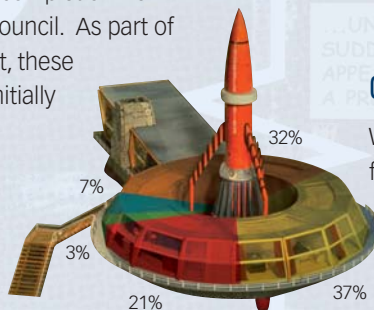
51 (37%) were allocated to Gold Plus or Gold Priority Pass holders

29 (21%) were allocated to Silver Priority Pass holders

4 (3%) were allocated to Bronze Priority Pass holders

8 (7%) were allocated to applicants with no Priority Pass

The remaining 46 (32%) were new homes that we bought on completion from East Lothian Council. As part of this agreement, these homes were initially allocated by the Council.



### OTHER IMPORTANT DATA

In general, our performance remains good, but we are concerned about rising rent arrears. We only carried out 1 eviction last year (for rent arrears). We are pleased with our repairs performance, but have missed two of our targets, albeit slightly. We hope R3's performance in the coming year will address this.

	Target	Actual
Rent Arrears	2.6%	3.3%
Void Period*	21 days	18 days
Void Loss*	0.75%	0.7%

\*The 'void' period is the time between a tenancy ending and a new one starting – i.e. any period where a house is empty and we are not receiving any rent for it.

Repairs Completed on time:

	Target	Actual
Overall	93%	96%
Emergency (2 hours)	98%	98%
Urgent (3 days)	95%	97%
Routine (10 days)	95%	96%
Satisfaction with the repairs service	95%	94%
Gas services carried out on time	100%	99%

### COMPLAINTS

We are pleased to report a record low number of formal complaints - just three for the whole year, down from nine the previous year.

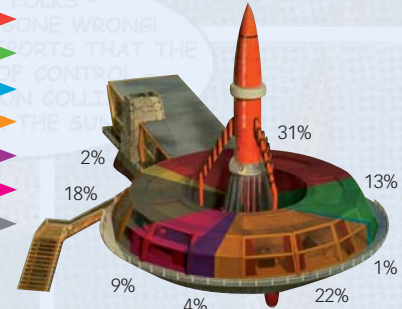
We managed to resolve all of them first time, on time. FAB.

# JEFF TRACY'S FINANCIAL ACCOUNTS

## YEAR ENDING 31 MARCH 2010

Income	£
Rents and Service Charges	3,835,599
Sale of Properties	64,806
Interest Receivable	24,142
Other Activities	367,917
<b>TOTAL INCOME</b>	<b>4,292,464</b>

Expenditure	£
Services	105,838
Management & Maintenance Administration	1,313,183
Reactive Maintenance	563,950
Bad Debts	26,566
Planned and Cyclical Maintenance	917,949
Housing Depreciation	148,650
Other Activities	362,749
Interest Payable	733,436
Surplus (Increase in reserves)	120,143
<b>TOTAL</b>	<b>4,292,464</b>



## FACTFILE:

Thunderbird 3 is a reusable, vertically launched SSTO (Single Stage To Orbit) spaceship used for space rescue and maintenance of Thunderbird 5. Thunderbird 3 is 87 m long, with a 7m wide body and a 24m span (including engines). The spacecraft uses chemical rockets for lift-off and boost, and an ion drive for propulsion while in space.