

Landlord Name:	Trust Housing Association Ltd
RSL Reg No.:	143
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Approval

A1.1	Date approved	21/09/2023
A1.2	Approver	Zoe Purdie
A1.3	Approver job title	Director of Finance & People

STATEMENT OF COMPREHENSIVE INCOME

	Current Year	Prior Year
	£'000	£'000
Turnover	36,427.0	34,224.0
Operating costs	(34,103.0)	(31,816.0)
Gain/(loss) on disposal of property, plant and equipment	(195.0)	(152.0)
Exceptional items	0.0	0.0
Operating surplus/(deficit)	2,129.0	2,256.0
Share of operating surplus/(deficit) in joint ventures and associates	0.0	0.0
Interest receivable	19.0	0.0
Interest payable	(1,630.0)	(1,046.0)
Other financing (costs)/income	0.0	0.0
Release of negative goodwill	0.0	0.0
Movement in fair value of financial instruments	0.0	0.0
Decrease in valuation of housing properties	0.0	0.0
Reversal of previous decrease in valuation of housing properties	0.0	0.0
Total	(1,611.0)	(1,046.0)
Surplus/(deficit) before tax	518.0	1,210.0
Tax (payable)/recoverable	0.0	0.0
Surplus/(deficit) for the year	518.0	1,210.0
Actuarial (loss)/gain in respect of pension schemes	(1,168.0)	2,428.0
Change in fair value of hedged financial instruments	0.0	0.0
Total comprehensive income for the year	(650.0)	3,638.0

STATEMENT OF CHANGES IN EQUITY

	Share capital	Revenue reserve Restricted fund	Revenue reserve Unrestricted fund	Restricted reserve	Revaluation reserve
	£'000	£'000	£'000	£'000	£'000
Balance at end of the previous year	0.0	0.0	38,159.0	112.0	0.0
Opening balance adjustments	0.0	0.0	(524.0)	0.0	0.0
Issue of shares	0.0	0.0	0.0	0.0	0.0
Cancellation of shares	0.0	0.0	0.0	0.0	0.0
Surplus/(deficit) from statement of comprehensive income	0.0	0.0	(645.0)	(5.0)	0.0
Transfer from revaluation reserve to revenue reserve	0.0	0.0	0.0	0.0	0.0
Transfer of restricted expenditure from unrestricted reserve	0.0	0.0	0.0	0.0	0.0
Balance at end of the current year	0.0	0.0	36,990.0	107.0	0.0

	Total excluding non-controlling interest	Non-controlling interest	Total including non-controlling interest
	£'000	£'000	£'000
Balance at end of the previous year	38,271.0	0.0	38,271.0
Opening balance adjustments	(524.0)	0.0	(524.0)
Issue of shares	0.0	0.0	0.0
Cancellation of shares	0.0	0.0	0.0
Surplus/(deficit) from statement of comprehensive income	(650.0)	0.0	(650.0)
Transfer from revaluation reserve to revenue reserve	0.0	0.0	0.0
Transfer of restricted expenditure from unrestricted reserve	0.0	0.0	0.0
Balance at end of the current year	37,097.0	0.0	37,097.0

STATEMENT OF FINANCIAL POSITION

	Current Year	Prior Year
	£'000	£'000
Non-current assets		
Intangible assets and goodwill	0.0	0.0
Housing properties - NBV	160,503.0	155,040.0
Negative goodwill	0.0	0.0
Net housing assets	160,503.0	155,040.0
Non-current investments	0.0	0.0
Other plant, property and equipment	3,199.0	3,229.0
Investments in joint ventures and associates	0.0	0.0
Total non-current assets	163,702.0	158,269.0
Receivables due after more than one year	0.0	0.0
Current assets		
Investments	0.0	0.0
Stock and work in progress	0.0	0.0
Trade and other receivables due within one year	1,522.0	1,811.0
Cash and cash equivalents	4,764.0	23,973.0
Total current assets	6,286.0	25,784.0
Payables: amounts falling due within one year	(6,349.0)	(8,533.0)
Deferred income: amounts falling due within one year		
Scottish housing grants (SHG)	(3,707.0)	(3,675.0)
Other grants	0.0	0.0
Total deferred income: amounts falling due within one year	(3,707.0)	(3,675.0)
Net current assets/(liabilities)	(3,770.0)	13,576.0
Total assets less current liabilities	159,932.0	171,845.0
Payables: amounts falling due after more than one year	(41,092.0)	(52,253.0)
Provisions	(210.0)	(225.0)
Pension asset/(liability)	(1,168.0)	0.0
Deferred income: amounts falling due after more than one year		
Scottish housing grants (SHG)	(80,365.0)	(81,096.0)
Other grants	0.0	0.0
Total deferred income: amounts falling due after more than one year	(80,365.0)	(81,096.0)
Total long term liabilities	(122,835.0)	(133,574.0)
Net assets	37,097.0	38,271.0
Capital and reserves		
Share capital	0.0	0.0
Revaluation reserves	0.0	0.0
Restricted reserves	107.0	112.0
Revenue reserves	36,990.0	38,159.0
Total reserves	37,097.0	38,271.0

