

KINGSRIDGE CLEDDANS HOUSING ASSOCIATION LIMITED
MANAGEMENT ACCOUNTS TO 31ST MARCH 2023

STATEMENT OF COMPREHENSIVE INCOME

ANNUAL BUDGET	ESTIMATE TO DATE	ACTUAL TO DATE	VARIANCE TO DATE
£	£	£	£
1,531,023 Revenue Income (1)	1,531,023	1,542,049	11,026
-1,180,283 Operating Costs (2)	-1,180,283	-1,142,703	37,580
350,740 OPERATING SURPLUS	350,740	399,346	48,606
0 Gain or Loss on Sales	0	0	0
1,859 Interest Received (3)	1,859	16,974	15,115
0 Interest Payable and Other Charges (3)	0	0	0
0 Other Finance Charges (3)	0	0	0
1,859	1,859	16,974	15,115
352,599 SURPLUS FOR YEAR	352,599	416,319	63,720
0 Actuarial Gain/(loss)	0	0	0
352,599	352,599	416,319	63,720

NOTES

- (a) Turnover is Rental, Factoring and Wider role income, Stage 3 and amortised grants. Analysis shown on page 2.
- (b) Operating Costs refer to each section's share of management expenses shown on page 5.

(1) **REVENUE INCOME**

	<u>Estimate</u>	<u>Actual</u>	<u>Variance</u>
	£	£	£
Rents	1,191,844	1,192,235	391
Service Charges	47,499	50,978	3,479
Voids	-12,393	-3,150	9,243
Management Fees	330	330	0
Wider Role (Fuel Poverty Grant)	0	0	0
Stage 3 Grants	25,000	22,914	-2,087
Grant Release from Deferred Income	278,743	278,743	0
	<u>1,531,023</u>	<u>1,542,049</u>	<u>11,026</u>

Budget had assumed voids at 1%, actual voids 0.25%

(2) **OPERATING COSTS**

Operating costs are (£33,259) lower than estimated, m/maint (£38,192) cyclical maint (£3,364), bad debts taken from bad debt provision (£12,393) stage 3 costs (£1,620). D/Day overspend £10,538, (s/charge overspend £4,429 funded by Homelink suspnse A/c, Boiler renewals overspend £7,343.

	<u>Estimated</u>	<u>Actual</u>	<u>Variance</u>
	£	£	£
Management/Maintenance Admin	462,755	420,706	42,049
Day to Day Maintenance	142,519	153,057	-10,538
Cyclical Maintenance	105,690	102,326	3,364
Major Repairs	30,000	37,343	-7,343
Stage 3 costs	22,727	21,107	1,620
Bad Debts -Other	0	0	0
Wider Action	0	0	0
Factoring	330	330	0
Service Charges	46,549	50,978	-4,429
Bad Debts -Rented	12,393	-463	12,856
Depreciation on Land & Buildings	357,320	357,320	0
	<u>1,180,283</u>	<u>1,142,703</u>	<u>37,580</u>

(3) **INTEREST RECEIPTS AND PAYMENTS AND OTHER FINANCE CHARGES**

Interest receipts higher than budget due to funds transferred to better deposit rates.

- BOS £200k @ 2% 1 year fixed 23.06.22 (£4k)
- BOS £200k @ 2% 1 year fixed 28.06.22 (£4k)
- BOS £200k @ 2.3% 1 year fixed 26.09.23 (£4.6k)
- BOS £200k @ 2.6% 1 year fixed 14.11.23 (£5.2k)
- BOS £200k @ 2.95% 9 months fixed 13.09.23 (£3,378)
- Nationwide 18 month deposit April 2022 has £251,005 at a rate of 0.85%.

All Loans are repaid.

(4) **MOVEMENT IN SURPLUS**

Actual results to date demonstrate a surplus to date at £416,319
Budget was £352,599

STATEMENT OF FINANCIAL POSITION

ANNUAL BUDGET	<u>Non Current Assets</u>	£
12,280,286	Housing Properties	12,190,187
3,346	Other Non Current Assets	20,273
12,283,632		12,210,460
	<u>Current Assets</u>	
50,839	Debtors	58,248
1,655,993	Cash at Bank and in Hand	2,050,852
1,706,832		2,109,100
171,909	<u>Creditors</u> Amounts falling due within one year	226,028
1,534,923	Net Current Assets :	1,883,072
13,818,555	Total Assets less Current Liabilities	14,093,531
	<u>Creditors</u> Amounts falling due after one year	
0	Loans	0
19,202	Pension Deficit	0
	<u>Deferred Income</u>	
7,824,692	Housing Grants	7,962,871
5,974,661		6,130,660
	<u>Capital and Reserves</u>	
		£
71	Share Capital	69
5,974,590	Revenue Reserve	6,130,592
5,974,661		6,130,660