STATEMENT OF CASH FLOWS

	Current Year	Prior Year
	£'000	£'000
Net cash inflow/(outflow) from operating activities	3,330.0	4,100.0
Tax (paid)/refunded	0.0	0.0
<u>Cash flow from investing activities</u>		
Acquisition and construction of properties	(11,622.0)	(9,244.0)
Purchase of other non-current assets	(509.0)	(408.0)
Sales of properties	0.0	0.0
Sales of other non-current assets	0.0	0.0
Capital grants received	3,099.0	4,000.0
Capital grants repaid	0.0	0.0
Interest received	19.0	0.0
Net cash inflow/(outflow) from investing activities	(9,013.0)	(5,652.0)
<u>Cash flow from financing activities</u>		
Interest paid	(1,585.0)	(1,046.0)
Interest element of finance lease rental payment	0.0	0.0
Share capital received/(repaid)	0.0	0.0
Funding drawn down	7,000.0	25,350.0
Funding repaid	(18,941.0)	(2,142.0)
Early repayment and associated charges	0.0	0.0
Capital element of finance lease rental payments	0.0	0.0
Withdrawal from deposits	0.0	0.0
Net cash inflow/(outflow) from financing activities	(13,526.0)	22,162.0
Net change in cash and cash equivalents	(19,209.0)	20,610.0
Cash and cash equivalents at end of the previous year	23,973.0	3,363.0
Cash and cash equivalents Opening balance adjustment	0.0	0.0
Cash and cash equivalents at end of the current year	4,764.0	23,973.0

Particulars of turnover, operating costs and operating surplus or deficit – Current Year

	Turnover	Operating Costs	Operating Surplus/(Deficit)
	£'000	£'000	£'000
Affordable letting activities	34,257.0	(31,736.0)	2,521.0
Other activities	2,170.0	(2,367.0)	(197.0)
Total	36,427.0	(34,103.0)	2,324.0

Particulars of turnover, operating costs and operating surplus or deficit – Prior Year

	Turnover	Operating Costs	Operating Surplus/(Deficit)
	£'000	£'000	£'000
Affordable letting activities	32,220.0	(29,834.0)	2,386.0
Other activities	2,004.0	(1,982.0)	22.0
Total	34,224.0	(31,816.0)	2,408.0

Particulars of turnover, operating costs and operating surplus or deficit from affordable letting activities

	General Needs Social Housing	Supported Social Housing Accommodation	Shared Ownership Housing	Other	Current Year Total	Prior Year Total
	£'000	£'000	£'000	£'000	£'000	£'000
Rent receivable	5,242.0	16,516.0	107.0	0.0	21,865.0	21,151.0
Service charges	471.0	9,026.0	0.0	0.0	9,497.0	8,595.0
Gross income	5,713.0	25,542.0	107.0	0.0	31,362.0	29,746.0
Voids	(46.0)	(811.0)	0.0	0.0	(857.0)	(1,103.0)
Net income	5,667.0	24,731.0	107.0	0.0	30,505.0	28,643.0
Grants released from deferred income	0.0	0.0	0.0	0.0	0.0	0.0
Revenue grants from Scottish Ministers	1,408.0	2,342.0	2.0	0.0	3,752.0	3,577.0
Other revenue grants	0.0	0.0	0.0	0.0	0.0	0.0
Total turnover: letting	7,075.0	27,073.0	109.0	0.0	34,257.0	32,220.0
Management and maintenance administration costs	(1,880.0)	(12,413.0)	(26.0)	0.0	(14,319.0)	(14,190.0)
Service costs	(668.0)	(6,008.0)	0.0	0.0	(6,676.0)	(5,194.0)
Planned maintenance	(404.0)	(825.0)	0.0	0.0	(1,229.0)	(1,738.0)
Reactive maintenance	(1,014.0)	(2,541.0)	(3.0)	0.0	(3,558.0)	(2,764.0)
Bad debts written (off)/back	(35.0)	0.0	0.0	0.0	(35.0)	(143.0)
Depreciation: housing	(1,806.0)	(4,109.0)	(4.0)	0.0	(5,919.0)	(5,805.0)
Impairment	0.0	0.0	0.0	0.0	0.0	0.0
Operating costs	(5,807.0)	(25,896.0)	(33.0)	0.0	(31,736.0)	(29,834.0)
Operating surplus/(deficit)	1,268.0	1,177.0	76.0	0.0	2,521.0	2,386.0
Prior Year						
Total turnover: letting	6,791.0	25,284.0	145.0	0.0		
Operating costs	(6,290.0)	(23,481.0)	(63.0)	0.0		
Operating surplus/(deficit)	501.0	1,803.0	82.0	0.0		

Particulars of turnover, operating costs and operating surplus or deficit from other activities

	Grants from Scottish Ministers	Other revenue grants	Supporting people income	Other income	Total turnover	Other operating costs	Current Year Operating surplus/(deficit)	Prior Year Operating surplus/(deficit)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Wider role	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Care and repair	22.0	0.0	0.0	0.0	22.0	0.0	22.0	27.0
Investment property activities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Factoring	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Support activities	0.0	0.0	1,998.0	0.0	1,998.0	(2,313.0)	(315.0)	(70.0)
Care activities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Contracted out services undertaken for RSLs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Contracted out services undertaken for others	0.0	0.0	0.0	47.0	47.0	0.0	47.0	42.0
Developments for sale to RSLs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Developments for sale to non-RSLs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Uncapitalised development administration costs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other activities	0.0	0.0	0.0	103.0	103.0	(54.0)	49.0	23.0
Current Year Total	22.0	0.0	1,998.0	150.0	2,170.0	(2,367.0)	(197.0)	
Prior Year Total	27.0	2.0	1,853.0	122.0	2,004.0	(1,982.0)	22.0	

ANALYSIS - UNITS

	General Needs Social Housing	Supported Social Housing Accommodation	Shared Ownership Housing	Other	Current Year Total	Prior Year Total
Units owned and managed at year end	1,336	2,335	32	0	3,703	3,664
Units managed, not owned at year end	0	0	0	0	0	0
Units owned, not managed at year end	72	0	0	0	72	72
Units held for demolition at year end	0	0		0	0	0
Total units owned / managed	1,408	2,335	32	0	3,775	3,736

COST PER UNIT - Current Year

	General Needs Social Housing	Supported Social Housing Accommodation	Shared Ownership Housing	Other	Total
Management & maintenance administration	£1,335	£5,316	£812	-	£3,793
Planned maintenance	£287	£353	£0	-	£326
Reactive maintenance	£720	£1,088	£94	-	£943
Total direct maintenance	£1,007	£1,442	£94	-	£1,268
Total management & maintenance	£2,342	£6,758	£906	-	£5,061

COST PER UNIT - Prior Year

	General Needs Social Housing	Supported Social Housing Accommodation	Shared Ownership Housing	Other	Total
Management & maintenance administration	£1,488	£5,187	£1,114	-	£3,798
Planned maintenance	£438	£488	£0	-	£465
Reactive maintenance	£657	£799	£29	-	£740
Total direct maintenance	£1,095	£1,287	£29	-	£1,205
Total management & maintenance	£2,583	£6,474	£1,143	-	£5,003

SUPPLEMENTARY ITEMS

	Current Year	Prior Year
	£'000	£'000
Chief Executive emoluments excluding pension contributions	139.0	135.0
Total key management personnel emoluments	1,139.0	997.0
Total staff costs	13,661.0	12,648.0
External auditors' fees – audit	19.0	23.0
External auditors' fees – other	0.0	0.0
Capitalised maintenance costs	4,683.0	5,983.0
Capitalised development administration costs	0.0	0.0
Capitalised interest costs	0.0	0.0
Accumulated depreciation	102,049.0	100,663.0
Receivables - gross rental	645.0	
Receivables – bad debt provision	(311.0)	(374.0)
Receivables - net rental	334.0	389.0
Total Pension deficit recovery payments due	0.0	518.0
Housing loans due within one year	1,390.0	2,259.0
Housing loans due after more than one year	41,092.0	52,253.0
Other loans due within one year	0.0	0.0
Other loans due after more than one year	0.0	0.0
Overdraft / bridging finance	0.0	0.0
Intra-group loans due within one year	0.0	0.0
Intra-group loans due after more than one year	0.0	0.0
Intra-group lending	0.0	0.0
Intra-group receivables (trading)	0.0	0.0
Other intra-group payables (trading)	0.0	0.0

CONTEXTUAL INFORMATION

Accounting year end	March	
Date financial statements authorised	31/07/2023	
Are the financial statements qualified?	No	
Were there any emphasis of matter points raised in the audit report?	No	
External auditors' name	Anderson, Anderson & Brown LLP	
Number of years since a full procurement exercise was undertaken for the external auditor	2	
Internal auditors' name	BDO	
Number of years since a full procurement exercise was undertaken for the internal auditor	2	
Do you have an Audit Committee?	Yes	
Do you have a Treasury Management Strategy?	Yes	
How do you account for capital grant income?	Accruals method	
Calendar year of last housing asset revaluation	N/A	
Contingent liabilities	Legal action	<input type="checkbox"/>
	LSVT contract compliance	<input type="checkbox"/>
	Pension	<input type="checkbox"/>
	Repayment of SHG	<input type="checkbox"/>
	Other	<input checked="" type="checkbox"/>
	None	<input type="checkbox"/>
SHAPS financial assessment risk rating	Low	
Are you appealing this risk rating?	No	
How many staff members not currently contributing to any scheme?	200	
Staff Pension Schemes		
Which scheme(s) are you members of?	How many participating members in each scheme?	
SHAPS CARE 80th	0	
SHAPS CARE 120th	0	
SHAPS DC	122	
Employee Personal Pension Plan	4	
The People's Pension	348	