COMMENTS (Balance Sheet Items)**(a) CAPITAL EXPENDITURE**

Spend for year £83,066 Kitchen Cleddans Court.
 Budget for Kitchen Contract is £175,000.
 Spend for year to date is £14,064 for Window/Door Contract Ladyloan 1.
 Budget for Window/ Door contract is £170,500.

(b) CASH

Estimated balance at 31st March was £1,655,993.

Cash at period end is £2,050,852. Cash higher (£394,859) due to delay Window Door Contract (£156,436), Kitchen Contract (£91.934) and improved cash resources at start of year and improved trading results to date.

(c) FURNITURE AND EQUIPMENT

Expenditure to date £1,675. Budget £5,000.
 Directors Office Furniture (£1540)
 H/M Office Equipment (£135)

RENT ARREARS (net)**(d)**

Oct	£28,002	Jan	£38,197
Nov	£32,785	Feb	£40,223
Dec	£36,235	Mar	£19,155

The above figures are net of prepayments (£18,908).

The period end figure includes former tenant arrears of £4,507 and Housing benefit arrears £6721 (last quarter £5,623).

Current Technical Arrears (£)	6721	18 %
Current Non Technical Arrears(£)	26835	70 %
Former Tenant Arrears (£)	4507	12 %
Total Gross Arrears (£)	38063	

Total Rent Arrears%	38063/1243213	3.06 %
Non Technical Arrears%	26835/1243213	2.16 %
Former Tenant Arrears %	4507/1243213	0.36 %
Current Technical Arrears%	6721/1243213	0.54 %

(f) **DEBTORS**

	£
Sundry Debtors	25,812
Bad Debt Provision (Rent)	-13,408
Bad Debt Provision (General)	-1,920
Rent Arrears	38,063
Tenants Suspense	5,544
Suspense Court Fees	544
Homelink	3,404
Suspense Insurance	209
	<u>58,248</u>

(g) **CREDITORS**

	£
Sundry Creditors	104,624
Care Provider	81,198
Rent in advance	18,908
Suspense Service Charges	19,613
Common Charges	1,685
	<u>226,028</u>

(h) **CREDITORS-long term**

	£
Loans	0
Pension Deficit	0
	<u>0</u>

MANAGEMENT EXPENSES

<u>ANNUAL BUDGET</u>	<u>ESTIMATED TO DATE</u>	<u>ACTUAL TO DATE</u>	<u>VARIANCE TO DATE</u>
<u>STAFF COSTS</u>			
£	£	£	£
252,694 Salaries (1)	252,695	220,380	32,315
25,122 Pensions (1)	25,121	17,711	7,410
600 Expenses	600	211	389
24,824 Services (2)	24,824	16,068	8,756
303,240	303,240	254,370	48,870
<u>ESTATE COSTS</u>			
357,320 Housing Property Depreciation	357,320	357,320	0
12,393 Bad Debts (3)	12,393	-463	12,856
5,100 Bank Charges-Housing	5,100	5,612	-512
17,183 Insurance-Housing Stock (4)	17,183	19,391	-2,208
4,000 Legal Fees-Housing	4,000	1,782	2,218
142,519 Reactive Maintenance (5)	142,519	153,057	-10,538
105,690 Cyclical Maintenance (6)	105,690	102,326	3,364
30,000 Major Repairs (7)	30,000	37,343	-7,343
22,727 Stage 3 Costs	22,727	21,107	1,620
46,549 Service Charges (8)	46,549	50,978	-4,429
743,481	743,481	748,453	-4,972
<u>OVERHEADS</u>			
17,977 Advertising (9)	12,977	7,717	5,260
10,262 Audit Fee	10,262	10,232	30
510 Bank Charges	510	521	-11
7,104 Depreciation	7,104	5,540	1,564
4,682 General Expenses (10)	4,682	6,282	-1,600
5,118 Heat,Light,Cleaning	5,118	5,884	-766
11,000 Insurance	11,000	10,545	455
21,669 Office Equipment Maintenance	21,669	18,203	3,466
1,000 Office Maintenance (11)	1,000	1,985	-985
7,300 Printing/Stationery (12)	7,300	9,129	-1,829
2,800 Postage	2,800	2,010	790
4,680 Professional Fees (13)	4,680	9,250	-4,570
19,785 Rent/Rates	19,785	20,437	-652
1,500 Seminars/Training (14)	1,500	5,716	-4,216
15,025 Subscriptions (15)	15,025	11,541	3,484
0 Staff Recruitment (16)	5,000	8,554	-3,554
3,150 Telephones	3,150	2,592	558
133,562	133,562	136,138	-2,576
<u>OTHER OPERATING COSTS</u>			
0 Wider Role (17)	0	2782	-2,782
0 Tenant Participation (18)	0	960	-960
0	0	3,742	-3,742
1,180,283 TOTAL MANAGEMENT EXPENSES	1,180,283	1,142,703	37,580