SUBSIDIARIES AND CONNECTED ORGANISATIONS

SUBSIDIARIES

Subsidiary name		Subsidiary status during Financial year	Accounts status	Subsidiary company Turnover £'000	Subsidiary company Operating surplus/(deficit) £'000	Subsidiary company Net assets £'000
Trust Enterprises Limited		Active	Audited	364.0	100.0	2.0

SUBSIDIARIES AND CONNECTED ORGANISATIONS
SUBSIDIARIES

Subsidiary name	Subsidiary status during Financial year	Accounts status	Subsidiary company Turnover £'000	Subsidiary company Operating surplus/(deficit) £'000	Subsidiary company Net assets £'000



CONNECTED ORGANISATIONS

RATIOS

	Current Year	Prior Year	Prior Year Sector Median
Financial capacity			
Interest cover	211.3%	392.0%	532.3%
Gearing	101.7%	79.8%	47.9%
Efficiency			
Voids	2.7%	3.7%	0.9%
Gross arrears	2.1%	2.7%	3.9%
Net arrears	1.1%	1.4%	1.9%
Bad debts	0.1%	0.5%	0.4%
Staff costs / turnover	37.5%	37.0%	21.1%
Key management personnel / staff costs	8.3%	7.9%	14.5%
Turnover per unit	£9,650	£9,161	£5,458
Responsive repairs to planned maintenance ratio	1.7	2.8	1.7
Liquidity			
Current ratio	0.6	2.1	2.1
Profitability			
Gross surplus / (deficit)	5.8%	6.6%	18.7%
Net surplus / (deficit)	1.4%	3.5%	12.7%
EBITDA / revenue	9.2%	6.1%	29.4%
EBITDA exc. deferred grant	9.2%	6.1%	19.0%
Financing			
Debt burden ratio	1.2	1.6	1.9
Net debt per unit	£9,992	£8,174	£7,102
Debt per unit	£11,254	£14,591	£10,687
Diversification			
Income from non-rental activities-	16.3%	16.3%	17.6%

Comments

Page	Field	Comment
SOCI	Interest payable	increase in interest rates
SOCI	Actuarial (loss)/gain in respect of pension schemes	as per TPT valuation
SOCE	Opening balance adjustments - Funds & reserves	Pension
SOCE	Opening balance adjustments - Non-controlling interest & Totals	pension reserve
SOCE	Surplus/(deficit) from statement of comprehensive income - Non-controlling interest & Totals	The reduction is due to the recognition of the pension deficit as per TPT valuation at year end
SOFP	Payables: amounts falling due after more than one year	Over 1 year loan balance
SOCF	Acquisition and construction of properties	Included 2 new build developments
SOCF	Funding repaid	£22m loan secured in Mar 22 was used to repay other loans
Analysis - Affordable Lettings	Voids	lower post covid and additional organisational focus to reduce
Analysis - Affordable Lettings	Service costs	increased heat with rent and communal energy costs
Analysis - Affordable Lettings	Planned maintenance	difficulties in supply of materials and contractor availability has reduced the amount we have been able to undertake. Previous year also included £250k remedial works provision
Analysis - Affordable Lettings	Reactive maintenance	post Covid catch up in early months and overall higher costs for materials and labour
Analysis - Affordable Lettings	Bad debts written (off)/back	bad debts overall lower during year resulting in reduced write offs
Analysis - Other Activities	Support activities	Additional costs for agency covering staff who were still isolating due to covid
Analysis - Other	Other activities	This is the surplus on our Happy to Translate service

Page	Field	Comment
Activities		- income is from memberships and cost is for the employee who runs the service
Supplementary Items	Capitalised maintenance costs	reduction in spend due to new build projects
Supplementary Items	Receivables - gross rental	focus on arrears recovery during year
Supplementary Items	Receivables - bad debt provision	lower provision due to lower arrears
Supplementary Items	Total Pension deficit recovery payments due	pension deficit payments ceased in Sept 22 - £518k paid during year
Supplementary Items	Housing loans due within one year	refinancing of debt in Mar23 allowed repayment of some loans with longer dated finance
Supplementary Items	Housing loans due after more than one year	Blend loan was in place at Mar 23 but wasn't drawn down and used to pay off other debts until April 23