COMMENTS (Management Expenses)

- (1) Salaries- Pensions- Costs lower as Director retiring was not reflected in budget, also Finance Manager no longer contributing to pension scheme.
- (2) Services- Costs lower as no external Maintenance and lower Finance services.
- (3) Bad Debts- Costs written off lower than budget.
- (4) Insurance Housing Stock- Costs higher due to increase in premiums and scale uplift (9.1%)
- (5) Reactive Maintenance- Higher reactive maintenance costs due to higher void repairs and increased materia
- (6) Cyclical- Costs lower for Gas servicing, Shared owners costs transferred for Gas Maint. Legionella Testing costs higher than budget. Roof Anchor costs higher than budget as 37-45 Lochgoin Ave roof Anchors not in budget as 5 year Electrical checks not carried out until Kitchen Contract completed (£3240).

	£ Estimate	£ Actual
Gas servicing	35505	32896
Legionella Testing	1000	2694
Gutter Cleaning	10600	10033
External Painterwork	39460	38705
Grass Cutting	12049	12805
Roof Anchors	1100	2544
5 year Electrical Checks	5976	2650
	105690	102326

- (7) Major Reps- Boiler replacements higher than budget.

	£ Estimate	£ Actual
Boiler Replacements	30000	37343
	30000	37343

- (8) Service Charges - Costs higher than budget , but will be offset from Homelink Suspense A/c
- (9) Advertising- Costs lower than budget due to only 2 Newsletters in year.
- (10) General Exps- Costs higher than budget, budget did not include Director's Retiral/Long Service Award, additional donations, costs higher for safety wear and water cooler charges.
- (11) Office Maintenance - Costs higher due to work carried out in Directors Office.
- (12) Printing & Stationery- Costs higher due to printing of SST agreements, equality monitoring forms and freepost envelopes not in budget and higher costs for letterheads.
- (13) Professional Fees- Costs higher as Life Cycle costings and Data Protection Consultancy fees not in budget.
- (14) Seminars & Training - Costs higher due to additional Staff Training not in budget.
- (15) Subscriptions- Costs lower due to difference in timing in budget.
- (16) Staff Recruitment- Costs higher due to EVH costs for Director Job advert over budget.
- (17) Wider Role- Costs for Joint Investing application Community Links not in budget.
- (18) Tenant Participation- Costs for Tenant satisfaction survey not included in budget.

KINGSRIDGE CLEDDANS HOUSING ASSOCIATION LTD

FINANCIAL PERFORMANCE ANALYSIS

PEER GROUP - GENERAL 250 - 1000 UNITS

	Budget to 31st Mar 2023 12 months	Actual to 31st Mar 2023 12 months
GROSS SURPLUS/(DEFICIT) %	22.91%	25.9%
NET SURPLUS/(DEFICIT) %	23.03%	27.0%
RENT ARREARS % (net)	3.29%	1.98%
VOIDS %	1.00%	0.25%
BAD DEBTS %	1.00%	-0.04%
STAFF COSTS/TURNOVER %	19.40%	15.5%
MANAGEMENT COSTS PER UNIT	1585	1441
REACTIVE MAINTENANCE COSTS PER UNIT	488	524
PLANNED MAINTENANCE COSTS PER UNIT	465	478
OVERHEADS/TURNOVER %	5.00%	8.47%
HOUSING DEBT PER UNIT (£)	£ -	£ -
NET DEBT PER UNIT (£)	-5,671	-7,023
GEARING %	-27.7%	-33.5%